

SINO RESOURCES
神州資源



ANNUAL REPORT **2012** 年報

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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors:

Geng Ying (Chairman)
Gao Feng (Vice-Chairman)
Chiu Sui Keung (Chief Executive Officer)

Independent Non-executive Directors:

Cheng Wing Keung, Raymond
Lam Williamson
Wong Hoi Kuen

AUDIT COMMITTEE

Lam Williamson (Chairman)
Cheng Wing Keung, Raymond
Wong Hoi Kuen

REMUNERATION COMMITTEE

Lam Williamson (Chairman)
Cheng Wing Keung, Raymond
Chiu Sui Keung

NOMINATION COMMITTEE

Cheng Wing Keung, Raymond (Chairman)
Lam Williamson
Wong Hoi Kuen

COMPANY SECRETARY

Chow Chi Fai

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 2502, 25/F, 9 Queen's Road Central,
Central, Hong Kong

REGISTERED OFFICE

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

PRINCIPAL BANKERS

China Construction Bank
Bank of Communications

AUDITORS

HLB Hodgson Impey Cheng
Chartered Accountants
Certified Public Accountants
31/F., Gloucester Tower, The Landmark,
11 Pedder Street, Central, Hong Kong

SHARE REGISTRAR

Tricor Tengis Limited
26/F., Tesbury Centre,
28 Queen's Road East, Hong Kong

LEGAL ADVISERS

Li & Partners
22/F., World Wide House, Central,
Hong Kong

STOCK CODE

00223

董事會

執行董事：

耿瑩 (主席)
高峰 (副主席)
趙瑞強 (行政總裁)

獨立非執行董事：

鄭永強
林全智
黃海權

審核委員會

林全智 (主席)
鄭永強
黃海權

薪酬委員會

林全智 (主席)
鄭永強
趙瑞強

提名委員會

鄭永強 (主席)
林全智
黃海權

公司秘書

周志輝

香港主要營業地點

香港中環皇后大道中
9號25樓2502室

註冊辦事處

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

主要來往銀行

中國建設銀行
交通銀行

核數師

國衛會計師事務所
英國特許會計師
香港執業會計師
香港中環畢打街11號
置地廣場告羅士打大廈31字樓

股份登記處

卓佳登捷時有限公司
香港皇后大道東28號
金鐘匯中心26樓

法律顧問

李偉斌律師樓
香港中環環球大廈22樓

股份代號

00223

Sino Resources Group Limited (carrying on business in Hong Kong as Sino Gp Limited) (stock code: 223) is principally engaged as sales agent to introduce potential exhibitors for exhibitions and trade shows with related ancillary services in Hong Kong as well as investing in the resources and energy related sector.

The Group has been managing the following businesses:

TRADE SHOWS AND EXHIBITION OPERATION

The Hong Kong International Toys & Gifts Shows and the Asian Gifts Premium & Household Products Show ("Mega Shows Part 1 & 2") have been concurrently held at Hong Kong Convention and Exhibition Centre ("HKCEC") in October every year. The Mega Shows Part 1 & 2 are the most important sourcing exhibition for the gifts, housewares, premiums and toys industries in the Asia-Pacific regions.

UNCONVENTIONAL GAS BUSINESS

Apart from the exhibition business, the Group has endeavored to explore new source of revenue from unconventional gas industry.

Last year, the Group has acquired 51% equity interest of Sino Giants Group Limited ("Sino Giants"), together with Multi Century Technology Development Limited and Multi Century Energy Technology (Beijing) Limited ("Multi Century (BJ)") (the "Sino Giants Group"). Sino Giants Group engages in technical consulting and operational services such as unconventional gas well drilling, completion and production stimulation for exploration and development work, as well as in import of technical equipment for the unconventional gas industry in the PRC.

The Heilongjiang Unconventional Gas R&D Centre, with its opening ceremony on 8 July 2011 in Harbin, represents a strong cooperation between the professional coal geology exploration team from the province and the overseas unconventional gas experts, symbolizing a breakthrough of the technological bottle-neck and the creation of a brand new coal-bed methane business chain in Heilongjiang.

The investment will enable the Group enter into the PRC unconventional gas market, so as to explore a new income source through the expansion.

神州資源集團有限公司 (以Sino Gp Limited名稱在香港經營業務) (股票編號：223) 主要業務為於香港擔任銷售代理以為展覽及貿易展覽會介紹潛在參展商並提供相關配套服務，以及投資於資源及能源相關行業。

本集團管理以下之業務：

展覽會業務

香港國際玩具及禮品展及亞洲贈品及家居用品展 (「亞洲展覽盛事第一及第二部份」) 於每年十月在香港會議展覽中心同時舉辦。亞洲展覽盛事第一及第二部份屬亞太地區最重要的禮品、家具、贈品及玩具業採購展覽會。

非常規天然氣業務

除展覽業務外，本集團亦致力拓展非常規天然氣業務，發掘新收入來源。

去年，本集團已收購Sino Giants Group Limited (「Sino Giants」)，連同創紀科技發展有限公司及創紀傑仕能源科技(北京)有限公司 (「創紀傑仕(北京)」) (「Sino Giants集團」) 之51%股權。Sino Giants集團從事技術顧問及運作服務，如非常規天然氣鑽井、完井及壓井增產勘探及開發工程、以及向中國非常規天然氣行業輸入技術設備等。

黑龍江省非常規氣工程研發中心 (其於二零一一年七月八日在哈爾濱開幕) 乃來自省的專業煤炭地質勘探隊與海外非常規天然氣專家之間的強大合作，象徵著技術瓶頸的突破及在黑龍江省創造一個全新的煤層氣業務鏈。

是項投資使本集團得以涉足中國非常規天然氣市場，藉著擴充現有業務而發掘新收入來源。

Corporate Profile

公司簡介

COAL TRADING BUSINESS

The Group has been conducting coal trading business in the Northeast region (mainly in the Heilongjiang province) and the Northwest region of the PRC.

The Group completed the subscription of 100% equity interest of Wealthy Wing Limited (“Wealthy Wing”), together with Western Spark Investments Limited and 55% equity interest of Heilongjiang Derong Coal Industrial Co., Ltd (“Derong”) (the “Wealthy Wing Group”) on 30 November 2011 and Wealthy Wing Group subsequently became a member of the Group. Wealthy Wing Group engages in trading of coal in the PRC.

Except for the acquisition of Wealthy Wing, the Company has a proposed acquisition of Hubei Tiegang Tading Company Limited (“Tiegang Acquisition”) which is also engaged in coal trading business. The Tiegang Acquisition is expected to be completed in a short period time.

These investments will provide the Group with a solid platform for the further business development in the energy and resources sector in the PRC.

煤炭買賣業務

本集團已在中國東北地區（主要在黑龍江省）及西北地區開展煤炭買賣業務。

本集團於二零一一年十一月三十日完成收購富永有限公司（「富永」）的100%股權，連同西星投資有限公司及黑龍江德融煤業有限公司（「德融」）的55%股權（「富永集團」），而德融集團隨後成為本集團的成員。富永集團在中國從事煤炭買賣業務。

除收購富永外，本公司建議收購湖北鐵港貿易有限公司（「鐵港收購事項」），該公司亦從事煤炭買賣業務。預計鐵港收購事項將在短期內完成。

此等投資將為本集團提供在中國進一步發展能源及資源行業之堅實平台。

Financial Highlights

財務摘要

		2012 二零一二年 HK\$' 000 港幣千元	2011 二零一一年 HK\$' 000 港幣千元	2010 二零一零年 HK\$' 000 港幣千元	2009 二零零九年 HK\$' 000 港幣千元	2008 二零零八年 HK\$' 000 港幣千元
Operating Performance		經營狀況				
Continuing operations	持續經營業務					
Turnover	營業額	136,648	82,368	87,374	213,440	213,795
Loss from operating activities	經營業務虧損	(38,376)	(35,184)	(40,607)	(50,247)	(2,230)
Discontinued operations	已終止經營業務					
(Loss)/profit for the year from discontinued operations	本年度來自已終止經營業務之(虧損)/溢利	–	–	(797,129)	106,805	–
(Loss)/profit attributable to owners of the Company	本公司擁有人應佔(虧損)/溢利	(34,145)	(34,458)	(837,736)	56,558	(7,174)
Financial Position		財務狀況				
Total assets	資產總值	242,803	120,951	194,633	1,394,262	1,172,409
Cash reserves	現金儲備	15,816	90,379	5,514	51,540	67,839
Total bank borrowings	銀行借貸總額	18,414	–	–	–	–
Net cash reserves	現金儲備淨額	(2,598)	90,379	5,514	51,540	67,839
Shareholders' funds	股東資金	(219,926)	(261,214)	(303,620)	607,096	179,440

Chairman's Statement

主席報告

Dear Valued Shareholders,

On behalf of the Board, I am pleased to report the Group's audited annual results for the financial year ended 31 March 2012.

During the year, the Group has successfully completed the Wealth Wing Group acquisition to develop a coal trading platform, formed the strategic cooperation with Heilongjiang Coal Geology Bureau ("Heilongjiang CG Bureau") and further streamlined its exhibition business. The Group has achieved to diversify its revenue base and redirect its focus on the more appealing energy and resources industry.

ACHIEVEMENTS IN 2012

Coal Trading Business

The Group has successfully completed the Wealth Wing Group acquisition on 30 November 2011. Wealth Wing Group is principally engaged in trading of coal in Northeast region (mainly Heilongjiang Province) in the PRC, and its geographical coverage has extended to the Northwest region since early 2012 which stems from the management team's business connections. Despite delayed completion and capital injection, Wealth Wing Group has been generating considerable revenue recently and is expected to compensate for the potential decrease in revenue from the streamlined exhibition business. The Wealth Wing Group acquisition enables the Group to establish a coal trading platform for further business development in the energy industry.

Complementary to the Wealth Wing Group acquisition, the Group entered into the Sale & Purchase Agreement in connection with the Tiegang Acquisition on 31 March 2012. Tiegang is principally engaged in coal trading and transportation business in the Northwest region of the PRC. In light of abundant coal reserve in Xinjiang and huge demand for coal in Gansu and other provinces in Eastern China, Tiegang was set up to bridge the demand-supply gap by building up a coal trading and transportation channel across Xinjiang and Gansu. Tiegang leverages on the geographical advantage of Jiayuguan (嘉峪關) in Gansu which is one of the major transportation hubs in the PRC, it has put the concept of "Jiang Coal to Gan" (疆煤入甘) into practice and will explore the opportunity of realizing "West-to-East Coal Transmission" (西煤東送) to extend its sales network and geographical coverage. The Board considers that the Tiegang Acquisition shall benefit the Group's existing coal trading business and strengthen the Group's market position in the Northwest region.

Unconventional Gas Business

Unconventional gas industry is highly supported by the PRC Government as one of the emerging industries under the "12th 5-year plan", in line with the PRC Government's development strategies and enjoys tax benefits. Though China has abundant unconventional gas resources, it lacks skilled manpower and advanced technology and equipment to explore and develop unconventional gas. On top of the Group's coal trading platform, the Board continues to develop its unconventional gas business by formation of strategic cooperation with the Heilongjiang CG Bureau, the collaboration extends from R&D, technology consulting to service provision.

The unconventional gas business has effectively enhanced the Group's business profile and created competitive advantages over the Group's rivals in the energy sector.

尊敬的各位股東：

本人代表董事會欣然報告本集團截至二零一二年三月三十一日止財政年度之經審核年度業績。

於本年度，本集團成功完成富永集團收購事項，以發展煤炭買賣平台、與黑龍江省煤田地質局（「黑龍江煤田地質局」）締結策略合作關係及進一步精簡其展覽會業務。本集團已達致多元化其收入基礎，並將其專注點轉移至更吸引人能源及資源行業。

二零一二年的成就

煤炭買賣業務

本集團已於二零一一年十一月三十日成功完成富永集團收購事項。富永集團主要在中國東北地區（主要為黑龍江省）從事煤炭買賣業務，而其地理覆蓋範圍自二零一二年初以來已擴大至西北地區，這源於管理隊伍的業務關係。儘管延遲完成及注資，富永集團最近已產生可觀收入，並預計可補償經精簡展覽業務收入之潛在減少。富永集團收購事項使本集團能夠建立能源產業進一步業務發展的煤炭交易平台。

為補充富永集團收購事項，本集團於二零一二年三月三十一日就鐵港收購事項訂立買賣協議。鐵港主要在中國西北地區從事煤炭買賣及運輸業務。鑑於新疆之豐富煤炭儲量及甘肅與中國東部其他省份煤炭的巨大需求，鐵港成立，以透過建立橫跨新疆及甘肅之煤炭買賣及運輸通道，彌合供求缺口。鐵港充分利用甘肅嘉峪關之地理優勢，嘉峪關乃中國的主要交通樞紐之一，其將「疆煤入甘」的概念付諸實踐，並將探討機會實現「西煤東運」，以擴大其銷售網絡及地域覆蓋。董事會認為，鐵港收購事項將有利於本集團之現有煤炭買賣業務，並增強本集團在西北地區的市場地位。

非常規天然氣業務

非常規天然氣行業受到中國政府高度支持，並為中國其中一個獲「第十二個五年計劃」支持的新興行業，符合中國政府發展策略及享有稅務優惠。雖然中國擁有豐富之非常規天然氣資源，但缺少熟練工人及先進之技術與設備，以探索及開發非常規天然氣。利用本集團之煤炭交易平台，董事會繼續透過與黑龍江煤田地質局締結策略合作，發展其非常規天然氣業務，有關合作由研發延伸至提供技術諮詢服務。

非常規天然氣業務有效地增強本集團之業務概況，並創造較本集團在能源領域之競爭對手更具競爭力之優勢。

Trade Shows and exhibition operation

The Group has further streamlined its exhibition business by entering into a sales agency agreement with Kenfair Exhibition (Hong Kong) Limited upon expiry of the previous Master Project Management Agreement on 5 April 2012.

Despite its steady contribution to the Group's revenue, under today's volatile economic environment and inflationary pressure, the exhibition business is facing more intense competition, lower profit margin and unappealing growth prospects. The entering into of the sales agency agreement is in line with the Group's growth strategies which is to re-allocate its resources onto energy and resources related businesses.

FUTURE PROSPECT AND GROWTH STRATEGIES

When Europe is in the midst of recession and the United States is facing a moderate recovery, the PRC remains to be the only country enjoying sustainable economic growth amid its GDP growth rate slightly down to 7.5% for 2012. The PRC government's development plans in 2012/2013, including encouragement of internal consumption and continued support to the new energy sector, are expected to be in favour of the Group's overall business development given its PRC-based business operations and its focus in the energy and resources sector.

The Board will use its best endeavours to enhance revenue mix, improve operational efficiency and maximizing profit margin of the Group by implementation of appropriate growth and cost control strategies.

CONCLUSION

In light of the volatile economic environment and signs of slowdown of PRC's economic growth, it is expected that the financial year ending 31 March 2013 will be a challenging year to the Group's overall business development. The Board will seek to maintain a sustainable growth for the Group's existing businesses and explore inorganic growth opportunities in the energy and resources industry at the same time.

On behalf of the Board, I would like to take this opportunity to express my gratitude to all shareholders and business partners for their continuous encouragement and support. The Board will continue to strive for improving the Group's results and maximizing shareholders' return in the forthcoming financial year.



Geng Ying
Chairman

28 June 2012, Hong Kong

展覽會業務

本集團透過於二零一二年四月五日（於先前主項目管理協議屆滿後）與建發展覽（香港）有限公司訂立銷售代理協議，進一步精簡其展覽業務。

儘管展覽業務為本集團之收入帶來穩定之貢獻，惟在當今動盪之經濟環境及通脹壓力下，展覽業面臨更加激烈之競爭，利潤率較低及缺乏吸引力之增長前景。訂立銷售代理協議符合本集團將其資源重新分配至能源及資源相關業務之增長戰略。

未來前景及增長策略

當歐洲處於經濟衰退及美國正面臨溫和復甦之時，中國之國內生產總值增長率於二零一二年微降至7.5%，惟仍然為唯一享有可持續經濟增長之國家。鑒於本集團之業務營運以中國為基地及專注於能源及資源領域，中國政府於二零一二年／二零一三年之發展計劃（包括鼓勵國內消費，並繼續支持新能源領域）預計有利於本集團之整體業務發展。

董事會將透過實施適當之增長及成本控制策略，盡最大努力改善收入組合、提高運營效率及將本集團之利潤率最大化。

總結

鑒於動盪之經濟環境及中國之經濟增長出現放緩之跡象，預計截至二零一三年三月三十一日止財政年度將為本集團整體業務發展充滿挑戰之一年。董事會將尋求保持本集團之現有業務之可持續增長，同時探索能源及資源行業之外延式增長機會。

藉此機會，本人謹代表董事會對全體股東及業務夥伴的不斷鼓勵及支持致以衷心謝意。董事會於未來財政年度將繼續竭力改善本集團之業績及將股東回報最大化。



主席
耿瑩

香港，二零一二年六月二十八日

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

Sino Resources Group Limited (the “Company”, together with its subsidiaries, the “Group”) will continue to focus its business on the resources and energy related sector as well as on being the sales agent of exhibitions, trade fairs and provision of ancillary service.

1. COAL TRADING BUSINESS

The Group entered into a sale and purchase agreement on 8 August 2011, pursuant to which the Group proposed to acquire the entire issued share capital of Wealthy Wing, which in turn, owns 55% of Derong. Derong is principally engaged in trading of coal in Northeast and Northwest region of PRC, which has entered into a strategic cooperation agreement with a PRC business partner who will coordinate and assist in the sale of coal from Derong. The acquisition was completed on 30 November 2011.

On 31 March 2012, the Company entered into a sale and purchase agreement in relation to the Tiegang Acquisition. Tiegang is principally engaged in coal trading and transportation business in the Northwest region of the PRC, its business shall create synergy to Derong's coal trading business and enhance the Group's geographical coverage. The long stop date for Tiegang Acquisition has been extended to 31 July 2012 but completion shall take place within a short period of time in the next financial year.

The distribution of consideration shares issued under the acquisition of Wealthy Wing Group is subject to a consideration adjustment (“Consideration Adjustment”) mechanism based on Derong's results throughout the three years ending 31 December 2013. As detailed in the Company's announcement dated 5 April 2012, due to the delay in completion of acquisition and injection of RMB4,400,000 (equivalent to HK\$5,500,000) initial capital, Derong's results for the period from the completion date (i.e. 30 November 2011) up to 31 December 2011 (“First Year”) was far less than the First Year Consideration Adjustment of RMB15,000,000. To save administrative cost, it has been agreed that no consideration share will be delivered to the vendor for the First Year and the First Year Consideration Adjustment will be rolled over to next year.

The Board considers that the Group's coal trading business segment shall become the main source of revenue for the Group in the next financial year. With the Derong and Tiegang Acquisitions, the Group will be able to participate in the fast-growing coal trading industry in the PRC, which provides a solid platform for the Group's further business development in the energy and resources sector.

業務回顧

神州資源集團有限公司（「本公司」，連同其附屬公司稱「本集團」）將繼續專注其資源及能源相關業務，以及展覽、貿易展覽會之銷售代理及提供配套服務之業務。

1. 煤炭買賣業務

本集團於二零一一年八月八日訂立買賣協議，據此，本集團建議收購富永之全部已發行股本，而富永擁有德融55%權益。德融主要在中國東北及西北地區從事買賣煤炭之業務，並已與一中國業務夥伴訂立策略性合作協議，該業務夥伴將協調及協助銷售德融之煤炭。收購事項於二零一一年十一月三十日完成。

於二零一二年三月三十一日，本集團就鐵港收購事項訂立買賣協議。鐵港主要在中國西北地區從事煤炭買賣及運輸之業務，其業務將為德融之煤炭買賣業務帶來協同效應，並提高本集團之地區覆蓋。鐵港收購事項之最後截止日期已延遲至二零一二年七月三十一日，但完成將於短期內發生於下個財政年度。

根據收購富永集團事項所發行之對價股份之分配受一項對價調整（「對價調整」）機制所規限，該機制基於德融截至二零一三年十二月三十一日止三個年度之業績。誠如本公司於二零一二年四月五日所發表之公佈所詳述，由於收購事項延遲及注入人民幣4,400,000元（相等於5,500,000港元）首期資本，德融於完成日期（即二零一一年十一月三十日）至二零一一年十二月三十一日期間（「首年」）之業績遠少於首年對價調整人民幣15,000,000元。為節省行政費用，經同意於首年將不會向賣方交付對價股份，而首年對價調整將滾至下年。

董事會認為本集團之煤炭買賣業務分部於未來財政年度將成為本集團之主要收入來源。憑藉德融及鐵港收購事項，本集團將能夠參與中國快速增長之煤炭買賣行業，其為本集團未來能源及資源領域業務發展提供堅實平台。

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2. TRADE SHOWS AND EXHIBITION OPERATION

During the year under review, the Group acted as show manager of the “Mega Shows Part 1 & 2” held in October 2011 successfully. However, the London Asia Expo was temporarily terminated from this year.

The performance of the Group's exhibition business is deteriorated for the year ended 31 March 2012 due to lower profit margin and intense competition. Revenue from exhibition business dropped from HK\$82,368,000 to HK\$69,480,000 whilst segment results for exhibition business reduced from HK\$11,359,000 to HK\$9,788,000 comparing to the last financial year ended 31 March 2011.

The Master Project Management Agreement with Group Idea International Limited (“Group Idea”) was expired on 5 April 2012. On the same date, the Company (through its subsidiary) entered into a sales agency agreement (“Agency Agreement”) with Kenfair Exhibition (Hong Kong) Limited (“Kenfair Exhibition (HK)”) in replacement of renewal of the Master Project Management Agreement, pursuant to which Kenfair Exhibition (HK) will be the show manager for all exhibitions and trade shows organised by Group Idea.

Pursuant to the Agency Agreement, the Company will act as the sales agent for Kenfair Exhibition (HK) to (i) identify and introduce potential exhibitors for Mega Shows Part 1 & 2 to be held in October 2012; (ii) provide all marketing and promotions in respect of the Mega Shows at its own expenses; and (iii) follow up on all matters concerning the exhibitors. The Company receives from Kenfair Exhibition (HK) 15% commission fee on the revenue of every booth secured by the Company.

The Board intends to further streamline the exhibition business and reallocate its resources onto energy and resources related businesses.

3. UNCONVENTIONAL GAS BUSINESS

The Group has close collaboration with Heilongjiang CG Bureau in connection with its unconventional gas business.

The Group (through its subsidiary) and Heilongjiang CG Bureau entered into a service contract on 5 June 2011, pursuant to which the Group will provide coalbed methane (“CBM”) stimulation technology consulting and operation services. On 8 July 2011, both parties proudly pronounced the grand opening of the Heilongjiang Unconventional Gas R&D Centre (the “Centre”) in Harbin, which has further strengthened the strategic cooperation between the parties in the exploration and development of unconventional gas in the PRC.

Heilongjiang CG Bureau has been conducting CBM exploration work in cities including Hegang (鶴崗), Jixi (雞西) and Yilan (依蘭) within the Heilongjiang Province; well drilling, completion and other testing work are in progress. The estimated CBM resources are huge in these cities, which is approximately 34.7 billion for Hegang, 79.9 billion for Jixi and 9.3 billion for Yilan regarding CBM resources within 2,000m underground. The Group expects to commence stimulation work once the specialized equipments are transported to the PRC and installed at the sites.

2. 展覽會業務

於回顧年度，本集團成功地擔任於二零一一年十月舉辦之「亞洲展覽盛事第一及第二部份」之展覽經理。然而，倫敦亞洲博覽會自本年度起暫時終止。

截至二零一二年三月三十一日止年度，由於利潤率較低及競爭激烈，本集團展覽業務之表現變差。展覽業務之收入由82,368,000港元下降至69,480,000港元，而展覽業務之分部業績由截至二零一一年三月三十一日止上個財政年度之11,359,000港元減少至9,788,000港元。

與Group Idea International Limited (「Group Idea」) 訂立之主項目管理協議於二零一二年四月五日屆滿。於同日，本公司(透過其附屬公司)與建發展覽(香港)有限公司(「建發展覽(香港)」)訂立銷售代理協議，以取代更新主項目管理協議，據此，建發展覽(香港)將出任所有由Group Idea舉辦之展覽會及貿易展覽會之展覽經理。

根據代理協議，本公司將為建發展覽(香港)擔任銷售代理，藉以：(i)為將於二零一二年十月舉行之亞洲展覽盛事第一及第二部份物色及介紹潛在參展商；(ii)就亞洲展覽盛事提供全部市場推廣及宣傳工作，費用由其自行承擔；及(iii)跟進所有涉及參展商之事宜。就每個由本公司所促成之展會攤位，本公司向建發展覽(香港)收取收入之15%佣金。

董事會擬進一步精簡展覽業務，並將其資源重新分配至能源及資源相關業務。

3. 非常規天然氣業務

本集團就其非常規天然氣業務與黑龍江煤田地質局密切合作。

本集團(透過其附屬公司)與黑龍江煤田地質局於二零一一年六月五日訂立服務合約，據此，本集團將提供煤層氣(「煤層氣」)壓井增產技術諮詢及作業服務。於二零一一年七月八日，雙方均自豪地宣布黑龍江省非常規氣工程研發中心(「中心」)在哈爾濱隆重開幕，此舉進一步加強雙方在中國非常規天然氣勘探及發展方面之策略性合作。

黑龍江省煤田地質局一直在黑龍江省各個城市(包括鶴崗、雞西及依蘭)進行煤層氣勘探工作；鑽井、完井及其他測試工作正在進行中。估計此等城市之煤層氣資源巨大，在地下2,000米以內，就煤層氣資源而言，鶴崗約有347億立方米、雞西約有799億立方米及依蘭約有93億立方米。本集團預期一旦專用設備運至中國及於各場地安裝完畢，將開始壓井增產工作。

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4. DISCONTINUED PROJECTS

Regarding the brown coal upgrading project of which the subscription agreement was signed on 14 June 2011, the Group has not further extended the long stop date of this acquisition and the subscription agreement lapsed on 31 December 2011.

In relation to the memorandum of understanding dated 2 December 2011 ("MOU") entered into for the proposed acquisition of Baiyin Xinhua Cement Company Limited, upon negotiations on the terms and conditions of the acquisition, the Company has decided not to proceed with the acquisition and has mutually agreed with all other parties to the MOU to terminate the MOU effective from 2 April 2012.

Notwithstanding the above, the Company would continue exploring suitable investment opportunities in the energy and resources sectors.

5. LITIGATION OF THE GROUP AND THE COMPANY IN HONG KONG

Detail of the litigation of the Group and the Company as at 31 March 2012 were set out in Note 41 to the consolidated financial statements.

RESULTS ANALYSIS

For the year ended 31 March 2012, the Group recorded turnover of HK\$136,648,000 (2011: HK\$82,368,000), representing an increase of 65.9% over last year. It is arisen from trade shows and exhibition operation of HK\$69,480,000 (2011: HK\$82,368,000) and coal trading business of HK\$67,168,000 (2011: HK\$ Nil). The increase in turnover was mainly due to the acquisition of Wealthy Wing Group and contributed the coal sale revenue to the Group, which represents 49.2% of total turnover, from the date of completion (i.e. 30 November 2011) to 31 March 2012. This is a new business segment shall become the main source of revenue for the Group in the future.

For the year ended 31 March 2012, the Group recorded a loss attributable to shareholders of approximately HK\$34,145,000 (2011: HK\$34,458,000); basic loss per share was approximately HK\$3 cents (2011: HK\$3 cents). This has included some non-cash items: (i) imputed interest expense of HK\$14,920,000 (2011: HK\$13,502,000) on convertible notes under finance costs; (ii) fair value loss on derivative financial assets of HK\$1,673,000 (2011: HK\$Nil) and fair value gain on derivate financial liabilities of HK\$567,000 (2011: HK\$Nil) in relation to the acquisition of Wealthy Wing Group; and (iii) fair value on share-based payment of HK\$Nil (2011: HK\$8,366,000).

4. 已終止項目

關於褐煤改造項目(其認購協議於二零一一年六月十四日簽訂)，本集團並無進一步延遲是項收購之最後截止日期，而認購協議於二零一一年十二月三十一日失效。

就於二零一一年十二月二日訂立之內容有關建議收購白銀市新華水泥有限公司之諒解備忘錄(「諒解備忘錄」)而言，經按收購事項之條款及條件磋商後，本公司已決定不進行收購事項，並已與諒解備忘錄之其他各方互相同意終止諒解備忘錄，並自二零一二年四月二日起生效。

儘管上述者，本公司將繼續探索能源及資源行業之合適投資機會。

5. 本集團與本公司於香港之訴訟事宜

本集團與本公司之訴訟直至二零一二年三月三十一日之詳情載於綜合財務報表附註41。

業績分析

截至二零一二年三月三十一日止年度，本集團錄得營業額136,648,000港元(二零一一年：82,368,000港元)，相當於較去年增加65.9%。其產生自展覽會業務69,480,000港元(二零一一年：82,368,000港元)及煤炭買賣業務67,168,000港元(二零一一年：零港元)。營業額增加主要由於收購富永集團及自完成日期(即二零一一年十一月三十日)起至二零一二年三月三十一日止為本集團帶來煤炭銷售收入(其相當於總營業額之49.2%)所致。此為新業務分部，並於日後將成為本集團之主要收入來源。

截至二零一二年三月三十一日止年度，本集團錄得股東應佔虧損約34,145,000港元(二零一一年：34,458,000港元)；每股基本虧損約為3港仙(二零一一年：3港仙)。此包括若干非現金項目：(i)融資成本下可換股票據之推算利息費用14,920,000港元(二零一一年：13,502,000港元)；(ii)就收購富永集團而言，衍生金融資產之公平值虧損1,673,000港元(二零一一年：零港元)及衍生金融負債之公平值收益567,000港元(二零一一年：零港元)；及(iii)以股份支付之支出之公平值零港元(二零一一年：8,366,000港元)。

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PROSPECT AND OUTLOOK

Despite the European debt crisis and uncertainties of global economic development, the Group will use its best endeavors to improve its operating results in the next financial year. While the Group will continue adopting cost reduction strategies to improve its operating margin, it will also keep redirecting its business focus to energy and resources related businesses which are of higher growth potentials.

The Group will focus on the coal trading and unconventional gas business in the coming future. As result of the European debt crisis, the economy environment in China is definitely being affected. Despite the coal price is decreasing recently in the PRC, the Board believes that it would not have material effect to the Group. The decrease in coal price will be strengthened the bargaining power of the Group to negotiate with the suppliers. As such, the profit margin on coal trading still has a room for improvement and it expects the revenue from coal trading will be increasing in the next financial year. The Board expected the coal trading business will be contributed more revenue after completion of the Tiegang Acquisition in a short period time.

For the unconventional gas business, the testing and installation of machinery will be started and completed on the 3rd to 4th quarter of 2012. Revenue from the unconventional gas will be generated in the next financial year and become new source of revenue to the Group.

The Group will continue to explore investment opportunities in the resources and energy related sector to achieve inorganic growth, on top of its existing unconventional gas and coal trading business platform.

FINANCIAL REVIEW

CAPITAL STRUCTURE

On 28 September 2011, the Company has successfully placed 30,000,000 shares of HK\$0.01 each at a placing price of HK\$0.36 for a total consideration, before expenses, of HK\$10,800,000. At the same date, the Company issued 230,000,000 unlisted warrants at an issue price of HK\$0.01 per warrant. The total consideration of warrants received, before expenses, approximately HK\$2,300,000. Each warrant entitles the holder thereof to subscribe for one ordinary share of HK\$0.01 each at a subscription price of HK\$0.39 per share, payable in cash and subject to adjustment from the date of issue of the warrants to the expiry, which is 36 months from the issue of the warrants.

Without taking into account the exercise of the subscription rights attaching to the warrants, the gross proceeds from the placement of shares and warrants are approximately HK\$13,100,000. Approximately HK\$5,500,000 is used as initial capital injection to Derong and the remaining proceeds will be utilised by the Group as its general working capital.

前景及展望

儘管歐洲債務危機及全球經濟發展不明朗，惟本集團將竭盡全力改善其下個財政年度之經營業績。雖然本集團將採取成本削減策略以改善其營運利潤率，惟其亦會保持將其業務重點放在具有較高增長潛力之能源及資源相關業務。

本集團日後將專注於煤炭買賣及非常規天然氣業務。由於歐洲債務危機，中國之經濟環境無疑正受到影響。儘管於中國近期煤炭價格呈下降趨勢，惟董事會相信，不會對本集團產生重大影響。本集團與供應商進行磋商之議價能力得到增強，從而獲得較低購買價。因此，煤炭買賣之利潤率仍有改善空間，並預期煤炭買賣之收入於下個財政年度將逐漸增加。董事會預期煤炭買賣業務於短期內完成鐵港收購事項後將貢獻更多收入。

就非常規天然氣業務而言，機器測試及安裝將於二零一二年第三至第四季度開始及完成。來自非常規天然氣之收入於下個財政年度將產生，並成為本集團新的收入來源。

本集團利用其現有非常規天然氣及煤炭交易業務平台，將繼續探尋資源與能源相關行業之投資機會，以取得外延式增長。

財務回顧

資本架構

於二零一一年九月二十八日，本公司成功按每股0.36港元之配售價配售30,000,000股每股面值0.01港元之股份，就此所涉及之總代價（於扣除費用前）為10,800,000港元。於同日，本公司按每份認股權證0.01港元之發行價發行230,000,000份非上市認股權證。已收到之認股權證總代價（於扣除費用前）約為2,300,000港元。每份認股權證賦予其持有人權利可於認股權證發行日期起至屆滿之日（其為自認股權證發行日期起36個月）按每股0.39港元之認購價認購一股每股面值0.01港元之普通股，須以現金支付，並可作出調整。

無計及認股權證所附帶之認購權之行使，配售股份及認股權證之所得款項總額約為13,100,000港元。約5,500,000港元被用作德融之首期注資額，而餘下所得款項將由本集團用作一般營運資金。

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LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group derived its working capital mainly from internal cash flow from operating activities, share and warrants placement and shareholder's loan.

As at 31 March 2012, deficit on shareholders' funds of the Group aggregately amounted to HK\$219,926,000 (2011: HK\$261,214,000). As at 31 March 2012, the Group's assets-liabilities ratio (total liabilities to total assets) was approximately 1.91 times (2011: 3.16 times). Net current liabilities of the Group amounted to approximately HK\$313,658,000 (2011: HK\$118,430,000). Current assets of the Group was approximately HK\$148,594,000 (2011: HK\$116,459,000), of which fixed deposits, cash and bank balances amounted to approximately HK\$15,816,000 (2011: HK\$90,379,000). As at 31 March 2012, trade receivables were approximately HK\$71,212,000 (2011: HK\$22,000). Significantly increase was due to the result of acquisition of Wealthy Wing Group and all the outstanding balances as at 31 March 2012 represented from the coal trading business. The following items with an aggregate amount of HK\$333,692,000 (2011: HK\$320,354,000), which are included in current liabilities and non-current liabilities, are related to the legal proceedings with Mr. Hung in the High Court of Hong Kong (the "High Court"): (i) HK\$158,600,000 (2011: HK\$158,600,000) was consideration payable for the acquisition of Wealth Gain Global Investment Limited and its subsidiary; (ii) HK\$15,358,000 (2011: HK\$14,478,000) was the shareholder's loan plus interest from Mr. Hung; and (iii) convertible notes of HK\$157,014,000 (2011: HK\$142,094,000), and respective deferred tax liabilities of HK\$2,720,000 (2011: HK\$5,182,000 under non-current liabilities). The Board considers that the liquidity of the Group is good enough for the year ended 31 March 2012 and the Group would be turned to net assets position to HK\$113,766,000 (2011: HK\$59,140,000) if removal of (i) to (iii). Details refer to Notes 28, 29, 33 and 34 of the consolidated financial statements.

As at 31 March 2012, the Group's gearing ratio (total debts to total equity) was 89.7% (2011: 72.9%).

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND ANY RELATED HEDGES

The Group's sales and purchase are mainly transacted in Hong Kong dollar and Renminbi and the books are recorded in Hong Kong dollar. Therefore, it may be exposed to foreign exchange risk. However in view of the stable currency policies adopted by the PRC government, the directors consider that the foreign exchange risk is insignificant.

The Group currently has no foreign exchange rate hedging policy in respect of commercial transactions denominated in foreign currencies. However, the directors monitor exchange rate exposure regularly and will consider hedging significant exchange rate exposure when necessary.

PLEDGE OF ASSETS OF THE GROUP

No pledge of assets of the Group as at 31 March 2012.

流動資金、財務資源及資本架構

本集團營運業務的資金主要來自經營活動所得之內部現金流量、配售股份及認股權證及股東貸款。

於二零一二年三月三十一日，本集團之股東資金虧絀合共219,926,000港元（二零一一年：261,214,000港元）。於二零一二年三月三十一日，本集團之資產負債比率（以總負債對比總資產）則約為1.91倍（二零一一年：3.16倍）；本集團淨流動負債約為313,658,000港元（二零一一年：118,430,000港元）；流動資產約為148,594,000港元（二零一一年：116,459,000港元），其中約15,816,000港元為定期存款、現金及銀行結餘（二零一一年：90,379,000港元）。於二零一二年三月三十一日，應收賬款約為71,212,000港元（二零一一年：22,000港元）。大幅增加主要由於收購富永集團，而於二零一二年三月三十一日之所有尚未償還結餘均來自煤炭買賣業務。下列項目合共333,692,000港元（二零一一年：320,354,000港元）計入流動負債及非流動負債，此乃與洪先生於香港高等法院（「高等法院」）之法律程序有關：(i) 158,600,000港元（二零一一年：158,600,000港元）乃收購富盈環球投資有限公司及其附屬公司之應付代價；(ii) 15,358,000港元（二零一一年：14,478,000港元）乃來自洪先生之股東貸款連利息；及(iii) 可換股票據157,014,000港元（二零一一年：142,094,000港元）以及相應之遞延稅項負債2,720,000港元（二零一一年：5,182,000港元計入非流動負債）。董事會認為，本集團之流動資金對截至二零一二年三月三十一日止年度相當足夠，倘若撇除(i)至(iii)項，本集團淨資產狀況將為113,766,000港元（二零一一年：59,140,000港元）。有關詳情載於綜合財務報表附註28、29、33及34。

本集團於二零一二年三月三十一日槓桿比率（以債務總額對權益總額）為89.7%（二零一一年：72.9%）。

匯率波動風險及任何有關對沖

本集團銷售及購貨主要以港幣及人民幣進行交易，而簿冊則以港元記錄。因此，可能會面臨一定的外匯風險。不過，鑒於中國政府採取穩定之貨幣政策，故董事認為外匯風險並不重大。

本集團現時並無就以外幣為單位之商業交易設有外幣匯率對沖政策。然而，董事會就匯率風險作定期的監察，並將於有需要時考慮對沖重大匯率風險。

資產抵押

本集團於二零一二年三月三十一日並無任何資產抵押。

Management Discussion and Analysis

管理層討論及分析

CONTINGENT LIABILITIES

Details of contingent liabilities as at 31 March 2012 were set out in Note 41 to the consolidated financial statements.

DIVIDEND

The Board of the Company does not recommend any payment of final dividend to shareholders for the year ended 31 March 2012 (2011: Nil).

OTHER EVENTS

EMPLOYEES AND REMUNERATION POLICY

As at 31 March 2012, the Group had a total of 53 employees (2011: 38) in Hong Kong and the PRC. All employees are remunerated according to their performance, experience and the prevailing industry practices.

The Group also participates in retirement benefit schemes for its staff in Hong Kong and the PRC. It adopted a new share option scheme on 8 October 2010, with options to be granted to employees at the discretion of the Board. Except 1,300,000 share options were lapsed, 58,700,000 share options are remained outstanding as at 31 March 2012.

MATERIAL ACQUISITION AND DISPOSAL

On 30 November 2011, the Company duly completed the acquisition of the Wealthy Wing Group at a consideration of HK\$69,929,000. Wealth Wing Group is principally engaged in trading of coal in Northeast and Northwest region of the PRC. Please refer to Note 40(a) of the consolidated financial statements for details.

The Group did not have material disposal for the year ended 31 March 2012.

MATERIAL RELATED PARTY TRANSACTIONS

Details of material related party transactions of the Group as at 31 March 2012 were set out in Note 44 to the consolidated financial statements.

SIGNIFICANT INVESTMENT

The Group did not hold any significant investment for the year ended 31 March 2012.

或然負債

本集團於二零一二年三月三十一日之或然負債詳情載於綜合財務報表附註41。

股息

本公司董事會不建議派發截至二零一二年三月三十一日止年度之末期股息(二零一一年：無)。

其他事宜

僱員及薪酬政策

於二零一二年三月三十一日，本集團於香港及中國共有53名員工(二零一一年：38名)。所有僱員之薪酬乃按照其工作表現、經驗及人力市場情況而釐定。

本集團亦為香港及中國員工參與退休福利計劃。自二零一零年十月八日起，本集團採納新購股權計劃。根據該計劃，董事會可酌情向員工授出購股權。截至二零一二年三月三十一日止，除1,300,000份購股權失效外，58,700,000份購股權仍未行使。

重大收購及出售

於二零一一年十一月三十日，本公司正式完成以代價69,929,000港元收購富永集團。富永集團要在中國東北及西北地區從事煤炭買賣業務。有關詳情，請參閱綜合財務報表附註40(a)。

截至二零一二年三月三十一日止年度，本集團並無重大出售事項。

重大關連人士交易

於二零一二年三月三十一日，本集團重大關連人士交易之詳情載於綜合財務報表附註44。

所持重大投資

本集團於截至二零一二年三月三十一日止年度並無持有任何重大投資。

Directors & Senior Management Profiles

董事及高級管理層簡介

EXECUTIVE DIRECTORS

Ms. GENG Ying, aged 72, was appointed as the chairman and an executive director of the Company on 1 August 2009. She has 11 years experience in mining industry and over 21 years experience in commercial business in the PRC and overseas. After her graduation from 地質學院中專(Geological Institute of Vocational Studies) in the PRC in 1961, Ms. Geng joined Beijing Geological Team. Equipped with extensive knowledge in geology, Ms. Geng had been exploring mines for ten years and gained extensive experience in mining and resources industries. Subsequently, she was transferred to work at 北京制藥研究所(Beijing Institute of Pharmaceutical) and 北京腫瘤醫院(Beijing Tumor Hospital). Ms. Geng was educated in 北京中醫學院(School of Chinese Medicine of Beijing) and became a healthcare doctor after attaining medical postgraduate qualification. Ms. Geng started her businesses in the PRC in late 1984, and she went to the United States of America ("USA") in 1986 for further development. She was the chairman of Hely Development Corporation in California, USA. Ms. Geng successfully acquired two manufacturing plants in Malaysia during the years from 1992 to 2001. Ms. Geng has gained over 20 years experience in commercial business in the PRC and overseas. Ms. Geng has all round talents and is a painter. Ms. Geng is also the chairman and the secretary general of the China Cultural Heritage Foundation, and she held public offices in the United Nations. Ms. Geng's father was one of the veterans of the Communist Party of the PRC, who was a principal leader in military, diplomatic and political fields of the PRC. Ms. Geng and her family have extensive and profound networks in political and economic fields in the PRC and overseas.

Mr. GAO Feng, aged 42, was appointed as the vice chairman and an executive director of the Company on 15 June 2009. He has extensive management experience in particular for PRC businesses for over 11 years, and has served various important roles in a couple of listed companies and sizable financial institutions. From February 2008 to May 2009, Mr. Gao was the executive director of China Infrastructure Investment Limited, a company whose shares are listed on the Stock Exchange (stock code: 600), in which he was responsible for fund management and investors relationship. From February 2006 to May 2007, he was also an executive director of Premium Land Limited, a company whose shares are listed on the Stock Exchange with a stock code of 164. Besides, Mr. Gao was the former president of North America for I.N.C. Financial Organization Ltd. and the former president of Asia-Pacific for Morgan Funding Organization. Mr. Gao holds a master's degree in business administration from Keuka College in New York.

Mr. CHIU Sui Keung, aged 45, was appointed as the chief executive officer and an executive director of the Company on 20 April 2009. Mr. Chiu has over 17 years' experience in the financial industry and accounting field. He has possessed extensive experience in corporate finance including initial public offerings, takeovers, mergers and acquisitions, fund raising and corporate advisory. Mr. Chiu graduated with a Bachelor's Degree in Commerce from the University of Melbourne, Australia and has obtained a Master's Degree in Applied Finance from Macquarie University in Sydney, Australia. He has also obtained a Diploma in Practices in Chinese Laws and Regulations Affecting Foreign Businesses jointly organized by Southwest University of Political Science and Law, the PRC and the Hong Kong Management Association. He is a member of CPA Australia and the American Institute of Certified Public Accountants and the fellow member of Hong Kong Institute of Certified Public Accountants. At present Mr. Chiu is an independent non-executive director of King Stone Energy Group Limited (stock code: 0663).

執行董事

耿璧女士，72歲，於二零零九年八月一日獲委任為本公司主席兼執行董事。彼擁有十一年礦業經驗及逾二十一年的國內外營商經驗。一九六一年於內地地質學院中專畢業後，耿女士加入北京地質隊。憑藉其豐富的地質學知識基礎，耿女士勘探礦山資源已達十年，累積了豐富的資源礦業經驗。隨後，耿女士先後被調任至北京制藥研究所及北京腫瘤醫院工作。耿女士於北京中醫學院接受教育，在取得醫學研究生的學歷後任職保健醫生。一九八四年底，耿女士開始於國內營商，直至一九八六年前往美利堅合眾國（「美國」）發展，耿女士曾任美國加州Hely Development Corporation董事長。一九九二年至二零零一年期間，耿女士成功收購馬來西亞兩家製造廠，耿女士累積逾二十年的國內外營商經驗。博學多才的耿女士還是一代女畫家，耿女士現任中國華夏文化遺產基金會理事長兼秘書長，亦曾擔任聯合國公職。耿女士的父親歷任中國軍事、外交及政治等領域的主要領導人，為中國共產黨元老之一，耿女士及其家族在國內外均擁有廣博而深遠的政經人脈網絡。

高峰先生，42歲，於二零零九年六月十五日獲委任為本公司副主席及執行董事。他擁有豐富管理經驗逾十一年（對中國業務尤其熟悉），並在多個上市公司及規模龐大之財務機構擔任若干重要職務。由二零零八年二月起至二零零九年五月，高先生曾為中國基建投資有限公司（一間其股份於聯交所上市之公司，（股份代號：600）之執行董事，負責基金管理以及投資者關係。由二零零六年二月起至二零零七年五月，彼亦曾為上海策略置地有限公司（一間其股份於聯交所上市之公司，股份代號164）之執行董事。此外，高先生曾為美國摩根家族金融財團之北美地區前總裁及摩根基金組織之亞太區前總裁。高先生持有紐約庫克大學工商管理碩士學位。

趙瑞強先生，45歲，於二零零九年四月二十日獲委任為本公司行政總裁及執行董事。趙先生於金融業及會計界具有十七年以上經驗，並於企業融資方面擁有豐富經驗，包括首次公開發售、收購、併購、集資及企業諮詢。趙先生畢業於澳洲墨爾本大學，持有商學士學位，並於澳洲悉尼麥格理大學取得應用金融碩士學位，另外取得由中國西南政法大學及香港管理專業協會合辦的影響外地商務之中國法律及法規實務文憑。彼乃澳洲會計師公會及美國註冊會計師協會之會員，以及香港會計師公會之資深會員。目前，趙先生是金山能源集團有限公司（股份代號：0663）之獨立非執行董事。

Directors & Senior Management Profiles

董事及高級管理層簡介

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. LAM Williamson, aged 37, was appointed as an independent non-executive director of the Company on 1 January 2011. Mr. Lam is a fellow member of The Hong Kong Institute of Certified Public Accountants and a member of the CPA (Australia). He holds a Bachelor of Business Degree from Monash University, Australia and a Master of Professional Accounting Degree from the Hong Kong Polytechnic University. Mr. Lam had held directorships and senior finance positions in various listed companies in Hong Kong. Mr. Lam was an executive director of Seamless Green China (Holdings) Limited (stock code: 8150) during the period from 2 October 2009 to 1 February 2010, an independent non-executive director of Victory Group Limited (stock code: 1139) during the period from 28 September 2004 to 10 September 2008 and China Post E-Commerce (Holdings) Limited (formerly known as Intcera High Tech Group Limited, stock code: 8041) during the period from 5 February 2007 to 7 May 2008 respectively, the shares of all the three aforementioned companies are listed on the Stock Exchange.

Mr. CHENG Wing Keung, Raymond, aged 52, was appointed as an independent non-executive director of the Company on 25 August 2007. Mr. Cheng is a solicitor practicing in Hong Kong and has over 22 years of experience in corporate, company secretarial and listing affairs. He is an associate member of The Institute of Chartered Secretaries and Administrators in United Kingdom and The Hong Kong Institute of Company Secretaries in Hong Kong. He holds a degree in laws in the University of London and a Master Degree in Business Administration in the University of Strathclyde, Scotland. Mr. Cheng was an independent non-executive director of Fortuna International Holdings Limited (stock code: 0530) from 27 September 2004 to 20 September 2006. At present, he is an independent non-executive director in two listed companies in Hong Kong: Skyfame Realty (Holdings) Limited (stock code: 0059) and Emperor Capital Group Limited (stock code: 0717).

Mr. WONG Hoi Kuen, aged 51, was appointed as an independent non-executive director of the Company on 9 May 2011. Mr. Wong is a practising certified public accountant in Hong Kong and a chartered accountant in the United Kingdom. Mr. Wong is a fellow member of both the Hong Kong Institute of Certified Public Accountants and the Association of Certified Public Accountants and an associate member of the Institute of Chartered Accountants in England and Wales. Mr. Wong has been an independent non-executive director, chairman of audit committee and a member of remuneration committee of China Gamma Group Limited (stock code: 164) since 13 February 2006.

COMPANY SECRETARY

Mr. CHOW Chi Fai, aged 41, who was appointed as the company secretary of the Company on 29 December 2008 and possess over 17 years of experience in accounting and finance field. Mr. Chow holds a bachelor's degree in Accountancy from the University of South Australia and is a member of the Hong Kong Institute of Certified Public Accountants.

獨立非執行董事

林全智先生，37歲，於二零一一年一月一日獲委任為本公司獨立非執行董事。林先生為香港會計師公會之資深會員及澳洲會計師公會之會員。彼持有澳洲蒙納殊大學商學士學位及香港理工大學專業會計學碩士學位。林先生曾於香港多間上市公司擔任董事及高級財務職位。林先生於二零零九年十月二日至二零一零年二月一日止期間曾出任無縫綠色中國(集團)有限公司(股份代號：8150)之執行董事、二零零四年九月二十八日至二零零八年九月十日止期間曾出任華多利集團有限公司(股份代號：1139)之獨立非執行董事，並於二零零七年二月五日至二零零八年五月七日止期間曾出任中郵電實(控股)有限公司(前稱大陶精密科技集團有限公司，股份代號：8041)之獨立非執行董事，上述三間公司均於聯交所上市。

鄭永強先生，52歲，於二零零七年八月二十五日獲委任為本公司之獨立非執行董事。鄭先生為香港執業律師，於企業、公司秘書及上市事務方面累積逾22年經驗。彼為英國特許秘書及行政人員公會及香港特許秘書公會會員。彼持有倫敦大學法律學位及蘇格蘭University of Strathclyde工商管理碩士學位。鄭先生自二零零四年九月二十七日起至二零零六年九月二十日期間擔任廣益國際集團有限公司(股份代號：0530)之獨立非執行董事。目前，彼亦為兩間香港上市公司：天譽置業(控股)有限公司(股份代號：0059)及英皇證券集團有限公司(股份代號：0717)之獨立非執行董事。

黃海權先生，51歲，於二零一一年五月九日獲委任為本公司獨立非執行董事。黃先生為香港執業會計師及英國特許會計師。黃先生為香港會計師公會資深會員、英國特許公認會計師公會資深會員及英格蘭及威爾斯特許公認會計師公會會員。黃先生由二零零六年二月十三日起擔任中國伽瑪集團有限公司(股份代號：164)之獨立非執行董事、審核委員會主席及薪酬委員會成員。

公司秘書

周志輝先生，41歲，於二零零八年十二月二十九日獲委任為本公司之公司秘書，並於會計及財務領域擁有超過17年經驗。周先生持有澳洲南澳大學頒發之會計學學士學位，並為香港會計師公會會員。

Directors & Senior Management Profiles

董事及高級管理層簡介

SENIOR MANAGEMENT

Mr. HO Tak Yuen, Peter

Joined the Group in February 2011 and was appointed as an executive director of Multi-Century Technology Development Limited. Mr. Ho is principally responsible for the overall technical activities within Multi-Century Technology Limited. Mr. Ho has more than thirty (30) years experience in the petroleum industry. He is acknowledged to be a reservoir and production engineering geological expert in coal bed methane development and enhanced oil recovery in North America and the PRC. Mr. Ho also has expertise in carbon dioxide capture and sequestration and the related various applications.

During the past 15 years, Mr. Ho has been actively participating in the PRC and international oil and gas industries and acting as the chief technology transfer officer for various companies from North America. He also has lectured various oil and gas development technology seminars including thermal recovery, miscible flood, chemical flood, reservoir simulation, coalbed methane exploration and development and many others in the PRC and overseas.

