

ANNUAL REPORT 年報 / 2012 /



BESTWAY INTERNATIONAL HOLDINGS LIMITED
百威國際控股有限公司

Stock Code 股票代號 : 718

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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Chim Kim Lun Ricky
Mr. Law Fei Shing

Independent Non-Executive Directors

Mr. Au Kwok Yee Benjamin
Ms. Lau Siu Ngor
Mr. Lum Pak Sum

AUDIT COMMITTEE

Ms. Lau Siu Ngor (*Chairman*)
Mr. Au Kwok Yee Benjamin
Mr. Lum Pak Sum

REMUNERATION COMMITTEE

Mr. Lum Pak Sum (*Chairman*)
Ms. Lau Siu Ngor

NOMINATION COMMITTEE

Mr. Lum Pak Sum (*Chairman*)
Ms. Lau Siu Ngor

COMPANY SECRETARY

Mr. Law Fei Shing, *AICPA, HKICPA (Practising)*

AUTHORISED REPRESENTATIVES

Mr. Chim Kim Lun Ricky
Mr. Law Fei Shing

董事會

執行董事

詹劍崙先生
羅輝城先生

獨立非執行董事

歐國義先生
劉小娥女士
林柏森先生

審核委員會

劉小娥女士 (*主席*)
歐國義先生
林柏森先生

薪酬委員會

林柏森先生 (*主席*)
劉小娥女士

提名委員會

林柏森先生 (*主席*)
劉小娥女士

公司秘書

羅輝城先生 *AICPA, HKICPA (執業)*

授權代表

詹劍崙先生
羅輝城先生

Corporate Information

公司資料

REGISTERED OFFICE

Clarendon House
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Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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18 Harcourt Road
Hong Kong

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Tengis Limited
26th Floor, Tesbury Centre
28 Queen's Road East
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

HSBC Bank Bermuda Limited
6 Front Street
Hamilton HM11
Bermuda

AUDITOR

Morison Heng
Certified Public Accountants
7th Floor, Allied Kajima Building
138 Gloucester Road
Wanchai
Hong Kong

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

總辦事處及香港主要營業地點

香港
夏慤道18號
海富中心1座
11樓1102C室

香港股份過戶登記分處

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

股份過戶登記總處

HSBC Bank Bermuda Limited
6 Front Street
Hamilton HM11
Bermuda

核數師

華利信會計師事務所
執業會計師
香港
灣仔
告士打道138號
聯合鹿島大廈7樓

Executive Director's Statement

執行董事報告書

On behalf of the board of directors (the “**Board**”) of Bestway International Holdings Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”), I am pleased to present herewith the annual report of the Company and the Group for the year ended 31 March 2012.

BUSINESS REVIEW

Capital reorganization

Pursuant to a special resolution passed by the shareholders of the Company at a special general meeting held on 8 December 2011, each authorised ordinary share and preference share of HK\$0.1 were subdivided into 10 ordinary shares and 10 preference shares of HK\$0.01 each, respectively. Furthermore, the issued share capital was reduced by canceling paid up capital to the extent of HK\$0.09 on each ordinary share of HK\$0.1. The credit arising from capital reduction was transferred to share premium account. The capital reorganisation gave greater flexibility to the Company to raise fund through the issue of new shares in the future since the Company is not permitted to issue new shares below par value under the laws of Bermuda and its By-laws.

Trading of goods

The Group recorded a revenue of HK\$1,384,000 (2011: HK\$1,855,000) which represented decrease in turnover of approximately 25% over the corresponding last year. Gross profit margin had decreased to 5.13% (2011: 5.44%). A decrease of revenue and gross profit margin were mainly due to the absence of PVC film trading income. The loss attributable to the owners of the Company was HK\$4,872,000 (2011: HK\$204,682,000). The Group's basic loss per share for the year was HK\$0.17 cents (2011: HK\$9.43 cents).

本人謹代表百威國際控股有限公司(「**本公司**」)董事會(「**董事會**」)及其附屬公司(統稱「**本集團**」)欣然提呈本公司及本集團截至二零一二年三月三十一日止年度之年報。

業務回顧

股本重組

根據本公司股東於二零一一年十二月八日舉行之股東特別大會上通過之特別決議案，每股面值0.1港元之法定普通股及優先股已分別拆細為每股面值0.01港元之10股普通股及10股優先股。此外，已發行股本已透過註銷每股面值0.1港元之普通股之0.09港元繳足股本而予以削減。股本削減所產生之進賬已轉撥至股份溢價賬。由於根據百慕達法例及本公司之公司細則，其不獲准以低於股份面值發行新股份，故股本重組為本公司於未來透過發行新股份集資提供更大靈活性。

買賣貨品

本集團錄得收益1,384,000港元(二零一一年：1,855,000港元)，即營業額較去年同期下跌約25%。毛利率已下降至5.13%(二零一一年：5.44%)。收入及毛利率下跌主要由於並無塑膠布買賣收入所致。本公司擁有人應佔虧損為4,872,000港元(二零一一年：204,682,000港元)。年內，本集團之每股基本虧損為0.17港仙(二零一一年：9.43港仙)。

Executive Director's Statement

執行董事報告書

Mining Business

During the year ended 31 March 2012, there was no active operation of the Group's mining business. In order to obtain a more reliable estimation for the development of the Mongolian tungsten resources, the management has intended to engage a qualified mineral technical adviser to obtain a resource estimation based on international reporting standards, which is in line with the requirements under chapter 18 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and to provide further assistance in the design of the exploration programs in respect of the tungsten mines. The management was given to understand that the additional exploration work for the purpose of the resource estimation will include re-drilling and re-sampling. Considering the addition work to be done as described above, the estimated time required to obtain a technical report on the tungsten mines and the relevant fundraising activities of the Company, the expected production schedule will not commence within the next 12 months. In this respect, the Group will continue to renew the mining licences and comply with the requirements of the Law on Mineral Resources of Mongolia.

In May 2012, the Company appointed a qualified technical adviser to advise on the estimated time frame for obtaining a resource estimation and to prepare a technical report on the tungsten mines based on international reporting standards. Details of the time frame of production of the tungsten mines will be provided as soon as it is available.

FUTURE PLAN AND PROSPECTS

On 16 April 2012, the Company successfully completed a placing of 500,000,000 new shares at a price of HK\$0.05 per placing shares with net proceeds of approximately HK\$24,400,000 to strengthen the working capital of the Group. Details of the placing were disclosed in the Company's announcement on 26 March 2012 and 16 April 2012 respectively.

採礦業務

於截至二零一二年三月三十一日止年度內，本集團之採礦業務並無活躍活動。為取得有關發展蒙古鎢資源之更可靠估計，管理層擬委聘合資格礦產技術顧問根據符合香港聯合交易所有限公司證券上市規則第18章之規定之國際報告準則取得資源估計，並為有關鎢礦之勘探計劃設計提供進一步協助。管理層了解到有關資源估計之額外勘探工作將包括重新鑽探及重新收集樣本。經考慮上述將進行之額外工作，取得有關鎢礦之技術報告所需之估計時間及本公司之相關集資活動，預期生產計劃將不會於未來十二個月內開展。就此而言，本集團將繼續重續採礦許可證，並遵守蒙古礦產資源法例之規定。

於二零一二年五月，本公司委任合資格技術顧問就取得資源估計之估計時間框架提供意見及根據國際報告準則編製有關鎢礦之技術報告。鎢礦之生產時間框架詳情將於可得時盡快提供。

未來計劃及前景

於二零一二年四月十六日，本公司成功完成按每股配售股份0.05港元之價格配售500,000,000股新股份，所得款項淨額約為24,400,000港元以增強本集團之營運資金。有關配售之詳情已於本公司日期分別為二零一二年三月二十六日及二零一二年四月十六日之公佈內披露。

Executive Director's Statement

執行董事報告書

Looking ahead, the directors of the Company expect that the operating environment in the trading of goods will be challenging as the sustainable recovery of the world's economy is still uncertain. In order to cope with future challenges and staying competitive, the Group will look for new customers in order to improve the profit margins for the businesses. Moreover, we will keep on monitoring the development of mining business and will endeavor to further explore the mining business in order to contribute a return in the future.

For the purpose of sustaining long term growth and maximising the shareholders' wealth, the directors will continue to explore all potential opportunities to broaden the Group's income and development.

APPRECIATION

I would like to extend my gratitude to the members of the Board, our management team and staffs for their loyalty and dedication during the past year. On behalf of the Board of Directors, I wish to convey our most sincere appreciation of the staunch support to our Group from all of our customers and suppliers and during the year.

By order of the Board

Chim Kim Lun Ricky
Executive Director

Hong Kong, 22 June 2012

展望未來，由於全球經濟持續復甦情況仍然不明朗，本公司董事預期貨品買賣之經營環境將具挑戰性。為應付未來挑戰及保持競爭力，本集團將尋找新客源以改善業務利潤率。再者，我們將繼續監察採礦業務之發展，並將致力進一步開拓採礦業務從而有助於將來獲得回報。

為維持長遠增長及最大限度提高股東價值，董事將繼續物色一切可擴大本集團之收入及發展之潛在商機。

致謝

本人謹藉此對董事會各成員、管理團隊及員工於過去一年之竭誠服務及貢獻表示謝意。本人謹代表董事會對本集團所有客戶及供應商於年內對本集團之鼎力支持深表謝意。

承董事會命

詹劍崙
執行董事

香港，二零一二年六月二十二日

Management Discussion and Analysis

管理層討論及分析

FINANCIAL SUMMARY

The Group's revenue for the year ended 31 March 2012 was approximately of HK\$1,384,000 and the administrative expenses for the year ended 31 March 2012 were approximately of HK\$4,155,000, which represented an increase of 2.77% compared to the administrative expenses incurred in last year.

The loss attributable to the owners of the Company for the year ended 31 March 2012 was HK\$4,872,000, as compared to a loss HK\$204,682,000 in the previous year. It was mainly due to the absence of the impairment recognition of mining rights of HK\$265,473,000 in the last year.

CURRENT AND GEARING RATIOS

As at 31 March 2012, the Group's bank balances and cash amounted to HK\$1,792,000 (as at 31 March 2011: HK\$6,331,000). The Group's net assets value amounted to approximately of HK\$553,954,000 (as at 31 March 2011: HK\$558,948,000) with total assets approximately of HK\$741,939,000 (as at 31 March 2011: HK\$746,857,000). Net current liabilities were approximately of HK\$20,544,000 (as at 31 March 2011: net current assets of HK\$3,267,000). The current ratio was 0.15 times (as at 31 March 2011: 1.68 times) and gearing ratio was 0.25 (as at 31 March 2011: 0.25) represented on the basis of total liabilities over total assets.

CHARGES ON GROUP'S ASSETS

As at 31 March 2012, the Group pledged bank deposit of HK\$869,000 (as at 31 March 2011: HK\$1,262,000) to secure a short-term banking facilities of the Group.

CONTINGENT LIABILITIES

As at 31 March 2012, the Group did not have any significant contingent liabilities (as at 31 March 2011: Nil).

FOREIGN CURRENCY EXPOSURE

The Group did not have any significant exposure to and did not hedge against risks associated with foreign currency fluctuation.

財務摘要

本集團截至二零一二年三月三十一日止年度之收益約為1,384,000港元。截至二零一二年三月三十一日止年度之行政開支約為4,155,000港元，較去年產生之行政開支上升2.77%。

截至二零一二年三月三十一日止年度，本公司擁有人應佔虧損為4,872,000港元，而去年則為虧損204,682,000港元，其主要由於並無去年確認265,473,000港元之採礦權減值所致。

流動及資產負債比率

於二零一二年三月三十一日，本集團之銀行結餘及現金為1,792,000港元（於二零一一年三月三十一日：6,331,000港元）。本集團之資產淨值約為553,954,000港元（於二零一一年三月三十一日：558,948,000港元），而資產總值約為741,939,000港元（於二零一一年三月三十一日：746,857,000港元）。流動負債淨值約為20,544,000港元（於二零一一年三月三十一日：流動資產淨值3,267,000港元）。流動比率為0.15倍（於二零一一年三月三十一日：1.68倍）及資產負債比率（以負債總額除以總資產表示）為0.25（於二零一一年三月三十一日：0.25）。

本集團資產之抵押

於二零一二年三月三十一日，本集團已抵押銀行存款869,000港元（於二零一一年三月三十一日：1,262,000港元）以為本集團之短期銀行融資作抵押。

或然負債

於二零一二年三月三十一日，本集團並無任何重大或然負債（於二零一一年三月三十一日：無）。

外幣風險

本集團並無承受任何重大之與外幣波動相關之風險，亦無對沖有關風險。

Management Discussion and Analysis

管理層討論及分析

EMPLOYEE INFORMATION

As at 31 March 2012, the Group had approximately 15 full time managerial and administrative employees (2011: 18). The Group affords competitive remuneration packages to its employees based on prevailing and industry practice. Compensation policies are reviewed regularly and are designed to reward and motivate productivity and performance.

DIVIDENDS

The Directors do not recommend the payment of any dividend in respect of the year ended 31 March 2012 (2011: Nil).

僱員資料

於二零一二年三月三十一日，本集團聘用約15名（二零一一年：18名）負責管理及行政工作之全職僱員。本集團根據現行業內慣例向其僱員提供具競爭力之薪酬待遇。本公司定期檢討薪酬政策，旨在獎勵及激勵僱員之生產力及表現。

股息

董事並不建議就截至二零一二年三月三十一日止年度派付任何股息（二零一一年：無）。

Biographical Details of Directors

董事履歷詳情

EXECUTIVE DIRECTORS

Mr. Chim Kim Lun Ricky, aged 42, was appointed as an executive director of the Company in September 2007. Mr. Chim graduated from the University of British Columbia in Canada with a bachelor's degree in Arts. Mr. Chim has over 15 years of commercial and industrial experience and of experience in investment. Mr. Chim was an executive director of Yueshou Environmental Holdings Limited (stock code: 1191) for a period from May 2007 to November 2009, Bel Global Resources Holdings Limited (stock code: 761) for a period from April 2007 to November 2008, Hengli Commercial Properties (Group) Limited (stock code: 169) for a period from June 2007 to December 2008 and Huscoke Resources Holdings Limited (stock code: 704) for a period from September 2007 to September 2010. Also, he was a chairman, executive director and managing director of Karce International Holdings Company Limited (stock code: 1159) for a period from August 2007 to April 2009. Mr. Chim currently is a chairman and executive director of Asia Resources Holdings Limited (stock code: 899). These companies are listed on the main board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

Mr. Law Fei Shing, aged 52, was appointed as an executive director and company secretary of the Company in January 2009. Mr. Law is a Practising Certified Public Accountants in Hong Kong. He is also a member of American Institute of Certified Public Accountants (AICPA), USA and associate member of the Hong Kong Institute of Certified Public Accountants (HKICPA). Mr. Law has over 22 years of experience in the audit and accounting services. Mr. Law was an executive director (from August 2004 to December 2011), the company secretary (from August 2004 to May 2011) and the chief executive officer (from November 2007 to December 2011) of Energy International Investments Holdings Limited (stock code: 353) a company listed on the main board of the Stock Exchange. Currently, Mr. Law is an executive director and company secretary of China Boon Holdings Limited (stock code: 922) which is listed on the main board of the Stock Exchange.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Au Kwok Yee Benjamin, aged 45, was appointed as an independent non-executive Director in September 2004. He graduated from the University of Hong Kong with a bachelor's degree in laws in 1991 and obtained a postgraduate certificate in laws in 1992. He is currently the Principal solicitor of Messrs. Benjamin Au & Billy Chan Solicitors. He has over 16 years of experience in commercial and corporate matters, civil and criminal litigations, intellectual property, commercial documents drafting and advice and employment matters and appeals. Mr. Au was an independent non-executive director of Anhui Tianda Oil Pipe Company Limited for a period from April 2009 to April 2011 (stock code: 839) which is listed on the main board of the Stock Exchange.

