



Sustainable Forest Holdings Limited

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock Code 股份代號：723

永保林業控股有限公司*

11/12 年報 Annual Report

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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Ms. LOH Jiah Yee, Katherine

Ms. FLETCHER Yurk Nam, Sandy

Mr. LI Zhixiong

(appointed on 2 September 2011)

Mr. LEUNG Siu Hung, Joel

(re-designated as Executive Director on 4 November 2011)

Independent Non-Executive Directors

Mr. John Tewksbury BANIGAN (*Chairman*)

Mr. KEUNG Paul Hinsum

Mr. Donald Smith WORTHLEY

(appointed on 4 November 2011)

BOARD COMMITTEES

Executive Committee

Ms. LOH Jiah Yee, Katherine (*Chairman*)

Ms. FLETCHER Yurk Nam, Sandy

Audit Committee

Mr. John Tewksbury BANIGAN (*Chairman*)

Mr. KEUNG Paul Hinsum

Mr. Donald Smith WORTHLEY

(appointed on 4 November 2011)

Remuneration Committee

Mr. John Tewksbury BANIGAN (*Chairman*)

Mr. KEUNG Paul Hinsum

Mr. Donald Smith WORTHLEY

(appointed on 4 November 2011)

Nomination Committee

(established on 27 March 2012)

Mr. John Tewksbury BANIGAN (*Chairman*)

Mr. KEUNG Paul Hinsum

Mr. Donald Smith WORTHLEY

COMPANY SECRETARY

Mr. CHENG Chun Shing

(appointed on 30 September 2012)

AUTHORIZED REPRESENTATIVES

Ms. LOH Jiah Yee, Katherine

Mr. CHENG Chun Shing

(appointed on 30 September 2012)

董事會

執行董事

樂家宜女士

姜若男女士

李志雄先生

(於二零一一年九月二日獲委任)

梁紹雄先生

(於二零一一年十一月四日調任為執行董事)

獨立非執行董事

John Tewksbury BANIGAN 先生 (*主席*)

姜顯森先生

Donald Smith WORTHLEY 先生

(於二零一一年十一月四日獲委任)

董事委員會

執行委員會

樂家宜女士 (*主席*)

姜若男女士

審核委員會

John Tewksbury BANIGAN 先生 (*主席*)

姜顯森先生

Donald Smith WORTHLEY 先生

(於二零一一年十一月四日獲委任)

薪酬委員會

John Tewksbury BANIGAN 先生 (*主席*)

姜顯森先生

Donald Smith WORTHLEY 先生

(於二零一一年十一月四日獲委任)

提名委員會

(於二零一二年三月二十七日成立)

John Tewksbury BANIGAN 先生 (*主席*)

姜顯森先生

Donald Smith WORTHLEY 先生

公司秘書

鄭鎮昇先生

(於二零一二年九月三十日獲委任)

法定代表

樂家宜女士

鄭鎮昇先生

(於二零一二年九月三十日獲委任)

Corporate Information

公司資料

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Shanghai Commercial Bank Limited

主要往來銀行

香港上海滙豐銀行有限公司
上海商業銀行有限公司

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

4/F., Soho Tower
No. 110-118 Caine Road
Central, Hong Kong
Tel. No.: (852) 3666 2235
Fax. No.: (852) 2134 1292
E-mail: enquiry@susfor.com

總辦事處及於香港之 主要營業地點

香港中環
堅道110-118號
Soho Tower, 4樓
電話：(852) 3666 2235
圖文傳真：(852) 2134 1292
電子郵件：enquiry@susfor.com

SHARE REGISTRARS

Principal Share Registrar

Butterfield Fulcrum Group (Bermuda) Limited
26 Burnaby Street
Hamilton HM11
Bermuda

股份過戶登記處

主要股份過戶登記處

Butterfield Fulcrum Group (Bermuda) Limited
26 Burnaby Street
Hamilton HM11
Bermuda

Hong Kong Branch Share Registrar

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

香港股份過戶登記分處

卓佳登捷時有限公司
香港
灣仔
皇后大道東28號
金鐘匯中心26樓

AUDITORS

Crowe Horwath (HK) CPA Limited

核數師

國富浩華(香港)會計師事務所有限公司

WEBSITES ADDRESSES

<http://www.susfor.com>
<http://www.irasia.com/listco/hk/sustainableforest>

網址

<http://www.susfor.com>
<http://www.irasia.com/listco/hk/sustainableforest>

HONG KONG STOCK EXCHANGE STOCK CODE

723

香港聯交所股份代號

723

Chairman's Statement

主席報告

The financial year ended 31 March 2012 was a disappointing one for Sustainable Forest Holdings Limited (the "Group") with negative financial performance and a significant decline in the Group's share price.

These results were due to various company specific and global market events.

The cancellation of the tree felling project in Rondonia State, Brazil was particularly impactful and led to a profit warning announcement on 26 June 2012.

A general and significant economic slowdown in the BRIC countries in 2012 contributed to a decline in timber prices and market demand for timber and timber products. China is the largest market for the Group and a prolonged economic slowdown there may continue to have an adverse affect on levels of trading and profitability.

The acquisition of Susfor New Oasis ("Susfor New Oasis") in Zhongshan, China was completed on 2 August 2011 and consideration was contingent on meeting a stipulated net profit guarantee. Susfor New Oasis incurred a net loss for the financial year ended 31 March 2012 missing the net profit guarantee provided by the vendor.

Management has significantly reduced staffing levels worldwide and is aggressively implementing further overhead reduction measures. Separately, new investments in forestry assets have been halted.

The outlook for the balance of fiscal 2013 remains challenging. The Group will continue to trim overhead, streamline its business focus and divest unprofitable businesses to endure the demanding times that lie ahead. The Group's objectives are to position its business to improve upon its 2011/2012 results through a meaningfully leaner cost structure and ultimately a heightened focus on core businesses.

截至二零一二年三月三十一日止財政年度，永保林業控股有限公司（「本集團」）之表現未如理想，財務表現欠佳且本集團股價大跌。

有關業績乃由於多項本公司特定及國際市場事件所致。

巴西朗多尼亞州伐木計劃遭擱置之影響尤為顯著，導致本集團於二零一二年六月二十六日發出盈利警告公告。

二零一二年，金磚四國之經濟普遍大幅放緩，因而令木材價格以及木材及木料產品市場需求下跌。中國為本集團之最大市場，惟該國經濟持續放緩可能繼續對貿易水平及盈利能力帶來不利影響。

本集團已於二零一一年八月二日完成收購中國中山永保新綠洲（「永保新綠洲」），而代價屬或然性質，須待達成指定純利保證後方告作實。永保新綠洲於截至二零一二年三月三十一日止財政年度產生淨虧損，故未能達成賣方所作純利保證。

管理層已大幅削減全球各地僱員數目，並積極實行進一步削減開支之措施。此外，已停止森林資產之新投資。

二零一三財政年度餘下期間之前景仍充滿挑戰。本集團將繼續削減開支、精簡業務重點及放棄無利可圖之業務，以渡過目前之嚴竣時刻。本集團目標為將其業務重新定位，透過有效緊縮成本結構，最終得以更加專注營運核心業務以改善二零一一年／二零一二年度業績。

Financial Highlights

財務摘要

		2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元	Changes 變化幅度
Operating results	經營業績			
Continuing operations	持續經營業務			
Revenue	收入	115,616	866,655	(86.7%)
Gross (loss)/profit	(毛損)/毛利	(2,807)	504,499	(100.6%)
Discontinued operations	已終止業務			
Revenue	收入	—	—	—
Gross loss	毛損	—	—	—
(Loss)/profit attributable to the owners of the Company	本公司擁有人應佔(虧損)/溢利	(2,327,909)	341,486	(781.7%)
Financial position at year end	於年結日之財務狀況			
Property, plant and equipment	物業、廠房及設備	213,306	231,846	(8.0%)
Biological assets	生物資產	913,049	1,173,150	(22.2%)
Goodwill	商譽	302,118	1,686,883	(82.1%)
Cash and cash equivalents	現金及現金等價物	7,760	23,679	(67.2%)
Net current assets	流動資產淨值	6,175	726,848	(99.2%)
Total assets	總資產	1,727,833	4,186,991	(58.7%)
Total interest bearing borrowings from independent third parties	獨立第三方計息借貸總額	25,639	18,768	36.6%
Total interest bearing borrowings from shareholders and/or related companies	股東及/或關連公司計息借貸總額	219,439	137,915	59.1%
Total liabilities	總負債	852,438	930,622	(8.4%)
Equity attributable to the owners of the Company	本公司擁有人應佔之權益	875,309	3,256,293	(73.1%)
Per share information	每股資料			
Basic (loss)/earnings per share (Hong Kong cents)	每股基本(虧損)/盈利(港仙)			
Continuing operations	持續經營業務	(41.27) cents 仙	10.30 cents 仙	(500.7%)
Continuing and discontinued operations	持續經營業務及已終止業務	(41.19) cents 仙	9.86 cents 仙	(517.7%)
Net asset value per share	每股資產淨值	13.1 cents 仙	72.1 cents 仙	(81.8%)

Management Discussion and Analysis

管理層討論及分析

FINANCIAL PERFORMANCE

For the year ended 31 March 2012, revenue and net (loss)/profit after tax decreased to HK\$115.6 million and HK\$2,327.9 million from HK\$866.7 million and HK\$341.5 million, respectively from the year before. The total revenue consisted primarily of sales of forestry and timber products.

BUSINESS REVIEW

Brazil

Rondonia

The Group provided tree felling services to hydropower plant under construction in Rondonia, Brazil since the second half of the financial year ended 31 March 2010. On 20 October 2011 and 7 November 2011, the Group made public announcements that it had reported to Policia Civil do Estado de Sao Paulo (Sao Paulo State Police Department) and to Hong Kong Police Force that it and its employees had been receiving extortion threats in Brazil from a working party. The working party also published and/or procured the publication on the internet and other media serious accusations regarding its integrity. The disputes with the working party escalated to the denial of access to the sites of the hydropower plant in September 2011. As a result, we wrote off HK\$335.6 million of inventory and accounts receivables related to the sales of logs kept at the hydropower plant.

The working party continued his extortions through constant threats and harassments to our employees and local business partners. On 19 April 2012, articles again containing serious accusations against the Group regarding its operation and transactions in Brazil were printed by some newspapers and the internet. These articles were subsequently circulated via emails by the working party to the Group's employees as well as outside third parties. Essentially, the threats and harassments spread beyond Rondonia to all of our operations in Brazil.

Acre

The continued extortion threats, publication of articles and constant disturbances to our staff made the operating environment in Brazil difficult, adverse and hostile for the Group and our staff. As a result, the board decided to defer its forest operations in Acre State until it is appropriate and safe for our staff and us.

As a result of deferral, decline in market prices of timber and remeasurement of allowable area, we recorded an impairment to the goodwill HK\$1,384.8 million. In addition, there was a non-cash loss on revaluation of the biological asset in Acre of HK\$150.4 million.

財務表現

截至二零一二年三月三十一日止年度，收入及除稅後（淨虧損）／純利分別自去年港幣866,700,000元及港幣341,500,000元下跌至港幣115,600,000元及港幣2,327,900,000元。總收入主要來自銷售木材及木料產品。

業務回顧

巴西

朗多尼亞州

本集團自截至二零一零年三月三十一日止財政年度下半年起為巴西朗多尼亞州一項在建水力發電廠提供伐木服務。於二零一一年十月二十日及二零一一年十一月七日，本集團刊發公告，透露本集團已就其本身及其員工接獲巴西一名工作方之威脅及勒索向巴西Policia Civil do Estado de Sao Paulo（聖保羅警處）及香港警務處備案。該名工作方亦曾於互聯網及其他媒體發表及／或促成發表對本集團誠信之嚴重指控。與工作方之糾紛其後惡化，以致本集團於二零一一年九月被拒進入水力發電廠場地。因此，本集團就銷售水力發電廠所存放之原木存貨及應收賬款撇銷港幣335,600,000元。

該名工作方繼續不斷威脅及騷擾我們的員工及當地業務合作夥伴以進行勒索。於二零一二年四月十九日，包含對本集團之巴西業務及交易之嚴重指控之文章再次登載於多份報章及互聯網。該名工作方其後透過電郵傳送有關文章至本集團員工甚至局外第三方。實際上，有關威脅及騷擾已遍及我們位於朗多尼亞州以外全巴西的所有業務。

亞克裏州

持續勒索威脅、登載有關文章以及不斷滋擾我們的員工，令本集團及我們的員工在巴西經營業務之環境變得艱鉅，並造成不利影響及敵對局面。因此，董事會決定暫緩其於亞克裏州之林業業務，直至情況對員工及本集團轉為合宜及安全，方繼續進行。

由於暫緩有關業務、木材市價下跌及重新計量可砍伐範圍減少，我們錄得商譽減值港幣1,384,800,000元。此外，我們亦就重估亞克裏州之生物資產錄得非現金虧損港幣150,400,000元。

Management Discussion and Analysis

管理層討論及分析

China

China is the world's largest consumer and importer of timber and logs and it continues to be the primary market for our forestry and timber products. During the year ended 31 March 2012, 95% of the total revenue was derived from sales to customers in China.

Susfor-Oasis Timber (Zhongshan) Company Limited ("Susfor-Oasis"), is a wholly owned subsidiary acquired in 2011 with contingent consideration of 769,230,769 shares of the Company. The consideration was divided into three tranches with the first tranche of 100,000,000 shares issued at closing, 280,000,000 shares also issued at closing but held by the Company and to be released to the vendor upon meeting a net profit guarantee. The remaining balance or third tranche of the consideration shares will be issued when the net profit guarantee is met also. The vendor guaranteed that audited net profit after tax on IFRS basis will not be less than HK\$300,000,000 for the three years after completion, and that Susfor-Oasis would not incur any net losses for each of three financial years immediately after completion. For the financial year ended 31 March 2012, Susfor-Oasis had a net loss of HK\$18.2 million. As such, the net profit guarantee by the vendor was not met.

Amongst other factors, the Group was interested in Susfor-Oasis primarily due to its extensive experience and portfolio of developers as clients. The Group also saw potential in developing a retail franchise network selling flooring products in China and the operation of a wholesale timber exchange in Zhongshan. The slow down of the economy and the sharp drop in demand for timber products in China caused Susfor-Oasis to substantially underperform than expectations. The Group considers that the value of the assets related to Susfor-Oasis suffered impairment and recorded net loss of HK\$41.9 million (comprising waiver of contingent consideration payable of HK\$71.2 million, reversal of deferred tax liabilities of HK\$11.9 million, recognition of impairment loss on goodwill of HK\$77.4 million, and recognition of impairment loss and amortization on intangible assets totalling HK\$47.6 million) related to this acquisition.

OUTLOOK

Uncertain market conditions and further slow down of major economies overlay the Group's outlook for the near future. Market demand and timber prices dropped significantly since the beginning of the year in 2012. In the capital market, plagued by a number of listed forestry companies that have undergone regulatory investigations or reviews recently, forestry companies are facing increasing challenges in raising capital.

In light of the above, the Group is carrying out aggressive cost cutting measures and is refocusing on turning around its operations.

中國

中國為全球最大之木材及原木消耗國及進口國，其繼續為本集團木材及木料產品之主要市場。截至二零一二年三月三十一日止年度，來自中國客戶之銷售佔總收入之95%。

中山市永保新綠洲木業有限公司（「永保新綠洲」）為於二零一一年收購之全資附屬公司，收購之或然代價為769,230,769股本公司股份。代價分三批支付，其中第一批100,000,000股股份已於成交時發行，另280,000,000股股份亦已於成交時發行，但由本公司持有，直至達成純利保證方發給予賣方。餘額或第三批代價股份將於達成純利保證時始予發行。賣方保證於完成後三年，按國際財務報告準則編製之經審核除稅後純利將不少於港幣300,000,000元，以及永保新綠洲於緊隨完成後三個財政年度各年均不會產生任何淨虧損。截至二零一二年三月三十一日止財政年度，永保新綠洲錄得淨虧損港幣18,200,000元，故此，賣方未能達成純利保證。

除其他因素外，本集團最初因永保新綠洲之豐富經驗及發展商客戶組合而對其感興趣。本集團亦認為於中國發展零售專營網絡銷售地板產品，以及於中山經營木材批發交易具有一定潛力。經濟放緩加上中國對木材產品之需求大幅減少令永保新綠洲之表現遠遜於預期。本集團認為永保新綠洲之相關資產價值已減值，且就該項收購錄得淨虧損港幣41,900,000元（包括豁免或然應付代價港幣71,200,000元、撥回遞延稅項負債港幣11,900,000元、確認商譽減值虧損港幣77,400,000元，以及就無形資產確認減值虧損及攤銷合共港幣47,600,000元）。

展望

不明朗市況及主要經濟體系進一步放緩，令本集團之短期前景蒙上陰影。市場需求及木材價格自二零一二年初起大幅下滑。於資本市場上，受近期多間上市木業公司面對監管調查或審查所影響，木業公司在籌集資金方面面對更大挑戰。

有見及此，本集團正積極實行減省成本措施，並集中將業務轉虧為盈。

Management Discussion and Analysis

管理層討論及分析

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2012, the Group had cash and cash equivalents that amounted to HK\$7.8 million (2011: HK\$23.7 million).

The Group's gearing ratio expressed as a percentage of total interest bearing borrowings (including all interest bearing borrowings from shareholders and/or related companies), excluding the interest bearing borrowings classified under liabilities held for sale, over equity attributable to the owners of the Company, increased from 4.8% as at 31 March 2011 to 28% as at 31 March 2012.

As at 31 March 2012, the Group had HK\$25.6 million (2011: HK\$18.8 million) in interest bearing borrowings from independent third parties, of which HK\$25.4 million were repayable within one year and the remaining HK\$0.2 million were repayable after one year. The total interest bearing borrowings from independent third parties consisted of HK\$25.2 million in bank and other borrowings and HK\$0.4 million in finance leases payable. As at 31 March 2012, the Group's working capital was approximately HK\$6.2 million (2011: HK\$726.8 million). In addition, interest bearing borrowings from shareholders and related companies totaled HK\$219.4 million and HK\$137.9 million for the years ended 31 March 2012 and 2011, respectively.

CHARGE ON ASSETS

As at 31 March 2012, general banking facilities granted to the Group which were secured by property, plant and equipment of the Group with a carrying value of HK\$0.7 million.

CONTINGENT LIABILITIES

The Group's contingent liabilities at 31 March 2012 are disclosed in Note 46 to the consolidated financial statements.

FOREIGN EXCHANGE RISK

The Group's continuing operation mainly operates in Brazil, China and Hong Kong.

During the year ended 31 March 2012, revenue from continuing operations was denominated mainly in Renminbi while its costs and expenses were primarily in Renminbi, Hong Kong dollars and Brazilian Reais where the Group's continuing operations are based. The Group is exposed to potential foreign exchange risk as a result of fluctuations between those currencies that are not pegged.

流動資金及財務資源

於二零一二年三月三十一日，本集團之現金及現金等價物為港幣7,800,000元(二零一一年：港幣23,700,000元)。

本集團之資本負債比率為計息借貸總額(包括所有來自股東及／或關連公司之計息借貸，但不包括分類為持作待售負債項下之計息借貸)除本公司擁有人應佔權益之百分比，由二零一一年三月三十一日之4.8%升至二零一二年三月三十一日之28%。

於二零一二年三月三十一日，本集團之獨立第三方計息借貸為港幣25,600,000元(二零一一年：港幣18,800,000元)，其中港幣25,400,000元須於一年內償還，餘額港幣200,000元則須於一年後償還。獨立第三方計息借貸總額包括銀行及其他借貸港幣25,200,000元及應付融資租約港幣400,000元。於二零一二年三月三十一日，本集團之營運資金約為港幣6,200,000元(二零一一年：港幣726,800,000元)。此外，截至二零一二年及二零一一年三月三十一日止年度之股東及關連公司計息借貸分別為合共港幣219,400,000元及港幣137,900,000元。

資產抵押

於二零一二年三月三十一日，本集團獲授之一般銀行融資乃以本集團賬面值為港幣700,000元之物業、廠房及設備作抵押。

或然負債

本集團於二零一二年三月三十一日之或然負債已於綜合財務報告附註46內披露。

外匯風險

本集團之持續經營業務主要位於巴西、中國及香港。

截至二零一二年三月三十一日止年度內，來自持續經營業務之收入主要以人民幣列賬，其成本及開支主要按本集團持續經營業務所在地之人民幣、港幣及巴西雷亞爾計值。本集團因該等貨幣彼此並無掛鈎所產生之匯率波動而承受潛在外匯風險。

Management Discussion and Analysis

管理層討論及分析

In addition, the main operational assets of the Group are located and denominated in local currencies in Brazil and China while the Group's reporting currency is in Hong Kong dollars. This also exposes the Group to potential foreign exchange risk upon translation of those assets on each reporting date.