Mr. Ho is the first person to initiate carbon dioxide capture and sequestration in enhancing coalbed methane production in the PRC and bridge the two governments, of the PRC and Canada in the ever first international cooperation on this type of project in the PRC. The experimental project has been conducted for more than 6 years (2001-2007) and successfully implemented its first phase pilot with exceptional results. Mr. Ho is the chief liaison officer for Canada and technical simulation expert in this project and works closely with the executor China United Coalbed Methane Corporation of the PRC and Alberta Research Council consortium.

Mr. Ho graduated with a Bachelor of Science degree in Chemical Engineering from the University of Ottawa in 1979.

Mr. Ho is a member of the Association of Professional Engineer, Geologist & Geophysicist of Alberta, Canada; and a member of Society of Petroleum Engineer in the US.

Mr. Ken SINCLAIR

Joined the Group in February 2011 and was appointed as non executive director of Multi Century Technology Development Limited on 9 February 2011. Mr. Sinclair is principally responsible for providing strategic planning and technical advice to the group in overall CBM/Shale Gas development directive. Mr. Sinclair has over 31 years of oil and gas experience in over twenty countries and has advised numerous companies in areas of research, exploration and development of unconventional and conventional resources throughout the world. Mr. Sinclair is currently the President of a newly formed private company KENGAS INC. which focuses on Western Canada's conventional and unconventional gas opportunities. Previously, Mr. Sinclair founded Canadian Spirit Resources Inc., a public company who raised Canadian Dollar 48 million for unconventional gas exploration and development.

In Canada, Mr. Sinclair led the way in unconventional gas industry in the late eighties and nineties and he developed and chaired the Canadian Coalbed Methane Forum, a consortium that started with 13 companies and continues today with over 150 members under the Canadian Society of Unconventional Gas banner. The consortium's main goal was to transfer technologies within the group that would have companies having an advantage over others outside of the group. This was accomplished by the biggest yearly conferences in 2004, 2005, and 2006 in North America.

高級管理層

何德元先生

於二零一一年二月加入本集團，獲委任為創紀科技發展有限公司執行董事。何先生主要負責創紀科技發展有限公司整體技術業務。何先生擁有超過三十(30)年石油業經驗。何先生公認為北美及中國煤層氣開發及加強型採油方面之油藏及生產工程地質專家。何先生具備捕獲及封存二氧化碳及多項相關應用之專業知識。

於過去15年，何先生一直積極參與中國及國際油氣行業，並擔任北美多間公司之首席技術轉移。彼亦曾就包括熱力採油、混相驅油、化學驅油、油藏模擬、煤層氣勘探及開發及其他議題於中國及海外主講多個油氣開發技術講座。

何先生為在中國發起在加強型煤層氣生產中捕獲及封存二氧化碳之第一人，並就中國首個同類項目中作為中加兩國政府達成首次國際合作。實驗項目進行超過6年(二零零一年至二零零七年)，並已成功實行其首個試行項目，成績驕人。何先生為該項目之加方首席聯絡官及技術模擬專家，並與執行方中國中聯煤層氣有限責任公司及Alberta Research Council consortium緊密合作。

何先生在一九七九年於渥太華大學畢業，獲化學工程理學士學位。

何先生為加拿大阿伯特專業工程師、地質學家兼地球物理學家協會(Association of Professional Engineer, Geologist and Geophysicist of Alberta)會員以及美國石油工程協會(Society of Petroleum Engineer)會員。

Ken SINCLAIR先生

於二零一一年二月加入本集團，於二零一一年二月九日獲委任為創紀科技發展有限公司非執行董事。Sinclair先生主要負責就整體煤層／頁岩氣體開發指導上向本集團提供策略規劃及技術建議。Sinclair先生在超過二十個國家積逾31年石油和天然氣方面之經驗，並就全球非常規及常規能源之研究、勘探及開發為不少公司提供意見。Sinclair先生現為一家新成立私人公司KENGAS INC.之總裁，該公司集中於加拿大西部常規及非常規天然氣之商機。Sinclair先生曾成立Canadian Spirit Resources Inc.，該公司曾籌集4,800萬加元以勘探及開發非常規天然氣。

Sinclair先生在上世紀八十年代末及九十年代曾於加拿大引領非常規天然氣行業之方向，並主持及發展加拿大煤層氣論壇(Canadian Coalbed Methane Forum)，該聯盟由13間公司起步，現由超過150個成員組成，名為加拿大非常規天然氣協會(Canadian Society of Unconventional Gas)。該聯盟主要目標為將技術在組織間轉移，使聯盟內公司得享聯盟外所無之優勢。該聯盟曾於二零零四年、二零零五年及二零零六年之年會乃北美當年規模最大者。

CORPORATE GOVERNANCE PRACTICES

The Company is committed to ensuring high standards of corporate governance through the establishment and adoption of good practices and procedures which are in the best interests of the Company and its shareholders. The principles of corporate governance adopted by the Company enhance board practices, internal controls, transparency and accountability to the Company's shareholders.

During the year ended 31 March 2012, the Company had applied and complied with all code provisions of the Code on Corporate Governance Practises (the "Old Code") as set out in the former Appendix 14 of the Rules Governing the Listing of Securities ("Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

With respect to the recent changes to the Listing Rules on corporate governance, the board of directors (the "Board") has updated or established various policies and procedures and the committees have updated their terms of reference in compliance with the new Corporate Governance Code (the "New Code").

The Board has taken up the new corporate governance function stipulated in the New Code and has included such function in its terms of reference. The Board has reviewed the compliance status of the Company with both Old Code and the New Code.

The Board will review the corporate governance practices and procedures from time to time and shall make necessary arrangements when the Board considers appropriate.

We have summarised the corporate governance practices and procedures adopted by the Company during the year ended 31 March 2012 as below:

THE BOARD OF DIRECTORS (THE "BOARD")

As at the date of this report, the Board comprises a total of six directors, including three executive directors and three INEDs. One of the INEDs has the relevant accounting and related financial management expertise as required by the Listing Rules. The names of the directors by category are as follows:

Executive directors

Ms. Geng Ying (Chairman)
Mr. Gao Feng (Vice-Chairman)
Mr. Chiu Sui Keung (Chief Executive Officer)

Independent non-executive directors

Mr. Cheng Wing Keung, Raymond
Mr. Lam Williamson
Mr. Wong Hoi Kuen

Biographical details of each director are set out under the Directors and Senior Management Profiles section on pages 13 to 15 of this annual report.

企業管治常規

本公司承諾透過制定及採納符合本公司及其股東最佳利益之良好常規及程序，以確保達致高水平之企業管治。本公司所採納之企業管治原則有助加強董事會常規、內部監控、對本公司股東之透明度及問責。

於截至二零一二年三月三十一日止年度，本公司已應用及遵守香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）前附錄十四所載之企業管治常規守則（「舊守則」）之所有守則條文。

鑒於上市規則近期有關企業管治之變動，董事會（「董事會」）已更新既有之多項政策及程序，而各委員會已更新彼等之職權範圍，以遵守新企業管治守則（「新守則」）。

董事會已採納新守則所規定之新企業管治職能，並於其職權範圍內納入有關職能。董事會已檢討本公司遵守舊守則及新守則之情況。

董事會將不時檢討企業管治常規及程序，並於董事會認為適當時作出必要安排。

吾等已於下文概述本公司於截至二零一二年三月三十一日止年度內所採納之企業管治常規及程序：

董事會（「董事會」）

於本報告日期，董事會共由六名董事組成，包括三名執行董事及三名獨立非執行董事。其中一名獨立非執行董事擁有上市規則所規定之有關會計及相關財務管理專長。茲按類別列出董事之姓名如下：

執行董事

耿瑩女士（主席）
高峰先生（副主席）
趙瑞強先生（行政總裁）

獨立非執行董事

鄭永強先生
林全智先生
黃海權先生

各位董事之履歷詳情載於本年報第13至第15頁之董事及高級管理層簡介一節。

Corporate Governance Report

企業管治報告

Each of the executive directors has respectively entered into a service agreement with the Company for an initial term of three years but is subject to retirement by rotation and is eligible for re-election.

All of the independent non-executive directors have no fixed term of appointment, but are subject to retirement by rotation and is eligible for re-election.

None of the directors has any financial, business, family or other material or relevant relationships among members of the Board.

The Company has received confirmation from each of the INEDs about his independence pursuant to rule 3.13 of the Listing Rules. The Company is of the view that all INEDs meet the independence rules and continues to consider each of them to be independent.

The Board, as led by the Chairman and the Vice Chairman, is collectively responsible for the set up of the Group's overall strategies, operating and financial policies, approval of annual budgets and business plans, evaluation of the performance of the Company's business, and oversight of the management team. The management team is responsible for the day-to-day operations of the Group under the supervision of the Managing Director.

TRAINING AND SUPPORT FOR DIRECTORS

All directors must keep abreast of their collective responsibilities. Any new appointed director would receive an induction package covering the Group's businesses and the statutory regulatory obligations of a director of a listed company. The Group also provides briefings and other training to develop and refresh the directors' knowledge and skills as well as responsible for funding of the training. The Group continuously updates directors on the latest developments regarding the Listing Rules and other applicable regulatory requirements, to ensure compliance and enhance their awareness of good corporate governance practices, circulars or guidance notes are issued to directors and senior management where appropriate, to ensure awareness of best corporate governance practices.

DIRECTORS' AND OFFICERS' INSURANCE

The Company has arranged appropriate insurance cover in respect of potential legal actions against its directors and officers.

各執行董事已與本公司訂立服務合約，初步為期三年，惟須輪席告退並符合資格膺選連任。

所有獨立非執行董事並無固定任期，惟須輪席告退並符合資格膺選連任。

概無董事與其他董事會成員有任何財務、業務或其他重大或相關關係。

本公司已收到各獨立非執行董事根據上市規則第3.13條作出關於其獨立性之確認書。本公司認為所有獨立非執行董事均符合獨立性規則，並繼續認為彼等各自均為獨立人士。

在主席及副主席之領導下，董事會共同負責制定本集團之整體策略、經營及財務政策、審批年度預算與業務計劃、評估本公司之業務表現以及監督管理層團隊。管理層團隊在董事總經理之監督下負責本集團之日常經營業務。

董事培訓及支援

所有董事均須瞭解其集體職責。任何新獲委任之董事將收到一套就任資料文件（涵蓋本集團之業務及上市公司董事之法定監管責任）。本集團亦提供簡介會及其他訓練，以提高及更新董事之相關知識及技能，亦負責培訓之資金。本集團持續提供有關上市規則及其他適用監管規定之最新信息予董事，以確保董事遵守該等規則及提高彼等對良好企業管治常規之認識，並向董事及高級管理層（倘合適）發出通函或指引，以確保瞭解最佳企業管治常規。

董事及行政人員之保險

本公司已就其董事及行政人員可能會面對之法律訴訟作出適當之投保安排。

CHAIRMAN, VICE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The positions of the Chairman, Vice Chairman and the Chief Executive Officer are held by separate individuals with a view to maintaining an effective segregation of duties regarding the management of the Board and the day-to-day management of the Group's businesses.

The Chairman and the Vice Chairman lead the Board and oversees the functioning of the Board to ensure that the Board acts in the best interests of the Company and its shareholders, and Board meetings are planned and conducted effectively. The Chairman is primarily responsible for the approval of the agenda prepared by the Company Secretary for each Board meeting, and taking into account, where appropriate, matters proposed by members of the Board and including them in the agenda. With the support of the Vice Chairman, other executive directors and the Company Secretary, the Chairman seeks to ensure that all directors are properly briefed on issues arising at Board meetings and receive sufficient and reliable information in a timely manner before the Board meetings. The Chairman and the Vice Chairman also actively encourage directors to engage in the Board's affairs and make contribution to the Board's decisions.

The Chief Executive Officer is responsible for the day-to-day management of the Group's businesses, the formation and implementation of operating and financial policies among the Group and accountability to the Board for all the Group's operations. The Chief Executive Officer together with the management team ensure that the Company's business plans are consistent with the strategies and objectives established by the Board. In addition, the Chief Executive Officer ensures that the Company meets its funding requirements and closely monitors the operating and financial results against the Company's business plans and budgets, and takes remedial actions if necessary. The Chief Executive Officer is also responsible for the establishment and maintenance of an effective management team to assist him in the day-to-day management of the Group's businesses.

BOARD PRACTICES

Regular Board meetings are scheduled in advance to give all directors an opportunity to attend in person. Ten regular Board meetings had been held during the year ended 31 March 2012. Each of the directors has full access to information of the Company and has access to the advice and services of the Company Secretary in respect of compliance with board procedures and all applicable rules and regulations. Each of the directors may also take independent professional advice at the Company's expense, if necessary, in accordance with the approved procedures. The minutes of the Board are prepared by the Company Secretary with details of the matters considered by the Board and decisions reached, including any concerns raised by the members of the Board or dissenting views expressed.

主席、副主席及行政總裁

主席、副主席及行政總裁之職務由不同人士擔任，以便有關董事會管理與本集團業務日常管理之職責得到有效分配。

主席及副主席領導董事會及監督董事會之職能，以確保董事會按符合本公司及其股東之最佳利益行事，並有效籌劃及進行董事會會議。主席主要負責審批公司秘書為每次董事會會議準備之議程，並考慮（如適用）董事會成員提呈之事項並將其納入會議議程。在副主席、其他執行董事及公司秘書之支持下，主席致力確保所有董事就於董事會會議上提出之事項得到適當說明，並於董事會會議前及時獲得充份而可靠之資料。主席及副主席亦積極鼓勵董事參與董事會事務，為董事會之決策作出貢獻。

行政總裁負責本集團業務之日常管理、制定及執行本集團之經營及財務政策，並就本集團之所有經營業務對董事會負責。行政總裁及管理層團隊確保本公司之業務計劃與董事會制定之策略及目標一致。另外，行政總裁確保本公司可應付其資金需求及以本公司業務計劃及預算密切監察其經營及財務業績，並於必要時採取補救措施。行政總裁亦負責建立及維護一支有效的管理層團隊，以協助其進行本集團業務之日常管理。

董事會常規

董事會常規會議乃預先安排，好讓所有董事均有機會親自出席。於截至二零一二年三月三十一日止年度內舉行了十次董事會常規會議。各董事可索取本公司之一切資料，並可就遵守董事會程序及所有適用規則及規例請公司秘書提供意見及服務。各董事亦可按照所需及根據既定程序尋求獨立專業意見，有關支出由本公司承擔。載有董事會所考慮之事宜及所達致之決定（包括董事會成員提出之任何關注事項或表達之不同看法）之董事會會議紀錄由公司秘書備存。

Corporate Governance Report

企業管治報告

The Board held 10 meetings during the year ended 31 March 2012 and the attendance record of each member of the Board is set out below:

董事會於截至二零一二年三月三十一日止年度內舉行了10次會議，董事會各位董事之出席記錄如下：

		Attendance of Board meetings Directors in 2011/2012 於二零一一年／ 一二年內出席 董事會會議次數	Attendance Rate 出席率
Executive directors			
Ms. Geng Ying (Chairman)	執行董事 耿瑩女士(主席)	5/10	50%
Mr. Gao Feng (Vice-Chairman)	高峰先生(副主席)	10/10	100%
Mr. Chiu Sui Keung (Chief Executive Officer)	趙瑞強先生(行政總裁)	10/10	100%
Independent non-executive directors			
Mr. Cheng Wing Keung, Raymond	獨立非執行董事 鄭永強先生	6/10	60%
Mr. Lam Williamson	林全智先生	3/10	30%
Mr. Wong Hoi Kuen	黃海權先生	7/10	70%

APPOINTMENTS, RE-ELECTION AND REMOVAL OF DIRECTORS

In accordance with article 86(3) of the Articles, any director appointed by the Board to fill a casual vacancy should be subject to election by Shareholders at the first general meeting of the Company. In accordance with articles 87(1) of the Articles, every director (including those appointed for a specific term or holding office as Chairman of the Board or the Managing Director of the Company) shall be subject to retirement by rotation at least once every three years.

Under the Old Code, non-executive directors should be appointed for specific terms, subject to re-election. Currently, the independent non-executive Directors have no set term of office but are subject to retirement by rotation at annual general meetings of the Company in accordance with the Company's articles of association.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS (THE "MODEL CODE")

The Company adopted a code of conduct regarding directors' securities transactions as set out in the Model Code in Appendix 10 of the Listing Rules on the terms no less exacting than the required standard set out in the Model Code throughout the year ended 31 March 2012. After having made specific enquiry to all directors of the Company, the directors are of the opinion that they have complied with the required standard set out in the Model Code and its code of conduct regarding directors' securities transactions throughout the year ended 31 March 2012.

董事之委任、重選及免職

根據細則第86(3)條，董事會所委任以填補臨時空缺之任何董事應於隨後的本公司首次股東大會上接受股東選舉。根據細則第87(1)條，每位董事(包括獲委任一個指定任期或擔任董事會主席或本公司董事總經理職務者)須至少每三年輪值退任一次。

根據舊守則，非執行董事應獲委任指定任期(可予重選)。目前，獨立非執行董事並無設定任期，但須根據本公司之公司組織章程細則，於本公司之股東週年大會上輪值退任。

上市發行人董事進行證券交易的標準守則(「標準守則」)

本公司於截至二零一二年三月三十一日止年度內一直採納上市規則附錄十標準守則規定之董事進行證券交易之行為守則，其條款與標準守則所載之必守準則同樣嚴謹。向本公司全體董事作出特定查詢後，各董事認為彼等於截至二零一二年三月三十一日止年度內一直遵守標準守則所載之必守準則及其有關董事進行證券交易之行為守則。

ACCOUNTABILITY

The following statement, which sets out the responsibilities of the directors in relation to the financial statements, should be read in conjunction with, but distinguished from, the Independent Auditors' Report on pages 46 to 159 of the annual report which acknowledges their reporting responsibilities as the external auditors of the Company:

(i) Annual and Interim Reports and Financial Statements

The directors acknowledge their responsibility to prepare the financial statements of the Company and of the Group for each financial year which gives a true and fair view of the state of affairs of the Company and of the Group as at the year end and of the Group's profit or loss and cash flow for the year then ended.

(ii) Accounting Policies

In preparing the financial statements for each financial year, the directors have selected appropriate accounting policies and apart from those new and amended accounting policies as disclosed in the notes to the financial statements, have applied them consistently with previous financial periods. Judgments and estimates have been made that are prudent and reasonable.

(iii) Accounting Records

The directors are responsible for ensuring that the Group keeps accounting records which disclose with reasonable accuracy the financial position of the Group and enable the preparation of financial statements in accordance with the Hong Kong Financial Reporting Standards issued by the HKICPA, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance and applicable disclosure provisions of the Listing Rules.

(iv) Safeguarding Assets

The directors are responsible for taking all reasonable and necessary steps to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

(v) Going Concern

The directors, having made specific enquiries, consider that the Group has adequate resources to continue in operational existence for the foreseeable future and that, for this reason, it is appropriate to adopt the going concern basis in preparing the financial statements of the Company and of the Group.

問責

下文陳述(載有董事有關財務報表之責任)應與年報第46頁至第159頁確認本公司外聘核數師呈報職責之獨立核數師報告書一併閱讀,但兩者應分別獨立理解:

(i) 年度及中期報告與財務報表

董事確認負責編製本公司及本集團於各財政年度之財務報表,而有關財務報表應真實及公平地反映本公司及本集團於年結日之財務狀況以及本集團於截至年結日止年度之盈虧及現金流量狀況。

(ii) 會計政策

於編製各財政年度之財務報表時,董事已選用適當之會計政策,並(除財務報表附註所披露之新訂及經修訂之會計政策外)採納與先前財政期間一致之會計政策。本公司已作出謹慎合理之判斷及估計。

(iii) 會計紀錄

董事有責任確保本集團存置會計紀錄,而該等紀錄可合理準確披露本集團之財務狀況,以及可根據香港會計師公會頒佈之香港財務報告準則、香港普遍採納之會計原則及香港公司條例之披露規定以及上市規則之適當披露條文編製財務報表。

(iv) 保護資產

董事有責任採取一切合理必要措施,以保護本集團之資產以及防範及查明欺詐和其他違規問題。

(v) 持續經營

經作出特定查詢後,董事認為本集團擁有充足資源以供在可見將來繼續經營業務,有鑒於此,採用持續經營基準編製本公司及本集團之財務報表實屬恰當。

Corporate Governance Report

企業管治報告

BOARD COMMITTEES

As an integral part of good corporate governance, the Board has established the following Board Committees to oversee particular aspects of the Company's affairs. A majority of the members of each of these Committees is INEDs. Each of the Audit, Remuneration and Nomination Committee is governed by its respective terms of reference.

AUDIT COMMITTEE

The primary duties of the audit committee are to make recommendations to the Board on the appointment and removal of external auditors, review the financial statements and material advice in respect of financial reporting, and oversee the internal control procedures of the Company.

The Audit Committee comprises the three INEDs, chaired by Mr. Lam Williamson and the other two members of the Committee are Mr. Cheng Wing Keung, Raymond and Mr. Wong Hoi Kuen.

The terms of reference of the Audit Committee is based on "A Guide for the Formation of an Audit Committee" and updated by "A Guide for Effective Audit Committees" as issued by the HKICPA (previously known as the Hong Kong Society of Accountants) in December 1997 and in February 2002 respectively. It sets out the powers and duties of the Audit Committee, which includes those as set out in code provisions C.3.3(a) to (n) of the Old Code and New Code, and is reviewed by the Board from time to time. The Committee's authority and duties are set out in written terms of reference which are publicly available on the website of the Group and the Stock Exchange.

The Audit Committee meets regularly with the management and the external auditors of the Company and reviews matters relating to audit, accounting and financial statements as well as internal control, risk evaluation and general compliance of the Group, and reports directly to the Board. It reviews the external auditors about their independence and objectivity and holds meetings with the external auditors to discuss the nature and scope of audit and reporting obligations and also makes recommendations to the Board on the selection, appointment, resignation or dismissal of the external auditors.

董事委員會

作為良好企業管治不可或缺的一環，董事會已成立下列董事委員會，以監督本公司之各類具體事務。該等委員會之成員大多數為獨立非執行董事。審核、薪酬及提名委員會均受其本身之職權範圍所規管。

審核委員會

審核委員會之主要職責為就委任及罷免外聘核數師向董事會提供推薦意見、審閱財務報表及有關財務報告之重要建議，以及監察本公司之內部監控程序。

審核委員會由三名獨立非執行董事組成，林全智先生為主席，而其餘兩名成員為鄭永強先生及黃海權先生。

審核委員會之職權範圍乃根據香港會計師公會分別於一九九七年十二月頒佈之「成立審核委員會指引」及於二零零二年二月更新之「審核委員會有效運作指引」制訂，其載有審核委員會之權力及職責（包括舊守則之守則條文第C.3.3(a)至(n)條及新守則所載者），並由董事會不時檢討。委員會之權力及職責載於書面職權範圍內，而書面職權範圍可於本集團及聯交所之網站上公開查閱。

審核委員會乃定期與管理層及本公司之外聘核數師舉行會議，檢討有關本集團之核數、會計及財務報表以及內部監控、風險評估及一般遵例之事宜，並直接向董事會匯報。審核委員會就外聘核數師是否獨立及客觀進行檢討，並與外聘核數師舉行會議以討論核數之性質與範圍及呈報責任，並須就外聘核數師之挑選、委任、辭任或免除向董事會提出推薦建議。

Corporate Governance Report

企業管治報告

The Audit Committee held two meetings during the year ended 31 March 2012 and the attendance record of each Audit Committee member is set out below:

審核委員會已於截至二零一二年三月三十一日止年度內舉行2次會議，各審核委員會成員之出席紀錄載列如下：

		Attendance of Audit Committee meetings in 2011/2012 於二零一一年／一二年內出席審核委員會會議次數	Attendance Rate 出席率
Independent non-executive directors	獨立非執行董事		
Mr. Cheng Wing Keung, Raymond	鄭永強先生	2/2	100%
Mr. Lam Williamson	林全智先生	2/2	100%
Mr. Wong Hoi Kuen	黃海權先生	2/2	100%

The major work performed by the Audit Committee during the year end 31 March 2012 is summarised below:

審核委員會於截至二零一二年三月三十一日止年度內履行之主要工作概述如下：

(i) Review of Financial Statements

The Audit Committee met and held discussions with the Group's external auditors and senior management, and reviewed the draft annual report and financial statements for the year ended 31 March 2012 and interim report and financial statements for the six months ended 30 September 2011 before making recommendations for the Board's approval. It reviewed and discussed the management's reports and representations with a view to ensuring that the Group's consolidated financial statements are prepared in accordance with the accounting principles generally accepted in Hong Kong and the applicable disclosure requirements of Appendix 16 to the Listing Rules.

(i) 審閱財務報表

審核委員會與本集團之外聘核數師及高級管理層舉行會議及進行討論，並向董事會提出批准推薦建議前審閱截至二零一二年三月三十一日止年度之年報及財務報表以及截至二零一一年九月三十日止六個月之中期報告及財務報表之草稿。審核委員會審閱及討論管理層之報告及陳述，旨在確保本集團之綜合財務報表乃按照香港普遍採納之會計原則及上市規則附錄十六之適用披露規定編製。

(ii) Review of the Company's financial controls, risk management and internal control systems

The Audit Committee reviewed the process by which the Group evaluated its control environment and its risk assessment process, and the way in which business and control risks were managed. It made recommendations to the Board about the effectiveness of internal control systems in the Group's business operations. These controls and systems allowed the Board to monitor the Company's overall financial position and to protect its assets.

(ii) 檢討本公司之財務監控、風險管理及內部監控系統

審核委員會檢討本集團對其監控環境與風險管理之評估程序，以及對營運及監控風險之管理方式，並就本集團業務營運之內部監控系統之有效性向董事會提出推薦建議。該等監控及系統可讓董事會監察本公司之整體財務狀況及保護其資產。

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REMUNERATION COMMITTEE

The Remuneration Committee comprises two INEDs and one executive director, chaired by Mr. Lam Williamson and the other two members of the Committee are Mr. Cheng Wing Keung, Raymond and Mr. Chiu Sui Keung.

The Remuneration Committee's major responsibilities include the review of the Company's policy and structure for all remuneration of directors and senior management and the establishment of a formal and transparent procedure for developing policy on such remuneration, and the review and approval of performance-based remuneration by reference to corporate goals and objectives.

In addition, it has responsibility for reviewing and making appropriate recommendations on the remuneration policy to the Board, as well as reviewing and making recommendations on the Group's share option scheme, bonus structure, provident fund and other compensation – related issues. The Committee shall consult with the Chairman on its proposals and recommendations, and has access to professional advice if deemed necessary. The Committee's authority and duties are set out in written terms of reference which are publicly available on the website of the Group and the Stock Exchange.

The Remuneration Committee did not hold any meeting during the year ended 31 March 2012.

NOMINATION COMMITTEE

The Nomination Committee comprises three INEDs, chaired by Mr. Cheng Wing Keung, Raymond and the other two members of the Committee are Mr. Lam Williamson and Mr. Wong Hoi Kuen.

The Nomination Committee's major responsibilities include:

- (i) to review of the structure, size and composition of the Company's Board of Directors including, inter alia, the skills, knowledge, integrity, accomplishment and experience in the relevant industry;
- (ii) to identify individuals suitably qualified to become Board members and make recommendations to the Board on the selection of individuals nominated for directorship;
- (iii) to assess the independence of independent non-executive directors; and
- (iv) to make recommendations to the Board on relevant matters relating to the appointment or reappointment of directors and succession planning for directors.

The Committee's authority and duties are set out in written terms of reference which are publicly available on the website of the Group and the Stock Exchange.

薪酬委員會

薪酬委員會由兩名獨立非執行董事及一名執行董事組成，林全智先生為主席，而其餘兩名成員為鄭永強先生及趙瑞強先生。

薪酬委員會之主要職責包括檢討本公司有關董事及高級管理層所有薪酬之政策及架構，並就該薪酬制定正規及具透明度之政策程序，以及參照公司目標及宗旨檢討及批准績效薪酬。

此外，其有責任檢討及就薪酬政策向董事會作出適當推薦意見，以及檢討及就本集團之購股權計劃、花紅架構、公積金及其他薪酬相關事宜作出推薦意見。委員會須就建議及推薦意見諮詢主席，並有權於認為必要時獲得專業意見。委員會之權力及職責載於書面職權範圍內，而書面職權範圍可於本集團及聯交所之網站上公開查閱。

薪酬委員會於截至二零一二年三月三十一日止年度內沒有舉行任何會議。

提名委員會

提名委員會由三名獨立非執行董事組成，鄭永強先生為主席，而其餘兩名成員為林全智先生及黃海權先生。

提名委員會之主要職責包括：

- (i) 檢討本公司董事會之架構、規模及組成，包括（但不限於）技能、學識、誠信、成就及於相關行業之經驗；
- (ii) 物色符合資格成為董事會成員之適當人選，並就挑選所提名人士擔任董事職務向董事會提供推薦意見；
- (iii) 評估獨立非執行董事之獨立性；及
- (iv) 就與委任或重新委任董事及董事繼任計劃有關之事宜向董事會提供推薦意見。

委員會之權力及職責載於書面職權範圍內，而書面職權範圍可於本集團及聯交所之網站上公開查閱。

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The Nomination Committee held one meeting during the year ended 31 March 2012.

提名委員會於截至二零一二年三月三十一日止年度內舉行了一次會議。

		Attendance of Nomination Committee meeting in 2011/12 於二零一一年／ 一二年出席 提名委員會 會議次數	Attendance Rate 出席率
<hr/>			
Mr. Cheng Wing Keung, Raymond	鄭永強先生	1/1	100%
Mr. Lam Williamson	林全智先生	1/1	100%
Mr. Wong Hoi Kuen	黃海權先生	1/1	100%

The Nomination Committee has reviewed and discussed (1) the prevailing structure, size and composition of the Board; (2) the independence of the INEDs; and (3) nomination of directors for re-election at the forthcoming annual general meeting. The Nomination Committee has made recommendations to the Board.

提名委員會曾審閱及討論(1)董事會之現行架構、規模及組成；(2)獨立非執行董事之獨立性；及(3)於應屆股東週年大會上提名有關重選之董事。提名委員會已向董事會提出建議。

In selecting a suitable candidate to become a member of the Board, the Nomination Committee will consider various criteria such as education, qualification, experience and reputation of such candidate.

於挑選合適候選人加入董事會時，提名委員會將考慮多項標準，例如該候選人之教育水平、資格、經驗及知名度等。

CORPORATE GOVERNANCE FUNCTIONS

The Company's corporate governance functions are carried out by the Board pursuant to a set of written terms of reference adopted by the Board, which include:

- (a) to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- (b) to review and monitor the training and continuous professional development of the directors and senior management of the Group;
- (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees of the Group and the directors; and
- (e) to review the Company's compliance with the Corporate Governance Code and disclosure in the corporate governance report.

During the financial year, the Board reviewed the current changes to corporate government requirements of the Stock Exchange and current were practices.

企業管治職能

董事會根據其所採納之書面職權範圍進行本公司企業管治職能，當中包括：

- (a) 制定及檢討本公司之企業管治政策及常規，並向董事會提供推薦意見；
- (b) 檢討及監察本集團董事及高級管理層之培訓及持續專業發展；
- (c) 檢討及監察本公司有關遵守法例及規例規定之政策及常規；
- (d) 制定、檢討及監察本集團僱員及董事所適用之行為守則及遵守手冊（如有）；及
- (e) 檢討本公司遵守企業管治守則的情況及企業管治報告之披露

於本財政年度，董事會檢討聯交所及現時最佳應用指引之企業管治規定之現時變動。

Corporate Governance Report

企業管治報告

INTERNAL CONTROL AND GROUP RISK MANAGEMENT

The Board has overall responsibilities for maintaining sound and effective internal control systems of the Group. The Group's systems of internal control include a defined management structure with limits of authority which is designed to help the achievement of business objectives, safeguard assets against unauthorised use or disposition, to ensure the maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication, and to ensure compliance with relevant legislation and regulations. The system is designed to provide reasonable, but not absolute, assurance against material misstatement or loss and to manage rather than eliminate risks of failure in operational systems and achievement of the Group's objectives.

(i) Organisational Structure

An organisational structure with operating policies and procedures, lines of responsibility and delegated authority has been established.

(ii) Authority and Control

The relevant executive directors and senior management are delegated with respective levels of authorities with regard to key corporate strategy and policy and contractual commitments.

(iii) Budgetary Control and Financial Reporting

Proper controls are in place for the recording of complete, accurate and timely accounting and management information. Regular reviews and audits are carried out to ensure that the preparation of financial statements is carried out in accordance with generally accepted accounting principles, the Group's accounting policies and applicable laws and regulations.

(iv) Group Risk Management

The Group has developed and implemented risk mitigation strategies including the use of insurance to transfer the financial impact of risk upon directors and senior management.

The Board, has reviewed the effectiveness of the Company's system of internal control over financial, operational and compliance issues for the year 2012 and concluded that the Company has set up a sound control environment and necessary control mechanism to monitor and correct non-compliance. The Board is satisfied that the Company in 2012 fully complied with the provisions on internal controls as set out in both Old Code and New Code.

內部監控及集團風險管理

董事會須全面負責維持本集團穩建及有效之內部監控系統。本集團之內部監控系統包括界定管理架構及授權限制，以協助實現各項業務目標、保障資產免於未經授權挪用或處置，從而確保維護妥當之會計記錄以提供可靠之財務資料供內部使用或作發表之用，並確保遵守相關法例及規例。上述監控系統旨在合理（但並非絕對）保證並無重大錯誤陳述或損失，以及管理（而非消除）營運系統失誤及本集團未能達標之風險。

(i) 組織架構

本公司已建立一套訂明相關營運政策及程序、職責及權限之組織架構。

(ii) 權限及監控

相關執行董事及高級管理層各自獲授有關重要企業策略及政策及合約承諾之權限。

(iii) 預算控制及財務申報

本公司已建立適當監控程序，以確保全面、正確、及時紀錄會計及管理資料，並定期進行檢討及審查，以確保按照普遍採納之會計原則、本集團之會計政策及適用之法例及規例編製財務報表。

(iv) 集團風險管理

本集團已制訂及實施風險減輕策略，包括使用保險以轉移風險對董事及高級管理層之財務影響。

董事會已檢討本公司有關二零一二年年度之財務、營運及合規事宜之內部監控系統之成效，得出之結論是，本公司已制定穩健的監控環境及必要監控機制，以監察及糾正未有合規之情況。董事會相信，本公司於二零一二年已全面遵守舊守則及新守則所載之內部監控條文。

EXTERNAL AUDITORS

HLB Hodgson Impey Cheng (“HLB”) are currently appointed as the external auditors of the Company, which provides audit and non-audit services to the Company. In order to maintain HLB’s independence and objectivity and the effectiveness of the audit process in accordance with the applicable standards, the Audit Committee, under its terms of reference, holds meetings with HLB to discuss the nature and scope of their audit and related fees, and to approve the nature and scope of non-audit services requested by the Company and related fees.

The nature of audit and non-audit services provided by HLB and fees paid to HLB (including any entity that is under common control, ownership or management with the audit firm or any entity that a reasonable and informed third party having knowledge of all relevant information would reasonably conclude as part of the audit firm nationally or internationally) are set out below:

Auditors’ remuneration:	核數師酬金：	HK\$’ 000 千港元
– Audit services	– 核數服務	630
– Tax services	– 稅務服務	–
– Other services	– 其他服務	300
		930

The accounts for the year were audited by HLB Hodgson Impey Cheng whose term of office will expire upon the forthcoming annual general meeting. In March 2012, the practice of HLB Hodgson Impey Cheng was reorganised as HLB Hodgson Impey Cheng Limited. The Audit Committee has recommended to the Board that HLB Hodgson Impey Cheng Limited be nominated for appointment as the auditors of the Company at the forthcoming annual general meeting.

外聘核數師

國衛會計師事務所(「國衛」)現獲委任為本公司之外聘核數師，向本公司提供核數及非核數服務。為維持國衛按照適用準則進行核數程序之獨立、客觀及有效，審核委員會在其職權範圍內與國衛舉行會議以討論其核數之性質及範圍以及相關費用，並審批本公司要求之非核數服務之性質及範圍以及相關費用。

國衛提供之核數及非核數服務之性質及支付予國衛(包括與會計師事務所受共同控制、擁有或管理之任何機構，或知悉所有相關資料之合理知情第三方可合理斷定為該會計師事務所之國內或國際分部之任何機構)之費用如下：

本年度之賬目已經國衛會計師事務所審核，其任期將於應屆股東週年大會時屆滿。國衛會計師事務所於二零一二年三月重組為國衛會計師事務所有限公司。審核委員會已向董事會建議，於應屆股東週年大會上提名國衛會計師事務所有限公司擔任本公司核數師。

Corporate Governance Report

企業管治報告

CONTINUOUS PROFESSIONAL DEVELOPMENT

The directors have been informed of the requirement under A.6.5 of the New Code regarding continuous professional development to develop and refresh their knowledge and skills. The Company is responsible for arranging and funding suitable training, placing an appropriate emphasis on the roles, functions and duties of the directors.

COMMUNICATIONS WITH SHAREHOLDERS

The Board recognises the importance of maintaining clear, timely and effective communication with shareholders of the Company and potential investors. Therefore, the Group is committed to maintaining a high degree of transparency to ensure the potential investors and the shareholders of the Company receive accurate, clear and comprehensive and timely information of the Group by the regulatory publications such as publish financial statements, results announcements and circulars, press release and new articles, general meetings and other investment market communications such as roadshows and media interviews.

The primary platform for publication of all announcements and circulars made by Company in accordance with applicable regulatory requirements is through a financial printer who maintains a site for the Company at <http://www.capitalfp.com.hk/eng/index.jsp?co=223&ppage=contents&doc=&date1=&date2=&pageno=1>. In addition, the Company also publishes all corporate correspondence on its website <http://www.sinoresourcesgp.com> as an additional communication channel to the shareholder.

The Board maintain regular dialogues with the institutional investors and analysts to keep them informed of the Group's strategy, operations, management and plans. The directors and the members of various committees would attend and answer questions raised at the annual general meeting of the Company. Separate resolutions would be proposed at the general meeting on each substantially separate issue.

The Chairman of the general meetings of the Company would explain the procedures for conducting a poll before putting a resolution to vote. The results of the voting by poll would be published on the websites of the Stock Exchange and the Company respectively.

持續專業發展

董事會已獲知會新守則A.6.5項下有關於持續專業發展之規定，以發展及更新彼等之知識及技能。本公司負責安排合適培訓及提供有關資金，並適當強調董事之角色、職能及職責。

與股東溝通

董事會承認維持與本公司股東及潛在投資者進行清晰、及時及有效溝通之重要性。因此，本集團致力維持高度之透明度，以透過法定刊發（例如刊發財務報表、業績公佈及通函、新聞稿及新報導）、股東大會及其他投資市場溝通（例如路演及媒體訪談），確保本公司之潛在投資者及股東收到本集團準確、清晰、全面及及時之資料。

本公司根據適用法例規定刊發所有公佈及通函之主要平台乃透過財經印刷商，其為本公司提供網站，有關連接為<http://www.capitalfp.com.hk/eng/index.jsp?co=223&ppage=contents&doc=&date1=&date2=&pageno=1>。此外，本公司亦在網站<http://www.sinoresourcesgp.com>刊發所有公司通訊作為股東之額外溝通渠道。

董事會與機構投資者及分析師維持定期對話，以讓彼等瞭解本集團之策略、營運、管理及計劃。董事及各委員會之成員將出席本公司股東週年大會，並回答於會上提出之問題。就各主要單獨事項，將於股東大會上提呈獨立決議案。

本公司股東大會主席將於提呈決議案供表決之前解釋進行投票之程序。以投票方式進行之表決結果將分別刊載於聯交所及本公司之網站。

SHAREHOLDERS' RIGHTS

Shareholders' rights to requisition for and convene an Extraordinary General Meeting ("EGM")

According to the Articles 58, any one or more shareholders holding not less than 10 per cent of the paid-up capital of the Company may by written requisition to require an EGM to be called by the Board or the Company Secretary of the Company. The Board or the Company Secretary must proceed to convene an EGM as soon as possible, within 21 days from the date of deposit of the requisition. The meeting shall be held not later than 2 months after the date of deposit of the requisition. If the Board fail to convene the EMG as requisitioned by the shareholders within 21 days after the date of requisition was received, all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Shareholders' rights of procedures for sending enquiries to the Board and making proposals at shareholders' meetings

Shareholders have the right to send their enquiries and concerns to the Board or make proposals at the shareholders' meeting by addressing them to the Company Secretary of the Company by mail at the Company's correspondence address in Hong Kong or by email to the Company's official email address. The Company Secretary forwards all enquiries and proposals relating to ordinary business matters, such as suggestions, inquiries and consumer complaints to the Board.

COMPANY SECRETARY

The Company Secretary of the Company is Mr. Chow Chi Fai. Details of the biography of the Company Secretary are set out in the section headed "Directors & Senior Management Profiles" of this annual report. The Company Secretary has been informed of the requirement under rule 3.29 of the Listing Rules and his compliance with such requirement for the year ended 31 March 2012.

CONSTITUTIONAL DOCUMENTS

There had been no significant change in the Company's constitutional documents during the year ended 31 March 2012.

股東之權利

股東要求召開股東特別大會（「股東特別大會」）之權利

根據章程細則第58條，持有不少於本公司繳足股本10%之任何一名或多名股東可透過書面請求要求董事會或本公司之公司秘書召開股東特別大會。董事會或公司秘書須於可行情況下儘快於要求送達日期起計21日內召開股東特別大會。大會將不遲於送達要求日期後2個月舉行。倘若董事會未能按股東要求於收到要求日期後21日內召開股東特別大會，則要求者因董事會未能如期舉行股東特別大會而所產生之所有合理開支將由本公司償付予要求者。

股東向董事會查詢及於股東大會上提出建議之權利

股東有權向董事會查詢及提出關注或於股東大會上提出建議，方法為向本公司之公司秘書（地址為本公司於香港之通訊地址）郵寄或向本公司之官方電郵地址發送有關查詢、關注及建議。公司秘書向董事會轉達所有與一般業務事項有關之查詢及建議（例如建議、查詢及消費者投訴）。

公司秘書

本公司之公司秘書為周志輝先生。公司秘書之履歷詳情載於本年報「董事及高級管理層簡介」一節。公司秘書已獲知會上市規則第3.29條項下之規定，於截至二零一二年三月三十一日止年度其遵守有關規定。

章程文件

截至二零一二年三月三十一日止年度，本公司之章程文件並無重大變動。

Report of the Directors

董事會報告

The board of directors (the “Board”) submit herewith their report and the audited financial statements of Sino Resources Group Limited (the “Company”) and its subsidiaries (together the “Group”) for the year ended 31 March 2012.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Details of the principal activities of the Company’s subsidiaries are set out in Note 17 to the consolidated financial statements. There were no significant changes in the nature of the Group’s principal activities during the year.

PRINCIPAL SUBSIDIARIES

Details of the Company’s principal subsidiaries as at 31 March 2012 are set out in Note 17 to the consolidated financial statements.

RESULTS AND DIVIDENDS

The Group’s loss for the year ended 31 March 2012 and the state of affairs of the Company and the Group at that date are set out in the consolidated financial statements on pages 46 to 159.

The directors do not recommend the payment of a final dividend (2011: Nil) in respect of the year to shareholders of the Company.

董事會(「董事會」)謹此提呈彼等之報告及神州資源集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)截至二零一二年三月三十一日止年度之經審核財務報表。

主要業務

本公司之主要業務為投資控股。本公司附屬公司之主要業務詳情載於綜合財務報表附註17。年內，本集團之主要業務性質概無重大變動。

主要附屬公司

本公司於二零一二年三月三十一日之主要附屬公司之詳情載於綜合財務報表附註17。

業績及股息

本集團截至二零一二年三月三十一日止年度之虧損及本公司與本集團於該日之業務狀況載於綜合財務報表第46至第159頁內。

董事會不建議向本公司之股東派付本年度末期股息(二零一一年：無)。

Report of the Directors

董事會報告

SUMMARY FINANCIAL INFORMATION

The following is a summary of the published consolidated results and of the assets and liabilities of the Group:

RESULTS

For the year ended 31 March 2012

財務資料概要

以下為本集團已刊發之綜合業績及資產與負債概要：

業績

截至二零一二年三月三十一日止年度

		Notes 附註	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Turnover	營業額	7	136,648	82,368
Cost of sales	銷售成本		(119,494)	(68,612)
Gross profit	毛利		17,154	13,576
Other revenue	其他收益	7	3,630	1,450
Other income	其他收入	8	5,290	2,668
Other operating expenses	其他營運開支		(49,942)	(38,110)
Fair value gain on derivative financial liabilities	衍生金融負債之公平值收益	30	567	—
Fair value loss on derivative financial assets	衍生金融資產之公平值虧損	21	(1,673)	—
Gain on disposal of subsidiaries	出售附屬公司之收益	39	9	991
Loss from operating activities	經營業務虧損	8	(24,965)	(19,245)
Finance costs	融資成本	9	(15,873)	(18,167)
Loss before tax	除稅前虧損		(40,838)	(37,412)
Taxation	稅項	12	2,462	2,228
Loss for the year	本年度之虧損		(38,376)	(35,184)
Other comprehensive loss, net of tax	其他全面虧損(除稅)			
Exchange differences on translating foreign operations	換算海外經營業務之匯兌差額		242	(46)
Total comprehensive loss for the year, net of tax	本年度全面虧損總額(除稅)		(38,134)	(35,230)

Report of the Directors

董事會報告

SUMMARY FINANCIAL INFORMATION (continued)

財務資料概要 (續)

			2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
	Notes 附註			
Loss attributable to:		歸屬於下列人士之虧損：		
Owners of the Company		本公司擁有人	(34,145)	(34,458)
Non-controlling interests		非控股權益	(4,231)	(726)
			(38,376)	(35,184)
Total comprehensive loss attributable to:		歸屬於下列人士之全面虧損總額：		
Owners of the Company		本公司擁有人	(33,915)	(34,504)
Non-controlling interests		非控股權益	(4,219)	(726)
			(38,134)	(35,230)
Loss per share attributable to owners of the Company		本公司擁有人應佔每股虧損		
– Basic	15	– 基本	(3) cents港仙	(3) cents港仙
– Diluted		– 攤薄	(3) cents港仙	(3) cents港仙

SUMMARY FINANCIAL INFORMATION (continued)

財務資料概要 (續)

		As at 31 March 於三月三十一日				
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Assets and liabilities	資產與負債					
Non-current assets	非流動資產	94,209	4,492	1,886	1,234,355	1,030,397
Current assets	流動資產	148,594	116,459	192,747	159,907	142,012
Current liabilities	流動負債	(462,252)	(234,889)	(362,251)	(582,320)	(689,400)
Non-current liabilities	非流動負債	(477)	(147,276)	(136,002)	(204,846)	(303,569)
		(219,926)	(261,214)	(303,620)	607,096	179,440

Note: The results of the Group for the two years ended 31 March 2011 and 31 March 2012 and its assets and liabilities as at 31 March 2011 and 31 March 2012 are those set out on pages 46 to 159 of the consolidated financial statements.

附註：本集團截至二零一一年三月三十一日及二零一二年三月三十一日止兩個年度之業績及其於二零一一年三月三十一日及二零一二年三月三十一日之資產與負債分別載於綜合財務報表第46至第159頁。

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year are set out in Note 16 to the consolidated financial statements.

物業、廠房及設備

本集團年內之物業、廠房及設備變動詳情載於綜合財務報表附註16。

SHARE CAPITAL AND SHARE OPTIONS

Details of movements in the Company's share capital during the year and details of the Company's share option scheme are set out in Notes 35 and 37 to the consolidated financial statements.

股本及購股權

本公司年內之股本變動詳情及本公司購股權計劃及認股權證詳情載於綜合財務報表附註35及37。

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association or the laws of the Cayman Islands, being the jurisdiction in which the Company is incorporated, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

優先購買權

本公司之公司組織章程細則或開曼群島(本公司註冊成立所處之司法權區)法例概無載有關於優先購買權之條文，而令本公司須按比例向現有股東發售新股份。

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

The Company or any of its subsidiaries had not purchased, redeemed or sold any of the Company's listed securities during the year.

購買、贖回或出售本公司之上市證券

本公司或其任何附屬公司在年內概無購買、贖回或出售任何本公司之上市證券。

BORROWINGS

Details of the borrowings of the Group are set out in Notes 31 to the consolidated financial statements.

借貸

本集團借貸之詳情載於綜合財務報表附註31。

Report of the Directors

董事會報告

RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in Note 36 to the consolidated financial statements and in the consolidated statement of changes in equity, respectively.

DISTRIBUTABLE RESERVES

At 31 March 2012, the Company did not have any reserves (2011: Nil), available for cash distribution and/or distribution in specie, calculated in accordance with the Companies Law (2003 Revision) of the Cayman Islands, and no final dividend (2011: Nil) has been proposed out of such reserves for the year. In accordance with the Companies Law (2003 Revision) of the Cayman Islands, a company may make distributions to its members out of the contributed surplus accounts under certain circumstances. In addition, the Company's share premium account, in the amount of HK\$593,700,000 (2011: HK\$521,531,000) may be distributed in the form of fully paid bonus shares.

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, sales to the Group's five largest customers accounted for approximately 79% (2011: 28%) of the Group's turnover for the year and turnover attributable to the largest customer included therein amounted to approximately 27% (2011: 13%). Purchases from the Group's five largest suppliers accounted for approximately 51% (2011: 92%) of the Group's cost of sales for the year and the fees paid to the largest supplier accounted for approximately 33% (2011: 50%) of the Group's cost of sales for the year.

None of the directors of the Company, or any of their associates or any shareholders (which, to the best knowledge of the directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers or suppliers.

DIRECTORS

The directors of the Company during the year and up to the date of this report were:

Executive directors

Ms. Geng Ying (Chairman)
Mr. Gao Feng (Vice-Chairman)
Mr. Chiu Sui Keung (Chief Executive Officer)

Independent non-executive directors

Mr. Cheng Wing Keung, Raymond
Mr. Lam Williamson
Mr. Wong Hoi Kuen

In accordance with articles 86(3) of the Articles, Mr. Gao Feng and Mr. Chiu Sui Keung will be eligible for re-election at the forthcoming annual general meeting.

The Company has received confirmation from each of the INEDs about his independence pursuant of rule 3.13 of the Listing Rules. The Company is of the view that all INEDs meet the independent rules and continues to consider each of them to be independent.

儲備

本公司及本集團在年內之儲備變動詳情分別載於綜合財務報表附註36及綜合權益變動表。

可供分派儲備

於二零一二年三月三十一日，本公司並無任何按照開曼群島公司法（二零零三年修訂版）計算之可供作現金分派及／或實物分派之儲備（二零一一年：無），亦無獲建議自本年度之有關儲備中撥付末期股息（二零一一年：無）。根據開曼群島公司法（二零零三年修訂版），本公司可在若干情況下以繳入盈餘賬內之款項向其股東作出分派。此外，本公司股份溢價賬內之593,700,000港元（二零一一年：521,531,000港元）亦可以繳足股款紅利股份之形式作出分派。

主要客戶及供應商

於回顧年度內，本集團向五大客戶取得之銷售額佔本集團年內之營業額約79%（二零一一年：28%），此數額包括向當中最大客戶取得之銷售額約27%（二零一一年：13%）。本集團向五大供應商之採購額佔本集團年內之銷售成本約51%（二零一一年：92%），而向最大供應商支付之費用則佔本集團年內之銷售成本約33%（二零一一年：50%）。

本公司董事、彼等之任何聯繫人士或任何股東（就董事所知，擁有本公司已發行股本5%以上者）概無於本集團之五大客戶或供應商中擁有任何實益權益。

董事

年內及截至本報告日期為止，本公司之董事如下：

執行董事

耿瑩女士（主席）
高峰先生（副主席）
趙瑞強先生（行政總裁）

獨立非執行董事

鄭永強先生
林全智先生
黃海權先生

根據細則第86(3)條，高峰先生及趙瑞強先生將符合資格於應屆股東週年大會上膺選連任。

本公司已收到各位獨立非執行董事根據上市規則第3.13條作出有關其獨立之確認書。本公司認為所有獨立非執行董事均遵守獨立規則，並繼續認為彼等均為獨立人士。

Report of the Directors 董事會報告

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the directors of the Company and the senior management of the Group are set out on pages 13 to 15 of this annual report.

DIRECTORS' SERVICE CONTRACTS

The executive directors, Ms. Geng Ying, Mr. Gao Feng and Mr. Chiu Sui Keung have entered into service agreements with the Company for an initial term of three years commencing on 1 August 2009, 15 June 2009 which has already been renewed for another 3 years and 20 April 2009 which has already been renewed for another 3 years respectively.

All INEDs have no fixed terms of appointments. No service agreement has been or will be entered into between the Company and either of the INEDs.

Apart from the foregoing, no director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment other than statutory compensation.