執行董事

詹劍崙先生，42歲，於二零零七年九月獲委任為本公司執行董事。詹先生畢業於加拿大英屬哥倫比亞大學，持有文學士學位。詹先生擁有逾15年工商業及投資業務經驗。由二零零七年五月至二零零九年十一月期間，詹先生為粵首環保控股有限公司（股份代號：1191）、由二零零七年四月至二零零八年十一月期間為百營環球資源控股有限公司（股份代號：761）、由二零零七年六月至二零零八年十二月期間為恒力商業地產（集團）有限公司（股份代號：169）及由二零零七年九月至二零一零年九月期間為和嘉資源控股有限公司（股份代號：704）之執行董事。同時，詹先生由二零零七年八月至二零零九年四月期間為泰盛實業集團有限公司（股份代號：1159）之主席兼執行董事及董事總經理。詹先生現為亞洲資源控股有限公司（股份代號：899）之主席兼執行董事。該等公司為均於香港聯合交易所有限公司（「聯交所」）主板上市。

羅輝城先生，52歲，於二零零九年一月獲委任為本公司執行董事兼公司秘書。羅先生為香港執業會計師。彼亦為美國之美國執業會計師公會會員及香港會計師公會會員。羅先生於核數及會計服務方面積逾22年經驗。羅先生為能源國際投資控股有限公司（股份代號：353，一間於聯交所主板上市之公司）之執行董事（自二零零四年八月至二零一一年十二月）、公司秘書（自二零零四年八月至二零一一年五月）及行政總裁（自二零零七年十一月至二零一一年十二月）。現時，羅先生為聯交所主板上市公司中福控股發展有限公司（股份代號：922）之執行董事兼公司秘書。

獨立非執行董事

歐國義先生，45歲，於二零零四年九月獲委任為獨立非執行董事。彼於一九九一年畢業於香港大學，取得法律學士學位，並於一九九二年取得法學專業證書。彼目前在歐國義陳建民律師行擔任高級律師。彼於商業及企業事務、民事及刑事訴訟、知識產權、商業文件草擬及諮詢以及勞工事務及糾紛方面積逾16年經驗。歐先生於二零零九年四月至二零一一年四月期間擔任聯交所主板上市公司安徽天大石油管材股份有限公司（股份代號：839）之獨立非執行董事。

Biographical Details of Directors 董事履歷詳情

Ms. Lau Siu Ngor, aged 48, was appointed as independent non-executive director of the Company in September 2009. She received a Master degree in Business Administration from Lancaster University of the United Kingdom in 1995 and a Bachelor degree of Science (Honours) in Computer Studies from the City University of Hong Kong in 1993. She is a fellow member of the Chartered Institute of Management Accountants (CIMA) of the United Kingdom and a fellow member of the Hong Kong Institute of Certified Public Accountants (HKICPA). She had previously assumed the positions of financial controller and accountant in various companies and has extensive experience in financial industry. Currently, she is an independent non-executive director of China Boon Holdings Limited (stock code: 922) which is listed on the main board of the Stock Exchange.

Mr. Lum Pak Sum, aged 51, was appointed as independent non-executive director of the Company in March 2010. He holds a master degree in business administration from the University of Warwick, United Kingdom and a LLB (Honours) degree from the University of Wolverhampton, United Kingdom. He is currently a fellow member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants, United Kingdom. Mr. Lum was an independent non-executive director of Grand Field Group Holdings Limited (stock code: 115) for a period from July 2004 to May 2008, KH Investment Holdings Limited (stock code: 8172) for a period from September 2005 to December 2008, Heng Xin China Holdings Limited (stock code: 8046) for a period from June 2007 to November 2008 and Energy International Investments Holdings Limited (stock code: 353) for a period from September 2005 to June 2011. Currently, he is an independent non-executive director of Waytung Global Group Limited (stock code: 21), Karce International Holdings Company Limited (stock code: 1159), Radford Capital Investment Limited (stock code: 901) and Asia Resources Holdings Limited (stock code: 899). These companies are listed on the Stock Exchange.

劉小娥女士，48歲，於二零零九年九月獲委任為本公司獨立非執行董事。彼於一九九五年獲得英國蘭開斯特大學(Lancaster University)之工商管理碩士學位，並於一九九三年獲得香港城市大學電腦科學榮譽理學士學位。彼為英國特許管理會計師公會之資深會員及香港會計師公會之資深會員。彼之前曾於多間公司擔任財務總監及會計師之職務，於金融業擁有豐富經驗。現時，彼為聯交所主板上市公司中福控股發展有限公司(股份代號：922)之獨立非執行董事。

林柏森先生，51歲，於二零一零年三月獲委任為本公司獨立非執行董事。彼持有英國華威大學工商管理碩士學位及英國Wolverhampton大學法律榮譽學位。彼現時為香港會計師公會及英國特許公認會計師公會資深會員。林先生於二零零四年七月至二零零八年五月期間擔任鈞濠集團有限公司(股份代號：115)、於二零零五年九月至二零零八年十二月期間擔任嘉滙投資控股有限公司(股份代號：8172)、於二零零七年六月至二零零八年十一月期間擔任恒芯中國控股有限公司(股份代號：8046)及於二零零五年九月至二零一一年六月期間擔任能源國際投資控股有限公司(股份代號：353)之獨立非執行董事。現時，彼為滙通天下集團有限公司(股份代號：21)、泰盛實業集團有限公司(股份代號：1159)、萊福資本投資有限公司(股份代號：901)及亞洲資源控股有限公司(股份代號：899)之獨立非執行董事。該等公司均於聯交所上市。

Report of the Directors

董事會報告

The Directors submit herewith their annual report together with the audited financial statements for the year ended 31 March 2012.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and trading cotton yarn. The principal activities of the Group are the mining business.

RESULTS AND DIVIDEND

The results of the Group for the year ended 31 March 2012 and the state of the Company's and the Group affairs as at that date are set out in the consolidated financial statements on pages 34 to 80. The Directors do not recommend the payment of any dividend in respect of the year.

SUMMARY FINANCIAL INFORMATION

The following is a summary of the published results and of the assets, liabilities and non-controlling interests of the Group for the last five financial years, as extracted from the audited financial statements and restated/ reclassified as appropriate. This summary does not form a part of the audited financial statements.

董事謹此提呈本集團截至二零一二年三月三十一日止年度之年報連同經審核財務報表。

主要業務

本公司之主要業務為投資控股及棉紗買賣。本集團之主要業務為採礦業務。

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業績以及本公司及本集團於該日之事務狀況載於綜合財務報表第34頁至第80頁。董事並不建議就本年度派付任何股息。

財務資料概要

以下為過去五個財政年度本集團已公佈業績及資產、負債及非控股權益之概要，乃摘錄自經審核財務報表，並已適當地重列／重新分類。此概要並不構成經審核財務報表之一部份。

Report of the Directors

董事會報告

RESULTS

業績

		Years ended 31 March 截至三月三十一日止年度				
		2012 HK\$'000	2011 HK\$'000	2010 HK\$'000	2009 HK\$'000	2008 HK\$'000 (Restated)
		二零一二年 千港元	二零一一年 千港元	二零一零年 千港元	二零零九年 千港元	二零零八年 千港元 (經重列)
Revenue	收益	1,384	1,855	14,165	16,966	12,709
(Loss)/Profit before taxation	除稅前(虧損)/溢利	(4,872)	(271,050)	1,514	(3,744)	(2,761)
Taxation	稅項	-	66,368	-	-	720
(Loss)/Profit for the year from continuing operations	來自持續經營業務之年度(虧損)/溢利	(4,872)	(204,682)	1,514	(3,744)	(2,041)
(Loss)/Profit for the year from discontinued operations	來自已終止經營業務之年度(虧損)/溢利	-	-	2,006	6,955	(21,374)
(Loss)/Profit for the year	年度(虧損)/溢利	(4,872)	(204,682)	3,520	3,211	(23,415)
Attributable to :	應佔 :					
Owners of the Company	本公司擁有人	(4,872)	(204,682)	3,520	3,286	(21,001)
Non-controlling interests	非控股權益	-	-	-	(75)	(2,414)
		(4,872)	(204,682)	3,520	3,211	(23,415)

Report of the Directors

董事會報告

ASSETS, LIABILITIES AND NON-CONTROLLING INTERESTS

資產、負債及非控股權益

		At 31 March 於三月三十一日				
		2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元	2010 HK\$'000 二零一零年 千港元	2009 HK\$'000 二零零九年 千港元	2008 HK\$'000 二零零八年 千港元
Property, plant and equipment	物業、廠房及設備	208	314	345	8	59,159
Prepaid land lease payments	預付土地租賃款項	-	-	-	-	3,681
Long term receivables/Long term investments	長期應收賬款/ 長期投資	-	-	-	2,436	2,660
Exploration and evaluation assets	勘探及評估資產	2,546	2,837	863	-	-
Mining rights	採礦權	735,657	735,657	1,001,130	-	-
Current assets	流動資產	3,528	8,049	16,735	166,421	121,953
Total assets	總資產	741,939	746,857	1,019,073	168,865	187,453
Current liabilities	流動負債	(24,072)	(4,782)	(6,751)	(76,362)	(87,745)
Long-term liabilities:	長期負債：					
Long term portion of interest-bearing bank and other borrowings	計息銀行及其他 借貸之長期 部份	-	-	-	-	(11,389)
Promissory notes	承兌票據	-	(19,214)	(18,607)	-	-
Deferred tax liabilities	遞延稅項負債	(163,913)	(163,913)	(230,281)	-	-
Total liabilities	總負債	(187,985)	(187,909)	(255,639)	(76,362)	(99,134)
Non-controlling interests	非控股權益	-	-	-	-	(2,021)
		553,954	558,948	763,434	92,503	86,298

Report of the Directors

董事會報告

FIXED ASSETS

Details of movements in fixed assets of Group during the year are set out in note 15 to the financial statements.

SHARE CAPITAL

Details of the movements in share capital of the Company during the year, together with the reasons, are set out in note 23 to the financial statements.

PRE-EMPTIVE RIGHTS

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

DONATIONS

The Group made no charitable donations during the year (2011: Nil).

EVENT AFTER THE REPORTING DATE

Details of event after the reporting date are set out in note 31 to the financial statements.

CONVERTIBLE PREFERENCE SHARES

Details of the convertible preference shares are set out in note 23 to the financial statements.

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

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

RESERVES

Details of movements in reserves of the Company and the Group during the year are set out in note 26 to the financial statements and in the consolidated statement of changes in equity respectively.

固定資產

本集團年內之固定資產變動詳情載於財務報表附註15。

股本

本公司年內之股本變動詳情連同其原因，載於財務報表附註23。

優先購買權

本公司之公司細則或百慕達法例均無條文規定本公司須按持股票比例向本公司現有股東發售新股之優先購買權。

捐贈

本年度內，本集團並無作出慈善捐贈（二零一一年：無）。

報告日期後事項

有關報告日期後事項之詳情載於財務報表附註31。

可換股優先股

可換股優先股之詳情載於財務報表附註23。

購買、出售或贖回本公司之上市股份

本公司及其任何附屬公司於年內概無購買、贖回或出售本公司之任何上市證券。

儲備

本公司及本集團於年內之儲備變動詳情分別載於財務報表附註26及綜合權益變動表。

Report of the Directors

董事會報告

DISTRIBUTABLE RESERVES

At 31 March 2012, the Company had no retained profits available for cash distribution and/or distribution in specie. Under the Bermuda Companies Act 1981, the Company's contributed surplus of HK\$159,393,000 is currently not available for distribution. The Company's share premium account in the amount of HK\$714,069,000 may be distributed in the form of fully paid bonus shares.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, 100% of the Group's purchases were attributable to the Group's five largest suppliers with the largest supplier accounting for 63% of the Group's purchases. 100% of the Group's sales were attributable to the Group's five largest customers with the largest customer accounting for 100% of the Group's sales.

None of the Directors of the Company or any of their associates or any shareholder (which to the knowledge of the Directors owns more than 5% of the Company's issued share capital) had any interest in the Group's five largest customers and suppliers. The Group's concentration of credit risk on trade receivables as at 31 March 2012 is mainly from one customer which accounted for 100% of trade receivables mainly from Hong Kong. The Group has closely monitored the recoverability of trade receivables and taken effective measures to ensure timely collection of outstanding balances.

DIRECTORS

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

Executive Directors

Mr. Chim Kim Lun Ricky
Mr. Law Fei Shing

可分派儲備

於二零一二年三月三十一日，本公司並無可供現金分派及／或實物分派之保留溢利。根據百慕達一九八一年公司法，本公司之實繳盈餘159,393,000港元現時並不可供分派。本公司之股份溢價賬714,069,000港元可按繳足紅股之形式作分派。

主要客戶及主要供應商

於本年度，本集團向五大供應商購貨之採購額佔本集團採購額之100%，其中向最大供應商購貨之採購額則佔本集團採購額之63%。向本集團五大客戶作出之銷售額佔本集團銷售額之100%，其中向最大客戶作出之銷售額則佔本集團銷售額之100%。

本公司各董事或彼等之任何聯繫人士或任何就董事所知擁有本公司已發行股本5%以上之股東概無於本集團五大客戶及五大供應商中擁有任何權益。於二零一二年三月三十一日，本集團貿易應收賬款之信貸集中風險主要來自一位客戶，共佔主要來自香港之貿易應收賬款之100%。本集團已密切監察貿易應收賬款之可收回程度及採取有效措施，以確保能及時收回未收回餘額。

董事

本公司於年內及截至本年報刊發日期之董事如下：

執行董事

詹劍崙先生
羅輝城先生

Report of the Directors

董事會報告

DIRECTORS (Continued)

Independent Non-Executive Directors

Mr. Au Kwok Yee Benjamin
Ms. Lau Siu Ngor
Mr. Lum Pak Sum

In accordance with clause 87 of the Company's Bye-laws, Mr. Chim Kim Lun Ricky and Ms. Lau Siu Ngor will retire from office and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

Each of the Independent Non-executive Directors had made an annual confirmation of independence pursuant to Rule 3.13 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**"). The Company considered that all Independent Non-executive Directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines.

BIOGRAPHICAL DETAILS OF DIRECTORS

The Director's biographical information are set out on pages 9 to 10.

DIRECTORS' SERVICE CONTRACTS

No Director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the Company within one year without payment of compensation.

DIRECTORS' REMUNERATION

The directors' fees are subject to shareholders' approval at annual general meeting with reference to the recommendation of the Group's remuneration committee. Other emoluments are determined by the Company's board of directors with reference to directors' duties, responsibilities and performance and results of the Group.

董事 (續)

獨立非執行董事

歐國義先生
劉小娥女士
林柏森先生

按照本公司之公司細則第87條，詹劍崙先生及劉小娥女士將於應屆股東週年大會上告退，惟彼等均符合資格並願意膺選連任。

各獨立非執行董事已根據香港聯合交易所有限公司證券上市規則（「上市規則」）第3.13條之規定提交年度獨立性確認書。本公司認為全體獨立非執行董事均符合上市規則第3.13條所載之獨立性指引，並根據該指引之條款屬獨立人士。

董事履歷詳情

董事履歷資料載於第9頁至第10頁。

董事之服務合約

建議於應屆股東週年大會上膺選連任之董事概無與本公司或其任何附屬公司訂立任何不可由本公司於一年內終止而毋須作出補償之服務合約。

董事酬金

董事袍金須於股東週年大會上由股東批准，並參照本集團薪酬委員會之建議。其他薪酬乃由本公司董事會參照董事職責、責任及本集團之表現及業績而釐定。

Report of the Directors

董事會報告

DIRECTORS' INTERESTS IN CONTRACTS

No other contract of significance to which the Company or a subsidiary was a party and in which a Director of the Company had a material interest subsisted at the year end date or at any time during the year.

MANAGEMENT CONTRACTS

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

PENSION SCHEME ARRANGEMENT

Particulars of the pension scheme arrangements are set out in note 4 to the financial statements.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

At 31 March 2012, none of the Directors or chief executives of the Company and their associates had any interests or short positions in 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 (the "SFO"), which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code").

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Directors or their respective spouse or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

董事於合約中之權益

於年結日或年內任何時間，概無存續本公司或附屬公司為訂約方，且本公司董事於其中擁有重大權益之其他重大合約。

管理合約

年內並無訂立或存在有關本公司整體或任何重大部份業務之管理及行政合約。

退休金計劃安排

退休金計劃安排詳情載於財務報表附註4。

董事於股份、相關股份及債券之權益及短倉

於二零一二年三月三十一日，董事及本公司主要行政人員及彼等之聯繫人士概無於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中，擁有根據證券及期貨條例第XV部第7及第8分部知會本公司及聯交所之權益或短倉（包括根據證券及期貨條例有關條文被當作或視作擁有之權益及短倉），或根據證券及期貨條例第352條須載入本公司存置之登記冊之權益或短倉，或根據上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所之權益或短倉。

董事收購股份或債券之權利

於年內任何時間，任何董事或其各自之配偶或未成年子女概無獲授可藉收購本公司之股份或債券而獲益之權利，而彼等亦無行使任何該等權利；或本公司或其任何附屬公司並無參與任何安排，致使董事於任何其他法人團體取得該等權利。

Report of the Directors

董事會報告

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

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:

Long position of substantial shareholders in the shares of the Company

主要股東於本公司股份及相關股份之權益及短倉

於二零一二年三月三十一日，按本公司根據證券及期貨條例第336條存置之權益登記冊所載，擁有本公司已發行股本5%或以上權益之股東載列如下：

主要股東於本公司股份之長倉

Name of shareholders	Capacity	Number of ordinary shares held	% of issued ordinary share capital (Note 1) 佔已發行普通股股本百分比(附註1)
股東名稱	身份	所持有普通股數目	
Skill Trade Investments Limited	Beneficial Owner 實益擁有人	926,666,666 (Note 2) (附註2)	28.66%
Mr. Mung Bun Man, Alan 蒙品文先生	Interest of Controlled Corporation 受控制法團之權益	926,666,666 (Note 2) (附註2)	28.66%
Global Grand Resources Corporation	Beneficial Owner 實益擁有人	601,000,000 (Note 3) (附註3)	18.59%
Mr. Sun Tak Keung 辛德強先生	Interest of Controlled Corporation 受控制法團之權益	601,000,000 (Note 3) (附註3)	18.59%
Mr. Chen Yiqu 陳益秋先生	Beneficial Owner 實益擁有人	340,000,000	10.51%

Report of the Directors

董事會報告

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

(Continued)

Notes:

1. The percentages are calculated based on the total number of ordinary shares of the Company in issue as at 31 March 2012, which was 3,233,562,180.
2. Skill Trade Investments Limited is a company incorporated under the laws of the British Virgin Islands, the entire issued share capital of which is legally and beneficially owned by Mr. Mung Bun Man, Alan therefore deemed to be interested in 926,666,666 ordinary shares held by Skill Trade Investments Limited.
3. Global Grand Resources Corporation is a company incorporated under the laws of the British Virgin Islands, the entire issued share capital of which is legally and beneficially owned by Mr. Sun Tak Keung. Mr. Sun Tak Keung therefore deemed to be interested in 601,000,000 ordinary shares held by Global Grand Resources Corporation.