The Group did not enter into any arrangements or financial instruments for the purpose of hedging against the potential foreign exchange risks during the year under review. Management believes that the Group's exposure to foreign exchange risks are minimal since Renminbi has been in strength while Reals have been weakening somewhat against US dollars during the current period. In the event that Reals were to rise substantially against US dollars, the risk can be mitigated by increasing local sales denominated in Reals. As for the operational assets of the Group, any foreign exchange gain or losses due to translation of the carrying value of the assets to the Group's reporting currency on reporting dates are unrealised and non-cash in nature. As such, active hedging activities are not considered warranted. Nonetheless, management will monitor closely its foreign currency exposure to ensure appropriate measures are taken promptly against any significant potential adverse impact.

HUMAN RESOURCES AND REMUNERATION POLICY

As at 31 March 2012, the Group had approximately 450 employees (2011: 100) mainly in Hong Kong, China, Brazil, Russia and USA. The total remuneration paid by the Group to its employees (including directors) for the year was approximately HK\$50.3 million (2011: HK\$53.2 million).

The Group rewards its employees according to prevailing market practices, individual experience, performance and requirements under applicable labor laws in the Group's operational locations. In addition to the provision of annual bonus, provident fund scheme and medical insurance coverage, discretionary bonuses and share options are also available to employees.

此外，本集團主要營運資產位於巴西及中國，並以當地貨幣計值，而本集團之呈報貨幣為港幣，此亦導致本集團於每個報告日期換算該等資產時承受潛在外匯風險。

於回顧年度，本集團並無作出任何安排或利用任何財務工具對沖潛在外匯風險。管理層相信，本集團所承受外匯風險甚微，原因為本期間內人民幣處於強勢，而雷亞爾兌美元則稍呈弱勢。一旦雷亞爾兌美元匯率大幅上升，有關風險可透過增加以雷亞爾計值之當地銷售額而減輕。就本集團營運資產而言，任何因於報告日期換算資產賬面值為本集團呈報貨幣所產生外匯盈虧屬未變現及非現金性質。因此，積極對沖活動被視為並不恰當。然而，管理層將密切監察其外匯風險，以確保迅速就任何重大潛在不利影響採取恰當措施。

人力資源及薪酬政策

於二零一二年三月三十一日，本集團有約450名僱員(二零一一年：100名)，主要駐於香港、中國、巴西、俄羅斯及美國。本集團於年內支付予僱員(包括董事)之薪酬總額約為港幣50,300,000元(二零一一年：港幣53,200,000元)。

本集團根據當前市場慣例、個別僱員之經驗及表現以及本集團營運所在地之適用勞工法例規定酬謝僱員。除發放年度花紅、設立公積金計劃及提供醫療保險外，本集團亦向僱員發放酌情花紅及授出購股權。

Report of Directors

董事會報告

The board of directors (“Board”) of Sustainable Forest Holdings Limited (“Company”) has pleasure in presenting to the shareholders of the Company (“Shareholders”) its annual report together with the audited financial statements of the Company and its subsidiaries (collectively “Group”) for the year ended 31 March 2012.

PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The principal activity of the Company is investment holding. The principal activities of the subsidiaries of the Company comprise tree felling service, sustainable forest management and investment; trading and sales of forestry and timber products; manufacturing and sales of timber products. The activities of its principal subsidiaries are set out in Note 23 to the consolidated financial statements.

An analysis of the Group’s performance for the year ended 31 March 2012 by geographical and business segments is set out in note 6 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 March 2012 are set out in the consolidated statement of comprehensive income on page 44.

The Board does not recommend payment of final dividend for the year ended 31 March 2012 (2011: HK0.45 cent per ordinary share and HK0.084 cent per convertible preferred share).

FIVE-YEAR FINANCIAL SUMMARY

A financial summary of the results and the financial position of the Group for the last five financial years is set out on page 188.

BIOLOGICAL ASSETS AND PROPERTY, PLANTS AND EQUIPMENT

Details of movements in the biological assets and property, plant and equipment of the Group during the year are set out in notes 21 and 19 to the consolidated financial statements respectively.

SHARE CAPITAL

Details of movements in the share capital of the Company during the year are set out in note 39 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the bye-laws of the Company (“Bye-laws”) or laws of Bermuda which would oblige the Company to offer new shares on a pro rata basis to existing Shareholders.

永保林業控股有限公司(「本公司」)之董事會(「董事會」)欣然向本公司股東(「股東」)提呈本公司及其附屬公司(統稱「本集團」)截至二零一二年三月三十一日止年度之年報連同經審核財務報告。

主要業務及業務地區分析

本公司之主要業務為投資控股，其附屬公司之主要業務包括伐木服務、可持續森林管理及投資、木材及木料產品貿易及銷售以及製造及銷售木材產品。其主要附屬公司之業務載於綜合財務報告附註23。

本集團截至二零一二年三月三十一日止年度按地區及業務分部分析之表現載於綜合財務報告附註6。

業績及分派

本集團截至二零一二年三月三十一日止年度之業績載於第44頁之綜合全面收益表。

董事會不建議就截至二零一二年三月三十一日止年度派發末期股息(二零一一年：每股普通股港幣0.45仙及每股可換股優先股份港幣0.084仙)。

五年財務概要

本集團於過去五個財政年度之業績及財務狀況之財務概要載於第188頁。

生物資產以及物業、廠房及設備

本集團之生物資產以及物業、廠房及設備於年內之變動詳情分別載於綜合財務報告附註21及19。

股本

本公司股本於年內之變動詳情載於綜合財務報告附註39。

優先購買權

本公司之公司細則(「公司細則」)或百慕達法例均無有關優先購買權之條文，規定本公司須向現時股東按持股比例發售新股份。

Report of Directors

董事會報告

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 March 2012.

RESERVES

Details of movement in the reserves of the Group during the year are set out in note 41 to the consolidated financial statement and in the consolidated statement of changes in equity, respectively.

DISTRIBUTABLE RESERVES

On 31 March 2012, the aggregate amount of reserves available for the distribution to owner of the Company calculated in accordance with the Bermuda Companies Act 1981 (as amended) was HK\$492,601,000 (2011: HK\$2,111,312,000).

DONATIONS

The Group made charitable donations of HK\$30,000 during the year.

DIRECTORS

The directors of the Company ("Directors") during the year and up to the date of this report were:

Executive Directors ("Executive Director(s)")

Ms. LOH Jiah Yee, Katherine

Ms. FLETCHER Yurk Nam, Sandy

Mr. LI Zhixiong

(appointed on 2 September 2011)

Mr. LEUNG Siu Hung, Joel

(re-designated as Executive Director on 4 November 2011)

Mr. SHIH Chiu, David

(appointed on 12 July 2011 and resigned on 30 September 2012)

Non-Executive Directors ("Non-Executive Director(s)")

Mr. NG Tik Hong

(resigned on 11 July 2011)

Mr. LEUNG Chau Ping, Paul

(re-designated as Non-Executive Director on 6 April 2011 and resigned on 23 December 2011)

Independent Non-Executive Directors ("Independent Non-Executive Director(s)")

Mr. LEUNG Siu Hung, Joel

(resigned on 4 November 2011)

Mr. John Tewksbury BANIGAN (*Chairman*)

Mr. KEUNG Paul Hinsum

Mr. Donald Smith WORTHLEY

(appointed on 4 November 2011)

購回、出售或贖回本公司上市證券

截至二零一二年三月三十一日止年度，本公司或其任何附屬公司概無購回、出售或贖回本公司任何上市證券。

儲備

本集團於本年度之儲備變動詳情分別載於綜合財務報告附註41及綜合權益變動表。

可供分派儲備

於二零一二年三月三十一日，根據百慕達一九八一年公司法(經修訂)計算可供分派予本公司擁有人之儲備總額為港幣492,601,000元(二零一一年：港幣2,111,312,000元)。

捐款

本集團於本年度之慈善捐款為港幣30,000元。

董事

於年內及直至本報告日期為止之本公司董事(「董事」)如下：

執行董事(「執行董事」)

樂家宜女士

姜若男女士

李志雄先生

(於二零一一年九月二日獲委任)

梁紹雄先生

(於二零一一年十一月四日調任為執行董事)

施秋先生

(於二零一一年七月十二日獲委任及於二零一二年九月三十日辭任)

非執行董事(「非執行董事」)

吳迪康先生

(於二零一一年七月十一日辭任)

梁秋平先生

(於二零一一年四月六日調任為非執行董事及於二零一一年十二月二十三日辭任)

獨立非執行董事

(「獨立非執行董事」)

梁紹雄先生

(於二零一一年十一月四日辭任)

John Tewksbury BANIGAN 先生(主席)

姜顯森先生

Donald Smith WORTHLEY 先生

(於二零一一年十一月四日獲委任)

Report of Directors

董事會報告

In accordance with Bye-law 87(2) of the Bye-laws, Mr. John Tewksbury BANIGAN shall retire from office by rotation at the forthcoming annual general meeting (“AGM”) of the Company and, being eligible, will offer himself for re-election at the forthcoming AGM.

In accordance with Bye-law 86(2) of the Bye-laws, Mr. Li Zhixiong, Mr. LEUNG Siu Hung, Joel and Mr. Donald Smith WORTHLEY, who have been appointed or re-designated as Directors after the last AGM, shall hold office until the forthcoming AGM. All the above Directors, being eligible, will offer themselves for re-election at the forthcoming AGM.

The Company has received from each Independent Non-Executive Director an annual confirmation of his independence pursuant to Rule 3.13 of the Rules (“Listing Rules”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) and the Company considered all of them to be independent.

DIRECTORS’ SERVICE CONTRACTS

Other than statutory compensation, no Directors proposed for re-election at the forthcoming AGM has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the Directors and the senior management of the Group are set out on pages 25 to 29.

DIRECTORS’ INTEREST IN CONTRACTS OF SIGNIFICANCE

No contract of significance to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

DIRECTORS’ INTERESTS IN COMPETING BUSINESS

None of the Directors had engaged in or were interested in any business which competed or was likely to compete, either directly or indirectly, with the business of the Group during the year.

根據公司細則第87(2)條，John Tewksbury BANIGAN先生將於應屆本公司股東週年大會（「股東週年大會」）輪值退任，並合資格及於應屆股東週年大會願膺選連任。

根據公司細則第86(2)條，自上屆股東週年大會後獲委任或調任為董事之李志雄先生、梁紹雄先生及Donald Smith WORTHLEY先生之任期將於應屆股東週年大會屆滿。上述董事均合資格及於應屆股東週年大會願膺選連任。

各獨立非執行董事已根據香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）第3.13條向本公司發出其獨立身分之年度確認函。本公司認為，全體獨立非執行董事均為獨立人士。

董事之服務合約

除法定賠償外，擬於應屆股東週年大會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本集團於一年內不可在不予賠償情況下終止之服務合約。

董事及高層管理人員之履歷

董事及本集團高層管理人員之履歷載於第25至29頁。

董事於重大合約中之權益

本公司或其任何附屬公司並無訂立於年結日或於年內任何時間存續及董事直接或間接擁有重大利益之重大合約。

董事於競爭業務之權益

於年內，概無董事參與任何對本集團業務構成或可能構成競爭之業務，或於該業務中直接或間接擁有權益。

Report of Directors

董事會報告

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 March 2012, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong, "SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of the SFO; as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code ("Model Code") for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules, were as follows:

董事及最高行政人員於股份及相關股份之權益及淡倉

於二零一二年三月三十一日，董事及本公司最高行政人員於本公司或其任何相聯法團(定義見香港法例第571章證券及期貨條例(「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7及8分部須知會本公司及聯交所，或已記錄於本公司根據證券及期貨條例第352條規定所存置之登記冊，或根據上市規則附錄10所載上市發行人董事進行證券交易的標準守則(「標準守則」)另行知會本公司及聯交所之權益及淡倉如下：

Name of Directors 董事姓名	Nature of interest 權益性質	Number and class of shares and underlying shares held 所持股份及相關股份之數目及類別	Approximate percentage of issued shares 佔已發行股份概約百分比 (Note 1) (附註1)
Ms. LOH Jiah Yee, Katherine ("Ms. Loh") (Note 2) 樂家宜女士(「樂女士」)(附註2)	Beneficial owner 實益擁有人	4,300,000	0.064%
	Interest of controlled corporation 受控制法團之權益	1,942,274,063	28.979%
Ms. FLETCHER Yurk Nam, Sandy ("Ms. Fletcher") (Note 3) 姜若男女士(「姜女士」)(附註3)	Interest of controlled corporation 受控制法團之權益	31,421,710	0.469%
Mr. LI Zhixiong ("Mr. Li") (Note 4) 李志雄先生(「李先生」)(附註4)	Beneficial owner 實益擁有人	769,230,769	11.477%
Mr. LEUNG Siu Hung, Joel ("Mr. Leung") (Note 5) 梁紹雄先生(「梁先生」)(附註5)	Beneficial owner 實益擁有人	2,042,171	0.030%
Mr. SHIH Chiu, David ("Mr. Shih") (Note 6) 施秋先生(「施先生」)(附註6)	Beneficial owner 實益擁有人	3,000,000	0.045%
Mr. John Tewksbury BANIGAN ("Mr. Banigan") (Note 7) John Tewksbury BANIGAN 先生 (「Banigan 先生」)(附註7)	Beneficial owner 實益擁有人	2,042,171	0.030%
Mr. KEUNG Paul Hinsum ("Mr. Keung") (Note 8) 姜顯森先生(「姜先生」)(附註8)	Interest of controlled corporation 受控制法團之權益	15,334,820	0.229%
Mr. Donald Smith WORTHLEY ("Mr. Worthley") (Note 9) Donald Smith WORTHLEY 先生 (「Worthley 先生」)(附註9)	Beneficial owner 實益擁有人	15,334,820	0.229%

Report of Directors

董事會報告

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (continued)

Notes:

1. The percentage figures were calculated based on 6,702,364,335 ordinary shares ("Shares") of the Company having a par value of HK\$0.0533 each in issue as of 31 March 2012.
2. Ms. Loh was beneficially interested in 100% of the issued share capital of Assure Gain International Limited ("Assure Gain"), which held 100% of the issued share capital of Winner Global Holdings Limited ("Winner Global") and Splendid Asset Holdings Limited ("Splendid Asset") respectively. Ms. Loh was also beneficially interested in 50% of the issued share capital of Corp Insights Holdings Inc. ("Corp Insights") held through Corporate Insights Limited. Assure Gain was the registered holder of 1,006,762,347 Shares and 1,208,013,390 convertible preferred shares ("CPS") of the Company convertible into 226,502,510 underlying Shares; Winner Global was the registered holder of 320,041,100 Shares; Splendid Asset was the registered holder of 331,100,463 Shares; and Corp Insights was the registered holder of 308,627,424 CPS convertible into 57,867,642 underlying Shares. Under Part XV of the SFO, Ms. Loh was therefore deemed to have interests in 1,657,903,910 Shares and 284,370,152 underlying Shares upon conversion of the CPS in which Assure Gain, Winner Global, Splendid Asset and Corp Insights were interested. Ms. Loh was also entitled to share options to subscribe for a maximum of 4,300,000 Shares upon exercise of the options in full.
3. Ms. Fletcher was beneficially interested in 100% of the issued share capital of AMF Vietnam Investments Limited ("AMF"). AMF was entitled to share options to subscribe for a maximum of 31,421,710 Shares upon exercise of the options in full. Ms. Fletcher was therefore deemed to have an interest in 31,421,710 Shares in which AMF was interested under Part XV of the SFO.
4. Mr. Li was the registered holder of 380,000,000 Shares. He was also beneficially interested in an additional 389,230,769 underlying Shares which may be allotted and issued by the Company to Mr. Li subject to the terms and conditions of an acquisition agreement entered into between, among other party, the Company and Mr. Li on 21 March 2011 (details of which are set out in a circular of the Company dated 23 May 2011).
5. Mr. Leung was entitled to share options to subscribe for a maximum of 2,042,171 Shares upon exercise of the options in full.
6. Mr. Shih was entitled to share options to subscribe for a maximum of 3,000,000 Shares upon exercise of the options in full. Mr. Shih ceased to be a Director on 30 September 2012.
7. Mr. Banigan was entitled to share options to subscribe for a maximum of 2,042,171 Shares upon exercise of the options in full.
8. Mr. Keung was beneficially interested in 80% of the issued share capital of Million Great Investment Limited ("Million Great"), Million Great was the registered holder of 81,785,711 CPS convertible into 15,334,820 underlying Shares. Mr. Keung was therefore deemed to have an interest in 15,334,820 underlying Shares in which Million Great was interested under Part XV of the SFO.
9. Mr. Worthley was the registered holder of 81,785,711 CPS carrying rights to convert into 15,334,820 underlying Shares.
10. All interests stated above as at 31 March 2012 represented long positions of Shares or underlying Shares of the Company.

Save as disclosed above, as at 31 March 2012, none of the Directors and chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of the SFO or as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

董事及最高行政人員於股份及相關股份之權益及淡倉(續)

附註:

1. 該等百分比數字乃根據本公司於二零一二年三月三十一日已發行6,702,364,335股每股面值港幣0.0533元之普通股(「股份」)計算。
2. 樂女士實益擁有Assure Gain International Limited(「Assure Gain」)已發行股本之全部權益,而Assure Gain分別持有Winner Global Holdings Limited(「Winner Global」)及Splendid Asset Holdings Limited(「Splendid Asset」)已發行股本之全部權益。樂女士亦通過Corporate Insights Limited持有Corp Insights Holdings Inc.(「Corp Insights」)已發行股本之50%權益。Assure Gain登記持有1,006,762,347股股份及可兌換為226,502,510股相關股份之1,208,013,390股本公司可換股優先股份(「可換股優先股份」); Winner Global登記持有320,041,100股股份; Splendid Asset登記持有331,100,463股股份; 而Corp Insights則登記持有可兌換為57,867,642股相關股份之308,627,424股可換股優先股份。根據證券及期貨條例第XV部, 樂女士因此被視為於Assure Gain、Winner Global、Splendid Asset及Corp Insights所擁有之1,657,903,910股股份及可換股優先股份獲兌換而產生之284,370,152股相關股份中擁有權益。樂女士亦享有可於悉數行使時認購最多4,300,000股股份之購股權。
3. 姜女士實益擁有AMF Vietnam Investments Limited(「AMF」)已發行股本之全部權益。AMF享有可於悉數行使時認購最多31,421,710股股份之購股權。根據證券及期貨條例第XV部, 姜女士因此被視為於AMF所擁有之31,421,710股股份中擁有權益。
4. 李先生登記持有380,000,000股股份, 並實益擁有另外389,230,769股相關股份權益, 本公司可能按本公司與(其中包括)李先生於二零一一年三月三十一日訂立之收購協議之條款及條件, 向李先生配發及發行該等相關股份。(協議詳情載於本公司日期為二零一一年五月二十三日之通函)。
5. 梁先生享有可於悉數行使時認購最多2,042,171股股份之購股權。
6. 施先生享有可於悉數行使時認購最多3,000,000股股份之購股權。施先生於二零一二年九月三十日終止出任董事。
7. Banigan先生享有可於悉數行使時認購最多2,042,171股股份之購股權。
8. 姜先生實益擁有萬偉投資有限公司(「萬偉」)已發行股本之80%權益。萬偉登記持有可兌換為15,334,820股相關股份之81,785,711股可換股優先股份。根據證券及期貨條例第XV部, 姜先生因此被視為於萬偉所擁有之15,334,820股相關股份中擁有權益。
9. Worthley先生登記持有可兌換為15,334,820股相關股份之81,785,711股可換股優先股份。
10. 於二零一二年三月三十一日, 上列全部權益均為本公司股份或相關股份的好倉。

除上文披露者外, 於二零一二年三月三十一日, 各董事及本公司最高行政人員概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之任何股份、相關股份或債券中, 擁有根據證券及期貨條例第7及第8分部須知會本公司及聯交所, 或已記錄於本公司根據證券及期貨條例第352條規定所存置之登記冊, 或根據標準守則須知會本公司及聯交所之任何權益或淡倉。

Report of Directors

董事會報告

INTERESTS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS IN SHARES AND UNDERLYING SHARES

As at 31 March 2012, the following persons, other than a Director or chief executive of the Company, had interests or short positions in the Shares or underlying Shares of the Company which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

主要股東及其他人士於股份及相關股份之權益

於二零一二年三月三十一日，除董事及本公司最高行政人員外，以下人士於本公司股份或相關股份中，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，或登記在本公司根據證券及期貨條例第336條須存置之登記冊之權益或淡倉如下：