DIRECTORS' REMUNERATION

During the year, directors' remuneration, comprised payments to the directors of the Company and its subsidiaries in connection with the management of the affairs of the Group, is as follow:

Name of director 董事姓名	Fees 袍金 HK\$'000 千港元	Basic salaries 基本薪金 HK\$'000 千港元	Other allowances 其他津貼 HK\$'000 千港元	Discretionary bonuses 酌情花紅 HK\$'000 千港元	MPF contributions 強積金供款 HK\$'000 千港元	Total 合計 HK\$'000 千港元
2012:						
Executive directors						
Ms. Geng Ying	-	1,000	-	1,208	-	2,208
Mr. Gao Feng (Vice-Chairman)	-	3,686	184	3,750	12	7,632
Mr. Chiu Sui Keung (Chief Executive Officer)	-	1,751	-	1,139	12	2,902
Independent non-executive directors						
Mr. Cheng Wing Keung, Raymond	120	-	-	-	-	120
Mr. Lam Williamson	180	-	-	-	-	180
Mr. Wong Hoi Kuen	107	-	-	-	-	107
	407	6,437	184	6,097	24	13,149

董事及高級管理層之簡歷

本公司董事及本集團高級管理層之簡歷載於本年報第13至第15頁。

董事之服務合約

執行董事耿瑩女士、高峰先生及趙瑞強先生已與本公司訂立服務合約，初步為期三年，分別由二零零九年八月一日、二零零九年六月十五日（其已重續另一個三年）及二零零九年四月二十日（其已重續另一個三年）開始。

所有獨立非執行董事均無固定任期。本公司概無亦將不會與獨立非執行董事訂立服務合約。

除上述者外，擬於應屆股東週年大會上膺選連任之董事概無與本公司訂立本公司不得於一年內終止而毋須作出賠償（法定賠償除外）之服務合約。

董事酬金

年內，董事酬金（包括就管理本集團業務而支付予本公司及其附屬公司各董事之款項）如下：

Report of the Directors

董事會報告

DIRECTORS' REMUNERATION (continued)

董事酬金 (續)

Name of director		Fees	Basic salaries	Housing allowances	Discretionary bonuses	Share-based payment	MPF contributions	Total
董事姓名		袍金	基本薪金	房屋津貼	酌情花紅	以股份為基礎之付款	強積金供款	合計
		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
2011:		二零一一年:						
Executive directors		執行董事						
Ms. Geng Ying	耿瑩女士	–	125	–	–	1,813	–	1,938
Mr. Gao Feng (Vice-Chairman)	高峰先生(副主席)	–	402	223	130	1,813	12	2,580
Mr. Chiu Sui Keung (Chief Executive Officer)	趙瑞強先生(行政總裁)	–	901	–	64	1,813	12	2,790
Mr. Sun Wei (Resigned on 2 August 2010)	孫威先生(於二零一零年八月二日辭任)	–	38	–	–	–	3	41
Independent non-executive directors		獨立非執行董事						
Mr. Cheng Wing Keung, Raymond	鄭永強先生	120	–	–	–	181	–	301
Mr. Lam Williamson (Appointed on 1 January 2011)	林全智先生(於二零一一年一月一日獲委任)	45	–	–	–	181	–	226
Mr. Wong Hoi Kuen (Appointed on 9 May 2011)	黃海權先生(於二零一一年五月九日獲委任)	–	–	–	–	–	–	–
Dr. Lam Lee G. (Appointed on 24 November 2010 and resigned on 23 March 2011)	林家禮博士(於二零一零年十一月二十四日獲委任並於二零一一年三月二十三日辭任)	98	–	–	–	181	–	279
Mr. Lu Xin (Retired on 8 October 2010)	盧欣先生(於二零一零年十月八日退任)	62	–	–	–	–	–	62
Mr. Tang Ping Sum (Resigned on 1 January 2011)	鄧炳森先生(於二零一一年一月一日辭任)	90	–	–	–	–	–	90
		415	1,466	223	194	5,982	27	8,307

DIRECTORS' INTERESTS IN CONTRACTS

No director had a significant beneficial interest, either directly or indirectly, in any contracts of significance to the business of the Group to which the Company, its holding company or any of its subsidiaries was a party during the year. Save as disclosed in this report, none of the director has had any direct or indirect interest in any assets which have been acquired or disposed of by, or leased to, or which are proposed to be acquired or disposed of by, or leased to, any member of the Group during the year.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

Save as disclosed below, as at 31 March 2012, none of the directors had any beneficial interests (including interests or short positions) in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which would be required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests and short positions which they are taken or deemed to have taken under such provisions of the SFO), or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to in that section, or will be required, pursuant to the Model Code in the Listing Rules, to be notified to the Company and the Stock Exchange.

Long positions in the shares of the Company

Long Positions in the shares and underlying shares of the company

Name of Directors 董事名稱	Interest in shares/ Underlying shares 於股份／相關股份之權益	Capacity 身份	Number of shares/ underlying shares held 所持股份／相關股份之數目
Geng Ying 耿瑩	Share options 購股權	Beneficial owner 實益擁有人	13,000,000
Gao Feng (Note 1) 高峰(附註1)	Shares 股份	Beneficial owner 實益擁有人	178,000,000
	Shares 股份	Interest of a controlled corporation 擁有受控制公司之權益	178,000,000
	Shares options 購股權	Beneficial owner 實益擁有人	13,000,000
Chiu Sui Keung 趙瑞強	Share options 購股權	Beneficial owner 實益擁有人	13,000,000
Cheng Wing Keung, Raymond 鄭永強	Share options 購股權	Beneficial owner 實益擁有人	1,300,000
Lam Williamson 林全智	Share options 購股權	Beneficial owner 實益擁有人	1,300,000

Note:

- Mr. Gao Feng is beneficially interested in the entire issued share capital of ACE Channel Limited.

董事之合約權益

本公司、其控股公司或其任何附屬公司於年內概無訂立與董事直接或間接擁有重大實益權益而對本集團業務影響重大之任何合約。除本報告披露者外，年內各董事概無直接或間接擁有本集團任何成員公司購入、出售或租賃或擬購入、出售或租賃之任何資產之任何權益。

董事及主要行政人員於股份、相關股份及債券之權益及淡倉

除下文披露者外，於二零一二年三月三十一日，概無董事於本公司或其任何聯營公司（具有證券及期貨條例（「證券及期貨條例」）第XV部所賦予之涵義）之股份、相關股份及債券中擁有根據證券及期貨條例第XV部份第7及8分部須知會本公司及聯交所（包括根據證券及期貨條例之有關條文被當作或被視為擁有之權益及淡倉）或根據證券及期貨條例第352條須記錄於該條例所述之登記冊或須根據標準守則知會本公司及聯交所之任何實益權益（包括權益或淡倉）。

於本公司股份之好倉

於本公司股份及相關股份之好倉

附註：

- 高峰先生實益擁有ACE Channel Limited之全部已發行股本。

Report of the Directors

董事會報告

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the share option scheme as set out in Note 37 to the consolidated financial statements, at no time during the year was the Company, its holding company or any of its subsidiaries a party to any arrangement to enable the Company's directors, their respective spouse or children under 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

SHARE OPTION SCHEME

Details of the Company's share option scheme are set out in Note 37 to the consolidated financial statements.

During the year ended 31 March 2012, except 1,300,000 share options were lapsed, no share option was exercised by the Company's directors and employees.

SHARE AWARD SCHEME

The Board has approved the adoption of the share award scheme ("Scheme") on 11 February 2011 ("Adoption Date"), pursuant to which existing shares will be purchased by the Bank of East Asia (Trustees) Limited ("Trustee") from the market at the cost of the Company and be held in trust for the relevant selected participants ("Selected Participants"). Selected Participants may cover any Director (including executive and non-executive Director), employee, officer, agent, advisor or consultant of the Company and of its subsidiaries.

The purpose of the Scheme are (i) to recognise the contributions by the Selected Participants and to give incentives thereto in order to retain them for the continuing operation and future development of the Group; and (ii) attract suitable personnel for further development of the Group.

If the Board selects a Director as the Selected Participant, the grant of the Awarded Shares to the Director may constitute a connected transaction of the Company. However, since the grant of awarded shares to Director forms part of the remuneration of the relevant Director under his/her service contract, such grant of awarded shares is exempted from all the reporting, announcement and independent Shareholder's approval requirement under Rules 14A.31(6) of the Listing Rules.

For the award of Shares to Selected Participants who are connected persons (excluding Directors), the Company will comply with the relevant provisions of the Listing Rules in relation to the reporting, announcement and independent Shareholders approval requirements. However, any grant to any Director or senior management of the Company must first be approved by the Remuneration Committee.

Subject to any early termination as may be determined by the Board pursuant to the rules relating to the Scheme, the Scheme shall be valid and effective for a term of 10 years commencing on the Adoption Date provided that no further contribution to the Trust shall be made by the Company on or after the 10th anniversary date of the Adoption Date.

董事購入股份或債券之權利

除於綜合財務報表附註37所載購股權計劃內所披露者外，本公司、其控股公司或其任何附屬公司在年內概無訂立任何安排，致使本公司董事、彼等各自之配偶或18歲以下之子女可藉購入本公司或任何其他法人團體之股份或債券而得益。

購股權計劃

本公司購股權計劃之詳情載於綜合財務報表附註37。

截至二零一二年三月三十一日止年度，除1,300,000份購股權失效外，並無購股權獲本公司董事及僱員行使。

股份獎勵計劃

董事會於二零一一年二月十一日（「採納日期」）批准採納股份獎勵計劃（「該計劃」）。據此，Bank of East Asia (Trustees) Limited（「受託人」）將會在市場內購入現有股份（有關成本由本公司支付），而受託人將會以信託形式代相關經甄選參與者（「經甄選參與者」）持有。經甄選參與者可包括任何董事（包括執行及非執行董事）、本公司及其附屬公司之僱員、高級職員、經理人、諮詢人或顧問。

該計劃旨在(i)肯定經甄選參與者所作出的貢獻，獎勵經甄選參與者，旨在鼓勵彼等繼續留任，共同為本集團的持續經營業務及未來發展努力；及(ii)吸引適合的人才加入，為本集團之未來發展效力。

倘若董事會選出一名董事作為經甄選參與者，則向該名董事授出獎勵股份可能構成一項關連交易。然而，由於根據相關董事之服務合約，向董事授出獎勵股份構成相關董事之部分酬金，授出有關獎勵股份一事可獲豁免遵守上市規則第14A.31(6)條項下之所有申報、公告及獨立股東批准規定。

倘若向身份屬關連人士之經甄選參與者（不包括董事）授予股份作為獎勵，本公司將遵守上市規則有關申報、公告及獨立股東批准規定之相關條文。然而，向本公司任何董事或高級管理人員授予任何股份，必須首先經薪酬委員會之批准。

該計劃自採納日期起計10年內有效及生效，惟董事會可根據計劃規則決定提前終止該計劃。然而，倘若本公司在採納日期滿10週年之日或其後向信託進一步作出貢獻，則作別論。

SHARE AWARD SCHEME (continued)

On 9 March 2011, the Board approved and transferred HK\$5,000,000 to Trustee. During the year ended 31 March 2012, 10,100,000 shares were purchased and held by the Trustee, representing approximately 0.62% of the issued share capital of the Company.

During the year ended 31 March 2012, no award shares have been released to Selected Participants.

PLACING OF NEW SHARES AND WARRANTS

On 28 September 2011, an aggregate of 30,000,000 placing shares ("Placing Shares") have been successfully placed by the Company to not less than six share placees who are third parties independent of and not connected to the Company and its connected persons, at the placing price of HK\$0.36 per share.

On 28 September 2011, an aggregate of 230,000,000 unlisted warrants ("Warrants") at the initial subscription price of HK\$0.39 have been successfully placed by the Company to not less than six warrant placees who are third parties independent of and not connected to the Company and its connected persons, at the issue price of HK\$0.01 per Warrant. The exercise period for the Warrants is from 28 September 2011 to 27 September 2014, which is 36 months from the issue of the Warrants. Assuming the full exercise of the subscription rights attaching to the Warrants at the subscription price, it is expected an additional amount of HK\$89,700,000 will be raised. The additional funds will be utilised by the Group for its general working capital and as funds for future development of the existing business of the Group and other business when investment opportunities arise.

The aggregate net proceeds from the placing of the 30,000,000 Placing Shares and the 230,000,000 Warrants at an issue price of HK\$0.01 per warrant were approximately HK\$12,533,000.

As at 31 March 2012, no warrant holders have exercised the subscription rights attached to the Warrants.

股份獎勵計劃 (續)

於二零一一年三月九日，董事會批准及轉撥5,000,000港元予受託人。於截至二零一二年三月三十一日止年度，受託人購買及持有10,100,000股股份，佔本公司已發行股本約0.62%。

於截至二零一二年三月三十一日止年度，概無經甄選參與者獲授獎勵股份。

配售新股份及認股權證

於二零一一年九月二十八日，本公司成功按配售價每股0.36港元配售合共30,000,000股配售股份（「配售股份」）予不少於六名股份承配人，該等承配人為獨立於本公司及其關連人士並與彼等概無關連之第三方。

於二零一一年九月二十八日，本公司成功按發行價每份認股權證0.01港元配售合共230,000,000份初步認購價為0.39港元之非上市認股權證（「認股權證」）予不少於六名認股權證承配人，該等承配人為獨立於本公司及其關連人士並與彼等概無關連之第三方。認股權證之行使期間為二零一一年九月二十八日至二零一四年九月二十七日，其為發行認股權證日期起36個月。假設認股權證所附帶之認購權獲按認購價悉數行使，則預期將籌集額外89,700,000港元。本集團會將該等額外資金用作一般營運資金及本集團現有業務及其他業務（當投資機會出現時）之未來發展之資金。

配售30,000,000股配售股份及按發行價每股認股權證0.01港元配售230,000,000份認股權證所產生之所得款項淨額合共約為12,533,000港元。

於二零一二年三月三十一日，並無認股權證持有人已行使認股權證所附帶之認購權。

Report of the Directors

董事會報告

SUBSTANTIAL SHAREHOLDERS AND INTERESTS DISCLOSABLE UNDER THE SFO

As at 31 March 2012, the following interests of 5% or more of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

主要股東及根據證券及期貨條例須予披露之權益

於二零一二年三月三十一日，本公司已發行股本5%或以上之下列權益乃載於本公司根據證券及期貨條例第336條須存置之權益登記冊內：

Name of shareholders	Notes	Number of shares interested	Nature of interests	Capacity	Approximate percentage of existing issued ordinary share capital of the Company 本公司現有已發行普通股股本中之持股量概約百分比
股東姓名／名稱	附註	持有權益之股份數目	權益性質	身份	
Mega Wealth Capital Limited ("Mega Wealth")	1	100,000,000	Long positions 好倉	Beneficial owner 實益擁有人	6.11%
Webright Limited ("Webright")	1	98,000,000	Long positions 好倉	Beneficial owner 實益擁有人	5.99%
Mr. Hung Chen Richael ("Mr. Hung") 洪誠先生(「洪先生」)	1	423,640,000	Long positions 好倉	Beneficial owner 實益擁有人	25.89%
		198,000,000	Long positions 好倉	Interest of a controlled corporation 擁有受控制公司之權益	12.10%
Mr. Zheng Xue Feng ("Mr. Zheng") 鄭雪峰先生(「鄭先生」)	2	270,000,000	Long positions 好倉	Beneficial owner 實益擁有人	16.50%
Toeca National Resources B.V. ("Toeca National")	3	215,200,000	Long positions 好倉	Beneficial owner 實益擁有人	13.15%
		118,000,000	Short positions 淡倉	Beneficial owner 實益擁有人	7.21%
Ramphastos Investments N.V. ("Ramphastos Investments")	3	215,200,000	Long positions 好倉	Interest of a controlled corporation 擁有受控制公司之權益	13.15%
		118,000,000	Short positions 淡倉	Interest of a controlled corporation 擁有受控制公司之權益	7.21%
Boekhoom Marcel Martinus Jacobus Johannes ("Boekhoom Marcel")	3	215,200,000	Long positions 好倉	Interest of a controlled corporation 擁有受控制公司之權益	13.15%
		118,000,000	Short positions 淡倉	Interest of a controlled corporation 擁有受控制公司之權益	7.21%
ACE Channel Limited ("ACE Channel")	4	178,000,000	Long positions 好倉	Interest of a controlled corporation 擁有受控制公司之權益	10.88%
Mr. Gao Feng 高峰先生	4	191,000,000	Long positions 好倉	Beneficial owner 實益擁有人	10.88%

SUBSTANTIAL SHAREHOLDERS AND INTERESTS DISCLOSABLE UNDER THE SFO

(continued)

主要股東及根據證券及期貨條例須予披露之權益 (續)

Name of shareholders	Notes	Number of shares interested	Nature of interests	Capacity	Approximate percentage of existing issued ordinary share capital of the Company 本公司現有已發行普通股股本中之持股量概約百分比
股東姓名／名稱	附註	持有權益之股份數目	權益性質	身份	
Mr. Mak Wai Chun ("Ms. Mak") 麥慧珍女士 (「麥女士」)		118,000,000	Long positions 好倉	Interest of a controlled corporation 擁有受控制公司之權益	7.21%
		118,000,000		Interest of Spouse 配偶權益	7.21%
Mr. Wan Chuen Chung, Joseph ("Mr. Wan") 尹銓忠先生 (「尹先生」)		118,000,000	Long positions 好倉	Interest of Spouse 配偶權益	7.21%
		118,000,000	Long positions 好倉	Interest of a controlled corporation 擁有受控制公司之權益	7.21%
Sun Investment Development ("Sun Investment")	5	105,484,000	Long positions 好倉	Interest of a controlled corporation 擁有受控制公司之權益	6.45%
Mr. Sun Hui ("Mr. Sun") 孫暉先生 (「孫先生」)	5	105,484,000	Long positions 好倉	Beneficial owner 實益擁有人	6.45%

Notes:

- These 423,640,000 shares include the aggregate of 76,640,000 shares is beneficially owned by Mr. Hung, a former executive director (Resigned on 1 August 2009), and the outstanding principal amount of the Convertible Notes as at 30 September 2011 was HK\$173,500,000, which can be converted into 347,000,000 ordinary shares at a convertible price of HK\$0.5 shares.

Mr. Hung is the beneficially interested in the entire issued share capital of Mega Wealth and Webright. By virtue of the SFO, he is deemed to be interested in the 100,000,000 shares beneficially owned by Mega Wealth and 98,000,000 shares beneficially owned by Webright. Accordingly, Mr. Hung is deemed to be interested in these 621,640,000 shares under the SFO.

- The Company signed a sale and purchase Agreement ("the Agreement") with Mr. Zheng on 8 August 2011. Pursuant to the Agreement, the Company will issue and allot of 270,000,000 consideration shares at the issue price of HK\$0.45 per share to Mr. Zheng at the completion subject to the terms and conditions of the Agreement in relation to the consideration adjustments. (Details refer to the Company circular dated on 28 September 2011).
- Boekhoorn Marcel has the ultimate beneficial interest in the entire issued share capital of Toeca National and Ramphastos Investments. By virtue of the SFO, Boekhoorn Marcel is deemed to be interested in these 215,200,000 shares beneficially owned by Toeca National.
- Mr. Gao is the beneficially interested in the entire issued share capital of ACE Channel. By virtue of the SFO, he is deemed to be interested in the 178,000,000 shares beneficially owned by ACE Channel.
- Mr. Sun is the beneficially interested in the entire issued share capital of Sun Investment. By virtue of the SFO, he is deemed to be interested in the 105,484,000 shares beneficially owned by Sun Investment.
- This percentage is calculated based on the existing issued share capital of the Company as at 31 March 2012.

附註：

- 該等423,640,000股股份包括由前執行董事洪先生 (於二零零九年八月一日辭任) 實益擁有之76,640,000股股份以及於二零一一年九月三十日尚未贖回之可換股票據，該批可換股票據之本金額為173,500,000港元，可按每股0.5港元之換股價轉換為347,000,000股普通股。

洪先生實益擁有Mega Wealth及Webright全部已發行股本之權益。根據證券及期貨條例，他被視為擁有100,000,000股及98,000,000股分別由Mega Wealth及Webright實益擁有之股份之權益。因此，根據證券及期貨條例，洪先生被視為擁有該621,640,000股股份之權益。

- 於二零一一年八月八日，本公司與鄭先生訂立買賣協議 (「該協議」)。根據該協議，本公司將於完成時按每股0.45港元之發行價向鄭先生發行及配發270,000,000股代價股份，惟受該協議有關代價調整之條款及條件所規限。(詳情請參閱日期為二零一一年九月二十八日之通函)。
- Boekhoorn Marcel擁有Toeca National和Ramphastos Investments全部已發行股本之最終實益權益。根據證券及期貨條例，Boekhoorn Marcel被視為擁有該215,200,000股由Toeca National實益擁有之股份之權益。
- 高峰先生實益擁有ACE Channel全部已發行股本之權益。根據證券及期貨條例，他被視為擁有178,000,000股由ACE Channel實益擁有之股份之權益。
- 孫先生實益擁有Sun Investment全部已發行股本之權益。根據證券及期貨條例，他被視為擁有105,484,000股由Sun Investment實益擁有之股份之權益。
- 該百分比乃根據本公司於二零一二年三月三十一日之現有已發行股本計算。

Report of the Directors

董事會報告

MANAGEMENT CONTRACTS

During the year, save for the service contracts of the directors, the Company had not entered into any contract with any individual, firm or body corporate to manage or administer the whole or any substantial part of any business of the Company.

CONTRACTS OF SIGNIFICANCE

(1) Unsecured loans from Mr. Hung Chen, Richael, a former executive director and a substantial shareholder who resigned on 1 August 2009, under the followings terms:

- (i) principal amount of HK\$3,000,000, bearing interest at a fixed rate of 8% per annum due on 3 December 2009;
- (ii) principal amount of HK\$8,000,000, bearing interest at a fixed rate of 8% per annum due on 8 March 2010; and

(2) On 15 August 2011, the Company signed a shareholder's loan facility agreement of HK\$20,000,000 with ACE Channel Limited, beneficially owned by Mr. Gao Feng, a director of the Company, is unsecured, bearing interest at a prime rate plus 1% (i.e. 6%) per annum and due on 14 August 2012. The Company has already drawn down a total amount of HK\$1,300,000 as at 31 March 2012.

Save as disclosed above, no contracts of significance, to which the Company, its holding companies, its subsidiaries or fellow subsidiaries was a party and in which a director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

No contracts of significance for the provision of services to the Company or any of its subsidiaries by a controlling shareholder of the Company or any of its subsidiaries subsisted at the end of the year or at any time during the year.

No contracts of significance between the Company or any of its subsidiary companies and a controlling shareholder of the Company or may compete with the business of the Group.

CONTINUING CONNECTED TRANSACTIONS

The Master Project Management Agreement – Continuing Connected Transactions

On 6 April 2009, a wholly-owned subsidiary of the Group, Pro-Capital Investments Limited ("Pro-Capital"), entered into a master project management agreement ("Management Agreement") with Group Idea International Limited ("Group Idea") for a term ending on 5 April 2012. Notwithstanding Mr. Cheung Shui Kwai and Mr. Javed Iqbal Khan had resigned as executive directors of the Company on 6 April 2009, Mr. Cheung Shui Kwai and Mr. Javed Iqbal Khan shall remain a connected person of the Company for the 12 months following his resignation under the Listing Rules. In addition, upon completion of the disposal of Group Idea, Group Idea will become wholly owned by Mr. Cheung Shui Kwai and Mr. Javed Iqbal Khan. As such, Group Idea will become a connected person of the Company under the Listing Rules.

管理合約

於本年度內，除各董事之服務合約外，本公司概無與任何人士、法團或法人團體訂立任何合約以就本公司任何業務之全部或任何重大部份進行管理或行政管理。

重大合約

(1) 根據下列條款，來自洪誠先生（前任執行董事及主要股東，於二零零九年八月一日辭任）之無抵押貸款：

- (i) 本金3,000,000港元，按固定年利率8%計息，於二零零九年十二月三日期到期；
- (ii) 本金8,000,000港元，按固定年利率8%計息，於二零一零年三月八日期到期；及

(2) 於二零一一年八月十五日，本公司與ACE Channel Limited（本公司董事高峰先生實益擁有的公司）簽訂20,000,000港元之股東貸款額度協議，該款項為無抵押、按年利率最優惠利率加1%（即6%）計息，並於二零一二年八月十四日期到期。於二零一二年三月三十一日，本公司已合共提取1,300,000港元。

除上文所披露者外，董事概無直接或間接於本公司、其控股公司、其附屬公司或同系附屬公司所訂立之重大合約（於年結日或於本年度任何時間仍然生效者）中擁有重大權益。

於年結日或於本年度任何時間，概無任何由本公司之控股股東或其任何附屬公司向本公司或其任何附屬公司提供服務之重大合約仍然生效。

概無本公司或其任何附屬公司與本公司之控股股東之間的重大合約與本集團之業務構成或可能構成競爭。

持續關連交易

主項目管理協議－持續關連交易

於二零零九年四月六日，本公司全資附屬公司Pro-Capital Investments Limited（「Pro-Capital」）與Group Idea International Limited（「Group Idea」）訂立一項主項目管理協議（「管理協議」），年期直至二零一二年四月五日。雖然張瑞貴先生及簡志偉先生經已於二零零九年四月六日辭任本公司執行董事職務，惟根據上市規則，兩人在辭任後十二個月內仍為本公司之關連人士。此外，完成出售Group Idea時，Group Idea將由兩人全資擁有。因此，Group Idea將成為上市規則所述本公司之關連人士。

Report of the Directors

董事會報告

Pursuant to the Management Agreement, Group Idea shall appoint Pro-Capital or its subsidiaries to provide certain management service from time to time and Pro-Capital accepts the appointment to provide Group Idea with such management services for the exhibitions managed by it during the term. As the project manager, Pro-Capital and/or its subsidiaries shall provide the management services and procure the provision of such services to Group Idea, including but not limited to providing human resources support; providing advertising, marketing and other promotional support; managing and overseeing the operation of the exhibition; arranging for construction, removal and selling of booths; keeping proper books and records for the exhibition and such other matters as the project manager shall consider necessary to carry out or perform its duties under the Management Agreement. Group Idea will share 20% of the revenue in respect of each exhibition managed by Pro-Capital and/or its subsidiaries. The Board proposed that the annual cap amounts of the sums of such shared revenue for the three years ending 31 December 2011 will be HK\$38 million, HK\$41 million and HK\$41 million, respectively. For the year ended 31 December 2011, the transaction amount under Management Agreement is approximately HK\$15,205,000 (2010: HK\$15,308,000).

The continuing connected transactions have been reviewed by the INEDs who have confirmed that the transactions had been entered into:

- (a) in the ordinary and usual course of business of the Company;
- (b) on normal commercial terms;
- (c) in accordance with the relevant agreement governing the transactions on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and
- (d) have not exceeded the relevant maximum amount capped in accordance with the annual caps as set out in the relevant public announcements.

Hodgson Impey Cheng, the Company's independent auditors, were engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 Assurance "Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. Hodgson Impey Cheng have issued a letter containing their findings and conclusions in respect of the continuing connected transactions disclosed above by the Group in accordance with relevant clauses of Rule 14A.38 of the Listing Rules.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

So far as the directors were aware, none of the directors or their associates had any interest in a business that competes or may compete with the business of the Group.

概據管理協議，Group Idea將不時委任Pro-Capital或其附屬公司提供若干管理服務，而Pro-Capital接受委任，於有關年內就Group Idea所管理之展覽向Group Idea提供該等管理服務。作為項目經理，Pro-Capital及／或其附屬公司須向Group Idea提供管理服務及促使提供有關服務，包括（但不限於）提供人力資源支援；提供廣告、市場推廣及其他宣傳支援；管理及監督展覽之運作及確保展覽順利及有效率地進行；安排搭建、移除及售賣攤位；就展覽妥善備存簿冊及記錄；及項目經理就其根據主項目管理協議進行或履行其職責而認為有需要之有關其他事宜。Group Idea將會就Pro-Capital及／或其附屬公司所管理之每個展覽分享收入之20%。董事會建議，於截至二零一一年十二月三十一日止三個年度內，有關分享收入金額之全年上限金額分別為38,000,000港元、41,000,000港元及41,000,000港元。於截至二零一一年十二月三十一日止年度，管理協議之交易額約為15,205,000港元（二零一零年：15,308,000港元）。

獨立非執行董事已審閱持續關連交易，並確認該等交易乃基於下列條件訂立：

- (a) 於本公司一般及日常業務過程中；
- (b) 根據一般商業條款；
- (c) 符合監管該等交易之相關協議條款，且該等條款屬公平合理，並符合本公司股東之整體利益；及
- (d) 誠如有關已刊發公告所載，並無超過根據年度上限所設定之有關最高金額。

本公司之獨立核數師國衛會計師事務所根據香港會計師公會頒佈之香港核證委聘準則第3000號「審核或審閱歷史財務資料以外之核證工作」及參照實務說明第740號「關於上市規則所述持續關連交易之核數師函件」，對本集團之持續關連交易發出報告。根據上市規則第14A.38條相關條款之規定，國衛會計師事務所已就上文本集團所披露之持續關聯交易之核證結果及結論發出函件。

董事於競爭業務之權益

就董事所知，董事或其聯繫人士概無於對本集團任何業務構成或可能構成任何競爭之業務中擁有任何權益。

Report of the Directors 董事會報告

COMPLIANCE WITH OLD CODE AND NEW CODE

The Company is committed to ensuring high standards of corporate governance through the establishment and adoption of good practices and procedures which are in the best interests of the Company and its shareholders. The Company has applied the principles and complied with all code provisions of the Old Code and New Code throughout the year.

COMPLIANCE WITH MODEL CODE

Details of compliance with the Model Code by directors of the Company is set out in the Corporate Governance Report on pages 16 to 28 of this annual report.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the directors of the Company as at the date of this report, the Company has maintained the prescribed public float under the Listing Rules.

AUDIT COMMITTEE

Details of the composition of the Company's Audit Committee and the major work performed by the Committee during the year is set out in the Corporate Governance Report on pages 16 to 28 of this annual report.

AUDITORS

The accounts for the year were audited by HLB Hodgson Impey Cheng whose term of office will expire upon the forthcoming annual general meeting. In March 2012, the practice of HLB Hodgson Impey Cheng was reorganised as HLB Hodgson Impey Cheng Limited. The Audit Committee has recommended to the Board that HLB Hodgson Impey Cheng Limited be nominated for appointment as the auditors of the Company at the forthcoming annual general meeting.

ON BEHALF OF THE BOARD

Geng Ying
Chairman

Hong Kong
28 June 2012

遵守舊守則及新守則

本公司承諾透過建立及採納符合本公司及其股東最佳利益之良好常規及程序，以確保高水準之企業管治。本公司於年內一直採用該等原則並遵守舊守則及新守則之所有守則條文。

遵守標準守則

本公司董事遵守標準守則之詳情載於本年報第16至第28頁之企業管治報告內。

足夠公眾持股量

於本報告日期，根據本公司已公開可用之資料及就本公司董事所知，本公司已維持足夠公眾持股量。

審核委員會

本公司審核委員會之組成及該委員會所履行之主要工作之詳情載於本年報第16頁至第28頁之企業管治報告內。

核數師

本年度之賬目已經國衛會計師事務所審核，其任期將於應屆股東週年大會時屆滿。國衛會計師事務所於二零一二年三月重組為國衛會計師事務所有限公司。審核委員會已向董事會建議，於應屆股東週年大會上提名國衛會計師事務所有限公司擔任本公司核數師。

代表董事會

耿瑩
主席

香港
二零一二年六月二十八日

Independent Auditors' Report 獨立核數師報告書



國衛會計師事務所
Hodgson Impey Cheng

Chartered Accountants
Certified Public Accountants

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

**TO THE SHAREHOLDERS OF
SINO RESOURCES GROUP LIMITED**
(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Sino Resources Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 46 to 159, which comprise the consolidated and company statements of financial position as at 31 March 2012, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants 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.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

香港
中環
畢打街11號
置地廣場
告羅士打大廈31樓

致：神州資源集團有限公司
(於開曼群島註冊成立之有限公司)
列位股東

本核數師已審核刊於第46頁至第159頁神州資源集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，其中包括於二零一二年三月三十一日之綜合及公司財務狀況表、截至該日止年度之綜合全面損益賬、綜合權益變動表及綜合現金流量表，以及重大會計政策概要及其他解釋資料。

董事編製綜合財務報表之責任

貴公司董事須遵照香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則及香港公司條例之披露規定，負責編製真實而公平之綜合財務報表，並實行董事認為屬必要之內部監控，致使綜合財務報表之編製不存在因欺詐或錯誤而導致之重大錯誤陳述。

核數師之責任

吾等負責根據吾等之審核結果對該等綜合財務報表發表意見，並謹向閣下報告，並不作其他用途。吾等不對任何其他人士就本報告內容承擔或負上任何責任。吾等按照香港會計師公會頒佈之香港核數準則進行審核工作。該等準則要求吾等在策劃和進行審核工作時須符合道德規範，使吾等能就綜合財務報表是否存有重大錯誤陳述作合理之確定。

Independent Auditors' Report

獨立核數師報告書

AUDITORS' RESPONSIBILITY (continued)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2012 and of the Group's loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

MATERIAL UNCERTAINTY CONCERNING GOING CONCERN BASIS OF ACCOUNTING

Without qualifying our opinion, we draw attention to Note 3(a) in the consolidated financial statements which indicates that the Group incurred a net loss of approximately HK\$38,376,000 during the year ended 31 March 2012 and, as of that date, the Group had net current liabilities of approximately HK\$313,658,000 and net liabilities of approximately HK\$219,926,000. These conditions, along with other matters as set forth in Note 3(a) in the consolidated financial statements, indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern.

HLB Hodgson Impey Cheng
Chartered Accountants
Certified Public Accountants

Hong Kong, 28 June 2012

核數師之責任(續)

審核涉及進行程序以取得與綜合財務報表所載數額及披露事項有關之審核憑證。選用之程序須視乎核數師之判斷，包括評估綜合財務報表出現重大錯誤陳述（不論其由欺詐或錯誤引起）之風險。在作出該等風險評估時，核數師將考慮與公司編製並真實公平地呈列綜合財務報表有關之內部監控，以為不同情況設計適當審核程序，但並非旨在就公司內部監控是否有效表達意見。審核範圍亦包括評估所用會計政策之恰當性，董事所作會計估算之合理性，並就綜合財務報表之整體呈列方式作出評估。

吾等相信，就提出審核意見而言，吾等所獲審核憑證屬充分恰當。

意見

吾等認為綜合財務報表按照香港財務報告準則真實與公平地反映 貴公司及 貴集團於二零一二年三月三十一日之財務狀況及 貴集團截至該日止年度之虧損及現金流量，並已按照香港公司條例之披露規定妥善編製。

有關持續經營會計基準之重大不明朗因素

在吾等並沒有發出保留意見下，請注意綜合財務報表附註3(a)所示，截至二零一二年三月三十一日止年度， 貴集團錄得虧損淨額38,376,000港元，而於同日， 貴集團錄得流動負債淨額約313,658,000港元及負債淨額219,926,000港元。該情況連同在綜合財務報表附註3(a)一節所載的其他因素，顯示目前存在重大不明朗因素，可能會對 貴集團能否繼續持續經營能力產生重大疑問。

國衛會計師事務所
英國特許會計師
香港執業會計師

香港，二零一二年六月二十八日

Consolidated Statement of Comprehensive Income

綜合全面損益賬

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

			2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
		Notes 附註		
Turnover	營業額	7	136,648	82,368
Cost of sales	銷售成本		(119,494)	(68,612)
Gross profit	毛利		17,154	13,756
Other revenue	其他收益	7	3,630	1,450
Other income	其他收入	8	5,290	2,668
Other operating expenses	其他營運開支		(49,942)	(38,110)
Fair value gain on derivative financial liabilities	衍生金融負債之公平值收益	30	567	—
Fair value loss on derivative financial assets	衍生金融資產之公平值虧損	21	(1,673)	—
Gain on disposal of subsidiaries	出售附屬公司之收益	39	9	991
Loss from operating activities	經營業務虧損	8	(24,965)	(19,245)
Finance costs	融資成本	9	(15,873)	(18,167)
Loss before tax	除稅前虧損		(40,838)	(37,412)
Taxation	稅項	12	2,462	2,228
Loss for the year	本年度虧損		(38,376)	(35,184)
Other comprehensive income/(loss), net of tax	其他全面收益／(虧損) (除稅)			
Exchange differences on translating foreign operations	換算海外經營業務之匯兌差額		242	(46)
Total comprehensive loss for the year, net of tax	本年度全面虧損總額(除稅)		(38,134)	(35,230)

Consolidated Statement of Comprehensive Income

綜合全面損益賬

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

		Notes 附註	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Loss attributable to:	歸屬於下列人士之虧損：			
Owners of the Company	本公司擁有人		(34,145)	(34,458)
Non-controlling interests	非控股權益		(4,231)	(726)
			(38,376)	(35,184)
Total comprehensive loss attributable to:	歸屬於下列人士之全面虧損總額：			
Owners of the Company	本公司擁有人		(33,915)	(34,504)
Non-controlling interests	非控股權益		(4,219)	(726)
			(38,134)	(35,230)
Loss per share attributable to owners of the Company	本公司擁有人應佔每股虧損	15		
– Basic	– 基本		(3) cents港仙	(3) cents港仙
– Diluted	– 攤薄		(3) cents港仙	(3) cents港仙

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

隨附之附註屬本綜合財務報表整體之一部份。

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 March 2012 二零一二年三月三十一日

		Notes 附註	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	16	4,595	2,792
Intangible assets	無形資產	18	-	-
Goodwill	商譽	19	71,689	1,700
Derivative financial assets	衍生金融資產	21	17,924	-
Available-for-sale financial assets	可供出售金融資產	22	1	-
			94,209	4,492
Current assets	流動資產			
Trade receivables	貿易應收款項	23	71,212	22
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	24	61,532	25,980
Amount due from a director	應收一名董事款項	25	34	78
Deposits with banks	銀行存款	26	10,786	69,159
Cash and cash equivalents	現金及現金等值項目	26	5,030	21,220
			148,594	116,459
Less: Current liabilities	減：流動負債			
Trade payables	貿易應付款項	27	69,426	-
Accrued liabilities and other payables	累計負債及其他應付款項	28	193,387	169,952
Amounts due to shareholders	應付股東款項	29	16,670	14,478
Derivative financial liabilities	衍生金融負債	30	4,159	-
Borrowings	借貸	31	18,414	33,872
Obligations under finance leases	融資租約責任	32	462	-
Deposits received in advance	預收按金		-	16,587
Convertible notes	可換股票據	33	157,014	-
Deferred tax liabilities	遞延稅項負債	34	2,720	-
			462,252	234,889
Net current liabilities	流動負債淨值		(313,658)	(118,430)
Total assets less current liabilities	資產總值減流動負債		(219,449)	(113,938)

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 March 2012 二零一二年三月三十一日

		Notes 附註	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Less: Non-current liabilities	減：非流動負債			
Convertible notes	可換股票據	33	-	142,094
Deferred tax liabilities	遞延稅項負債	34	-	5,182
Obligations under finance leases	融資租約責任	32	477	-
			477	147,276
Net liabilities	負債淨值		(219,926)	(261,214)
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Share capital	股本	35	16,365	13,365
Reserves	儲備		(233,064)	(272,219)
			(216,699)	(258,854)
Non-controlling interests	非控股權益		(3,227)	(2,360)
Total equity	權益總額		(219,926)	(261,214)

The consolidated financial statements on pages 46 to 159 were approved and authorised for issue by the Board of Directors on 28 June 2012 and signed on its behalf by:

第46至159頁之綜合財務報表已於二零一二年六月二十八日獲董事會批准及授權刊發，並由下列人士代表簽署：

Gao Feng
高峰
Director
董事

Chiu Sui Keung
趙瑞強
Director
董事

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

隨附之附註屬本綜合財務報表整體之一部份。

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

Equity attributable to owners of the Company

本公司擁有人應佔權益

		Share capital	Share premium account	Exchange reserves	Accumulated losses	Convertible notes equity reserve	Shares held for share award scheme	Share options reserve	Sub total	Non-controlling interests	Total equity
		股本	股份溢價賬	匯兌儲備	累計虧損	可換股票據權益儲備	獎勵計劃所持股份	購股權儲備	小計	非控股權益	權益總額
		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	HK\$'000 千港元	HK\$'000 千港元
				(Note 36(a)) (附註36(a))							
At 1 April 2010	於二零一零年四月一日	11,138	448,713	538	(794,577)	30,568	-	-	(303,620)	-	(303,620)
Exchange differences on translation of overseas subsidiaries not recognised in the consolidated statement of comprehensive income	未於綜合全面損益賬確認之換算海外附屬公司之匯兌差額	-	-	(46)	-	-	-	-	(46)	-	(46)
Net income and expense recognised directly in equity	直接於權益確認之收入及開支淨額	-	-	(46)	-	-	-	-	(46)	-	(46)
Net loss for the year	本年度虧損淨額	-	-	-	(34,458)	-	-	-	(34,458)	(726)	(35,184)
Total comprehensive loss for the year	本年度全面虧損總額	-	-	(46)	(34,458)	-	-	-	(34,504)	(726)	(35,230)
Release upon disposal of subsidiaries (Note 39(b))	出售附屬公司時轉撥(附註39(b))	-	-	(418)	-	-	-	-	(418)	-	(418)
Acquisition of subsidiaries (Note 40(b))	收購附屬公司(附註40(b))	-	-	-	-	-	-	-	-	(1,634)	(1,634)
Share options granted	已授出購股權	-	-	-	-	-	-	8,366	8,366	-	8,366
Shares purchased for share award scheme	為股份獎勵計劃購買股份	-	-	-	-	-	(3,723)	-	(3,723)	-	(3,723)
Placing of shares	配售股份	2,227	75,737	-	-	-	-	-	77,964	-	77,964
Share issuing expenses	發行股份開支	-	(2,919)	-	-	-	-	-	(2,919)	-	(2,919)
At 31 March 2011	於二零一一年三月三十一日	13,365	521,531	74	(829,035)	30,568	(3,723)	8,366	(258,854)	(2,360)	(261,214)

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

		Equity attributable to owners of the Company 本公司擁有人應佔權益										
		Share capital	Share premium account	Exchange reserves	Accumulated losses	Convertible notes equity reserve	Shares held for share award scheme	Share options reserve	Warrant reserve	Sub total	Non-controlling interests	Total equity
		股本	股份溢價賬	匯兌儲備	累計虧損	可換股票據權益儲備	獎勵計劃所持股份	購股權儲備	認股權證儲備	小計	非控股權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		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 36(a)) (附註36(a))								
At 1 April 2011, as per above	同上於二零一一年四月一日	13,365	521,531	74	(829,035)	30,568	(3,723)	8,366	-	(258,854)	(2,360)	(261,214)
Exchange differences on translation of overseas subsidiaries not recognised in the consolidated statement of comprehensive income	未於綜合全面損益賬確認之換算海外附屬公司之匯兌差額	-	-	230	-	-	-	-	-	230	12	242
Net income and expense recognised directly in equity	直接於權益確認之收入及開支淨額	-	-	230	-	-	-	-	-	230	12	242
Net loss for the year	本年度虧損淨額	-	-	-	(34,145)	-	-	-	-	(34,145)	(4,231)	(38,376)
Total comprehensive loss for the year	本年度全面虧損總額	-	-	230	(34,145)	-	-	-	-	(33,915)	(4,219)	(38,134)
Acquisition of subsidiaries (Note 40(a))	收購附屬公司 (附註40(a))	-	-	-	-	-	-	-	-	-	3,352	3,352
Share options lapsed	已失效購股權	-	-	-	181	-	-	(181)	-	-	-	-
Shares purchased for share award scheme	為股份獎勵計劃購買股份	-	-	-	-	-	(1,263)	-	-	(1,263)	-	(1,263)
Placing of shares	配售股份	300	10,500	-	-	-	-	-	-	10,800	-	10,800
Consideration shares	代價股份	2,700	62,100	-	-	-	-	-	-	64,800	-	64,800
Share issuing expenses	發行股份開支	-	(431)	-	-	-	-	-	-	(431)	-	(431)
Placing of warrants	配售認股權證	-	-	-	-	-	-	-	2,300	2,300	-	2,300
Warrants issuing costs	認股權證發行成本	-	-	-	-	-	-	-	(136)	(136)	-	(136)
At 31 March 2012	於二零一二年三月三十一日	16,365	593,700	304	(862,999)	30,568	(4,986)	8,185	2,164	(216,699)	(3,227)	(219,926)

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

隨附之附註屬本綜合財務報表整體之一部份。

Consolidated Statement of Cash Flow

綜合現金流量表

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

			2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
	Notes 附註			
Cash flows from operating activities		經營業務之現金流量		
Loss before tax		除稅前虧損	(40,838)	(37,412)
Adjustments for:		作出以下調整：		
Finance costs		融資成本	15,873	18,167
Bank interest income		銀行利息收入	(144)	(281)
Reversal of other payables		其他應付款項撥回	(5,290)	(2,592)
Share options granted		已授出購股權	-	8,366
Depreciation of property, plant and equipment	16	物業、廠房及設備之折舊	662	429
Fair value gain on derivative financial liabilities	30	衍生金融負債公平值收益	(567)	-
Fair value loss on derivative financial assets	21	衍生金融資產公平值虧損	1,673	-
Gain on disposal of subsidiaries	39	出售附屬公司之收益	(9)	(991)
Loss on disposal of property, plant and equipment		出售物業、廠房及設備之虧損	340	-
Loss on written off of property, plant and machinery		撇銷物業、廠房及設備之虧損	297	55
Operating loss before working capital changes		經營虧損，未計營運資金變動	(28,003)	(14,259)
(Increase)/decrease in trade receivables		貿易應收款項(增加)/減少	(69,158)	1,043
Decrease in inventory		存貨減少	5,908	-
(Increase)/decrease in deposits, prepayments and other receivables		按金、預付款項及其他應收款項(增加)/減少	(5,908)	159,307
Decrease/(increase) in amount due from a director		應收一名董事款項減少/(增加)	44	(78)
Increase in trade payables		貿易應付款項增加	55,409	-
Decrease in accrued liabilities and other payables		累計負債及其他應付款項減少	(2,261)	(46,837)
(Decrease)/increase in deposits received in advance		預收按金(減少)/增加	(16,587)	14,633
Decrease in deferred revenue		遞延收益減少	-	(32)
Cash (used in)/generated from operations		經營業務(動用)/產生之現金	(60,556)	113,777
Interest received		已收利息	128	143
Hong Kong profits tax refund		已退回香港利得稅	-	723
Net cash (outflow)/inflow from operating activities		經營業務之現金(流出)/流入淨額	(60,428)	114,643

Consolidated Statement of Cash Flow

綜合現金流量表

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

	Notes 附註	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Cash flows from investing activities	投資活動之現金流量		
Decrease/(increase) in deposits with banks	銀行存款之減少／(增加)	58,373	(69,159)
Net cash (outflow)/inflow from acquisition of subsidiaries	收購附屬公司之現金 (流出)／流入淨額	(4,730)	147
Purchase of property, plant and equipment	購買物業、廠房及設備	(2,461)	(935)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備 所得款項	814	—
Purchase of available-for-sale financial assets	購買可供出售金融資產	(1)	—
Net cash outflow from disposal of subsidiaries	出售附屬公司產生之 現金流出淨額	(2)	(269)
Net cash inflow/(outflow) from investing activities	投資活動之現金流入／ (流出)淨額	51,993	(70,216)
Cash flows from financing activities	融資活動之現金流量		
Increase/(decrease) in amounts due to shareholders and a director	應付股東及一名董事款項 增加／(減少)	1,300	(88,684)
Proceeds from new borrowings	新增借款之所得款項	8,593	10,000
Repayment of borrowings	償還借貸	(28,500)	(15,000)
Repayment of obligations under finance lease	償還融資租約責任	(490)	—
Interest paid on borrowings	借貸已付利息	(32)	(6,313)
Payment for purchase of shares for share award scheme	為股份獎勵計劃 購買股份之付款	(1,263)	(3,723)
Proceeds from placing of shares	配售股份之所得款項	10,800	77,964
Share issuing expenses	股份發行開支	(431)	(2,919)
Proceed from placing of warrants	配售認股權證之所得款項	2,300	—
Warrants issuing cost	認股權證發行成本	(136)	—
Net cash outflow from financing activities	融資活動之現金 流出淨額	(7,859)	(28,675)
(Decrease)/increase in cash and cash equivalents	現金及現金等值項目 (減少)／增加	(16,294)	15,752
Cash and cash equivalents at beginning of the year	年初之現金及現金 等值項目	21,220	5,514
Effect of foreign exchange rate changes	匯率變動之影響	104	(46)
Cash and cash equivalents at end of the year	年終之現金及現金 等值項目	5,030	21,220
Analysis of balances of cash and cash equivalents	現金及現金等值項目 結餘分析		
Cash and bank balances	現金及銀行結餘	5,030	21,220

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

隨附之附註屬本綜合財務報表整體之一部份。

Statement of Financial Position

財務狀況表

At 31 March 2012 二零一二年三月三十一日

		Notes 附註	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Non-current assets	非流動資產			
Interests in subsidiaries	於附屬公司之權益	17	84,187	30,498
Derivative financial assets	衍生金融資產	21	17,924	–
Available-for-sale financial assets	可供出售金融資產	22	1	–
			102,112	30,498
Current assets	流動資產			
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	24	15,783	14,212
Amount due from a director	應收一名董事款項	25	34	78
Deposits with banks	銀行存款	26	10,786	39,159
Cash and cash equivalents	現金及現金等值項目	26	117	1,324
			26,720	54,773
Less: Current liabilities	減：流動負債			
Accrued liabilities and other payables	累計負債及其他應付款項	28	175,841	162,375
Amounts due to shareholders	應付股東款項	29	16,670	14,478
Derivative financial liabilities	衍生金融負債	30	4,159	–
Borrowings	借款	31	–	33,872
Convertible notes	可換股票據	33	157,014	–
Deferred tax liabilities	遞延稅項負債	34	2,720	–
			356,404	210,725
Net current liabilities	流動負債淨額		(329,684)	(155,952)
Total assets less current liabilities	資產總值減流動負債		(227,572)	(125,454)
Less: Non-current liabilities	減：非流動負債			
Convertible notes	可換股票據	33	–	142,094
Deferred tax liabilities	遞延稅項負債	34	–	5,182
			–	147,276
Net liabilities	負債淨值		(227,572)	(272,730)
Capital and reserves	資本及儲備			
Share capital	股本	35	16,365	13,365
Reserves	儲備	36(b)	(243,937)	(286,095)
Total equity	總額		(227,572)	(272,730)

The consolidated financial statements on pages 46 to 159 were approved and authorised for issue by the Board of Directors on 28 June 2012 and signed on its behalf by:

Gao Feng
高峰
Director
董事

第46至159頁之綜合財務報表已於二零一二年六月二十八日獲董事會批准及授權刊發，並由下列人士代表簽署：

Chiu Sui Keung
趙瑞強
Director
董事

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

隨附之附註屬本財務報表整體之一部份。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

1. CORPORATE INFORMATION

Sino Resources Group Limited (the "Company") is a limited liability company incorporated in the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business of the Company is located at Suite 2502, 25/F, No. 9 Queen's Road Central, Central, Hong Kong.

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are acting as show manager of exhibitions and trade shows with related ancillary services as well as investing in unconventional gas business and coal trading business. The principal activities, other particulars of its subsidiaries are set out in Note 17 to the consolidated financial statements.

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

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

The Hong Kong Institute of Certified Public Accountants (the "HKICPA") has issued certain new and revised standards, amendments and interpretations ("new HKFRSs") that are mandatory for accounting periods beginning on or after 1 April 2011. The new HKFRSs adopted in the current year are referred to as new and revised HKFRSs. A summary of the effect on initial adoption of these new and revised HKFRSs is set out below.

HKFRSs (Amendments)	Improvements to HKFRSs issued in 2010
HKFRS 1 (Amendments)	Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters
HKAS 24 (as revised in 2009)	Related Party Disclosures
HK(IFRIC) – Int 14 (Amendments)	Prepayments of a Minimum Funding Requirement
HK(IFRIC) – Int 19	Extinguishing Financial Liabilities with Equity Instruments

1. 公司資料

神州資源集團有限公司(「本公司」)為於開曼群島註冊成立之有限公司，而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地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands。本公司主要營業地點位於香港中環皇后大道中9號25樓2502室。

本公司之主要業務為投資控股。其附屬公司之主要業務為展覽會，貿易展覽會之展覽經理和提供相關配套服務及投資於非常規天然氣業務及煤炭買賣業務。旗下附屬公司之主要業務及其他詳情載於綜合財務報表附註17。

綜合財務報表以港元呈列，而港元亦為本公司之功能貨幣；除另有指明外，所有數值均約整至千位(千港元)。

2. 應用新訂及經修訂之香港財務報告準則(「香港財務報告準則」)

香港會計師公會(「香港會計師公會」)已頒佈於二零一一年四月一日或之後開始之會計期間強制生效之若干新訂及經修訂準則、修訂及詮釋(「新訂香港財務報告準則」)。本年度所採納之新訂香港財務報告準則稱為新訂及經修訂香港財務報告準則。首次採納此等新訂及經修訂香港財務報告準則之影響概要載於下文。

香港財務報告準則(修訂本)	於二零一零年頒佈之香港財務報告準則之改進
香港財務報告準則第1號(修訂本)	香港財務報告準則第7號對首次採納者披露比較數字之有限豁免
香港會計準則第24號(於二零零九年經修訂)	關連方披露
香港(國際財務報告詮釋委員會)－詮釋第14號(修訂本)	預付最低資金需求
香港(國際財務報告詮釋委員會)－詮釋第19號	以股本工具抵銷金融負債

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

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

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

The Group has not applied in advance the following new and revised HKFRSs that have been issued but are not yet effective.