Save as disclosed above, as far as the Directors are aware, as at 31 March 2012, no other person had an interest or short position in the Company's shares or underlying shares which would fall to be disclosed to the Company under the provisions of the Divisions 2 and 3 of Part XV of the SFO, or which was recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

主要股東於本公司股份及相關股份 之權益及短倉 (續)

附註：

1. 百分比乃基於本公司於二零一二年三月三十一日之已發行普通股總數為3,233,562,180股計算。
2. Skill Trade Investments Limited為一間根據英屬處女群島法例註冊成立之公司，其全部已發行股本由蒙品文先生合法及實益擁有，彼因而被視為於由Skill Trade Investments Limited持有之926,666,666股普通股中擁有權益。
3. Global Grand Resources Corporation 為一間根據英屬處女群島法例註冊成立之公司，其全部已發行股本由辛德強先生合法及實益擁有。辛德強先生因而被視為於由Global Grand Resources Corporation持有之601,000,000股普通股中擁有權益。

除上文所披露者外，據董事所知，於二零一二年三月三十一日，概無其他人士於本公司之股份或相關股份中，擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司披露之權益或短倉，或根據證券及期貨條例第336條須載入本公司存置之登記冊之權益或短倉。

Report of the Directors

董事會報告

SHARE OPTION SCHEME

The share option scheme for the employees and executive directors of the Company and its subsidiaries which was adopted at a special general meeting of the shareholders of the Company held on 13 September 1995 was terminated at the annual general meeting of the Company held on 19 August 2003. At the same annual general meeting, a new share option scheme, details of which appeared in a circular of the Company to shareholders of 25 July 2003, was approved.

On 25 September 2006, the Company had granted 281,000,000 share options to directors and employees at exercise price of HK\$0.035 per share. On 14 December 2006, the Company passed a resolution of capital reorganisation by the shareholders at the special general meeting involving:

- the capital reduction involves a reduction in the nominal value of each existing share in issue of HK\$0.01 to HK\$0.005;
- the share consolidation would be implemented whereby 20 existing shares of HK\$0.005 each in the issued or unissued share capital of the Company resulting from the capital reduction would be consolidated into one consolidated Share of HK\$0.10.

As a result, the share options exercise price need to be consolidated at HK\$0.70 per share and the number of share options granted need to be consolidated to 14,050,000 share options on 15 December 2006.

All the share options granted were expired and no outstanding share options remained for the years ended 31 March 2012 and 31 March 2011.

購股權計劃

於一九九五年九月十三日舉行之本公司股東特別大會上採納之一項為本公司及其附屬公司之僱員及執行董事而設之購股權計劃已於二零零三年八月十九日舉行之本公司股東週年大會上終止。於同一股東週年大會上，新購股權計劃獲批准，其詳情可參閱本公司於二零零三年七月二十五日致股東之通函。

於二零零六年九月二十五日，本公司以行使價每股0.035港元向董事及僱員授予281,000,000份購股權。於二零零六年十二月十四日，本公司股東於股東特別大會通過一項股本重組決議案，當中涉及：

- 削減股本，涉及將每股已發行現有股份之面值由0.01港元削減至0.005港元；
- 實行股份合併，據此將本公司已發行或未發行股本中因股本削減所產生之每20股每股面值0.005港元之現有股份合併為一股面值為0.10港元之合併股份。

因此，於二零零六年十二月十五日，購股權之行使價須合併為每股0.70港元，而所授出購股權數目須合併為14,050,000份購股權。

於截至二零一二年三月三十一日及二零一一年三月三十一日止年度，所有已授出購股權已屆滿，且並無尚未行使購股權。

Report of the Directors

董事會報告

RELATED PARTY AND CONNECTED TRANSACTIONS

During the year, there were no transactions required to be disclosed as related party and connected transactions in accordance with requirements of the Listing Rules.

DIRECTORS' INTERESTS IN A COMPETING BUSINESS

None of the Directors of the Company or their respective associates was interested in, apart from the Group's businesses, any business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group.

CORPORATE GOVERNANCE

In the opinion of the Directors, the Company has complied with the Code on Corporate Governance Practices (the "CG Codes") as set out in Appendix 14 of the Listing Rules throughout the accounting period covered by the annual report, except for certain deviations, please refer to the Corporate Governance Report on pages 23 to 31 of the annual report.

SUFFICIENCY OF PUBLIC FLOAT

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

關連人士及關連交易

年內，並無交易須根據上市規則之規定披露為關連人士及關連交易。

董事於競爭業務之權益

除本集團業務外，本公司董事及彼等各自之聯繫人士概無於任何與本集團業務直接或間接構成或可能構成競爭之業務中擁有權益。

企業管治

董事認為，本公司已於年報所涵蓋之整個會計期間內遵守上市規則附錄14所載之《企業管治常規守則》（「企業管治守則」），惟若干偏離者除外，請參閱年報第23頁至第31頁之企業管治報告。

足夠之公眾持股量

根據本公司從公開途徑取得之資料並據董事於本年報日期所知悉，本公司已維持上市規則所指定之公眾持股量。

Report of the Directors

董事會報告

AUDIT COMMITTEE

The Company has an Audit Committee which was established in compliance with the CG Codes in Appendix 14 of the Listing Rules for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls. The Group's audited financial statements for the year ended 31 March 2012 has been reviewed by the Audit Committee. The Audit Committee comprises three independent non-executive Directors of the Company and meets at least twice annually to perform their duties.

AUDITOR

The financial statements for the year ended 31 March 2012 have been audited by Morison Heng, Certified Public Accountants, who will retire at the Annual General Meeting and, being eligible, offer themselves for re-appointment.

BY ORDER OF THE BOARD

Chim Kim Lun Ricky
Executive Director

Hong Kong
22 June 2012

審核委員會

本公司已遵照上市規則附錄十四中之企業管治守則成立審核委員會，以審視及監督本集團之財務報告程序及內部控制。審核委員會已審閱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。審核委員會由本公司三位獨立非執行董事組成，並每年至少舉行兩次會議以履行其職責。

核數師

截至二零一二年三月三十一日止年度之財務報表已由執業會計師華利信會計師事務所審核，該會計師將於股東週年大會退任且符合資格並願意獲續聘。

承董事會命

執行董事
詹劍崙

香港
二零一二年六月二十二日

Corporate Governance Report

企業管治報告

The Board of the Directors (the “**Board**”) is committed to maintain statutory and regulatory standards and adherence to the principle of corporate governance with emphasis on transparency, independence, accountability and responsibility. The Board reviews its corporate governance practices from time to time in order to meet the rising expectations of shareholders and comply with increasingly stringent regulatory requirements, and to fulfill its commitment to excellence in corporate governance.

The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) has issued Appendix 14 of the Rules Governing the Listing of Securities of the Stock Exchange (the “**Listing Rules**”) relating to “The Code on Corporate Governance Practices (the “**CG Codes**”)” for the listed company to comply with. In the opinion of the Directors, the Company has complied with CG Codes throughout the year, except for the certain deviations from the CG Codes which are explained in the following paragraphs.

THE BOARD

Responsibilities

The overall management of the Company’s business is vested in the Board, which assumes responsibility for leadership and control of the Company and is collectively responsible for promoting the success of the Company by directing and supervising its affairs. All Directors should take decisions objectively in the interests of the Company.

The Board reserves for its decisions all major matters of the Company, including: the approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions, financial information, appointment of Directors and other significant financial and operational matters.

董事會（「**董事會**」）致力維持有關法定及監管標準，並緊守企業管治之原則，強調透明度、獨立性、問責性及負責。為達到股東對企業管治水平不斷提升之期望及符合日趨嚴謹之規管要求，以及履行其良好企業管治之承諾，董事會將不時檢討其企業管治常規。

上市公司須遵守香港聯合交易所有限公司（「**聯交所**」）頒佈之聯交所證券上市規則（「**上市規則**」）附錄14之《企業管治常規守則》（「**企業管治守則**」）。董事認為，除若干偏離企業管治守則之情況外，本公司全年一直遵守企業管治守則，偏離詳情於以下段落說明。

董事會

職責

本公司之整體業務由董事會負責管理。董事會負責領導及監控本公司事務，並透過指導及監管其事務對促進本公司之成功負共同責任。全體董事均客觀就本公司利益作出決定。

董事會保留就本公司所有重要事項作出決策之權力，包括批准及監控所有政策事項、整體策略及預算、內部監控及風險管理制度、重大交易、財務資料、委任董事及其他重大財務及營運事宜。

Corporate Governance Report

企業管治報告

THE BOARD *(Continued)*

Composition

The Board currently comprises the following Directors:

Executive Directors

Mr. Chim Kim Lun Ricky
Mr. Law Fei Shing

Independent Non-Executive Directors

Mr. Au Kwok Yee Benjamin
Ms. Lau Siu Ngor
Mr. Lum Pak Sum

The list of Directors (by category) is also disclosed in all corporate communications issued by the Company pursuant to the Listing Rules from time to time.

Biographical details of the Directors of the Company as at the date of this annual report are set out in the "Biographical Details of Directors" section on pages 9 to 10 of this annual report. None of the Directors has any financial, business, family or other material or relevant relationships among members of the Board.

All Directors are regularly updated on governance and regulatory matters. There is a procedure to enable Directors, upon reasonable request, to seek independent professional advice in appropriate circumstances at the expense of the Company in order to discharge of their duties.

董事會 (續)

組成

董事會現時由以下董事組成：

執行董事

詹劍崙先生
羅輝城先生

獨立非執行董事

歐國義先生
劉小娥女士
林柏森先生

董事名單 (按類別排列) 亦於本公司根據上市規則不時發出之所有企業通訊中披露。

本公司董事於本年報日期之履歷詳情載於本年報第9頁至第10頁之「董事履歷詳情」一節。董事會成員間並無任何財務、業務、家屬或其他重大或相關關係。

全體董事均定期獲得有關管治及規管事宜之更新資訊。董事可根據程序，按合理要求於合適情況下尋求獨立專業意見，以協助履行彼等之職責，有關費用由本公司支付。

Corporate Governance Report

企業管治報告

THE BOARD *(Continued)*

Composition *(Continued)*

During the year, 2 regular and 2 irregular Board meetings were held. The Directors can include matters for discussion in the agenda if necessary. Agenda and accompanying Board papers in respect of Board meetings are sent out in full to all Directors within reasonable time before the meeting. Minutes of Board meetings are kept by duly appointed secretaries of the respective meetings and record in sufficient detail the matters considered by the Board and decision reached and sent to all Directors for their comment and records respectively within a reasonable time after the Board meeting was held.

All Directors have access to Board papers and related materials, and are provided with adequate information on a timely manner, which enable the Board to make an informed decision on matters placed before it.

During the year ended 31 March 2012, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors with at least one independent non-executive Director possessing appropriate professional qualifications or accounting or related financial management expertise.

The Company has received written annual confirmation from each independent non-executive Director of his/her independence pursuant to the requirements of the Listing Rules. The Company considers all independent non-executive Directors to be independent in accordance with the independence guidelines as set out in the Listing Rules.

All the independent non-executive Directors of the Company have been appointed for a specific terms and are subject to retirement by rotation and re-election in accordance with the Company's Bye-laws.

The Company has a formal, considered and transparent procedure for the appointment of new Directors to the Board and all Directors should be subject to re-election at regular intervals. Upon the resignation of a Director, we made an announcement publicly and explain the reasons for the resignation.

董事會 (續)

組成 (續)

年內，董事會召開了2次定期董事會會議及2次臨時董事會會議。如有需要，董事可將討論事項納入有關議程。董事會會議之議程及隨附之董事會文件在開會前一段合理時間內發送予全體董事。董事會會議紀錄由正式獲委任之有關會議之秘書備存，詳列會議上董事會所考慮事項及達致之決定，並於董事會會議舉行後一段合理時間內送交全體董事，以分別供董事表達意見及紀錄之用。

全體董事均有權查閱董事會之文件及有關資料，並會及時獲得充分資料，確保董事會可就提呈會議之事項作出知情決定。

於截至二零一二年三月三十一日止年度，董事會一直符合上市規則之規定，委任最少三名獨立非執行董事，而其中最少一名獨立非執行董事須具備適當專業資格，或具備會計或有關財務管理之專業知識。

本公司已收到每名獨立非執行董事根據上市規則之規定發出之年度獨立確認書。根據上市規則所載之獨立性指引，本公司認為全體獨立非執行董事均為獨立。

根據本公司之公司細則，本公司全體獨立非執行董事均按特定任期委任，並須輪席退任及接受重選。

本公司已制訂正式、周詳而具透明度之委任新董事加入董事會之程序，而全體董事均須定期重選。於董事辭任時，本公司作出公開公佈並解釋辭任理由。

Corporate Governance Report

企業管治報告

THE BOARD (Continued)

Directors' attendance records

The number of full Board Meetings and Committee Meetings attended by each Director during the year under review is set out in the following table. Figure in brackets indicates maximum number of meetings in the period in which the individual was a Board member or Committee member.

Name of Director 董事姓名		Full Board Meetings 全體董事會會議	Audit Committee Meetings 審核委員會會議	Remuneration Committee Meetings 薪酬委員會會議	Nomination Committee Meetings 提名委員會會議
Executive Directors 執行董事					
Mr. Chim Kim Lun Ricky	詹劍崙先生	4/(4)	N/A不適用	N/A不適用	N/A不適用
Mr. Law Fei Shing	羅輝城先生	4/(4)	N/A不適用	N/A不適用	N/A不適用
Independent non-executive Directors 獨立非執行董事					
Mr. Au Kwok Yee Benjamin	歐國義先生	4/(4)	2/(2)	N/A不適用	N/A不適用
Ms. Lau Siu Ngor	劉小娥女士	4/(4)	2/(2)	1/(1)	1/(1)
Mr. Lum Pak Sum	林柏森先生	4/(4)	2/(2)	1/(1)	1/(1)

COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES

During the year ended 31 March 2012, the Board has adopted and complied with the code provisions of the CG Codes in so far they are applicable except for the following deviations.

董事會 (續)

董事出席記錄

各董事於回顧年內出席之全體董事會會議及委員會會議次數載於下表。括弧內之數字指該人士擔任董事會成員或委員會成員期內之最多會議數目。

遵守《企業管治常規守則》

董事會已於截至二零一二年三月三十一日止年度內採納及遵守企業管治守則內適用之守則條文，惟以下偏離者除外。

Corporate Governance Report

企業管治報告

COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

CG Codes provision A.1.1, it stipulates that the Board should meet regularly and board meeting should be held at least four times a year at approximately quarterly intervals. During the year, only two regular board meetings were held to review and discuss the annual and interim results. The Company does not announce its quarterly results and hence does not consider the holding of quarterly meetings as necessary.

CG Codes provision A.2.1, it stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Following the resignation of Mr. Tang Kuan Chien at the meeting of the board of directors of the Company held on 2 November 2009, he ceased to be chairman, chief executive officer, executive director and authorised representative of the Company with effect from 2 November 2009. The Company is still looking for suitable candidates to fill the vacancies of chairman and chief executive officer as soon as practicable and further announcement will be made by the Company upon fulfillment of those requirements under the Listing Rules.

CG Codes provision E.1.2, it stipulates that the chairman of the Board should attend the annual general meeting (the "AGM") of the Company. The chairman did not attend the 2011 AGM due to the chairman is vacated. An executive director had chaired the 2011 AGM and answered questions from the shareholders.

REMUNERATION COMMITTEE

The Company has set up a remuneration committee with written terms of reference in compliance with the CG Codes as set out in Appendix 14 of the Listing Rules to ensure that there are formal and transparent procedures for setting policies on the remuneration of Directors and senior management. The remuneration committee currently comprises Ms. Lau Siu Ngor and Mr. Lum Pak Sum. The remuneration committee is chaired by Mr. Lum Pak Sum.