Name of Shareholders 股東姓名／名稱	Nature of interest 權益性質	Number and class of Shares and underlying Shares held 所持股份及相關股份之數目及類別	Approximate percentage of issued Shares 佔已發行股份概約百分比 (Note 1) (附註1)
Mr. LAU Jack ("Mr. Lau") (Note 2) 廖家俊(「廖先生」)(附註2)	Interest of spouse 配偶權益	1,946,574,063	29.04%
Assure Gain (Note 3) Assure Gain (附註3)	Beneficial owner/ Interest of controlled corporation 實益擁有人／受控制法團之權益	1,884,406,420	28.12%
Ms. WU Guanwen ("Ms. Wu") (Note 4) 吳觀文女士(「吳女士」)(附註4)	Interest of spouse 配偶權益	769,230,769	11.48%
NWS Financial Management Services Limited ("NWS Financial") (Note 5) NWS Financial Management Services Limited (「NWS Financial」)(附註5)	Beneficial owner 實益擁有人	404,102,500	6.03%
Integrated Asset Management (Asia) Limited ("IAM") (Note 6) Integrated Asset Management (Asia) Limited (「IAM」)(附註6)	Beneficial owner 實益擁有人	437,581,867	6.53%

Report of Directors

董事會報告

INTERESTS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS IN SHARES AND UNDERLYING SHARES (continued)

Notes:

1. The percentage figures were calculated based on 6,702,364,335 Shares in issue as of 31 March 2012.
2. Mr. Lau, being the spouse of Ms. Loh, was deemed to have an interest in the same parcel of the Shares and underlying Shares in which Ms. Loh was interested under Part XV of the SFO.
3. Assure Gain held 100% of the issued share capital of Winner Global and Splendid Asset respectively. Assure Gain was the registered holder of 1,006,762,347 Shares and 1,208,013,390 CPS convertible into 226,502,510 underlying Shares; Winner Global was the registered holder of 320,041,100 Shares and Splendid Asset was the registered holder of 331,100,463 Shares. Under Part XV of the SFO, Assure Gain was therefore interested and deemed to have interests in 1,657,903,910 Shares and 226,502,510 underlying Shares in which itself, Winner Global and Splendid Asset were interested.
4. Ms. Wu, being the spouse of Mr. Li, was deemed to have an interest in the same parcel of the Shares and underlying Shares in which Mr. Li was interested under Part XV of the SFO.
5. (i) NWS Service Management Limited (incorporated in British Virgin Islands) ("NWS Service (BVI)") owned 100% interest in the issued share capital of NWS Financial, and was therefore deemed to have an interest in the Shares in which NWS Financial was interested.
(ii) NWS Service Management Limited (incorporated in Cayman Islands) ("NWS Service (Cayman)") owned 100% interest in the issued share capital of NWS Financial, and was therefore deemed to have an interest in the Shares in which NWS Service (BVI) was interested.
(iii) NWS Holdings Limited ("NWS Holdings") owned 100% interest in the issued share capital of NWS Service (Cayman), and was therefore deemed to have an interest in the Shares in which NWS Service (Cayman) was interested.
(iv) New World Development Company Limited ("New World") owned 60.10% interest in the issued share capital of NWS Holdings, and was therefore deemed to have an interest in the Shares in which NWS Holdings was interested.
(v) Chow Tai Fook Enterprises Limited ("Chow Tai Fook") owned 42.11% interest in the issued share capital of New World, and was therefore deemed to have an interest in the Shares in which New World was interested.
(vi) Chow Tai Fook (Holding) Limited ("CTF Holding") owned 100% interest in the issued share capital of Chow Tai Fook, and was therefore deemed to have an interest in the Shares in which Chow Tai Fook was interested.
(vii) Chow Tai Fook Capital Limited ("CTF Capital") owned 74.07% interest in the issued share capital of CTF Holding, and was therefore deemed to have an interest in the Shares in which CTF Holding was interested.
(viii) Cheng Yu Tung Family (Holdings) Limited ("CYTF") and Cheng Yu Tung Family (Holdings II) Limited ("CYTF II") owned 48.98% and 46.65% interest in the issued share capital of CTF Capital respectively, and CYTF and CYTF II were therefore deemed to have interests in the Shares in which CTF Capital was interested.
6. Mr. Yam Tak Cheung owned 100% interest in the issued share capital of IAM, and was therefore deemed to have an interest in the Shares in which IAM was interested.
7. All interests stated above as at 31 March 2012 represented long positions of Shares and underlying Shares of the Company.

主要股東及其他人士於股份及相關股份之權益 (續)

附註:

1. 該等百分比數字乃根據於二零一二年三月三十一日已發行6,702,364,335股股份計算。
2. 廖先生為樂女士之配偶，根據證券及期貨條例第XV部被視為於樂女士所擁有權益之同一批股份及相關股份中擁有權益。
3. Assure Gain分別擁有Winner Global及Splendid Asset已發行股本之全部權益。Assure Gain登記持有1,006,762,347股股份及可兌換為226,502,510股相關股份之1,208,013,390股可換股優先股份；Winner Global登記持有320,041,100股股份及Splendid Asset登記持有331,100,463股股份。根據證券及期貨條例第XV部，Assure Gain因此自身擁有及被視為於Winner Global及Splendid Asset所擁有的上述1,657,903,910股股份及226,502,510股相關股份中擁有權益。
4. 吳女士為李先生之配偶，根據證券及期貨條例第XV部被視為於李先生所擁有權益之同一批股份及相關股份中擁有權益。
5. (i) NWS Service Management Limited (「NWS Service (BVI)」，於英屬處女群島註冊成立)擁有NWS Financial已發行股本之全部權益，因此被視為於NWS Financial擁有權益之股份中擁有權益。
(ii) NWS Service Management Limited (「NWS Service (Cayman)」，於開曼群島註冊成立)擁有NWS Service (BVI)已發行股本之全部權益，因此被視為於NWS Service (BVI)擁有權益之股份中擁有權益。
(iii) 新創建集團有限公司(「新創建集團」)擁有NWS Service (Cayman)已發行股本之全部權益，因此被視為於NWS Service (Cayman)擁有權益之股份中擁有權益。
(iv) 新世界發展有限公司(「新世界」)擁有新創建集團已發行股本之60.10%權益，因此被視為於新創建集團擁有權益之股份中擁有權益。
(v) 周大福企業有限公司(「周大福」)擁有新世界已發行股本之42.11%權益，因此被視為於新世界擁有權益之股份中擁有權益。
(vi) Chow Tai Fook (Holding) Limited (「CTF Holding」)擁有周大福已發行股本之全部權益，因此被視為於周大福擁有權益之股份中擁有權益。
(vii) Chow Tai Fook Capital Limited (「CTF Capital」)擁有CTF Holding已發行股本之74.07%權益，因此被視為於CTF Holding擁有權益之股份中擁有權益。
(viii) Cheng Yu Tung Family (Holdings) Limited (「CYTF」)及Cheng Yu Tung Family (Holdings II) Limited (「CYTF II」)分別擁有CTF Capital已發行股本之48.98%及46.65%權益，因此CYTF及CYTF II被視為於CTF Capital擁有權益之股份中擁有權益。
6. 任德章先生擁有IAM已發行股本之全部權益，因此被視為於IAM擁有之股份中擁有權益。
7. 於二零一二年三月三十一日，上列全部權益均為本公司股份或相關股份的好倉。

Report of Directors

董事會報告

INTERESTS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS IN SHARES AND UNDERLYING SHARES (continued)

Save as disclosed above, as at 31 March 2012, the Company had not been notified of any other persons (other than the Directors or chief executive of the Company) who had interests or short positions in the Shares or underlying Shares of the Company which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

DIRECTORS' RIGHT TO ACQUIRE SECURITIES

Save as disclosed in the paragraph headed "Directors' and Chief Executive's Interests and Short Positions in Shares and Underlying Shares" above, during the year ended 31 March 2012, none of the Director nor the chief executive of the Company had been granted any right to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporation and none of the Directors, their respective spouses nor their respective children under the age of 18 had any right to subscribe for the securities of the Company or had exercised any such rights.

SHARE OPTION SCHEME

Pursuant to the share option scheme adopted by the Shareholders on 27 November 2009 ("Share Option Scheme"), the Company may grant share options to the directors, employees, executive or officers, managers, consultants, any customers, suppliers of goods or services to any member of the Group or any entity in which any member of the Group holds any equity interests ("Invested Entity") who, in the sole discretion of the Board have contributed or will contribute to the growth and development of the Group, to provide incentives or rewards for their contribution to the success of the Group's operation.

During the year, the movements in the share options under the Share Option Scheme were as follows:

Name 姓名	Nature of interest 權益性質	Number of share options 購股權數目				Outstanding at 31 March 2012 於二零一二年三月三十一日 尚未行使	Date of grant 授出日期	Exercise period 行使期	Exercise price per share 每股行使價 (HK\$) (港幣)
		Outstanding at 1 April 2011 於二零一一年四月一日 尚未行使	Granted 已授出	Exercised 已行使	Lapsed 已失效				
Directors 董事									
Ms. LOH Jiah Yee, Katherine 樂家宜女士	Personal 個人	1,433,333	—	—	—	1,433,333	18 February 2011 二零一一年二月十八日	16 December 2011 to 17 February 2021 二零一一年十二月十六日至 二零一二年二月十七日	HK\$0.420 港幣0.420元
	Personal 個人	1,433,333	—	—	—	1,433,333	18 February 2011 二零一一年二月十八日	16 December 2012 to 17 February 2021 二零一二年十二月十六日至 二零一二年二月十七日	HK\$0.420 港幣0.420元
	Personal 個人	1,433,334	—	—	—	1,433,334	18 February 2011 二零一一年二月十八日	16 December 2013 to 17 February 2021 二零一三年十二月十六日至 二零一二年二月十七日	HK\$0.420 港幣0.420元

主要股東及其他人士於股份及相關股份之權益(續)

除上文披露者外，於二零一二年三月三十一日，本公司並無獲悉任何其他人士(董事或本公司最高行政人員除外)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3分部之條文須向本公司披露，或記錄於本公司根據證券及期貨條例第336條規定所存置之登記冊之權益或淡倉。

董事購買證券之權利

除上文「董事及最高行政人員於股份及相關股份之權益及淡倉」一節所披露外，於截至二零一二年三月三十一日止年度，董事及本公司最高行政人員並無獲授予任何權利可藉收購本公司或任何其他法團之股份或債券而獲益，且董事或彼等各自之配偶或彼等各自未滿18歲之子女概無擁有任何認購本公司證券之權利，亦無行使任何該等權利。

購股權計劃

根據股東於二零零九年十一月二十七日採納之購股權計劃(「購股權計劃」)，本公司可向董事會全權認為曾經或將會對本集團之增長及發展作出貢獻之本集團任何成員或本集團任何成員持有其股本權益之實體(「投資實體」)之董事、僱員、行政人員或職員、經理、顧問、任何客戶、提供貨品或服務之供應商授出購股權，以獎勵或回饋彼等對本集團成功營運所作出之貢獻。

於年內，根據購股權計劃之購股權變動如下：

Report of Directors

董事會報告

SHARE OPTION SCHEME (continued)

購股權計劃(續)

Name 姓名	Nature of interest 權益性質	Number of share options 購股權數目				Outstanding at 31 March 2012 於二零一二年 三月三十一日 尚未行使	Date of grant 授出日期	Exercise period 行使期	Exercise price per share (HK\$) (港幣)
		Outstanding at 1 April 2011 於二零一一年 四月一日 尚未行使	Granted 已授出	Exercised 已行使	Lapsed 已失效				
Directors (continued) 董事(續)									
Ms. FLETCHER Yurk Nam, Sandy 姜若男女士	Interest of controlled corporation 受控制法團之權益	5,105,428	—	—	—	5,105,428	13 January 2010 二零一零年一月十三日	15 July 2010 to 12 January 2020 二零一零年七月十五日至 二零二零年一月十二日	HK\$0.940 港幣0.940元
	Interest of controlled corporation 受控制法團之權益	5,105,427	—	—	—	5,105,427	13 January 2010 二零一零年一月十三日	15 July 2011 to 12 January 2020 二零一一年七月十五日至 二零二零年一月十二日	HK\$0.940 港幣0.940元
	Interest of controlled corporation 受控制法團之權益	5,105,427	—	—	—	5,105,427	7 May 2010 二零一零年五月七日	15 July 2010 to 6 May 2020 二零一零年七月十五日至 二零二零年五月六日	HK\$0.710 港幣0.710元
	Interest of controlled corporation 受控制法團之權益	5,105,428	—	—	—	5,105,428	7 May 2010 二零一零年五月七日	15 July 2011 to 6 May 2020 二零一一年七月十五日至 二零二零年五月六日	HK\$0.710 港幣0.710元
	Interest of controlled corporation 受控制法團之權益	11,000,000	—	—	—	11,000,000	14 September 2010 二零一零年九月十四日	14 September 2010 to 27 November 2019 二零一零年九月十四日至 二零一九年十一月二十七日	HK\$0.375 港幣0.375元
Mr. LEUNG Siu Hung, Joel ("Mr. Leung") 梁紹雄先生 (「梁先生」)	Personal 個人	680,723	—	—	—	680,723	7 May 2010 二零一零年五月七日	7 May 2011 to 6 May 2020 二零一一年五月七日至 二零二零年五月六日	HK\$0.710 港幣0.710元
	Personal 個人	680,724	—	—	—	680,724	7 May 2010 二零一零年五月七日	7 May 2012 to 6 May 2020 二零一二年五月七日至 二零二零年五月六日	HK\$0.710 港幣0.710元
	Personal 個人	680,724	—	—	—	680,724	7 May 2010 二零一零年五月七日	7 May 2013 to 6 May 2020 二零一三年五月七日至 二零二零年五月六日	HK\$0.710 港幣0.710元

Report of Directors

董事會報告

SHARE OPTION SCHEME (continued)

購股權計劃 (續)

Name 姓名	Nature of interest 權益性質	Number of share options 購股權數目				Outstanding at 31 March 2012 於二零一二年三月三十一日尚未行使	Date of grant 授出日期	Exercise period 行使期	Exercise price per share 每股行使價 (HK\$) (港幣)
		Outstanding at 1 April 2011 於二零一一年四月一日尚未行使	Granted 已授出	Exercised 已行使	Lapsed 已失效				
Directors (continued) 董事 (續)									
Mr. SHIH Chiu, David ("Mr. Shih") (Note 1) 施秋先生 (「施先生」)(附註 1)	Personal 個人	333,333	—	—	—	333,333	13 January 2010 二零一零年一月十三日	13 January 2011 to 12 January 2020 二零一一年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣 0.940元
	Personal 個人	333,333	—	—	—	333,333	13 January 2010 二零一零年一月十三日	13 January 2012 to 12 January 2020 二零一二年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣 0.940元
	Personal 個人	333,334	—	—	—	333,334	13 January 2010 二零一零年一月十三日	13 January 2013 to 12 January 2020 二零一三年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣 0.940元
	Personal 個人	333,333	—	—	—	333,333	7 May 2010 二零一零年五月七日	13 January 2011 to 6 May 2020 二零一一年一月十三日至 二零二零年五月六日	HK\$0.710 港幣 0.710元
	Personal 個人	333,333	—	—	—	333,333	7 May 2010 二零一零年五月七日	13 January 2012 to 6 May 2020 二零一二年一月十三日至 二零二零年五月六日	HK\$0.710 港幣 0.710元
	Personal 個人	333,334	—	—	—	333,334	7 May 2010 二零一零年五月七日	13 January 2013 to 6 May 2020 二零一三年一月十三日至 二零二零年五月六日	HK\$0.710 港幣 0.710元
	Personal 個人	1,000,000	—	—	—	1,000,000	14 September 2010 二零一零年九月十四日	14 September 2010 to 27 November 2019 二零一零年九月十四日至 二零一九年十一月二十七日	HK\$0.375 港幣 0.375元
Mr. John Tewksbury BANIGAN John Tewksbury BANIGAN 先生	Personal 個人	680,723	—	—	—	680,723	13 January 2010 二零一零年一月十三日	13 January 2011 to 12 January 2020 二零一一年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣 0.940元
	Personal 個人	680,724	—	—	—	680,724	13 January 2010 二零一零年一月十三日	13 January 2012 to 12 January 2020 二零一二年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣 0.940元
	Personal 個人	680,724	—	—	—	680,724	13 January 2010 二零一零年一月十三日	13 January 2013 to 12 January 2020 二零一三年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣 0.940元
Sub-total 小計		42,806,052	—	—	—	42,806,052			

Report of Directors

董事會報告

SHARE OPTION SCHEME (continued)

購股權計劃(續)

Name 姓名	Nature of interest 權益性質	Number of share options 購股權數目			Outstanding at 31 March 2012 於二零一二年三月三十一日 尚未行使	Date of grant 授出日期	Exercise period 行使期	Exercise price per share 每股行使價 (HK\$) (港幣)	
		Outstanding at 1 April 2011 於二零一一年四月一日 尚未行使	Granted 已授出	Exercised 已行使					Lapsed 已失效
Employees and other participants (Note) 僱員及其他參與者(附註)		8,209,536	—	—	(7,313,906)	895,630	13 January 2010 二零一零年一月十三日	13 January 2011 to 12 January 2020 二零一一年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣0.940元
		8,209,535	—	—	(7,313,904)	895,631	13 January 2010 二零一零年一月十三日	13 January 2012 to 12 January 2020 二零一二年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣0.940元
		8,209,533	—	—	(7,313,900)	895,633	13 January 2010 二零一零年一月十三日	13 January 2013 to 12 January 2020 二零一三年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣0.940元
		2,000,000	—	—	(2,000,000)	—	7 May 2010 二零一零年五月七日	7 November 2010 to 6 May 2020 二零一零年十一月七日至 二零二零年五月六日	HK\$0.710 港幣0.710元
		3,348,079	—	—	(2,515,141)	832,938	7 May 2010 二零一零年五月七日	13 January 2011 to 6 May 2020 二零一一年一月十三日至 二零二零年五月六日	HK\$0.710 港幣0.710元
		2,191,688	—	—	(2,046,753)	144,935	7 May 2010 二零一零年五月七日	7 May 2011 to 6 May 2020 二零一一年五月七日至 二零二零年五月六日	HK\$0.710 港幣0.710元
		1,646,271	—	—	(813,333)	832,938	7 May 2010 二零一零年五月七日	13 January 2012 to 6 May 2020 二零一二年一月十三日至 二零二零年五月六日	HK\$0.710 港幣0.710元
		2,191,688	—	—	(2,046,753)	144,935	7 May 2010 二零一零年五月七日	7 May 2012 to 6 May 2020 二零一二年五月七日至 二零二零年五月六日	HK\$0.710 港幣0.710元
		1,646,277	—	—	(813,335)	832,942	7 May 2010 二零一零年五月七日	13 January 2013 to 6 May 2020 二零一三年一月十三日至 二零二零年五月六日	HK\$0.710 港幣0.710元
		2,191,690	—	—	(2,046,755)	144,935	7 May 2010 二零一零年五月七日	7 May 2013 to 6 May 2020 二零一三年五月七日至 二零二零年五月六日	HK\$0.710 港幣0.710元
		57,842,500	—	(190,000)	(6,100,000)	51,552,500	14 September 2010 二零一零年九月十四日	14 September 2010 to 27 November 2019 二零一零年九月十四日至 二零一九年十一月二十七日	HK\$0.375 港幣0.375元
		1,701,809	—	—	(1,701,809)	—	18 February 2011 二零一一年二月十八日	30 June 2011 to 17 February 2021 二零一一年六月三十日至 二零二一年二月十七日	HK\$0.420 港幣0.420元
		273,529	—	—	(273,529)	—	18 February 2011 二零一一年二月十八日	31 July 2011 to 17 February 2021 二零一一年七月三十一日至 二零二一年二月十七日	HK\$0.420 港幣0.420元
		266,666	—	—	(266,666)	—	18 February 2011 二零一一年二月十八日	5 December 2011 to 17 February 2021 二零一一年十二月五日至 二零二一年二月十七日	HK\$0.420 港幣0.420元

Report of Directors

董事會報告

SHARE OPTION SCHEME (continued)

購股權計劃(續)