HKAS 1 (Amendments)	Presentation of Items of Other Comprehensive Income ³
HKAS 12 (Amendments)	Deferred Tax: Recovery of Underlying Assets ²
HKAS 19 (as revised in 2011)	Employee Benefits ⁴
HKAS 27 (as revised in 2011)	Separate Financial Statements ⁴
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures ⁴
HKAS 32 (Amendments)	Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities ⁵
HKFRS 1 (Amendments)	First-time Adoption of Hong Kong Financial Reporting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters ¹
HKFRS 1 (Amendments)	Government Loans ⁴
HKFRS 7 (Amendments)	Financial Instruments: Disclosures – Transfers of Financial Assets ¹
HKFRS 7 (Amendments)	Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities ⁴
HKFRS 7 (Amendments)	Mandatory Effective Date of HKFRS 9 and Transition Disclosures ⁶
HKFRS 9	Financial Instruments ⁶
HKFRS 10	Consolidated Financial Statements ⁴
HKFRS 11	Joint Arrangements ⁴
HKFRS 12	Disclosures of Interests in Other Entities ⁴
HKFRS 13	Fair Value Measurement ⁴
HK(IFRIC) – Int 20	Stripping Costs in the Production Phase of a Surface Mine ⁴

2. 應用新訂及經修訂之香港財務報告準則 (「香港財務報告準則」)(續)

應用上述新訂香港財務報告準則對本集團本會計期間或過往會計期間所編製及呈列之業績及財務狀況並無重大影響。因此，毋須作出前期調整。

本集團並無提早應用下列已頒佈但尚未生效之新訂及經修訂香港財務報告準則。

香港會計準則第1號 (修訂本)	其他全面收益項目之呈列 ³
香港會計準則第12號 (修訂本)	遞延稅項：收回相關資產 ²
香港會計準則第19號 (於二零一一年經修訂)	僱員福利 ⁴
香港會計準則第27號 (於二零一一年經修訂)	獨立財務報表 ⁴
香港會計準則第28號 (於二零一一年經修訂)	於聯營公司及合營公司之投資 ⁴
香港會計準則第32號 (修訂本)	金融工具：呈列 – 抵銷金融資產及金融負債 ⁵
香港財務報告準則第1號 (修訂本)	首次採納香港財務報告準則 – 嚴重高通胀及就首次採納者撤銷固定日期 ¹
香港財務報告準則第1號 (修訂本)	政府貸款 ⁴
香港財務報告準則第7號 (修訂本)	金融工具：披露 – 金融資產轉讓 ¹
香港財務報告準則第7號 (修訂本)	金融工具：披露 – 抵銷金融資產及金融負債 ⁴
香港財務報告準則第7號 (修訂本)	香港財務報告準則第9號之強制生效日期及過渡披露 ⁶
香港財務報告準則第9號	金融工具 ⁶
香港財務報告準則第10號	綜合財務報表 ⁴
香港財務報告準則第11號	合營安排 ⁴
香港財務報告準則第12號	其他實體中權益的披露 ⁴
香港財務報告準則第13號	公允價值計量 ⁴
香港(國際財務報告詮釋委員會) – 詮釋第20號	露天礦生產階段之剝採成本 ⁴

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

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

- ¹ Effective for annual periods beginning on or after 1 July 2011
- ² Effective for annual periods beginning on or after 1 January 2012
- ³ Effective for annual periods beginning on or after 1 July 2012
- ⁴ Effective for annual periods beginning on or after 1 January 2013
- ⁵ Effective for annual periods beginning on or after 1 January 2014
- ⁶ Effective for annual periods beginning on or after 1 January 2015

HKFRS 9 issued in November 2009 is the first part of phase 1 of a comprehensive project to entirely replace HKAS 39 *Financial Instruments: Recognition and Measurement*. This phase focuses on the classification and measurement of financial assets. Instead of classifying financial assets into four categories, an entity shall classify financial assets as subsequently measured at either amortised cost or fair value, on the basis of both the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. This aims to improve and simplify the approach for the classification and measurement of financial assets compared with the requirements of HKAS 39. The application of the standard is unlikely to have any material financial impact on the Group.

HKFRS 10 establishes a single control model that applies to all entities including special purpose entities or structured entities. It includes a new definition of control which is used to determine which entities are consolidated. The changes introduced by HKFRS 10 require management of the Group to exercise significant judgment to determine which entities are controlled, compared with the requirements in HKAS 27 *Consolidated and Separate Financial Statements* and HK(SIC) – Int 12 *Consolidation – Special Purpose Entities*. HKFRS 10 replaces the portion of HKAS 27 *Consolidated and Separate Financial Statements* that addresses the accounting for consolidated financial statements. It also includes the issues raised in HK(SIC) – Int 12. The application of this new standard is unlikely to have any material financial impact on the Group.

HKFRS 11 replaces HKAS 31 *Interests in Joint Ventures* and HK(SIC) – Int 13 *Jointly Controlled Entities – Non-Monetary Contributions by Venturers*. It describes the accounting for joint arrangements with joint control. It addresses only two forms of joint arrangements, i.e. joint operations and joint ventures, and removes the option to account for joint ventures using proportionate consolidation. The application of this new standard is unlikely to have any material financial impact on the Group.

2. 應用新訂及經修訂之香港財務報告準則 (「香港財務報告準則」)(續)

- ¹ 於二零一一年七月一日或之後開始之年度期間生效
- ² 於二零一二年一月一日或之後開始之年度期間生效
- ³ 於二零一二年七月一日或之後開始之年度期間生效
- ⁴ 於二零一三年一月一日或之後開始之年度期間生效
- ⁵ 於二零一四年一月一日或之後開始之年度期間生效
- ⁶ 於二零一五年一月一日或之後開始之年度期間生效

於二零零九年十一月頒佈之香港財務報告準則第9號為完全取代香港會計準則第39號金融工具：確認及計量之全面計劃之第一階段之第一部份。此階段重點為金融資產之分類及計量。金融資產不再分為四類，而應根據實體管理金融資產之業務模式及金融資產合約現金流量特徵，於後續期間按攤銷成本或公平值計量。此舉旨在改進及簡化香港會計準則第39號規定之金融資產分類與計量方式。應用該準則不大可能對本集團產生任何重大財務影響。

香港財務報告準則第10號建立適用於所有實體（包括特殊目的實體或結構性實體）之單一控制模式。該準則包括控制之新定義，用於確定需要綜合的實體。與香港會計準則第27號綜合及獨立財務報表及香港（常務詮釋委員會）—詮釋第12號綜合—特殊目的實體之規定相比，香港財務報告準則第10號引入的變動規定本集團管理層須作出重大判斷，以確定受到控制的實體。香港財務報告準則第10號取代香港會計準則第27號綜合及獨立財務報表指引綜合財務報表之入賬，亦包括香港（常務詮釋委員會）—詮釋第12號提出之問題。應用此新準則不大可能對本集團產生任何重大財務影響。

香港財務報告準則第11號取代香港會計準則第31號於合營公司的權益及香港（常務詮釋委員會）—詮釋第13號共同控制實體—合營方作出之非貨幣出資，說明共同控制之合營安排之入賬。該準則僅指明兩種形式之合營安排，即共同經營及合營公司，取消了採用按比例綜合的合營公司入賬之選擇。應用此新準則不大可能對本集團產生任何重大財務影響。

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財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

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

HKFRS 12 includes the disclosure requirements for subsidiaries, joint arrangements, associates and structured entities that are previously included in HKAS 27 *Consolidated and Separate Financial Statements*, HKAS 31 *Interests in Joint Ventures* and HKAS 28 *Investments in Associates*. It also introduces a number of new disclosure requirements for these entities.

Consequential amendments were made to HKAS 27 and HKAS 28 as a result of the issuance of HKFRS 10, HKFRS 11 and HKFRS 12. The Group expects to adopt HKFRS 10, HKFRS 11, HKFRS 12, and the consequential amendments to HKAS 27 and HKAS 28 from 1 January 2013.

HKFRS 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across HKFRSs. The standard does not change the circumstances in which the Group is required to use fair value, but provides guidance on how fair value should be applied where its use has already been required or permitted under other HKFRSs. The Group expects to adopt the standard from 1 January 2013. The application of this new standard is unlikely to have any material financial impact on the Group.

HKAS 1 (Amendments) change the grouping of items presented in other comprehensive income. Items that could be reclassified (or recycled) to profit or loss at a future point in time (for example, upon derecognition or settlement) would be presented separately from items which will never be reclassified. The Group expects to adopt the amendments from 1 January 2013. The amendments affect presentation only and have no impact on the Group's financial position or performance.

For other new and revised HKFRSs which are issued but not yet effective, the Group is in the process of making an assessment of the impact upon initial application. The Group is not yet in a position to state whether they would have a significant impact on the Group's results of operations and financial position.

2. 應用新訂及經修訂之香港財務報告準則 (「香港財務報告準則」) (續)

香港財務報告準則第12號包括附屬公司、合營安排、聯營公司及結構性實體之披露規定，該等規定以往包括在香港會計準則第27號綜合及獨立財務報表、香港會計準則第31號於合營公司的權益及香港會計準則第28號於聯營公司的投資之內。該準則亦引入了該等實體之多項新披露規定。

因頒佈香港財務報告準則第10號、香港財務報告準則第11號及香港財務報告準則第12號，香港會計準則第27號及香港會計準則第28號須予進行後續修訂。本集團預期自二零一三年一月一日起採納香港財務報告準則第10號、香港財務報告準則第11號及香港財務報告準則第12號，以及香港會計準則第27號及香港會計準則第28號之後續修訂。

香港財務報告準則第13號規定了公平值之精確定義、公平值計量的單一來源及在香港財務報告準則範圍內使用的披露規定。該準則並不改變本集團需要使用公平值之情況，但為在其他香港財務報告準則已規定或允許使用公平值之情況下，應如何應用公允值提供了指引。本集團預期自二零一三年一月一日起採用該準則。應用該準則不大可能對本集團產生任何重大財務影響。

香港會計準則第1號(修訂本)改變在其他全面收益呈列之項目之分組。在未來某個時間(例如終止確認或結算時)可重新分類(或重新使用)至損益之項目將與不得重新分類之項目分開呈列。本集團預期自二零一三年一月一日起採用此等修訂。此等修訂僅影響呈列方式，但並無對本集團之財務狀況或表現產生影響。

就其他已頒佈但尚未生效之新訂及經修訂香港財務報告準則而言，本集團正在評估於首次應用時產生之影響。本集團尚未可確定彼等是否會對本集團之營運業績及財務狀況產生重大影響。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The consolidated financial statements have been prepared in accordance with all applicable HKFRSs, which is a collective term that includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs"), and Interpretations issued by the HKICPA and accounting principles generally accepted in Hong Kong. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and by the Hong Kong Companies Ordinance.

(a) Basis of preparation

The measurement basis used in the preparation of the consolidated financial statements is historical cost except for certain financial assets and financial liabilities which are carried at fair value.

In preparing the consolidated financial statements, the directors of the Company have given careful consideration to the future liquidity of the Group in light of the Group's net loss of approximately HK\$38,376,000 for the year ended 31 March 2012 (2011: HK\$35,184,000), the Group's net current liabilities and net liabilities of approximately HK\$313,658,000 (2011: HK\$118,430,000) and HK\$219,926,000 (2011: HK\$261,214,000) at 31 March 2012 respectively. In preparing the consolidated financial statements, the directors of the Company have given careful consideration to the impact of the current and anticipated future liquidity of the Group and the ability of the Group to attain profitable and positive cash flows operations in the immediate and longer term.

In order to strengthen the capital base of the Group and to improve the Group's liquidity and cash flows in the near foreseeable future, and to sustain the Group as a going concern, the Company has entered into a loan facility agreement of up to HK\$20,000,000 with ACE Channel Limited, beneficially owned by Mr. Gao Feng, a director and the substantial shareholder of the Company. The Company has already drawn down a total amount of approximately HK\$1,300,000 as at 31 March 2012.

On 18 June 2012, the Company signed a subscription agreement with Growing Around Holdings Limited to issue a convertible notes (the "CNs") with a principal amount of HK\$15,000,000. The coupon rate of the CNs is 12% per annum and expired on the second anniversary of the issue date. The Stock Exchange has already approved the issuance of CNs on 27 June 2012. The estimated net proceeds from the issue of the CNs will be used for (i) financing the capital commitment in connection with the acquisition of Hubei Tiegang Trading Company Limited ("Tiegang Acquisition"); and (ii) the Group's general working capital purpose.

Moreover, the substantial shareholders of the Company have agreed to provide continuing financial support to the Group.

In the opinion of the directors, after taking into account of the above procedures, the Group will have sufficient working capital for its current requirement. Accordingly, the directors consider that it is appropriate to prepare the consolidated financial statements on a going concern basis.

Should the Group be unable to continue as a going concern, adjustments would have to be made to restate the values of assets to their recoverable amounts, to provide for any further liabilities which might arise and to classify non-current assets and liabilities as current assets and liabilities respectively. The effects of these potential adjustments have not been reflected in these consolidated financial statements.

3. 重大會計政策概要

以下為編製此等綜合財務報表時應用之主要會計政策。除另有指明外，此等政策已於所呈列之各年度貫徹應用。

此等綜合財務報表已按照所有適用之香港財務報告準則及香港普遍採納之會計原則而編製。香港財務報告準則為一項統稱，其包括香港會計師公會頒佈之所有適用之各項香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋。此外，綜合財務報表包括聯交所證券上市規則（「上市規則」）及香港公司條例之適用披露規定。

(a) 編製基準

本綜合財務報表乃以歷史成本法作為編製基準，惟若干按公平值列賬之財務資產及財務負債除外。

於編製綜合財務報表時，本公司董事已因應本集團於截至二零一二年三月三十一日止年度之虧損淨額約38,376,000港元（二零一一年：35,184,000港元）、於二零一二年三月三十一日之流動負債淨額及負債淨額分別約313,658,000港元（二零一一年：118,430,000港元）及219,926,000港元（二零一一年：261,214,000港元）而審慎考慮本集團之未來流動資金。於編製綜合財務報表時，本公司董事已審慎考慮本集團現時及預期未來流動資金之影響及本集團即時及長期獲得可盈利及正面現金流量業務之能力。

為增強本集團之資本基礎及改善本集團可見將來之流動資金及現金流量及維持本集團按持續經營基準經營，本公司已與ACE Channel Limited（由本公司董事兼主要股東高峰先生實益擁有）訂立最多達20,000,000港元之貸款額度協議。於二零一二年三月三十一日，本公司已合共提取約1,300,000港元。

於二零一二年六月十八日，本公司與Growing Around Holdings Limited簽訂認購協議，以發行本金額為15,000,000港元之可換股票據（「可換股票據」）。可換股票據之面息為每年12%，並於發行日期之第二週年當日屆滿。聯交所於二零一二年六月二十七日批准發行可換股票據。發行可換股票據湖北鐵港貿易有限公司之估計所得款項淨額將用於(i)撥付收購湖北鐵港貿易有限公司（「鐵港收購事項」）有關之資本承擔；及(ii)本集團之一般營運資金用途。

此外，本公司主要股東已同意向本集團提供持續財政支援。

董事認為，經考慮上述程序，本集團將有足夠營運資金滿足其現時需求。因此，董事認為按持續經營基準編製綜合財務報表屬適當。

倘本集團未能繼續按持續經營基準，則須作出調整，以重列資產價值至彼等之可收回金額，以撥備任何可能產生之進一步負債及將非流動資產及負債分別分類為流動資產及負債。此等潛在調整之影響並無反映於此等綜合財務報表內。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including special purpose entities) controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income/income statement from the effective date of acquisition and up to the effective date of disposal, as appropriate. 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 (effective from 1 January 2010 onwards).

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

3. 重大會計政策概要(續)

(b) 綜合賬目之基準

綜合財務報表綜合本公司及本公司所控股企業(包括特殊用途實體)(其附屬公司)之財務報表。倘本公司有權力監管一家企業之財務及經營政策並從而自其業務獲得利益，即取得控制權。

年內所收購或出售之附屬公司之收入及開支自收購生效日期起及截至出售生效日期止(倘適用)計入綜合全面收益表／收益表。附屬公司之全面收入總額乃歸屬於本公司擁有人及非控股權益，即使此導致非控股權益有虧絀結餘(自二零一零年一月一日起生效)。

如有需要，附屬公司之財務報表會作出調整，以達到彼等之會計政策與本集團其他成員公司所應用者一致。

本集團內部所有公司間交易、結餘及收支已於綜合賬目時悉數對銷。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Basis of consolidation (continued)

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in 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 interests 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 and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, it (i) derecognises the assets (including any goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost, (ii) derecognises the carrying amount of any non-controlling interest in the former subsidiary at the date when control is lost (including any components of other comprehensive income attributable to them), and (iii) recognises the aggregate of the fair value of the consideration received and the fair value of any retained interest, with any resulting difference being recognised as a gain or loss in profit or loss attributable to the Group. When assets of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Group had directly disposed of the related assets (i.e. reclassified to profit or loss or transferred directly to retained earnings as specified by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKAS 39 *Financial Instruments: Recognition and Measurement* or, when applicable, the cost on initial recognition of an investment in an associate or a jointly controlled entity.

3. 重大會計政策概要 (續)

(b) 綜合賬目之基準 (續)

本集團於現有附屬公司之所有權權益變動

本集團於附屬公司之所有權權益並無導致本集團失去對該等附屬公司之控制權之變動入賬為股本交易。調整本集團之權益及非控股權益之賬面值，以反映彼等於附屬公司之相對權益之變動。調整非控股權益之金額與已付或已收代價之公平值間之任何差額乃直接於權益內確認，並歸屬於本公司擁有人。

倘本集團失去一間附屬公司之控制權，則其 (i) 於失去控制日期終止按賬面值確認附屬公司之資產 (包括任何商譽) 及負債，(ii) 於失去控制權日期終止確認前附屬公司之任何非控股權益之賬面值 (包括彼等應佔之其他全面收益之任何部份)，及 (iii) 確認所收代價之公平值與任何保留權益之公平值之總和，而任何就此產生之差額於損益中確認為歸屬於本集團之損益。倘附屬公司之資產按重估金額或公平值列賬及有關累計盈虧已於其他全面收益內確認及於權益內累計，則先前於其他全面收益內確認及於權益內累計之金額予以入賬，猶如本集團已直接出售有關資產 (即重新分類至損益或按適用香港財務報告準則之規定直接轉撥至保留盈利)。於失去控制權日期保留於前附屬公司之任何投資之公平值根據香港會計準則第39號金融工具：確認及計量就其後會計而言被視為初步確認之公平值或 (倘適用) 初步確認於一間聯營公司或共同控制實體之投資之成本。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Business combination

Business combinations that took place on or after 1 January 2010

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

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

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

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

3. 重大會計政策概要(續)

(c) 業務合併

於二零一零年一月一日或以後進行之業務合併

收購業務乃採用收購法入賬。於業務合併中轉讓之代價乃按公平值計量，其計算為本集團所轉讓資產於收購日期之公平值、本集團為被收購方之前擁有人所產生負債及本集團為交換被收購方之控制權而所發行股本權益之總和。收購相關成本一般於產生時在損益中確認。

於收購日期，所收購可識別資產及所承擔負債均按彼等之公平值確認，惟以下情況除外：

- 遞延稅項資產或負債，及與僱員福利安排有關之資產或負債分別根據香港會計準則*所得稅*及香港會計準則第19號*僱員福利*確認及計量；
- 與被收購方之以股份支付支出安排或所訂立以取代被收購方之以股份支付支出安排之本集團以股份支付支出安排有關之負債或股本投資均根據香港財務報告準則第2號以股份支付之支出於收購日期計量（見以下會計政策）；及
- 根據香港財務報告準則第5號持作出售非流動資產及已終止經營業務被分類為持作出售之資產（或組合出售項目）乃根據該準則計量。

商譽計量為所轉讓代價、於被收購方之任何非控股權益之金額，及收購方先前於被收購方持有之股本權益（如有）之公平值之總和超過所收購可識別資產及所承擔負債於收購日期之淨額之部份。倘於重估後所收購可識別資產及所承擔負債於收購日期金額之淨額超過所轉讓代價、於被收購方之任何非控股權益之金額及收購方先前於被收購方所持有權益（如有）之公平值之總和，則超出部份即時於損益中確認為廉價購買收益。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Business combination (continued)

Business combinations that took place on or after 1 January 2010 (continued)

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

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

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with HKAS 39, or HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets*, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

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.

3. 重大會計政策概要 (續)

(c) 業務合併 (續)

於二零一零年一月一日或以後進行之業務合併(續)

屬現時所有權權益並賦予彼等之持有人於清盤時按比例分佔該實體之資產淨值之非控股權益可初步按公平值或按非控股權益按比例分佔被收購方之可識別資產淨值之已確認金額計量。計量基準選擇乃按逐項交易基準作出。其他類型之非控股權益均按公平值或(倘適用)按其他香港財務報告準則所規定之基準計量。

倘本集團於業務合併中所轉讓代價包括或然代價安排所引致之資產或負債，則或然代價按收購日期公平值計量，並作為業務合併中所轉讓代價之一部份入賬。合資格作為計量期間調整之或然代價之公平值變動為「計量期間」(其不可超過收購日期起計一年)所獲得之有關於收購日期存在之事實及情況之額外資料產生之調整。

不合資作為計量期間調整之或然代價之公平值變動之其後會計處理取決於或然代價如何分類。被分類為權益之或然代價於其後報告日期不會重新計量，而其其後結算於權益內確認。分類為一項資產或一項負債之或然代價於其後報告日期根據香港會計準則第39號或香港會計準則第37號撥備、或然負債及或然資產(如適用)重新計量，而相應收益或虧損於損益中確認。

倘業務合併乃分階段取得，則本集團先前於被收購方持有之股本權益於收購日期(即本集團獲得控制權日期)重新按公平值計量，而就此產生之收益或虧損(如有)於損益中確認。於收購日期前因於被收購方之權益產生且以往已於其他全面收益確認之金額乃重新分類至損益(如出售該權益時有關處理屬適當)。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Business combination (continued)

Business combinations that took place on or after 1 January 2010 (continued)

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

The policy described above is applied to all business combinations that take place on or after 1 January 2010.

3. 重大會計政策概要 (續)

(c) 業務合併 (續)

於二零一零年一月一日或以後進行之業務合併 (續)

倘業務合併之初步會計處理於合併發生之報告期末前未完成，則本集團報告會計處理未完成之項目之暫時金額。於計量期間（見上文）調整該等暫時金額，或確認額外資產或負債，以反映所獲得之有關於收購日期存在之事實及情況之新資料（倘獲悉，則應會影響於該日所確認之金額）。

上述政策應用於二零一零年一月一日或之後發生之所有業務合併。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Subsidiaries

A subsidiary is an entity controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company control another entity.

In the Company's financial statements, the investments in subsidiaries that are not classified as held for sale are stated at cost less provision for impairment losses. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

(e) Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (i) Participation fee income is derived from the letting of exhibition booths and the provision of decoration facilities for the exhibition booths, and is recognised when the decoration facilities are provided and when the shows are held;
- (ii) Revenue from hotel and travel package services provided is recognised when the services are rendered;
- (iii) Advertising fee income earned from the publication of trade show and exhibition booklets is recognised when the trade show and exhibition booklets are published;
- (iv) Interest income is recognised as it accrues using the effective interest method.
- (v) Sales of coal and other goods is recognised as follows:
 - the Group has transferred to the buyer the significant risks and rewards of ownership of the coal;
 - the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the coal 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. 重大會計政策概要 (續)

(d) 附屬公司

附屬公司乃由本公司控制之企業。當本公司有權力直接或間接監管一間企業之財務及經營政策，藉此自其業務獲得利益，則存在控制權。在評估本集團是否控制另一企業時，將考慮目前可行使或可轉換的潛在投票權是否存在及其影響。

於本公司之財務報表，並非列為持作銷售之附屬公司投資乃按成本值減去減值虧損準備列賬。附屬公司之業績由本公司根據已收及應收股息入賬。

(e) 收益確認

收益乃於本集團可取得經濟利益，而收益亦能夠可靠計算時，按以下基準確認：

- (i) 參展費收入來自出租展覽攤位及提供攤位額外佈置設施，此項收入於正式提供佈置設施及展覽正式舉行時確認入賬；
- (ii) 來自酒店及旅遊套票服務之收益於提供服務時確認入賬；
- (iii) 廣告費收入來自為貿易展覽會及展覽會出版場刊，於貿易展覽會及展覽會場刊出版時確認入賬；
- (iv) 利息收入按實際利率法確認入賬。
- (v) 銷售煤炭及其他貨品確認如下：
 - 本集團已向買方轉移煤炭所有權之重大風險及回報；
 - 本集團並無保留按通常與所有權相關之程度持續管理性參與，亦無實際控制已售出之煤炭；
 - 收入之金額能夠可靠計量；
 - 於交易有關之經濟利益將很有可能流入本集團；及
 - 就交易產生或將產生之成本能夠可靠計量。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Property, plant and equipment

Building held for own use which are situated on leasehold land, where the fair value of the building could be measured separately from the fair value of the leasehold land at the inception of the lease and all other items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Depreciation is calculated on the straight-line basis to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, over its estimated useful life. The principal annual rates used for this purpose are as follows:

Plant and equipment	20%
Leasehold improvements	Over the lease terms
Furniture and equipment	20% to 33 $\frac{1}{3}$ %
Fixtures and fittings	20%
Computer equipment	20%
Motor vehicles	20%

The residual values and useful lives of items of property, plant and equipment are reviewed, and adjusted if appropriate, at the end of each reporting period.

The gain or loss on disposal or retirement of an item of property, plant and equipment is the difference between the net sale proceeds and the carrying amount of the relevant asset, and is recognised in the consolidated statement of comprehensive income.

(g) Goodwill

Goodwill arising on an acquisition of a business is carried at cost less accumulated impairment losses, if any, and is presented separately in the consolidated statement of financial position.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss in the consolidated statement of comprehensive income. An impairment loss recognised for goodwill is not reversed in subsequent periods.

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

3. 重大會計政策概要(續)

(f) 物業、廠房及設備

於租賃土地上持作自用之樓宇，而租賃開始時該樓宇之公平值可與租賃土地之公平值分開計算，且所有其他物業、廠房及設備項目均以成本值減累計折舊及減值虧損列賬。

折舊乃按其估計可使用年期以直線法撇銷物業、廠房及設備項目之成本值減其估計剩餘價值(如有)計算。就此而言乃按以下主要年率計算：

廠房及設備	20%
租賃物業裝修	按租約年期攤分
傢俬及設備	20%至33 $\frac{1}{3}$ %
裝置及配件	20%
電腦設備	20%
汽車	20%

物業、廠房及設備項目之剩餘價值及使用年期於每個報告期完結日檢討並於適當時作出調整。

出售或報廢物業、廠房及設備項目產生之收益或虧損乃出售有關資產所得款項淨額及其賬面值之差額，並於綜合全面損益賬內確認。

(g) 商譽

自收購業務產生之商譽以成本減累計減值虧損(如有)列賬，並另行在綜合財務狀況報表呈列。

就減值測試而言，商譽分配至預期將受惠於合併協同效益之各本集團現金產生單位(或現金產生單位組別)。

獲分配商譽之現金產生單位於每年(或如有跡象顯示該單位可能已經減值時，曾更頻繁地)進行減值測試。當現金產生單位之可收回金額少於該單位之賬面值時，減值虧損首先分配作減低該單位獲分配之任何商譽之賬面值，其後根據該單位中各項資產賬面值之比例分配予該單位之其他資產。商譽之任何減值虧損直接於綜合全面損益賬中確認損益。商譽之減值虧損不會於隨後期間撥回。

於出售相關現金產生單位時，釐定出售損益金額時計入應佔商譽之金額。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Intangible assets

E-commerce platform

Acquisition costs of purchasing an E-commerce platform are stated at cost less any impairment losses and are amortised on a straight-line basis over their estimated useful lives.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with indefinite useful life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to definite is accounted for on a prospective basis.

3. 重大會計政策概要 (續)

(h) 無形資產

電子商貿平台

購買電子商貿平台之購入成本按成本值減任何減值虧損列賬，並以直線法按其估計可使用年期攤銷。

無形資產之可使用年期乃評為有限或無限。年期有限之無形資產於可使用年期內攤銷，並評估是否有跡象顯示無形資產可能出現減值。年期有限之無形資產之攤銷年期及攤銷方法至少於每個報告期完結日檢討。

無限可使用年期之無形資產乃個別地或就著現金產生單位進行減值測試。有關無形資產並不攤銷。無限可使用年期之無形資產的可使用年期乃每年檢討，以決定無限可使用年期之評估是否繼續有效。若已無效，則可使用年期之評估將以預先應用的基準由無限改為有限。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Financial instruments

Financial assets and financial liabilities are recognised on the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instruments. 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 consolidated statement of comprehensive income.

i. Financial assets

The Group's financial assets are classified into loans and receivables and available-for-sale financial assets. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales of financial assets that requires delivery of assets within the time frame established by regulation or convention in the marketplace. The accounting policies adopted in respect of each category of financial assets are set out below.

Effective interest method

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

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

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At the end of each reporting period subsequent to initial recognition, loans and receivables including trade receivables, other receivables, amount due from a director, deposits with banks and cash and cash equivalents are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment loss on financial assets below).

3. 重大會計政策概要(續)

(i) 財務工具

當一家集團企業成為財務工具合約其中一方時，於綜合財務狀況表內確認為財務資產或財務負債。財務資產及負債初步以公平值計量。直接歸於收購或發行財務資產或負債之交易成本（按公平值計入損益賬之財務資產及財務負債除外），於初步確認時計入財務資產或負債之公平值或從中扣減。收購按公平值計入損益賬之財務資產或財務負債直接應佔的交易成本即時於綜合全面損益賬內確認。

i. 財務資產

本集團之財務資產劃分為貸款及應收款項及可供出售金融資產。財務資產之所有正常購買及出售均按交易日期基準確認及取消確認。正常購買及銷售乃指須按規定或市場慣例規定之時間內交收財務資產。每類財務資產採用之會計政策說明如下。

實際利息法

實際利息法為計算財務資產之攤銷成本以及分配於有關期間的利息收入之方法。實際利率是可將財務資產於預計可用年期或（倘適用）在較短期間內的估計未來現金收入（包括所支付或收取能構成整體實際利率之所有費用、交易成本及其他溢價或折讓）準確折算的利率。

就債務文據而言，利息收入按實際利率基準確認，惟指定按公平值計入損益賬之財務資產除外，其利息收入乃計入淨收益或虧損。

貸款及應收款項

貸款及應收款項乃固定或可釐定付款，並未於活躍市場掛牌之非衍生財務資產。於初步確認後之每個報告期完結日，貸款及應收款項包括應收款項、其他應收款項、應收一名董事款項、銀行存款以及現金及現金等值項目，按實際利率法計算之攤銷成本減任何可識別之減值虧損（見下文有關財務資產減值虧損之會計政策）入賬。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Financial instruments (continued)

i. Financial assets (continued)

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as any of the other categories. At the end of each reporting period subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognised in equity, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognised in equity is removed from equity and recognised in consolidated statement of comprehensive income. Any impairment losses on available-for-sale financial assets are recognised in consolidated statement of comprehensive income. Impairment losses on available-for-sale equity investments will not reverse in subsequent periods. For available-for-sale debt investments, impairment losses are subsequently reversed if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

For 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, they are measured at cost less any identified impairment losses at the end of each reporting period subsequent to initial recognition. An impairment loss is recognised in consolidated statement of comprehensive income when there is objective evidence that the asset is impaired. The amount of the impairment loss is measured as the difference between the carrying amount of the asset and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses will not reverse in subsequent periods.

Impairment of financial assets

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

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

- (i) significant financial difficulty of the issuer or counterparty; or
- (ii) default or delinquency in interest or principal payments; or
- (iii) it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

3. 重大會計政策概要 (續)

(i) 財務工具 (續)

i. 財務資產 (續)

可供出售金融資產

可供出售金融資產為指定或並無分類為任何其他類別之非衍生工具。於初步確認後之各個報告期末，可供出售金融資產乃按公平值計量。公平值變動於權益內確認，直至金融資產被出售或被釐定出現減值，屆時，先前於權益內確認之累計收益或虧損由權益剔除，並於綜合全面收益表內確認。可供出售金融資產之任何減值虧損乃於綜合全面收益表內確認。可供出售股本投資之減值虧損於其後期間將不會撥回。就可供出售債務投資而言，倘投資之公平值之增加可與確認減值虧損後發生之任何事件客觀聯繫，則減值虧損其後予以撥回。

就於活躍市場上並無市場報價及其公平值不能可靠計量之可供出售股本投資而言，彼等於初步確認後之各個報告期末乃按成本減任何已識別減值虧損計量。當有客觀證據表明資產出現減值時，減值虧損乃於綜合全面收益表內確認。減值虧損金額乃按資產賬面值與按類似金融資產之現時市場回報率貼現之估計未來現金流量之現值間之差額計量。有關減值虧損於其後期間將不會撥回。

財務資產減值

於各報告期完結日評估財務資產有否減值跡象，惟按公平值計入損益賬之財務資產除外。倘有客觀證據顯示財務資產首次確認後發生的一項或多項事件導致相關投資之估計未來現金流量被削弱，則財務資產視為已減值。

就所有其他財務資產而言，減值之客觀證據可以包括：

- (i) 發行人或交易對手出現重大財政困難；或
- (ii) 拖欠或不支付利息或本金；或
- (iii) 借貸方很可能破產或進行財務重組。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Financial instruments (continued)

i. Financial assets (continued)

Impairment of financial assets (continued)

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are subsequently 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, an increase in the number of delayed payments in the portfolio past the average credit period over 180 days, observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, an impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

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

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 uncollectable, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

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

Impairment losses on available-for-sale equity investments will not be reversed in profit or loss in subsequent periods. Any increase in fair value subsequent to impairment loss is recognised directly in equity.

3. 重大會計政策概要(續)

(i) 財務工具(續)

i. 財務資產(續)

財務資產減值(續)

就若干類別之財務資產(例如貿易應收款項)而言,被評為不會單獨作出減值之資產會於其後彙集一併評估減值。應收款項組合出現減值之客觀證據包括本集團之收款記錄、組合內延遲付款之拖欠期超過180日平均信貸期之宗數上升,以及國家或地區經濟狀況出現明顯變動導致應收款項未能償還。

就按已攤銷成本列賬之財務資產而言,當有客觀證據證明資產已減值,減值虧損於損益賬確認,並按資產賬面值與按原實際利率貼現之估計日後現金流量現值之差額計算。

就按成本列賬之財務資產而言,減值虧損金額乃資產賬面值與估計未來現金流折現計算的現值兩者之間的差額,而折現率為同類財務資產之現時市場回報率。該減值虧損不可在往後期間撥回。

所有財務資產之減值虧損會直接於財務資產之賬面值中作出扣減,惟貿易應收款項除外,貿易應收款項之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賬確認。當貿易應收款項被視為不可回收時,將於撥備賬撇銷。先前已撇銷的款項如其後收回,將撥回損益賬。

就按攤銷成本計量之財務資產而言,倘減值虧損額於其後期間減少,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賬予以撥回,惟該資產於減值被撥回當日之賬面值不得超過未確認減值時應有之已攤銷成本。

可供出售股本投資之減值虧損於其後期間將不會於損益中撥回。減值虧損後公平值之任何增加直接於權益中確認。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Financial instruments (continued)

ii. Financial liabilities and equity

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. The Group's financial liabilities are classified into other financial liabilities. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below.

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 through the expected life of the financial liability, or, where appropriate, a shorter period.

Interest expense is recognised on an effective interest basis other than those financial liabilities designated as at fair value through profit or loss, of which the interest expense is included in net gains or losses.

Other financial liabilities

Other financial liabilities including trade payables, accrued liabilities and other payables, amounts due to shareholders, borrowings and obligations under finance leases, are subsequently measured at amortised cost, using the effective interest rate method.

Convertible notes

Convertible notes issued by the Company that contain both financial liability and equity components are classified separately into respective liability and equity components on initial recognition. On initial recognition, the fair value of the liability component is determined using the prevailing market interest rate of similar non-convertible debts. The difference between the gross proceeds of the issue of the convertible loan notes and the fair value assigned to the liability component, representing the embedded call option for the holder to convert the notes into equity, is included in equity (convertible notes equity reserve). Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds.

3. 重大會計政策概要 (續)

(i) 財務工具 (續)

ii. 財務負債及權益 (續)

由一間集團實體發行之財務負債及權益工具，乃依據所簽署合約安排之內容，以及對財務負債及權益工具之界定進行歸類。

一項權益工具乃證明於集團資產之剩餘權益（扣減其所有負債後）之任何合約。本集團之財務負債列為其他財務負債。就財務負債及權益工具所採納的會計政策如下。

實際利息法

實際利息法為計算財務負債之攤銷成本以及分配於有關期間的利息開支之方法。實際利率是將財務負債在預計年期或（倘適用）在較短期間內的估計未來現金付款準確折算的利率。

利息開支按實際利率基準確認，惟指定按公平值計入損益賬之財務負債除外，其利息開支乃計入淨收益或虧損。

其他財務負債

其他財務負債包括貿易應付款項、累計負債及其他應付款項、應付股東款項、借貸及融資租約責任，乃採用實際利率法計算攤銷成本入賬。

可換股票據

本公司發行之可換股票據包含財務負債及權益部份，並於初步確認時分開歸類於各自負債及權益部份。於初步確認時，負債部份之公平值乃按類似非可換股債務之現行市場息率釐定。發行可換股貸款票據所得款項總額與歸入負債部份之公平值之差額（代表持有人將票據轉換為權益之嵌入式認購期權）計入權益（可換股票據權益儲備）。發行可換股票據有關交易成本乃按所得款項總額分配比例，分配至負債及權益部份。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Financial instruments (continued)

ii. Financial liabilities and equity (continued)

Convertible notes (continued)

In subsequent periods, the liability component of the convertible notes is carried at amortised cost using the effective interest method. The equity component, representing by the option to convert the liability component into ordinary shares of the Company, will remain in convertible notes reserve until the embedded option is exercised (in which case the balance stated in convertible notes equity reserve will be transferred to share capital and share premium). Where the option remains unexercised at the expiry date, the balance stated in convertible loan notes equity reserve will be released to retained profits. No gain or loss is recognised in consolidated statement of comprehensive income upon conversion or expiration of the option.

If the conversion option of convertible notes exhibits characteristics of an embedded derivative, it is separated from its liability component. On initial recognition, the derivative component of the convertible notes is measured at fair value and presented as part of derivative financial instruments. Any excess of proceeds over the amount initially recognised as the derivative component is recognised as the liability component. Transaction costs are apportioned between the liability and derivative components when the instruments are initially recognised. The portion of the transaction costs relating to the liability component is recognised initially as part of the liability. The portion relating to the derivative component is recognised immediately in the consolidated statement of comprehensive income.

Warrants

Warrants issued by the Company that will be settled by other than a fixed amount of cash for a fixed number of the Company's own equity instruments are derivative financial instruments. Warrants classified as derivative financial instruments are recognised at their fair values at the date of issue. Changes in fair values in subsequent periods are recognised through profit or loss.

Warrants issued by the Company that will be settled by a fixed amount of cash for a fixed number of the Company's own equity instruments are equity instruments. The net proceeds received from the issue of warrants is recognised in equity (warrant reserve). The warrant reserve will be transferred to share capital and share premium accounts upon the exercise of the warrants. When the warrants are still not exercised at the expiry date, the amount previously recognised in the warrant reserve will be transferred to accumulated losses.

3. 重大會計政策概要(續)

(i) 財務工具(續)

ii. 財務負債及權益(續)

可換股票據(續)

其後期間可換股票據之負債部份採用實際利率法以攤銷成本入賬。權益部份(代表將負債部份轉換為本公司普通股之期權)將保留於可換股票據儲備,直至嵌入式期權被行使(其時可換股票據權益儲備呈列之餘額將轉撥入股本及股份溢價)。若該期權於到期日仍未行使,則於可換股貸款票據—權益儲備呈列之餘額將轉出至保留溢利。期權於換股或屆滿時之損益概不會於綜合全面損益賬確認。

倘可換股票據的換股權具有嵌入式衍生工具之特徵,則應獨立於其負債部份。於首次確認時,可換股票據之衍生工具部份按公平值計量,並以衍生財務工具之一部份呈列。若所得款項超出首次確認為衍生工具部份的金額,則差額確認為負債部份。交易費用於工具首次確認時分配至可換股票據之負債與衍生工具部份。有關負債部份的交易費用部份首次確認為負債部份。有關衍生工具的部份則即時在綜合全面損益賬內確認。

認股權證

本公司所發行之將以固定金額現金換取固定數目本公司本身股本工具以外之方式結算之認股權證為衍生金融工具。分類為衍生金融工具之認股權證按於發行日期之公平值確認。於其後期間公平值變動透過損益確認。

本公司所發行之將以固定金額現金換取固定數目本公司本身股本工具之方式結算之認股權證為股本工具。發行認股權證所收取之所得款項淨額於權益(認股權證儲備)內確認。認股權證儲備將於行使認股權證時轉撥至股本及股份溢價賬。倘於屆滿日期認股權證仍未行使,則先前於認股權證儲備中確認之金額將轉撥至累計虧損。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Financial instruments (continued)

iii. Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs. Repurchases of the Company's own equity instruments is recognised and deducted directly in equity.

iv. Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. 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 directly in equity is recognised in consolidated statement of comprehensive income.

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

(i) 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 net profit as reported in the consolidated statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years, and it further excludes items of consolidated statement of comprehensive income that are never taxable or deductible.

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

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

3. 重大會計政策概要 (續)

(i) 財務工具 (續)

iii. 股本工具

本公司所發行之股本工具按所收取之所得款項扣除直接發行成本後記錄。購回本公司本身股本工具乃直接於權益內確認及扣減。

iv. 取消確認

當自一項財務資產收取現金流量之權利屆滿，或該項財務資產已轉讓且本集團已大體上轉移該財務資產所有權之全部風險及回報，該財務資產即被取消確認。於取消確認某項財務資產時，有關資產賬面值及已收與應收代價之和，與已直接於權益確認之累計收益或虧損之差額乃於綜合全面損益賬確認。

當有關合約規定之責任被解除、取消或屆滿之時，財務負債會取消確認。被取消確認之財務負債賬面值與已付或應付代價之差額乃於綜合全面損益賬確認。

(i) 稅項

所得稅指本年度應付稅項及遞延稅項之總額。

本年度應付稅項乃按本年度應課稅溢利計算。應課稅溢利與綜合全面損益賬中所報溢利淨額不同，乃由於前者不包括在其他年度應課稅或可扣稅收支項目，且不包括綜合全面損益賬內從未課稅或扣稅之項目。

遞延稅項乃就財務報表內資產及負債賬面值及計算應課稅溢利所用相應稅基之差額而須支付或可回收之稅項，並以負債法作會計處理。遞延稅項負債通常會就所有應課稅暫時差額確認，而遞延稅項資產在可能出現可動用暫時差額扣減之應課稅溢利時確認。倘若交易中因商譽（或負商譽）或因業務合併以外原因首次確認其他資產及負債而引致之暫時差額並不影響應課稅溢利及會計溢利時，則不會確認該等資產及負債。

遞延稅項負債就於附屬公司及聯營公司之投資產生之應課稅暫時差額予以確認，惟本集團可控制暫時差額之撥回及暫時差額可能在可見將來不會撥回則除外。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Taxation (continued)

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

Deferred tax is calculated at the tax rates that are expected to apply to the period when the liability is settled or the asset realised. Deferred tax is charged or credited to the consolidated statement of comprehensive income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

(k) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligations.

(l) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably. A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that outflow is probable, they will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. A contingent asset is not recognised but is disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

(m) Dividends distribution

Final dividend proposed by the directors are classified as a separate allocation of retained profits within the equity section of the consolidated statement of financial position, until they have been approved by shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability in the Group's financial statements.

Interim dividends are recognised as a liability when they are proposed and declared.

3. 重大會計政策概要(續)

(i) 稅項(續)

遞延稅項資產之賬面值乃於各報告期完結日進行檢討，並予以相應扣減，直至不可能有足夠應課稅溢利以動用全部或部份遞延稅項資產為止。

遞延稅項乃按預期於清償負債或變現資產期間應用之稅率計算。遞延稅項於綜合全面損益賬扣除或計入綜合全面損益賬，惟倘遞延稅項直接於權益中扣除或計入權益之情況（其時遞延稅項亦會於權益中處理）除外。

(k) 準備

倘若本集團須就已發生的事件承擔法律或推定責任，而履行該責任預期會導致資源外流，並可就責任金額作出可靠的估計，便會就此計提準備。本集團於各報告期完結日檢討準備，並且為反映目前之最佳估計作出調整。如果貨幣時間價值重大，則按預計履行責任所需開支現值計提準備。

(l) 或然負債及或然資產

或然負債指因已發生的事件而可能引起的責任，此等責任須就某一宗或多宗事件會否發生才能確認，而本集團並不能完全控制這些事件會否發生。或然負債亦可能是因已發生的事件引致現有的責任，但由於可能不需要消耗經濟資源，或責任金額未能可靠地衡量而未有入賬。或然負債不會被確認，但會在財務報表附註內披露。假若消耗資源的機會率改變而導致出現資源消耗時，此等負債將被確認為準備。

或然資產是指因已發生的事件而可能產生的資產，此等資產須就某一宗或多宗未來事件會否發生才能確認，而本集團並不能完全控制這些未來事件會否發生。或然資產不會被確認，但會於可能收到經濟效益時在財務報表附註內披露。若幾可肯定會收到經濟效益時，方會確認為資產。

(m) 股息分派

由董事建議派付之末期股息在資產負債表內權益項下列作保留溢利之一項獨立分配，直至股息於股東大會上獲股東批准為止。待此等股息獲股東批准而宣派後，將於本集團財務報表確認為一項負債。

中期股息於建議及宣派時確認為負債。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) 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 recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period.

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.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise, except for exchange differences arising on a monetary item that forms part of the Company's net investment in a foreign operation, in which case, such exchange differences are recognised in equity in the consolidated financial statements. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity, in which cases, the exchange differences are also recognised directly in equity.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) at the rate of exchange prevailing at the end of the reporting period, and their income and expenses are translated at the average exchange rates for the year, 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 as a separate component of equity (the translation reserve). Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

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

3. 重大會計政策概要 (續)

(n) 外幣

編製每個個別集團實體之財務報表時，採用並非該實體功能貨幣（外幣）進行之交易，一律以交易日現行匯率換算為其功能貨幣（即該實體經營之主要經濟環境之貨幣）入賬。於每個報告期完結日，以外幣計值之貨幣項目以報告期完結日現行匯率重新換算。

以外幣計值且以公平值入賬之非貨幣項目，以公平值釐定日之現行匯率重新換算。以外幣歷史成本計量之非貨幣項目概不重新換算。

因貨幣項目結算及貨幣項目換算產生之匯兌差額，於產生期內之損益賬確認，惟構成本公司對一項外國業務淨投資之貨幣項目所產生之匯兌差額除外，此類匯兌差額於綜合財務報表之權益部份確認。以公平值入賬之非貨幣項目，其重新換算產生之匯兌差額於當期損益賬確認，惟重新換算非貨幣項目產生之差額除外，有關盈虧乃直接於權益確認，其匯兌差額亦直接於權益確認。

就呈列綜合財務報表而言，本集團海外經營業務之資產及負債按報告期完結日之現行匯率換算為本集團之呈列貨幣（即港元），其收入及支出按該年度之平均匯率換算，惟匯率於該期間出現大幅波動則作別論，其時則採用於交易當日之現行匯率換算。所產生之匯兌差額（如有）乃確認為權益之獨立部份（匯兌儲備）。該等匯兌差額於出售海外業務之期間在損益賬確認。

於二零零五年一月一日或之後收購海外業務時產生有關所收購可識別資產之商譽及公平值調整，乃處理為該海外經營業務之資產及負債，並按於報告期完結日之現行匯率換算。產生之匯兌差額於匯兌儲備確認。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) Employee benefits

i. Paid leave carried forward

The Group provides paid annual leave to its employees under their employment contracts on a calendar year basis. Under certain circumstances, such leave which remains untaken as at the end of the reporting period is permitted to be carried forward and utilised by the respective employees in the following year. No accrual is made at the end of the reporting period for the expected future cost of such paid leave earned during the year by the employees and carried forward as the amount is immaterial.

ii. Pension scheme

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the consolidated statement of comprehensive income as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

The employees of the Group's subsidiaries which operates in Mainland China are required to participate in a central pension scheme operated by the local municipal government. The contributions are charged to the consolidated statement of comprehensive income as they become payable in accordance with the rules of the central pension scheme.

(p) Equity-settled share-based payment transaction

Share Options Scheme and Share Award Scheme

The fair value of share options and awarded shares granted to employees in an equity-settled share based payment transaction is recognised as an employment cost with a corresponding increase in the employee share-based compensation reserve within equity. In respect of share options, the fair value is measured at grant date using the Black Scholes pricing model, taking into account the terms and conditions upon which the options were granted. In respect of awarded shares, the fair value is based on the closing price at the grant date. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the share options and awarded shares, the total estimated fair value of the share options and awarded shares is spread over the vesting period, taking into account the probability that the share options and awarded shares will vest.

3. 重大會計政策概要(續)

(o) 僱員福利

i. 有薪假期結轉下年度

本集團根據僱員合約，按曆年基準向僱員提供有薪年假福利。在若干情況，有關僱員在報告期完結日尚餘之有薪假期可結轉下一個曆年並由僱員動用。基於涉及之款額微不足道，故在報告期完結日並未就此等僱員年內應計及結轉下年度之有薪假期之預期未來累計成本列賬。

ii. 退休福利計劃

本集團根據強制性公積金計劃條例設立界定供款強制性公積金退休福利計劃（「強積金計劃」）供合資格參與強積金計劃之有關僱員參與。根據強積金計劃之規則，供款額為僱員基本薪金之某個百分比，並於應繳付時在綜合全面損益賬扣除。強積金計劃之資產與本集團之資產分開持有，並由獨立運作之基金管理。本集團之僱主供款於對強積金計劃供款時全數歸於僱員。

於中國內地經營之本集團附屬公司之僱員須參與由當地市政府設立之中央退休福利計劃。根據中央退休福利計劃之規則，供款乃當其應繳付時於綜合全面損益賬扣除。

(p) 以權益結算並以股份為基礎之付款交易

認股權計劃及股份獎勵計劃

於股本償本之股份為本交易賦予員工的認股權及獎授股份之公允價值被確認為員工成本，並在股東權益內的以股份為本之僱員補償儲備作相應的增加。有關認股權之公允價值乃採用Black Scholes認股權定價模式，按認股權授予日及授予認股權的條款而計算。至於獎授股份方面，其公允價值是已支付之代價。當僱員須符合歸屬期條件才可無條件享有該等認股權及獎授股份，認股權及獎授股份的預計公允價值總額在歸屬期內攤分入賬，並已考慮認股權及獎授股份歸屬的或然率。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Equity-settled share-based payment transaction (continued)

Share Options Scheme and Share Award Scheme (continued)

During the vesting period, the number of share options and awarded shares that is expected to vest is reviewed. Any adjustment to the cumulative fair value recognised in prior years is charged/credited to the statement of comprehensive income for the year of the review, with a corresponding adjustment to the employee share-based compensation reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of share options and awarded shares that vest (with a corresponding adjustment to the employee share-based compensation reserve).

The equity amount for the share options is recognised in the employee share-based compensation reserve until either the option is exercised (when it is transferred to the share premium account) or the option expires (when it is released directly to retained profits).

Shares held for Share Award Scheme

Where the shares of the Company are acquired under the Share Award Scheme, the consideration paid, including any directly attributable incremental costs, is presented as "Shares held for Share Award Scheme" and deducted from total equity.

When the awarded shares are transferred to the awardees upon vesting, the related weighted average cost of the awarded shares vested are credited to "Shares held for Share Award Scheme", and the related employment costs of the awarded shares vested are debited to the employee share-based compensation reserve. The difference between the related weighted average cost and the related employment costs of the awarded shares is transferred to retained profits.

Where the Shares held for Share Award Scheme are revoked and the revoked shares are disposed of, the related gain or loss is transferred to retained profits, and no gain or loss is recognised in the consolidated statement of comprehensive income.

Where the cash or non-cash dividend distribution is declared in respect of the shares held for Share Award Scheme, the cash or fair value of the non-cash dividend is transferred to retained profits, and no gain or loss is recognised in the consolidated statement of comprehensive income.

3. 重大會計政策概要 (續)

(p) 以權益結算並以股份為基礎之付款交易 (續)

認股權計劃及股份獎勵計劃 (續)

估計可歸屬認股權及獎授股份的數目須在歸屬期內作出檢討。任何已在往年確認的累積公允價值調整須在檢討年度內的綜合全面損益賬支銷或回撥，並在以股份為本之僱員補償儲備作相應調整。在歸屬日，確認為支出之金額按歸屬認股權及獎授股份的實際數目作調整（並在以股份為本之僱員補償儲備作相應調整）。

屬認股權的權益金額在以股份為本之僱員補償儲備確認，直至當認股權被行使時（轉入股份溢價），或當認股權之有效期屆滿時（轉入保留溢利）。

為股份獎勵計劃而持有之股份

尚根據股份獎勵計劃下購入的公司股份，已支付之代價，包括所有直接有關的增量成本，被提出作為「為股份獎勵計劃而持有之股份」並從總權益中扣除。

當獎授股份於歸屬時轉至獲獎授人時，有關已歸屬獎授股份的加權平均成本計入「為股份獎勵計劃而持有之股份」的貸方及有關的員工成本計入以股份為本之僱員補償儲備借方。有關加權平均成本及有關獎勵計劃的員工成本之差額轉入保留溢利。

當取消為股份獎勵計劃而持有之股份時，取消之股份將出售有關損益轉入保留溢利，綜合全面損益賬不確認任何損益。

當為股份獎勵計劃而持有之股份宣派現金或非現金股息，分派之現金或非現金股息之公允價值轉入保留溢利，綜合全面損益賬不確認任何損益。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Related party transactions

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

(A) A person or a close member of that person's family is related to the Group if that person:

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or of a parent of the Group.