During the year ended 31 March 2012, one remuneration committee meeting was held to review the remuneration package of the Board members.

遵守《企業管治常規守則》(續)

企業管治守則第A.1.1條訂明，董事會應定期舉行會議，而每年應最少舉行四次董事會會議，大約每季舉行一次。年內，僅舉行兩次定期董事會會議以審閱及討論年度及中期業績。本公司並無公佈其季度業績，故認為毋須每季舉行會議。

企業管治守則第A.2.1條訂明，主席與行政總裁之角色應有區分，並不應由同一人兼任。於唐貫健先生於二零零九年十一月二日舉行之本公司董事會會議上辭任後，由二零零九年十一月二日起，彼已不再為本公司主席、行政總裁、執行董事及授權代表。本公司現正於可行情況下盡快物色合適人選，以填補主席及行政總裁空缺，並將於符合上市規則之規定時另行發表公佈。

企業管治守則第E.1.2條訂明，董事會主席應出席本公司之股東週年大會（「股東週年大會」），惟由於董事會主席出缺，故並無主席出席二零一一年股東週年大會，改由一名執行董事主持二零一一年股東週年大會及回答股東提問。

薪酬委員會

本公司遵照上市規則附錄14所載之企業管治守則成立薪酬委員會，並訂有書面職權範圍，以確保在制定董事及高級管理層之薪酬政策上採納正式及透明之程序。薪酬委員會現時由劉小娥女士及林柏森先生組成。薪酬委員會之主席為林柏森先生。

於截至二零一二年三月三十一日止年度，薪酬委員會已舉行一次會議，以檢討董事會成員之薪酬待遇。

Corporate Governance Report

企業管治報告

NOMINATION COMMITTEE

The Company has set up a nomination committee with written terms of reference in compliance with the CG Codes as set out in Appendix 14 of the Listing Rules to ensure fair and transparent procedures for appointment, re-election and removal of Directors to the Board. The nomination committee currently comprises Ms. Lau Siu Ngor and Mr. Lum Pak Sum. The nomination committee is chaired by Mr. Lum Pak Sum.

During the year ended 31 March 2012, one nomination committee meeting was held. At present, the nomination committee is looking for suitable chief executive officer and chairman of the Company to fulfill the CG Codes provision A.2.1 requirement.

AUDIT COMMITTEE

The audit committee currently comprises Mr. Au Kwok Yee Benjamin, Ms. Lau Siu Ngor and Mr. Lum Pak Sum. The audit committee is chaired by Ms. Lau Siu Ngor.

The principal duties of the audit committee are considered significant accounting policies used to prepare the financial statements, and any changes to them, and significant estimates or judgments on which the financial statements have been based, taking the external auditors' views into consideration, consider the clarity and completeness of the disclosures in the financial statements. During the year ended 31 March 2012, two audit committee meetings were held, reviewing the financial reporting matters of the Group. The terms of reference of the audit committee are consistent with the terms set out in relevant section of the CG Codes.

All the members of the audit committee are confirmed to be independence with reference to Rule 3.13 of the Listing Rules.

The audit committee provides supervision on the internal control system of the Group and reports to the Board on any material issues, and makes recommendations to the Board.

提名委員會

本公司遵照上市規則附錄14所載之企業管治守則成立提名委員會，並訂有書面職權範圍，以確保在委任、重選及罷免董事會董事之事宜上採納公平及透明之程序。提名委員會現時由劉小娥女士及林柏森先生組成。提名委員會之主席為林柏森先生。

截至二零一二年三月三十一日止年度，提名委員會已舉行一次會議。現時，提名委員會正物色合適之本公司行政總裁及主席，以遵守企業管治守則第A.2.1條之規定。

審核委員會

審核委員會現時由歐國義先生、劉小娥女士及林柏森先生組成。審核委員會之主席為劉小娥女士。

審核委員會之主要職責為考慮用以編製財務報表之重大會計政策及其任何變動、及財務報表所根據之重要估計或判斷、參考外聘核數師之意見、考慮財務報表所披露事項之清晰及完整程度。截至二零一二年三月三十一日止年度，已舉行兩次審核委員會會議，以審閱本集團之財務申報事宜。審核委員會之職權範圍與企業管治守則有關部分載列之條款一致。

參照上市規則第3.13條，審核委員會全體委員確認為獨立。

審核委員會監督本集團之內部監控系統，並就任何重大事項向董事會報告及向董事會提供建議。

Corporate Governance Report

企業管治報告

MODEL CODE FOR SECURITIES TRANSACTIONS

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

Specific enquiry has been made of all the Directors and the Directors have confirmed that they have complied with the Model Code throughout the year ended 31 March 2012.

To comply with the CG Codes provisions A.6.4, the Company has also established and adopted the Model Code as the code of conduct for securities transactions by Relevant Employees to regulate the dealings in the securities of the Company by certain employees of the Group who are considered to be likely in possession of unpublished price sensitive information of the Company.

DIRECTORS’ AND AUDITOR’S RESPONSIBILITIES FOR ACCOUNTS

The Directors acknowledge their responsibilities for the preparation of financial statements of the Company for the year ended 31 March 2012. In preparing the financial statement, the Directors have selected suitable accounting policies and applied them consistently, made judgments and estimates that are prudent and reasonable, and have prepared the accounts on the going concern basis. Respective responsibilities of the Directors and the external auditors to the shareholders are set out in the “Independent Auditor’s Report” on pages 32 to 33 of this annual report.

AUDITOR’S REMUNERATION

During the year, Morison Heng CPA was appointed as the external auditors of the Company. Morison Heng CPA has provided audit services to the Group in respect of 2012 financial statements of the Company and its subsidiaries at the fee of HK\$580,000. Non-auditing service has not been rendered.

證券交易之標準守則

本公司已採納上市規則附錄10所載上市發行人董事進行證券交易之標準守則（「標準守則」）。

經向全體董事作出特定查詢後，董事確認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規定。

為遵守企業管治守則第A.6.4條，本公司亦已設立及採納標準守則為有關僱員進行證券交易之操守守則，以規管本集團被認為可能會擁有本公司未公開之股價敏感資料之有關僱員買賣本公司之證券。

董事及核數師對賬目之責任

董事知悉彼等編製本公司截至二零一二年三月三十一日止年度財務報表之責任。董事於編製財務報表時已揀選及貫徹應用合適之會計政策，並作出審慎及合理之判斷及估計，並採納持續經營基準編製有關賬目。董事及外聘核數師各自向股東所負之責任載列於本年報第32至33頁之「獨立核數師報告書」。

核數師酬金

年內，華利信會計師事務所獲委任為本公司外聘核數師。華利信會計師事務所已分別就本公司及其附屬公司之二零一二年財務報表提供核數服務，費用為580,000港元。並無提供非核數服務。

Corporate Governance Report

企業管治報告

INTERNAL CONTROL

The Board is responsible for the establishing and maintaining a sound system of internal control within the Group. However, such a system was designed to manage various risks of the Group within certain acceptable risk level, rather than complete the elimination of the risk of failure to achieve the business objectives of the Group.

The current Board has already commenced an assessment and review of the internal control system of the Company and will take appropriate action to maintain an adequate internal control system to safeguard shareholders' investments and the Company's assets, and review the effectiveness of such on an annual basis through the audit committee.

COMMUNICATION WITH SHAREHOLDERS

The Group strives to disclose relevant information on its activities to shareholders in an open and timely manner. Communication is achieved through:

- (1) The Company's annual and interim reports which have been enhanced to present a balance, clear and comprehensive assessment of the Group position and prospects.
- (2) Notices of annual and other general meetings and accompanying explanatory materials.
- (3) Announcement releases on major transaction.
- (4) Disclosures to the Stock Exchange and relevant regulatory bodies.
- (5) Response to inquiries from shareholders by Directors during the Annual General Meeting.

內部監控

董事會負責為本集團建立及維持健全之內部監控系統。然而，該系統之設計僅為於可接受之風險範圍內管理本集團之風險，而並非完全消除本集團未能達到業務目標之風險。

現時董事會已開始評核及檢討本公司之內部監控系統，並採取合適措施以維持充分之內部監控系統，以保障股東投資及本公司資產，並每年透過其審核委員會檢討其有效程度。

與股東溝通

本公司致力將其業務之有關資訊，以公開及迅速之方法向股東披露。溝通經以下途徑達致：

- (1) 本公司已改進其年報及中期報告，對本集團之現況及前景呈列一個持平、清晰及全面之評估。
- (2) 於股東週年大會及其他股東大會通告內附上解釋性資料。
- (3) 為主要交易發出公佈。
- (4) 向聯交所及相關監管機構披露。
- (5) 於股東週年大會上，由董事回應股東之詢問。

Corporate Governance Report

企業管治報告

CONSTRUCTIVE USE OF ANNUAL GENERAL MEETING

The relations with shareholders should be maintained through constructive use of Annual General Meeting. We are encouraging shareholders to attend at the Annual General Meeting, giving shareholders an opportunity to ask questions and to hear about the Company during the meeting and an opportunity to use their vote and greater openness in voting procedures at the Annual General Meeting. Our executive Directors and responsible person of audit committee, nomination committee and remuneration committee will answer the questions raised by the shareholders. Annual report and related papers are post to shareholders for their consideration at least 20 clear business days prior to the Annual General Meeting. Annual General Meeting proceedings are continually reviewed in the light of corporate governance best practices.

積極運用股東週年大會

本集團透過股東週年大會積極維繫與股東之關係。本集團鼓勵股東出席股東週年大會，為股東提供於會上提問及聆聽有關本公司事項之機會，並可於股東週年大會行使其投票權，投票程序亦更為透明。本集團之執行董事及審核委員會、提名委員會及薪酬委員會之負責人士將回答股東之提問。年報及有關文件於股東週年大會舉行最少20個足營業日前寄發予股東參考。股東週年大會之程序將繼續根據企業管治最佳慣例檢討。

Independent Auditor's Report

獨立核數師報告書



TO THE SHAREHOLDERS OF BESTWAY INTERNATIONAL HOLDINGS LIMITED

百威國際控股有限公司

(Incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Bestway International Holdings Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 34 to 80, which comprise the consolidated statement of financial position as at 31 March 2012, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and 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.

AUDITOR'S 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, in accordance with Section 90 of the Bermuda Companies Act, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. 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.

致百威國際控股有限公司

(於百慕達註冊成立之有限公司)

各股東

本核數師(以下簡稱「我們」)已審核載列於第34至80頁之百威國際控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表,當中包括於二零一二年三月三十一日之綜合財務狀況報表與截至該日止年度之綜合全面收入報表、綜合權益變動表及綜合現金流量表,以及主要會計政策概要及其他附註資料。

董事就綜合財務報表須承擔之責任

貴公司董事須負責根據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》之披露規定編製綜合財務報表,以令綜合財務報表作出真實而公平之反映,及落實其認為編製綜合財務報表所必要之內部控制,以使綜合財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述。

核數師之責任

我們之責任是根據我們之審核對該等綜合財務報表作出意見,並按照百慕達《公司法》第90條僅向整體股東報告,除此之外本報告別無其他目的。我們不會就本報告之內容向任何其他人士負責或承擔責任。我們已根據香港會計師公會頒佈之香港審計準則進行審核。這些準則要求我們遵守道德規範,並規劃及執行審核,以合理確定此等綜合財務報表是否不存有任何重大錯誤陳述。

Independent Auditor's Report

獨立核數師報告書

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 auditor's 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 auditor considers 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 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.

Morison Heng
Certified Public Accountants

Hong Kong, 22 June 2012

審核涉及執程序以獲取有關綜合財務報表所載金額及披露資料之審核憑證。所選定之程序取決於核數師之判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述之風險。在評估該等風險時，核數師考慮與該實體編製綜合財務報表以作出真實而公平之反映相關之內部控制，以設計於有關情況下屬適當之審核程序，但並非為對公司之內部控制之效能發表意見。審核亦包括評價董事所採用之會計政策之合適性及所作出之會計估計之合理性，以及評價綜合財務報表之整體呈列方式。

我們相信，我們所獲得之審核憑證充足及適當地為我們之審核意見提供基礎。

意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映 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》之披露規定妥為編製。

華利信會計師事務所
執業會計師

香港，二零一二年六月二十二日

Consolidated Statement of Comprehensive Income

綜合全面收入報表

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 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元
Revenue	收益	7	1,384	1,855
Cost of sales	銷售成本		(1,313)	(1,754)
Gross profit	毛利		71	101
Other income	其他收入	8	1	2
Administrative expenses	行政開支		(4,155)	(4,043)
Other operating expenses, net	其他經營開支淨額		(3)	(21)
Finance costs	財務成本	9	(786)	(1,616)
Impairment loss recognised in respect of mining rights	採礦權之已確認減值虧損	17	–	(265,473)
Loss before taxation	除稅前虧損		(4,872)	(271,050)
Taxation	稅項	10	–	66,368
Loss for the year	年度虧損	11	(4,872)	(204,682)
Other comprehensive (expense)/ income	其他全面(開支)/收入			
Exchange difference arising on translation	換算產生之匯兌差額		(122)	196
Total comprehensive expenses for the year	年度全面開支總額		(4,994)	(204,486)
Loss per share	每股虧損	14		
Basic	基本		(0.17 HK cents港仙)	(9.43 HK cents港仙)
Diluted	攤薄		N/A不適用	N/A不適用

Consolidated Statement of Financial Position

綜合財務狀況報表

At 31 March 2012 於二零一二年三月三十一日

		Notes	2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元
		附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	15	208	314
Exploration and evaluation assets	勘探及評估資產	16	2,546	2,837
Mining rights	採礦權	17	735,657	735,657
			738,411	738,808
Current assets	流動資產			
Trade receivables	貿易應收賬款	18	878	1,323
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項		858	395
Bank balances and cash	銀行結餘及現金	19	1,792	6,331
			3,528	8,049
Current liabilities	流動負債			
Trade and bills payables	應付貿易賬款及票據	20	832	1,262
Other payables and accruals	其他應付賬款及應計款項		3,240	3,520
Promissory notes	承兌票據	21	20,000	–
			24,072	4,782
Net current (liabilities)/assets	流動(負債)/資產淨值		(20,544)	3,267
Total assets less current liabilities	總資產減流動負債		717,867	742,075

Consolidated Statement of Financial Position

綜合財務狀況報表

At 31 March 2012 於二零一二年三月三十一日

		Notes 附註	2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元
Non-current liabilities	非流動負債			
Promissory notes	承兌票據	21	–	19,214
Deferred tax liabilities	遞延稅項負債	22	163,913	163,913
			163,913	183,127
Net assets	資產淨值		553,954	558,948
Capital and reserves	資本及儲備			
Share capital	股本	23	32,336	323,357
Reserves	儲備	26	521,618	235,591
Total equity	權益總額		553,954	558,948

The consolidated financial statements on pages 34 to 80 were approved and authorised for issue by the Board of Directors on 22 June 2012 and are signed on its behalf by:

第34至80頁之綜合財務報表已於二零一二年六月二十二日獲董事會批准及授權刊發，並由下列董事代表簽署：

CHIM Kim Lun Ricky
DIRECTOR
董事
詹劍崙

LAW Fei Shing
DIRECTOR
董事
羅輝城

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

		Share capital	Share premium	Contributed surplus	Exchange fluctuation reserve	Accumulated losses	Total equity
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		股本	股份溢價	實繳盈餘	匯率波動儲備	累積虧損	權益總額
		千港元	千港元	千港元	千港元	千港元	千港元
At 1 April 2010	於二零一零年四月一日	323,357	423,048	52,743	79	(35,793)	763,434
Loss for the year	年度虧損	-	-	-	-	(204,682)	(204,682)
Exchange difference arising on translation	換算產生之匯兌差額	-	-	-	196	-	196
Total comprehensive expenses for the year	年度全面開支總額	-	-	-	196	(204,682)	(204,486)
At 31 March 2011	於二零一一年三月三十一日	323,357	423,048	52,743	275	(240,475)	558,948
Loss for the year	年度虧損	-	-	-	-	(4,872)	(4,872)
Exchange difference arising on translation	換算產生之匯兌差額	-	-	-	(122)	-	(122)
Total comprehensive expenses for the year	年度全面開支總額	-	-	-	(122)	(4,872)	(4,994)
Capital reduction (note 23(a))	股本削減(附註23(a))	(291,021)	291,021	-	-	-	-
At 31 March 2012	於二零一二年三月三十一日	32,336	714,069	52,743	153	(245,347)	553,954

Consolidated Statement of Cash Flows

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 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元
Cash flows from operating activities	經營業務之現金流量		
Loss for the year	年度虧損	(4,872)	(204,682)
Adjustments for:	經調整下列各項：		
Income tax	所得稅	–	(66,368)
Depreciation	折舊	76	75
Finance costs	財務成本	786	1,616
Impairment loss recognised in respect of mining rights	採礦權之已確認減值虧損	–	265,473
Interest income	利息收入	(1)	(2)
Operating cash flows before movements in working capital	營運資金變動前之 經營現金流量	(4,011)	(3,888)
Decrease in trade receivables	貿易應收賬款減少	445	4,268
Increase in deposits, prepayments and other receivables	按金、預付款項及 其他應收款項增加	(463)	(122)
Decrease in trade and bills payables	應付貿易賬款及票據減少	(430)	(3,893)
(Decrease)/Increase in other payables and accruals	其他應付賬款及應計款項之 (減少)/增加	(280)	1,924
Cash used in operations	經營所用之現金	(4,739)	(1,711)
Interest received	已收利息	1	2
Interest paid	已付利息	–	(9)
Net cash used in operating activities	經營業務所用之現金淨額	(4,738)	(1,718)
Cash flows from investing activities	投資活動所用之現金流量		
Addition of exploration and evaluation assets	勘探及評估資產增加	–	(1,681)
Net cash used in investing activities	投資活動所用之現金淨額	–	(1,681)
Cash flows from financing activities	融資活動之現金流量		
Repayment of promissory notes	償還承兌票據	–	(1,000)
Net cash used in financing activities	融資活動所用之現金淨額	–	(1,000)
Net decrease in cash and cash equivalents	現金及等同現金項目 減少淨額	(4,738)	(4,399)
Cash and cash equivalents at beginning of the year	年初之現金及等同現金項目	6,331	10,871
Effect of foreign exchange rate changes	外幣匯率變動之影響	199	(141)
Cash and cash equivalents at end of the year, represented by bank balances and cash	年終之現金及等同現金 項目，指銀行結餘及現金	1,792	6,331

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

1. GENERAL

Bestway International Holdings Limited (the “Company”) is a limited liability company incorporated in Bermuda. The Company’s shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The address of the registered office of the Company is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and its principal place of business is located at Room 1102C, 11/F., Tower 1, Admiralty Centre, 18 Harcourt Road, Hong Kong.