Name 姓名	Nature of interest 權益性質	Number of share options 購股權數目				Outstanding at 31 March 2012 於二零一二年 三月三十一日 尚未行使	Date of grant 授出日期	Exercise period 行使期	Exercise price per share 每股行使價 (HK\$) (港幣)
		Outstanding at 1 April 2011 於二零一一年 四月一日 尚未行使	Granted 已授出	Exercised 已行使	Lapsed 已失效				
Employees and other participants (Note) (continued) 僱員及其他參與者(附註八續)		333,333	—	—	(333,333)	—	18 February 2011 二零一一年二月十八日	2 January 2012 to 17 February 2021 二零一二年一月二日至 二零一二年二月十七日	HK\$0.420 港幣0.420元
		433,333	—	—	(433,333)	—	18 February 2011 二零一一年二月十八日	9 January 2012 to 17 February 2021 二零一二年一月九日至 二零一二年二月十七日	HK\$0.420 港幣0.420元
		1,701,809	—	—	(1,701,809)	—	18 February 2011 二零一一年二月十八日	30 June 2012 to 17 February 2021 二零一二年六月三十日至 二零一二年二月十七日	HK\$0.420 港幣0.420元
		273,529	—	—	(273,529)	—	18 February 2011 二零一一年二月十八日	31 July 2012 to 17 February 2021 二零一二年七月三十一日至 二零一二年二月十七日	HK\$0.420 港幣0.420元
		266,667	—	—	(266,667)	—	18 February 2011 二零一一年二月十八日	5 December 2012 to 17 February 2021 二零一二年十二月五日至 二零一二年二月十七日	HK\$0.420 港幣0.420元
		333,333	—	—	(333,333)	—	18 February 2011 二零一一年二月十八日	2 January 2013 to 17 February 2021 二零一三年一月二日至 二零一二年二月十七日	HK\$0.420 港幣0.420元
		433,333	—	—	(433,333)	—	18 February 2011 二零一一年二月十八日	9 January 2013 to 17 February 2021 二零一三年一月九日至 二零一二年二月十七日	HK\$0.420 港幣0.420元
		1,701,810	—	—	(1,701,810)	—	18 February 2011 二零一一年二月十八日	30 June 2013 to 17 February 2021 二零一三年六月三十日至 二零一二年二月十七日	HK\$0.420 港幣0.420元
		273,530	—	—	(273,530)	—	18 February 2011 二零一一年二月十八日	31 July 2013 to 17 February 2021 二零一三年七月三十一日至 二零一二年二月十七日	HK\$0.420 港幣0.420元
		266,667	—	—	(266,667)	—	18 February 2011 二零一一年二月十八日	5 December 2013 to 17 February 2021 二零一三年十二月五日至 二零一二年二月十七日	HK\$0.420 港幣0.420元
		333,334	—	—	(333,334)	—	18 February 2011 二零一一年二月十八日	2 January 2014 to 17 February 2021 二零一四年一月二日至 二零一二年二月十七日	HK\$0.420 港幣0.420元
		433,334	—	—	(433,334)	—	18 February 2011 二零一一年二月十八日	9 January 2014 to 17 February 2021 二零一四年一月九日至 二零一二年二月十七日	HK\$0.420 港幣0.420元
	Sub-total 小計		106,712,813	—	(190,000)	(49,349,796)	57,173,017		
	Total 總計		149,518,865	—	(190,000)	(49,349,796)	99,979,069		

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董事會報告

SHARE OPTION SCHEME (continued)

Notes:

1. Mr. Shih was appointed as a Director of the Company on 12 July 2011 and resigned on 30 September 2012. The details of the outstanding options held by Mr. Shih during the year ended 31 March 2012 were accounted for and described under the heading "Directors".
2. Mr. LEUNG Chau Ping, Paul resigned as a Director of the Company on 23 December 2011. The details of the outstanding share options held by him during the year ended 31 March 2012 were accounted and described under the heading "Employees and other participants".
3. The closing price of the Shares immediately before the date on which the options were granted on 13 January 2010 was HK\$0.950.
4. The closing price of the Shares immediately before the date on which the options were granted on 7 May 2010 was HK\$0.700.
5. The closing price of the Shares immediately before the date on which the options were granted on 14 September 2010 was HK\$0.385.
6. The closing price of the Shares immediately before the date on which the options were granted on 18 February 2011 was HK\$0.415.

Summary of the terms of the Share Option Scheme is as follows:

(a) Purposes

The principal purposes are to recruit and retain high caliber employees and attract human resources that are valuable to the Group or any Invested Entity and to provide incentives or rewards to Eligible Participants (as defined below) for their contribution to the Group.

(b) Eligible Participants

Any employees (whether full time or part time), directors (including executive, non-executive and independent non-executive directors) of any members of the Group or any Invested Entity, any customer, supplier of goods and services to any member of the Group or any Invested Entity and such other persons or entities ("Eligible Participants") who, in the sole discretion of the Board, have contributed or will contribute to the growth and development of the Group or any Invested Entity.

(c) Maximum number of shares available for issue

The total number of shares (i.e. 670,236,433 Shares) which may be issued upon exercise of all options granted and to be granted under the Share Option Scheme represented 10% of the total number of issued Shares as at the date of passing the ordinary resolution on 11 April 2012 (being the date on which the mandate limit of the Share Option Scheme was refreshed) and represented approximately 9.5% of the total number of issued Shares of the Company as at the date of this report.

購股權計劃(續)

附註:

1. 施先生於二零一一年七月十二日獲委任為本公司董事並於二零一二年九月三十日辭任。施先生於截至二零一二年三月三十一日止年度所持有之尚未行使購股權詳情已於「董事」列賬及闡述。
2. 梁秋平先生於二零一一年十二月二十三日辭任本公司董事。於截至二零一二年三月三十一日止年度，彼所持有之尚未行使購股權詳情已於「僱員及其他參與者」列賬及闡述。
3. 股份於緊接購股權於二零一零年一月十三日授出當日前之收市價為港幣0.950元。
4. 股份於緊接購股權於二零一零年五月七日授出當日前之收市價為港幣0.700元。
5. 股份於緊接購股權於二零一零年九月十四日授出當日前之收市價為港幣0.385元。
6. 股份於緊接購股權於二零一一年二月十八日授出當日前之收市價為港幣0.415元。

購股權計劃條款概要如下：

(a) 目的

主要目的乃旨在招聘及留聘優秀僱員及吸納對本集團或任何投資實體有貢獻的人力資源，並獎勵或回饋合資格參與者(定義見下文)對本集團之貢獻。

(b) 合資格參與者

董事會全權酌情認為曾經或將會對本集團或任何投資實體之增長及發展作出貢獻之本集團任何成員公司或任何投資實體之任何僱員(不論全職或兼職)、董事(包括執行、非執行及獨立非執行董事)、任何本集團任何成員或投資實體的客戶、提供貨品及服務之供應商及有關其他人士或實體(「合資格參與者」)。

(c) 可供發行股份數目上限

因購股權計劃項下已授出及將授出購股權獲悉數行使而可予發行之股份總數(即670,236,433股股份)佔普通決議案於二零一二年四月十一日(即購股權計劃之授權限額獲更新當日)獲通過當日已發行股份總數之10%及本公司於本報告日期之已發行股份總數約9.5%。

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董事會報告

SHARE OPTION SCHEME (continued)

(d) Maximum entitlement of each Eligible Participant

The total number of Shares issued and to be issued upon exercise of options (whether exercised or outstanding) granted in any 12-month period to:

- (i) each Eligible Participant must not exceed 1% of the total number of Shares in issue; and
- (ii) a substantial shareholder of the Company or an Independent Non-Executive Director must not exceed 0.1% of the total number of Shares in issue and not exceed HK\$5 million in aggregate value.

(e) Period within which the Shares must be taken up under an option

An option must be exercised within 10 years from the date on which it is granted or such shorter period as the Board may specify at the time of grant.

(f) Minimum period, if any, for which an option must be held

No minimum period for which the option has to be held before it can be exercised is specified in the Share Option Scheme.

(g) Period open for acceptance of an option and amount payable upon acceptance

An offer of grant of an option may be accepted by an Eligible Participant within 28 days from the date of the offer of grant of the option. A consideration of HK\$1.00 is payable on acceptance of the offer of grant of an option.

(h) Basis of determining the subscription price of an option

The exercise price must be at least the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheet on the date of grant; (ii) the average closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; and (iii) the nominal value of a Share.

(i) Validity of the Share Option Scheme

The Share Option Scheme has a life of 10 years and will expire on 27 November 2019 unless otherwise terminated in accordance with the terms of the Share Option Scheme.

MANAGEMENT CONTRACT

During the year, no contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed.

購股權計劃(續)

(d) 各合資格參與者之權益上限

於任何十二個月期間授出之購股權(不論已行使或尚未行使)獲行使時向下列人士已發行及將予發行之股份總數不得超過以下限額:

- (i) 向每名合資格參與者授出之有關總數不得超過已發行股份總數之1%;及
- (ii) 向本公司主要股東或獨立非執行董事授出之有關總數不得超過已發行股份總數之0.1%, 總值亦不得超過港幣5,000,000元。

(e) 必須根據購股權承購股份之期間

購股權必須自其授出當日起十年內或董事會於授出有關購股權時可能訂明之較短期間內行使。

(f) 必須持有購股權之最短期間(如有)

購股權計劃中概無指定行使前須持有購股權之最短期間。

(g) 購股權可供接納期間及於接納時應付之款項

合資格參與者可自購股權授出建議日期起二十八日內接納購股權授出建議。接納購股權授出建議時須支付代價港幣1.00元。

(h) 釐訂購股權認購價之基準

行使價最少須為以下各項之最高者:(i)股份於授出日期在聯交所每日報價表所列收市價;(ii)股份於緊接授出日期前五個營業日在聯交所每日報價表所列平均收市價;及(iii)股份面值。

(i) 購股權計劃之有效期

除根據購股權計劃條款另行終止外,購股權計劃為期十年,將於二零一九年十一月二十七日到期。

管理合約

於年內,概無就本公司全部或任何絕大部分業務之管理及行政事務訂立或訂有任何合約。

Report of Directors

董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

During the year, sales to the Group's five largest customers accounted for approximately 40.5% of the total sales for the year and sales to the largest customer included therein amounted to 24.1%. Purchases from the Group's five largest suppliers accounted for approximately 74.3% of the total purchases for the year and purchases from the largest supplier amounted to 28.6%.

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

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 report, there is sufficient public float of more than 25% of the Company's issued shares as required under the Listing Rules.

SUBSEQUENT EVENTS

The subsequent events are set out in note 47 to the consolidated financial statements.

AUDITOR

The consolidated financial statements for the year ended 31 March 2012 were audited by Crowe Horwath (HK) CPA Limited ("Crowe Horwath") who retire and, being eligible, offer itself for reappointment at the forthcoming AGM of the Company.

Due to the merger of business between Messrs. CCIF CPA Limited and PCP CPA Limited, Messrs. CCIF CPA Limited resigned as auditor of the Company with effect from 25 March 2010. Following the resignation of CCIF CPA Limited, Crowe Horwath was appointed as the auditor of the Company.

Save as disclosed above, there were no change in the Company's auditors in the preceding three years.

On Behalf of the Board

LOH JIAH YEE, KATHERINE

Executive Director

Hong Kong, 20 December 2012

主要客戶及供應商

於年內，本集團五大客戶之銷售額佔年內總銷售額約40.5%，其中最大客戶之銷售額佔年內總銷售額24.1%。自本集團五大供應商之採購額佔年內總採購額約74.3%，其中最大供應商之採購額佔年內總採購額28.6%。

概無董事或彼等各自的任何聯繫人士或就董事所知，深知擁有本公司已發行股本超過5%之任何股東於本集團五大客戶及／或五大供應商中擁有任何實益權益。

足夠之公眾持股量

根據本公司可取得之公開資料以及就董事所知，於本報告日期，本公司一直維持上市規則所規定之足夠公眾持股量，即超過本公司已發行股份之25%。

結算日後事項

結算日後事項載於綜合財務報告附註47。

核數師

截至二零一二年三月三十一日止年度之綜合財務報告由國富浩華(香港)會計師事務所有限公司(「國富浩華」)審核，其將任滿告退，惟符合資格並表示願意於應屆本公司股東週年大會接受續聘。

由於陳葉馮會計師事務所有限公司與華德匡成會計師事務所有限公司進行業務合併，故陳葉馮會計師事務所有限公司自二零一零年三月二十五日起辭任本公司核數師。繼陳葉馮會計師事務所有限公司辭任後，國富浩華獲委任為本公司核數師。

除上文披露者外，本公司於過往三年概無更換核數師。

代表董事會

執行董事

樂家宜

香港，二零一二年十二月二十日

Biographical Details of Directors and Senior Management

董事及高層管理人員履歷

DIRECTORS

Executive Directors

Ms. LOH Jiah Yee, Katherine

Ms. LOH Jiah Yee, Katherine, aged 48, joined the Group in December 2010 as the Chief Investment Officer of the Group and was appointed as the Chairman, the Managing Director, an Executive Director and a member of the executive committee (“Executive Committee”) of the Board of the Company and acted as the chairman of the Executive Committee since 17 December 2010. Ms. Loh was appointed as a member and acted as the chairman of the remuneration committee (“Remuneration Committee”) of the Board of the Company since 6 April 2011. She resigned as the Chairman of the Company, the chairman and a member of the Remuneration Committee on 27 March 2012. She is also a director of some of the subsidiaries of the Company. Ms. Loh has a Master’s degree in Business Administration from the University of Toronto and a Bachelor’s degree in Computing Engineering from Imperial College of Science and Technology, University of London. She has more than 25 years of experience in finance and investment banking industry. Save as disclosed above, Ms. Loh did not hold any other directorships in any other publicly listed companies in the last three years and does not have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company. Ms. Loh is not a director or employee of a company which has an interest in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong, “SFO”).

Ms. FLETCHER Yurk Nam, Sandy

Ms. FLETCHER Yurk Nam, Sandy, aged 41, joined the Group in August 2009. She is the Chief Financial Officer of the Group and has been appointed as an Executive Director and a member of the Executive Committee since 17 December 2010. She is also a director of some subsidiaries of the Company. Ms. Fletcher holds a Bachelor’s degree of Science from St. Johns University, United States of America. She is a member of the American Institute of Certified Public Accountants (AICPA). She has over 19 years of experience in financial and accounting matters including auditing, corporate finance and asset management. She worked in Ho Chi Minh City in 2006 to focus on real estate investments. Prior to that, Ms. Fletcher was the managing director of the Asia Pacific office of a private asset management company with headquarters in New York, specializing in structured equity investments. She has worked for 10 years in Deloitte Touche Tohmatsu in their audit practice in New York and subsequently their corporate finance practice in Hong Kong. Save as disclosed above, Ms. Fletcher did not hold any other directorships in any other publicly listed companies in the last three years and does not have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company. Ms. Fletcher is not a director or employee of a company which has an interest in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

董事

執行董事

樂家宜女士

樂家宜女士，48歲，於二零一零年十二月加入本集團，出任本集團首席投資總監，並自二零一零年十二月十七日起獲委任為本公司主席、董事總經理、執行董事及本公司董事會執行委員會（「執行委員會」）成員，並擔任執行委員會主席。樂女士自二零一一年四月六日起獲委任為本公司董事會薪酬委員會（「薪酬委員會」）成員，並擔任薪酬委員會主席。彼於二零一二年三月二十七日辭任為本公司主席、薪酬委員會主席及其成員。彼亦為本公司多間附屬公司之董事。樂女士持有多倫多大學工商管理碩士學位及倫敦大學帝國理工學院電腦工程學士學位。彼於金融及投資銀行業積逾二十五年經驗。除上文披露者外，樂女士於過去三年並無於任何其他上市公司出任任何其他董事職位，且與本公司任何其他董事、高層管理人員或主要或控股股東無任何關係。樂女士並非一間於本公司股份或相關股份中，擁有根據證券及期貨條例（香港法例第571章，「證券及期貨條例」）第XV部第2及第3部分之條文須向本公司披露權益之公司之董事或員工。

姜若男女士

姜若男女士，41歲，於二零零九年八月加入本集團。彼為本集團首席財務總監，並自二零一零年十二月十七日起獲委任為執行董事及執行委員會成員。彼亦為本公司多間附屬公司之董事。姜女士持有美國聖約翰大學理學學士學位。彼亦為美國會計師公會（AICPA）會員。姜女士於核數、企業融資與資產管理等方面之財務及會計事宜具備逾十九年經驗。彼於二零零六年在胡志明市工作，專注房地產投資。此前，姜女士為一間總部設於紐約專責結構股本投資之私人資產管理公司亞太區辦事處之董事總經理。彼曾先後在德勤•關黃陳方會計師行紐約審計部及香港企業融資部工作十年。除上文披露者外，姜女士於過去三年並無於任何其他上市公司出任任何其他董事職位，且與本公司任何其他董事、高層管理人員或主要或控股股東無任何關係。姜女士並非一間於本公司股份或相關股份中，擁有根據證券及期貨條例第XV部第2及第3部分之條文須向本公司披露權益之公司之董事或員工。

Biographical Details of Directors and Senior Management

董事及高層管理人員履歷

DIRECTORS (continued)

Executive Directors (continued)

Mr. LI Zhixiong

Mr. LI Zhixiong, aged 39, joined the Group as an advisor to the Group in March 2011 and has been appointed as an Executive Director since 2 September 2011. He is also a director of three subsidiaries of the Company for the Zhongshan operations. Mr. Li has over 22 years of manufacturing and sales experience of wood products in China. He specializes in wood flooring, and has developed the patent of 'curve flooring' in China. Mr. Li found a company specializing manufacturing and sales of wood products and flooring products in the PRC, namely New Oasis Wood Industry Co., Ltd.* in Zhongshan, China in 2001. He also created the brand name "New Oasis" which has succeeded to become one of the highest quality flooring products in China. The brand ranked 3rd in, flooring category, by "Top Ten Brands in China" in May 2011 and was awarded "China's 500 Most Valuable Brands" of the year 2010 by the World Brand Laboratory. Save as disclosed above, Mr. Li did not hold any other directorships in any other publicly listed companies in the last three years and does not have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company. Mr. Li is not a director or employee of a company which has an interest in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Mr. LEUNG Siu Hung, Joel

Mr. LEUNG Siu Hung, Joel, aged 48, joined the Group as an Independent Non-Executive Director in August 2009 and was re-designated as an Executive Director on 4 November 2011. Mr. Leung graduated from the University of London, University of Hong Kong, Chinese University of Hong Kong, Beijing Normal University and China University of Political Science and Law with a Bachelor's degree in Economics & Accounting, Master's degree in Urban Planning, Chinese Business Law and double Doctor's qualification in Finance and Laws respectively. Mr. Leung is a Fellow of The Hong Kong Institute of Directors, Fellow of American Academy of Financial Management, Royal Chartered Town Planner, Certified Management Accountant, Chartered Risk Analyst, Chartered Asset Manager and Chartered Trust & Estate Planner. He is also serving as a senior town planner in China City Development Institute. Mr. Leung has over 10 years of professional experience in law enforcement agencies, such as Hong Kong Police Force, Correctional Services Department, and Equal Opportunities Commission where he was mainly responsible for investigation and operational work. Mr. Leung is currently the principal financial planner of Prudential Assurance Co Ltd, a company listed on the Main Board of the London, New York, Hong Kong and Singapore Stock Exchanges. Save as disclosed above, Mr. Leung did not hold any other directorships in any other publicly listed companies in the last three years and does not have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company. Mr. Leung is not a director or employee of a company which has an interest in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

* For identification purpose only

董事(續)

執行董事(續)

李志雄先生

李志雄先生，39歲，於二零一一年三月加入本集團出任本集團之顧問，並自二零一一年九月二日起獲委任為執行董事。彼亦為本公司三間與中山業務有關之附屬公司董事。李先生於中國製造及銷售木產品具備逾二十二年經驗。彼專門從事木地板，並成功研發「曲綫地板」並於中國註冊其專利權。李先生於二零零一年在中國中山創辦新綠洲木業有限公司，該公司專注於中華人民共和國製造及銷售木產品及地板產品。彼亦創立品牌「新綠洲」，其已成功躋身中國優質地板產品之列。該品牌於二零一一年五月之「中國地板十大品牌」排行榜位列第三，並榮獲世界品牌實驗室之二零一零年「中國500最具價值品牌」稱號。除上文披露者外，李先生於過去三年並無於任何其他上市公司出任任何其他董事職位，且與本公司任何其他董事、高層管理人員或主要或控股股東無任何關係。李先生並非一間於本公司股份或相關股份中，擁有根據證券及期貨條例第XV部第2及第3部分之條文須向本公司披露權益之公司之董事或員工。