(B) An entity is related to the Group if any of the following conditions applies:

- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (A).
- (vii) A person identified in (A)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(C) Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependants of that person or that person's spouse or domestic partner.

3. 重大會計政策概要 (續)

(q) 關連人士交易

倘出現以下情況，則有關人士為與本集團有關連之人士或實體：

(A) 倘某人士出現以下情況，則該人士或該人士之近親與本集團有關連：

- (i) 控制或共同控制本集團；
- (ii) 對本集團有重大影響；或
- (iii) 為本集團或本集團母公司之主要管理層成員。

(B) 倘符合下列任何條件，即實體與本集團有關連：

- (i) 該實體與本集團屬同一集團之成員公司（即各母公司、附屬公司及同系附屬公司彼此間有關連）。
- (ii) 一間實體為另一實體之聯營公司或合營企業（或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業）。
- (iii) 兩間實體均為同一第三方之合營企業。
- (iv) 一間實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司。
- (v) 實體為本公司或與本公司有關連之實體就僱員利益設立之離職福利計劃。
- (vi) 實體受(A)所識別人士控制或受共同控制。
- (vii) 於(A)(i)所識別人士對實體有重大影響力或屬該實體（或該實體之母公司）主要管理層成員。

(C) 任何人士的近親是指與該實體交易時預期可影響該名人士或受該人士影響的家庭成員，並包括：

- (i) 該人士之兒女及配偶或同居伴侶；
- (ii) 該人士之配偶或同居伴侶之兒女；及
- (iii) 該人士或該人士之配偶或同居伴侶之受養人。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Cash and cash equivalents

Cash and cash equivalents include cash at bank and on hand, demand deposits and short-term, highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

(s) Borrowing costs

Borrowing costs are interests and other costs incurred in connection with the borrowing of funds. All borrowing costs are charged to the consolidated statement of comprehensive income in the period in which they are incurred.

(t) Leasing

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

The Group as lessee

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

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs (Note 3(s)). Contingent rentals are recognised as expenses in the periods in which they are incurred.

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

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

(u) Segment reporting

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

3. 重大會計政策概要(續)

(r) 現金及現金等值項目

現金及現金等值項目包括銀行及手頭上現金、活期存款及可隨時轉換為已知數額的現金、並無重大價值變動風險及一般於購入後三個月內屆滿的短期高流動投資，減去須按要求償還之銀行透支，並構成本集團現金管理之整體部份。

(s) 借貸成本

借貸成本指因借入資金而產生之利息及其他成本。所有借貸成本均於其產生期間在綜合全面損益賬扣除。

(t) 租賃

倘在租賃有效期內，資產所有權之絕大部份風險及回報均轉讓予承租人，該租賃即被列為融資租賃。其他租賃均被列為經營租賃。

本集團作為承租人

根據融資租約持有之資產初步按彼等於租約開始時之公平值或(倘更低)最低租約付款額之現值確認為本集團之資產。對出租人之相應責任作為融資租約責任計入綜合財務狀況表。

租約付款額乃於融資費用及租約責任減少間分攤，以取得責任餘下結餘之不變利率。融資租約即時於損益中確認，除非彼等直接歸屬於合資格資產，則另當別論，於此情況下，彼等根據本集團有關借貸成本之一般政策(附註3(s))予以資本化。或然租金於產生期間內確認為開支。

經營租約付款額乃以直線法按租期確認為一項開支，惟倘另一系統基準更能代表租賃資產之經濟利益被消耗之時間模式，則除外。經營租約產生之或然租金於產生期間內確認為一項開支。

倘收取租約獎勵以訂立經營租約，則有關獎勵確認為一項負債。獎勵利益總額以直線法確認為租金費用之扣減，惟倘另一系統基準更代表租賃資產之經濟利益被消耗之時間模式，則除外。

(u) 分部呈報

經營分部及財務資料所呈報之各分部項目之金額，乃從為向本集團各項業務及地理位置分配資源及評估其業績而定期向本集團最高行政策者提供之財務報表當中加以識別。

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財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(u) Segment reporting (continued)

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

4. CRITICAL ACCOUNTING JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3 to the consolidated financial statements, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgments in applying accounting policies

The following are the critical judgments, apart from those involving estimations, that management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

(i) Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(ii) Impairment of assets

The Group tests annually whether the assets have suffered any impairment. The recoverable amount of an asset or a cash generating unit is determined based on value-in-use calculations which require the use of assumptions and estimates.

3. 重大會計政策概要(續)

(u) 分部呈報(續)

就財務報告而言，將不會併入個別重要經營分部，除非該分部的產品及服務性質、生產工序性質、客戶類型或階層、分銷產品或提供服務方法及監管環境的性質等方面的經濟特性類似。倘個別不重要的經營分部符合上述大部份條件，則可併為一個報告分部。

4. 關鍵會計判斷及估計不確定性之主要來源

於應用綜合財務報表附註3所載本集團之會計政策時，管理層須就從其他來源不顯而易見之資產及負債賬面值作出判斷、估計及假設。該等估計及相關假設乃以經驗及認為屬有關之其他因素而作出。實際結果可能有別於該等估計。

估計及相關假設按持續基準審閱。倘若會計估計修訂僅影響該期間，有關修訂會在修訂估計期間確認。倘若有關修訂影響當期及未來期間，有關修訂會在修訂期間及未來期間確認。

應用會計政策之關鍵判斷

除該等涉及估計之判斷外，以下關鍵判斷為董事於應用本集團之會計政策時所作出，並對綜合財務報表內已確認金額構成最重大影響。

(i) 所得稅

本集團須繳納多個司法權區之所得稅。於釐定世界各地之所得稅準備時需作出重要判斷。於正常業務過程中，有許多交易及計算均難以明確作出最終稅務釐定。本集團須估計未來會否繳納額外稅項，從而確認對預期稅務審核事宜之責任。倘該等事宜之最終稅務結果與起初錄得之金額不同，差額將影響稅務釐定期內之所得稅及遞延稅項準備。

(ii) 資產減值

本集團每年就資產有否減值進行測試。資產或現金產生單位之可回收金額，乃根據需要用上假設及估計之在用價值計算法釐定。

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財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

4. CRITICAL ACCOUNTING JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

Critical judgments in applying accounting policies (continued)

(iii) Estimated impairment of goodwill

The Group performs annual tests on whether there has impairment of goodwill in accordance with the accounting policy stated in Note 20. The recoverable amounts of cash generating units are determined based on value-in-use calculations. These calculations require the use of estimates and assumptions made by management on the future operation of the business, pre-tax discount rates, and other assumptions underlying the value-in-use calculations.

(iv) Share-based payment

The valuation of the fair value of share options granted requires judgment in determining the expected volatility of the share price, the dividends expected on the shares, the risk free interest rate during the life of the options and the number of share options that are expected to become exercisable, details of which are set in Note 37 to the consolidated financial statements. Where the actual outcome of the number of exercisable options is different from the previously estimated number of exercisable options, such difference will have impact on the consolidated statement of comprehensive income in the subsequent remaining vesting period of the relevant share options.

(v) Estimated impairment of trade receivables

When there is objective evidence of impairment loss, the Group takes into consideration the estimation of future cash flows. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). Where the actual future cash flows are less than expected, impairment loss may arise. As at 31 March 2012, the carrying amount of trade receivables is approximately HK\$71,212,000 (2011: HK\$22,000).

(vi) Fair value of derivatives and other financial instruments

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

(vii) Property, plant and equipment

In accordance with HKAS 16, the Group estimates the useful lives of property, plant and equipment in order to determine the amount of depreciation expenses to be recorded. The useful lives are estimated at the time the asset is acquired based on historical experience, the expected usage, wear and tear of the assets, as well as technical obsolescence arising from changes in the market demands or service output of the assets. The Group also perform annual reviews on whether the assumptions made on useful lives continue to be valid.

4. 關鍵會計判斷及估計不確定性之主要來源 (續)

應用會計政策之關鍵判斷 (續)

(iii) 商譽之估計減值

本集團分別根據財務報表附註20所載之會計政策，每年測試商譽是否出現任何減值。現金產生單位之可回收金額乃根據使用價值計算釐定。該等計算需要管理層對未來業務營運作出估計及假設、使用稅前折現率及其他有關使用價值計算之假設。

(iv) 以股份為基礎之付款

評估已授出購股權之公平值時需要作出判斷，以釐定股價之預期波幅、股份之預計股息、購股權有效期內的無風險利率，以及預期可以行使之購股權的數目，有關詳情載於綜合財務報表附註37。若可行使購股權之實際數目有別於原先估計，差額將影響有關購股權之其後餘下歸屬期的綜合損益賬。

(v) 貿易應收款項之估計減值

若出現減值虧損之客觀憑證，本集團將考慮有關未來現金流之估計。減值虧損之金額，是指資產賬面值與估計未來現金流（不包括尚未產生之未來信貸虧損）以財務資產的原訂實際利率（即初步確認時計算之實際利率）貼現之現值之間的差額。若未來現金流之實際金額低於預期，則可能出現減值。於二零一二年三月三十一日，貿易應收款項之賬面值約為71,212,000港元（二零一一年：22,000港元）。

(vi) 衍生工具及其他財務工具之公平值

並無於交投活躍之市場買賣的財務工具，其公平值以估值方法釐定。本集團運用其判斷以挑選數種方法，而作出之假設則主要建基於各報告期完結日之現存市況。

(vii) 物業、廠房及設備

根據香港會計準則第16號，本集團估計物業、廠房及設備之可使用年期，以釐定將予記賬之折舊開支之金額。本集團乃於購入資產時根據以往經驗、預期用途、資產之耗損以及因市場需求改變或運用資產提供服務而產生之技術性過時而估計可使用年期。本集團亦每年作出檢討，衡量對可使用年期所作假設是否仍然有效。

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財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

5. FINANCIAL RISK MANAGEMENT

Financial risk management objectives and policies

The Group's major financial instruments include borrowings and cash and cash equivalents. 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 risk

(i) Foreign currency risk

The Group operates mainly in the People's Republic of China (the "PRC") and Hong Kong and majority of transactions are denominated in Hong Kong dollars ("HK\$") and Renminbi ("RMB"). The Group is exposed to limited foreign exchange risk as most assets and liabilities are denominated in HK\$ and RMB. Therefore the Group is exposed to foreign exchange risk arising from the assets and liabilities which are denominated in currencies other than the functional currency of the entity to which related. The conversion of RMB into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC government. The Group currently does not have a foreign currency hedging policy in respect of foreign currency assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

5. 財務風險管理

財務風險管理目標及政策

本集團之主要財務工具包括借貸以及現金及銀行結餘。該等財務工具之詳情乃於相關附註披露。與該等財務工具有關之風險及如何減低該等風險之政策載於下文。管理層會管理及監察該等風險，以確保可及時有效地實行適當措施。

市場風險

(i) 外匯風險

本集團主要在中國及香港經營業務，且大部份交易以港元（「港元」）及人民幣（「人民幣」）計值。由於大部份資產及負債是以港元及人民幣計值，本集團面對之外匯風險有限。因此，本集團面對以該實體相關之功能貨幣以外之貨幣定值之資產及負債產生之外匯風險。人民幣兌換為外幣須遵守中國政府頒佈之外匯管制法規。本集團現時並無任何外國流動資產及負債之外幣對沖工具。本集團將密切監管其外幣風險，並於必要時考慮對沖重大外匯風險。

本集團於報告日期以外幣計值之貨幣資產及貨幣負債之賬面值如下：

		31 March 2012 二零一二年 三月三十一日 HK\$' 000 千港元	31 March 2011 二零一一年 三月三十一日 HK\$' 000 千港元
Assets	資產		
RMB	人民幣	-	868
Liabilities	負債		
RMB	人民幣	-	237

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財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

5. FINANCIAL RISK MANAGEMENT (continued)

Financial risk management objectives and policies (continued)

Market risk (continued)

(i) Foreign currency risk (continued)

Sensitivity analysis on foreign currency risk management

The following table details the Group's sensitivity to a 5% increase and decrease in HK\$ against the relevant foreign currencies. 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 outstanding foreign currency denominated monetary items, and adjusts their translation at the year end for a 5% change in foreign currency rates. A negative number below indicates a decrease in profit where the Hong Kong dollars strengthen 5% against the relevant currency. For a 5% weakening of the Hong Kong dollars against the relevant currency, there would be an equal and opposite impact on the profit and balances below would be positive.

Impact of RMB
Profit or loss (note)

人民幣之影響
溢利或虧損(附註)

-

32

Note:

This is mainly attributable to the exposure outstanding on receivables and payables denominated in respective currencies at the year end.

(ii) Price risk

At the end of the reporting period, the Group did not have any financial assets which are measured at fair value. The Group does not have significant exposure to price risk.

5. 財務風險管理(續)

財務風險管理目標及政策(續)

市場風險(續)

(i) 外匯風險(續)

外匯風險管理之敏感度分析

下表詳列本集團就港元兌相關外幣升值及貶值5%之敏感度。向內部主要管理人員報告外匯風險時所採用之敏感度比率為5%，其為管理層評估可能合理出現之匯率變動。敏感度分析包括尚未處理之外幣計值貨幣項目，並會對彼等於年底之換算在匯率上作出5%之調整。下文中之負數顯示倘港元兌相關貨幣升值5%時溢利之減少數額。倘港元兌相關貨幣貶值5%，溢利將會出現相反方向之等額變動，而下列之結餘將為正數。

31 March
2012
二零一二年
三月三十一日
HK\$' 000
千港元

31 March
2011
二零一一年
三月三十一日
HK\$' 000
千港元

附註：

主要來自於年底就按各自之貨幣計值之應收款項及應付款項所面臨的風險。

(ii) 價格風險

價格風險於報告期完結日，本集團並無任何以公平值計量之財務資產。本集團並無重大價格風險。

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財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

5. FINANCIAL RISK MANAGEMENT (continued)

Financial risk management objectives and policies (continued)

Market risk (continued)

(iii) Interest rate risk

The Group's cash flow interest rate risk relates primarily to variable rate borrowings. 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.

The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of HSBC prime rate arising from the Group's Hong Kong dollar denominated borrowings.

Sensitivity analysis on interest rate risk management

No sensitivity analysis on interest rate risk for the year ended 31 March 2012 because there is no borrowings bear interest at variable-rate for the year.

The sensitivity analyses below have been determined based on the exposure to interest rates for derivatives and non-derivative instruments at the end of the reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 50 basis points increase or decrease in HSBC prime rate 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 interest rates had been 50 basis points higher/lower and all other variable were held constant, the Group's:

- post tax profit for the year ended 31 March 2011 would decrease/increase by HK\$143,000. This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

5. 財務風險管理 (續)

財務風險管理目標及政策 (續)

市場風險 (續)

(iii) 利率風險

本集團的現金流量風險主要涉及浮息借款。本集團的政策是保持其借款浮息，以減低公平值利率風險。

本集團財務資產及財務負債的利率風險詳情載於本附註之流動資金風險管理一節。本集團之現金流量利率風險主要集中在本集團以港元為單位之借貸所產生匯豐銀行最優惠利率之波動。

利率風險管理敏感度分析

截至二零一二年三月三十一日止年度，並無利率風險之敏感度分析，因為該年度並無按浮動利率計息之借貸。

以下敏感度分析乃根據衍生工具及非衍生工具所面臨之利率風險而釐定。編製此分析乃假設於報告期完結日的尚未償還之財務工具持續發生於全年。向主要管理人員內部匯報利率風險時，乃使用匯豐銀行最優惠利率50個基點的增減，此乃管理層就利率之合理可能變動之評估。

倘利率上升／下降50個基點，其他變數維持不變，則本集團：

- 於截至二零一一年三月三十一日止年度之除稅後溢利將減少／增加143,000港元，主要源自本集團浮息借款及利率掉期協議（乃指定作為公平值對沖之對沖工具）所產生之利率風險。

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For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

5. FINANCIAL RISK MANAGEMENT (continued)

Financial risk management objectives and policies (continued)

Credit risk

As at 31 March 2012, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, the management of the Group has credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In this regards, the directors of the Company consider that the Group's credit risk is significantly reduced.

The Group's credit risk is primarily attributable to trade or other receivables. The Group has no significant concentrations of credit risk. The exposures to these credit risks are monitored on an ongoing basis.

The credit risk on liquid funds is limited because the counterparties are banks which are reputable in the opinion of management.

Liquidity risk

The Group manages liquidity risk by maintaining adequate cash and cash equivalents, monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The liquidity risk is under continuous monitoring by management. Reports with maturity dates of borrowings and thus the liquidity requirement are provided to management for review periodically. Management will raise or refinance bank borrowings whenever necessary.

The table below analyses the Group's financial liabilities that will be settled into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are based on the contractual undiscounted payments, as follows:

The Group
本集團

At 31 March 2012
於二零一二年三月三十一日

		Weighted average effective interest rate % 加權平均 實際利率%	On demand or less than 1 month 應要求或 一個月內 HK\$' 000 千港元	Between 1 to 3 months 一至三個月 HK\$' 000 千港元	Between 3 months to 1 year 三個月至一年 HK\$' 000 千港元	Between 1 year to 5 years 一年至五年 HK\$' 000 千港元	More than 5 years 超過五年 HK\$' 000 千港元	Total undiscounted cash flow 總未貼現 現金流 HK\$' 000 千港元	Total carrying amount 總賬面值 HK\$' 000 千港元
Non-derivative financial liabilities	非衍生財務負債								
Trade payables	貿易應付款項	-	10,741	2,769	55,916	-	-	69,426	69,426
Accrued liabilities and other payables	累計負債及其他 應付款項	-	174,863	-	-	-	-	174,863	174,863
Amounts due to shareholders	應付股東款項	6.9	15,358	-	1,341	-	-	16,699	16,670
Borrowings	借貸	8.5	-	-	19,531	-	-	19,531	18,414
Obligations under finance leases	融資租約責任 租賃	1.7	41	81	368	490	-	980	939
Convertible notes	可換股票據	10.5	-	-	173,500	-	-	173,500	157,014
Total	總計		201,003	2,850	250,656	490	-	454,999	437,326

5. 財務風險管理 (續)

財務風險管理目標及政策 (續)

信貸風險

於二零一二年三月三十一日，因交易對方未能履行責任而可為本集團帶來財務虧損之本集團最大信貸風險，乃來自綜合財務狀況表所列各項已確認財務資產之賬面值。

為將信貸風險降至最低，本集團之管理層訂有信貸批准及其他監管程序，以確保採取跟進行動追收逾期債務。就此而言，本公司董事認為本集團之信貸風險已大幅降低。

本集團之信貸風險主要由貿易或其他應收款項產生。本集團並無重大信貸集中風險。本集團會持續監控所面對之信貸風險。

流動資金信貸風險有限，原因為管理層認為對方為有聲譽之銀行。

流動資金風險

本集團通過維持充足現金及銀行結餘、監管預測及實際現金流量，以及配合財務資產及負債之到期時間表，藉此管理流動資金風險。

管理層持續監管流動資金風險。載有借貸到期日及相關流動資金需求之報告定期向管理層提交以供審閱。必要時，管理層將增加銀行借貸或對其進行再融資。

下表顯示本集團將結算之財務負債，此乃按照相關到期組別，根據由報告期完結日至合約到期日之剩餘期間進行分析。表內披露之金額根據合約無折現付款計算，詳情如下：

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

5. FINANCIAL RISK MANAGEMENT (continued)

Financial risk management objectives and policies (continued)

Liquidity risk (continued)

The Group
本集團

5. 財務風險管理 (續)

財務風險管理目標及政策 (續)

流動資金風險 (續)

At 31 March 2011
於二零一一年三月三十一日

		Weighted average effective interest rate % 加權平均 實際利率%	On demand or less than 1 month 應要求或 一個月內 HK\$' 000 千港元	Between 1 to 3 months 一至三個月 HK\$' 000 千港元	Between 3 months to 1 year 三個月至一年 HK\$' 000 千港元	Between 1 year to 5 years 一年至五年 HK\$' 000 千港元	More than 5 years 超過五年 HK\$' 000 千港元	Total undiscounted cash flow 總未貼現 現金流 HK\$' 000 千港元	Total carrying amount 總賬面值 HK\$' 000 千港元
Non-derivative financial liabilities	非衍生財務負債								
Accrued liabilities and other payables	累計負債及其他應付款項	-	169,952	-	-	-	-	169,952	169,952
Amounts due to shareholders	應付股東款項	8.0	14,478	-	-	-	-	14,478	14,478
Borrowings	借貸	1.5	33,872	-	-	-	-	33,872	33,872
Convertible notes	可換股票據	10.5	-	-	-	173,500	-	173,500	142,094
Total	總計		218,302	-	-	173,500	-	391,802	360,396

The Company
本公司

At 31 March 2012
於二零一二年三月三十一日

		Weighted average effective interest rate % 加權平均 實際利率%	On demand or less than 1 month 應要求或 一個月內 HK\$' 000 千港元	Between 1 to 3 months 一至三個月 HK\$' 000 千港元	Between 3 months to 1 year 三個月至一年 HK\$' 000 千港元	Between 1 year to 5 years 一年至五年 HK\$' 000 千港元	More than 5 years 超過五年 HK\$' 000 千港元	Total undiscounted cash flow 總未貼現 現金流 HK\$' 000 千港元	Total carrying amount 總賬面值 HK\$' 000 千港元
Non-derivative financial liabilities	非衍生金融負債								
Accrued liabilities and other payables	累計負債及其他應付款項	-	162,980	-	-	-	-	162,980	162,980
Amounts due to shareholders	應付股東款項	6.9	15,358	-	1,341	-	-	16,699	16,670
Convertible notes	可換股票據	10.5	-	-	173,500	-	-	173,500	157,014
			178,338	-	174,841	-	-	353,179	336,664

The Company
本公司

At 31 March 2011
於二零一一年三月三十一日

		Weighted average effective interest rate % 加權平均 實際利率%	On demand or less than 1 month 應要求或 一個月內 HK\$' 000 千港元	Between 1 to 3 months 一至三個月 HK\$' 000 千港元	Between 3 months to 1 year 三個月至一年 HK\$' 000 千港元	Between 1 year to 5 years 一年至五年 HK\$' 000 千港元	More than 5 years 超過五年 HK\$' 000 千港元	Total undiscounted cash flow 總未貼現 現金流 HK\$' 000 千港元	Total carrying amount 總賬面值 HK\$' 000 千港元
Non-derivative financial liabilities	非衍生金融負債								
Accrued liabilities and other payables	累計負債及其他應付款項	-	159,646	-	-	-	-	159,646	159,646
Amounts due to shareholders	應付股東款項	8.0	14,478	-	-	-	-	14,478	14,478
Borrowings	借貸	1.5	33,872	-	-	-	-	33,872	33,872
Convertible notes	可換股票據	10.5	-	-	-	173,500	-	173,500	142,094
			207,996	-	-	173,500	-	381,496	350,090

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

5. FINANCIAL RISK MANAGEMENT (continued)

Fair value of financial instruments

The fair value of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities (including derivative instruments) with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices and ask prices respectively; and
- the fair value of other financial assets and financial liabilities (including derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices or rates from observable current market transaction as input. For an option-based derivative, the fair value is estimated using option pricing model.

Except as detailed in the following table, the directors consider that the carrying amounts of financial assets and financial liabilities recorded in the consolidated financial statements approximate to their fair values.

5. 財務風險管理(續)

財務工具之公平值

財務資產及財務負債之公平值按以下方式釐定：

- 具備標準條款及條件，並於交投活躍市場買賣之財務資產及財務負債(包括衍生工具)之公平值，乃分別參考市場買入及賣出報價釐定；及
- 其他財務資產及財務負債(包括衍生工具)之公平值，乃根據公認定價模式，並按折現現金流量分析，採用作為輸入之可觀察現時市場交易之價格或費率計算。就以期權為基準之衍生工具而言，公平值乃採用期權定價模式估計。

除下表所詳述外，本公司董事認為，於綜合財務報表記錄之財務資產及財務負債之賬面值與其公平值相若。

		At 31 March 2012 於二零一二年三月三十一日		At 31 March 2011 於二零一一年三月三十一日	
		Carrying amount 賬面值 HK\$'000 千港元	Fair value 公平值 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元	Fair value 公平值 HK\$'000 千港元
Financial liabilities	財務負債				
Convertible notes (Note)	可換股票據(附註)	157,014	159,506	142,094	155,514

Note:

The fair value of the liability component of convertible notes is determined assuming no redemption will be occurred and using a 11% interest rate with reference to the Hong Kong Exchange Fund Notes yields.

附註：

可換股票據之負債部份之公平值乃假設並無贖回而釐定，並參考照香港外匯基金票據收益採用11%利率計算。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

5. FINANCIAL RISK MANAGEMENT (continued)

Fair value of financial instruments (continued)

Fair value measurements recognised in the consolidated statement of financial position

The following provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

5. 財務風險管理(續)

財務工具之公平值(續)

於綜合財務狀況表內確認之公平值計量

以下提供初步確認後按公平值計量之財務工具分析，乃根據公平值之可觀察程度分為第一至第三級。

- 第一級公平值計量乃有相同資產或負債在活躍市場之報價(未經調整)得出；
- 第二級公平值計量由第一級所載報價以外之可觀察資產或負債數據直接(即價格)或間接(即源自價格)得出；及
- 第三級公平值計量由包括并非以可觀察市場數據(不可觀察數據)為基礎之資產或負債數據之估值技術得出。

		As at 31 March 2012 於二零一二年三月三十一日			
		Level 1 第一級	Level 2 第二級	level 3 第三級	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Financial assets	金融資產				
Derivative financial assets	衍生金融資產	—	—	17,924	17,924
Total	總計	—	—	17,924	17,924
Financial liabilities	金融負債				
Derivative financial liabilities	衍生金融負債	—	—	4,159	4,159
Total	總計	—	—	4,159	4,159

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

5. FINANCIAL RISK MANAGEMENT (continued)

Fair value of financial instruments (continued)

There were no transfers between Levels 1 and 2 in the current year.

Reconciliation of Level 3 fair value measurements of financial assets and liabilities

5. 財務風險管理(續)

財務工具之公平值(續)

於本年度，第一級與第二級之間並無轉撥。

金融資產及負債第三級公平值計量之對賬

		Derivative financial assets 衍生金融資產 HK\$'000 千港元	Derivative financial liabilities 衍生金融負債 HK\$'000 千港元
Balance as at 1 April 2011	於二零一一年四月一日之結餘	-	-
Acquisition of subsidiaries (Note 40(a))	收購附屬公司(附註40(a))	19,597	(4,726)
Fair values (loss)/gain through profit or loss	計入損益之公平值(虧損)/收益	(1,673)	567
Balance as at 31 March 2012	於二零一二年三月三十一日之結餘	17,924	(4,159)

There are no financial instruments that are measured subsequently at fair values for the year ended 31 March 2011.

截至二零一一年三月三十一日止年度，並無金融工具其後按公平值計量。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

5. FINANCIAL RISK MANAGEMENT (continued)

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 stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of debts (which includes amounts due to shareholders, borrowings, obligations under finance leases and convertible notes), cash and cash equivalents, and equity attributable to owners of the Company, comprising issued share capital and reserves.

The directors of the Company review the capital structure on an annual basis. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital.

The Group monitors capital using gearing ratio, which is calculated as either total borrowings divided by total capital or net borrowings divided by total capital. The gearing ratios as at the end of the reporting period are as follows:

		31 March 2012 二零一二年 三月三十一日 HK\$' 000 千港元	31 March 2011 二零一一年 三月三十一日 HK\$' 000 千港元
Total debt (i)	總債務(i)	193,037	190,444
Less: Cash and cash equivalents	減：現金及現金等值項目	(5,030)	(21,220)
Net debt	淨債務	188,007	169,224
Equity (ii)	權益(ii)	(219,926)	(261,214)
Net debt to equity ratio	淨債務對權益比率	N/A不適用	N/A不適用
Total debt to equity ratio	總債務對權益比率	N/A不適用	N/A不適用

Notes:

- (i) Total debt comprises amounts due to shareholders, borrowings, obligations under finance leases and convertible notes as detailed in Notes 29, 31, 32, 33 respectively.
- (ii) Equity includes all capital and reserves of the Group.

5. 財務風險管理 (續)

資本風險管理

本集團管理其資本，以確保本集團之實體將可持續經營，並透過優化債務及權益結餘為利益相關者帶來最大回報。本集團之整體策略維持不變，與去年無異。

本集團之資本結構包括債務（其包括應付股東款項、借貸、融資租約責任及可換股票據）、現金及現金等值項目及本公司擁有人應佔權益（其包括已發行股本及儲備）。

本集團董事每年檢討資本結構。作為此檢討之一部份，本集團董事考慮資本成本及各類資本隨附之風險。

本集團採用資本負債比率監控資本，即總借貸除以總資本或淨借貸除以總資本。於報告期完結日之資本負債比率如下：

附註：

- (i) 總債務包括應付股東款項、借貸、融資租約責任及可換股票據（有關詳情分別載於附註29、31、32及33）。
- (ii) 權益包括本集團之所有資本及儲備。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

6. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided.

The Group organised into three operating divisions: trade shows and exhibition operation, unconventional gas business, and coal trading business. These divisions are the basis on which the Group reports its segment information.

The three operating and reportable segments under HKFRS 8 are as follows:

Trade shows and exhibition operation	Trade shows and exhibition operation and providing ancillary services in Hong Kong and the United Kingdom
Unconventional gas business	Provision of services in connection with unconventional gas and import of technical equipment for the unconventional gas industry
Coal trading business	Trading of coal in the PRC

Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable segment:

2012

		Trade shows and exhibition operation 展覽會業務 HK\$' 000 千港元	Unconventional gas business 非常規天然氣業務 HK\$' 000 千港元	Coal trading business 煤炭買賣業務 HK\$' 000 千港元	Consolidated 綜合 HK\$' 000 千港元
Turnover	營業額				
Turnover from external customers	來自外界客戶之營業額	69,480	-	67,168	136,648
Result	業績				
Segment profit/(loss)	分部溢利/(虧損)	9,788	(8,859)	534	1,463
Unallocated income	未分配收入				8,197
Unallocated corporate expenses	未分配企業支出				(33,528)
Fair value gain on derivative financial liabilities	衍生金融負債之公平值收益	-	-	567	567
Fair value loss on derivative financial assets	衍生金融資產之公平值虧損	-	-	(1,673)	(1,673)
Gain on disposal of a subsidiary	出售一間附屬公司之收益	-	-	-	9
Finance costs	融資成本				(15,873)
Loss before tax	除稅前虧損				(40,838)
Taxation	稅項				2,462
Loss for the year	本年度虧損				(38,376)

6. 分部資料

向主要營運決策者報告之資料旨在就所遞送或提供之貨品或服務進行資源調配及評估。

本集團分為三個經營分部：展覽會業務、非常規天然氣業務及煤炭買賣業務。該等分部為本集團呈報其分部資料之基準。

根據香港財務報告準則第8號，三個經營及報告分部如下：

展覽會業務	於香港及英國舉辦貿易展覽會及展覽會及提供配套服務
非常規天然氣業務	從事提供與非常規天然氣相關服務及非常規天然氣行業輸入技術設備
煤炭買賣業務	於中國買賣煤炭

分部收入及業績

本集團收入及業績按可申報分部劃分之分析如下：

二零一二年

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

6. SEGMENT INFORMATION (continued)

Segment revenues and results (continued)

2011

6. 分部資料(續)

分部收入及業績(續)

二零一一年

		Trade shows and exhibition operation 展覽會業務 HK\$' 000 千港元	Unconventional gas business 非常規天然氣業務 HK\$' 000 千港元	Coal trading business 煤炭買賣業務 HK\$' 000 千港元	Consolidated 綜合 HK\$' 000 千港元
Turnover	營業額				
Turnover from external customers	來自外界客戶之營業額	82,368	–	–	82,368
Result	業績				
Segment profit/(loss)	分部溢利/(虧損)	11,359	(1,485)	–	9,874
Unallocated income	未分配收入				242
Unallocated corporate expenses	未分配企業支出				(21,986)
Gain on disposal of subsidiaries	出售附屬公司之收益	991	–	–	991
Share-based payment	以股份為基礎之付款				(8,366)
Finance costs	融資成本				(18,167)
Loss before tax	除稅前虧損				(37,412)
Taxation	稅項				2,228
Loss for the year	本年度虧損				(35,184)

Turnover reported above represents revenue generated from external customers. There were no inter-segment sales in the year (2011: Nil).

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 3. Segment results represent the profit/(loss) generated by each segment without allocation of corporate expenses, fair value gain on derivative financial liabilities, fair value loss on derivative financial assets, gain on disposal of subsidiaries, share-based payment expenses, finance costs and taxation. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

上文所呈報之營業額指來自外界客戶之收益。於本年度內並無內部銷售(二零一一年：無)。

可申報分部之會計政策與本集團附註3所述之會計政策相同。分部業績指未分配企業開支、衍生金融負債之公平值收益、衍生金融資產之公平值虧損、出售附屬公司之收益、以股份為基礎之付款開支、融資成本及稅項前各部份產生之溢利/(虧損)。此為向主要經營決策者報告以分配資源及評估分部表現之方法。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

6. SEGMENT INFORMATION (continued)

Segment assets and liabilities 2012

6. 分部資料(續)

分部資產及負債 二零一二年

		Trade shows and exhibition operation 展覽會業務 HK\$' 000 千港元	Unconventional gas business 非常規天然氣業務 HK\$' 000 千港元	Coal trading business 煤炭買賣業務 HK\$' 000 千港元	Consolidated 綜合 HK\$' 000 千港元
Assets	資產				
Segment assets	分部資產	2,459	20,210	188,818	211,487
Unallocated corporate assets	未分配企業資產				31,316
					242,803
Liabilities	負債				
Segment liabilities	分部負債	11,478	708	95,779	107,965
Unallocated corporate liabilities	未分配企業負債				354,764
					462,729

2011

二零一一年

		Trade shows and exhibition operation 展覽會業務 HK\$' 000 千港元	Unconventional gas business 非常規天然氣業務 HK\$' 000 千港元	Coal trading business 煤炭買賣業務 HK\$' 000 千港元	Consolidated 綜合 HK\$' 000 千港元
Assets	資產				
Segment assets	分部資產	4,953	15,679	–	20,632
Unallocated corporate assets	未分配企業資產				100,319
					120,951
Liabilities	負債				
Segment liabilities	分部負債	23,440	496	–	23,936
Unallocated corporate liabilities	未分配企業負債				358,229
					382,165

For the purpose of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments other than corporate assets. Goodwill and derivative financial assets are allocated to reportable segments; and
- all liabilities are allocated to reportable segments other than corporate liabilities, amounts due to shareholders, obligations under finance leases, convertible notes and deferred tax liabilities.

就監控分部表現及分配分部間資源而言：

- 除企業資產外，所有資產分配至可申報分部。商譽及衍生金融資產分配至可申報分部；及
- 除企業負債、應付股東款項、融資租約責任、可換股票據及遞延稅項負債外，所有負債分配至可申報分部。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

6. SEGMENT INFORMATION (continued)

Other segment information

6. 分部資料(續)

其他分部資料

		Depreciation and amortisation 折舊及攤銷		Additions to non-current assets* 非流動資產之增加*	
		2012 二零一二年 HK\$' 000 千港元	2011 二零一一年 HK\$' 000 千港元	2012 二零一二年 HK\$' 000 千港元	2011 二零一一年 HK\$' 000 千港元
Trade shows and exhibition operation	展覽會業務	7	69	-	-
Unconventional gas business	非常規天然氣業務	83	14	1,297	4
Coal trading business	煤炭買賣業務	5	-	11	-
Unallocated	未分配	567	346	2,553	931
		662	429	3,861	935

* Additions to non-current assets excluding goodwill, derivative financial assets and available-for-sale financial assets.

* 非流動資產之增加不包括商譽、衍生金融資產及可供出售金融資產。

Geographical information

The Company is domiciled in Hong Kong. The Group's operations are mainly located in Hong Kong and the PRC for the year ended 31 March 2012. The Group's operations are mainly located in Hong Kong and the United Kingdom for the year end 31 March 2011. The following table provides an analysis of the Group's turnover by geographical market, irrespective of the origin of the goods/services:

地區資料

本公司主要營業地點位於香港。截至二零一二年三月三十一日止年度，本集團之經營主要位於香港及中國。截至二零一一年三月三十一日止年度，本集團之經營主要位於香港及英國。下表提供按地區市場劃分之本集團營業額之分析，並無考慮貨品／服務之來源：

		Turnover by geographical market 按地區市場劃分之營業額	
		2012 二零一二年 HK\$' 000 千港元	2011 二零一一年 HK\$' 000 千港元
Hong Kong	香港	69,480	75,925
UK	英國	-	6,443
The PRC	中國	67,168	-
		136,648	82,368

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

6. SEGMENT INFORMATION (continued)

Geographical information (continued)

The following is an analysis of the carrying amount of non-current assets (excluding derivative financial assets and available-for-sale financial assets) analysed by the geographical area in which the assets are located:

		Carrying amount of non-current assets 非流動資產之賬面值	
		2012 二零一二年 HK\$' 000 千港元	2011 二零一一年 HK\$' 000 千港元
Hong Kong	香港	3,252	2,778
The PRC	中國	73,032	1,714
		76,284	4,492

Information about major customers

For the year ended 31 March 2012, included in revenues arising from trade shows and exhibition operation of HK\$69,480,000 (2011: HK\$82,368,000) are revenues of approximately HK\$36,881,000 (2011: HK\$10,607,000) and included in revenue arising from coal trading business of approximately HK\$67,168,000 (2011: HK\$ Nil) are revenues of approximately HK\$65,897,000 (2011: HK\$ Nil) which arose from the Group's largest three (2011: one) customers.

有關主要客戶之資料

截至二零一二年三月三十一日止年度，展覽會業務所產生之收入69,480,000港元(二零一一年：82,368,000港元)包括來自本集團三大客戶(二零一一年：最大客戶)之收入約36,881,000港元(二零一一年：10,607,000港元)，而煤炭買賣業務所產生之收入約67,168,000港元(二零一一年：零港元)包括來自本集團三大客戶之收入約65,897,000港元(二零一一年：零港元)。

		2012 二零一二年 HK\$' 000 千港元	2011 二零一一年 HK\$' 000 千港元
Customer A	客戶甲	49,240	—
Customer B	客戶乙	36,881	10,607
Customer C	客戶丙	16,657	—
Others	其他	33,870	71,761
		136,648	82,368

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

7. TURNOVER AND OTHER REVENUE

Turnover represents the aggregate of participation fee income, hotel and travel package income, advertising fee income and coal sale.

An analysis of the Group's turnover and other revenue is as follows:

7. 營業額及其他收益

營業額指來自展覽會及貿易展覽會之參展費收入、酒店及旅遊套票收入、廣告費收入及煤炭銷售收入之總和。

本集團之營業額及其他收益分析如下：

		2012 二零一二年 HK\$' 000 千港元	2011 二零一一年 HK\$' 000 千港元
Turnover	營業額		
Participation fee income	參展費收入	69,445	77,398
Hotel and travel package income	酒店及旅遊套票收入	-	4,392
Advertising fee income	廣告費收入	35	578
Coal sale	煤炭銷售	67,168	-
		136,648	82,368
Other revenue	其他收益		
Bank interest income	銀行利息收入	144	281
Forfeited deposits received	已收被沒收之按金	240	479
Refund of legal and professional fee	退回法律及專業費用	2,799	-
Sundry income	雜項收入	447	690
		3,630	1,450
Total revenue	總收益	140,278	83,818

8. LOSS FROM OPERATING ACTIVITIES

8. 經營業務虧損

		2012 二零一二年 HK\$' 000 千港元	2011 二零一一年 HK\$' 000 千港元
The Group's loss from operating activities is arrived at after charging:	本集團之經營業務虧損已扣除：		
Cost of inventory sold	已售存貨成本	66,003	-
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	662	429
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	340	-
Loss on written off of property, plant and equipment	撇銷物業、廠房及設備之虧損	297	55
Staff costs (including directors' remuneration (Note 10))	員工成本(包括董事酬金(附註10))		
- wages and salaries	- 工資及薪金	24,931	15,626
- share-based payment	- 以股份為基礎之付款	-	8,366
- retirement benefits scheme contributions	- 退休福利計劃供款	330	606
		25,261	24,598
Auditors' remuneration	核數師酬金		
- current year	- 當前年度	630	630
- under-provision in previous year	- 往年撥備不足	16	-
		646	630
Minimum lease payments under operating lease rentals of office premises	寫字樓經營租賃租金之最低租賃付款	2,190	2,484
and after crediting:	並經計入：		
Other income:	其他收入：		
Exchange differences, net	匯兌差異淨額	-	76
Reversal of other payables	其他應付款項撥回	5,290	2,592
		5,290	2,668

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

9. FINANCE COSTS

9. 融資成本

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Interests on borrowings wholly repayable within five years	須於五年內悉數償還借貸之利息	32	2,520
Interests on obligations under finance leases wholly repayable within five years	須於五年內悉數償還融資租約責任之利息	29	—
Interests on amounts due to shareholders wholly repayable within five years	須於五年內悉數償還應付股東款項之利息	892	2,145
Imputed interest expense on convertible notes (Note 33)	可換股票據之推定利息開支 (附註33)	14,920	13,502
		15,873	18,167

10. DIRECTORS' REMUNERATION

Directors' remuneration for the year ended 31 March 2012, disclosed pursuant to the Listing Rules and Section 161 of the Hong Kong Companies Ordinance, is as follows:

10. 董事酬金

根據上市規則及香港公司條例第161條之規定而須披露截至二零一二年三月三十一日止年度之董事酬金如下：

Name of director 董事姓名	Fees 袍金 HK\$'000 千港元	Basic salaries 基本薪金 HK\$'000 千港元	Other allowances 其他津貼 HK\$'000 千港元	Discretionary bonuses 酌情花紅 HK\$'000 千港元	MPF contributions 強積金供款 HK\$'000 千港元	Total 合計 HK\$'000 千港元
2012:						
Executive directors						
Ms. Geng Ying	—	1,000	—	1,208	—	2,208
Mr. Gao Feng (Vice-Chairman)	—	3,686	184	3,750	12	7,632
Mr. Chiu Sui Keung (Chief Executive Officer)	—	1,751	—	1,139	12	2,902
Independent non-executive directors						
Mr. Cheng Wing Keung, Raymond	120	—	—	—	—	120
Mr. Lam Williamson	180	—	—	—	—	180
Mr. Wong Hoi Kuen	107	—	—	—	—	107
	407	6,437	184	6,097	24	13,149

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

10. DIRECTORS' REMUNERATION (continued)

10. 董事酬金 (續)

Name of director 董事姓名	Fees 袍金 HK\$' 000 千港元	Basic salaries 基本薪金 HK\$' 000 千港元	Housing allowances 房屋津貼 HK\$' 000 千港元	Discretionary bonuses 酌情花紅 HK\$' 000 千港元	Share-based payment 以股份為 基礎之付款 HK\$' 000 千港元	MPF contributions 強積金供款 HK\$' 000 千港元	Total 合計 HK\$' 000 千港元
2011:							
Executive directors							
Ms. Geng Ying	–	125	–	–	1,813	–	1,938
Mr. Gao Feng (Vice-Chairman)	–	402	223	130	1,813	12	2,580
Mr. Chiu Sui Keung (Chief Executive Officer)	–	901	–	64	1,813	12	2,790
Mr. Sun Wei (Resigned on 2 August 2010)	–	38	–	–	–	3	41
Independent non-executive directors							
Mr. Cheng Wing Keung, Raymond	120	–	–	–	181	–	301
Mr. Lam Williamson (Appointed on 1 January 2011)	45	–	–	–	181	–	226
Mr. Wong Hoi Kuen (Appointed on 9 May 2011)	–	–	–	–	–	–	–
Dr. Lam Lee G. (Appointed on 24 November 2010 and resigned on 23 March 2011)	98	–	–	–	181	–	279
Mr. Lu Xin (Retired on 8 October 2010)	62	–	–	–	–	–	62
Mr. Tang Ping Sum (Resigned on 1 January 2011)	90	–	–	–	–	–	90
	415	1,466	223	194	5,982	27	8,307

There was no arrangement under which a director waived or agreed to waive any remuneration during the years ended 31 March 2012 and 2011.

During the years ended 31 March 2012 and 2011, no emoluments were paid by the Group to the directors as an inducement to join, or upon joining the Group, or as compensation for loss of office. None of the directors has waived any emoluments during the year (2011: Nil).

截至二零一二年及二零一一年三月三十一日止年度內並無董事放棄或同意放棄任何酬金之安排。

截至二零一二年及二零一一年三月三十一日止年度內，本集團並無為吸引加盟或於加盟本集團時，或作為離職補償向董事支付酬金。年內並無董事放棄任何酬金（二零一一年：無）。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

11. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included three (2011: three) directors. Details of whose remuneration are set out in Note 10 to the consolidated financial statements.

The details of the remuneration of the remaining two non-director, highest paid employees are as follows:

11. 五名最高薪僱員

年內五名最高薪僱員包括三名(二零一一年: 三名)董事, 其酬金詳情載於綜合財務報表附註10內。

其餘兩名為非董事最高薪僱員, 其酬金詳情如下:

		The Group 本集團	
		2012 二零一二年 HK\$' 000 千港元	2011 二零一一年 HK\$' 000 千港元
Basic salaries and allowances	基本薪金及津貼	2,637	1,463
Share-based payment	以股份為基礎之付款	-	1,841
Retirement benefits scheme contributions	退休福利計劃供款	24	24
		2,661	3,328

The number of employees whose remuneration fell within the following band is as follows:

酬金介乎以下金額範圍之僱員人數如下:

		Number of employees 僱員人數	
		2012 二零一二年	2011 二零一一年
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	1	-
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	-	2
Nil to HK\$1,000,000	零港元至1,000,000港元	1	-
		2	2

During the years ended 31 March 2012 and 2011, no emoluments were paid by the Group to the non-director, highest paid employees as an inducement to join, or upon joining the Group, or as compensation for loss of office.

截至二零一二年及二零一一年三月三十一日止年度內, 本集團並無為吸引加盟或於加盟本集團時, 或作為離職補償向非董事最高薪僱員支付酬金。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

12. TAXATION

12. 稅項

		The Group 本集團	
		2012 二零一二年 HK\$' 000 千港元	2011 二零一一年 HK\$' 000 千港元
Current tax	本期稅項		
– Hong Kong Profits Tax	– 香港利得稅	–	–
– PRC Enterprises Income Tax	– 中國企業所得稅	–	–
– Overseas Income Tax	– 海外所得稅	–	–
		–	–
Deferred tax (Note 34)	遞延稅項 — 當前年度 (附註34)	(2,462)	(2,228)
Tax credit for the year	本年度稅項抵免	(2,462)	(2,228)

Hong Kong profits tax is calculated at 16.5% (2011: 16.5%) on the estimated assessable profit for the year.

香港利得稅已就本年度估計應課稅溢利按稅率16.5% (二零一一年：16.5%) 作出撥備。

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards.

根據中國企業所得稅法 (「企業所得稅法」) 及企業所得稅法之實施細則，自二零零八年一月一日起，中國附屬公司之稅率為25%

Taxation on overseas profits are calculated on the estimated assessable profit for the year at the rate of taxation prevailing in the countries in which the Group operates.

海外溢利之稅項乃就本年度估計應課稅溢利按本集團經營業務所在國家之現行稅率計算。

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財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

12. TAXATION (continued)

The tax charge for the year can be reconciled to the loss before tax per the consolidated statement of comprehensive income as follows:

12. 稅項 (續)

年內稅項支出於綜合全面損益賬內與除稅前虧損對賬如下：

		Hong Kong 香港		2012 二零一二年 The PRC 中國		Total 總額	
		HK\$' 000 千港元	%	HK\$' 000 千港元	%	HK\$' 000 千港元	%
Loss before tax	除稅前虧損	(36,596)		(4,242)		(40,838)	
Tax at applicable tax rate	按適用稅率計算之稅項	(6,039)	(16.5)	(1,060)	(25.0)	(7,099)	(17.4)
Estimated tax effect of expenses not deductible in determining taxable profit	於釐定應課稅溢利時不可扣減開支之估計稅務影響	2,738	7.5	2,536	59.8	5,274	12.9
Estimated tax effect of income not taxable in determining taxable profit	於釐定應課稅溢利時毋須課稅收入之估計稅務影響	(1,450)	(4.0)	(2,867)	(67.6)	(4,317)	(10.6)
Estimated tax effect of unrecognised tax losses	未確認稅項虧損之估計稅務影響	3,900	10.7	1,391	32.8	5,291	13.0
Utilisation of tax losses	動用稅項虧損	(1,611)	(4.4)	-	-	(1,611)	(3.9)
Tax credit at the Group's effective rate for the year	按本集團於本年度之實際稅率計算之稅項抵免	(2,462)	(6.7)	-	-	(2,462)	(6.0)

		Hong Kong 香港		The PRC 中國		2011 二零一一年 The USA 美國		Macau 澳門		Total 總額	
		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	%
(Loss)/profit before tax	除稅前(虧損)/溢利	(40,584)		(2,092)		4,879		385		(37,412)	
Tax at applicable tax rate	按適用稅率計算之稅項	(6,696)	(16.5)	(523)	(25.0)	732	15.0	45	12.0	(6,442)	(17.2)
Estimated tax effect of expenses not deductible in determining taxable profit	於釐定應課稅溢利時不可扣減開支之估計稅務影響	4,211	10.4	653	31.2	11	0.2	-	-	4,875	13.0
Estimated tax effect of income not taxable in determining taxable profit	於釐定應課稅溢利時毋須課稅收入之估計稅務影響	(41)	(0.1)	(130)	(6.2)	(743)	(15.2)	(45)	(12.0)	(959)	(2.6)
Estimated tax effect of unrecognised tax losses	未確認稅項虧損之估計稅務影響	2,710	6.7	-	-	-	-	-	-	2,710	7.3
Utilisation of tax losses	動用稅項虧損	(2,412)	(5.9)	-	-	-	-	-	-	(2,412)	(6.5)
Tax credit at the Group's effective rate for the year	按本集團於本年度之實際稅率計算之稅項抵免	(2,228)	(5.4)	-	-	-	-	-	-	(2,228)	(6.0)

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財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

13. LOSS FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY

The loss attributable to owners of the Company for the year ended 31 March 2012 which has been dealt with in the financial statements of the Company amounted to approximately HK\$30,912,000 (2011: HK\$74,165,000).

14. DIVIDENDS

The directors do not recommend the payment of any dividend in respect of the year ended 31 March 2012 (2011: Nil).

15. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of basic loss per share amounts is based on the loss for the year attributable to owners of the Company of approximately HK\$34,145,000 (2011: HK\$34,458,000) and the weighted average number of ordinary shares in issue during the year is 1,351,766,302 (2011: 1,144,892,652).

Diluted loss per share for the years ended 31 March 2012 and 2011 were the same as the basic loss per share. The Company's outstanding consideration shares, warrants, convertible notes and share options were not included in the calculation of diluted loss per share because the effect of the Company's outstanding consideration shares, warrants, convertible notes and share options were anti-dilutive.