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

The Company is engaged in investment holding and trading of cotton yarn. The principal activities of its subsidiaries are set out in note 30.

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

In preparing these consolidated financial statements, the directors of the Company have given careful consideration to the future liquidity of the Group in light of the fact that as of 31 March 2012, the Group’s current liabilities exceeded its current assets by HK\$20,544,000. The directors are of the opinion that, taking into consideration of the net proceeds of approximately HK\$24,400,000 upon the completion of new shares placing on 16 April 2012 (details of which are set out in note 31), the Group has sufficient working capital for its present requirements for the next twelve months from the end of the reporting period. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

1. 一般資料

百威國際控股有限公司(「本公司」)為一間於百慕達註冊成立之有限公司。本公司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Clarendon House, 2 Church Street, Hamilton HM11, Bermuda, 而其主要營業地點位於香港夏慤道18號海富中心1座11樓1102C室。

此等綜合財務報表乃以港元呈列, 此與本公司之功能貨幣相同。

本公司從事投資控股及棉紗買賣。其附屬公司之主要業務載列於附註30。

2. 綜合財務報表編製基準

鑑於本集團於二零一二年三月三十一日之流動負債超過其流動資產20,544,000港元, 於編製該等綜合財務報表時, 本公司董事已審慎考慮本集團之未來資金流動性。董事認為, 經考慮於二零一二年四月十六日完成配售新股份之所得款項淨額約24,400,000港元(詳情載於附註31), 本集團擁有充足營運資金, 以應付其於報告期末起計未來十二個月之目前需求。據此, 綜合財務報表已按持續經營基準編製。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

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

In the current year, the Group has applied the following new and revised standards, amendments and interpretations (“new and revised HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

HKFRSs (Amendments)	Improvements to HKFRSs 2010
HKAS 24 (Revised)	Related Party Disclosures
HK(IFRIC) – Int 14 (Amendment)	Prepayments of a Minimum Funding Requirement
HK(IFRIC) – Int 19	Extinguishing Financial Liabilities with Equity Instruments

The application of the new and revised HKFRSs in the current year has had no material effect on the amounts reported in these consolidated financial statements and/or disclosures set out in these consolidated financial statements.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

本集團已於本年度應用由香港會計師公會（「香港會計師公會」）頒佈之下列新訂及經修訂準則、修訂及詮釋（「新訂及經修訂香港財務報告準則」）。

香港財務報告準則（修訂本）	二零一零年香港財務報告準則之改進
香港會計準則第24號（經修訂）	關聯方披露事項
香港（國際財務報告詮釋委員會）— 詮釋第14號（修訂本）	最低資金要求之預付款項
香港（國際財務報告詮釋委員會）— 詮釋第19號	以股本工具抵銷財務負債

於本年度應用新訂及經修訂香港財務報告準則對於該等綜合財務報表呈報之金額及／或該等綜合財務報表所載之披露並無重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

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

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

HKFRS 7 (Amendments)	Disclosures – Transfers of Financial Assets ¹
HKFRS 7 (Amendments)	Disclosures – Offsetting Financial Assets and Financial Liabilities ⁴
HKFRS 7 and HKFRS 9 (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 Measurements ⁴
HKAS 1 (Amendments)	Presentation of Items of Other Comprehensive Income ³
HKAS 12 (Amendments)	Deferred Tax – Recovery of Underlying Assets ²
HKAS 32 (Amendments)	Presentation – Offsetting Financial Assets and Financial Liabilities ⁵
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
HK(IFRIC) – Int 20	Stripping Costs in the Production Phase of a Surface Mine ⁴

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

本集團並未提早應用下列已頒佈但尚未生效之香港財務報告準則：

香港財務報告準則第7號（修訂本）	披露－財務資產之轉讓 ¹
香港財務報告準則第7號（修訂本）	披露－抵銷財務資產及財務負債 ⁴
香港財務報告準則第7號及香港財務報告準則第9號（修訂本）	香港財務報告準則第9號之強制性生效日期及過渡性披露 ⁶
香港財務報告準則第9號	財務工具 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	共同安排 ⁴
香港財務報告準則第12號	披露於其他實體的權益 ⁴
香港財務報告準則第13號	公平值計量 ⁴
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32號（修訂本）	呈列－抵銷財務資產及財務負債 ⁵
香港會計準則第19號（二零一一年經修訂）	僱員福利 ⁴
香港會計準則第27號（二零一一年經修訂）	獨立財務報表 ⁴
香港會計準則第28號（二零一一年經修訂）	於聯營公司及合營公司之投資 ⁴
香港（國際財務報告詮釋委員會）－詮釋第20號	露天礦場生產期之剝採成本 ⁴

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. 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

The directors anticipate that the application of these new and revised HKFRSs will have no material impact on the results and the financial position of the Group.

4. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

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

董事預期應用該等新訂及經修訂香港財務報告準則將不會對本集團之業績及財務狀況造成重大影響。

4. 重大會計政策

本綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則編製。此外，本綜合財務報表包括聯交所證券上市規則及香港《公司條例》規定之適用披露資料。

本綜合財務報表乃按下文之會計政策詳述之歷史成本法慣例編製。歷史成本一般按交換資產時所付代價之公平值計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (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 disposal of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate.

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.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Revenue from sales of goods is recognised when the goods are delivered and titles have passed.

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

4. 重大會計政策 (續)

主要會計政策載列如下：

綜合賬目基準

綜合財務報表包括本公司及受其控制之實體（其附屬公司）之財務報表。倘本公司有權控制該實體之財務及經營政策，以從其活動中獲取利益，則視為擁有控制權。

年內購入或售出之附屬公司之收入及開支按自收購生效日期起計及截至出售生效日期止（視適用情況而定）計入綜合全面收入報表內。

附屬公司之財務報表於有需要情況下作出調整，以使其會計政策與本集團其他成員公司所採用者一致。

所有集團內公司間之交易、結餘、收入及支出已於綜合賬目時悉數抵銷。

收益確認

收益乃按已收或應收代價之公平值計量。收益已就估計客戶退貨、回扣及其他類似撥備作出扣減。

銷售貨品之收益於貨品交付及其擁有權轉移後確認。

當經濟效益可能流入本集團及收入金額能可靠計量時，確認財務資產之利息收入。利息收入乃參考尚未償還之本金及以實際適用利率（即將財務資產在預計年期內之估計未來所收現金準確貼現至該資產於初步確認時之賬面淨值之利率）按時間基準累計。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Property, plant and equipment

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

Depreciation is recognised so as to write off the cost of assets over their useful lives, using the straight-line method at the following rates per annum:

Furniture, fixtures, equipment and motor vehicles	3 to 5 years
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An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds to the carrying amount of the asset and is recognised in profit or loss.

Exploration and evaluation assets

Exploration and evaluation assets are stated at cost less any accumulated impairment losses.

Exploration and evaluation assets include the expenditures incurred in the search for natural resources as well as the determination of the technical feasibility and commercial viability of extracting those resources.

When the technical feasibility and commercial viability of extracting natural resources become demonstrable, previously recognised exploration and evaluation assets are reclassified as mining rights. These assets are assessed for impairment before reclassification, and any impairment loss is recognised in profit or loss.

4. 重大會計政策 (續)

物業、廠房及設備

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

資產之折舊乃按可使用年期以直線法確認以撇銷其成本。所採用之年率如下：

傢俬、固定裝置、設備及汽車	3至5年
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物業、廠房及設備項目乃於出售後或當預期持續使用該資產將不會產生未來經濟利益時終止確認。於出售或報廢物業、廠房及設備項目產生之任何收益或虧損乃釐定為出售所得款項及資產賬面值兩者之差額，並於損益內確認。

勘探及評估資產

勘探及評估資產按成本減任何累計減值虧損列賬。

勘探及評估資產包括尋找天然資源及釐定開採該等資源之技術可行性及商業可行性所產生之開支。

於可證實開採天然資源之技術可行性及商業可行性時，先前確認之任何勘探及評估資產將重新分類為採礦權。該等資產於重新分類前會就減值進行評估，而任何減值虧損則於損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Mining rights

Mining rights are stated at cost less subsequent accumulated amortisation and accumulated impairment losses. Mining rights are amortised using the units of production method based on the proven and probable mineral reserves.

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

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 assets are consumed.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

4. 重大會計政策 (續)

採礦權

採礦權以成本減其後累計攤銷及累計減值虧損列賬。採礦權根據探明及估計礦物儲量，利用生產單位法攤銷。

租約

凡租約條款將擁有權之絕大部分風險及回報轉讓予承租人之租約均分類為融資租約。所有其他租約均分類為經營租約。

本集團作為承租人

經營租賃付款按租期以直線法確認為開支，惟另有系統性基準更能代表使用租賃資產之經濟利益之時間模式則除外。

外幣

於編製各個別集團實體之財務報表時，以實體功能貨幣以外之貨幣（外幣）進行之交易均按交易日期之適用匯率確認。於報告期末，以外幣計值之貨幣項目均按該日之適用匯率重新換算。按公平值列賬之以外幣計值之非貨幣項目則按釐定公平值當日之適用匯率重新換算。按歷史成本計量之以外幣計值之非貨幣項目毋須重新換算。

於貨幣項目之匯兌差額均於產生期間內於損益內確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Foreign currencies *(Continued)*

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange fluctuation reserve (attributed to non-controlling interests as appropriate).

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

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

Retirement benefits costs

Payments to retirement benefit plans and government-managed retirement benefits schemes are recognised as an expense when employees have rendered service entitling them to the contributions.

4. 重大會計政策 (續)

外幣 (續)

就呈列綜合財務報表而言，本集團海外業務之資產及負債乃按各報告期末之適用匯率換算為本集團之呈報貨幣（即港元）。收入及開支項目則按該期間之平均匯率換算，除非匯率於該期間內出現大幅波動則作別論，在此情況下，則採用交易當日之匯率。所產生之匯兌差額（如有）乃於其他全面收入確認及於權益內之外匯波動儲備項下（歸屬於非控股權益，如適用）累計。

借貸成本

收購、建造或生產合資格資產（即必需一段長時間方可達致其擬定使用狀態或出售之資產）直接應佔之借貸成本乃添加至該等資產之成本，直至資產大致達致擬定可使用狀態或出售時為止。

所有其他借貸成本於產生期間於損益內確認。

退休福利成本

向退休福利計劃及政府管理之退休福利計劃之供款乃於僱員已提供服務並可享有供款時確認為開支。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

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

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

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

4. 重大會計政策 (續)

稅項

所得稅開支指即期應付稅項及遞延稅項之總和。

即期應付稅項乃按本年度應課稅溢利計算。應課稅溢利與綜合全面收入報表所報溢利不同，乃由於其他年度之應課稅或可扣稅收入或開支及毋須課稅或不可扣稅項目所致。本集團之即期稅項負債乃按報告期末已頒佈或實際已頒佈之稅率計算。

遞延稅項乃就綜合財務報表內資產及負債賬面值與計算應課稅溢利所用相應稅基之暫時差額確認。遞延稅項負債一般會就所有應課稅暫時差額確認。遞延稅項資產一般於可能出現應課稅溢利以抵銷可用之可扣稅暫時差額時確認。倘暫時差額由商譽或不影響應課稅溢利及會計溢利之交易中初步確認（業務合併除外）之其他資產及負債所產生，則不會確認該等遞延稅項資產及負債。

與附屬公司及聯營公司之投資及合營公司權益相關之應課稅暫時差額確認為遞延稅項負債，惟倘本集團可控制暫時差額之撥回而暫時差額於可見未來將不會撥回之情況除外。與上述投資及權益相關之可扣稅暫時差額產生之遞延稅項資產僅於有足夠之應課稅溢利以供動用暫時差額之利益並預期其於可見未來可以撥回時，方予確認。

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綜合財務報表附註

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Taxation (Continued)

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Impairment on tangible and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

4. 重大會計政策 (續)

稅項 (續)

遞延稅項資產之賬面值於報告期末檢討，並於可能不再有足夠應課稅溢利收回該項資產全部或部分之情況下調減。

遞延稅項資產及負債乃按於償還負債或變現資產期間預期適用之稅率（以於報告期末前已制定或實際制定之稅率（及稅法）為基準）計量。遞延稅項負債及資產之計量反映本集團預期於報告期末內收回或償還資產及負債之賬面值之方式所導致之稅項後果。

即期及遞延稅項均於損益內確認，惟涉及於其他全面收入中或直接於權益中確認之該等項目除外，於此情況下，即期及遞延稅項亦分別於其他全面收入或直接於權益中確認。

有形及無形資產之減值

於各報告期末，本集團檢討具有有限使用年限之有形及無形資產之賬面值，以釐定是否有任何跡象顯示該等資產出現減值虧損。倘存在任何有關跡象，則估計該資產之可收回金額以釐定減值虧損（如有）之程度。

具無限可使用年期之無形資產及尚不可供使用之無形資產須最少每年進行減值測試，倘出現有關跡象，則該資產可予以減值。

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綜合財務報表附註

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment on tangible and intangible assets (Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or a cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or the cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

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

Financial instruments

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

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

4. 重大會計政策 (續)

有形及無形資產之減值 (續)

可收回金額乃公平值減銷售成本與使用價值之較高者。倘一項資產或現金產生單位之可收回金額估計低於其賬面值，則該資產或現金產生單位之賬面值將調低至其可收回金額。減值虧損即時於損益內確認。

倘其後減值虧損撥回，則資產或現金產生單位之賬面值將增加至其經修訂之估計可收回金額，惟已增加之賬面值不得超過假設該資產或現金產生單位於過往年度並無確認減值虧損下原應釐定之賬面值。減值虧損撥回即時於損益內確認。

財務工具

當集團實體成為工具合約條文之訂約方時，確認財務資產及財務負債。

財務資產及財務負債初步按公平值計量。因收購或發行財務資產及財務負債（按公平值計入損益之財務資產或財務負債除外）而直接應佔之交易成本於初步確認時加入財務資產或財務負債之公平值或自此扣除（如適用）。因收購按公平值計入損益之財務資產或財務負債而直接應佔之交易成本即時於損益內確認。

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綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments *(Continued)*

Financial assets

Financial assets are classified as loans and receivables. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

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

Income is recognised on an effective interest basis for debt instruments.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including trade receivables, deposits and other receivables and bank balances and cash) are measured at amortised cost using the effective interest method, less any impairment.