梁紹雄先生

梁紹雄先生，48歲，於二零零九年八月加入本集團出任獨立非執行董事，並於二零一一年十一月四日調任為執行董事。梁先生畢業於英國倫敦大學、香港大學、香港中文大學、北京師範大學及中國政法大學，分別取得經濟及會計學士、城市規劃碩士、中國商業法碩士學位、金融博士及法律博士資格。梁先生為香港董事學會資深會員、美國金融管理學院院士、英國皇家特許城市規劃師、註冊管理會計師、特許風險分析師、特許資產管理師及特許信託及遺產策劃師。彼亦為中國城市發展研究院高級城市規劃師。梁先生具備超過十年服務於不同執法機關之專業經驗，計有香港警務處、懲教署及平等機會委員會等，主要負責調查及行動工作。梁先生現為英國保誠保險有限公司(該公司在倫敦、紐約、香港及新加坡等地之證券交易所主板上市)之首席財務策劃師。除上文披露者外，梁先生於過去三年並無於任何其他上市公司出任任何其他董事職位，且與本公司任何其他董事、高層管理人員或主要或控股股東無任何關係。梁先生並非一間於本公司股份或相關股份中，擁有根據證券及期貨條例第XV部第2及第3部分之條文須向本公司披露權益之公司之董事或員工。

Biographical Details of Directors and Senior Management

董事及高層管理人員履歷

DIRECTORS (continued)

Executive Directors (continued)

Mr. SHIH Chiu, David

Mr. SHIH Chiu, David, aged 65, joined the Group in August 2009 and has been appointed as an Executive Director since 12 July 2011. He is the president of China operations of the Group. He is also a director of a subsidiary of the Company for Manzhouli operation. A forest engineer by training, Mr. Shih has over 28 years of experience in the forestry industry including harvesting, processing, production and sales and marketing of timber products in China, Taiwan and Indonesia. He is responsible for the Group's overall processing operations and integration in Russia and China. Mr. Shih worked in the forest products industry in Taiwan and Indonesia before joining China Chungchun Glory Wood Company in China in 1994. He was a graduate of National Taiwan Chung-Xin University. Save as disclosed above, Mr. Shih did not hold any other directorships in any other publicly listed companies in the last three years and does not have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company. Mr. Shih is not a director or employee of a company which has an interest in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Independent Non-Executive Directors

Mr. John Tewksbury BANIGAN

Mr. John Tewksbury BANIGAN, aged 63, has served as an Independent Non-Executive Director since 23 November 2009 and has been appointed as the Chairman of the Company on 27 March 2012. He is also the chairman and a member of each of the audit committee ("Audit Committee"), the Remuneration Committee and the nomination committee ("Nomination Committee") of the Board of the Company. Mr. Banigan graduated from the School of Foreign Service at Georgetown University with a Bachelor's degree in International Economics. Mr. Banigan engages in international investment banking and corporate advisory services to private and public operating and fund management companies. He has had extensive senior management experience related to corporate and trade finance and investment banking operations in Asia, Latin America and the United States of America. Mr. Banigan has managed mature financial services operations, formed start-up businesses and consummated foreign-based joint ventures. He currently serves as a director of the general partner of a real estate investment vehicle in the People's Republic of China. He is also a director of a China-region oriented hedge fund based in Hong Kong. Additionally, he is the sole member of a company which acts as managing member of an affiliated Japanese hedge fund. The latter company engages in investment management of long and short positions and equity derivatives, and securities and other financial instruments, respectively, in the Japanese market. Mr. Banigan was a senior vice president of HSBC, responsible for corporate and trade finance in the eastern U.S.. He earlier spent 15 years with Chemical Bank where he held diverse positions. He was the Hong Kong-based Regional Corporate Officer of China, Hong Kong and Taiwan, Mexico City-based Mexico Country Manager, and manager of the bank's U.S. West Coast-based Asian corporate and financial institution relationships from San Francisco. Earlier assignments included client management, business development, and risk management positions in New York. Save as disclosed above, Mr. Banigan did not hold any other directorships in any other publicly listed companies in the last three years and does not have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company. Mr. Banigan is not a director or employee of a company which has an interest in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

董事(續)

執行董事(續)

施秋先生

施秋先生，65歲，於二零零九年八月加入本集團，並自二零一一年七月十二日起獲委任為執行董事。彼為本集團中國業務總裁。彼亦為本公司一間與滿洲里業務有關之附屬公司董事。施先生為訓練有素之森林工程師，於林業具備逾二十八年經驗，包括於中國、台灣及印尼從事砍伐、加工、生產、銷售及推廣木材產品。彼負責本集團在俄羅斯及中國之整體加工業務及整合。施先生於一九九四年加入中國之China Chungchun Glory Wood Company前，於台灣及印尼從事森林產品行業。彼畢業於台灣國立中興大學。除上文披露者外，施先生於過去三年並無於任何其他上市公司出任任何其他董事職位，且與本公司任何其他董事、高層管理人員或主要或控股股東無任何關係。施先生並非一間於本公司股份或相關股份中，擁有根據證券及期貨條例第XV部第2及第3部分之條文須向本公司披露權益之公司之董事或員工。

獨立非執行董事

John Tewksbury BANIGAN 先生

John Tewksbury BANIGAN先生，63歲，自二零零九年十一月二十三日起擔任獨立非執行董事，並於二零一二年三月二十七日起獲委任為本公司主席。彼亦分別為本公司董事會審核委員會（「審核委員會」）、薪酬委員會及提名委員會（「提名委員會」）之主席及成員。Banigan先生於喬治城大學之駐外事務學院畢業，取得國際經濟學學士學位。Banigan先生從事國際投資銀行以及向私營及公營基金管理公司提供企業顧問服務。彼曾於亞洲、拉丁美洲及美利堅合眾國從事企業及貿易融資以及投資銀行業務，具備豐富高級管理經驗。Banigan先生曾管理發展健全之金融服務業務，亦曾開創業務及成立外資合營企業。彼現於中華人民共和國一間房地產投資工具公司之普通股夥伴擔任董事。彼亦為以香港為基地之中華地區對沖基金之董事。此外，彼亦為管理一個日本聯屬對沖基金之成員公司之唯一股東，而該日本聯屬對沖基金分別於日本市場從事好倉、淡倉及股權衍生工具以及證券及其他金融工具投資管理業務。Banigan先生曾任滙豐銀行高級副總裁，負責美國東部之企業及貿易融資業務。彼早年曾於漢華銀行任職十五年，出任多個不同職位，包括以香港為基地之中國、香港及台灣地區企業部行政人員、以墨西哥城為基地之墨西哥國家經理以及該行以美國西岸為基地之三藩市亞洲企業及金融機構關係部經理。彼之早期職責包括於紐約擔任客務管理、業務發展及風險管理職位。除上文披露者外，Banigan先生於過去三年並無於任何其他上市公司出任任何其他董事職位，且與本公司任何其他董事、高層管理人員或主要或控股股東無任何關係。Banigan先生並非一間於本公司股份或相關股份中，擁有根據證券及期貨條例第XV部第2及第3部分之條文須向本公司披露權益之公司之董事或員工。

Biographical Details of Directors and Senior Management

董事及高層管理人員履歷

DIRECTORS (continued)

Independent Non-Executive Directors (continued)

Mr. KEUNG Paul Hinsum

Mr. KEUNG Paul Hinsum, aged 42, has been appointed as an Independent Non-Executive Director since 27 July 2010. He is also a member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee. Mr. Keung holds a Bachelor's degree of Science from Cornell University and a Master's degree of Science from New York University. He is the chief financial officer of Taomee Holdings Ltd., a listed company on New York Stock Exchange (NYSE: TAOM). Prior to joining Taomee, Mr. Keung was the managing director and head of Oppenheimer's Asia Investment Research team, responsible for a team of analysts focused on various sectors including technology, media and telecommunications, consumer, industrials, health care and alternative energy. Prior to that, Mr. Keung was the chief information officer at Wyndham Hotels & Resorts, where he facilitated a US\$3.5 billion recapitalization and financial restructuring. His career spans equity research, investment banking and consulting positions at CIBC World Markets, Deutsche Morgan Grenfell, Paine Webber, Salomon Brothers and HVS International. Save as disclosed above, Mr. Keung did not hold any other directorships in any other publicly listed companies in the last three years and does not have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company. Mr. Keung is not a director or employee of a company which has an interest in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Mr. Donald Smith WORTHLEY

Mr. Donald Smith WORTHLEY, aged 62, has been appointed as an Independent Non-Executive Director since 4 November 2011. He is also a member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee. He holds a Bachelor's degree of Business Administration majoring in Finance from St. Bonaventure University and an advanced educational degree from the Wharton School of the University of Pennsylvania. Mr. Worthley has over 30 years of experience in providing advice and consultation concerning strategic planning, asset management and corporate governance. He is the principal and general manager of a private company specializing in offering capital and asset planning and advices to corporates. Prior to forming his own company, Mr. Worthley held senior management positions with various reinsurance companies, including as senior vice president of General Reinsurance Corporation and Arthur J. Gallagher Intermediaries, Inc. Save as disclosed above, Mr. Worthley did not hold any other directorships in any other publicly listed companies in the last three years and does not have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company. Mr. Worthley is not a director or employee of a company which has an interest in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

董事(續)

獨立非執行董事(續)

姜顯森先生

姜顯森先生，42歲，自二零一零年七月二十七日起獲委任為獨立非執行董事，亦分別為審核委員會、薪酬委員會及提名委員會成員。姜先生持有康乃爾大學理學學士學位及紐約大學理學碩士學位。彼為Taomee Holdings Ltd. (該公司在紐約證券交易所上市(股份代號：TAOM))之首席財務總監。在加入Taomee前，姜先生曾任Oppenheimer屬下亞洲投資研究部之董事總經理兼主管，負責領導一隊分析員專注研究高科技、媒體電訊業、消費、工業、健康護理及替代能源等不同範疇。在加入Oppenheimer前，姜先生曾出任溫德姆酒店及渡假村之資訊總監，曾促進一宗為數3,500,000,000美元之資本重組及財務重組。彼之事業涉及股市研究、投資銀行及顧問等職位，曾分別任職於加拿大帝國商業銀行世界市場部、德意志摩根建富、普惠公司、所羅門兄弟及華盛國際等機構。除上文披露者外，姜先生於過去三年並無於任何其他上市公司出任任何其他董事職位，且與本公司任何其他董事、高層管理人員或主要或控股股東無任何關係。姜先生並非一間於本公司股份或相關股份中，擁有根據證券及期貨條例第XV部第2及第3部分之條文須向本公司披露權益之公司之董事或員工。

Donald Smith WORTHLEY 先生

Donald Smith WORTHLEY 先生，62歲，自二零一一年十一月四日起獲委任為獨立非執行董事。彼亦分別為審核委員會、薪酬委員會及提名委員會之成員。彼持有聖波波拿文都大學(St. Bonaventure University)商業管理學士學位(主修金融)，並已完成賓夕法尼亞大學華頓學院(Wharton School of the University of Pennsylvania)之高級文憑課程。Worthley先生於策略計劃、資產管理及企業管治方面積逾三十年諮詢及顧問經驗。彼為一家專門向企業提供資本與資產策劃及意見之私人公司的主管兼總經理。於成立自營公司前，Worthley先生曾於多家分保公司擔任高級管理職位，包括出任General Reinsurance Corporation及Arthur J. Gallagher Intermediaries, Inc.之高級副總裁。除上文披露者外，Worthley先生於過去三年並無於任何其他上市公司出任任何其他董事職位，且與本公司任何其他董事、高層管理人員或主要或控股股東無任何關係。Worthley先生並非一間於本公司股份或相關股份中，擁有根據證券及期貨條例第XV部第2及第3部分之條文須向本公司披露權益之公司之董事或員工。

Biographical Details of Directors and Senior Management

董事及高層管理人員履歷

SENIOR MANAGEMENT

Mr. Jairo Alfonso RAMOS SUAREZ (Vice President of Field Operations)

Mr. Jairo Alfonso RAMOS SUAREZ, aged 41, is the vice president of field operations of the Group. He joined the Group in November 2009. Mr. Ramos Suarez is a trained mechanical engineer, has more than 16 years of experience in production, maintenance programming, quality control, mechanical design, marketing and procurement in tropical timber products and other materials. Mr. Ramos Suarez was in charge of trading of forest products for a private Colombian company in Shanghai, China from 2006 to 2008. Mr. Ramos Suarez is responsible for the field operations in Rondonia and Acre. Save as disclosed above, Mr. Ramos Suarez did not hold any other directorships in any other publicly listed companies in the last three years and does not have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company. Mr. Ramos Suarez is not a director or employee of a company which has an interest in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Mr. YIP Kam Kuen (Head of International Sales and Procurement)

Mr. YIP Kam Kuen, aged 62, is the head of international sales and procurement of the Group. He joined the Group in this capacity in April 2011. Prior to that, Mr. Yip acted as an adviser to the Group on mergers and acquisitions and strategic planning matters. Mr. Yip had over 15 years of investment banking experience and has assisted a number of U.S. companies successfully be listed in the United States and overseas, and carried out investments in various financing projects and planning. Based on many years of work experience in the United States, Mr. Yip has a good investor and professional network in the United States, Europe, China and Hong Kong to assist various companies to solve their financial problems. Save as disclosed above, Mr. Yip did not hold any other directorships in any other publicly listed companies in the last three years and does not have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company. Mr. Yip is not a director or employee of a company which has an interest in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

高層管理人員

Jairo Alfonso RAMOS SUAREZ 先生 (現場作業副總裁)

Jairo Alfonso RAMOS SUAREZ 先生，41歲，本集團現場作業副總裁，於二零零九年十一月加入本集團。Ramos Suarez 先生為曾接受訓練之機械工程師，於生產、維修規劃、質量控制、機械設計、營銷及採購熱帶木材產品和其他材料具備逾16年經驗。自二零零六年至二零零八年，Ramos Suarez 先生於中國上海主管一家哥倫比亞私人公司之森林產品貿易業務。彼負責朗多尼亞州及阿克里州之現場作業。除上文披露者外，Ramos Suarez 先生於過去三年並無於任何其他上市公司出任任何其他董事職位，且與本公司任何其他董事、高層管理人員或主要或控股股東無任何關係。Ramos Suarez 先生並非一間於本公司股份或相關股份中，擁有根據證券及期貨條例第XV部第2及第3部份之條文須向本公司披露權益之公司之董事或員工。

葉錦權先生 (國際銷售及採購部主管)

葉錦權先生，62歲，為本集團之國際銷售及採購部主管。彼於二零一一年四月加入本集團擔任有關職務。於此之前，葉先生曾任本集團之合併和收購及策略規劃事務顧問。葉先生於投資銀行業務擁有逾十五年經驗，曾協助多間美國公司於美國及海外市場成功上市，並參與多項融資項目及計劃之投資事務。憑藉於美國工作多年之經驗，葉先生為一名優秀投資者，業務網絡遍佈美國、歐洲、中國及香港，並曾協助多間公司解決財務問題。除上文披露者外，葉先生於過去三年並無於任何其他上市公司出任任何其他董事職位，且與本公司任何其他董事、高層管理人員或主要或控股股東無任何關係。葉先生並非一間於本公司股份或相關股份中，擁有根據證券及期貨條例第XV部第2及第3部份之條文須向本公司披露權益之公司之董事或員工。

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE PRACTICES

During the year ended 31 March 2012, the Company has applied the principles of, and complied with, the applicable code provisions of the Code on Corporate Governance Practices (“Former Code Provisions”) as set out in Appendix 14 to the Listing Rules (prior to its amendments effective from 1 April 2012), except for the deviations mentioned below:

Former Code Provision A.2.1

Under the Former Code Provision A.2.1, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The roles of the chairman (“Chairman”) and the chief executive officer (“CEO”) of the Company are segregated and are clearly defined to ensure their respective independence, accountability and responsibilities. The Chairman is responsible for the formulation of the Group’s overall business development policies while the CEO is responsible for the implementation of major decisions of the Board and overall management of the Group’s businesses.

On 6 April 2011, Mr. LEUNG Chau Ping, Paul was re-designated from the position as an executive director of the Company to a non-executive director and resigned as the CEO. Since then and to up the date of this report, the position of the CEO has not been appointed. Since the beginning of the current financial year and up to 27 March 2012, Ms. LOH Jiah Yee, Katherine acted as the Chairman. On 27 March 2012, Ms. LOH Jiah Yee, Katherine resigned as the Chairman and Mr. John Tewksbury BANIGAN was appointed as the Chairman. During the current financial year when no CEO was appointed, the functions of the CEO have been performed by the executive Directors with the assistance of the management of the Company. The Board considers that such structure does not impair the balance of power and authority between the Board and the management of the Company. The Board will however regularly review the effectiveness of this structure to ensure that such structure is appropriate in view of the Group’s prevailing circumstances.

Former Code Provision E.1.2

Former Code Provision E.1.2 stipulates, among others, that the Chairman should attend the annual general meeting.

Due to another business engagement, Ms. LOH Jiah Yee, Katherine, the then Chairman was unable to attend the annual general meeting of the Company held on 25 August 2011. However, Ms. FLETCHER Yurk Nam, Sandy, an executive Director, took the chair of that meeting. The then non-executive director, namely Mr. LEUNG Chau Ping, Paul and one of the then independent non-executive directors, namely, Mr. LEUNG Siu Hung, Joel (who was also the then chairman of audit committee of the Board and a member of the remuneration committee of the Board) were also present at the meeting who were available to answer any questions from the Shareholders.

The Company periodically reviews its corporate governance practices to ensure that it continues to meet the requirements under the Code Provisions.

企業管治常規

本公司於截至二零一二年三月三十一日止年度已應用並一直遵守上市規則附錄十四企業管治常規守則所載之適用守則條文(「前守則條文」)(於其於二零一二年四月一日生效前之修訂),惟下文所述若干偏離情況除外:

前守則條文A.2.1

根據前守則條文A.2.1,主席及行政總裁之職責應有所區分,且不應由同一人擔任。本公司設有主席(「主席」)及行政總裁(「行政總裁」)兩個獨立職位,且已清楚界定兩者角色,以確保彼等各自之獨立身分、問責性與職責。主席負責制訂本集團整體業務發展政策,而行政總裁則負責實行董事會之重要決策,以及整體管理本集團業務。

於二零一一年四月六日,梁秋平先生由本公司執行董事調任為非執行董事,並辭任行政總裁職務。自此至本報告日期,行政總裁一職尚未委任。自本財政年度開始至二零一二年三月二十七日,樂家宜女士出任主席。於二零一二年三月二十七日,樂家宜女士辭任主席,而John Tewksbury BANIGAN先生獲委任為主席。於本財政年度行政總裁職位懸空期間,行政總裁之職務於本公司管理層之協助下由執行董事履行。董事會認為,此架構並不影響董事會與本公司管理層之權力及授權平衡。然而,董事會將定期檢討此架構之成效,以確保此架構適用於本集團當前情況。

前守則條文E.1.2

前守則條文E.1.2訂明(其中包括),主席應出席股東週年大會。

當時主席樂家宜女士因另有公務,未能出席本公司於二零一一年八月二十五日舉行之股東週年大會。然而,執行董事姜若女士擔任該大會之主席,當時之非執行董事梁秋平先生及當時其中一名獨立非執行董事梁紹雄先生(當時亦分別為董事會審核委員會之主席及董事會薪酬委員會之成員)亦有出席該大會回應股東提問。

本公司定期檢討其企業管治常規,確保其繼續符合守則條文之規定。

Corporate Governance Report

企業管治報告

THE BOARD OF DIRECTORS

Board Composition

As at 31 March 2012, the Board comprised eight Directors in total, with five Executive Directors and three Independent Non-Executive Directors.

Executive Directors:

Ms. LOH Jiah Yee, Katherine
Ms. FLETCHER Yurk Nam, Sandy
Mr. LI Zhixiong
(appointed on 2 September 2011)
Mr. LEUNG Siu Hung, Joel
(re-designated as Executive Director on 4 November 2011)
Mr. SHIH Chiu, David
(appointed on 12 July 2011)

Independent Non-Executive Directors:

Mr. John Tewksbury BANIGAN (*Chairman*)
Mr. KEUNG Paul Hinsum
Mr. Donald Smith WORTHLEY
(appointed on 4 November 2011)

On 30 September 2012, Mr. Shih Chiu, David resigned as an Executive Director.

There is no family or other material relationship (including financial and business) among members of the Board. Composition of the Board including the names and categories of Directors, is set out on page 2. The brief biographical details of each Director are set out in the section headed "Biographical Details of Directors and Senior Management" on pages 25 to 29. Each Director possesses the necessary expertise and experience and provides checks and balances for safeguarding the interests of the Group and the Shareholders as a whole. The Company has during the year ended 31 March 2012 maintained a balanced board composition.

During the year, the Independent Non-Executive Directors provided the Group with a wide range of expertise and experience. Their active participation in the Board and committee meetings brought independent judgment on issues relating to the Group's strategy, performance and management process, taking into account the interests of all Shareholders.

During the year under review, the Company has three Independent Non-Executive Directors representing not less than one-third of the Board. One of the Independent Non-Executive Directors, being Mr. KEUNG Paul Hinsum, has the appropriate professional qualifications, or accounting or related financial management expertise as required under Rule 3.10 of the Listing Rules. The Company has received from each of the Independent Non-Executive Directors a written confirmation of his independence and has satisfied itself of such independence up to the approval date of this report in accordance with the independent guidelines set out in Rule 3.13 of the Listing Rules.