13. 本公司擁有人應佔本年度虧損

截至二零一二年三月三十一日止年度，本公司之財務報表中本公司擁有人應佔本年度虧損約為30,912,000港元（二零一一年：74,165,000港元）。

14. 股息

本公司概無就截至二零一二年三月三十一日止年度宣派或擬派任何股息（二零一一年：無）。

15. 本公司擁有人應佔每股虧損

計算每股基本虧損款額乃以本公司擁有人應佔年度虧損約34,145,000港元（二零一一年：34,458,000港元）及年內已發行加權平均普通股股數1,351,766,302股（二零一一年：1,144,892,652股）計算。

截至二零一二年及二零一一年三月三十一日止年度之每股攤薄虧損與每股基本虧損相同。本公司尚未行使代價股份、認股權證、可換股票據及購股權未有納入計算每股攤薄虧損之內，因本公司尚未行使代價股份、認股權證、可換股票據及購股權具反攤薄影響。

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For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

16. PROPERTY, PLANT AND EQUIPMENT

The Group

16. 物業、廠房及設備

本集團

		Plant and equipment 廠房及設備 HK\$'000 千港元	Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Furniture and equipment 傢俬及設備 HK\$'000 千港元	Fixtures and fittings 裝置及配件 HK\$'000 千港元	Computer equipment 電腦設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Cost:	成本值：							
At 1 April 2010	於二零一零年四月一日	-	953	365	39	1,256	1,752	4,365
Additions	增添	-	693	242	-	-	-	935
Written off	撇銷	-	(319)	(207)	-	(815)	-	(1,341)
Acquisition of subsidiaries	收購附屬公司	-	239	45	70	137	-	491
At 31 March 2011 and 1 April 2011	於二零一一年三月三十一日及 二零一一年四月一日	-	1,566	445	109	578	1,752	4,450
Additions	增添	992	20	230	75	64	2,480	3,861
Written off	撇銷	-	(873)	(58)	(109)	(1)	-	(1,041)
Disposals	出售	-	-	-	-	(215)	(1,752)	(1,967)
Acquisition of subsidiaries	收購附屬公司	-	-	67	-	-	-	67
Exchange realignment	匯兌調整	11	-	3	1	1	-	16
At 31 March 2012	於二零一二年三月三十一日	1,003	713	687	76	427	2,480	5,386
Accumulated depreciation and impairment:	累計折舊及減值：							
At 1 April 2010	於二零一零年四月一日	-	953	251	9	1,004	262	2,479
Provided during the year	年內準備	-	70	83	15	84	177	429
Written off	撇銷	-	(319)	(200)	-	(767)	-	(1,286)
Acquisition of subsidiaries	收購附屬公司	-	17	3	4	12	-	36
At 31 March 2011 and 1 April 2011	於二零一一年三月三十一日及 二零一一年四月一日	-	721	137	28	333	439	1,658
Provided during the year	年內準備	-	87	97	18	89	371	662
Written off	撇銷	-	(674)	(34)	(36)	-	-	(744)
Acquisition of subsidiaries	收購附屬公司	-	-	27	-	-	-	27
Disposals	出售	-	-	-	-	(204)	(609)	(813)
Exchange realignment	匯兌調整	-	-	1	-	-	-	1
At 31 March 2012	於二零一二年三月三十一日	-	134	228	10	218	201	791
Net book value:	賬面淨值：							
At 31 March 2012	於二零一二年三月三十一日	1,003	579	459	66	209	2,279	4,595
At 31 March 2011	於二零一一年三月三十一日	-	845	308	81	245	1,313	2,792

The net book value of the Group's motor vehicle held under finance lease as at 31 March 2012 was approximately HK\$1,629,000 (2011: Nil).

本集團根據融資租約持有之汽車於二零一二年三月三十一日之賬面淨值約為1,629,000港元（二零一一年：無）。

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財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

17. INTERESTS IN SUBSIDIARIES

17. 於附屬公司之權益

		The Company 本公司	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Unlisted investments, at cost	非上市投資，按成本值	767,533	697,604
Less: Impairment loss recognised in respect of investment cost	減：就投資成本確認之減值虧損	(696,421)	(696,421)
Amounts due from subsidiaries	應收附屬公司款項	71,112	1,183
Less: Impairment loss recognised in respect of amounts due from subsidiaries	減：就應收附屬公司款項確認之減值虧損	85,317	123,453
		(72,242)	(94,138)
		84,187	30,498

The amounts due from subsidiaries are unsecured, interest-free and repayable on demand. In the opinion of the directors of the Company, the Company will not demand repayment within one year from the end of the reporting period and are therefore considered as non-current.

應收附屬公司款項乃無抵押、免息及按要求償還。本公司董事認為，本公司由報告期完結日起一年內將不會要求還款，有關款項因而被視為非流動資產。

The carrying amounts of interests in subsidiaries are reduced to the recoverable amounts which are determined by reference to the estimation of future cash flows expected to be generated from the respective subsidiaries.

於附屬公司之權益的賬面值減至可收回款項，乃參照預期各附屬公司產生之估計未來現金流量釐定。

The carrying amounts of amounts due from subsidiaries are reduced to their recoverable amounts which are determined by reference to the estimation of future cash flows expected to be generated from the respective subsidiaries.

應收附屬公司款項之賬面值減至可收回款項，乃參照各附屬公司產生之估計未來現金流量釐定。

The following is a list of the principal subsidiaries as at 31 March 2012:

以下為於二零一二年三月三十一日之主要附屬公司名單：

Name 名稱	Place of incorporation and operations 註冊成立及經營地點	Nominal value of issued share capital/ paid up capital 已發行股本／已繳足股本面值	Percentage of equity attributable to the Company and proportion of voting power held 本公司應佔權益百分比及所持投票權比例		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Pro-Capital Investments Limited	British Virgin Islands 英屬處女群島	US\$50 50美元	100	–	Investment holding 投資控股
Wealth Gain Global Investment Limited 富盈環球投資有限公司	British Virgin Islands 英屬處女群島	US\$1 1美元	100	–	Investment holding 投資控股
Sino Talent Holdings Limited 新圖集團有限公司	Hong Kong 香港	HK\$1 1港元	–	100	Operation company 營運公司
Kenfair International (Overseas) Limited	Hong Kong 香港	HK\$10 10港元	–	100	Organisation of overseas exhibitions and trade shows 舉辦海外展覽會及貿易展覽會

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財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

17. INTERESTS IN SUBSIDIARIES (continued)

17. 於附屬公司之權益 (續)

Name 名稱	Place of incorporation and operations 註冊成立及 經營地點	Nominal value of issued share capital /paid up capital 已發行股本／已繳足 股本面值	Percentage of equity attributable to the Company and proportion of voting power held 本公司應佔權益 百分比及所持投票權比例		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Kenfair Publications Limited	Hong Kong 香港	HK\$10 10港元	–	100	Provision of advertising services and publication of trade show and exhibition booklets 提供廣告服務及出版貿易展覽會場刊
Bright Top Investment Holdings Limited 焯高投資控股有限公司	British Virgin Islands 英屬處女群島	US\$1 1美元	100	–	Investment holding 投資控股
Profull Int'l Holdings Limited 保富國際控股有限公司	British Virgin Islands 英屬處女群島	US\$1 1美元	100	–	Investment holding 投資控股
Twinkle Win Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	100	–	Investment holding 投資控股
Sino Giants Group Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	–	51	Investment holding 投資控股
Multi Century Technology Development Limited 創紀科技發展有限公司	Hong Kong 香港	HK\$490 490港元	–	51	Investment holding 投資控股
Multi Century Engery Technology (Beijing) Limited (ii) ("MCT (BJ)") 創紀傑仕能源科技(北京)有限公司(ii) (「創紀傑仕(北京)」)	The PRC 中國	RMB12,032,288 人民幣12,032,288元	–	51	Provision of services in connection with unconventional gas and import of technical equipment for the unconventional gas industry 從事提供與非常規天然氣相關 服務及非常規天然氣 行業輸入技術設備
Wealthy Wing Limited (iii) ("Wealthy Wing") 富永有限公司(iii) (「富永」)	British Virgin Islands 英屬處女群島	US\$1 1美元	100	–	Investment holding 投資控股
Western Spark Investments Limited (iii) 西星投資有限公司(iii)	Hong Kong 香港	HK\$10,000 10,000港元	–	100	Investment holding 投資控股
Heilongjiang Derong Coal Industrial Co., Ltd (iii)/(iv) ("Derong") 黑龍江德融煤業有限公司(iii)/(iv) (「德融」)	The PRC 中國	RMB14,400,000 人民幣14,400,000元	–	55	Trading of coal in the PRC 於中國買賣煤炭

Notes:

- (i) The above table lists the subsidiaries of the Group, 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 lengths.
- (ii) The registered capital of MCT (BJ) is RMB15,000,000. As at 31 March 2012, the Group had injected RMB12,032,288 and the remaining RMB2,967,712 will be injected to MCT (BJ) in the coming year.
- (iii) Acquired during the year ended 31 March 2012.
- (iv) The registered capital of Derong is RMB22,220,000. As at 31 March 2012, the Group had injected RMB4,400,000. The Group will inject RMB17,600,000 to Derong in the coming year of which RMB7,820,000 is for the registered capital and RMB9,780,000 is for additional capital contribution.

附註：

- (i) 上表所列本集團之附屬公司，乃董事認為特別對本集團之業績或資產有影響者。董事認為，列出其他附屬公司之詳情，會令資料過份冗長。
- (ii) 創紀傑仕(北京)之註冊資本為人民幣15,000,000元。於二零一二年三月三十一日，本集團已注入人民幣12,032,288元，而餘下人民幣2,967,712元將於來年注入創紀傑仕(北京)。
- (iii) 於截至二零一二年三月三十一日止年度內收購。
- (iv) 德融之註冊資本為人民幣22,220,000元。於二零一二年三月三十一日，本集團已注入人民幣4,400,000元。於來年，本集團將向德融注入人民幣17,600,000元，其中人民幣7,820,000元用作註冊資本及人民幣9,780,000元用作額外出資。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

18. INTANGIBLE ASSETS

The Group

18. 無形資產

本集團

e-commerce
platform
電子商貿平台
HK\$'000
千港元

Cost:	成本值：	
At 1 April 2010, 1 April 2011 and 31 March 2012	於二零一零年四月一日、二零一一年 四月一日及二零一二年三月三十一日	34,219
Accumulated amortisation and impairment:	累計攤銷及減值：	
At 1 April 2010, 1 April 2011 and 31 March 2012	於二零一零年四月一日、二零一一年 四月一日及二零一二年三月三十一日	34,219
Net book value: At 31 March 2012	賬面淨值： 於二零一二年三月三十一日	-
At 31 March 2011	於二零一一年三月三十一日	-

The e-commerce platform represents "Kenfair.com" held by the Group. Kenfair.com is widely used in the Group's operation and generates income through membership fee, advertising fee and on-line application from its users. It acts as a virtual exhibition-sourcing platform for the suppliers to search for the target buyers. Members receive the latest information related to trade shows and exhibitions held by the Group. The cost of the e-commerce platform is amortised on a straight-line basis over the estimated remaining useful life of seven years. During the year ended 31 March 2009, the Group has fully impaired the e-commerce platform.

電子商貿平台指由本集團所持有之「Kenfair.com」。Kenfair.com廣泛應用於本集團之營運，並透過會員費、廣告費及其用戶之在線申請而帶來收入。Kenfair.com為供應商提供虛擬展覽會採購平台，以搜尋目標買家。會員可獲取有關本集團所持有貿易展覽會及展覽會之最新資訊。電子商貿平台之成本以直線法按餘下估計可使用年期七年予以攤銷。於截至二零零九年三月三十一日止年度，本集團就電子商貿平台作出全面減值。

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財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

19. GOODWILL

The Group

19. 商譽

本集團

HK\$'000
千港元

Cost:

At 1 April 2010
Acquisition of subsidiaries (Note 40(b))

成本：

於二零一零年四月一日
收購附屬公司 (附註40(b))

—
1,700

At 31 March 2011 and 1 April 2011
Acquisition of subsidiaries (Note 40(a))

於二零一一年三月三十一日及二零一一年四月一日
收購附屬公司 (附註40(a))

1,700
69,989

At 31 March 2012

於二零一二年三月三十一日

71,689

Impairment:

At 1 April 2010, 31 March 2011,
1 April 2011 and 31 March 2012

減值：

於二零一零年四月一日、二零一一年三月三十一日、
二零一一年四月一日及二零一二年三月三十一日

—

Carrying amounts:

At 31 March 2012

賬面淨值：

於二零一二年三月三十一日

71,689

At 31 March 2011

於二零一一年三月三十一日

1,700

Particulars regarding impairment testing on goodwill are disclosed in Note 20.

有關商譽減值測試之詳情於附註20披露。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

20. IMPAIRMENT TESTING ON GOODWILL

As explained in Note 6, the Group uses business segments as its primary segment for reporting segment information. For the purposes of impairment testing, goodwill with indefinite useful lives set out in Note 19 has been allocated to following cash generating unit (CGUs). The carrying amount of goodwill (net of accumulated impairment losses) as at 31 March 2012 and 2011, is allocated as follows:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Unconventional gas business	非常規天然氣業務	1,700	1,700
Coal trading business	煤炭買賣業務	69,989	—
		71,689	1,700

Unconventional gas business

The recoverable amount of this cash-generating unit is determined based on a value-in-use calculation which uses cash flow projections based on financial budgets approved by the directors covering a five-year period, and a discount rate of 21% per annum.

Cash flow projections during the budget period are based on the same expected gross margins throughout the budget period. The cash flows beyond that five-year period have been extrapolated using a steady 3.31% per annum growth rate. The directors believed that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the carrying amount of the unit to exceed the aggregate recoverable amount of the cash generating unit.

The key assumptions used in the value-in-use calculations for the unconventional gas business are as follows:

Budgeted market share	The values assigned to the assumption reflect past experience, except for the growth factor, which is consistent with the directors' plans for focusing operations in these markets. The directors believe that planned market share growth per year for the next five years is reasonably achievable.
Budgeted gross margin	Average gross margins achieved in the period immediately before the budget period, increased for expected efficiency improvements. This reflects past experience, except for efficiency improvements.

20. 商譽減值測試

如附註6所述，本集團採用業務分部作為包括分部資料之主要分部。就進行減值測試而言，附註19所載並無設定可使用年期之商譽已分配予下列現金產生單位（「現金產生單位」）。於二零一二年及二零一一年三月三十一日，商譽（減去累計減值虧損）之賬面值分配情況如下：

	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Unconventional gas business	1,700	1,700
Coal trading business	69,989	—
	71,689	1,700

非常規天然氣業務

現金產生單位之可收回金額乃依據一項使用價值計算釐定。計算採用之現金流量預測乃基於董事批准涉時五年之財務預算，並以每年21%折現率。

預算期內之現金流量預測乃根據預算期內之相同預期毛利率計算。該五年期後之現金流量已採用3.31%之穩定年增長率推斷。董事相信，在計算可收回金額之主要假設所出現之任何合理可能變動，將不會導致現金產生單位之賬面值超出其可收回總額。

計算非常規天然氣業務單位使用價值採用之主要假設如下：

預算市場佔有率	套用於該等假設之價值反映過往經驗，並與董事專注於該等市場之經營的計劃貫徹一致。董事相信，未來五年的計劃市場佔有率年增長率可合理地達成。
預算毛利率	緊接預算期前期間所取得之平均毛利率，隨預計效益改善而增加。此反映過往經驗，惟效益改善除外。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

20. IMPAIRMENT TESTING ON GOODWILL (continued)

Coal trading business

The recoverable amount of this cash-generating unit is determined based on a value-in-use calculation which uses cash flow projections based on financial budgets approved by the directors covering a five-year period, and a discount rate of 24% per annum.

Cash flow projections during the budget period are based on the same expected gross margins throughout the budget period. The cash flows beyond that five-year period have been extrapolated using a steady 3% per annum growth rate. The directors believed that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the carrying amount of the unit to exceed the aggregate recoverable amount of the cash generating unit.

The key assumptions used in the value-in-use calculations for the coal trading business are as follows:

Budgeted market share	The values assigned to the assumption reflect past experience, except for the growth factor, which is consistent with the Directors' plans for focusing operations in these markets. The directors believe that planned market share growth per year for the next five years is reasonably achievable.
Budgeted gross margin	Average gross margins achieved in the period immediately Before the budget period, increased for expected efficiency improvements. This reflects past experience, except for efficiency improvements.

20. 商譽減值測試 (續)

煤炭買賣業務

此現金產生單位之可收回金額乃根據在用價值計算，該計算使用現金流量預測，而該預測基於董事於涵蓋五年期間所批准之財政預算及每年24%之貼現率。

於預算期間內現金流量預測乃基於整個預算期間之相同預期毛利率。超出五年期間之現金流量乃採用每年3%之穩定年增長率推算。董事相信，可收回金額所依據之主要假設之任何合理可能變動將不會導致該單位之賬面值超過現金產生單位之可收回總金額。

就煤炭買賣業務之在用價值計算所採用之主要假設如下：

預算市場佔有率	分配至該假設之價值反映過往經驗，惟增長因素除外，其符合董事專注此等市場業務之計劃。董事相信未來五年每年之計劃市場佔有率增長可合理取得。
預算毛利率	緊接預算期間之期間所取得之平均毛利率，因預期效益改善而增加。此反應過往經驗，惟效益改善除外。

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財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

21. DERIVATIVE FINANCIAL ASSETS

The Group and the Company

21. 衍生金融資產

本集團及本公司

**Derivative
financial assets**
衍生金融資產
HK\$'000
千港元

Balance as at 1 April 2010, 31 March 2011 and 1 April 2011	於二零一零年四月一日、二零一一年三月三十一日及 二零一一年四月一日之結餘	-
Acquisition of subsidiaries (Note 40(a))	收購附屬公司(附註40(a))	19,597
Fair values change	公平值變動	(1,673)
Balance as at 31 March 2012	於二零一二年三月三十一日之結餘	17,924

Derivative financial assets represented the amounts receivables when the Group dispose or place the Remaining Consideration Shares to independent third parties. For details, please refer to Note 40(a). The fair value is measured using the binomial option pricing model at initial recognition and at the end of each reporting period.

衍生金融資產指於本集團出售或配售餘下代價股份予第三方時應收之款項。有關詳情，請參閱附註40(a)。公平值於初步確認時及於各個報告期末採用二項式期權定價模式計量。

22. AVAILABLE-FOR-SALE FINANCIAL ASSETS

22. 可供出售金融資產

The Group 本集團		The Company 本公司	
2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元

Unlisted equity securities in Hong Kong, at cost	香港非上市股本證券， 按成本	1	-	1	-
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The unlisted available-for-sale equity securities do not have a quoted market price in a active market are measured at cost less impairment at each reporting period because the range of reasonable fair value estimates is so significant that the directors of the Company are of the opinion that the fair value cannot be reliably measured.

非上市可供出售股本證券於活躍市場上並無市場報價，於各報告期間按成本減減值計量，原因為合理公平值估計之範圍如此重大，以致本公司董事認為無法可靠計量公平值。

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財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

23. TRADE RECEIVABLES

23. 貿易應收款項

		The Group 本集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Trade receivables	貿易應收款項	71,212	22

As at 31 March 2012, included in trade receivables arising from coal trading business and trade shows and exhibition operation approximately HK\$71,212,000 (2011: Nil) and HK\$Nil (2011: HK\$22,000) respectively. As at 31 March 2012, the outstanding balances of trade receivables comprise of 8 customers (2011: Nil) from coal trading business and none of outstanding balances of trade receivables from trade shows and exhibition operation (2011: 3).

於二零一二年三月三十一日，產生自煤炭買賣業務及展覽會業務之應收賬款分別約為71,212,000港元(二零一一年：無)及零港元(二零一一年：22,000港元)。於二零一二年三月三十一日，應收賬款之尚未償還結餘包括來自煤炭買賣業務之8名客戶(二零一一年：無)，而概無來自展覽會業務之應收賬款尚未償還結餘(二零一一年：三名)。

The aged analysis of trade receivables is as follows:

貿易應收款項之賬齡分析如下：

		The Group 本集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
0 to 30 days	0至30日	59,180	—
31 to 60 days	31至60日	10,096	4
61 to 90 days	61至90日	—	18
91 to 180 days	91至180日	—	—
Over 180 days	超過180日	1,936	—
Total	總計	71,212	22

According to the credit rating of different customers, the Group allows a range of credit periods not exceeding 180 days to its trade customers. Trade receivables are all denominated in RMB.

根據不同客戶之信貸評級，本集團給予貿易客戶之信貸期不超過180日。貿易應收款項全數以人民幣計值。

Up to the date of this report, there is approximately 10.4% trade receivables subsequently settled for the balances as at 31 March 2012. According to the credit period granted to the customers, it expected the remaining balances will be settled on the 3rd and 4th quarter of 2012.

截至本報告日期止，於二零一二年三月三十一日，約10.4%應收賬款結餘其後獲償還。根據客戶獲授予之信貸期，預期剩下結餘將於二零一二年第三及第四季度獲償還。

Trade receivables disclosed above include amounts (see below for aged analysis) which are past due at the end of the reporting period for which the Group has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable.

上文所披露之貿易應收款項包括於報告期末逾期而本集團因信貸質素並無重大變化及有關款項仍被認為可收回而並無就呆賬確撥撥備之款項(見下文有關賬齡分析)。

Age of trade receivables that are past due but not impaired

已逾期但未減值之貿易應收款項之賬齡

		The Group 本集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Overdue by: Over 180 days	逾期： 超過180日	1,936	—
Total	總計	1,936	—

In determining the recoverability of trade receivables, the directors of the Company consider any change in the credit quality of the trade receivables from the date credit were initially granted up to the reporting date. Accordingly, the directors of the Company considered that provision for impairment is value be made in respect of trade receivables to their recoverable values and believe that there is no credit provision required in excess of the allowance for doubtful debts.

在釐定貿易應收款項之可回收機會時，本公司董事會考慮貿易應收款項之信貸質素自初步授出信貸日期直至報告日期期間之任何變動。因此，本公司董事認為須對貿易應收款項作減值準備至其可回收價值，並相信毋須就超出呆賬撥備抵之差額作出信貸準備。

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24. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

24. 按金、預付款項及其他應收款項

		The Group 本集團		The Company 本公司	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Deposits	按金	19,216	8,997	2,000	52
Prepayments	預付款項	11,994	6,365	3,377	3,597
Other receivables	其他應收款項	30,322	10,618	10,406	10,563
		61,532	25,980	15,783	14,212

As at 31 March 2012, included in other receivables, approximately HK\$10,000,000 (2011: HK\$10,000,000) was the deposits previously paid into High Court of Hong Kong (the "High Court") for an injunction order mentioned in Note 41(b).

於二零一二年三月三十一日，計入其他應收款項當中約10,000,000港元（二零一一年：10,000,000港元）乃之前就附註41(b)所述之禁制令而向香港高等法院（「高等法院」）支付之按金。

25. AMOUNT DUE FROM A DIRECTOR

25. 應收一名董事款項

		The Group and the Company 本集團及本公司	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Ms. Geng Ying	耿瑩女士	34	78

The amount due from a director was unsecured, interest-free and recoverable on demand.

應收一名董事款項為無抵押、免息及於需要時償還。

26. DEPOSITS WITH BANKS AND CASH AND CASH EQUIVALENTS

The Group

As at 31 March 2012, the fixed interest rate on deposits with banks of HK\$10,786,000 (2011: HK\$69,159,000), with maturity over three month but less than one year at 1.0% (2011: 0.94% to 1.03%) per annum. The deposits with banks were denominated in HK\$.

As at 31 March 2011, included in deposits with banks, approximately HK\$10,659,000 and HK\$28,500,000 were deposited into designated interest-bearing bank account opened into the name of the Company as security for the litigations mentioned in Note 41(d) and 41(g) respectively.

26. 銀行存款及現金及現金等值項目

本集團

於二零一二年三月三十一日，於超過三個月但於一年內到期之定息銀行存款為10,786,000港元（二零一一年：69,159,000港元），年利率為1.0%（二零一一年：0.94%至1.03%）。存款以港元定值。

於二零一一年三月三十一日，計入銀行存款當中約10,659,000港元及28,500,000港元乃分別就附註41(d)及41(g)所述訴訟而存入以本公司名義開立之指定計息銀行賬戶內作為保證金。

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26. DEPOSITS WITH BANKS AND CASH AND CASH EQUIVALENTS (continued)

The Company

As at 31 March 2012, the fixed interest rate on deposits with banks of HK\$10,786,000 (2011: HK\$39,159,000), with maturity over three months at 1.0% (2011: 0.94% to 1.03%) per annum. The deposits with banks were denominated in HK\$.

As at 31 March 2011, included in deposits with banks, approximately HK\$10,659,000 and HK\$28,500,000 were deposited into designated interest-bearing bank account opened into the name of the Company as security for the litigations mentioned in Note 41(d) and 41(g) respectively.

At the end of the reporting period, deposits with banks and cash and cash equivalents comprise of the followings:

26. 銀行存款及現金及現金等值項目 (續)

本公司

於二零一二年三月三十一日，於超過三個月內到期之定息銀行存款為10,786,000港元(二零一一年：39,159,000港元)，年利率為1.0%(二零一一年：乎0.94%至1.03%)。存款以港元定值。

於二零一一年三月三十一日，計入銀行存款當中約10,659,000港元及28,500,000港元乃分別就附註41(d)及41(g)所述訴訟而存入以本公司名義開立之指定計息銀行賬戶內作為保證金。

於報告期末，銀行存款及現金及現金等值項目包括以下各項：

	The Group 本集團		The Company 本公司	
	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Deposits with banks 銀行存款	10,786	69,159	10,786	39,159
Cash and cash equivalents 現金及現金等值項目	5,030	21,220	117	1,324
	15,816	90,379	10,903	40,483

Cash and cash equivalents were denominated in the following currencies:

現金及現金等值項目乃以下列貨幣定值：

	The Group 本集團		The Company 本公司	
	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
RMB 人民幣	4,119	727	-	-
HK\$ 港元	777	19,625	117	1,324
Others 其他	134	868	-	-
	5,030	21,220	117	1,324

The remittance of cash and cash equivalents denominated in RMB out of the PRC is subject to the foreign exchange control restrictions imposed by the government of the PRC.

以人民幣定值之現金及現金等值項目匯出中國須遵守中國政府所實施之外匯管制。

Cash and cash equivalents carry interest at market rates which range from 1% to 2% per annum.

現金及現金等值項目按市場利率計息，介乎每年1%至2%。

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27. TRADE PAYABLES

The following is an analysis of trade payables by age based on the invoice date.

		The Group 本集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
0 to 30 days	0至30日	55,916	—
31 to 60 days	31日至60日	—	—
61 to 90 days	61日至90日	—	—
91 to 180 days	91日至180日	2,769	—
Over 180 days	超過180日	10,741	—
Total	總計	69,426	—

The average credit period on purchases of certain goods is 180 days. The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

27. 貿易應付款項

以下為按發票日期貿易應付款項之賬齡分析。

購買若干貨品之平均信貸期為180日。本集團有適當之財務風險管理政策，以確保所有應付款項於信貸時間框架內支付。

28. ACCRUED LIABILITIES AND OTHER PAYABLES

		The Group 本集團		The Company 本公司	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Accrued liabilities	累計負債	177,123	162,015	171,461	161,329
Other payables	其他應付款項	15,896	7,937	4,380	1,046
Amount due to a related company	應付關連公司款項	368	—	—	—
		193,387	169,952	175,841	162,375

Included in accrued liabilities of HK\$158,600,000 (2011: HK\$158,600,000) was consideration payables for acquisition of Wealth Gain Global Investment Limited ("Wealth Gain"). On 15 December 2009, the Company issued legal proceedings against Mr. Hung in the High Court of Hong Kong in connection with the acquisition of Wealth Gain and also filed a statement of claim against Mr. Hung for, inter alia, the rescission of the Agreement on 1 February 2010. Details please refer to Note 41.

As at 31 March 2012, amount due to a related company, which has a common director with the Company, was approximately HK\$368,000 (2011: Nil). The amount due is unsecured, interest-free and repayable on demand.

28. 累計負債及其他應付款項

累計負債中，有158,600,000港元（二零一一年：158,600,000港元）為收購富盈環球投資有限公司（「富盈」）之應付代價。於二零零九年十二月十五日，本公司在香港高等法院對洪先生展開法律程序，內容有關收購富盈一事，另亦於二零一零年二月一日向洪先生發出申索陳述書以（其中包括）撤銷本協議（詳情請見附註41）。

於二零一二年三月三十一日，應付一間關連公司（其與本公司擁有共同董事）之款項約為368,000港元（二零一一年：無）。該應付款項乃無抵押、免息及須應要求償還。

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29. AMOUNTS DUE TO SHAREHOLDERS

29. 應付股東款項

The Group and the Company 本集團及本公司

2012 2011
二零一二年 二零一一年
HK\$'000 HK\$'000
千港元 千港元

Amount due to Hung Chen, Richael ("Mr. Hung") (Note i)	應付洪誠(「洪先生」)款項(附註i)	15,358	14,478
Amount due to ACE Channel Limited (Note ii)	應付ACE Channel Limited款項(附註ii)	1,312	—
		16,670	14,478

Notes:

(i) The amount due to Mr. Hung is the principal amount and interests and detail terms are summarised as follows:

- 1) HK\$3,000,000 loan is unsecured, bearing interest at a fixed rate of 8% per annum due on 3 December 2009;
- 2) HK\$8,000,000 loan is unsecured, bearing interest at a fixed rate of 8% per annum due on 8 March 2010; and
- 3) HK\$1,600,000 advance is unsecured, non-interest bearing and repayable on demand.

(ii) On 15 August 2011, the Company signed a shareholder's loan facility agreement of HK\$20,000,000 with ACE Channel Limited, beneficially owned by Mr. Gao Feng, a director of the Company, is unsecured, bearing interest at a prime rate plus 1% (i.e. 6%) per annum and due on 14 August 2012. The Company has already drawn down a total amount of HK\$1,300,000 as at 31 March 2012.

附註:

(i) 應付洪先生之款項為本金及利息，詳情概述如下：

- 1) 3,000,000港元貸款為無抵押，按固定年利率8%計息，於二零零九年十二月三十一日到期；
- 2) 8,000,000港元貸款為無抵押，按固定年利率8%計息，於二零一零年三月八日到期；及
- 3) 1,600,000港元墊款為無抵押、免息及按要求償還。

(ii) 於二零一一年八月十五日，本公司與ACE Channel Limited(本公司董事高峰先生實益擁有的公司)簽訂20,000,000港元之股東貸款額度協議，該款項為無抵押、按年利率最優惠利率加1%(即6%)計息，及於二零一二年八月十四日到期。於二零一二年三月三十一日，本公司已合共提取1,300,000港元。

30. DERIVATIVE FINANCIAL LIABILITIES

The Group and the Company

30. 衍生金融負債

本集團及本公司

Derivative financial liabilities

衍生金融負債

HK\$'000
千港元

Balance as at 1 April 2010, 31 March 2011 and 1 April 2011	於二零一零年四月一日、二零一一年三月三十一日及 二零一一年四月一日之結餘	—
Acquisition of subsidiaries (Note 40(a))	收購附屬公司(附註40(a))	4,726
Fair values change	公平值變動	(567)
Balance as at 31 March 2012	於二零一二年三月三十一日之結餘	4,159

Derivative financial liabilities represented the cash bonus additionally granted to the Vendor of Wealthy Wing by the Group as the contingent consideration of acquisition of subsidiaries. For details, please refer to Note 40(a). The fair value is measured using the binomial option pricing model at initial recognition and at the end of each reporting period.

衍生金融負債指本集團額外授予富永賣方之現金紅利，作為收購附屬公司之或然代價。有關詳情，請參閱附註40(a)。公平值於初步確認及於各個報告期末採用二項式期權定價模式計量。

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31. BORROWINGS

31. 借貸

				The Group 本集團		The Company 本公司	
		Notes 附註	Original currency 原貨幣	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Current liabilities		流動負債					
– Bank borrowings	– 銀行借貸						
– secured	– 有抵押	(i)	RMB人民幣	18,414	–	–	–
– Other borrowings	– 其他借貸						
– unsecured	– 無抵押	(ii)	HK\$港元	–	33,872	–	33,872
Total borrowings		借貸總額		18,414	33,872	–	33,872

Notes:

(i) Bank borrowings of HK\$18,414,000 are repayable within one year, bear fixed interest rate at 8.528% per annum and secured by the properties owned by a non-controlling shareholder of Derong.

(ii) On 28 July 2010, Mr. Hung informed the Company that a sum of HK\$31,500,000 plus interests under the loan agreement dated 16 July 2009 made between Mr. Hung and the Company was assigned to Mr. Wong Ching Ping Alex ("Mr. Wong").

On 7 August 2009 at the request of Mr. Hung, the Company made repayment of a sum of HK\$3,000,000.

The amount of HK\$28,500,000 loan is unsecured, bearing interest at prime rate plus 5% (i.e. 10%) per annum due on 15 October 2009. The Company repaid the amount of HK\$28,500,000 to Mr. Wong on 8 June 2011. For detail, please refer to Note 41(g).

附註：

(i) 銀行借貸18,414,000港元須於一年內償還，按每年8.528%之固定利率計息，並以德融非控股股東所擁有之物業作抵押。

(ii) 於二零一零年七月二十八日，洪先生告知本公司，洪先生與本公司於二零零九年七月十六日訂立之貸款協議項下之款項31,500,000港元加上利息被轉讓予王正平先生(「王先生」)。

於二零零九年八月七日，應洪先生之要求，本公司償還3,000,000港元。

28,500,000港元之貸款乃無抵押、按最優惠利率加5%(即10%)計息，並於二零零九年十月十五日到期。本公司於二零一一年六月八日向王先生償還28,500,000港元。有關詳情，請參閱附註41(g)。

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32. OBLIGATIONS UNDER FINANCE LEASES

During the year ended 31 March 2012, the Group leases a motor vehicle and this lease is classified as finance leases having remaining lease terms of 24 months. The interest rate is 1.7% per annum. As at 31 March 2012, the total future minimum lease payments under finance leases and their present value were as follows:

32. 融資租約責任

截至二零一二年三月三十一日止年度，本集團租賃一輛汽車，而是項租賃被分類為融資租賃，餘下租期二十四個月。利率為每年1.7%。於二零一二年三月三十一日，根據融資租約應付之未來最低租金及彼等之現值如下：

		The Group 本集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Total minimum lease payments	最低租賃款項總額		
– Due within one year	— 一年內到期	490	—
– Due in the second year	— 第二年到期	490	—
		980	—
Less: future finance charges on finance leases	減：融資租賃之未來融資費用	(41)	—
Present value of lease obligations	租約責任之現值	939	—
Present value of finance lease liabilities	融資租賃負債之現值		
– Due within one year	— 一年內到期	462	—
– Due in the second year	— 第二年到期	477	—
		939	—
Less: Current portion due within one year included under current liabilities	減：計入流動負債一年內到期 之流動部份	(462)	—
Non-current portion included under non-current liabilities	計入非流動負債之非流動部份	477	—

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33. CONVERTIBLE NOTES

On 31 March 2008, the Company issued HK\$345,000,000 zero coupon convertible notes (the "Convertible Notes") which as part of the consideration for the acquisition of Wealth Gain and its subsidiary (the "Wealth Gain Group").

33. 可換股票據

二零零八年三月三十一日，本公司發行 345,000,000 港元的零息可換股票據（「可換股票據」），作為收購富盈及其附屬公司（「富盈集團」）之部份代價。

		The Group and the Company 本集團及本公司	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Liability component	負債部份	157,014	142,094
Derivative component	衍生工具部份	-	-
		157,014	142,094
Liability component	負債部份		
At beginning of the year	於年初	142,094	128,592
Imputed interest expense charged	已計利息開支	14,920	13,502
At end of the year	於年末	157,014	142,094
Derivative component	衍生工具部份		
At beginning of the year	於年初	-	-
Fair value change	公平值變動	-	-
At end of the year	於年末	-	-
Carrying amount	賬面值	157,014	142,094

The terms of the Convertible Notes are as follows:

- convertible at the option of the note holders into fully paid ordinary shares on or after 31 March 2008 and up to and including 30 March 2013 at a conversion price of HK\$0.5 per share;
- redeemable at the option of the Company at 100% of their principal amount at any time and from time to time, by written to notice to redeem the whole or part of the outstanding principal amount of the Convertible Notes; and
- convertible at the option of the Company to request the note holders for mandatory conversion of the prescribed amount of the Convertible Notes on or after the fifth anniversary of the issue date.

可換股票據之條款如下：

- 票據持有人可選擇於二零零八年三月三十一日或其後至二零一三年三月三十日（包括該日）按每股0.5港元之價格將可換股票據轉換為繳足普通股；
- 本公司可選擇於任何時間及不時要求按本金額之100%進行贖回，方式為發出書面通知以贖回全部或部份可換股票據之未償還本金額；及
- 本公司可選擇於發行日期起計滿五週年或其後要求票據持有人強行轉換規定金額之可換股票據。

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For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

33. CONVERTIBLE NOTES (continued)

The Convertible Notes do not bear interest on the principal amount of the notes outstanding. The Convertible Notes will be redeemed on maturity at a value equal to the aggregate of its principal amount outstanding.

The Convertible Notes are denominated in HK\$ which is the same as the functional currency of the note issuing entity. As such, the exercise of the conversion option will give rise to the settlement by the exchange of a fixed amount of cash for a fixed number of shares of the Company. The conversion option is therefore accounted for as an equity instrument and is determined after deducting the liability component and the derivative component from the total proceeds.

The embedded derivatives relating to the Company's redemption option in note (b) above which are not closely related to the host contract shall be separately measured and included together with the liabilities component as a financial liability. The fair value of the derivative component is determined based on the valuation performed by Savills Valuation and Professional Services Limited ("Savills") using binomial option pricing model. The fair value of the liabilities component is determined based on the valuation performed by Savills using discounted cash flow method. The effective interest rate of the host contract is determined to be 10.5%. The residual amount is assigned as the equity component for the conversion option and was included in the convertible notes equity reserve.

The liability component is carried as a current liability (2011: non-current) on the amortised cost basis until extinguished on conversion or redemption. The derivative component of the Convertible Notes is subsequently measured at fair value with changes recognised in the consolidated statement of comprehensive income. The value of the equity component is not remeasured in subsequent years.

As at 31 March 2012, the fair value of the derivative component embedded in the convertible notes is approximately HK\$Nil (2011: HK\$Nil). Details of the variables and assumptions of the model are as follows:

		31 March 2012 二零一二年 三月三十一日	31 March 2011 二零一一年 三月三十一日
Share price:	股價：	HK\$0.231 港元	HK\$0.500 港元
Remaining life:	剩餘年期：	1 year 年	2 years 年
Risk free interest rate:	無風險利率：	0.16%	0.524%
Expected volatility:	預期波幅：	56%	35.512%
Expected ordinary dividend yield:	預期普通股股息率：	Nil 不適用	Nil 不適用

During the year ended 31 March 2009, convertible notes with an aggregate amount HK\$171,500,000 was converted into the ordinary shares of the Company. Total number of ordinary shares converted was 343,000,000.

33. 可換股票據 (續)

可換股票據並不按未償還之本金額計息。可換股票據將於到期時按相等於其未償還本金總額之價值而贖回。

可換股票據以港元計值，此亦為本公司的功能貨幣。因此，換股權之行使將導致以固定金額之現金換取固定數目之本公司股份。換股權因此按權益工具之方式入賬，並於所得款項總額減去負債部份及衍生工具部份後釐定。

有關上文附註(b)之本公司贖回權之嵌入式衍生工具，其與主合約並無密切關係，應分開計量並以財務負債之形式計入負債部份。衍生工具之公平值是根據第一太平戴維斯估值及專業顧問有限公司(「第一太平戴維斯」)以二項式期權定價模式進行之估值而釐定。負債部份之公平值是根據第一太平戴維斯以折現現金流方法進行之估值而釐定。主合約之實際利率乃釐定為10.5%。剩餘金額乃歸入換股權之權益部份，並且計入可換股票據權益儲備。

負債部份乃按攤銷成本基準列作流動負債(二零一一年：非流動)，直至換股或贖回為止。可換股票據之衍生工具部份其後按公平值計量，變動於收益表確認。權益部份之價值不會於往後年度重新計量。

於二零一二年三月三十一日，衍生工具部分之公平值約為零港元(二零一一年：零港元)。該模式之變數及假設詳情如下：

於截至二零零九年三月三十一日止年度內，合共171,500,000港元之可換股票據已轉換成本公司之普通股。所轉換普通股的總數為343,000,000股。

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For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

34. DEFERRED TAX LIABILITIES

The following are the major deferred tax liabilities recognised by the Group and the Company and movements thereon:

34. 遞延稅項負債

以下為本集團及本公司確認之主要遞延稅項負債及其中變動：

**The Group and
the Company**
本集團及本公司
Convertible
notes
可換股票據
HK\$'000
千港元

At 1 April 2010	於二零一零年四月一日	7,410
Credit to consolidated statement of comprehensive income for the year	年內計入綜合全面損益賬	(2,228)
At 31 March 2011 and 1 April 2011	於二零一一年三月三十一日及二零一一年四月一日	5,182
Credit to consolidated statement of comprehensive income for the year	年內計入綜合全面損益賬	(2,462)
At 31 March 2012	於二零一二年三月三十一日	2,720

At 31 March 2012, the Group had unused estimated tax losses of approximately HK\$94,799,000 (2011: HK\$87,656,000) available for offset against future profits. Tax losses of approximately HK\$13,225,000 (2011: HK\$1,130,000) will expire after five years from the year of assessment they relate to while tax losses of approximately HK\$81,574,000 (2011: HK\$86,526,000) can be carried forward indefinitely. No deferred tax asset has been recognised due to the unpredictability of future profit streams.

於二零一二年三月三十一日，本集團有為數約94,799,000港元（二零一一年：87,656,000港元）之未動用估計稅項虧損可用以抵銷未來溢利。稅項虧損約13,225,000港元（二零一一年：1,130,000港元）將於彼等有關之評稅年度起五年後屆滿，而稅項虧損約81,754,000港元（二零一一年：86,526,000港元）可無限期結轉。由於未來溢利來源之不可確定，故並無確認遞延稅項資產。

At 31 March 2012, the Company had unused estimated tax losses of approximately HK\$35,716,000 (2011: HK\$35,424,000) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams.

於二零一二年三月三十一日，本公司有為數約35,716,000港元（二零一一年：35,424,000港元）之未動用估計稅項虧損可用以抵銷未來溢利。由於未來溢利來源之不可確定，故並無確認遞延稅項資產。

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For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

35. SHARE CAPITAL

35. 股本

The Group and the Company 本集團及本公司

		Number of shares 股份數目		Amount 總額	
		2012 二零一二年	2011 二零一一年	2012 二零一二年	2011 二零一一年
		'000 千股	'000 千股	HK\$'000 千港元	HK\$'000 千港元
Authorised:	法定：				
Ordinary shares of HK\$0.01 each	每股面值0.01港元之普通股	6,000,000	6,000,000	60,000	60,000
Issued and fully paid:	已發行及繳足：				
At beginning of the year	於年初	1,336,520	1,113,768	13,365	11,138
Placing of shares (Note i)	配售股份 (附註i)	30,000	222,752	300	2,227
Consideration shares (Note ii)	代價股份 (附註ii)	270,000	-	2,700	-
At end of the year	於年終	1,636,520	1,336,520	16,365	13,365

Notes:

- (i) On 28 September 2011, the Company, through a placing agent, placed 30,000,000 shares of HK\$0.01 each at a placing price of HK\$0.36 for a total consideration, before expenses, of HK\$10,800,000. Part of the proceeds of approximately RMB4,400,000 (equivalent to HK\$5,500,000) is used for initial capital injection to Derong and the remaining proceeds will be utilised by the Group as its general working capital.

On 8 February 2011, the Company, through a placing agent, placed 222,752,000 shares of HK\$0.01 each at a placing price of HK\$0.35 each for the purpose of financing subscription of shares in acquisition of Sino Giants Group Limited ("Sino Giants"), the shareholder's loan to Sino Giants, future business development and general working capital of the Group.

- (ii) On 30 November 2011, the Company completed the subscription of 100% equity interest of Wealth Wing Group. The Company issued 270,000,000 consideration shares (the "Consideration Shares") as part of the consideration for the acquisition of Wealth Wing. The fair value of the Consideration Shares, determined based on the closing market price of the Company on the acquisition date of HK\$0.24 per share, amounted to approximately HK\$64,800,000. The issue of the Consideration Shares has resulted in the increase in share capital and share premium amount of the Company by HK\$2,700,000 and HK\$62,100,000 respectively.

附註：

- (i) 於二零一一年九月二十八日，本公司透過配售代理按每股配售價0.36港元配售30,000,000股每股面值0.01港元之股份，就此所涉及之總代價（於扣除費用前）為10,800,000港元。部份代價約人民幣4,400,000元（相等於5,500,000港元）被用作德融之首期注資額，而餘下所得款項將由本集團用作一般營運資金。

二零一一年二月八日，本公司透過配售代理按每股0.35港元之價格配售222,752,000股每股面值0.01港元之股份，以撥資在收購Sino Giants Group Limited（「Sino Giants」）中認購股份、Sino Giants之股東貸款、未來業務發展及本集團一般營運資金。

- (ii) 於二零一一年十一月三十日，本公司完成認購富永集團之100%股權。本公司發行270,000,000股代價股份（「代價股份」）作為收購富永之部份代價。代價股份之公平值（根據本公司股份於收購日期之收市價每股0.24港元釐定）約為64,800,000港元。發行代價股份已導致本公司之股本及股份溢價賬分別增加2,700,000港元及62,100,000港元。

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財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

36. RESERVES

(a) The Group

Exchange reserve

Exchange differences relating to the translation of the net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Hong Kong dollars) are recognised directly in other comprehensive income and accumulated in the exchange reserve. Such exchange differences accumulated in the exchange reserve are reclassified to profit or loss on the disposal of the foreign operation.

(b) The Company

The detail movement of reserves of the Company is as follows:

36. 儲備

(a) 本集團

匯兌儲備

有關將本集團海外業務資產淨值自其功能貨幣換算至本集團呈列貨幣(即港元)之匯兌差額直接於其他全面收益確認並累計於匯兌儲備。該等於匯兌儲備累計之匯兌差額在出售海外業務時重新分類至損益。

(b) 本公司

本公司儲備的詳細變動如下：

		Share premium account	Contributed surplus	Convertible notes equity reserve 可換股票據 儲備	Accumulated losses 累計虧損	Shares held for share award scheme 股份獎勵計劃 所持股份	Share options reserve 購股權 儲備	Warrant reserve 認股權證 儲備	Total 總額
		HK\$'000 千港元	HK\$'000 千港元 (Note i) (附註i)	HK\$'000 千港元 (Note ii) (附註ii)	HK\$'000 千港元	HK\$'000 千港元 (Note iii) (附註iii)	HK\$'000 千港元 (Note iv) (附註iv)	HK\$'000 千港元 (Note v) (附註v)	HK\$'000 千港元
At 1 April 2010	於二零一零年四月一日	448,713	7,076	30,568	(775,748)	-	-	-	(289,391)
Net loss for the year	年內虧損淨額	-	-	-	(74,165)	-	-	-	(74,165)
Placing of shares	配售股份	75,737	-	-	-	-	-	-	75,737
Share issuing expenses	股份發行開支	(2,919)	-	-	-	-	-	-	(2,919)
Share options granted	已授出購股權	-	-	-	-	-	8,366	-	8,366
Shares purchased for share award scheme	為股份獎勵計劃購買股份	-	-	-	-	(3,723)	-	-	(3,723)
At 31 March 2011 and 1 April 2011	於二零一一年三月三十一日 及二零一一年四月一日	521,531	7,076	30,568	(849,913)	(3,723)	8,366	-	(286,095)
Net loss for the year	年內虧損淨額	-	-	-	(30,912)	-	-	-	(30,912)
Share options lapsed	已失效購股權	-	-	-	181	-	(181)	-	-
Shares purchased for share award scheme	為股份獎勵計劃購買股份	-	-	-	-	(1,263)	-	-	(1,263)
Placing of shares	配售股份	10,500	-	-	-	-	-	-	10,500
Consideration shares	代價股份	62,100	-	-	-	-	-	-	62,100
Share issuing expenses	股份發行開支	(431)	-	-	-	-	-	-	(431)
Placing of warrants	配售認股權證	-	-	-	-	-	-	2,300	2,300
Warrants issuing costs	認股權證發行成本	-	-	-	-	-	-	(136)	(136)
At 31 March 2012	於二零一二年三月三十一日	593,700	7,076	30,568	(880,644)	(4,986)	8,185	2,164	(243,937)

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36. RESERVES (continued)

(b) The Company (continued)

Notes:

(i) Contributed surplus

The Company's contributed surplus represents the excess of the fair value of the shares of the subsidiaries acquired pursuant to the Group reorganisation during the year ended 31 March 2002, over the nominal value of the Company's shares issued in exchange therefore and the capitalisation of the 30,000,000 shares allotted and issued nil paid. Under the Companies Law (2001 Second Revision) of the Cayman Islands, the contributed surplus account is distributable to the shareholders of the Company under certain circumstances. Details of distributable reserve are set out in page 33 of the consolidated financial statements.

(ii) Convertible notes equity reserve

The convertible notes equity reserve represents the equity component (conversion rights) of the HK\$345,000,000 zero coupon convertible notes issued on 31 March 2008 (Note 33).

(iii) Shares held for share award scheme

The shares held for share award scheme is the consideration paid, including any directly attributable incremental costs for purchase of shares under the Share Award Scheme, in accordance with the accounting policy set out in Note 3(p)(ii).

(iv) Share options reserve

The share options reserve relates to share options granted to employees under the employee share option plan. Further information about share-based payments to employees is set out in Note 37.

(v) Warrant reserve

On 28 September 2011, the Company, through a placing agent, issued 230,000,000 unlisted warrants at an issue price of HK\$0.01 per warrant. Each warrant entitles the holder thereof to subscribe for one ordinary share of HK\$0.01 each at a subscription price of HK\$0.39 per share, payable in cash and subject to adjustment, from the date of issue of the warrants to the expiry, which is 36 months from the issue of the warrants.

During the year, 230,000,000 warrants of HK\$0.01 each were issued pursuant to the warrant placing agreement for a total cash consideration, before related expenses, of HK\$2,300,000. The exercise period of the warrants is from 28 September 2011 to 27 September 2014.

As at 31 March 2012, all warrants are remained outstanding.

36. 儲備 (續)

(b) 本公司 (續)

附註：

(i) 繳入盈餘

本公司之繳入盈餘指根據於截至二零一二年三月三十一日止年度內進行之集團重組而購入之附屬公司股份之公平值，高出作為換取該等附屬公司股份而發行之本公司股份面值之差額及資本化所配發及發行之30,000,000股未繳股款股份。根據開曼群島公司法（二零零一年第二次修訂版），本公司可在若干情況以繳入盈餘賬內之款項向股東作出分派。本公司可供分派儲備之詳情載於綜合財務報表第33頁。

(ii) 可換股票據權益儲備

可換股票據權益儲備指於二零零八年三月三十一日發行之345,000,000港元零息可換股票據之權益部份（換股權）（附註33）。

(iii) 股份獎勵計劃所持股份

根據附註3(p)(ii)所述之會計政策，股份獎勵計劃所持股份乃所支付之代價，包括根據股份獎勵計劃購買股份之任何直接應佔增值成本。

(iv) 購股權儲備

購股權儲備與根據僱員購股權計劃授予僱員之購股權有關。有關對僱員作出之股份形式付款之進一步資料載於附註37。

(v) 認股權證儲備

於二零一一年九月二十八日，本公司透過配售代理按每份認股權證0.01港元之發行價發行230,000,000份非上市認股權證。每份認股權證賦予其持有人權利可於認股權證發行日期起至屆滿之日（其為自認股權證發行日期起36個月）按每股0.39港元之認購價認購一股每股面值0.01港元之普通股，須以現金支付，並可作出調整。

於本年度，根據認股權證配售協議，發行230,000,000份每份面值0.01港元之認股權證，就此所涉及之總現金代價（於扣除相關費用之前）為2,300,000港元。認股權證之行使期間為自二零一一年九月二十八日起至二零一四年九月二十七日止。

於二零一二年三月三十一日，所有認股權證仍未行使。

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37. SHARE OPTIONS

Share-based payment transactions

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and/or rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Scheme include any directors and employees of the Company, including all executive directors of the Company and its subsidiaries. The Scheme became effective on 8 October 2010 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The maximum number of unexercised share options currently permitted to be granted under the Scheme is an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue at any time. The maximum number of shares issuable under share options to each eligible participant in the Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share option in excess of this limit is subject to shareholders' approval in a general meeting.

The share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their subsidiaries, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the price of the Company's shares at the date of the grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

The offer of a grant of share options may be accepted within 28 days from the date of the offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted would be determined by the directors.

The exercise price of the share options would be determined by the directors, but may not be less than the higher of (i) the Stock Exchange closing price of the Company's shares on the date of the offer of the share options, which must be a business day; and (ii) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of the offer, provided that the subscription price shall not be lower than the nominal value of the shares.

37. 購股權

以股份為基礎之付款交易

本公司設有一項購股權計劃（「該計劃」），藉以向對本集團業務成功作出貢獻之合資格參與者給予鼓勵及／或回報。該計劃之合資格參與者包括本公司任何董事及僱員（包括本公司及其任何附屬公司之所有執行董事）。該計劃於二零一零年十月八日起生效，除非以其他方式取消或修訂該計劃，否則該計劃自該日起計十年內保持有效。

根據該計劃現時獲准授出而尚未行使之購股權所涉及之最高股份數目相等於其行使時本公司於任何時間已發行股份之10%。該計劃各合資格參與者於任何12個月期間根據購股權可獲發行之最高股份數目以本公司任何時間已發行股份之1%為限。凡進一步授出超逾此限額之購股權，必須於股東大會上獲股東批准。

凡向本公司董事、主要行政人員或主要股東或彼等之任何聯繫人士授出購股權，必須事先取得獨立非執行董事批准。此外，凡於任何12個月期間內向本公司或其任何附屬公司之主要股東或獨立非執行董事授出任何購股權，而有關數額超逾本公司任何時間已發行股份之0.1%或總值（根據授出日期本公司股份之價格計算）超過5,000,000港元，必須事先於股東大會上獲得股東批准。

授出購股權之建議可於提出建議日期起計28日內接納，承授人須支付合共1港元之象徵式代價。所授購股權之行使期由董事釐定。

購股權之行使價由董事釐定，惟不得低於(i)本公司股份於購股權建議提出日期（必須為營業日）在聯交所之收市價；及(ii)本公司股份於緊接建議提出日期前五個交易日在聯交所之平均收市價兩者中較高者，惟認購價不得低於股份面值。

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財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

37. SHARE OPTIONS (continued)

Share-based payment transactions (continued)

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date using the Black-Scholes-Merton option pricing model, taking into account the terms and conditions upon which the options were granted.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

At 11 February 2011, 60,000,000 share options have been granted to the directors and employees of the Group and 1,300,000 share options were lapsed during the year and 58,700,000 share options are remained outstanding as at 31 March 2012.