4. 重大會計政策 (續)

財務工具 (續)

財務資產

財務資產分類為貸款及應收款項。所有日常買賣之財務資產於交易日確認及終止確認。日常買賣指須於根據規則或市場慣例訂立之時間內交收資產之財務資產買賣。

實際利率法

實際利率法一種乃計算相關期間債務工具之攤銷成本以及分配利息收入之方法。實際利率乃按債務工具之預計年期或較短期間(如適用)內準確貼現估計未來收取之現金(包括構成實際利率組成部分之所有費用及已付或已收費用、交易成本及其他溢價或折讓)至初步確認之賬面淨額之利率。

債務工具之收入乃按實際利率基準確認。

貸款及應收款項

貸款及應收款項為有固定或可釐定付款而並無活躍市場報價之非衍生財務資產。貸款及應收款項(包括貿易應收賬款、按金及其他應收款項以及銀行結餘及現金)乃以實際利率法按攤銷成本減任何減值計量。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets

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

Objective evidence of impairment could include:

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

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

4. 重大會計政策 (續)

財務工具 (續)

財務資產 (續)

財務資產減值

財務資產 (除該等按公平值計入損益者外) 於各報告期末評估有否減值跡象。倘有客觀證據證明初步確認財務資產後發生之一項或多項事件令該投資之估計未來現金流量受到影響, 則財務資產將被認為已減值。

減值之客觀證據包括:

- 發行人或對手方出現重大財政困難; 或
- 違約, 如未能繳付或延遲利息或本金付款; 或
- 借貸人有可能面臨破產或財務重組; 或
- 因出現財政困難導致該財務資產失去活躍市場。

就貿易應收賬款等若干財務資產類別而言, 被評估為不會個別減值之資產另外按整體基準進行減值評估。應收賬款組合之客觀減值證據包括本集團之過往收款經驗、組合內延遲還款至超逾平均信貸期之數目增加, 以及與應收賬款逾期有關之全國或地方經濟狀況出現明顯改變。

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綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments *(Continued)*

Financial assets (Continued)

Impairment of financial assets (Continued)

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

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

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

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

4. 重大會計政策 (續)

財務工具 (續)

財務資產 (續)

財務資產減值 (續)

就按攤銷成本列賬之財務資產而言，減值虧損之金額乃按該項資產之賬面值與按財務資產之原實際利率貼現之估計未來現金流量之現值間之差額予以計量。

就按成本列賬之財務資產而言，減值虧損之金額按資產之賬面值與按類似財務資產之現行市場回報率貼現之估計未來現金流量之現值間之差額計算。有關減值虧損將不會於其後期間撥回。

與所有財務資產有關之減值虧損會直接於財務資產之賬面值中作出扣減，惟貿易應收賬款除外，其賬面值會透過撥備賬作出扣減。當貿易應收賬款被認為不可收回時，其將於撥備賬內撇銷。其後收回之前已撇賬之款項乃計入撥備賬。撥備賬之賬面值變動會於損益內確認。

就按攤銷成本列賬之財務資產而言，倘減值虧損金額於其後期間減少，而有關減少客觀上與確認減值虧損後發生之事件有關，則先前已確認之減值虧損將透過損益予以撥回，惟該投資於減值被撥回當日之賬面值不得超過假設並無確認減值時之攤銷成本。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments

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

Equity instruments

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

Financial liabilities

Financial liabilities (including trade and bills payables, accruals and other payables and promissory notes) are subsequently measured at amortised cost using the effective interest method.

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 to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

4. 重大會計政策 (續)

財務工具 (續)

財務負債及權益工具

集團實體發行之債務及權益工具乃根據合約安排之性質與財務負債及權益工具之定義分類為財務負債或權益。

權益工具

權益工具乃證明於扣減所有負債後之權益資產中擁有剩餘權益之任何合約。本集團發行之權益工具乃按已收所得款項(扣除直接發行成本)確認。

財務負債

財務負債(包括應付貿易賬款及票據、應計款項及其他應付賬款以及承兌票據)乃隨後採用實際利率法按攤銷成本計量。

實際利率法

實際利率法乃一種計算相關期間財務負債攤銷成本及分配利息開支之方法。實際利率為於財務負債之預計年期或較短期間(如適用)內,將其估計未來現金付款準確貼現至初步確認之賬面淨額所使用之利率。

利息開支以實際利率基準確認。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers or retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group continues to recognise the asset to the extent of its continuing involvement and recognises an associated liability. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

On derecognition of a financial asset other than in its entirety, the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

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

4. 重大會計政策 (續)

終止確認

本集團僅於自資產獲取現金流之合約權利屆滿時，或本集團將財務資產及資產擁有權之絕大部份風險及回報轉讓予另一實體時終止確認財務資產。倘本集團並未轉讓亦無保留擁有權之絕大部份風險及回報，並繼續控制已轉讓資產，則本集團繼續確認其繼續涉及之資產及確認相關負債。倘本集團保留已轉讓財務資產擁有權之絕大部份風險及回報，則本集團繼續確認該財務資產，亦會就已收取之所得款項確認擔保借貸。

全面終止確認財務資產時，資產之賬面值與已收及應收代價以及已於其他全面收入中確認並於權益中累計之累計收益或虧損之總和之差額乃於損益內確認。

除全面終止確認外，於終止確認財務資產時，本集團將財務資產之過往賬面值乃按其繼續確認之部份及不再確認之部份於轉讓日期之有關公平值之基準，於該等部份之間作出分配。不再確認部份獲分配之賬面值與該部份已收代價及其已於其他全面收入確認之獲分配之任何累計收益或虧損之總和之差額乃於損益內確認。已於其他全面收入確認之累計收益或虧損乃按繼續確認部份及不再確認部份之有關公平值之基準於該等部份之間作出分配。

本集團於及僅於其責任獲解除、取消或屆滿時，方會終止確認財務負債。終止確認之財務負債之賬面值與已付及應付代價之間差額乃於損益內確認。

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綜合財務報表附註

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

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 4, management has made various estimates 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 key source of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Estimated impairment on mining rights and exploration and evaluation assets

Mining rights and exploration and evaluation assets are assessed for impairment when facts and circumstances suggest the carrying amount may exceed its recoverable amount. The directors of the Company exercise their judgment in estimating the recoverable amount with reference to a discounted cash flow analysis. Where the recoverable amount is less than expected, a material impairment loss may arise.

Useful lives of mining rights

The Group's management determines the estimated useful lives for its mining rights based on the proven and probable reserves. However, the mining rights were granted for terms of certain years. The directors of the Company are of the opinion that the Group will be able to continuously renew the mining rights and the business licences of the respective mining subsidiaries at minimal charges. Accordingly, the Group has used the proven and probable reserves as a basis of estimation for the useful lives of its mining rights.

5. 估計不明朗因素之主要來源

於應用附註4所述本集團之會計政策時，管理層已對未能輕易從其他來源確定之資產及負債賬面值作出多項估計。該等估計及相關設假乃基於過往經驗及其他視作相關之因素而作出。實際結果或會有別於該等估計。

於報告期末，具有重大風險可導致須於下一個財政年度就資產及負債之賬面值作重大調整之估計不明朗因素之主要來源論述如下。

採礦權及勘探及評估資產之估計減值

採礦權及勘探及評估資產會於有事實及情況顯示賬面值可能會超過其可收回金額時，就減值進行評估。本公司董事於估計可收回金額時，乃經參考貼現現金流量分析行使判斷。倘可收回金額較預期為少，則可能產生重大減值虧損。

採礦權可用年期

本集團管理層以探明及估計礦場儲備為基準，釐定採礦權估計可用年期。然而，採礦權乃按若干年之年期獲授出。本公司董事認為，本集團將能繼續以最低費用重續各礦業附屬公司之採礦權及營業執照。因此，本集團以探明及估計礦場儲備為基準，估計採礦權可用年限。

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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. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Useful lives of mining rights (Continued)

Amortisation rates are determined based on estimated proven and probable mine reserve volume with reference to the independent technical assessment report. The estimates involve subjective judgements in developing such information and have taken into account the recent production and the technical information about each mine. The capitalised cost of mining rights are amortised using the units of production method. Any change to the estimated proven and probable mine reserves will affect the amortisation charge of those mining rights. Management will reassess the useful lives whenever the ability to renew the mining rights and business licences is changed.

6. SEGMENT INFORMATION

The Group determines its operating segment based on the internal reports reviewed by the chief operating decision maker (the "CODM") in order to allocate resources and to assess segment performance.

All of the Group's activities are engaged in the trading of cotton yarn business. On 31 December 2009, the Group completed its acquisitions of entire interest in mining companies established in the Mongolia and henceforth became engaged in the mining business. However, no active operation took place between the date of acquisition and the end of the reporting period. Therefore, the Group's CODM considers there to be only one operating segment under the requirements of HKFRS 8.

No geographical segment analysis is provided as over 90% of the Group's revenue and contribution to results are derived from the PRC/Mongolia (including Hong Kong) and substantial amount of the Group's assets and liabilities are located in the PRC/Mongolia.

5. 估計不明朗因素之主要來源 (續)

採礦權可用年期 (續)

攤銷率根據探明及估計礦場預計儲備容量為基準釐定，並經參考獨立技術評估報告。此等估計涉及編製有關資料時所作出之主觀判斷，並已考慮各礦場近期之產量及技術資料。已資本化之採礦權費用以單位生產法予以攤銷。探明及估計礦場儲備之預計數量之變動，會影響該等採礦權之攤銷費。倘本集團重續採礦權及營業執照之能力有變，管理層將重估可用年期。

6. 分部資料

本集團根據主要經營決策者（「主要經營決策者」）就分配資源及評估各分部表現而審閱之內部報告釐定經營分部。

本集團之所有業務均為棉紗買賣業務。於二零零九年十二月三十一日，本集團完成收購於蒙古成立之採礦公司之全部股權，此後開始從事採礦業務。然而，於收購日期至報告期末並無活躍之營運活動，故本集團主要經營決策者認為，根據香港財務報告準則第8號之規定，本集團僅有一個經營分部。

本集團90%以上之收益及業績貢獻乃源自中國／蒙古（包括香港），而本集團絕大部分資產及負債亦位於中國／蒙古，故此並無按地域分部作出分析。

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6. SEGMENT INFORMATION (Continued)

For the year ended 31 March 2012, revenue from a customer of the Group amounting HK\$1,384,305 had accounted for over 10% of the Group's total revenue.

For the year ended 31 March 2011, revenue from two customers of the Group amounting to HK\$1,323,000 and HK\$532,000 had individually accounted for over 10% of the Group's total revenue.

7. REVENUE

Revenue represents the net invoiced value of goods sold, after allowances for returns and trade discounts. Revenue recognised during the year is as follows:

6. 分部資料 (續)

截至二零一二年三月三十一日止年度，來自本集團一名客戶之收益為1,384,305港元，佔本集團總收益10%以上。

截至二零一一年三月三十一日止年度，來自本集團兩名客戶之收益分別為1,323,000港元及532,000港元，個別佔本集團總收益10%以上。

7. 收益

收益指扣除退貨及貿易折扣後之所售貨物發票淨值。於年內確認之收益如下：

		2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元
Sales of goods	銷售貨品	1,384	1,855

8. OTHER INCOME

Bank interest income

8. 其他收入

		2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元
Bank interest income	銀行利息收入	1	2

9. FINANCE COSTS

Interest on promissory notes (note 21)

9. 財務成本

		2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元
Interest on promissory notes (note 21)	承兌票據之利息 (附註21)	786	1,616

10. TAXATION

Deferred taxation (note 22)
– current year

10. 稅項

		2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元
Deferred taxation (note 22) – current year	遞延稅項 (附註22) – 本年度	–	(66,368)

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10. TAXATION (Continued)

No Hong Kong Profits Tax has been provided as the Group had no assessable profit for the year (2011: Nil).

The taxation for the year can be reconciled to the loss per the consolidated statement of comprehensive income as follows:

10. 稅項 (續)

由於本集團年內並無應課稅溢利，故並無就香港利得稅作出撥備（二零一一年：無）。

年度稅項與根據綜合全面收入報表之虧損之對賬如下：

		2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元
Loss before taxation	除稅前虧損	(4,872)	(271,050)
Tax at the applicable income tax rate	按適用所得稅率計算之稅項	(804)	(44,723)
Tax effect of expenses not deductible for tax purpose	不可扣稅開支之稅務影響	281	535
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	523	391
Utilisation of tax losses previously not recognised	動用先前未確認之稅項虧損	-	(6)
Effect of different tax rate of subsidiaries operating in other jurisdiction	於其他司法權區經營之附屬公司之不同稅率之影響	-	(22,565)
Taxation	稅項	-	(66,368)

11. LOSS FOR THE YEAR

Loss for the year has been arrived at after charging/(crediting):

11. 年度虧損

年度虧損已扣除／（計入）下列各項後達致：

		2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元
Auditor's remuneration	核數師酬金	580	565
Cost of inventories sold	已售存貨成本	1,313	1,754
Depreciation (note 15)	折舊（附註15）	76	75
Rental paid under operating lease	已付經營租賃租金	422	63
Employee benefits expense (excluding directors' emoluments – note 12)	僱員福利開支（不包括董事酬金—附註12）		
Wages and salaries	工資及薪金	457	463
Pension scheme contributions	退休金計劃供款	54	79
Net exchange (gain)/loss*	匯兌（收益）／虧損淨額*	(6)	12

* Included in "Other operating expenses, net" on the face of the consolidated statement of comprehensive income.

* 計入綜合全面收入報表內「其他經營開支淨額」內。

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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

12. DIRECTORS' EMOLUMENTS

The emoluments paid or payable to each of the five (2011: seven) directors were as follows:

2012

		Fees HK\$'000 袍金 千港元	Salaries, allowances and benefits in kind HK\$'000 薪金、津貼 及實物福利 千港元	Pension scheme contributions HK\$'000 退休金計劃供款 千港元	Total emoluments HK\$'000 酬金總額 千港元
Executive directors:	執行董事：				
Mr. Chim Kim Lun Ricky	詹劍崙先生	120	–	6	126
Mr. Law Fei Shing	羅輝城先生	360	–	12	372
		480	–	18	498
Independent non-executive directors:	獨立非執行董事：				
Mr. Au Kwok Yee Benjamin	歐國義先生	80	–	–	80
Ms. Lau Siu Ngor	劉小娥女士	80	–	–	80
Mr. Lum Pak Sum	林柏森先生	80	–	–	80
		240	–	–	240
Total	總計	720	–	18	738

12. 董事酬金

已付或應付五位(二零一一年:七位)董事之各自酬金如下:

二零一二年

Fees HK\$'000 袍金 千港元	Salaries, allowances and benefits in kind HK\$'000 薪金、津貼 及實物福利 千港元	Pension scheme contributions HK\$'000 退休金計劃供款 千港元	Total emoluments HK\$'000 酬金總額 千港元
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Notes to the Consolidated Financial Statements

綜合財務報表附註

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

12. DIRECTORS' EMOLUMENTS (Continued)

2011

	Fees HK\$'000 袍金 千港元	Salaries, allowances and benefits in kind HK\$'000 薪金、津貼 及實物福利 千港元	Pension scheme contributions HK\$'000 退休金計劃 供款 千港元	Total emoluments HK\$'000 酬金總額 千港元
Executive directors:	執行董事：			
Mr. Chim Kim Lun Ricky	120	–	6	126
Mr. Law Fei Shing	360	–	12	372
Mr. Sun Danny ¹	–	–	–	–
Ms. Yang Lee ¹	150	–	–	150
	630	–	18	648
Independent non-executive directors:	獨立非執行董事：			
Mr. Au Kwok Yee Benjamin	80	–	–	80
Ms. Lau Siu Ngor	80	–	–	80
Mr. Lum Pak Sum	80	–	–	80
	240	–	–	240
Total	870	–	18	888

¹ Resigned on 24 September 2010

There was no arrangement under which a director waived or agreed to waive any emoluments during the year (2011: Nil).

13. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included four (2011: three) directors, details of whose emoluments are set out in note 12 above. Details of the emoluments of the remaining one (2011: two) non-directors, highest paid employees for the year are as follows:

	2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元
Salaries, allowances and benefits in kind	285	240
Pension scheme contributions	12	12
	297	252

12. 董事酬金 (續)

二零一一年

	Fees HK\$'000 袍金 千港元	Salaries, allowances and benefits in kind HK\$'000 薪金、津貼 及實物福利 千港元	Pension scheme contributions HK\$'000 退休金計劃 供款 千港元	Total emoluments HK\$'000 酬金總額 千港元
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Executive directors:	執行董事：			
Mr. Chim Kim Lun Ricky	120	–	6	126
Mr. Law Fei Shing	360	–	12	372
Mr. Sun Danny ¹	–	–	–	–
Ms. Yang Lee ¹	150	–	–	150
	630	–	18	648

Independent non-executive directors:	獨立非執行董事：			
Mr. Au Kwok Yee Benjamin	80	–	–	80
Ms. Lau Siu Ngor	80	–	–	80
Mr. Lum Pak Sum	80	–	–	80
	240	–	–	240

Total	870	–	18	888
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¹ 於二零一零年九月二十四日辭任

年內並無董事放棄或同意放棄任何酬金之安排 (二零一一年：無)。

13. 五位最高薪酬僱員

年內，五位最高薪酬僱員包括四位 (二零一一年：三位) 董事，彼等之酬金詳情載於上文附註12。餘下一位 (二零一一年：兩位) 非董事最高薪酬僱員於年內之酬金詳情如下：

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13. FIVE HIGHEST PAID EMPLOYEES (Continued)

The emoluments of the one (2011: two) non-directors, highest paid employees fell within the band of nil to HK\$1,000,000.