董事會

董事會架構

於二零一二年三月三十一日，董事會共有八名董事，包括五名執行董事及三名獨立非執行董事。

執行董事：

樂家宜女士
姜若男女士
李志雄先生
(於二零一一年九月二日獲委任)
梁紹雄先生
(於二零一一年十一月四日調任為執行董事)
施秋先生
(於二零一一年七月十二日獲委任)

獨立非執行董事：

John Tewksbury BANIGAN 先生(主席)
姜顯森先生
Donald Smith WORTHLEY 先生
(於二零一一年十一月四日獲委任)

施秋先生於二零一二年九月三十日辭任為執行董事。

董事會成員彼此之間概無家族或其他重大關係(包括財務與業務)。董事會之架構(包括董事姓名及類別)載於第2頁。各董事之履歷載於第25頁至29頁「董事及高層管理人員履歷」一節。各董事均擁有所需專業知識及經驗，可收互相制衡之效，以保障本集團及股東整體利益。本公司於截至二零一二年三月三十一日止年度維持權力均衡之董事會。

於年內，獨立非執行董事為本集團帶來廣泛專業知識及經驗。彼等積極參與董事會及委員會會議，以全體股東之利益為大前提，對本集團之策略、表現及管理程序事宜提供獨立判斷。

於回顧年度，本公司三名獨立非執行董事佔董事會人數不少於三分之一。其中一名獨立非執行董事(即姜顯森先生)具備上市規則第3.10條所規定之適當專業資格、會計或相關財務管理專業知識。本公司已接獲各獨立非執行董事有關其獨立性之書面確認函，而本公司亦根據上市規則第3.13條所載的獨立指引信納彼等於截至本報告獲批准日期均為獨立人士。

Corporate Governance Report

企業管治報告

Board Meetings

The Board conducts meetings on a regular basis and on an ad hoc basis of at least four times a year to discuss the overall strategy as well as the operation and financial performance of the Group, and to review and approve the Group's annual and interim results. Board members are provided with all agendas and adequate information for their review at least 3 days before the meetings. After the meeting, draft minutes are circulated to all Directors for comments before confirmation and sign-off. Minutes of board meetings and meetings of board committees are kept by the company secretary of the Company ("Company Secretary") and are available for inspection by any Director at any reasonable time on reasonable notice. Each Director is entitled to seek independent professional advice under appropriate circumstances at the expense of the Company. During the year, 4 physical Board meetings were held by way of telephone conference and 16 written resolutions for separate matters signed by all Directors were passed. Attendance of each Director at the Board meetings is set out in the paragraph headed "Board Committees" below.

Responsibilities of the Board and Delegation of Work

The Board is accountable to the Shareholders for the development of the Group with the goal of maximizing Shareholders' value in the long run. The Board also takes the responsibility for the overall strategies and policies of the Group, approves and monitors the strategic plans, investment and funding decisions, and reviews the Group's financial and operational performance. The Group's day-to-day operations and administration are overseen by the Executive Directors and the management.

The Board is responsible for setting the strategic direction and policies of the Group and supervising our management. Some functions including the monitoring and approval of material transactions, matters involving a conflict of interest for a substantial Shareholder or Director of the Company, the approval of the interim and annual results and other disclosures to the public or regulators are reserved by the Board for consideration and approval. Matters not specially reserved to the Board and necessary for the daily management and operation of the Company are delegated to the Executive Committee and management of the Company.

Directors' and officers' liability insurance

The Directors are fully insured under the directors' and officers' liability insurance policy for indemnification against costs, charges, losses, expenses and liabilities that may be incurred by them in the execution and discharge of their duties.

董事會會議

董事會每年舉行不少於四次的定期會議及特別會議，以商討整體策略以及本集團之營運及財務表現，並審閱及批准本集團全年及中期業績。董事會成員將於會議舉行時間至少三日前獲提供全部議程及充足資料，以供彼等審閱。會議結束後，會議記錄初稿於落實及簽核前將發送予全體董事傳閱及提出意見。董事會會議記錄及董事委員會會議記錄均由本公司之公司秘書（「公司秘書」）保管，可供董事在提出合理通知後於任何合理時間內查閱。各董事有權於適當情況下尋求獨立專業意見，費用由本公司支付。於本年度，董事會曾以電話會議方式舉行四次會議，並就個別事項由全體董事簽署通過十六份書面決議，各董事出席董事會會議之情況載於下文「董事委員會」一段。

董事會之職責及指派工作

董事會須就本集團發展向股東負責，以為股東爭取最大價值作為長遠目標。董事會亦負責制定本集團整體策略及政策、批准及監管策略規劃、投資及融資決策，並檢討本集團之財務及營運表現。執行董事及管理層負責監督本集團日常運作及行政事務。

董事會負責製訂本集團的策略方向及政策以及監督管理層。若干職能留待董事會考慮及批准，包括監察及批准重大交易、涉及本公司主要股東或董事的利益衝突事項、批准中期及年度業績，以及向公眾或監管機關作其他披露。並非指定由董事會決定且屬本公司日常管理及營運所須進行的事宜，則授權執行委員會及本公司管理層處理。

董事及高級人員責任保險

董事根據董事及高級人員責任保險政策獲全面保障，彼等於執行及履行職責時可能產生之成本、支出、損失、開支及負債均獲彌償保證。

Corporate Governance Report

企業管治報告

Appointment and Re-election of Directors

Every newly appointed Director will receive an induction package from the Company Secretary on the first occasion of his/her appointment, including materials briefly describing the operations and business of the Company and the latest published financial reports of the Company. Directors will be continuously updated on any major developments of the Listing Rules and other applicable regulatory requirements to ensure compliance and upkeep of good corporate governance practices.

All Non-Executive Directors of the Company were appointed for a specific term of 2 years but subject to the relevant provisions of the Bye-laws or any other applicable laws whereby the Directors shall vacate or retire from their office but eligible for re-election.

According to the Bye-laws, each Director appointed to fill a casual vacancy shall be subject to re-election at the next following general meeting or until the next following AGM in case of an addition to the Board and shall then be eligible for re-election at such meeting. Moreover, one-third of the Directors for the time being, (or, if their number is not three or a multiple of three, then the number nearest to but not greater than one-third), shall retire from office by rotation, provided that every Director (including those appointed for a specific term but excluding those holding office as Chairman or Managing Director) shall be subject to retirement by rotation at least once every three years. Every Director holding the office of Chairman or Managing Director shall be subject to re-election once every three years. The rotating Directors who are subject to retirement and re-election at the forthcoming AGM are set out on page 12.

董事之委任及重選

每名新任董事將於首次獲委任時自公司秘書收到一套入職資料，包括簡述本公司運作及業務之資料，以及本公司最新公佈之財務報告。董事將持續獲更新上市規則及其他適用監管規定之重大發展，以確保彼等遵守及維持良好之企業管治常規。

本公司所有非執行董事之特定任期為兩年，惟須受公司細則或任何其他適用法例有關條文規限，即董事須離任或退任但可重選連任之規定。

根據公司細則，凡為填補臨時空缺獲委任之每名董事均須於下屆股東大會重選連任；或如屬董事會新增成員，則彼之任期將直至下屆股東週年大會為止，屆時將合資格於該大會重選連任。此外，當時三分之一董事（或如彼等之數目並非三或三的倍數，則為最接近但不多於三分之一之數）須輪值告退，惟每位董事（包括有特定任期之董事，惟不包括主席或董事總經理）將至少每三年輪值告退一次。每位擔任主席或董事總經理職務之董事將須每三年重選一次。須於應屆股東週年大會退任及重選連任之輪任董事詳情載於第12頁。

Corporate Governance Report

企業管治報告

BOARD COMMITTEES

The Company has established four board committees, namely the Executive Committee, the Audit Committee, the Remuneration Committee and the Nomination Committee, to oversee particular aspects of the Company's affairs and to assist in the execution of the Board's responsibilities. All board committees have clear and specific written terms of reference and they report their work to the Board after each meeting. Copies of minutes of all meetings and resolutions passed at the board committees are kept by the Company Secretary.

Executive Committee

As at the date of this report, the Executive Committee comprised Ms. LOH Jiah Yee, Katherine (chairman of the Executive Committee) and Ms. FLETCHER Yurk Nam, Sandy. The Executive Committee was established with specific written terms of reference to, among other duties, implement, review and give recommendations to the Board on the daily operation of the Group from the time to time. The Executive Committee held 70 meetings during the year under review, attendance records of each member are set out on page 36.

Audit Committee

As at 31 March 2012 and the date of this report, the Audit Committee comprised three members, namely Mr. John Tewksbury BANIGAN (chairman of the Audit Committee), Mr. KEUNG Paul Hinsum and Mr. Donald Smith WORTHLEY (appointed on 4 November 2011) and all of them are Independent Non-Executive Directors. Mr. LEUNG Siu Hung, Joel ceased to be the chairman and a member of the Audit Committee on 4 November 2011 upon his re-designation as an Executive Director. The Audit Committee was established with specific written terms of reference to, among other duties, review and supervise the Company's financial reporting and internal control systems. The Audit Committee also provides an important link between the Board and the Company's external auditors in matters within the scope of the financial audit of the Group.

During the year, the Audit Committee held 2 physical meetings by way of telephone conference together with management and the external auditors. The attendance details of each member are set out on page 36. The Audit Committee has reviewed the accounting principles and practices adopted by the Group, reviewed the financial statements for the interim and final results for the year ended 31 March 2012 and discussed the internal controls together with the management.

The Audit Committee and the Board have not taken a different view regarding the selection, appointment, resignation or dismissal of the external auditors of the Company.

董事委員會

本公司已設立執行委員會、審核委員會、薪酬委員會及提名委員會四個董事委員會，以監督本公司特定範疇之事務，並協助履行董事會職責。所有董事委員會已制訂清晰及具體之書面職權範圍，並於每次會議後向董事會匯報工作情況。董事委員會所有會議記錄及獲通過之決議案之副本均由公司秘書保存。

執行委員會

於本報告日期，執行委員會成員包括樂家宜女士（執行委員會主席）及姜若男女士。本公司已以書面訂明執行委員會之職權範圍，以不時執行、檢討本集團之日常運作，並就此向董事會提供推薦意見，及履行其他職能。執行委員會於回顧年度內共舉行七十次會議，各成員之出席記錄載於第36頁。

審核委員會

於二零一二年三月三十一日及本報告日期，審核委員會由三名成員 John Tewksbury BANIGAN 先生（審核委員會主席）、姜顯森先生及 Donald Smith WORTHLEY 先生（於二零一一年十一月四日獲委任）組成，彼等均為獨立非執行董事。梁紹雄先生於二零一一年十一月四日調任為執行董事，同時終止擔任審核委員會主席及成員。本公司已以書面訂明審核委員會之職權範圍以審閱及監督本公司之財務匯報及內部監控制度，及履行其他職能。審核委員會亦就本集團之財務審核範疇所涉事宜為董事會與本公司外聘核數師之間提供重要溝通橋樑。

於年內，審核委員會曾以電話會議方式與管理層及外聘核數師舉行兩次會議。各成員之出席記錄載於第36頁。審核委員會已審閱本集團所採納之會計原則及慣例、審閱截至二零一二年三月三十一日止年度中期及全年業績之財務報告，以及與管理層討論內部監控。

審核委員會及董事會在本公司外聘核數師之甄選、聘任、辭任或解聘方面並無意見分歧。

Corporate Governance Report

企業管治報告

Remuneration Committee

As at 31 March 2012, the Remuneration Committee comprised Mr. John Tewksbury BANIGAN (chairman of the Remuneration Committee), Mr. KEUNG Paul Hinsum and Mr. Donald Smith WORTHLEY (appointed on 4 November 2011). Mr. LEUNG Siu Hung, Joel ceased to be a member of the Remuneration Committee on 4 November 2011 upon his re-designation as an Executive Director. On 27 March 2012, Ms. LOH Jiah Yee, Katherine ceased to be the chairman and member of the Remuneration Committee and Mr. John Tewksbury BANIGAN was appointed as the chairman of the Remuneration Committee. The Remuneration Committee was established with specific written terms of reference to, among other duties, review and give recommendations to the Board on the remuneration policy of the Directors and senior management. The remuneration of all the Directors and senior management is monitored by the Remuneration Committee. To determine the emoluments of Directors, the Remuneration Committee takes into consideration factors such as salaries of directors paid by comparable companies, time commitment and responsibilities of the Directors. The Remuneration Committee ensures that no Director is involved in deciding his/her own remuneration. During the year, the Remuneration Committee held 1 physical meeting by way of telephone conference and passed 3 written resolutions for separate matters signed by all committee members, the attendance records of each member are set out on page 37. During the year under review, the Remuneration Committee had reviewed service contracts or appointment letters of newly appointed Directors, and reviewed the existing remuneration policy and packages of all existing Directors. Details of the Directors' remuneration for the year under review are set out in note 12 to the consolidated financial statements.

Nomination Committee

On 27 March 2012, the Company established the Nomination Committee. As at 31 March 2012 and the date of this report, the member of Nomination Committee comprised Mr. John Tewksbury BANIGAN (chairman of the Nomination Committee), Mr. KEUNG Paul Hinsum and Mr. Donald Smith WORTHLEY. The Nomination Committee was established with specific written terms of reference to, among other duties, give recommendations to the Board on relevant matters relating to the appointment, re-appointment and succession planning for the Board members. The Nomination Committee has the responsibility to consider and access candidates for directorships on the Board based on their characters, qualifications and experience appropriate for the business of the Group.

薪酬委員會

於二零一二年三月三十一日，薪酬委員會由John Tewksbury BANIGAN先生(薪酬委員會主席)、姜顯森先生及Donald Smith WORTHLEY先生(於二零一一年十一月四日獲委任)組成。梁紹雄先生於二零一一年十一月四日調任為執行董事，同時終止擔任薪酬委員會成員。於二零一二年三月二十七日，樂家宜女士終止擔任薪酬委員會主席及成員，及John Tewksbury BANIGAN先生則獲委任為薪酬委員會主席。本公司已以書面訂明薪酬委員會之職權範圍，以檢討董事及高層管理人員之薪酬政策及就此向董事會提供推薦意見，以及履行其他職能。全體董事及高級管理人員之薪酬須經薪酬委員會監察。於釐定董事之薪酬時，薪酬委員會考慮多項因素，例如可作比較公司之董事薪酬水平、董事所貢獻時間及其責任。薪酬委員會確保概無董事參與決定本身之薪酬。於年內，薪酬委員會曾以電話會議方式舉行一次會議及就個別事項由全體委員會成員簽署通過三份書面決議。各成員之出席記錄載於第37頁。於回顧年度，薪酬委員會審閱新任董事之服務合約或委任函件，並檢討全體現任董事之現有薪酬政策及待遇。董事於回顧年度之酬金詳情載於綜合財務報告附註12。

提名委員會

於二零一二年三月二十七日，本公司已設立提名委員會，於二零一二年三月三十一日及本報告日期，提名委員會成員包括John Tewksbury BANIGAN先生(提名委員會主席)、姜顯森先生及Donald Smith WORTHLEY先生。本公司已以書面訂明提名委員會之職權範圍，向董事會建議董事會成員委任、續聘及連任計劃之相關事宜。提名委員會有責任就董事會之董事職位按候選人之品格、資格及與本集團業務相關之資歷考慮及評核有關人選。

Corporate Governance Report

企業管治報告

The individual attendance records of each Director at the physical meetings of the Board, Executive Committee, Audit Committee, Remuneration Committee and Nomination Committee during the year ended 31 March 2012 are set out below:

截至二零一二年三月三十一日止年度，各董事出席董事會、執行委員會、審核委員會、薪酬委員會及提名委員會會議之個別出席記錄載列如下：

Name of Directors 董事姓名		Number of physical meetings attended/held during his/her tenure 所出席／於其任期舉行之會議數目				
		Board 董事會	Executive Committee 執行委員會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會 (Note 1) (附註1)
Ms. LOH Jiah Yee, Katherine (resigned as the chairman and member of Remuneration Committee on 27 March 2012)	樂家宜女士 (於二零一二年三月二十七日辭任薪酬委員會主席及成員)	4/4	67/67	N/A 不適用	1/1	N/A 不適用
Ms. FLETCHER Yurk Nam, Sandy	姜若男女士	4/4	69/70	N/A 不適用	N/A 不適用	N/A 不適用
Mr. LI Zhixiong (appointed on 2 September 2011)	李志雄先生 (於二零一一年九月二日獲委任)	3/3	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Mr. LEUNG Siu Hung, Joel (Note 2)	梁紹雄先生(附註2)	4/4	N/A 不適用	1/1	1/1	N/A 不適用
Mr. John Tewksbury BANIGAN (Chairman)	John Tewksbury BANIGAN 先生(主席)	4/4	N/A 不適用	2/2	1/1	0/0
Mr. KEUNG Paul Hinsum	姜顯森先生	4/4	N/A 不適用	2/2	1/1	0/0
Mr. Donald Smith WORTHLEY (appointed on 4 November 2011)	Donald Smith WORTHLEY 先生 (於二零一一年十一月四日獲委任)	2/3	N/A 不適用	1/1	0/0	0/0
Mr. SHIH Chiu, David (appointed on 12 July 2011 and resigned on 30 September 2012)	施秋先生 (於二零一一年七月十二日獲委任及於二零一二年九月三十日辭任)	3/3	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Mr. LEUNG Chau Ping, Paul (Note 3)	梁秋平先生(附註3)	2/2	1/1	N/A 不適用	N/A 不適用	N/A 不適用
Mr. NG Tik Hong (resigned on 11 July 2011)	吳迪康先生 (於二零一一年七月十一日辭任)	0/1	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用

Notes:

- The Nomination Committee was established on 27 March 2012 and no meeting was held since its establishment up to 31 March 2012.
- Mr. LEUNG Siu Hung, Joel acted as an Independent Non-Executive Director from 1 April to 4 November 2011 and an Executive Director since 4 November 2011.
- Mr. LEUNG Chau Ping, Paul acted as an Executive Director from 1 to 6 April 2011 and a Non-Executive Director from 6 April to 23 December 2011. He ceased to be a member of the Board on 23 December 2011.

附註：

- 提名委員會於二零一二年三月二十七日成立，自其成立至二零一二年三月三十一日止並無舉行會議。
- 梁紹雄先生於二零一一年四月一日至十一月四日出任為獨立非執行董事及自二零一一年十一月四日起出任為執行董事。
- 梁秋平先生由二零一一年四月一日至六月六日出任為執行董事及於二零一一年四月六日至十二月二十三日出任為非執行董事。彼於二零一一年十二月二十三日終止擔任董事會成員。

Corporate Governance Report

企業管治報告

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its own code of conduct for dealing in securities of the Company by the Directors. Having made specific enquiries of all Directors, all Directors confirmed that they have complied with the required standards set out in the Model Code during the year ended 31 March 2012.

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Directors acknowledge their responsibility for the preparation and the true and fair presentation of the consolidated financial statements of the Group for the year ended 31 March 2012, in accordance with International Financial Reporting Standards ("IFRSs") and the applicable disclosure requirements of the Listing Rules. In preparing the financial statements, the Directors have adopted IFRSs and suitable accounting policies and applied them consistently, made judgments and estimates that are prudent, fair and reasonable and prepared the financial statements on a going concern basis. No material uncertainties relating to any events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern were identified by the Directors during the course of preparing and reviewing the financial statements for the year under review.

The reporting responsibility of the external auditors of the Company on the consolidated financial statements of the Group are set out in the Independent Auditor's Report on pages 39 to 42.

External Auditors' Remuneration

For the year ended 31 March 2012, the fees in respect of audit and non-audit services provided to the Group by the external auditors amounted to approximately HK\$1,326,000 (2011: HK\$1,518,000) and HK\$600,000 (2011: HK\$485,000), respectively. The non-audit service fee mainly consisted of fees in relation to reviewing the interim report and results of the Group for the six-months ended 30 September 2011.

INTERNAL CONTROL

The Board is responsible for maintaining a sound and effective system of internal control. The internal control system helps to ensure effective measures are in place to protect the Group's assets and maintain the accounting records and the compliance with relevant legislation and regulations.

During the financial year under review, the Board has reviewed operational and financial reports in order to ensure the effectiveness and adequacy of the internal control system through the Audit Committee.