The consideration of HK\$1 was paid on the grant of an option. The share options may be exercised at any time commencing from 8 October 2010 to 7 October 2020 in accordance with the Option Scheme. The exercise price is determined by the directors of the Company, and will be at least the higher of (i) the closing price of the Company's shares on the Stock Exchange as stated in the Stock Exchange's daily quotations sheets on the offer date; (ii) the average closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the offer date; and (iii) the nominal value of a share.

Details of specific categories of options are as follows:

Date of grant 授出日期	Exercise period 行使期	Exercise price 行使價 HK\$ 港元	Fair value at grant value 授出價值之公平值 HK\$ 港元
11/2/2011	11/2/2011-10/2/2016	0.36	0.13944

In accordance with the terms of the scheme, options granted during the year ended 31 March 2012 vested at the date of grant.

37. 購股權 (續)

以股份為基礎之付款交易 (續)

授予僱員之購股權之公平值確認為一項僱員成本，而權益內之資本儲備會相應增加。該公平值乃於授出日期經計及購股權獲授出時之條款及條件後以畢蘇莫期權定價模式計量。

購股權持有人無權收取股息或在股東大會上投票。

二零一一年二月十一日，本集團董事及僱員獲授60,000,000份購股權，年內1,300,000份購股權失效及於二零一二年三月三十一日，58,700,000份購股權仍未行使。

承授人獲授購股權時已支付1港元之代價。根據購股權計劃，購股權可於二零一零年十月八日至二零二零年十月七日止期間行使。行使價由本公司董事釐定，將為以下三者中的較高者：(i)本公司股份於要約日期在聯交所每日報價表所列之收市價；(ii)本公司股份於緊接要約日期前五個營業日在聯交所每日報價表所列之平均收市價及(iii)股份之面值。

購股權之具體類別詳情如下：

根據該計劃之條款，截至二零一二年三月三十一日止年度內授出之購股權已於授出日期歸屬。

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財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

37. SHARE OPTIONS (continued)

Share-based payment transactions (continued)

The following table discloses movements of share options held by employees and directors of the Group during the year:

Category of Participants	Date of grant	Exercisable period	Exercisable price per share	Outstanding at 1/4/2010	Granted during year	Outstanding at 31/3/2011 and 1/4/2011 於二零一一年三月三十一日及二零一一年四月一日尚未行使	Lapsed during year	Outstanding at 31/3/2012 於二零一二年三月三十一日尚未行使
參與者類別	授出日期	行使期	每股行使價	二零一零年四月一日尚未行使	年內授出	年內失效		
Directors 董事								
Ms. Geng Ying 耿瑩女士	11/2/2011	11/2/2011-10/2/2016	HK\$0.36 0.36港元	-	13,000,000	13,000,000	-	13,000,000
Mr. Gao Feng 高峰先生	11/2/2011	11/2/2011-10/2/2016	HK\$0.36 0.36港元	-	13,000,000	13,000,000	-	13,000,000
Mr. Chiu Sui Keung 趙瑞強先生	11/2/2011	11/2/2011-10/2/2016	HK\$0.36 0.36港元	-	13,000,000	13,000,000	-	13,000,000
Mr. Cheng Wing Keung, Raymond 鄭永強先生	11/2/2011	11/2/2011-10/2/2016	HK\$0.36 0.36港元	-	1,300,000	1,300,000	-	1,300,000
Mr. Lam Williamson 林全智先生	11/2/2011	11/2/2011-10/2/2016	HK\$0.36 0.36港元	-	1,300,000	1,300,000	-	1,300,000
Employees of the Group 本集團僱員	11/2/2011	11/2/2011-10/2/2016	HK\$0.36 0.36港元	-	17,100,000	17,100,000	-	17,100,000
Ex-director of the Group 本集團前董事	11/2/2011	11/2/2011-10/2/2016	HK\$0.36 0.36港元	-	1,300,000	1,300,000	(1,300,000)	-
				-	60,000,000	60,000,000	(1,300,000)	58,700,000
Weighted average exercise price (in HK\$) 加權平均行使價(港元)				-	0.36	0.36	-	0.36

The Group recognised the total expenses of approximately HK\$Nil (2011: HK\$8,366,000) during the year ended 31 March 2012 in relation to share options granted by the Company.

The fair value of the share options granted during the year ended 31 March 2012 is HK\$Nil (2011: HK\$0.13944) each. Options were priced using a Black-Scholes-Merton option pricing model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions (including the probability of meeting market conditions attached to the opinion), and behavioural considerations. Expected volatility is based on the historical share price volatility over the past 2.5 years.

37. 購股權 (續)

以股份為基礎之付款交易 (續)

本集團僱員及董事於本年度內所持購股權之變動詳情披露如下：

本集團於截至二零一二年三月三十一日止年度就本公司授出之購股權確認總開支約零港元(二零一一年：8,366,000港元)。

截至二零一二年三月三十一日止年度內授出之購股權的公平值為每份零港元(二零一一年：0.13944港元)。購股權乃以畢蘇莫期權定價模式定價。若相關，該模式所使用的預期年期已根據管理層對不可轉讓、行使限制(包括達致購股權規定之市場條件的機會)以及行為考慮因素之影響的最佳估計而調整。預期波幅乃根據過去兩年半的股份波幅記錄而釐定。

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財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

37. SHARE OPTIONS (continued)

Share-based payment transactions (continued)

The variables and assumptions used in computing the fair value of share options are based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

Inputs into model

輸入模式之參數

Grant date share price
Exercise price
Expected volatility
Expected life of the options
Dividend yield
Risk-free interest rate

授出日期之股價
行使價
預期波幅
預期購股權有效期
股息率
無風險利率

11 February 2011
二零一一年二月十一日
HK\$0.32港元
HK\$0.36港元
81.38%
2.5 years年
0%
0.943%

37. 購股權 (續)

以股份為基礎之付款交易 (續)

計算購股權公平值時所用之變數及假設乃建基於董事之最佳估計。購股權之價值隨若干主觀假設之不同變數而變動。

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財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

38. FINANCIAL INSTRUMENTS

38. 財務工具

Categories of financial instruments		The Group 本集團		The Company 本公司	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Financial assets	金融資產				
- Loans and receivables	- 貸款及應收款項				
Amounts due from subsidiaries	應收附屬公司款項	-	-	85,317	123,453
Trade receivables	貿易應收賬款	71,212	22	-	-
Other receivables	其他應收款項	30,322	10,618	10,406	10,563
Amount due from a director	應收董事款項	34	78	34	78
Deposits with banks	銀行存款	10,786	69,159	10,786	39,159
Cash and bank balances	現金及現金等值項目	5,030	21,220	117	1,324
		117,384	101,097	106,660	174,577
- Available-for-sale financial assets	- 可供出售金融資產	1	-	1	-
- Derivative financial assets	- 衍生金融資產	17,924	-	17,924	-
		135,309	101,097	124,585	174,577
Financial liabilities	金融負債				
- Financial liabilities at amortised cost	- 按攤銷成本之金融負債				
Trade payables	貿易應付賬款	69,426	-	-	-
Accrued liabilities and other payables	累計負債及其他應付款項	174,863	169,952	162,980	159,646
Amounts due to shareholders	應付股東款項	16,670	14,478	16,670	14,478
Borrowings	借貸	18,414	33,872	-	33,872
Obligations under finance leases	融資租約責任	939	-	-	-
Convertible notes	可換股票據	157,014	142,094	157,014	142,094
		437,326	360,396	336,664	350,090
- Derivative financial liabilities	- 衍生金融負債	4,159	-	4,159	-
		441,485	360,396	340,823	350,090

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

39. DISPOSAL OF SUBSIDIARIES

- (a) On 20 December 2011, a wholly-owned subsidiary of the Company entered into a sale and purchase agreement that the Company agreed to sell the entire issued share capital of SRG Capital Limited ("SRG Capital") with a consideration of HK\$1. The disposal was completed on 20 December 2011.

Summary of the effects of the disposal of subsidiaries are as follows:

		HK\$'000 千港元
Net assets disposed of:	所出售之資產淨值：	
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	1
Cash and cash equivalents	現金及現金等值項目	2
Accrued liabilities and other payables	累計負債及其他應付款項	(12)
		(9)
Gain on disposal	出售之虧損	9
		-
Satisfied by:	以下列方式支付：	
Cash	現金	-
Net cash outflow arising on disposal:	出售所流出之現金淨額：	
Cash consideration	現金代價	-
Cash and bank balances	現金及銀行結餘	(2)
Net outflow of cash and cash equivalents	現金及現金等值項目流出淨額	(2)

For the period from 1 April 2011 to the date of disposal, SRG Capital was dormant. Turnover of HK\$Nil and loss of approximately HK\$3,000 contributed by SRG Capital was recognised in the Group's loss for the year ended 31 March 2012.

39. 出售附屬公司

- (a) 於二零一一年十二月二十日，本公司之全資附屬公司訂立買賣協議，本公司同意出售神州資本有限公司（「神州資本」），代價為1港元。出售事項已於二零一一年十二月二十日完成。

出售附屬公司之影響概述如下：

自二零一一年四月一日起至出售日期止期間，神州資本無營業。於截至二零一二年三月三十一日止年度，神州資本貢獻之零港元營業額及帶來之約3,000港元虧損於本集團之虧損中確認。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

39. DISPOSAL OF SUBSIDIARIES (continued)

- (b) On 30 September 2010, a wholly-owned subsidiary of the Company entered into a sale and purchase agreement that the Company agreed to sell the entire issued share capital of Kenfair International Limited and its subsidiaries (including Kenfair International (Shenzhen) Company Limited, Kenfair International (Shanghai) Limited and Guangzhou Kenfair Exhibition Company Limited) ("KIL Group") with a consideration of HK\$900,000. The disposal was completed on 30 September 2010.

Summary of the effects of the disposal of subsidiaries are as follows:

39. 出售附屬公司 (續)

- (b) 於二零一零年九月三十日，本公司之全資附屬公司訂立買賣協議，本公司同意出售建發國際有限公司及其附屬公司（包括深圳建發展覽有限公司、上海建發展覽有限公司及廣州建發展覽策劃有限公司）（「KIL集團」）全部已發行股本，代價為900,000港元。出售已於二零一零年九月三十日完成。

出售附屬公司的影響概述如下：

		HK\$'000 千港元
Net assets disposed of:	所出售之資產淨值：	
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	215
Cash and cash equivalents	現金及現金等值項目	1,169
Accrued liabilities and other payables	累計負債及其他應付款項	(1,057)
		327
Release of exchange reserve (Note 36(a))	轉撥匯兌儲備 (附註36(a))	(418)
Gain on disposal	出售之收益	991
		900
Satisfied by:	以下列方式支付：	
Cash	現金	900
Net cash outflow arising on disposal:	出售流出之現金淨額：	
Cash consideration	現金代價	900
Cash and bank balances	現金及銀行結餘	(1,169)
Net outflow of cash and cash equivalents	現金及現金等值項目之流出淨額	(269)

For the period from 1 April 2010 to the date of disposal, KIL Group was engaged in the provision of exhibition-related customer services in the PRC. Turnover of HK\$Nil and loss of approximately HK\$1,601,000 contributed by KIL Group was recognised in the Group's loss for the year ended 31 March 2011.

自二零一零年四月一日起至出售日期止期間，KIL集團在中國提供與展覽會有關之客戶服務。於截至二零一一年三月三十一日止年度，KIL集團貢獻之營業額零港元及帶來之虧損約1,601,000港元於本集團之虧損中確認。

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財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

40. ACQUISITION OF SUBSIDIARIES

- (a) On 8 August 2011, the Company entered into a sale and purchase agreement that the Company agreed to acquire the entire issued share capital of Wealthy Wing, which in turn, owns 55% of Derong at a consideration of HK\$105,300,000. The acquisition was completed on 30 November 2011.

The carrying amount and fair value of net assets acquired:

40. 收購附屬公司

- (a) 於二零一一年八月八日，本公司訂立買賣協議，本公司同意以代價105,300,000港元收購富永（其擁有德融55%權益）全部之已發行股本。是項收購已於二零一一年十一月三十日完成。

所收購淨資產之賬面值及公平值：

		HK\$' 000 千港元
Property, plant and equipment	物業、廠房及設備	40
Inventories	存貨	5,890
Trade receivables	貿易應收款項	1,927
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	29,470
Cash and cash equivalents	現金及現金等值項目	15,270
Trade payables	貿易應付款項	(13,876)
Accrued liabilities and other payables	累計負債及其他應付款項	(25,653)
Bank borrowings	銀行借貸	(9,776)
		3,292
Non-controlling interests	非控股權益	(3,352)
Net identifiable assets and liabilities acquired	所收購可識別淨資產及負債	(60)
Goodwill (Note 19)	商譽(附註19)	69,989
		69,929
Satisfied by:	以下列方式支付：	
Cash consideration	現金代價	20,000
Consideration Shares (Note 35)	代價股份(附註35)	64,800
		84,800
Less: derivative financial assets (Note 21)	減：衍生金融資產(附註21)	(19,597)
Add: derivative financial liabilities (Note 30)	加：衍生金融負債(附註30)	4,726
		69,929
Net cash outflow arising on acquisition:	收購所產生現金流出淨額：	
Cash consideration	現金代價	(20,000)
Cash and bank balances acquired	所收購現金及銀行結餘	15,270
Net outflow of cash and cash equivalents	現金及現金等值項目之流出淨額	(4,730)

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財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

40. ACQUISITION OF SUBSIDIARIES (continued)

(a) (continued)

Pursuant to the terms of the sale and purchase agreement, a maximum of 270,000,000 Consideration Shares will be delivered to Mr. Zheng Xue Feng (the "Vendor") if the audited distributable profit after tax of Derong for the period from date of completion (i.e. 30 November 2011) up to 31 December 2011 (the "First Year"), for the year commencing from 1 January 2012 and ending on 31 December 2012 (the "Second Year") and for the year commencing from 1 January 2013 and ending on 31 December 2013 (the "Third Year") will be not less than RMB15,000,000 (the "First Year Consideration Adjustment"), RMB50,000,000 (the "Second Year Consideration Adjustment") and RMB70,000,000 (the "Third Year Consideration Adjustment") respectively.

If Derong is able to achieve the respective targets of audited distributable profits in association with the First Year Consideration Adjustment, the Second Year Consideration Adjustment and/or the Third Year Consideration Adjustment, the Company shall, through the attorney, deliver a total of 270,000,000 Consideration Shares to the Vendor in the following manner: (i) 30,000,000 Consideration Shares for the First Year; (ii) 100,000,000 Consideration Shares for the Second Year; and (iii) 140,000,000 Consideration Shares for the Third Year.

The Consideration Shares will be registered under the name of the Vendor on the date of completion; whereas all original shares certificates shall be handed to the attorney of the Company in escrow, which shall only be delivered to the Vendor by the attorney of the Company under mutual instructions of the Company and the Vendor if and only if it is confirmed that Derong can achieve the respective targets of audited distributable profits in association with the First Year Consideration Adjustment, the Second Year Consideration Adjustment and the Third Year Consideration Adjustment. The Vendor guarantees to the Company and confirms that before the delivery of the shares certificates of relevant Consideration Shares by the attorney of the Company to the Vendor, the Vendor shall not claim himself as the beneficial owner of the Consideration Shares, and may not exercise any rights of the Consideration Shares (including but not limited to voting rights, receipt of dividend and rights of rights issue) and may not make or allow to make encumbrance of any kind in relation to the Consideration Shares, otherwise the Vendor agrees and undertake to indemnify the Company for all losses, damages and all costs incurred by the Company.

If Derong fails to meet the respective targets of audited distributable profits in association with the First Year Consideration Adjustment, the Second Year Consideration Adjustment and/or the Third Year Consideration Adjustment, the Vendor shall only be delivered in the same proportion of the Consideration Shares as the achievement proportion for the respective year.

40. 收購附屬公司 (續)

(a) (續)

根據買賣協議之條款，倘若德融於完成日期（即二零一一年十一月三十日）至二零一一年十二月三十一日期間（「首年」）、於二零一二年一月一日起至二零一二年十二月三十一日止年度（「次年」）及於二零一三年一月一日至二零一三年十二月三十一日止年度（「第三年」）之經審核可分配除稅後溢利將分別不少於人民幣15,000,000元（「首年對價調整」）、人民幣50,000,000元（「第二年對價調整」）及人民幣70,000,000元（「第三年對價調整」），則最多270,000,000股代價股份將交付予鄭雪峰先生（「賣方」）。

倘德融能夠達到首年對價調整、次年對價調整及／或第三年對價調整有關之經審核可分派溢利之各自目標，則本公司須透過律師以下列方式向賣方交付合共270,000,000股對價股份：(i) 首年30,000,000股對價股份；(ii) 次年100,000,000股對價股份；及(iii) 第三年140,000,000股對價股份。

對價股份在完成日期註冊至賣方之下，但所有股票證書之原件須交由本公司律師託管，於確認德融能達致首年對價調整，次年對價調整及第三年對價調整後，方可經本公司律師在買賣雙方的共同指示下發放予賣方。賣方向本公司保證和確認，於本公司律師尚未向賣方寄發相關對價股份之股票證書前，賣方不會稱其本身為對價股份之實益擁有人，不可以行使對價股份之任何權利（包括但不限於投票權、收取股息和供股權等），亦不可以對對價股份產生或允許產生無任何類型的產權負擔，否則賣方同意及承諾彌償本公司因此而招致的所有損失、損害賠償及所有費用。

倘德融的利潤未能達致首年對價調整、次年對價調整及／或第三年對價調整，賣方只可以按該年度達標的比例而獲送交該年度相同比例之對價股份。

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財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

40. ACQUISITION OF SUBSIDIARIES (continued)

(a) (continued)

For the portions falling short of the First Year Consideration Adjustment or the Second Year Consideration Adjustment, the Vendor can make up the shortfall in the Second Year or the Third Year. If such complement can be substantiated and confirmed in the audited consolidated accounts for the Second Year or the Third Year, the Vendor may be complemented such portion of Consideration Shares on one month from the date of issue of the audited consolidated accounts of Derong for the Second Year and the Third Year.

If the profit of Derong exceeds the First Year Consideration Adjustment, the Second Year Consideration Adjustment and/or the Third Year Consideration Adjustment, the Vendor (as the case may be) shall have an option either to:

- in respect of the portion exceeding the said target of audited distributable profit for the respective year, receive the cash bonus additionally granted by the Company. Calculation of the cash bonus is based on 30% of 55% (representing the shareholding proportion in Derong by the Company) of the portion exceeding the said target of audited distributable profit for the respective year; or
- in respect of the portion exceeding the said target of audited distributable profit for the respective year, deem such portion as part of the respective target of audited distributable profit for the upcoming year.

The Vendor may at his discretion to collect cash bonus according to the sale and purchase agreement, whereas the conditions precedent to grant of such cash bonus by the Company are as follows: (1) such portion exceeding the said target of audited distributable profit for the respective year has been audited according to the International Accounting Standards (including the Hong Kong Accounting Standards) and has been deemed as distributable profit; and (2) the Company has collected such distributable profit for the respective year.

After one month from the date of issue of the audited consolidated accounts of Derong for the Second year and the Third year, if the Vendor fails to obtain all Consideration Shares because of falling short of the First Year Consideration Adjustment, the Second Year Consideration Adjustment and the Third Year Consideration Adjustment, the Company has the right to sell the remaining Consideration Shares which has not delivered to the Vendor (the "Remaining Consideration Shares") at a nominal consideration of HK\$1 to any appointee of the Company. The Vendor guarantees and undertakes to the Company that, in any event, the Vendor will abandon all rights to the Remaining Consideration Shares, and will irrevocably authorize the Company to sell the Remaining Consideration Shares to any appointee of the Company. The appointee of the Company will dispose or place the Remaining Consideration Shares to independent third parties or places for and on behalf of the Company at prices taking into account the prevailing market price of the Shares and shall the Company proceed with the placing of the Remaining Consideration Shares, the Company will observe and ensure full compliance of all applicable Listing Rules.

40. 收購附屬公司 (續)

(a) (續)

有關未能達到首年對價調整或次年對價調整的部份，賣方可以在次年度或第三年度補足。倘該補足能在次年度或第三年度的經審核綜合賬目中獲證實和確認，賣方則可以在德融於次年及第三年之經審核綜合賬目刊發日期起一個月獲補發有關部份之對價股份。

倘德融的利潤超出了首年對價調整、次年對價調整及／或第三年對價調整（視情況而定），賣方可以選擇：

- 就該年度超出上述經審核可分配溢利目標之部份，獲得由本公司額外給予的現金紅利。現金紅利的計算方式為超出該年度經審核可分配溢利目標之部份的55%（即本公司在德融的持股比例）當中的30%；或
- 就該年度超出上述經審核可分配溢利目標之部份，把該部份視為下一年度的經審核可分配溢利目標的部份。

賣方可根據買賣協議酌情決定收取現金紅利，但本公司發放該現金紅利的先決條件是：(1)該年度超出上述經審核可分配溢利目標之部份已按照國際會計準則（包括香港會計準則）要求審核，並已被認為可分配之溢利；及(2)本公司已收到該年度之可分配溢利。

於德融於次年及第三年之經審核綜合賬目刊發日期起一個月後，倘若賣方因未能達到首年對價調整、次年對價調整及第三年對價調整而未能取得所有的對價股份，本公司將有權把餘下未送交予賣方的對價股份（「餘下對價股份」），以象徵式的1港元對價出售予本公司的任何指定人士。賣方向本公司保證和承諾在任何情況下，賣方將放棄對餘下對價股份的所有權利，並不可撤銷的授權本公司可把餘下對價股份出售予本公司的任何指定人士。本公司之指定人士將代表本公司按經考慮股份現行市價之價格出售或配售餘下對價股份予獨立第三方，而倘本公司進行配售餘下代價股份，則本公司將遵守及確保全面遵守所有適用上市規則。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

40. ACQUISITION OF SUBSIDIARIES (continued)

(a) (continued)

Since the First Year Distributable Profit is less than the First Year Consideration Adjustment, the Vendor and the Company agreed not to deliver any Considerations Share and the First Year Consideration Adjustment will be rolled over to the year ending 31 December 2013.

The contingent consideration in the sum of HK\$20,500,000 shall be paid by the Company to the Vendor subject to the terms and conditions of the sale and purchase agreement in relation to consideration adjustments. Pursuant to the sale and purchase agreement, the Company does not have to settle such balance if the net profits of Derong fail to meet the respective targets in association with the consideration adjustments and the Remaining Consideration Shares are sold by the Company. As at 31 March 2012, the directors of the Company considered that the fair value of the contingent consideration to be HK\$ Nil.

Acquisition-related costs amounting to approximately HK\$1,756,000 have been excluded from the consideration transferred and have been recognised as an expense in the period, within the "Other operating expenses" line item in the consolidated statement of comprehensive income.

The subsidiaries acquired during the year contributed approximately HK\$67,168,000 to the Group's turnover and profit before tax of approximately HK\$502,000 for the year.

If the acquisition had been completed on 1 April 2011, total Group's turnover for the year would have been approximately HK\$149,807,000, and loss for the year would have been approximately HK\$39,256,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of turnover and results of the Group that actually would have been achieved had the acquisition been completed on 1 April 2011, nor is it intended to be a projection of future results.

Goodwill arose in the business combination because the cost of the combination included a control premium paid to acquire Wealthy Wing. In addition, the consideration paid for the consideration effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of Wealthy Wing. These benefits are not recognised separately from goodwill as the future economic benefits arising from them cannot be reliably measured.

The non-controlling interests (45%) in Wealthy Wing recognised at the acquisition date were measured at their share of recognised identified net assets at the date of acquisition.

40. 收購附屬公司 (續)

(a) (續)

由於首年可分配溢利少於首年對價調整，故賣方及本公司同意不交付任何代價股份，而首年對價調整將滾至截至二零一三年十二月三十一日止年度。

或然代價20,500,000港元須由本公司在買賣協議有關對價調整之條款及條件之規限下支付予賣方。根據買賣協議，倘若德融之純利未能達致對價調整之目標，則本公司無需結算有關結餘，而餘下對價股份由本公司出售。於二零一二年三月三十一日，本公司董事認為或然代價之公平值為零港元。

與收購有關成本約1,756,000港元經已自轉讓代價中撇除，並於綜合全面損益賬之「其他營運開支」內確認為期內開支。

本年度內所收購附屬公司為本集團營業額貢獻約67,168,000港元及為本年度除稅前溢利貢獻約502,000港元。

倘若是項收購於二零一一年四月一日經已完成，本集團本年度之總營業額應為約149,807,000港元，而本年度除稅前虧損則為約39,256,000港元。備考資料僅作說明用途，並不一定表示倘若是項收購於二零一一年四月一日經已完成而本集團實際上應能達成之營業額及業績，亦並非意圖對未來業績作預測。

業務合併產生商譽，因合併成本包括收購富永所支付控制溢價。此外，實際所支付之代價包括富永之預計協同效應、收入增長、未來市場發展及裝配工人所帶來之優勢。該等優勢未有從商譽當中獨立確認，因從中所產生之未來經濟優勢無法可靠地計量。

於富永之45%非控股權益於收購日確認，並以彼等於收購日期應佔經確認已辨識淨資產計量。

Notes to the Financial Statements

財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

40. ACQUISITION OF SUBSIDIARIES (continued)

- (b) On 30 October 2010, a wholly-owned subsidiary of the Company entered into a sale and purchase agreement that the Company agreed to purchase 51% equity interest of Sino Giants by subscription of shares of Sino Giants at a consideration of HK\$20,000,000. The acquisition was completed on 9 February 2011.

The carrying amount and fair value of net assets acquired:

40. 收購附屬公司(續)

- (b) 於二零一零年十月三十日，本公司一間全資附屬公司訂立買賣協議，本公司同意以認購Sino Giants之股份方式購買Sino Giants之51%股權，代價20,000,000港元。是項收購已於二零一一年二月九日完成。

所收購淨資產之賬面值及公平值：

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	455
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	77
Cash and cash equivalents	現金及現金等值項目	147
Accrued liabilities and other payables	累計負債及其他應付款項	(4,013)
		(3,334)
Non-controlling interests	非控股權益	1,634
		(1,700)
Goodwill (Note 19)	商譽(附註19)	1,700
Subscription of shares	認購股份	20,000
		20,000
Satisfied by:	以下列方式支付：	
Cash	現金	20,000
Net cash inflow arising on acquisition:	收購所產生現金流入淨額：	
Cash consideration	現金代價	(20,000)
Subscription of shares	認購股份	20,000
Cash and bank balances	現金及銀行結餘	147
Net inflow of cash and cash equivalents	現金及現金等價項目之流入淨額	147

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財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

40. ACQUISITION OF SUBSIDIARIES (continued)

(b) (continued)

Acquisition-related costs amounting to approximately HK\$221,000 have been excluded from the consideration transferred and have been recognised as an expense in the period, within the "Other operating expenses" line item in the consolidated statement of comprehensive income.

The subsidiaries acquired during the year contributed HK\$Nil to the Group's turnover and loss before tax of approximately HK\$1,485,000 for the year.

If the acquisition had been completed on 1 April 2010, total Group's turnover for the year would have been approximately HK\$82,368,000, and loss for the year would have been approximately HK\$38,521,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of turnover and results of the Group that actually would have been achieved had the acquisition been completed on 1 April 2010, nor is it intended to be a projection of future results.

Goodwill arose in the business combination because the cost of the combination included a control premium paid to acquire Sino Giants. In addition, the consideration paid for the consideration effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of Sino Giants. These benefits are not recognised separately from goodwill as the future economic benefits arising from them cannot be reliably measured.

The non-controlling interests (49%) in Sino Giants recognised at the acquisition date were measured at their share of recognised identified net assets at the date of acquisition.

40. 收購附屬公司 (續)

(b) (續)

與收購有關成本約221,000港元經已自轉讓代價中撇除，並於綜合全面損益賬之「其他營運開支」內確認為期內開支。

本年度內所收購附屬公司為本集團營業額貢獻約零港元及為本年度除稅前虧損貢獻約1,485,000港元。

倘若是項收購於二零一零年四月一日經已完成，本集團本年度之總營業額應為約82,368,000港元，而本年度除稅前虧損則為約38,521,000港元。備考資料僅作說明用途，並不一定表示倘若是項收購於二零一零年四月一日經已完成而本集團實際上應能達成之營業額及業績，亦並非意圖對未來業績作預測。

業務合併產生商譽，因合併成本包括收購Sino Giants所支付控制溢價。此外，實際所支付之代價包括預計協同效果、收入增長、未來市場發展及裝配工人所帶來之優勢。該等優勢未有從商譽當中獨立確認，因從中所產生之未來經濟優勢無法可靠地計量。

於Sino Giants之49%非控股權益於收購日確認，並以彼等於收購日期應佔經確認已辨識淨資產計量。

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財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

41. LITIGATIONS AND CONTINGENT LIABILITIES

The Group and the Company

(a) Claim made by the Company against Hung (the "Action")

As disclosed in the Company's announcements dated 16 December 2009 and 8 January 2010, the Company has commenced proceedings against Mr. Hung at the High Court with regards to a breach of contract by Mr. Hung, in connection with a sale and purchase agreement dated 25 September 2007 made between the Company and Mr. Hung (the "Agreement"). The Company sought advice from its legal advisers and formed the view that Mr. Hung had failed to perform one or more of the terms of the Agreement and is of the view that Mr. Hung is in breach of numerous representations and warranties under the Agreement. The Company claims against Mr. Hung, among other things, for all payments made by the Company to Mr. Hung under the Agreement and/or damages arising from the breach of the Agreement.

On 1 February 2010, the Company filed a statement of claim at the High Court against Mr. Hung, Mega Wealth and Webright (together referred to as the "Defendants") in connection with the Agreement, for, inter alia, rescission of the Agreement. Particulars of the Statement of Claim are summarised as follows:

(1) The Company claims against Mr. Hung for:

- (i) rescission of the Agreement;
- (ii) the 76,640,000 shares of the Company ("Shares") at an issue price of HK\$0.5 per share;
- (iii) the convertible note, issued to Mr. Hung pursuant to the Agreement, in the principal amount of HK\$173,500,000 convertible into ordinary shares of the Company at a conversion price of HK\$0.5 per share (the "Convertible Note");
- (iv) further or alternatively, all payments made by the Company to Mr. Hung and/or damages arising from the breach of the Agreement;
- (v) a declaration that Mr. Hung holds the 70,000,000 Shares and the Convertible Note and their traceable equivalent on trust for the Company and that all necessary tracing orders accounts and inquiries be taken as to what had happened to the said Shares and Convertible Note and to ascertain the traceable equivalent thereof;
- (vi) an order for payment after having the above accounts and inquiries;

41. 訴訟及或然負債

本集團及本公司

(a) 本公司向洪先生作出之申索(「該訴訟」)

誠如本公司日期分別為二零零九年十二月十六日及二零一零年一月八日之公佈所披露，本公司在高等法院對洪先生展開法律程序，內容有關洪先生違反合約，而有關合約則為本公司與洪先生於二零零七年九月二十五日訂立之買賣協議(「該協議」)。本公司徵求其法律顧問之意見，認為洪先生未能履行該協議之一項或更多條款，並認為洪先生違反根據該協議作出之多處陳述及保證。本公司向洪先生索償(其中包括)本公司根據該協議已向洪先生支付之一切款項及／或因該協議被違反而產生之損害。

於二零一零年二月一日，本公司將一份針對洪先生、Mega Wealth及Webright(統稱「該等被告」)的申索陳述書送交高等法院備案，內容有關(其中包括)撤銷該協議。有關申索陳述書詳情概述如下：

(1) 本公司對洪先生申索以下各項：

- (i) 撤銷該協議；
- (ii) 按每股0.5港元之發行價發行之76,640,000股本公司股份(「股份」)；
- (iii) 根據該協議向洪先生發行本金額為173,500,000港元之可換股票據(「可換股票據」)，其可按每股0.5港元之轉換價轉換為本公司普通股；
- (iv) (進一步或作為替代)本公司向洪先生支付之所有款項及／或因違反該協議而產生之損害賠償；
- (v) 宣稱洪先生乃以信託形式代本公司持有70,000,000股本公司股份及可換股票據以及其可追蹤等值，並須就上述股份及可換股票據之下落採取一切所需追蹤命令、解釋及調查，並確定其可追蹤等值；
- (vi) 於作出上述解釋及調查後頒令付款；

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財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

41. LITIGATIONS AND CONTINGENT LIABILITIES (continued)

The Group and the Company (continued)

(a) Claim made by the Company against Hung (the "Action") (continued)

- (vii) payment of the legal costs incurred by the Company arising from the investigation and report arising from the matters in connection with the Agreement; and
 - (viii) payment of the costs incurred by the Company for the preparation and execution of the Agreement and supplemental agreements.
- (2) The Company also claims against Mega Wealth, inter alia, for the 100,000,000 Shares issued to Mr. Hung upon exercise of conversion rights of the Convertible Note and which were passed to Mega Wealth at an issue price of HK\$0.5 per Share.
- (3) The Company also claims against Webright, inter alia, for the 98,000,000 Shares issued to Mr. Hung upon exercise of conversion rights of the Convertible Note and which were passed to Webright at an issue price of HK\$0.5 per Share.

On 14 November 2011, the Company filed an amended Statement of Claim to the Court, the Defendants filed amended defence on 16 January 2012. Subsequently, the Company filed amended reply to Defendants' defence on 13 April 2012. The pleading stage of the proceedings is now closed. Now, the Company is preparing the lists of documents to be exchanged with Defendants, after which the parties would have to exchange witness statements.

Up to the date of approval of these consolidated financial statements, no judgment has been made by the High Court. The Board of the Company, based on legal advices, the Company has a good arguable case against the Defendants to have the Agreement rescinded. The Board of the Company will follow closely on the development of the above matters and inform the shareholders of the Company on a timely basis.

41. 訴訟及或然負債 (續)

本集團及本公司

(a) 本公司向洪先生作出之申索 (「該訴訟」) (續)

- (vii) 支付本公司因該協議相關事宜而進行的調查及報告而招致之法律費用；及
 - (viii) 支付本公司準備及執行該協議及補充協議而招致的費用。
- (2) 本公司亦對Mega Wealth申索 (其中包括) 可換股票據轉換權獲行使而按每股0.5港元之發行價向洪先生發行, 而其後轉移予Mega Wealth之100,000,000股股份。
- (3) 本公司亦對Webright申索 (其中包括) 可換股票據之轉換權獲行使而按每股0.5港元之發行價向洪先生發行, 而其後轉移予Webright之98,000,000股股份。

於二零一一年十一月十四日, 本公司向法院提交經修訂之申索陳述書, 被告於二零一二年一月十六日提交經修訂抗辯。隨後, 本公司於二零一二年四月十三日提交被告抗辯之經修訂答覆。訴訟之訴辯書狀階段現已結束。現在, 本公司正準備與被告交換文件清單, 在此之後, 雙方將須交換證人陳述書。

截至批准該等綜合財務報表日期止, 高等法院並未作出判決。根據法律意見, 本公司董事會認為本公司對該等被告之勝數甚高, 以使該協議廢除。本公司董事會將密切注意上述事宜之最新發展, 並及時知會本公司股東。

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財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

41. LITIGATIONS AND CONTINGENT LIABILITIES (continued)

The Group and the Company (continued)

(b) Injunction Order

On 22 January 2010, the High Court granted an ex parte Injunction Order against the Defendants. The Injunction Order provides, among other things, that: unless with the approval of the High Court, Mr. Hung must not, either by himself, his servants or agents or otherwise howsoever in any way dispose of or deal with or diminish the value of any of the following assets:

- (i) the 76,640,000 Shares issued to Mr. Hung at an issue price of HK\$0.5 per Share;
- (ii) the Convertible Note issued by the Company to Mr. Hung;
- (iii) the 100,000,000 Shares issued to Mr. Hung upon exercise of conversion rights of the Convertible Note and which were passed to Mega Wealth at an issue price of HK\$0.5 per Share;
- (iv) the 98,000,000 of the Shares issued to Mr. Hung upon exercise of conversion rights of the Convertible Note and which were passed to Webright at an issue price of HK\$0.5 per Share;

All being part of the considerations given to Mr. Hung by the Company in respect of the Agreement.

On 29 January 2010, at the return date hearing in relation to the Injunction Order, it was ordered, inter alia, that the Injunction Order will continue subject to a fortification in the amount of HK\$10,000,000 being paid by the Company to the Registrar of the High Court on or before 12 February 2010, failing which the Injunction Order shall be discharged. The Company paid HK\$10,000,000 into the High Court on 10 February 2010 in compliance with the Injunction Order. Following a hearing held at the High Court on 18 March 2010, the High Court delivered its decision on 30 March 2010 to discharge and at the same time re-grant the Injunction Order obtained by the Company on 22 January 2010 against the Defendants. Furthermore, the Court made a cost order nisi that the Company should pay the Defendants' costs related to the discharge of the Injunction Order, which the Court has assessed to be four-fifths of the costs of the hearing. On 13 April 2010, the Defendants took out two summonses respectively for (i) an application for an order to vary the costs order nisi made in the said decision delivered on 30 March 2010, and (ii) an application for an order to have leave to appeal the said decision delivered on 30 March 2010, that the decision to re-grant the Injunction Order was wrong. On 14 May 2010, the Company and Mr. Hung, through their lawyers, entered into a consent summons whereby the hearing of the two summonses returnable on 26 May 2010 was adjourned without a further date of hearing, with liberty to restore.

41. 訴訟及或然負債 (續)

本集團及本公司 (續)

(b) 禁制令

於二零一零年一月二十二日，高等法院對該等被告頒佈禁制令。禁制令規定(其中包括)：除非獲得高等法院批准，否則洪先生不得親自、透過其受僱人或代理或另行以任何方式處置或處理以下任何資產或使其價值減少：

- (i) 按每股0.5港元之發行價向洪先生發行之76,640,000股股份；
- (ii) 本公司向洪先生發行可換股票據；
- (iii) 行使可換股票據之換股權後而按每股0.5港元之發行價向洪先生發行，而其後轉移予Mega Wealth之100,000,000股股份；及
- (iv) 行使可換股票據之換股權後而按每股0.5港元之發行價向洪先生發行，而其後轉移予Webright之98,000,000股股份；

全部均為本公司就該協議向洪先生支付之代價的一部分。

於二零一零年一月二十九日，在與禁制令有關的提訊日期聆訊上，高等法院頒令(其中包括)禁制令繼續生效，惟本公司須於二零一零年二月十二日或以前向高等法院司法常務官存入10,000,000港元之款項，否則禁制令將予以解除。本公司已於二零一零年二月十日向高等法院繳付10,000,000港元之款項，以符合禁制令。於二零一零年三月十八日在高等法院進行聆訊後，高等法院已於二零一零年三月三十日頒佈命令，判決撤銷及同時重新頒佈本公司先前於二零一零年一月二十二日獲頒之單方面禁制令(受禁制之人士為該等被告)。此外，法院已作出臨時頒令，本公司據此須支付該等被告有關撤銷禁制令之法律費用(據法院評估，佔有關聆訊之法律費用之五份四)。於二零一零年四月十三日，該等被告就下列事件分別提出兩項傳訊令狀：(i)申請令狀更改有關於二零一零年三月三十日所頒佈令狀之法律費用；及(ii)申請令狀對二零一零年三月三十日重新頒佈之禁制令取得上訴許可，原因為有關重新頒佈之禁制令並不正確。於二零一零年五月十四日，本公司與洪先生透過彼等各自之代表律師訂立同意傳票。據此，兩份同意傳票原訂於二零一零年五月二十六日聆訊之聆訊日期已經無限期押後，惟各方可自由恢復上述申請。

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財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

41. LITIGATIONS AND CONTINGENT LIABILITIES (continued)

The Group and the Company (continued)

(b) Injunction Order (continued)

On 3 September 2010, Mr. Hung through his solicitors applied by way of a Summons to vary the Injunction Order granted by the Honourable Mr. Justice Chung dated 30 March 2010 (the "Application") and the hearing was scheduled to be heard on 20 September 2010. The Court dismissed Mr. Hung's Application by way of summons, for an order to vary the Injunction Order made against the Defendants. The Court ordered costs of the summons be paid by the Defendants to the Company in any event.

On 22 September 2010, the Court of Appeal granted the Defendants leave to appeal to the Court of Appeal and heard the Defendants' appeal on 27 September 2010. The judgment was handed down on 6 October 2010. The Court of Appeal dismissed the appeal of the Defendants and the Injunction Order against the Defendants remained unchanged. The Court of Appeal also ordered the costs of the Appeal to be paid by the Defendants to the Company, to be taxed if noted agreed, save that the costs of preparing the Company's own "core bundles" be deducted.

Mr. Hung put the Company on notice on 6 October 2011 that he would take out an application by way of an inter parte summons, for variation of the ex parte Order granted by the Honourable Mr. Justice Yam on 22 January 2010, which was discharged and re-granted by the Honourable Mr. Justice Chung on 30 March 2010 (the "Order") Pursuant to the summons, Mr. Hung together with Mega Wealth and Webright are seeking for an order that:-

(1) the Order be varied by:

(i) that the Mr. Hung be permitted to exercise the right to convert a portion of the Convertible Note in the principal amount of HK\$123,204,095 into 246,408,190 ordinary shares of the Company at a conversion price of HK\$0.5 per share and that the Mr. Hung be registered forthwith as the shareholder of such converted and allotted 246,408,190 shares;

(ii) amending Paragraph 1(a) in the following manner:

"The 323,048,190 of the Company's shares issued to the Mr. Hung at issue price of HK\$0.5 per share;"

(iii) amending Paragraph 1(b) in the following manner:

"The non-interest bearing convertible redeemable note issued by the Company to the Mr. Hung ("Convertible Note") in the principal amount of HK\$50,295,905 convertible into ordinary shares of the Company at a conversion price of HK\$0.5 per share;"

41. 訴訟及或然負債 (續)

本集團及本公司 (續)

(b) 禁制令 (續)

於二零一零年九月三日，洪先生透過其律師以傳票方式申請修改由鍾法官於二零一零年三月三十日頒佈之禁制令（「申請」），並已定於二零一零年九月二十日進行法院聆訊。法院駁回洪先生透過傳票方式修改針對該等被告之禁制令之申請。法院頒令不論結果如何，傳票的訟費由該等被告向本公司支付。

上訴法庭於二零一零年九月二十二日批准該等被告可向上訴法庭提出上訴並於二零一零年九月二十七日對該等被告之上訴展開聆訊。判決已於二零一零年十月六日宣佈。上訴法庭駁回該等被告之上訴申請，而對該等被告頒佈之禁制令則維持不變。上訴法庭亦頒令由該等被告向本公司支付有關之上訴訟費，而倘未能就此達致一致意見將再作評定，惟本公司為準備本身之「主要文件夾」而引致之費用則不計在內。

洪先生於二零一一年十月六日向本公司發出通知，指彼會透過各方傳票之方式提出申請，以更改任懿君法官於二零一零年一月二十二日頒令之單方面命令，並已於二零一零年三月三十日由鍾安德法官撤銷及重新頒令（「該命令」）。根據該傳票，洪先生連同 Mega Wealth及Webright尋求一項命令。即：

(1) 該命令按以下方式修改：

(i) 洪先生獲准行使權利，以將本金額123,204,095港元之部份可換股票據按每股0.5港元之換股價兌換為246,408,190股公司之普通股，而且洪先生隨即被登記為該等經兌換及配發之246,408,190股股份之股東；

(ii) 按以下方式修訂第1(a)段：

「按每股0.5港元之發行價向洪先生發行之323,048,190股公司之股份；」

(iii) 按以下方式修訂第1(b)段：

「本公司向洪先生所發行本金額50,295,905港元之不計息可換股可贖回票據（「可換股票據」）可按每股0.5港元之換股價兌換為公司之普通股；」

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For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

41. LITIGATIONS AND CONTINGENT LIABILITIES (continued)

The Group and the Company (continued)

(b) Injunction Order (continued)

(iv) adding Paragraph 6:

“save and except what is permitted under Paragraph 7;”

(v) adding to Paragraph 7:

“save and except exercising voting rights of the Shares, either by himself or by the Mr. Hung via proxy or any other agent, at the extraordinary general meeting of the Company which was fixed to be held at Room 2502, 25/F, 9 Queen’s Road Central, Central, Hong Kong on Friday, 14 October 2011 at 2.30 p.m. pursuant to the Company’s circular dated 28 September 2011 or at such other adjourned dates and places for that extraordinary general meeting;”

(vi) alternatively, any Order that the Honourable Court deems fit.

(2) the time for service of this summons be abridged; and

(3) costs of and occasioned by this application be to provide for.

The Court on 13 October 2011 made the following Order that:

1. the Summons be dismissed; and
2. the costs of the Summons be paid to the Company by Mr. Hung, Mega Wealth and Webright with two certificates to counsels.

The court case is still ongoing and the Company will make further announcements as and when appropriate.

41. 訴訟及或然負債 (續)

本集團及本公司 (續)

(b) 禁制令 (續)

(iv) 加入第6段：

「除第7段所容許的之外；」

(v) 加入第7段：

「除由其本人或由洪先生透過受委代表或任何其他代理人根據日期為二零一一年九月二十八日之本公司的通函訂於二零一一年十月十四日(星期五)下午二時三十分假座香港中環皇后大道中9號25樓2502室(或該股東特別大會之該等其他續會日期及地點)舉行之股東特別大會上行使股份之投票權外；」

(vi) 交替地，法院視為適當之任何命令。

(2) 縮短送達此傳票之時間；及

(3) 此項申請之訟費及由此而引起之訟費將再作決定。

法院已於二零一一年十月十三日作出下列頒令：

1. 有關該傳票已被駁回；及
2. 由洪先生、Mega Wealth及Webright向本公司支付該傳票之訟費及兩份大律師證書。

訴訟仍在進行當中，而本公司將於適當時候再作公佈。

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財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

41. LITIGATIONS AND CONTINGENT LIABILITIES (continued)

The Group and the Company (continued)

(c) Winding-up Petition

Mr. Hung served the statutory demands on the Company in respect of a total outstanding Alleged Indebtedness of HK\$41,722,630 (the "Statutory Demands"). A winding-up petition (the "Winding-up Petition") was presented to the High Court and served on the Company by Mr. Hung on 28 January 2010 in connection with the Alleged Indebtedness. The Company intends to oppose the Winding-up Petition and has appointed legal advisers to handle the matter. The first hearing of the Winding-up Petition was held on 7 April 2010. At the second hearing held in the High Court on 12 April 2010, upon hearing submissions by the parties, the Companies Judge made an order that, among other things, the Winding-up Petition be adjourned to the second Monday after the date of handing down of judgment in connection with the Statement of Claim by which the Company has made a claim against Mr. Hung. On 24 August 2010, the Court made an order by consent of both parties to grant leave to the Petitioner to amend the Winding-up Petition and costs of and occasioned by the amendment of the Winding-up Petition be paid by the Petitioner to the Company in any event. The Petitioner amended the Winding-up Petition, including, among others, a reduction of the Alleged Indebtedness to HK\$9,600,000. The Board of the Company considers that the issue of the Statutory Demands is, of itself, unlikely to have a negative impact on the Group's financial condition. In addition, the Company may seek to set-off against the Alleged Indebtedness claims which the Company is asserting against Mr. Hung under the Statement of Claim. The Board of the Company is of the view that it has a bona fide claim on substantial grounds and should succeed in the Proceedings by which the Company has made a claim against Mr. Hung, which shall extinguish Mr. Hung's claim in the Winding-up Petition.

41. 訴訟及或然負債 (續)

本集團及本公司 (續)

(c) 清盤呈請

洪先生向本公司發出法定要求償債書，內容有關合共41,722,630港元之未償還指稱債項（「法定要求償債書」）。洪先生於二零一零年一月二十八日就指稱債項向法院提出針對本公司之清盤呈請（「清盤呈請」）。本公司擬反對清盤呈請並已委任法律顧問處理相關事宜。清盤呈請之第一次聆訊於二零一零年四月七日進行。於二零一零年四月十二日在高等法院進行之第二次聆訊中，於各方作出聆訊陳詞後，專責處理公司案件之法官頒令（其中包括）清盤呈請將押後至本公司針對洪先生提出申索之法律程序頒下判決當日之後的第二個星期一進行。於二零一零年八月二十四日，法院經雙方同意下頒令，給予呈請人時間修訂清盤呈請，而在任何情況下，清盤呈請之訟費及其所引起之訟費均由呈請人向本公司支付。呈請人已修訂清盤呈請，包括但不限於將指稱債項減少9,600,000港元。本公司董事會認為，法定要求償債書本身不大可能對本集團之財務狀況產生不利影響。此外，本公司可能尋求以本公司正在對洪先生提出的申索為基礎，將指稱債項申索予以抵銷。本公司董事會認為，本公司具有真正充份的爭議理據，並將成功對洪先生索償，而此將可能除去洪先生於清盤呈請之申索。

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財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

41. LITIGATIONS AND CONTINGENT LIABILITIES (continued)

The Group and the Company (continued)

(d) Appointment of Provisional Liquidators

On 28 January 2010, by a letter to the High Court, Mr. Hung's solicitors applied for an early date for a first hearing of the application for appointment of provisional liquidators to the Company by Mr. Hung (the "Application"). A hearing in respect of the Application took place on 2 February 2010, at which a date was set down for a further hearing on 5 May 2010. The Company and Mr. Hung, through their lawyers, entered into a consent summons whereby the hearing scheduled on 5 May 2010 for the Application was adjourned without a further date of hearing, with liberty to restore. The Court made an order by consent on 26 April 2010 in this regard. Notwithstanding this, the Company received a letter from Mr. Hung's lawyers dated 15 June 2010 in which, among other things, Mr. Hung requested to set down a date for the hearing of the Application. The Application was scheduled to be heard on 9 November 2010. However, upon the joint application of Mr. Hung (the "Petitioner") and the Company by way of consent summons dated 4 November 2010 and upon the Company undertaking to the Court that:

- (i) On 9 November 2010, deposit the sum of HK\$10,658,922 into a designated interest-bearing bank account opened in the name of Company ("Designated Account") as security for the petitioning debt claimed by the Petitioner in these proceedings and will not use the monies as deposited in the Designated Account until after determination of HCA2477 of 2009 or upon such other condition as may be agreed between the Petitioner and the Company in writing;
- (ii) It shall within 3 working days of the written request of the Petitioner provide the bank statements relating to the Designated Account; and
- (iii) It shall secure and preserve all the shares and assets (if any) of Wealth Gain and will not dispose of such shares and assets or any part thereof unless with the Petitioner's written consent or until the determination of HCA2477 of 2009;

The High Court ordered, amongst other things, that, without prejudice to the respective contentions advanced by Mr. Hung and the Company, leave be granted to Mr. Hung to withdraw the PL Application. Mr. Hung withdrew the PL Application on 5 November 2010. HK\$10,658,922 was deposited into the HCCW Designated Account on 9 November 2010. This payment was financed by the Company's internal funding.

The parties are now in the process of negotiation for the Petitioner to agree to have the Amended Petition be dismissed on the condition that the Company to arrange for a guarantee issued by a bank in Hong Kong in favour of Mr. Hung in the amount equivalent to the above deposit of HK\$10,658,922 and the issue regarding the petitioning debt be dealt with in the action HCA2477/2009. The Company consider the above proposal to be very reasonable and should the parties failed to reach an agreement for the dismissal of the Amended Petition, the Company shall proceed to apply for the dismissal of the Amended Petition.

The Board of the Company, based on legal advice, is of the view that the Company has a very good defence against the Winding-up Petition and the PL Application.

41. 訴訟及或然負債 (續)

本集團及本公司 (續)

(d) 委任臨時清盤人

於二零一零年一月二十八日，根據一封致高等法院之函件，洪先生之律師申請於較早日就申請進行首次聆訊。有關申請之聆訊於二零一零年二月二日進行，其間定下於二零一零年五月五日進行進一步聆訊。本公司與洪先生已透過彼等各自之代表律師訂立同意傳票。據此，原訂於二零一零年五月五日就有關申請而展開之聆訊將無限期押後，惟各方可自由恢復上述申請。法院已於二零一零年四月二十六日就此頒授同意令。儘管如此，本公司接獲洪先生之代表律師發出之函件（日期為二零一零年六月十五日），內容有關（其中包括）洪先生要求就有關申請訂下聆訊日期。已定於二零一零年十一月九日就有關申請進行聆訊。然而經洪先生（「呈請人」）與本公司透過日期為二零一零年十一月四日之同意傳票作出之聯合申請及本公司向法院承諾：

- (i) 其於二零一零年十一月九日，將一筆為數10,658,922港元之存款存入本公司名義開立之指定計息銀行賬戶（「指定賬戶」）內，作為呈請人於該等訴訟中所申索呈請債項之保證金，並將不會動用存放於指定賬戶之款項，直至HCA2477/2009之裁決後或呈請人與本公司可能書面同意之其他條件為止；
- (ii) 其將於呈請人提出書面要求後三個工作日內提供有關指定賬戶之銀行結單；及
- (iii) 其將保證及保存富盈全部股份及資產（如有），並將不會出售有關股份及資產或當中任何部份，除非得到呈請人書面同意或直至HCA2477/2009之裁決後為止；

高等法院頒發命令（其中包括），在無損洪先生及本公司各自提出之辯稱之情況下，許可洪先生撤回臨時清盤人申請。洪先生於二零一零年十一月五日撤回臨時清盤人申請。HCCW指定賬戶已於二零一零年十一月九日存入10,658,922港元。是次付款由本公司內部資源撥付。

與訟各方正在進行磋商，因呈請人同意撤銷經修訂呈請，惟條件為本公司安排由一間香港銀行以洪先生為受益人發出金額相等於以上10,658,922港元存款之擔保，而有關呈請債務處理之問題見訴訟HCA2477/2009。本公司認為上述建議非常合理，倘與訟各方未能就撤銷經修訂呈請達成一項協議，則本公司將著手申請撤銷經修訂呈請。

根據法律意見，本公司董事會認為本公司對清盤呈請及臨時清盤人申請均具有有力抗辯。

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For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

41. LITIGATIONS AND CONTINGENT LIABILITIES (continued)

The Group and the Company (continued)

(e) Labour Action

On 5 January 2011, Mr. Hung filed a statement of claim against the Company claiming a total sum of HK\$3,407,962.74 plus interest, being, inter alia, (i) arrears of wages (the "Wages Claim") in the amount of HK\$1,668,000 and (ii) reimbursement of expenses (the "Reimbursement Claim") in the amount of HK\$1,739,962.74, allegedly incurred by Mr. Hung whilst he was in the employment of the Company.