During the year, no emoluments were paid by the Group to the directors of the Company or any of the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office (2011: Nil).

14. LOSS PER SHARE

The calculation of the basic loss per share attributable to the owners of the Company is based on the following data:

		2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元
Loss	虧損		
Loss for the year attributable to the owners of the Company for the purpose of basic loss per share	用以計算每股基本虧損之 本公司擁有人應佔年度虧損	(4,872)	(204,682)
		2012 '000 二零一二年 千股	2011 '000 二零一一年 千股
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic loss per share	用以計算每股基本虧損之 普通股加權平均股數	2,922,283	2,170,220

No diluted loss per share for the year ended 31 March 2012 and 2011 has been presented as there were no diluted potential shares.

13. 五位最高薪酬僱員 (續)

一位(二零一一年:兩位)非董事最高薪酬僱員之酬金屬於零至1,000,000港元之酬金組別。

年內,本集團概無為吸引本公司董事或任何五位最高薪酬人士加入本集團或作為離職之補償而向彼等支付任何款項(二零一一年:無)。

14. 每股虧損

本公司擁有人應佔每股基本虧損乃按以下數據計算:

由於並無潛在攤薄股份,故截至二零一二年及二零一一年三月三十一日止年度並無呈列每股攤薄虧損。

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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

15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

		Furniture, fixture, equipment and motor vehicles HK\$'000 傢俬、固定裝置、 設備及汽車 千港元
COST	成本	
At 1 April 2010	於二零一零年四月一日	358
Exchange realignment	匯兌調整	53
At 31 March 2011	於二零一一年三月三十一日	411
Exchange realignment	匯兌調整	(42)
At 31 March 2012	於二零一二年三月三十一日	369
DEPRECIATION	折舊	
At 1 April 2010	於二零一零年四月一日	13
Charge for the year	年度開支	75
Exchange realignment	匯兌調整	9
At 31 March 2011	於二零一一年三月三十一日	97
Charge for the year	年度開支	76
Exchange realignment	匯兌調整	(12)
At 31 March 2012	於二零一二年三月三十一日	161
CARRYING VALUE	賬面值	
At 31 March 2012	於二零一二年三月三十一日	208
At 31 March 2011	於二零一一年三月三十一日	314

16. EXPLORATION AND EVALUATION ASSETS

16. 勘探及評估資產

		HK\$'000 千港元
COST	成本	
At 1 April 2010	於二零一零年四月一日	863
Addition	添置	1,681
Exchange realignment	匯兌調整	293
At 31 March 2011	於二零一一年三月三十一日	2,837
Exchange realignment	匯兌調整	(291)
At 31 March 2012	於二零一二年三月三十一日	2,546

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17. MINING RIGHTS

17. 採礦權

HK\$'000
千港元

COST	成本	
At 1 April 2010, 31 March 2011 and 31 March 2012	於二零一零年四月一日、 二零一一年三月三十一日及 二零一二年三月三十一日	1,001,130
AMORTISATION	攤銷	
At 1 April 2010	於二零一零年四月一日	-
Impairment loss recognised	已確認之減值虧損	265,473
At 31 March 2011 and 31 March 2012	於二零一一年三月三十一日及 二零一二年三月三十一日	265,473
CARRYING VALUE	賬面值	
At 31 March 2012	於二零一二年三月三十一日	735,657
At 31 March 2011	於二零一一年三月三十一日	735,657

The mining rights represent the rights to conduct mining activities in the location of Nogoonuur Soum and Tsengel Soum of Bayan-Ulgii Aimag in Mongolia, and have legal lives of 21 to 26 years, expiring in July 2031, March 2033, December 2035 and July 2036, respectively. The mining operating licenses are issued by Mineral Resources and Petroleum Authority of Mongolia and may be extended for two successive additional periods of 20 years each. In the opinion of the directors, the application for extension is procedural and the Group should be able to renew its mining operation licenses at minimal charges, until all the proven and probable minerals have been mined.

The mining rights are amortised using the units of production method based on the proven and probable mineral reserves under the assumption that the Group can renew the mining rights indefinitely till all proven reserves have been mined.

During the year, the directors of the Company reassessed the recoverable amount of the mining rights with reference to the valuation performed by Messers. Peak Vision Appraisals Limited, an independent qualified professional valuer and determined that no impairment loss in respect of mining rights was identified for the year ended 31 March 2012. The recoverable amount of the mining rights was approximately HK\$791,076,000 based on value-in-use calculations and key assumptions adopted including estimated mine reserve based on technical assessment reports and the expectation for market development.

採礦權指可於蒙古巴彥烏列蓋省瑙貢諾爾市及臣格勒市進行採礦活動之權利，法定年期分別為二十一年至二十六年，分別於二零三一年七月、二零三三年三月、二零三五年十二月及二零三六年七月屆滿。礦產開採執照乃由蒙古礦產資源及石油管理局發出，可連續續期兩次，每次20年。董事認為，申請續期僅須完成相關程序，故本集團應可續期礦產開採執照而毋須重大成本，直至所有探明及估計之礦藏已獲開採為止。

採礦權乃根據探明及估計礦產儲量為基準，使用單位生產法作攤銷，當中假設本集團可無限期重續採礦權，直至所有探明儲量獲開採為止。

年內，本公司董事參考獨立合資格專業估值師滯鋒評估有限公司所作之估值，重估採礦權之可收回金額，並釐定於截至二零一二年三月三十一日止年度並未識別任何採礦權之減值虧損。採礦權之可收回金額約791,076,000港元乃按使用值之計算方法釐定，而採納之主要假設包括以技術評估報告為基準之估計礦產儲量及對市場發展之預期。

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18. TRADE RECEIVABLES

Trade receivables 貿易應收賬款

The Group's trading terms with its customers generally ranging from 60 – 90 days. Overdue balances are reviewed regularly by senior management.

The aging analysis of the trade receivables (net of allowance for doubtful debts) at the end of the reporting period is as follows:

Within 30 days	30日內
31 to 60 days	31日至60日

The Group's trade receivables balance are neither past due nor impaired as at the reporting date. The Group does not hold any collateral over these balances. Based on past experience, the directors of the Company believe that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

18. 貿易應收賬款

	2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元
Trade receivables	878	1,323

本集團與其客戶訂立之信貸期一般介乎60日至90日。高級管理層定期檢討逾期結餘。

於報告期末，貿易應收賬款減呆賬撥備後之賬齡分析如下：

	2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元
Within 30 days	878	–
31 to 60 days	–	1,323
	878	1,323

於報告日期，本集團之貿易應收賬款結餘並無逾期或減值。本集團並無就該等結餘持有任何抵押品。由於信貸質素並無重大變動及仍然認為結餘可以全面收回，根據過往經驗，本公司董事相信並無必要就該等結餘作出減值撥備。

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綜合財務報表附註

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

19. BANK BALANCES AND CASH

Bank balances and cash comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less. The bank deposits carry interest at the prevailing market interest rate.

Included in bank balances and cash are pledged bank deposits of HK\$869,000 at 31 March 2012 (2011: HK\$1,262,000) which are pledged to a bank to secure short-term banking facilities of the Group.

20. TRADE AND BILLS PAYABLES

The aging analysis of the trade and bills payables presented based on the invoice date at the end of the reporting period is as follows:

19. 銀行結餘及現金

銀行結餘及現金包括本集團持有之現金以及原到期日為三個月或以內之短期銀行存款。該等銀行存款按現行市場利率計息。

於二零一二年三月三十一日，銀行結餘及現金包括已抵押予銀行以取得本集團之短期銀行信貸之已抵押銀行存款869,000港元（二零一一年：1,262,000港元）。

20. 應付貿易賬款及票據

於報告期末，按發票日期呈列之應付貿易賬款及票據之賬齡分析如下：

		2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元
31 to 60 days	31日至60日	832	-
61 to 90 days	61日至90日	-	1,262
		832	1,262

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綜合財務報表附註

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

21. PROMISSORY NOTES

The movement of the promissory notes are set out as below:

		HK\$'000 千港元
At 1 April 2010	於二零一零年四月一日	18,607
Interest charge (note 9)	利息費用(附註9)	1,616
Interest payment	利息付款	(9)
Early repayment	提前償還	(1,000)
		<hr/>
At 31 March 2011	於二零一一年三月三十一日	19,214
Interest charge (note 9)	利息費用(附註9)	786
		<hr/>
At 31 March 2012	於二零一二年三月三十一日	20,000

The promissory notes carry a coupon interest rate of 1% per annum and will be matured on 31 December 2012. On 18 April 2012, the Group has fully settled the promissory notes with an amount of HK\$20,000,000 pursuant to an early redemption proposal offered by the holder of promissory notes.

22. DEFERRED TAX LIABILITIES

The followings are the deferred tax liabilities recognised and movements thereof during the current and prior years:

		Fair value adjustment on mining rights 採礦權之 公平值調整 HK\$'000 千港元
At 1 April 2010	於二零一零年四月一日	230,281
Credit to profit or loss (note)	計入損益(附註)	(66,368)
		<hr/>
At 31 March 2011 and 31 March 2012	於二零一一年三月三十一日及 二零一二年三月三十一日	163,913

Note: This represents the deferred tax assets recognised in relation to impairment loss on mining rights as set out in note 17.

At the end of the reporting period, the Group had estimated unused tax losses of approximately HK\$39,143,000 (2011: HK\$58,451,000) available for offset against future profits. No deferred tax asset has been recognised in respect of such tax losses due to the unpredictability of future profit streams. The estimated tax losses may be carried forward indefinitely.

21. 承兌票據

承兌票據之變動載列如下:

		HK\$'000 千港元
At 1 April 2010	於二零一零年四月一日	18,607
Interest charge (note 9)	利息費用(附註9)	1,616
Interest payment	利息付款	(9)
Early repayment	提前償還	(1,000)
		<hr/>
At 31 March 2011	於二零一一年三月三十一日	19,214
Interest charge (note 9)	利息費用(附註9)	786
		<hr/>
At 31 March 2012	於二零一二年三月三十一日	20,000

承兌票據之票面利率為每年1%，並將於二零一二年十二月三十一日到期。於二零一二年四月十八日，本集團已根據承兌票據持有人提出之提早贖回建議全數結清金額為20,000,000港元之承兌票據。

22. 遞延稅項負債

本年度及過往年度已確認之遞延稅項負債及變動如下:

		Fair value adjustment on mining rights 採礦權之 公平值調整 HK\$'000 千港元
At 1 April 2010	於二零一零年四月一日	230,281
Credit to profit or loss (note)	計入損益(附註)	(66,368)
		<hr/>
At 31 March 2011 and 31 March 2012	於二零一一年三月三十一日及 二零一二年三月三十一日	163,913

附註：指附註17所載之就採礦權之減值虧損確認之遞延稅項資產。

於報告期末，本集團之估計未動用稅項虧損約為39,143,000港元(二零一一年：58,451,000港元)可用以抵銷未來溢利。由於未來溢利來源之不可預測性，並無就該等稅項虧損確認遞延稅項資產。估計之稅項虧損可無限期結轉。

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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

23. SHARE CAPITAL

23. 股本

		Number of shares	Amount
	Notes	'000	HK\$'000
		股份數目	金額
	附註	千股	千港元
Authorised:			
<u>Ordinary shares</u>			
Ordinary shares of HK\$0.1 each at 1 April 2010 and 31 March 2011		17,283,333	1,728,333
Capital reorganisation	(a)	155,550,000	–
Ordinary shares of HK\$0.01 each at 31 March 2012		172,833,333	1,728,333
<u>Preference shares</u>			
Preference shares of HK\$0.1 each at 1 April 2010 and 31 March 2011		2,716,667	271,667
Capital reorganisation	(a)	24,450,000	–
Preference shares of HK\$0.01 each at 31 March 2012		27,166,667	271,667
Issued and fully paid:			
<u>Ordinary shares</u>			
Ordinary shares of HK\$0.1 each at 1 April 2010		1,512,896	151,290
Conversion of convertible preference shares	(b)	1,156,667	115,667
Ordinary shares of HK\$0.1 each at 31 March 2011		2,669,563	266,957
Conversion of convertible preference shares	(b)	564,000	56,400
Capital reduction	(a)	–	(291,021)
Ordinary shares of HK\$0.01 each at 31 March 2012		3,233,563	32,336

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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

23. SHARE CAPITAL (Continued)

23. 股本 (續)

		Number of shares	Amount
	Notes	'000	HK\$'000
	附註	股份數目	金額
		千股	千港元
<u>Preference shares</u>			
Preference shares of HK\$0.1 each at 1 April 2010		1,720,667	172,067
Conversion of convertible preference shares	(b)	<u>(1,156,667)</u>	<u>(115,667)</u>
Preference shares of HK\$0.1 each at 31 March 2011		564,000	56,400
Conversion of convertible preference shares	(b)	<u>(564,000)</u>	<u>(56,400)</u>
Preference shares of HK\$0.01 each at 31 March 2012		-	-
Total		<u>3,233,563</u>	<u>32,336</u>

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綜合財務報表附註

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

23. SHARE CAPITAL (Continued)

Notes:

- (a) Pursuant to a special resolution passed by the shareholders of the Company at a special general meeting held on 8 December 2011, each authorised ordinary share and preference share of HK\$0.1 were subdivided into 10 ordinary shares and 10 preference shares of HK\$0.01 each, respectively. Furthermore, the issued share capital was reduced by canceling paid up capital to the extent of HK\$0.09 on each ordinary share of HK\$0.1. The credit arising from capital reduction was transferred to share premium account.
- (b) During the year, 564,000,000 ordinary shares (2011: 1,156,666,667 ordinary shares) of HK\$0.1 each were issued pursuant to the exercise of the convertible preference shares at a conversion price of HK\$0.3 per share.

The major terms of the above mentioned convertible preference shares are set out below:

Holder of each convertible preference share shall have the same entitlement to dividend as holder of the number of ordinary shares into which such convertible preference shares may be converted upon exercise of conversion rights attached thereto.

The convertible preference shares are convertible at the option of the holder at any time after the date on which the convertible preference share is allotted and issued.

No conversion right attaching to the convertible preference shares may be exercised, to the extent that following such exercise, the relevant holder convertible preference shares and parties acting in concert with it, taken together, will directly or indirectly, control or be interested in 30% or more of the entire issued shares (or in such lower percentage as may from time to time be specified in the Takeovers Code as being the level for triggering a mandatory general offer. No holders of convertible preference shares shall exercise the conversion right attached to any convertible preference shares held by such holder(s) of preference shares if immediately after such conversion, the public float of the shares falls below the minimum public float requirements stipulated under the Listing Rules or as required by the Stock Exchange.

23. 股本 (續)

附註：

- (a) 根據本公司股東於二零一一年十二月八日舉行之股東特別大會上通過之特別決議案，每股面值0.1港元之法定普通股及優先股已分別拆細為每股面值0.01港元之10股普通股及10股優先股。此外，已發行股本已透過註銷每股面值0.1港元之普通股之0.09港元繳足股本而予以削減。股本削減所產生之進賬已轉撥至股份溢價賬。
- (b) 年內，根據可換股優先股按每股0.3港元之換股價獲行使，已發行564,000,000股（二零一一年：1,156,666,667股）每股面值0.1港元之普通股。

上述可換股優先股之主要條款載列如下：

每名可換股優先股持有人有權收取之股息，與於行使可換股優先股附帶之換股權時有關可換股優先股可轉換之普通股數目之持有人相同。

持有人可選擇於可換股優先股配發及發行日期後任何時間轉換可換股優先股。

倘於行使可換股優先股附帶之換股權後，相關可換股優先股持有人及與其一致行動人士合計將直接或間接控制或擁有全部已發行股份30%或以上（或收購守則不時所指定觸發強制全面收購建議之有關較低百分比），則不可行使有關換股權。倘於緊隨可換股優先股持有人行使其持有之任何可換股優先股附帶之換股權後，股份之公眾持股量低於根據上市規則訂明或聯交所要求之最低公眾持股量規定，則有關可換股優先股持有人不得行使有關換股權。

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綜合財務報表附註

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

23. SHARE CAPITAL (Continued)

No conversion rights attaching to the convertible preference shares may be exercised by any holders of convertible preference shares who is a restricted holder, i.e. a holder of the convertible preference shares who is a resident or national of any jurisdiction other than Hong Kong under the laws and regulations of which an exercise of conversion rights by such holder of the convertible preference shares or the performance by the Company of the obligations expressed to be assumed by it under the Bye-laws or the allotment and issue and holding of the conversion shares cannot be carried out lawfully or cannot be carried out lawfully without the Company first having to take certain actions in such jurisdiction.