董事之證券交易

本公司已採納標準守則，作為其本身董事買賣本公司證券之操守守則。經向全體董事作出特定查詢後，各董事確認於截至二零一二年三月三十一日止年度一直遵守標準守則所載規定準則。

問責及審核

財務報告

董事確認彼等須負責根據國際財務報告準則（「國際財務報告準則」）及上市規則之適用披露規定編製及真實公平地呈列本集團截至二零一二年三月三十一日止年度之綜合財務報告。編製財務報告時，董事已採納並持續應用國際財務報告準則及適當之會計政策，作出審慎、公平及合理之判斷及評估，並按持續經營基準編製財務報告。於編製及審閱回顧年度之財務報告時，董事並無識別任何足以令人對本公司能否持續經營產生重大疑問之重大不明朗事件或狀況。

本公司外聘核數師就本集團綜合財務報告之申報責任載於第39頁至42頁之獨立核數師報告。

外聘核數師酬金

截至二零一二年三月三十一日止年度，外聘核數師就向本集團提供核數及非核數服務所收取之費用分別約為港幣1,326,000元（二零一一年：港幣1,518,000元）及港幣600,000元（二零一一年：港幣485,000元）。非核數服務費主要包括就審閱本集團截至二零一一年九月三十日止六個月中期報告及業績所收取之費用。

內部監控

董事會負責維持穩健及有效之內部監控制度。內部監控制度有助確保實施有效措施，以保障本集團資產、保存會計記錄及遵守相關法例及規例。

於回顧財政年度內，董事會已透過審核委員會檢討營運及財務報告，以確保內部監控制度之成效及充足程度。

Corporate Governance Report

企業管治報告

COMMUNICATION WITH SHAREHOLDERS

The Company endeavors to provide its Shareholders accurate, clear, comprehensive and timely information of the Group via the publication of annual reports, announcements and circulars as well as through the Company's website.

The AGM is a useful forum for the Board to communicate directly with the Shareholders. The Directors, senior executives and external auditors make their best effort to attend the AGM of the Company to answer any questions from the Shareholders.

On behalf of the Board

Ms. LOH Jiah Yee, Katherine
Executive Director

Hong Kong, 20 December 2012

與股東之溝通

本公司透過刊發年報、公佈及通函，以及透過本公司網站，致力向其股東提供準確、清晰、全面與適時之本集團資訊。

股東週年大會為董事會直接與股東溝通之有效平台。各董事、高級行政人員及外聘核數師均盡可能出席本公司股東週年大會，並解答股東任何提問。

代表董事會

執行董事
樂家宜女士

香港，二零一二年十二月二十日

Independent Auditor's Report

獨立核數師報告



國富浩華(香港)會計師事務所有限公司
Member Crowe Horwath International
香港銅鑼灣禮頓道77號禮頓中心9樓
9/F, Leighton Centre,
77 Leighton Road,
Causeway Bay, Hong Kong

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SUSTAINABLE FOREST HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Sustainable Forest Holdings Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 43 to 187, which comprise the consolidated and company statements of financial position as at 31 March 2012, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board 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. This report is made solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 1981, 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.

獨立核數師報告

致永保林業控股有限公司列位股東
(於百慕達註冊成立之有限公司)

本核數師(以下簡稱「我們」)已審核第43頁至第187頁所載永保林業控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報告，包括於二零一二年三月三十一日之綜合及貴公司財務狀況表，及截至該日止年度之綜合收益表、綜合全面收益表、綜合權益變動表及綜合現金流轉表，以及主要會計政策概要及其他說明資料。

董事編製綜合財務報告之責任

貴公司董事負責根據國際會計準則委員會頒佈之國際財務報告準則及香港公司條例之披露規定，編製真實而公平之綜合財務報告，及執行其認為必需之內部監控，以使此等綜合財務報告不存在由於欺詐或錯誤而出現之重大錯誤陳述。

核數師之責任

我們之責任為根據審核結果就此等綜合財務報告發表意見。根據百慕達一九八一年公司法第90條，本報告僅供閣下(作為一個整體)使用，且不可作其他用途。我們概不就本報告之內容，對任何其他人士負責及承擔法律責任。

我們之審核工作乃按照香港會計師公會頒佈之香港核數準則進行。該等準則要求我們遵守操守規定，並計劃及進行審核，以合理保證綜合財務報告是否不存在重大錯誤陳述。

Independent Auditor's Report

獨立核數師報告

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 judgement, 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 qualified audit opinion.

BASIS FOR QUALIFIED OPINION

(a) Scope limitation — Disposal of the subsidiaries

As set out in notes 15 and 43 to the consolidated financial statements, the Group disposed of its entire shares in Ally Rise Limited ("Ally Rise") on 30 March 2012 for a total consideration of HK\$208,000,000. The major assets of Ally Rise and its subsidiaries (the "Ally Rise Group") were concession rights of Chita forest in Russia.

On the date of disposal, one of the subsidiaries of Ally Rise in Russia had already declared bankrupt and a concession right previously held by that subsidiary expired without renewal and another concession right had been expropriated by the State Forest Agency due to concession fees not being paid for on due date. The other subsidiary of Ally Rise in Russia declared bankrupt after the date of disposal.

The directors of the Group represented that as at the date of disposal, the Russian Government has already agreed to reserve the concession rights for the buyer and will grant the rights to buyer as soon as the applications for resumption of the concession rights are submitted. The Group is assisting the buyer to get back the two concession rights. On this basis, both sides mutually agreed to complete the disposal on 30 March 2012 and incidentally, the Group recorded a receivable of HK\$208,000,000 from the buyer and a gain on disposal of Ally Rise of approximately HK\$8,819,000. The Group also agreed to extend the payment term of the consideration which shall be paid for one lump sum no later than 30 March 2013. As a security for the payment, the buyer executed a share charge of the entire issued share capital of Ally Rise in favor of the Group. With the assistance of the Group, the buyer is currently preparing the documents necessary for the applications to resume the concession rights.

審核範圍包括實施有關程序以取得有關綜合財務報告所載數額及披露事項之審核憑證。所選程序取決於核數師之判斷，包括對綜合財務報告存在重大錯誤陳述風險（不論由於欺詐或錯誤而引起）之評估。於作出有關風險評估時，核數師會考慮與實體編製真實而公平之綜合財務報告有關之內部監控，以便因應有關情況設計適當審核程序，惟並非就實體之內部監控是否有效發表意見。審核範圍亦包括評估所用會計政策是否恰當及董事所作會計估計是否合理，以及評估綜合財務報告之整體呈列情況。

我們相信，我們已取得充分及適當審核憑證，可為我們之審核意見提供基礎。

保留意見之基準

(a) 範疇限制 — 出售附屬公司

誠如綜合財務報告附註15及43所載，貴集團於二零一二年三月三十日以總代價港幣208,000,000元出售其於合昇有限公司（「合昇」）之全部股份。合昇及其附屬公司（「合昇集團」）之主要資產為於俄羅斯赤塔森林之特許權。

於出售日期，合昇其中一家俄羅斯附屬公司已宣告破產，而該附屬公司先前所持有之一項特許權已到期且並未重續，而另一項特許權因未能於到期日支付特許權費而被國家森林機關沒收。合昇之其他俄羅斯附屬公司於出售日期後亦宣告破產。

貴集團董事表示，於出售日期，俄羅斯政府已同意為買方保留特許權，並將盡快於呈交恢復特許權申請後向買方授回該等特許權。貴集團現正協助買方取回該兩項特許權。按此基準，雙方均同意於二零一二年三月三十日完成出售事項，同時，貴集團錄得應收買方款項港幣208,000,000元及出售合昇之收益約港幣8,819,000元。貴集團亦同意延長代價之付款期限，須不遲於二零一三年三月三十一日一筆過支付。作為支付之擔保，買方以貴集團之利益簽立一項涉及合昇全部已發行股本之股份抵押。在貴集團協助下，買方現正就申請重新取得特許權編製所需文件。

Independent Auditor's Report

獨立核數師報告

According to the regulation, the Russian State Forestry Agency can conduct an auction to sell the abovementioned concession rights or to grant them to other entities meeting certain criteria and we are not provided with documents corroborating the reservation of the abovementioned concession rights to the buyer. Due to lack of sufficient appropriate audit evidence, we were unable to satisfy ourselves as to whether the consideration receivable of approximately HK\$208,000,000 and the gain on disposal of Ally Rise of approximately HK\$8,819,000 should be recognised in the consolidated financial statements. If the transaction was not completed, then the carrying amounts of the net assets value of the subsidiaries that declared bankrupt amounting to approximately HK\$199,181,000 should be fully impaired and charged to the income statement of the Group for the year ended 31 March 2012. In addition, in the absence of sufficient information to assess the financial position of the buyer, we were unable to ascertain that the consideration receivable amounting to HK\$208,000,000 can be collected.

We were not able to carry out alternative audit procedures to satisfy ourselves as to the matters set out above.

(b) Scope limitation – Inventory

Included in inventories of approximately HK\$65,628,000 in the consolidated statement of financial position as at 31 March 2012 was a sum of inventories amounted to HK\$29,989,000 which do not have subsequent sales up to the date of this report, and no reliable information about the net realizable value of these inventories was available. We were therefore unable to satisfy ourselves as to whether the carrying amount of these inventories amounting to HK\$29,989,000 was fairly stated in the consolidated statement of financial position and free from material misstatement as at 31 March 2012.

Due to the severe climate condition in Acre State, Brazil, we did not observe the counting of physical inventories amounting to approximately HK\$1,425,000 at the end of the year. For the part of the stock held by the third parties of HK\$2,946,000, direct confirmation from consignee has not been obtained. There were no other alternative audit procedures that we could carry out to obtain sufficient appropriate audit evidence regarding the existence and conditions of these inventories.

In addition, since we did not observe the counting of physical inventories, we were unable to obtain sufficient appropriate audit evidence to verify the existence, accuracy and completeness of the amount of approximately HK\$2,951,000 transferred from the biological assets to inventory during the year and the amounts of inventory HK\$1,781,000 being written down in the consolidated income statement and included in other operating expenses during the year.

Accordingly, we were unable to satisfy ourselves as to whether these amounts were fairly stated in the financial statements.

根據規例，俄羅斯國家森林機關可以拍賣方式出售上述特許權或向符合若干條件之其他實體授出特許權，而我們未獲提供文件以證實買方能保留上述特許權。由於缺乏足夠適當審核證據，我們無法信納應收代價約港幣208,000,000元及出售合昇之收益約港幣8,819,000元應否於綜合財務報告確認。倘交易未能完成，已宣告破產之附屬公司之資產淨值賬面值共約港幣199,181,000元應全數減值並計入貴集團截至二零一二年三月三十一日止年度之收益表。此外，因缺少足夠資料評估買方之財務狀況，我們未能確定能否收回合共港幣208,000,000元之應收代價。

我們未能進行其他替代審計程序以令我們信納上述事宜。

(b) 範疇限制 – 存貨

港幣29,989,000元存貨已計入於二零一二年三月三十一日之綜合財務狀況表項下之合共約港幣65,628,000元之存貨中，截至本報告日期存貨並無其後銷售，且並無有關該等存貨之可變現淨值之可靠資料。因此，我們未能信納該等存貨之賬面值港幣29,989,000元是否於二零一二年三月三十一日於綜合財務狀況表公平列賬及是否不存有任何重大錯誤陳述。

受巴西亞克裏州之極端氣候影響，我們並無觀察點算於年結日達約港幣1,425,000元之實際存貨。就第三方所持存貨港幣2,946,000元，尚未自委託人直接取得確認。我們並無進行其他替代審計程序，以取得有關該等存貨是否存在及其狀況之足夠適當的審核證據。

此外，由於我們並無觀察實際存貨之點算過程，因此未能獲取足夠適當的審核證據核證年內自生物資產轉撥至存貨之約港幣2,951,000元以及年內於綜合收益表撇減並計入其他營運開支之存貨港幣1,781,000元是否確實存在、準確及完整。

因此，我們未能信納該等款項是否於財務報告公平列賬。

Independent Auditor's Report

獨立核數師報告

(c) Scope limitation — Trade and other payables

Included in the trade and other payables of approximately HK\$212,310,000 in the consolidated statement of financial position as at 31 March 2012 was trade payable of approximately HK\$44,663,000 which was subject to an interest of 1% per month for overdue payment. During the audit of the consolidated financial statements for the year ended 31 March 2011, the related trade creditor confirmed that no interest was billed to the Group. Therefore, the Group did not accrue interest for overdue payment. For current year audit, the Group represented that the trade creditor did not bill any interest for the overdue payment. However, due to the non-reply to our confirmation requested, absence of new information of the trade creditor, and no sufficient supporting document to prove that no interest was required to be accrued. There were no other alternative audit procedures that we could carry out to obtain sufficient appropriate audit evidence to verify the existence, completeness and valuation of the trade payable. Accordingly, we were unable to satisfy ourselves as to whether these amounts were fairly stated in the financial statements.

QUALIFIED OPINION

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

Crowe Horwath (HK) CPA Limited

Certified Public Accountants

Hong Kong, 20 December 2012

Alvin Yeung Sik Hung

Practising Certificate Number P05206

(c) 範疇限制 — 應付貿易款項及其他應付款項

應付貿易款項約港幣44,663,000元，已計入於二零一二年三月三十一日之綜合財務狀況表項下應付貿易款項及其他應付款項約港幣212,310,000元中，該應付貿易款項逾期支付須每月按利率1厘罰息。於審核截至二零一一年三月三十一日止年度之綜合財務報告期間，相關貿易債權人確認並無向貴集團收取利息。因此，貴集團並無產生逾期罰息。就本年度之審核工作，貴集團表示貿易債權人並無收取任何逾期罰息。然而，由於貿易債權人未有回覆我們之要求確認，我們未能自貿易債權人取得新資料，亦無足夠說明文件證明並有產生應計利息。我們並無進行其他替代審計程序可讓我們取得核證應付貿易款項是否存在、完整及其估值之足夠適當的審核證據。因此，我們未能信納該等款項是否於財務報告公平列賬。

保留意見

我們認為，除保留意見之基準一段所述相關事項之可能影響外，該等綜合財務報告已根據國際財務報告準則真實而公平地反映貴公司及貴集團於二零一二年三月三十一日之財務狀況，及貴集團截至該日止年度之虧損及現金流量，並已按照香港公司條例之披露規定妥善編製。

國富浩華(香港)會計師事務所有限公司

執業會計師

香港，二零一二年十二月二十日

楊錫鴻

執業證書號碼：P05206

Consolidated Income Statement

綜合收益表

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度
(Expressed in Hong Kong dollars) (以港幣呈列)

		Notes 附註	2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
CONTINUING OPERATIONS	持續經營業務			
REVENUE	收入	7	115,616	866,655
Cost of sales	銷售成本		(118,423)	(362,156)
GROSS (LOSS)/PROFIT	(毛損)/毛利		(2,807)	504,499
Other income	其他收入	8	4,124	501
Other net loss	其他虧損淨額	8	(274,484)	(145,927)
Selling and distribution costs	銷售及分銷成本		(18,543)	(3,352)
Administrative expenses	行政支出		(107,175)	(88,003)
Loss on business disruption	業務干擾之虧損	9	(335,641)	—
Other operating expenses	其他營運開支	10	(1,519,271)	(179)
Change in fair value of biological assets less costs to sell	生物資產公平值變動減 銷售成本	21	(150,419)	250,243
(LOSS)/PROFIT FROM OPERATIONS	經營(虧損)/溢利		(2,404,216)	517,782
Finance income	融資收入		486	63
Finance costs	融資費用		(15,790)	(10,831)
Net finance costs	融資費用淨額	11(a)	(15,304)	(10,768)
(LOSS)/PROFIT BEFORE TAXATION	除稅前(虧損)/溢利	11	(2,419,520)	507,014
Income tax	所得稅	14(a)	87,105	(150,482)
(LOSS)/PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS	持續經營業務之 年度(虧損)/溢利		(2,332,415)	356,532
DISCONTINUED OPERATIONS	已終止業務			
Gain/(loss) for the year from discontinued operations	已終止業務之年度 收益/(虧損)	15	4,503	(15,039)
(LOSS)/PROFIT FOR THE YEAR	年度(虧損)/溢利		(2,327,912)	341,493
ATTRIBUTABLE TO:	應佔：			
Owners of the Company	本公司擁有人		(2,327,909)	341,486
Non-controlling interests	非控股股東權益		(3)	7
			(2,327,912)	341,493
(Loss)/earnings per share	每股(虧損)/盈利			
From continuing and discontinued operations	來自持續經營業務及已終止業務	18		
— Basic	— 基本		(41.19) cents 仙	9.86 cents 仙
— Diluted	— 攤薄		(41.19) cents 仙	5.30 cents 仙
From continuing operations	來自持續經營業務	18		
— Basic	— 基本		(41.27) cents 仙	10.30 cents 仙
— Diluted	— 攤薄		(41.27) cents 仙	5.53 cents 仙

The notes on pages 52 to 187 form part of these consolidated financial statements.

第52頁至第187頁之附註構成此等綜合財務報告之一部分。

Consolidated Statement of Comprehensive Income

綜合全面收益表

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度
(Expressed in Hong Kong dollars) (以港幣呈列)

			2012 二零一二年	2011 二零一一年
		Notes 附註	HK\$'000 港幣千元	HK\$'000 港幣千元
(Loss)/profit for the year	年度(虧損)/溢利		(2,327,912)	341,493
Other comprehensive (loss)/income	其他全面(虧損)/收益			
Exchange differences on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報告產生之匯兌差額	41	(68,659)	86,014
Reclassification adjustment for exchange differences relating to disposal of overseas subsidiaries	有關出售海外附屬公司之匯兌差額之重新分類調整	41	(6,364)	—
			(75,023)	86,014
Income tax relating to components of other comprehensive income	有關其他全面收益組成部分之所得稅	14(c)	—	—
Other comprehensive (loss)/income for the year, net of tax	年內其他全面(虧損)/收益，扣除稅項		(75,023)	86,014
Total comprehensive (loss)/income for the year	年內全面(虧損)/收益總額		(2,402,935)	427,507
Total comprehensive (loss)/income attributable to:	以下人士應佔全面(虧損)/收益總額：			
Owners of the Company	本公司擁有人		(2,402,945)	427,493
Non-controlling interests	非控股股東權益		10	14
			(2,402,935)	427,507

The notes on pages 52 to 187 form part of these consolidated financial statements.

第52頁至第187之附註構成此等綜合財務報告之一部分。

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 March 2012 於二零一二年三月三十一日
(Expressed in Hong Kong dollars) (以港幣呈列)

			2012	2011
		Notes	二零一二年	二零一一年
		附註	HK\$'000	HK\$'000
			港幣千元	港幣千元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	19	213,306	231,846
Intangible assets	無形資產	20	—	—
Biological assets	生物資產	21	913,049	1,173,150
Goodwill	商譽	22	302,118	1,686,883
Deposit for purchase of property, plant and equipment	收購物業、廠房及設備之訂金	24	—	30,336
			1,428,473	3,122,215
CURRENT ASSETS	流動資產			
Inventories	存貨	25	65,628	241,980
Trade and other receivables	應收貿易款項及其他應收款項	26	17,972	519,289
Consideration receivable	應收代價	43	208,000	—
Cash and cash equivalents	現金及現金等價物	27	7,760	23,679
			299,360	784,948
Assets classified as held for sale	分類為持作待售資產	28	—	279,828
			299,360	1,064,776
CURRENT LIABILITIES	流動負債			
Trade and other payables	應付貿易款項及其他應付款項	29	212,310	199,286
Loans and borrowings	貸款及借貸	30	25,289	18,230
Consideration payables	應付代價	32	—	—
Finance leases payables	應付融資租約	31	100	100
Provision for taxation	稅項撥備	34(a)	49,456	49,456
Financial liabilities	財務負債	35	6,030	—
			293,185	267,072
Liabilities associated with assets classified as held for sale	與分類為持作待售資產有關之負債	28	—	70,856
			293,185	337,928
NET CURRENT ASSETS	流動資產淨值		6,175	726,848
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		1,434,648	3,849,063

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 March 2012 於二零一二年三月三十一日
(Expressed in Hong Kong dollars) (以港幣呈列)

			2012	2011
		Notes	二零一二年	二零一一年
		附註	HK\$'000	HK\$'000
			港幣千元	港幣千元
NON-CURRENT LIABILITIES	非流動負債			
Loans and borrowings	貸款及借貸	30	—	88
Amounts due to shareholders	應付股東款項	36	210,874	131,527
Amount due to a related company	應付一家關連公司款項	37	2,048	—
Finance leases payables	應付融資租約	31	250	350
Promissory notes	承付票據	38	6,517	6,388
Deferred tax liabilities	遞延稅項負債	34(b)	339,564	454,341
			559,253	592,694
NET ASSETS	資產淨值		875,395	3,256,369
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	39	384,328	359,324
Reserves	儲備	41(a)	490,981	2,896,969
Total equity attributable to the owners of the Company	本公司擁有人應佔總權益		875,309	3,256,293
Non-controlling interests	非控股股東權益	41(a)	86	76
TOTAL EQUITY	總權益		875,395	3,256,369

Approved and authorised for issue by the board of directors on 20 December 2012.