The Wages' Claim was in relation to the same subject matter as was previously resolved and settled between the parties by Mr. Hung accepting a total sum of HK\$890,000 from the Company, pursuant to the Order of the Labour Tribunal dated 25 May 2010.

The Company has been advised that re-litigating the Wages' Claim in the High Court, the subject matter of which has already been resolved and settled, constitutes an abuse of process of the Court and is therefore liable to be struck out under the relevant Rules of Court. The Company will defend both the Wages' Claim and the Reimbursement Claim as advised. The Company filed a defence and counterclaim whereby the Company only agreed to pay a sum of HK\$74,221.20 out of Mr. Hung's claim, and counterclaimed against Mr. Hung for repayment of a sum of HK\$67,569 being, inter alia, unauthorised payments incurred by Mr. Hung on the Company's behalf and the value of the Company assets held by Mr. Hung. Mr. Hung has subsequently filed a reply and defence to counterclaim. This case is now in the discovery stage on 28 June 2011, the Company and Mr. Hung filed a joint application for on order by consent that: (i) this action be stayed sine die with liberty to restore by either party; (ii) and costs reserved. No hearing date has been scheduled for this case on 28 June 2011, the Company and Mr. Hung filed a joint application for an order by consent that:

(i) This action be stayed sine die with liberty to restore by either party; and

(ii) cost reserved.

Save and except for part of the Reimbursement Claim in the amount of HK\$74,221.20 as accepted by the Company, the Board of the Company, based on legal advice, considers that the Company has a good arguable defence to Mr. Hung's claim, and consider that this claim will not have any material impact on the Company.

41. 訴訟及或然負債 (續)

本集團及本公司 (續)

(e) 勞資行動

於二零一一年一月五日，洪先生就對本公司發出申索陳述書索賠合共3,407,962.74港元（連利息）進行備案，當中包括洪先生指稱於受僱於本公司期間所引致之(i)拖欠工資（「工資申索」）1,668,000港元及(ii)報銷費用（「報銷申索」）1,739,962.74港元。

根據勞資審裁處於二零一零年五月二十五日發出之令狀，工資申索與各方之前解決及結清之相同標的事項有關，而洪先生已接納本公司合共890,000港元款項。

本公司獲悉將工資申索（其標的事項已經解決及結清）重新向高等法院提出訴訟構成濫用法庭程序，故可根據有關法院規則予以剔除。本公司將按照建議就工資申索及報銷申索進行抗辯。本公司出抗辯及反申索，當一本公司僅同意支付洪先生申索中之74,221.20港元，並向洪先生反申索償付67,569港元，當中包括洪先生代表本公司所引致之未獲授權付款以及洪先生所持本公司資產之價值。洪先生其後提交答覆書及就反申索提出抗辯。是項案件仍在探索階段。於二零一一年六月二十八日，本公司與洪先生共同申請在同意下作出的命令，以使：(i) 本訴訟無限期擱置，而各方可恢復訴訟；及(ii) 訟費保留。目前未有聆訊日期。於二零一一年六月二十八日，本公司與洪先生共同申請在同意下作出命令，以使：

(i) 本訴訟無限期擱置，而各方可恢復訴訟；及

(ii) 訟費保留。

除部份報銷申索74,221.20港元獲本公司接納外，根據法律意見，本公司董事認為本公司對洪先生申索具有力抗辯，並認為是項申索將不會對本公司構成任何重大影響。

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財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

41. LITIGATIONS AND CONTINGENT LIABILITIES (continued)

The Group and the Company (continued)

(f) Claim made by Hung against the Company

On 25 February 2011, Mr. Hung, Mega Wealth and Webright Limited (together as the "Plaintiffs") issued a Writ of Summons and an Indorsement of Claim against the Company as the 1st Defendant, Ms. Geng Ying as 2nd Defendant, Mr. Gao Feng as 3rd Defendant and Mr. Chiu Sui Keung as 4th Defendant, in the High Court (the "Claim"). The Plaintiffs issued and served on the Company a Writ with only an Indorsement of Claim without a full Statement of Claim. On 15 April 2011, the Plaintiffs filed and served on the Company a Statement of Claim.

Particulars of the Claim are summarised as follows:–

The Plaintiffs' claim against the Company for:–

1. the sum of HK\$214,600,000 being the unpaid sale shares consideration for the acquisition of Wealth Gain;
2. damages for the breach of agreements;
3. damages for placement of shares to the prejudice of Hung estimated to be HK\$124,600,000 or alternatively;
4. redemption in full value of the remaining Convertible Note issued by the Company to Mr. Hung in the sum of HK\$173,500,000;
5. damages in reputation;
6. declaration that the grant of share options of 39,000,000 shares and awards to the Ms. Geng Ying, Mr. Gao Feng and Mr. Chiu Sui Keung and the other share options of 21,000,000 shares awarded to other staff to be null and void;
7. rescission of the abovesaid grant;
8. costs;
9. interests; and
10. further and other relief as the Court may deem fit.

The Plaintiffs claim against Ms. Geng Ying for:

1. damages;
2. order that Ms. Geng Ying be removed from her directorship;
3. damages in reputation;

41. 訴訟及或然負債 (續)

本集團及本公司 (續)

(f) 洪先生向本公司作出之申索

於二零一一年二月二十五日，洪先生、Mega Wealth及Webright Limited (合稱「該等原告」) 於香港高等法院向本公司 (第一被告)、耿瑩女士 (第二被告)、高峰先生 (第三被告) 及趙瑞強先生 (第四被告) 發出傳訊令狀及申索註明 (「該申索」)。該等原告發出並向本公司送達僅附有申索註明之令狀，並無完整申索陳述書。於二零一一年四月十五日，該等原告發出共向本公司送達申索陳述書。

該申索詳情概述如下:–

該等原告向本公司申索:–

1. 金額214,600,000港元，乃收購富盈之未付銷售股份代價；
2. 違反協議之損害賠償；
3. 對洪先生有損之配售股份之損害賠償，估計為124,600,000港元或其他；
4. 以173,500,000港元金額贖回本公司向洪先生發出之尚未行使可換股票據之全部價值；
5. 誠信損害賠償；
6. 宣告所授出並給予耿瑩女士、高峰先生及趙瑞強先生39,000,000股購股權及給予其他員工之另外21,000,000股購股權乃屬失效及無效；
7. 撤銷上述授出的購股權；
8. 訟費；
9. 利息；及
10. 法院認為適當之其他補償。

該等原告向耿瑩女士申索:

1. 損害賠償；
2. 頒令耿瑩女士撤銷其董事職務；
3. 誠信損害賠償；

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財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

41. LITIGATIONS AND CONTINGENT LIABILITIES (continued)

The Group and the Company (continued)

(f) Claim made by Hung against the Company (continued)

4. declaration that the grant of the share options 13,000,000 shares and awards to Ms. Geng Ying be null and void;
5. rescission of the abovesaid grant;
6. costs;
7. further and other relief as the Court may deem fit.

The Plaintiffs claim against Mr. Gao Feng for:

1. damages;
2. damages in reputation;
3. Order that Mr. Gao Feng be removed from his directorship;
4. declaration that the grant of the share options 13,000,000 shares and awards to Mr. Gao Feng be null and void;
5. rescission of the abovesaid grant;
6. costs;
7. further and other relief as the Court may deem fit.

The Plaintiffs claim against Mr. Chiu Sui Keung for:

1. damages;
2. damages in reputation;
3. Order that Mr. Chiu Sui Keung be removed from his directorship;
4. declaration that the grant of the share options 13,000,000 shares and awards to Mr. Chiu Sui Keung be null and void;
5. rescission of the abovesaid grant;
6. costs;
7. further and other relief as the Court may deem fit.

41. 訴訟及或然負債 (續)

本集團及本公司 (續)

(f) 洪先生向本公司作出之申索 (續)

4. 宣告授予耿瑩女士之13,000,000股購股權乃屬失效及無效;
5. 撤銷上述授出事項;
6. 訟費;
7. 法院認為適當之其他補償。

該等原告向高峰先生申索:

1. 損害賠償;
2. 誠信損害賠償;
3. 頒令解除高峰先生董事職務;
4. 宣告授予高峰先生之13,000,000股購股權乃屬失效及無效;
5. 撤銷上述授出事項;
6. 訟費;
7. 法院認為適當之其他補償。

該等原告向趙瑞強先生申索:

1. 損害賠償;
2. 誠信損害賠償;
3. 頒令解除趙瑞強先生董事職務;
4. 宣告授予趙瑞強先生之13,000,000股購股權乃屬失效及無效;
5. 撤銷上述授出事項;
6. 訟費;
7. 法院認為適當之其他補償。

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財務報表附註

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

41. LITIGATIONS AND CONTINGENT LIABILITIES (continued)

The Group and the Company (continued)

(f) Claim made by Hung against the Company (continued)

The Company, Ms. Geng Ying, Mr. Gao Feng and Mr. Chiu Sui Keung together issued a summons (the "First Summons") against the Plaintiffs in the High Court on 13 May 2011 in connection with an application, amongst other things, to:

1. strike out paragraphs 2, 4 to 13, and 16 to 33 of the Statement of Claim as –
 - (a) disclosing no reasonable cause of action;
 - (b) being scandalous, frivolous or vexatious;
 - (c) tending to prejudice, embarrass or delay the fair trial of the action; and/or
 - (d) it is otherwise an abuse of the process of the court;

and that the action therein be dismissed; and

2. alternatively, paragraphs 2, 4 to 13, and 16 to 33 of the Statement of Claim and the action therein be stayed pending the final determination or disposal by the Court of the HCA 2477/2009 and HCCW 48/2010.

The Defendants also issued a summons (the "Second Summons") against the Plaintiffs on 13 May 2011 in connection with an application for, inter alia, an order that pending the hearing and determination of the First Summons taken out by the Defendants, all further proceedings in this action be stayed and the Defendants are not required to file and serve their Defence until further order or directions as may be made by the Court.

The Court on 20 May 2011 made the following Order in relation to the First Summons:

1. Leave be granted to the Defendants to file and serve supplemental affirmation(s) to the Summons taken out by the Defendants on 13 May 2011 (the "Defendants' Striking-out Summons") on or before 10 June 2011;
2. Leave be granted to the Plaintiffs to file and serve affirmation(s) in opposition to the Defendants' Striking-Out Summons on or before 8 July 2011;
3. Leave be granted to the Defendants to file and serve affirmation(s) in reply (if any) to the Defendants' Striking-Out Summons on or before 29 July 2011;

41. 訴訟及或然負債 (續)

本集團及本公司 (續)

(f) 洪先生向本公司作出之申索 (續)

本公司、耿瑩女士、高峰先生及趙瑞強先生於二零一一年五月十三日於高等法院聯合對該等原告發出傳訊令狀 (「第一項傳訊令狀」)，內容有關申請 (其中包括)：

1. 剔除申索陳述書第2、4至13段及第16至33段，原因為：
 - (a) 並無披露合理訴訟因由；
 - (b) 屬於惡意中傷、瑣屑無聊及無理纏擾；
 - (c) 可能會對有關訴訟的公平審訊造成損害、妨礙或延遲；及／或
 - (d) 濫用法庭的法律程序；

並撤銷當中之訴訟；及

2. 交替地，申索陳述書第2、4至13段及第16至33段以及當中之訴訟暫緩聆訊，以待法院案件編號HCA 2477/2009及HCCW 48/2010之最終裁定或處理。

被告人亦於二零一一年五月十三日對該等原告發出傳訊令狀 (「第二項傳訊令狀」)，內容有關申請 (其中包括) 一項令狀，於被告人之第一項傳訊令狀進行聆訊及裁定之前，此項訴訟之所有其他法律程序將予暫緩，而被告人毋須提交及送達抗辯書，直至法院作出進一步頒令或指令為止。

於二零一一年五月二十日，法院就第一項傳訊令狀作出下列命令：

1. 被告人獲准於二零一一年六月十日或之前就被告人於二零一一年五月十三日發出的傳票 (「被告人的剔除傳票」) 提交及送達補充誓詞；
2. 該等原告獲准於二零一一年七月八日或之前提交及送達反對被告人的剔除傳票之誓詞；
3. 被告人獲准於二零一一年七月二十九日或之前提交及送達答覆被告人的剔除傳票之誓詞 (如有)；

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For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

41. LITIGATIONS AND CONTINGENT LIABILITIES (continued)

The Group and the Company (continued)

(f) Claim made by Hung against the Company (continued)

4. There be no further affirmation to be filed or served without leave of the Court;
5. Any application for leave for filing and serving further affirmation evidence shall be made no less than 14 days before the substantive hearing;
6. The hearing of the Defendants' Striking-Out Summons be adjourned and fixed before a judge in consultation with Counsel's diary with one day reserved;
7. Costs of this application be reserved.

The First Summons scheduled to be heard on 22 March 2012 at 10:00 a.m. before the Honourable Mr. Justice A. Chung.

The Court made the following Order in relation to the Second Summons on 20 May 2011:

1. Pending the hearing and determination of the Defendants' Striking-out Summons, all further proceedings in the action therein be stayed and the Defendants are not required to file and serve their Defence until further order or directions as may be made by the Court;
2. The costs of the application be in the cause of the Defendants' Striking-out Summons.

On 2 February 2012, the Plaintiffs filed a Notice of Discontinuance in court to wholly discontinue the claim and that the cost of this action be paid by the Plaintiffs to be taxed if not agreed. The Company instructed its lawyers to claim against the Plaintiffs for the legal costs that it has incurred HK\$500,000 have been finally received by the Company in respect of the claim. The case is now closed.

(g) Litigation between Mr. Wong Ching Ping Alex and the Company

Mr. Wong Ching Ping Alex ("Mr. Wong") issued a writ of summons and an indorsement of claim dated 10 December 2010 against the Company in connection with an assignment of debt on 19 July 2010, whereby Mr. Hung allegedly assigned to Mr. Wong a loan of HK\$31,500,000 (forming part of the Alleged Indebtedness) previously advanced by Mr. Hung to the Company ("Wong's Action").

41. 訴訟及或然負債 (續)

本集團及本公司 (續)

(f) 洪先生向本公司作出之申索 (續)

4. 未得法院許可，不得提交或送達進一步誓詞；
5. 任何申請准許提交及送達進一步誓詞證據，須於正式聆訊前不少於14天作出；
6. 被告人的剔除傳票押後聆訊，聆訊日期將於諮詢大律師之工作日程後釐定，聆訊時間預留一日；
7. 保留此項申請之訟費。

第一項傳訊令狀排期於二零一二年三月二十二日上午十時正在高等法院鐘安德法官席前進行聆訊。

法院於二零一一年五月二十日就第二項傳訊令狀作出下列命令：

1. 於被告人的剔除傳票進行聆訊及裁定之前，此項訴訟之所有進一步的法律程序將予暫緩，被告人無須提交及送達其抗辯書，直至法院作出進一步頒令或指令為止；
2. 此項申請之訟費歸於被告人的剔除傳票中的訟費。

於二零一二年二月二日，原告向法院遞交終止通告以完全終止該申索，而此訴訟之費用將由原告支付，倘若不同意，將予以徵稅。本公司指示其律師就其已產生之法律成本向原告索償。本公司最終就該申索收到500,000港元。該訴訟現已結束。

(g) 王正平先生與本公司之訴訟

王正平先生(「王先生」)於二零一零年十二月十日發出針對本公司之傳訊令狀及申索註明，其乃有關日期為二零一零年七月十九日之債項轉讓，據此，洪先生指稱將洪先生先前墊付予本公司之貸款31,500,000港元(組成部份指稱債項)轉讓予王先生(「王氏訴訟」)。

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41. LITIGATIONS AND CONTINGENT LIABILITIES (continued)

The Group and the Company (continued)

(g) Litigation between Mr. Wong Ching Ping Alex and the Company (continued)

Mr. Wong further applied for an ex parte injunction order against the Company which, amongst other things, restricted the Company from removing from Hong Kong, disposing of, dealing with or diminishing the value of any of its assets which are within Hong Kong up to the value of HK\$31,500,000. This injunction was granted by the High Court on 9 December 2010, but was subsequently discharged on 16 December 2010 on the undertaking of the Company (the "Undertaking") to:

- (1) without prejudice to the Company's contention that it has a defence to the claim by Mr. Wong and without prejudice to Mr. Wong's right to challenge the Company's case that there has been partial repayment, deposit the sum of HK\$28,500,000 (the "Sum") into a designated interest-bearing bank account opened in the name of the Company (the "HCA Designated Account") as security for the money claimed by the Mr. Wong by 21 December 2010, and not in any way use or pledge for credit (whether for the Company or any person) or allow any lien to be created on the monies so deposited in the HCA Designated Account until further order made by the High Court or unless in accordance with the agreement in writing between Mr. Wong and the Company;
- (2) provide full bank statements (without any redaction) relating to the HCA Designated Account within 3 working days of the written request of Mr. Wong.

The Sum was deposited into the HCA Designated Account on 21 December 2010. This payment was financed by the Company's internal funding.

The High Court further ordered on 16 December 2010 that the application filed by Mr. Wong on 14 December 2010 for the continuation of the injunction order was to be effectively treated as an application for an order that the Sum deposited into the HCA Designated Account be continued to be kept, held and preserved pursuant to the Company's undertakings, until the final determination by the High Court of the Wong's Action.

Mr. Wong issued a summons against the Company in the High Court of Hong Kong under the Claim on 27 April 2011 (the "Order 14 Summons") in connection with an application for summary judgment for the sum of HK\$28,500,000, being the amount claimed in the statement of claim filed on 14 April 2011 less the alleged partial repayment of HK\$3,000,000 made by the Company to Mr. Hung, together with interest and costs.

41. 訴訟及或然負債 (續)

本集團及本公司 (續)

(g) 王正平先生與本公司之訴訟 (續)

王先生繼而對本公司申請單方面禁制令，其中包括 (但不限於) 限制本公司不得將其在香港以內之任何資產 (有關價值以31,500,000港元為上限) 移離香港、將之出售、處置、處理或使其價值減少。高等法院已於二零一零年十二月九日頒發是項禁制令，惟其後由本公司作出下列承諾得以於二零一零年十二月十六日解除 (「承諾」)：

- (1) 在不損害本公司之爭議指其對王先生之申索有抗辯，及在不損害王先生之權利反對本公司其案指已償還部份款項之情況下，本公司二零一零年十二月二十一日前將一筆28,500,000港元之款項 (「該款項」) 存入以本公司名義開立之指定計息賬戶 (「HCA指定賬戶」)，作為王先生申索款項之擔保，而直至高等法院另行作出命令為止或除非根據王先生與本公司訂立之書面協議，否則本公司不會以任何方式使用存入HCA指定賬戶內之款項或用作信貸抵押 (不論為本公司或任何其他人士) 或容許對其設置留置權；
- (2) 本公司將於王先生作出書面要求起計3個工作日內提供HCA指定賬戶之全面銀行結單 (不經任何修改)。

HCA指定賬戶已於二零一零年十二月二十一日存入該款項。是次付款由本公司內部資源撥付。

高等法院於二零一零年十二月十六日進一步頒令，王先生於二零一零年十二月十四日就延續禁制令提交之申請將實際被視為向法院申請命令，以使存入HCA指定賬戶之該款項根據本公司之承諾被繼續保存、持有及保留，直至高等法院就王氏訴訟作出最終裁決為止。

王先生於二零一一年四月二十七日根據該申索向香港高等法院就一筆28,500,000港元之款項 (即於二零一一年四月十四日提交之申索陳述書所申索之款項減以指稱本公司向洪先生償還之部份款項3,000,000港元)，連同有關利息及訟費，申請簡易判決，發出針對本公司之傳訊令狀 (「第14則傳訊令狀」)。

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For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

41. LITIGATIONS AND CONTINGENT LIABILITIES (continued)

The Group and the Company (continued)

(g) Litigation between Mr. Wong Ching Ping Alex and the Company (continued)

On 5 May 2011, after hearing the Counsel for Mr. Wong and the Solicitors for the Company, the Court made the following Order:

1. The hearing of the Plaintiff's Summons for the continuation of the Defendant's undertaking fixed for 9 May 2011 at 10 a.m. (the "Undertaking Summons") be vacated;
2. The hearing of the Order 14 Summons be adjourned and fixed on a date not earlier than the expiry of 49 days from 5 May 2011 with one day reserved in consultation with Counsel's diary;
3. The hearing of the Undertaking Summons be adjourned to such time immediately after the hearing of the Order 14 Summons;
4. Leave be granted to the Defendant to file and serve affirmation(s) in opposition to the Order 14 Summons within 28 days from 5 May 2011;
5. Leave be granted to the Plaintiff to file and serve affirmation(s) in reply (if any) to the Order 14 Summons within 21 days thereafter;
6. Costs of this application be in the cause of the Order 14 Summons.

The Company obtained written legal opinion on the Claim from its legal advisers and after having considered the legal opinion, the Board passed a resolution to settle the Claim with Mr. Wong. By a Consent Order dated 3 June 2011, the Company reached a settlement of the Claim with Mr. Wong and the Court in the following terms:

41. 訴訟及或然負債 (續)

本集團及本公司 (續)

(g) 王正平先生與本公司之訴訟 (續)

於二零一一年五月五日，在聽取王先生之大律師以及本公司之代表律師的陳詞後，法院作出下列命令：

1. 取消預定於二零一一年五月九日上午十時正就原告人對被告人持續履行承諾發出傳訊令狀（「承諾傳訊令狀」）進行之聆訊；
2. 第14則傳訊令狀之聆訊押後進行，而舉行聆訊日期將不早於二零一一年五月五日起計49日，聆訊時間預留一日，聆訊日期將於諮詢大律師之工作日程後釐定；
3. 承諾傳訊令狀之聆訊將延至緊隨第14則傳訊令狀之聆訊後進行；
4. 被告人獲准於二零一一年五月五日起計二十八日內提交及送達反對第14則傳訊令狀之誓詞；
5. 原告人獲准於其後二十一日內提交及送達答覆第14則傳訊令狀之誓詞（如有）；
6. 此項申請之訟費歸於第14則傳訊令狀訟案中之訟費。

本公司就申索取得其法律顧問之書面法律意見，經考慮有關法律意見後，董事會通過一項決議案，與王先生結清申索。根據日期為二零一一年六月三日之同意令狀，本公司與王先生及法院達成以下條款之結清申索：

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41. LITIGATIONS AND CONTINGENT LIABILITIES (continued)

The Group and the Company (continued)

(g) Litigation between Mr. Wong Ching Ping Alex and the Company (continued)

1. Mr. Wong warrants and declares that he, whether by himself, his servants or agents or principals does not hold any interest (whether legal or beneficial) or have any dealings in any convertible notes or shares of the Company, either with or acquired from Mr. Hung apart from the assignment of the loan agreement dated 16 July 2009 in the amount of HK\$31,500,000.
2. Upon the giving by Mr. Wong of the above warranty and declaration, the Company do on an entirely without admission of liability basis pay to Mr. Wong the sum of HK\$28,500,000 within 3 business days of the Order in full and final settlement of the Mr. Wong's claims against the Company in the Claim.
3. Upon payment to Mr. Wong of the said sum of HK\$28,500,000, the parties shall jointly apply to the Court for the Claim to be dismissed and shall sign a Consent Order to the same effect.
4. The parties agree for the avoidance of doubt that Mr. Wong's warranty and declaration in paragraph 1 above shall be enforceable and survive the dismissal of the Claim.

Upon the Company and Mr. Wong having agreed to the above terms of settlement, the Court by consent made an order on the 3 June 2011 that:

1. The Undertaking be discharged;
2. This Action be stayed except for the purpose of carrying the Order and the said terms into effect;
3. Liberty to apply; and
4. Each party do pay their own costs of this Action and the Consent Order notwithstanding any previous costs order(s) that state otherwise.

On 8 June 2011, the Company paid the amount of HK\$28,500,000 to Mr. Wong and upon the joint application on the part of the Company and Mr. Wong and by consent the Court is ordered that the Wong's Action be dismissed and no order as to costs. The accrued interest expenses of HK\$5,290,000 arising from the claim has been written back to the Company for the year ended 31 March 2012. The case is now closed.

41. 訴訟及或然負債 (續)

本集團及本公司 (續)

(g) 王正平先生與本公司之訴訟 (續)

1. 王先生保證及聲明，彼（不論透過彼本人、其受僱人或代理人或委託人）不會持有（不論屬法定或實益持有）或買賣本公司任何可換股票據或股份之任何權益，不論是與洪先生買賣或向洪先生收購，惟轉讓日期為二零零九年七月十六日之貸款協議所涉及31,500,000港元之款項除外。
2. 王先生作出上述保證及聲明後，本公司在完全不承認責任之基準上，在發出命令起計3個營業日內，向王先生悉數支付一筆28,500,000港元之款項，以完全並最終結清就王先生針對本公司作出之申索。
3. 在向王先生支付上述28,500,000港元之款項後，有關各方應共同向法院申請撤銷申索，並應就此簽訂同意命令。
4. 有關各方協定，為免生疑問，上文第1段所述王先生之保證及聲明在撤銷申索後仍然有效及可強制執行。

於本公司與王先生協定上述結清條款後，法院於二零一一年六月三日在雙方同意下作出命令，以使：

1. 承諾予以解除；
2. 除為執行命令及使上述條款生效外，此項訴訟予以擱置；
3. 任何一方均可提出申請；及
4. 各方自行支付此訴訟及同意命令涉及之訟費，而不論過往就訟費另有訂明之其他命令。

於二零一一年六月八日，本公司向王先生支付一筆28,500,000港元之款項，而在本公司與王先生共同向法院申請並獲法院在雙方同意下頒令撤銷王氏訴訟，且不出作任何關於訟費的命令。該申索所產生之應計利息費用5,290,000港元於截至二零一二年三月三十一日止年度已撥回本公司。該訴訟現已結束。

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41. LITIGATIONS AND CONTINGENT LIABILITIES (continued)

The Group and the Company (continued)

(h) Labour action between Mr. Hung Hoi Ming Raymond and the Company and Sino Talent Holdings Limited

On 2 July 2010, Mr. Hung Hoi Ming Raymond (the "Claimant"), brought an action at the Labour Tribunal against the Company and Sino Talent Holdings Limited ("Sino Talent"), a wholly owned subsidiary of the Group for payment of a sum of approximately HK\$347,000, being the amount allegedly owed by the Group on termination of his employment contract dated 10 December 2009. The Group have filed with the Labour Tribunal a defence and counterclaim which the Group only agreed to pay a sum of approximately HK\$95,000 and counterclaimed against the Claimant for repayment of a sum of approximately HK\$128,000 being the amount of education subsidy received by the Claimant and a sum of an approximately HK\$46,000 being compensation for unauthorized absence from work and outstanding telephone bills. Pursuant to an Order by the Labour Tribunal dated 27 July 2010, the case was transferred to the District Court. At the directions hearing on 17 November 2010. The Court ordered that: (i) The Claimant do file and serve the Statement of Claim on or before 22 December 2010; (ii) The Sino Talent do file and serve the Defence and Counterclaim, if any, on or before 26 January 2011; (iii) The Claimant do file and serve the Reply and Defence to Counterclaim on or before 2 March 2011; and (iv) The costs of this directions hearing, assessed summarily in the sum of HK\$800 be costs in the cause. On 28 June 2011, the Company, Sino Talent and Claimant filed a joint application for an order by consent that: (i) this action be stayed sine die with liberty to restore by either party; and (ii) cost reserved. The Board of the Company, based on legal advices, is of the view that the Group have a good defence to the Claimant's claim and a good chance of success in respect of the respective counterclaims.

41. 訴訟及或然負債 (續)

本集團及本公司 (續)

(h) 本公司及新圖集團有限公司與洪海明先生之勞資訴訟

於二零一零年七月二日，洪海明先生（「原告」）於勞資審裁處就約347,000港元之付款（即本集團就二零零九年十二月十日終止其僱用合同指稱所欠之款項）對本公司及本集團全資附屬公司新圖集團有限公司（「新圖」）提起訴訟。本集團已向勞資審裁處提起抗辯及反申索，本集團僅同意支付約95,000港元並對原告反申索償還約128,000港元（即原告獲得之教育津貼之款項）及約46,000港元（即未授權曠工之補償及尚未清償電話賬單）。根據勞資審裁處於二零一零年七月二十七日頒佈之命令，該案獲移交區域法院處理。於二零一零年十一月十七日舉行之指示聆訊上，法院命令：(i)原告須於二零一零年十二月二十二日或之前將申索陳述書備案及送達；(ii)新圖須於二零一一年一月二十六日或之前將抗辯書及反申索書（如有）備案及送達；(iii)原告須於二零一一年三月二日或之前將回應及反申索書之抗辯書備案及送達；及(iv)指示聆訊之費用（經簡易評估為800港元）將計入訴訟費用當中。於二零一一年六月二十八日，本公司、新圖與原告共同申請在同意下作出命令，以使：(i)本訴訟無限期擱置，而各方可恢復訴訟；及(ii)訟費保留。本公司董事會根據法律意見，認為本集團有充份理據就原告之申索進行抗辯，並有頗大機會在相應反申索中勝訴。

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41. LITIGATIONS AND CONTINGENT LIABILITIES (continued)

The Group and the Company (continued)

(i) Car action between Sino Talent and Mr. Raymond Hung

On 20 August 2010, Sino Talent filed a Statement of Claim at the District Court and claimed against Mr. Raymond Hung for the followings:

1. Possession of vehicle with vehicle identification number WP1ZZPZ9LA81368 bearing a registration number of NP5059 ("the Vehicle");
2. Rent for the Vehicle between 11 December 2009 to the date of judgment;
3. Insurance premium for the Vehicle for the period between 11 December 2009 and 12 July 2010;
4. Vehicle licence fee for the Vehicle for the period between 11 December 2009 and the date of judgment or 28 October 2010 being the date of expiry of the current vehicle licence, whenever is earlier;
5. HK\$6,980 being the amount reimbursed to the Defendant for car restoration coupons for the Vehicle;
6. Further or alternatively, damages for tort of conversion of the Vehicle;
7. interest;
8. further and other relief; and
9. costs.

Mr. Raymond Hung filed his Defence and Counterclaim at the District Court on 8 October 2010 denying possession of the Vehicle and claimed damages. Sino Talent filed a Reply and Defence to Counterclaim on 22 October 2010. On 11 January 2011, Mr. Raymond Hung filed an Amended Defence and Counterclaim alleging that the Vehicle was pledged to Mr. Hung and that Mr. Hung is allegedly entitled to possession and use of the Vehicle, Mr. Hung then allowed Mr. Raymond Hung to use the Vehicle.

The parties have exchanged their respective lists of documents and witnesses statements; and the District Court has fixed a Case Management Conference to be heard on 30 June 2011.

On 7 October 2011, the District Court has made an order that the action be set down for trial before a Bilingual Judge in the Fixture List, commencing at 9:30 am on 22 February 2012 in Court No.9, estimated length of trial being 5 days.

41. 訴訟及或然負債 (續)

本集團及本公司 (續)

(i) 新圖與洪海明先生之汽車訴訟

於二零一零年八月二十日，本公司全資附屬公司新圖向區域法院提交申索陳情書並向洪海明先生申索以下各項：

1. 管有識別號WP1ZZPZ9LA81368而汽車牌照號碼為NP5059之車輛 (「車輛」)；
2. 車輛於二零零九年十二月十一日至判決日期期間之租金；
3. 車輛於二零零九年十二月十一日至二零一零年七月十二日期間之保險費；
4. 車輛於二零零九年十二月十一日至判決日期期間 (或至二零一零年十月二十八日，即現有車輛牌照到期日，以較早發生者為準) 之牌照費；
5. 就車輛之汽車維修券向洪海明先生報銷之款項6,980港元；
6. (進一步或作為替代)，車輛之轉移侵權損害賠償；
7. 利息；
8. 進一步及其他補償；及
9. 訟費。

洪海明先生於二零一零年十月八日向區域法院提交抗辯及反申索書，否認管有車輛及所申索損失。新圖於二零一零年十月二十二日就反申索提交答覆書及抗辯。於二零一一年一月十一日，洪海明先生提交經修訂抗辯及反申索，指稱車輛乃抵押予洪先生，而洪先生則聲稱有權管有及使用車輛，洪先生則允許洪海明先生使用車輛。

各方已交換彼等各自之文件清單及證人聲明；而區域法院已定於二零一一年六月三十日聆訊案件管理會議。

於二零一一年十月七日，區域法院頒佈訴訟排期於雙語法官席前聆訊，於二零一二年二月二十二日上午九時三十分在九號法庭開始，估計聆訊為期五日。

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41. LITIGATIONS AND CONTINGENT LIABILITIES (continued)

The Group and the Company (continued)

(i) Car action between Sino Talent and Mr. Raymond Hung (continued)

Sino Talent filed an application to the District Court by way of ex parte summons on 4 November 2011 (the "Application"). On 5 November 2011, the District Court has granted an injunction ordered that:-

1. Mr. Raymond Hung whether by himself, his servants or agents or otherwise howsoever be restrained from driving, operating and/or using the Vehicle until the final determination of the proceedings.
2. Costs of an occasioned by the Application be costs in the cause.

The District Court further directed that Mr. Raymond Hung shall file and serve his affirmation in opposition within 21 days (i.e. 28 November 2011), Sino Talent shall file an affirmation in reply within the next 21 days (i.e. 19 December 2011).

On 21 February 2012, upon the joint application by way of Consent Summons and order that:

1. The Defendant delivers and the Plaintiff retains possession of the Vehicle (namely Porsche Cayenne Turbo with vehicle identification number M48/1ZZZ9PZ9LA81368 bearing registration number NP 5059) on or before 10 March 2012 subject to the conditions stated in paragraph (2) below;
2. The acceptance of paragraph (1) above is subject to an inspection, restoration and repair (if any) of the Vehicle by the Porsche Centre Hong Kong to be arranged and costs to be paid by the Defendant; and the Defendant shall send to the Plaintiff a certificate that the Vehicle is good and roadworthy on or before 12 March 2012;
3. Upon the satisfaction of paragraphs (1) and (2) above, this action against the Defendant be withdrawn;
4. Trial hearing scheduled on 22 February 2012 at 9:30 a.m. reserved for 5 days (from 23 February 2012 to 28 February 2012) be vacated;
5. Without admitting the validity and authenticity of the Pledge Agreement and without admission of liability on the Defendant's part, the Defendant shall pay to the Plaintiff a sum of HK\$100,000.00 within seven (7) days of the date of the Consent Summons; and
6. The Defendant do pay the Plaintiff costs of these proceedings (including costs of the Consent Summons) and such costs to be taxed if not agreed.

The vehicle has been returned to Sino Talent on 17 March 2012 and Defendant paid the HK\$100,000 to Sino Talent on 29 February 2012. Sino Talent also prepared the bills of costs and commence taxation proceeding against Mr. Raymond Hung on 22 June 2012. The cost of taxation is claimed for approximately HK\$420,349.80 from Mr. Raymond Hung and HK\$87,201 from Mr. Hung respectively.

41. 訴訟及或然負債 (續)

本集團及本公司 (續)

(i) 新圖與洪海明先生之汽車訴訟 (續)

新圖於二零一一年十一月四日向區域法院入稟單方面申請 (「申請」)。於二零一一年十一月五日，區域法院頒下禁制令，使：

1. 洪海明先生 (不論其本人、其受僱人或代理人) 無論如何被禁止駕駛、操作及／或使用車輛，直至程序有最後判決為止。
2. 由於申請而引致之仲費歸於訟案中的訟費。

區域法院進一步指出，洪海明先生須於21日之內 (即二零一一年十一月二十八日) 提交及送達其反對確定書，而新圖須於接下來之21日之內 (即二零一一年十二月十九日) 提交答覆誓詞。

於二零一二年二月二十一日，於以同意傳訊之方式聯合申請後，頒令如下：

1. 被告於二零一二年三月十日或之前交付而原告保留管有車輛 (即車輛識別號M48/1ZZZ9PZ9LA81368而汽車牌照號碼為NP 5059之保時捷卡宴Turbo)，惟受下文(2)段之條件所規限；
2. 上文(1)段之接納受香港保時捷中心 (將予以安排) 對車輛之檢查、復原及維修 (如有)，而費用將由被告支付；及被告須於二零一二年三月十二日或之前向原告發送證書以證明車輛良好及適宜在道路上行駛；
3. 於達成上文(1)及(2)段後，對被告之是項訴訟予以撤回；
4. 庭審聆訊已排期於二零一二年二月二十二日上午九時三十分 (獲保留)，並騰出五日 (二零一二年二月二十三日至二零一二年二月二十八日)；
5. 不承認抵押協議之有效性及真實性及不承認被告方之責任，被告須於同意傳訊日期七(7)日內向原告支付100,000.00港元；及
6. 被告向原告支付此等程序之費用 (包括同意傳訊之費用)，而倘若不同意，則有關費用將予以徵稅。

該車輛已於二零一二年三月十七日交還予新圖，而被告於二零一二年二月二十九日向新圖支付100,000港元。新圖亦準備就洪海明先生提出訟費法案，並於二零一二年六月二十二日開始稅務訴訟。向洪海明先生及洪先生分別索償稅務費用約420,349.80港元及87,201港元。

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42. COMMITMENTS

42. 承擔

		The Group 本集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements	與已訂約但未於綜合財務報表提撥準備之收購物業、廠房及設備有關之資本開支	8,010	14,841
Authorised and contracted for capital contributions payable to a subsidiary	應付附屬公司之法定及已訂約資本承擔	25,249	10,040
		33,259	24,881

The Company did not have significant capital commitment at the end of the reporting period (2011: Nil).

於報告期完結日，本公司並無重大資本承擔（二零一一年：無）。

43. OPERATING LEASE ARRANGEMENTS

The Group leases certain of its office properties under operating lease arrangements. Leases for office properties are negotiated for terms ranging from one to two years.

At 31 March 2012, the Group had total future minimum lease payments under non-cancellable operating leases in respect of office premises falling due as follows:

43. 經營租賃安排

本集團根據經營租賃安排租賃若干辦公室物業。辦公室物業之租賃期經協商定出，年期由一至兩年不等。

於二零一二年三月三十一日，根據不可撤銷經營租約，本集團須按以下年期支付未來最低應付租金總額如下：

		The Group 本集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Within one year	一年內	2,675	2,169
In the second to fifth years, inclusive	第二至第五年（包括首尾兩年）	2,569	119
		5,244	2,288

The Company did not have significant operating lease arrangements at the end of the reporting period (2011: Nil).

於報告期完結日，本公司並無重大經營租賃安排（二零一一年：無）。

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For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

44. MATERIAL RELATED PARTY TRANSACTIONS

In additions to the transactions and balances disclosed elsewhere in these consolidated financial statements, during the year ended 31 March 2012, the Group had entered into the following material related party transactions:

Key management personnel remuneration

Remuneration for key management personnel, including amounts paid to the Company's directors as disclosed in Note 10 to the consolidated financial statement is as follow:

		The Group 本集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Short term employee benefits	短期僱員福利	13,125	2,298
MPF contributions	強積金供款	24	27
Share-based payment	以股份為基礎之付款	-	5,982
		13,149	8,307

Total remuneration is included in "Staff costs" in Note 8 to the consolidated financial statements.

44. 重大關連人士交易

除此等綜合財務報表其他地方所披露之交易及結餘外，於截至二零一二年三月三十一日止年度內，本集團曾訂立以下重大關連人士交易：

主要管理人員之酬金

主要管理人員之酬金(包括綜合財務報表附註10所披露之已付予本公司董事之款項)如下：

		The Group 本集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Short term employee benefits	短期僱員福利	13,125	2,298
MPF contributions	強積金供款	24	27
Share-based payment	以股份為基礎之付款	-	5,982
		13,149	8,307

酬金總額乃包括在「員工成本」(綜合財務報表附註8)內。

Transactions carried out with related parties

		The Group 本集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Interest expense paid to a shareholder, Mr. Hung Chen, Richael	支付予一名股東洪城先生 之利息開支	880	1,816
Interest expense paid to a shareholder, ACE Channel Limited	支付予一名股東ACE Channel Limited 之利息開支	12	313
Interest expense paid to a director, Mr. Chiu Sui Keung	支付予一名董事趙瑞強先生 之利息開支	-	16
		892	2,145

與關連人士進行之交易

		The Group 本集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Interest expense paid to a shareholder, Mr. Hung Chen, Richael	支付予一名股東洪城先生 之利息開支	880	1,816
Interest expense paid to a shareholder, ACE Channel Limited	支付予一名股東ACE Channel Limited 之利息開支	12	313
Interest expense paid to a director, Mr. Chiu Sui Keung	支付予一名董事趙瑞強先生 之利息開支	-	16
		892	2,145

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For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

45. EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in Note 41 Litigations above and elsewhere in these consolidated financial statements, the Group has the following events occurred subsequent to the end of the reporting period:

- (i) On 31 March 2012, the Company and Advanced Elation Holdings Limited (the "Vendor") entered into a Sale and Purchase Agreement (the "Agreement") pursuant to which, among other things, the Vendor has conditionally to sell and the Company conditionally agreed to acquire 70.97% interest in Zhan Sheng Investments Limited ("Zhan Sheng") at the consideration of HK\$77,550,000 (the "Proposed Acquisition"). Upon completion, Zhan Sheng will become a subsidiary of the Company and will hold the entire share capital of World Grace Enterprises Limited (a private company incorporated in Hong Kong of which the principal business activities is investment holding) ("World Grace"), which will indirectly through Zhui Tiegang Commercial Trading Company (a WOFE to be incorporated and will be a wholly-owned subsidiary of World Grace) ("Zhui Tiegang") to own 77.50% equity interest in Hubei Tiegang Trading Company Limited ("Hubei Tiegang"). The rest of equity interests of 22.50% of Hubei Tiegang will be held by Mr. Sun Jiandong, an independent third party. As such, Hubei Tiegang will be accounted for as an indirect non-wholly owned subsidiary (i.e. 55%) of the Company and will be consolidated into the consolidated financial statements of the Group.

Hubei Tiegang is principally engaged in coal trading and transportation business in the Northwest region of the PRC. The long stop date for the Proposed Acquisition has been extended to 31 July 2012 but completion shall take place within a short period of time in the next financial year. For more details, please refer to the Company's announcement dated 5 December 2011, 31 March 2012, 24 April 2012 and 31 May 2012.

The information regarding the financial effect of the acquisition is not available at this stage since the acquisition had not been completed as at the date of this consolidated financial statement and the initial accounting for the business combination is incomplete.

- (ii) In relation to the memorandum of understanding dated 2 December 2011 ("MOU") entered into for the proposed acquisition of Baiyin Xinhua Cement Company Limited, upon negotiations on the terms and conditions of the acquisition, the Company has decided not to proceed with the acquisition and has mutually agreed with all other parties to terminate the MOU effective from 2 April 2012.
- (iii) The Master Project Management Agreement with Group Idea was expired on 5 April 2012. On the same date, the Company (through its subsidiary) entered into a sales agency agreement ("Agency Agreement") with Kenfair Exhibition (HK) in replacement of renewal of the Master Project Management Agreement, pursuant to which Kenfair Exhibition (HK) will be the show manager for all exhibitions and trade shows organised by Group Idea. Pursuant to the Agency Agreement, the Company will act as the sales agent for Kenfair Exhibition (HK). For further details, please refer to the announcement dated 4 April 2012.

45. 報告期後事項

除上文附註41「訴訟」及該等綜合財務報表之其他地方所披露者外，本集團於報告期完結日後發生下列事項：

- (i) 於二零一二年三月三十一日，本公司與 Advanced Elation Holdings Limited (「賣方」) 訂立買賣協議(「該協議」)，據此，其中包括，賣方有條件出售而本公司有條件同意按代價77,550,000港元收購展昇投資有限公司(「展昇」)之70.97%權益(「建議收購事項」)。於完成後，展昇將成為本公司之附屬公司，並將持有世悅企業有限公司(於香港註冊成立之私人公司，其主要業務為投資控股)(「世悅」)之全部股本，而世悅將透過珠海鐵港商貿有限公司(將註冊成立之外商獨資企業，並將成為世悅之全資附屬公司)(「珠海鐵港」)擁有湖北鐵港貿易有限公司(「湖北鐵港」)之77.50%股權。湖北鐵港之餘下22.50%股權將由獨立第三方孫建東先生持有。因此，湖北鐵港將入賬為本公司之間接非全資附屬公司(即55%)，並將綜合計入本集團綜合財務報表。

湖北鐵港主要在中國西北地區從事煤炭買賣及運輸業務。建議收購事項之最後截止日期已延遲至二零一二年七月三十一日，但完成將於短期內在下個財政年度發生。有關更多詳情，請參閱本公司於二零一一年十二月五日、二零一二年三月三十一日、二零一二年四月二十四日及二零一二年五月三十一日發表之公佈。

有關收購事項之財務影響之資料於此階段尚未可得，原因為收購事項於本綜合財務報表日期尚未完成及業務合併之初步會計處理不完整。

- (ii) 就於二零一一年十二月二日所訂立之有關建議收購白銀市新華水泥有限公司之諒解備忘錄(「備忘錄」)，經按收購之條款及條件磋商後，本公司決定不進行收購事項，並與所有其他各方相互同意終止備忘錄，並自二零一二年四月二日起生效。
- (iii) 與Group Idea訂立之主項目管理協議於二零一二年四月五日屆滿。於同日，本公司(透過其附屬公司)與建發展覽(香港)訂立銷售代理協議(「代理協議」)，以取代更新主項目管理協議，據此，建發展覽(香港)將出任所有由Group Idea舉辦之展覽會及貿易展覽會之展覽經理。根據代理協議，本公司將擔任建發展覽(香港)之銷售代理。有關進一步詳情，請參閱於二零一二年四月四日發表之公佈。

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財務報表附註

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45. EVENTS AFTER THE REPORTING PERIOD (continued)

- (iv) On 18 June 2012, the Company and Growing Around Holdings Limited (the "Subscriber") entered into the Subscription Agreement, pursuant to which the Subscriber agreed to subscribe for the convertible notes (the "CNs") in an aggregate principal amount of HK\$15,000,000. The initial conversion price ("Initial Conversion Price") of HK\$0.20 per conversion share ("Conversion Shares") and the CNs will be convertible into 75,000,000 Conversion Shares if full conversion of the CNs at the initial Conversion Price.

The estimated net proceeds from the issue of the CNs of approximately HK\$14,800,000 will be used for (a) financing the capital commitment (in full or in part) in connection with the Proposed Acquisition mentioned in (i) above; and (b) the Group's general working capital purpose. The maturity date of the CNs is second anniversary of the issue date of the CNs. The CNs shall bear interest at the rate of 12% per annum from the date of issuance. The Stock Exchange has already approved the issuance of CNs on 27 June 2012. For further details, please refer to the announcement dated 18, 21 and 22 June 2012 respectively.

- (v) On 20 June 2012, MCT(BJ), an indirect non wholly-owned subsidiary of the Company, as the lessee, entered into the finance lease arrangement with Huixin Financial Leasing (Tianjing) Co., Ltd (the "lessor"). Pursuant to the lease agreement, the lessor agreed to acquire the certain specialised machinery and equipment for carrying out coalbed methane exploration by MCT(BJ) (the "Equipment") at the consideration of RMB7,680,000 and lease back the Equipment to the lessee for a term of two years. During the lease period, the ownership of the Equipment will vest in the lessor. Upon the expiry of the lease period and subject to the payment of the lease payment, handling fee and other payables (if any) in full, MCT(BJ) has a right to purchase the Equipment from the lessor at an agreed amount of RMB1, upon the exercise of which the title of and all rights in the Equipment shall rest in MCT(BJ).

The following guarantees are provided and equity is pledged for the finance lease arrangement:

- (a) The Company will provide a guarantee in favour of the lessor for the lease payment, handling fee or other payables by MCT(BJ);
- (b) The entire registered capital of MCT(BJ) will be pledged in favour of the lessor by its holding company, Multi Century Technology Development Limited; and
- (c) Mr. Gao Feng, the Vice-Chairman of the Company, will provide a personal guarantee in favour of the lessor.

For further details, please refer to the announcement dated 20 and 21 June 2012 respectively.

45. 報告期後事項 (續)

- (iv) 於二零一二年六月十八日，本公司與 Growing Around Holdings Limited (「認購人」) 訂立認購協議，據此，認購人同意認購本金額為15,000,000港元之可換股票據 (「可換股票據」)。每股換股股份 (「換股股份」) 之初步換股價 (「初步換股價」) 為0.20港元，倘若可換股票據獲悉數按初步換股價轉換，則可換股票據將轉換為75,000,000股換股股份。

發行可換股票據之估計所得款項淨額約14,800,000港元將用於(a)為有關上文(i)所述之建議收購事項之全部或部分資本承擔融資；及(b)本集團之一般營運資金用途。可換股票據之到期日為可換股票據之發行日期之第二週年當日。可換股票據自發行日期起將按每年12%之利率計息。聯交所已於二零一二年六月二十七日批准發行可換股票據。有關進一步詳情，請參閱分別於二零一二年六月十八日、二十一日及二十二日發表之公佈。

- (v) 於二零一二年六月二十日，本公司之間接非全資附屬公司創紀傑仕(北京)作為承租人與匯信融資租賃(天津)有限公司 (「出租人」) 訂立融資租賃安排。根據該租賃協議，出租人同意以代價人民幣7,680,000元收購創紀傑仕(北京)進行煤層氣勘探之若干專用機器及設備 (「設備」)，並將該設備租回予承租人，為期兩年。於租賃期期間，該設備之擁有權將屬於該出租人。於租賃期屆滿時，在全數支付租賃付款、手續費及其他應付款項 (如有) 之情況下，創紀傑仕(北京)有權按議定款額人民幣1元向出租人購買該設備，該行使該權利後，該設備之業權及一切權利將屬於創紀傑仕(北京)。

就融資租賃安排提供以下擔保及抵押權益：

- (a) 本公司將就創紀傑仕(北京)應付之租賃付款、手續費或其他應付款項向該出租人提供擔保；
- (b) 其控股公司創紀科技發展有限公司將抵押創紀傑仕(北京)之全部註冊資本予該出租人；及
- (c) 本公司副主席高峰先生將向該出租人提供個人擔保。

有關進一步詳情，請參閱分別於二零一二年六月二十日及二十一日發表之公佈。

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For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

45. EVENTS AFTER THE REPORTING PERIOD (continued)

- (vi) The Group has commitment to provide funding of RMB17,600,000 as the balance payment of capital injection into Derong within six months after the approval dated on 22 November 2011 for increasing registered capital of Derong. On 7 June 2012, further approval is obtained that the capital contribution can be delayed to pay not later than 21 November 2012. As such, the Group will be effectively held 55% equity interest of Derong upon the balance payment of the registered capital.

46. NON-CASH TRANSACTIONS

- (1) During the year, the Group entered into a sale and purchase agreement for the acquisition of entire issued share capital of Wealthy Wing, which comprised consideration shares of HK\$64,800,000 as disclosed in Note 40(a) to the consolidated financial statements.
- (2) During the year, the Group acquired a motor vehicle by way of finance lease of HK\$1,400,000.

47. COMPARATIVES

Certain comparative amounts have been reclassified to conform with the current year's presentation and account treatment.

48. AUTHORISATION FOR ISSUE OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 28 June 2012.

45. 報告期後事項(續)

- (vi) 本集團承諾於二零一一年十一月二十二日取得有關增加德融註冊資本之批准後六個月內提供人民幣17,600,000元資金，作為向德融注資之餘下付款。於二零一二年六月七日，獲得進一步批准，出資可延遲至不遲於二零一二年十一月二十一日支付。因此，於支付餘下註冊資本後，本集團將實際持有德融55%股權。

46. 非現金交易

- (1) 誠如綜合財務報表附註40(a)所披露，於本年度，本集團訂立買賣協議，以收購富永之全部已發行股本，其包括64,800,000港元之代價股份。
- (2) 於本年度，本集團以1,400,000港元之融資租賃方式收購一輛汽車。

47. 比較數字

若干比較金額已經重新分類，以符合本年度之呈列方式及會計處理。

48. 綜合財務報表授權刊發

綜合財務報表已於二零一二年六月二十八日獲董事會批准及授權刊發。

神州資源集團有限公司*

Sino Resources Group Limited

(carrying on business in Hong Kong as Sino Gp Limited)

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號: 223

* For identification purpose only 僅供識別