Where any convertible preference share is intended to be transferred to a connected person of the Company (other than the associates of the transferring holder of the convertible preference shares), such transfer shall comply with the requirements under the Listing Rules and/or requirements imposed by the Stock Exchange (if any).

The convertible preference shares rank (i) in priority to the ordinary shares of the Company and any other shares of the Company as to return of capital, and (ii) *pari passu* with ordinary shares of the Company as to dividends.

On winding up of the Company, the holder of the convertible preference shares shall be entitled to the return of capital on the basis of the value of HK\$0.30 attributed to each convertible preference share.

Holders of the convertible preference shares (in their capacity as such) will not be permitted to attend or vote at meetings of the Company, unless a resolution is proposed to vary the rights of holders of the convertible preference shares or a resolution is proposed for the winding up of the Company.

The convertible preference shares are not listed on any stock exchange.

23. 股本 (續)

任何為受限制持有人之可換股優先股持有人不得行使可換股優先股附帶之換股權。受限制持有人指身為香港以外任何司法權區之居民或國民之可換股優先股持有人，而根據當地法律及規例，該可換股優先股持有人行使換股權，或本公司履行公司細則明確規定須承擔之責任，或配發及發行以及持有轉換股份概不能合法進行，或倘未經本公司首先於該司法權區採取若干行動則無法合法進行。

倘擬將任何可換股優先股轉讓予本公司之關連人士（轉讓可換股優先股持有人之聯繫人士除外），有關轉讓須遵守上市規則之規定及／或聯交所施加之規定（如有）。

可換股優先股(i)就退還股本而言較本公司普通股及本公司任何其他股份優先，及(ii)就股息而言與本公司普通股享有同等地位。

於本公司清盤時，可換股優先股持有人有權按每股可換股優先股0.30港元獲退還股本。

除非提呈決議案更改可換股優先股持有人之權利或提呈決議案以將本公司清盤，否則可換股優先股持有人（以其有關身份）將不獲准出席本公司之大會或於會上投票。

可換股優先股並無於任何證券交易所上市。

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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

24. SHARE OPTION SCHEME

At the annual general meeting of shareholders held on 19 August 2003, a new share option scheme, details of which appeared in a circular to shareholders of 25 July 2003, was approved.

On 25 September 2006, the Company has granted 281,000,000 share options to directors and employees at exercise price of HK\$0.035 per share.

On 14 December 2006, the Company passed a resolution of capital reorganisation by the shareholders at the special general meeting involving:

- the capital reduction involves a reduction in the nominal value of each existing share in issue of HK\$0.01 to HK\$0.005;
- the share consolidation will be implemented whereby 20 existing shares of HK\$0.005 each in the issued or unissued share capital of the Company resulting from the capital reduction will be consolidated into one consolidated share of HK\$0.10.

As a result, the share options exercise price need to be consolidated at HK\$0.70 per share and the number of share options granted need to be consolidated to 14,050,000 share options on 15 December 2006.

All the share options granted were expired and no outstanding share options remained for the years ended 31 March 2012 and 31 March 2011.

24. 購股權計劃

於二零零三年八月十九日舉行之股東週年大會上，新購股權計劃（其詳情見二零零三年七月二十五日致股東之通函）已獲批准。

於二零零六年九月二十五日，本公司以行使價每股0.035港元授予董事及僱員281,000,000份購股權。

於二零零六年十二月十四日，本公司由股東於股東特別大會上通過一項股本重組決議案，當中涉及：

- 股本削減，涉及將每股已發行現有股份之面值由0.01港元減至0.005港元；
- 將實行股份合併，據此，本公司已發行或未發行股本中因股本削減所產生之每20股每股面值0.005港元之現有股份將合併為一股面值0.10港元之合併股份。

因此，於二零零六年十二月十五日，購股權之行使價須合併為每股0.70港元，而所授出購股權數目須合併為14,050,000份購股權。

於截至二零一二年三月三十一日及二零一一年三月三十一日止年度，所有已授出購股權已屆滿，且並無尚未行使購股權。

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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

25. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

25. 本公司之財務狀況報表

	Notes 附註	2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元
Non-current asset	非流動資產		
Investments in subsidiaries	於附屬公司之投資	–	–
Current assets	流動資產		
Trade receivables	貿易應收賬款	878	1,323
Deposits and prepayments	按金及預付款項	843	379
Amounts due from subsidiaries	應收附屬公司之款項	736,180	735,670
Bank balances and cash	銀行結餘及現金	1,237	5,773
		739,138	743,145
Current liabilities	流動負債		
Trade and bills payables	應付貿易賬款及票據	832	1,262
Other payables and accruals	其他應付賬款及 應計款項	1,711	1,613
Amount due to a subsidiary	應付一間附屬公司之 款項	3,308	3,308
		5,851	6,183
Net current assets	流動資產淨值	733,287	736,962
Net assets	資產淨值	733,287	736,962
Capital and reserves	資本及儲備		
Share capital	股本	23 32,336	323,357
Reserves	儲備	26 700,951	413,605
Total equity	權益總額	733,287	736,962

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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

26. RESERVES

(a) The Group

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity.

Contributed surplus

The contributed surplus of the Group arose as a result of the Group reorganisation prior to its public listing on 2 October 1995 and represents the difference between the nominal value of the shares of the former holding company of the Group acquired pursuant to the Group reorganisation, over the nominal value of the shares of the Company issued in exchange therefore.

(b) The Company

26. 儲備

(a) 本集團

本集團之儲備金額及其於本年度及過往年度之變動已於綜合權益變動表內呈列。

實繳盈餘

本集團之實繳盈餘因本集團於一九九五年十月二日公開上市前進行集團重組而產生，乃指根據本集團重組而收購本集團前控股公司之股份面值，超出因該收購而發行之本公司股份面值之差額。

(b) 本公司

		Share premium HK\$'000 股份溢價 千港元	Contributed surplus HK\$'000 實繳盈餘 千港元	Accumulated losses HK\$'000 累計虧損 千港元	Total HK\$'000 總計 千港元
At 1 April 2010	於二零一零年四月一日	423,048	159,393	(141,072)	441,369
Loss for the year	年內虧損	-	-	(27,764)	(27,764)
At 31 March 2011	於二零一一年 三月三十一日	423,048	159,393	(168,836)	413,605
Loss for the year	年內虧損	-	-	(3,675)	(3,675)
Capital reduction (note 23(a))	股本削減(附註23(a))	291,021	-	-	291,021
At 31 March 2012	於二零一二年 三月三十一日	714,069	159,393	(172,511)	700,951

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27. CAPITAL MANAGEMENT

The Group manages its capital to ensure that the 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 debt, comprising promissory notes, and equity attributable to owners of the Company, comprising issued share capital and reserves.

The directors of the Company review the capital structure on a continues basis. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through the new shares issues, the issue of new debt or the redemption of existing debt.

28. FINANCIAL INSTRUMENTS

(i) Categories of financial instruments

Financial assets:	財務資產：
Loans and receivables	貸款及應收款項
Financial liabilities:	財務負債：
Amortised cost	攤銷成本

27. 資本管理

本集團管理其資本以確保本集團內各實體可持續經營，同時亦透過優化負債與權益之平衡而為股東爭取最高回報。本集團整體策略與往年相同。

本集團之資本架構包括債務（包括承兌票據）以及本公司擁有人應佔權益（包括已發行股本及儲備）。

本公司董事持續審閱資本結構。作為此審閱之一部份，董事考慮資本成本及與各類別資本相關之風險。本集團將根據董事之建議，透過發行新股、新增債務或贖回現有債務而平衡其整體資本結構。

28. 財務工具

(i) 財務工具分類

	2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元
Financial assets:		
Loans and receivables	3,528	8,049
Financial liabilities:		
Amortised cost	24,072	23,996

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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

28. FINANCIAL INSTRUMENTS (Continued)

(ii) Financial risk management objectives and policies

The Group's major financial instruments include trade receivables, deposits and other receivables, bank balances and cash, trade and bills payables, other payables and accruals and promissory notes. 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

Currency risk management

The Group is exposed to foreign currency risk primarily through transactions that is denominated in a currency other than the functional currency of the operations to which they relates. The Group currently does not have a hedging policy. However, the management monitors foreign currency exposure and will consider hedging significant foreign currency exposure should the need arises. No sensitivity analysis was performed as the management considers the amount is insignificant.

Interest rate risk management

The Group is exposed to fair value interest rate risk in relation to fixed-rate promissory notes. The Group currently does not have a hedging policy. However, the management monitors interest rate exposure and will consider hedging significant fixed-rate borrowing should the need arise. No sensitivity analysis was performed as the management considers the amount is insignificant.

28. 財務工具 (續)

(ii) 財務風險管理目標及政策

本集團主要財務工具包括貿易應收賬款、按金及其他應收款項、銀行結餘及現金、應付貿易賬款及票據、其他應付賬款及應計款項以及承兌票據。財務工具詳情已於各自之附註披露。與此等財務工具相關之風險及如何減低此等風險之政策載列如下。管理層管理及監控此等風險，以確保及時及有效地採取恰當之措施。

市場風險

貨幣風險管理

本集團之外幣風險主要來自以其相關業務之功能貨幣以外貨幣計值之交易。目前，本集團並無對沖政策。然而，管理層監察外幣風險，並將在有需要時考慮對沖重大外幣風險。由於管理層認為該金額並不重大，故並未進行敏感度分析。

利率風險管理

本集團就定息承兌票據而承受公平值利率風險。目前，本集團並無對沖政策。然而，管理層監察利率風險，並將在有需要時考慮對沖重大定息借貸。由於管理層認為該金額並不重大，故並未進行敏感度分析。

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28. FINANCIAL INSTRUMENTS (Continued)

(ii) Financial risk management objectives and policies (Continued)

Credit risk management

The Group's maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations as at 31 March 2012 and 2011 in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated statement of financial position. In order to minimise the credit risk, the Group reviews the recoverable amount of each individual trade debt at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

The credit risk on liquid funds is limited because the majority of the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Group's concentration of credit risk on trade receivables as at 31 March 2012 is mainly from one customer which accounted for 100% (2011: one customer which accounted for 100%) of trade receivables. The Group has closely monitored the recoverability of trade receivables and taken effective measures to ensure timely collection of outstanding balances.

Liquidity risk management

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

28. 財務工具 (續)

(ii) 財務風險管理目標及政策 (續)

信貸風險管理

倘對手方於二零一二年及二零一一年三月三十一日未能履行其有關各類已確認財務資產之義務，則本集團須承受之最大信貸風險為綜合財務狀況報表所列之該等資產之賬面值。為盡量減低信貸風險，本集團於各報告期末檢討各項貿易應收賬款之可收回數額，以確保就無法收回之數額作出足夠之減值虧損。

流動資金之信貸風險有限，原因為有關主要對手方為獲得國際信貸評級機構賦予高信貸評級之銀行。

於二零一二年三月三十一日，本集團之貿易應收賬款信貸風險主要集中於一名客戶，佔貿易應收賬款100%（二零一一年：一名客戶，佔貿易應收賬款100%）。本集團已密切監察貿易應收賬款之可收回程度及採取有效措施，以確保能及時收回未收回餘額。

流動資金風險

為管理流動資金風險，本集團監察及維持管理層視為足夠之現金及等同現金項目水平，以為本集團之營運提供資金，並減低現金流量波動之影響。

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28. FINANCIAL INSTRUMENTS (Continued)

(ii) Financial risk management objectives and policies (Continued)

Liquidity risk management (Continued)

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

		Weighted average interest rate % 加權平均利率 %	Less than 1 year or on demand HK\$'000 少於一年或按通知 千港元	Over 1 year but less than 5 years HK\$'000 超過一年但少於五年 千港元	Total undiscounted cash flows HK\$'000 未貼現現金流量總額 千港元	Carrying amount at 31.3.2012 HK\$'000 於二零一二年三月三十一日之賬面值 千港元
2012	二零一二年					
Trade and bills payables	應付貿易賬款及票據	-	832	-	832	832
Other payables and accruals	其他應付賬款及應計款項	-	3,240	-	3,240	3,240
Promissory notes	承兌票據	8.45	20,000	-	20,000	20,000
			24,072	-	24,072	24,072

		Weighted average interest rate % 加權平均利率 %	Less than 1 year or on demand HK\$'000 少於一年或按通知 千港元	Over 1 year but less than 5 years HK\$'000 超過一年但少於五年 千港元	Total undiscounted cash flows HK\$'000 未貼現現金流量總額 千港元	Carrying amount at 31.3.2011 HK\$'000 於二零一一年三月三十一日之賬面值 千港元
2011	二零一一年					
Trade and bills payables	應付貿易賬款及票據	-	1,262	-	1,262	1,262
Other payables and accruals	其他應付賬款及應計款項	-	3,520	-	3,520	3,520
Promissory notes	承兌票據	8.45	-	20,600	20,600	19,214
			4,782	20,600	25,382	23,996

28. 財務工具 (續)

(ii) 財務風險管理目標及政策 (續)

流動資金風險 (續)

下表按協定之還款條款詳列本集團非衍生財務負債之合約到期情況。該表乃根據本集團可被要求還款之最早日期而釐定之財務負債未貼現現金流量編製。該表包括利息及本金兩者之現金流量。

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28. FINANCIAL INSTRUMENTS (Continued)

(iii) Fair value

The fair values of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate to their fair values.

29. OPERATING LEASES COMMITMENTS

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

Within one year	一年內
In the second to fifth years inclusive	第二年至第五年 (包括首尾兩年)

Operating lease payments represent rental payable by the Group for its office premise. The lease typically runs for an initial year of 2 years, with an option to renew the lease when all terms are renegotiated.

28. 財務工具 (續)

(iii) 公平值

財務資產及財務負債之公平值乃根據公認定價模式，按照折現現金流量分析釐定。

本公司董事認為，於綜合財務報表中確認之財務資產及財務負債之賬面值與其公平值相若。

29. 經營租約承擔

於報告期末，本集團根據不可撤銷經營租約於下列到期日之未來最低租金付款承擔如下：

2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元
912	—
490	—
1,402	—

經營租約付款指本集團就其辦公室物業所支付之租金。租約通常初步為期兩年，可選擇於重新磋商所有條款時重續租約。

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30. PARTICULARS OF PRINCIPAL SUBSIDIARIES

Details of the Company's principal subsidiaries as at 31 March 2012 and 31 March 2011 are as follows:

30. 主要附屬公司之詳情

本公司於二零一二年三月三十一日及二零一一年三月三十一日之主要附屬公司之詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operations 註冊成立/註冊及經營地點	Issued share/paid-up registered capital 已發行股份/實繳 註冊資本	Percentage of equity attributable to the Company		Principal activities 主要業務
			Direct	Indirect	
			直接	間接	
Bestway Group International Limited	British Virgin Islands/ Hong Kong	US\$1,100	100	-	Investment holding
	英屬處女群島/香港	1,100美元	100	-	投資控股
Tectron Pacific Limited	British Virgin Islands	US\$1	100	-	Investment holding
	英屬處女群島	1美元	100	-	投資控股
Prolific Rich Limited	British Virgin Islands	US\$1	-	100	Investment holding
	英屬處女群島	1美元	-	100	投資控股
Grand Shining Limited	British Virgin Islands	US\$1	-	100	Investment holding
	英屬處女群島	1美元	-	100	投資控股
Kainarwolfram LLC	Republic of Mongolia	US\$100,000	-	100	Mining and exploitation of natural resources
	蒙古共和國	100,000美元	-	100	採礦及勘察天然資源
Ikh Uuliin Erdenes LLC	Republic of Mongolia	US\$100,000	-	100	Mining and exploitation of natural resources
	蒙古共和國	100,000美元	-	100	採礦及勘察天然資源

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30. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

None of the subsidiaries had any debt securities subsisting at the end of the year or at any time during the year, except for Tectron Pacific Limited which has issued HK\$20,000,000 of promissory notes in which the Group has no interest.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

31. EVENT AFTER THE REPORTING PERIOD

On 16 April 2012, the Company successfully completed a placing of 500,000,000 new shares at a price of HK\$0.05 per placing shares, with net proceeds of approximately HK\$24,400,000. Details of the placing were disclosed in the Company's announcement on 26 March 2012 and 16 April 2012 respectively.

30. 主要附屬公司之詳情 (續)

除 Tectron Pacific Limited 已發行 20,000,000 港元之承兌票據 (本集團於該等票據中並無權益) 外, 於年末或年內任何時間各附屬公司均無任何債務證券。

董事認為, 上表載列之本公司附屬公司乃對本集團年內之業績有重大影響, 或構成本集團資產淨值之主要部分。董事認為, 載列其他附屬公司之詳情會導致有關資料過於冗長。

31. 報告期後事項

於二零一二年四月十六日, 本公司成功完成按每股配售股份 0.05 港元之價格配售 500,000,000 股新股份, 所得款項淨額約為 24,400,000 港元。有關配售之詳情已於本公司日期分別為二零一二年三月二十六日及二零一二年四月十六日之公佈內披露。