由董事會於二零一二年十二月二十日批准及授權刊行。

On behalf of the board

代表董事會

LOH Jiah Yee, Katherine

樂家宜

Director

董事

FLETCHER Yurk Nam, Sandy

姜若男

Director

董事

The notes on pages 52 to 187 form part of these consolidated financial statements.

第52頁至第187頁之附註構成此等綜合財務報告之一部分。

Statement of Financial Position

財務狀況表

At 31 March 2012 於二零一二年三月三十一日
(Expressed in Hong Kong dollars) (以港幣呈列)

		Notes 附註	2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	19	22	690
Interest in subsidiaries	附屬公司權益	23	936,925	2,504,694
			936,947	2,505,384
CURRENT ASSETS	流動資產			
Trade and other receivables	應收貿易款項及其他應收款項	26	3,011	1,435
Cash and cash equivalents	現金及現金等價物	27	2,166	1,423
			5,177	2,858
CURRENT LIABILITIES	流動負債			
Trade and other payables	應付貿易款項及其他應付款項	29	7,918	1,907
Loans and borrowings	貸款及借貸	30	25,206	—
Financial liabilities	財務負債	35	6,030	—
			39,154	1,907
NET CURRENT (LIABILITIES)/ASSETS	流動(負債)/資產淨值		(33,977)	951
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		902,970	2,506,335
NON-CURRENT LIABILITY	非流動負債			
Promissory notes	承付票據	38	6,517	6,388
NET ASSETS	資產淨值		896,453	2,499,947
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	39	384,328	359,324
Reserves	儲備	41(b)	512,125	2,140,623
TOTAL EQUITY	總權益		896,453	2,499,947

Approved and authorised for issue by the board of directors on 20 December 2012.

由董事會於二零一二年十二月二十日批准及授權刊行。

On behalf of the board

代表董事會

LOH Jiah Yee, Katherine

樂家宜

Director

董事

FLETCHER Yurk Nam, Sandy

姜若男

Director

董事

The notes on pages 52 to 187 form part of these financial statements.

第52頁至第187頁之附註構成此等財務報告之一部分。

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
(Expressed in Hong Kong dollars) (以港幣呈列)

		Attributable to the owners of the Company 本公司擁有人應佔										
		Share capital	Share premium	Contributed surplus	Distributable reserve	Capital redemption reserve	Exchange fluctuation reserve	Share option reserve	Retained profits	Sub-total	Non-controlling interests	Total equity
Notes		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
附註		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 1 April 2010	於二零一零年四月一日	322,855	2,009,852	54,770	2,216	8,000	667	2,005	106,203	2,506,568	62	2,506,630
Change in equity for 2011	二零一一年權益變動											
Profit for the year	年度溢利	-	-	-	-	-	-	-	341,486	341,486	7	341,493
Exchange differences on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報告之匯兌差額	-	-	-	-	-	86,007	-	-	86,007	7	86,014
Total other comprehensive income	其他全面收入總額	-	-	-	-	-	86,007	-	-	86,007	7	86,014
Total comprehensive income for the year	本年度全面虧損總額	-	-	-	-	-	86,007	-	341,486	427,493	14	427,507
Transactions with owners	與擁有人進行之交易											
Placement of new shares	配售新股份	39(a)	21,973	184,027	-	-	-	-	-	206,000	-	206,000
Shares issue expenses	股份發行開支		-	(15,450)	-	-	-	-	-	(15,450)	-	(15,450)
Issuance of convertible preferred shares	發行可換股優先股	39(b)	14,020	127,934	(48,021)	-	-	-	-	93,933	-	93,933
Deemed capital distribution arising from settlement of promissory notes	支付承付票據產生之視作股本分派	38	-	-	(1,746)	-	-	-	-	(1,746)	-	(1,746)
Deemed capital contribution arising from waiver of liabilities by a substantial shareholder	一名主要股東豁免負債而產生之視作注資	41(a)(i)	-	-	5,000	-	-	-	-	5,000	-	5,000
Equity-settled share-based payment	以股權結算之股份付款		-	-	-	-	-	31,154	-	31,154	-	31,154
Forfeiture of share options	沒收購股權		-	-	-	-	-	(2,311)	2,311	-	-	-
Shares issue upon exercise of share options	行使購股權時發行股份	39(d)	476	4,402	-	-	-	(1,537)	-	3,341	-	3,341
Total transactions with owners	與擁有人進行之交易總額		36,469	300,913	(44,767)	-	-	27,306	2,311	322,232	-	322,232
At 31 March 2011	於二零一一年三月三十一日	359,324	2,310,765	10,003	2,216	8,000	86,674	29,311	450,000	3,256,293	76	3,256,369

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
(Expressed in Hong Kong dollars) (以港幣呈列)

		Attributable to the owners of the Company 本公司擁有人應佔											
		Shares held by the Company for settlement of acquisition consideration				Distributable reserve	Capital redemption reserve	Exchange fluctuation reserve	Share option reserve	Retained profits	Sub-total	Non-controlling interests	Total equity
		Share capital	Share premium	本公司就償付收購代價所持股份	Contributed surplus	可供分派儲備	股本贖回儲備	匯兌波動儲備	購股權儲備	保留溢利	小計	非控股股東權益	總權益
Notes		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
附註		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
	At 1 April 2011	359,324	2,310,765	-	10,003	2,216	8,000	86,674	29,311	450,000	3,256,293	76	3,256,369
	Change in equity for 2012												
	Loss for the year	-	-	-	-	-	-	-	-	(2,327,909)	(2,327,909)	(3)	(2,327,912)
	Disposal of subsidiaries	-	-	-	-	-	-	(6,377)	-	-	(6,377)	13	(6,364)
	Exchange differences on translation of financial statements of overseas subsidiaries	-	-	-	-	-	-	(68,659)	-	-	(68,659)	-	(68,659)
	Total other comprehensive loss	-	-	-	-	-	-	(75,036)	-	-	(75,036)	13	(75,023)
	Total comprehensive loss for the year	-	-	-	-	-	-	(75,036)	-	(2,327,909)	(2,402,945)	10	(2,402,935)
	Transactions with owners												
	Consideration shares issue for acquisition of subsidiaries	20,267	137,053	(115,920)	-	-	-	-	-	-	41,400	-	41,400
	Issuance of shares pursuant to the equity line facility	4,727	10,772	-	-	-	-	-	-	-	15,499	-	15,499
	Dividends declared in respect of previous period	-	-	-	-	-	-	-	-	(31,996)	(31,996)	-	(31,996)
	Forfeiture of share options	-	-	-	-	-	-	-	(6,751)	6,751	-	-	-
	Shares issue upon exercise of share options	10	84	-	-	-	-	-	(23)	-	71	-	71
	Equity-settled share-based payment	-	-	-	-	-	-	-	(3,013)	-	(3,013)	-	(3,013)
	Total transactions with owners	25,004	147,909	(115,920)	-	-	-	-	(9,767)	(25,245)	21,961	-	21,961
	At 31 March 2012	384,328	2,458,674	(115,920)	10,003	2,216	8,000	11,638	19,524	(1,903,154)	875,309	86	875,395

The notes on pages 52 to 187 form part of these consolidated financial statements. 第52頁至第187頁之附註構成此等綜合財務報告之一部分。

Consolidated Statement of Cash Flows

綜合現金流轉表

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度
(Expressed in Hong Kong dollars) (以港幣呈列)

	Notes 附註	2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
CASH FLOWS FROM OPERATING ACTIVITIES 經營業務現金流轉			
(Loss)/profit before taxation	除稅前(虧損)/溢利		
— Continuing operations	— 持續經營業務	(2,419,520)	507,014
— Discontinued operations	— 已終止業務	4,503	(15,634)
Adjustments for:	經下列調整:		
Impairment loss of goodwill	商譽減值虧損	1,462,118	—
Change in loans and borrowings due to decrease in interest rate	利率下跌令貸款及借貸變動	(2,932)	—
Finance costs	融資費用	15,790	10,831
Finance income	融資收入	(486)	(63)
Gain on disposal of discontinued operations	出售已終止業務之收益	(8,819)	—
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	733	151
Amortisation	攤銷	2,389	—
Depreciation	折舊	1,654	1,450
Waiver of consideration payable	豁免應付代價	(71,183)	—
Issuance of warrants	發行認股權證	8,730	—
Change in fair value of financial liabilities	財務負債公平值變動	(2,700)	—
Write down of timber logs	撇減原木木材	1,781	1,000
Write off of timber logs	撇銷原木木材	233,572	272,482
Waiver of liabilities by creditors	債權人豁免負債	—	(108,274)
Write off of deposit paid to a supplier	撇銷向一名供應商支付之訂金	—	44
Write off of intangible assets	撇銷無形資產	—	9,926
Impairment loss of intangible assets	無形資產減值虧損	45,205	—
Write off of other receivables	撇銷其他應收款項	9,434	424
Write off of trade receivables	撇銷應收貿易款項	413,360	—
Rental expenses	租金開支	13,745	—
Exchange difference, net	匯兌差額淨額	22,112	(5,475)
Share-based payment	以股份支付	(3,013)	31,154
Change in fair value of biological assets less costs to sell	生物資產公平值變動減銷售成本	150,419	(250,243)
Operating (loss)/profit before changes in working capital	未計營運資金變動前之經營(虧損)/溢利	(123,108)	454,787
Increase in inventories	存貨增加	(60,761)	(239,871)
Decrease/(Increase) in trade and other receivables	應收貿易款項及其他應收款項減少/(增加)	77,357	(500,067)
Increase in trade and other payables	應付貿易款項及其他應付款項增加	17,380	167,416
Cash used in operations	經營業務流出現金	(89,132)	(117,735)
Income tax paid	已付所得稅		
— Hong Kong Profits Tax paid	— 已付香港利得稅	—	—
— PRC Enterprise income tax paid	— 已付中國企業所得稅	(20)	—
		(20)	—
NET CASH USED IN OPERATING ACTIVITIES	經營業務現金流出淨額	(89,152)	(117,735)

Consolidated Statement of Cash Flows

綜合現金流轉表

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度
(Expressed in Hong Kong dollars) (以港幣呈列)

	Notes 附註	2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
CASH FLOWS FROM INVESTING ACTIVITIES 投資活動現金流轉			
Payment to acquire property, plant and equipment 購入物業、廠房及設備之付款	19	(6,728)	(1,531)
Proceeds from disposal of property, plant and equipment 出售物業、廠房及設備所得款項		2	90
Deposit for acquisition of property, plant and equipment 收購物業、廠房及設備之訂金		—	(19,908)
Net cash outflow from disposal of subsidiaries 出售附屬公司之現金流出淨額	43	(1)	—
Net cash inflow from acquisition of subsidiaries 收購附屬公司之現金流入淨額	42	897	—
Interest received 已收利息		486	63
NET CASH USED IN INVESTING ACTIVITIES 投資活動現金流出淨額		(5,344)	(21,286)
CASH FLOWS FROM FINANCING ACTIVITIES 融資活動現金流轉			
Proceeds from placement and subscription of shares (net of expenses) 配售及認購股份之所得款項(扣除開支)	39(a)	—	190,550
Repayment of promissory notes 償還承付票據	38	—	(20,822)
Loans and borrowings raised 所籌得貸款及借貸		42,800	16,359
Repayment of loans and borrowings 償還貸款及借貸		(7,191)	(15,874)
Advance from shareholders 股東墊款		111,688	137,387
Advance from a related company 一家關連公司墊款		2,015	—
Repayment of amounts due to shareholders 償還應付股東款項		(46,735)	(130,057)
Repayment of amount due to a related company 償還應付一家關連公司款項		—	(54,809)
Interest paid 已付利息		(1,068)	(719)
Proceeds from issue of shares upon the exercise of share options 行使購股權時發行股份之所得款項		71	3,341
Proceeds from finance lease payables 應付融資租約之所得款項		—	500
Interest element of finance lease payments 融資租約款項之利息部分		(13)	(6)
Capital element of finance lease payments 融資租約款項之資本部分		(100)	(50)
Dividends paid to equity shareholders of the Company 已付本公司權益股東之股息		(22,691)	—
NET CASH GENERATED FROM FINANCING ACTIVITIES 融資活動現金流入淨額		78,776	125,800
NET DECREASE IN CASH AND CASH EQUIVALENTS 現金及現金等價物減少淨額		(15,720)	(13,221)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR 年初現金及現金等價物		23,680	36,822
EFFECT OF FOREIGN EXCHANGE RATE CHANGES 匯率變動之影響		(200)	79
CASH AND CASH EQUIVALENTS AT END OF YEAR 年終現金及現金等價物	27	7,760	23,680
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS 現金及現金等價物結存分析			
Cash and cash equivalents 現金及現金等價物	27	7,760	23,679
Cash and bank balances classified as held for sale 分類為持作待售之現金及銀行結存	28	—	1
		7,760	23,680

The notes on pages 52 to 187 form part of these consolidated financial statements.

第52頁至第187頁之附註構成此等綜合財務報告之一部分。

Notes to the Consolidated Financial Statements

綜合財務報告附註

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

1. CORPORATE INFORMATION

Sustainable Forest Holdings Limited (the “Company”) was incorporated in Bermuda as an exempted company with limited liability under the Companies Act 1981 of Bermuda and its ordinary shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The principal activity of the Company is investment holding. The principal activities of the subsidiaries of the Company comprise tree felling service; sustainable forest management and investment; trading and sales of forestry and timber products; manufacturing and sales of timber products.

2. STATEMENT OF COMPLIANCE

These consolidated financial statements had been prepared in accordance with all applicable International Financial Reporting Standards (“IFRSs”), which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards (“IASs”) and interpretations issued by the International Accounting Standards Board (“IASB”). These consolidated financial statements also comply with the applicable disclosure provision of the Rules (the “Listing Rules”) Governing the Listing of Securities on the Stock Exchange and the disclosure requirements of the Hong Kong Companies Ordinance. A summary of the significant accounting policies adopted by the Company and its subsidiaries (collectively the “Group”) is set out below.

The IASB has issued certain new and revised IFRSs which are first effective or available for early adoption for the current accounting period of the Group and the Company. Note 4 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation of the financial statements

The Group incurred a loss attributable to owners of the Company of approximately HK\$2,327,909,000 (2011: profit of approximately HK\$341,486,000) and had negative operating cash flows of approximately HK\$89,152,000 (2011: approximately HK\$117,735,000) for the year.

In preparing these financial statements, the directors of the Company have given careful consideration to the impact of the current and anticipated future liquidity of the Group and the ability of the Group to attain positive cash flow operations in the immediate and longer term.

1. 公司資料

永保林業控股有限公司(「本公司」)根據一九八一年百慕達公司法在百慕達註冊成立為獲豁免有限公司。本公司之普通股在香港聯合交易所有限公司(「聯交所」)主板上市。

本公司之主要業務為投資控股，其附屬公司之主要業務包括伐木服務、可持續森林管理及投資、木材及木料產品貿易及銷售以及製造及銷售木材產品。

2. 合規聲明

該等綜合財務報告乃根據國際會計準則委員會(「國際會計準則委員會」)頒佈之所有適用國際財務報告準則(「國際財務報告準則」)編製，包括所有適用之個別國際財務報告準則、國際會計準則(「國際會計準則」)及詮釋。該等綜合財務報告亦遵守聯交所證券上市規則(「上市規則」)之適用披露條文，以及香港公司條例之披露規定。本公司及其附屬公司(統稱「本集團」)採納之主要會計政策概要載於下文。

國際會計準則委員會曾頒佈若干新訂及經修訂國際財務報告準則，該等準則乃於本集團及本公司目前會計期間首次生效或可供提早採納。附註4載有於該等綜合財務報告所載目前及以往會計期間初次應用該等適用於本集團之準則導致會計政策出現任何變動之資料。

3. 主要會計政策概要

(a) 財務報告編製基準

於本年度內，本集團產生本公司擁有人應佔虧損約港幣2,327,909,000元(二零一一年：溢利約港幣341,486,000元)及經營現金流量負數約港幣89,152,000元(二零一一年：約港幣117,735,000元)。

於編製此等財務報告時，本公司董事已仔細考慮本集團現時及預期末來流動資金之影響，以及本集團能否立即及長期達致正面現金流量營運。

Notes to the Consolidated Financial Statements

綜合財務報告附註

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Basis of preparation of the financial statements (continued)

In order to strengthen the capital base of the Group and to improve the Group's financial position, liquidity and cash flows in the immediate foreseeable future, and otherwise to sustain the Group as a going concern, the Group has adopted the following measures.

On 7 June 2012, the Company and its wholly own subsidiaries entered into a loan agreement with the lender, an independent third party. Under the loan agreement, the Group may borrow up to HK\$50 million within a 12-month period commencing the date of the loan agreement. As of 20 December 2012, the Group has drawn down HK\$30 million under the loan agreement, of which HK\$15 million is in escrow.

On 27 August 2012, the Group obtained a waiver from the lender to waive their claim in relation to an event of default about the suspension of trading of the Company on one off basis, and to relax the Group's undertake on the ratio of total liabilities to net assets value of the Group for the period of one year.

On 19 December 2012, the Group obtained a second waiver from the lender to waive their claim in relation to an event of default about the suspension of trading due to the delay the annual results announcement for the period ended 31 March 2012 and interim results announcement for the period ended 30 September 2012.

On 26 June 2012, the Group entered into a supplementary agreement with the lender providing the Group further loan facility of HK\$40 million in the event if a trade creditor in Brazil lodges any official claims against UTRB for payment of fees accrued.

In the opinion of the directors of the Company, in light of the measures taken to date, together with the expected results of other measures in progress, the Group will have sufficient working capital for its current requirements. Accordingly, the directors of the Company consider that it is appropriate to prepare the financial statements on a going concern basis.

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

3. 主要會計政策概要(續)

(a) 財務報告編製基準(續)

為於即時可見未來鞏固本集團之資本基礎及改善本集團之財務狀況、流動資金及現金流量，以及讓本集團持續營運，本集團已採納以下措施。

於二零一二年六月七日，本公司及其全資附屬公司與貸款方(為獨立第三方)訂立貸款協議。根據貸款協議，本集團可於貸款協議日期起計12個月期間內借入最多港幣50,000,000元。於二零一二年十二月二十日，本集團已根據貸款協議提取港幣30,000,000元，其中港幣15,000,000元由託管人持有。

於二零一二年八月二十七日，本集團自貸款方獲得豁免，一次性豁免有關本公司股份暫停買賣而導致違約事件之申索，以及放寬本集團就本集團於一年期間之總負債對資產淨值比率所作承諾。

於二零一二年十二月十九日，本集團自貸款方獲得第二項豁免，豁免有關因延遲發佈截至二零一二年三月三十一日止期間之全年業績公告及截至二零一二年九月三十日止期間之中期業績公告以致暫停買賣而導致違約事件之申索。

於二零一二年六月二十六日，本集團與貸款方訂立補充協議，倘於巴西之一名貿易債權人一旦向UTRB就支付所產生費用提出任何正式索償時，向本集團提供進一步貸款融資港幣40,000,000元。

本公司董事認為，採納措施至今加上現正進行其他措施之預期結果，本集團將具備足夠營運資金滿足現時需要。因此，本公司董事認為，按持續經營基準編製綜合財務報告屬恰當之舉。

倘本集團未能持續經營業務，則須作出調整重列其資產價值至其可收回金額，就可能產生之任何額外負債計提撥備，以及將非流動資產及負債分別分類為流動資產及負債。綜合財務報告中並無反映此等潛在調整之影響。

Notes to the Consolidated Financial Statements

綜合財務報告附註

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Basis of preparation of the financial statements (continued)

The consolidated financial statements for the year ended 31 March 2012 comprise the Group.

Items included in the financial statements of each entity in the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to the entity. These financial statements are presented in Hong Kong dollars ("HK\$"), rounded to the nearest thousand except for per share data. Hong Kong dollar is the Company's functional and presentation currency.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the biological assets are stated at their fair value as explained in the accounting policies set out in Note 3(g).

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying amounts of assets and liabilities not readily apparent from other sources. Actual results may differ from these estimates.

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

Judgements made by management in the application of IFRSs that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in Note 5.

3. 主要會計政策概要(續)

(a) 財務報告編製基準(續)

截至二零一二年三月三十一日止年度之綜合財務報告涵蓋本集團。

本集團旗下各實體之財務報告所列項目，乃以最貼切反映與該實體相關之事件及情況之貨幣計量。該等財務報告以港幣呈列，並已按四捨五入原則調整至最接近之千位，惟每股數據除外。港幣乃本公司之功能貨幣及呈列貨幣。

編製財務報告所用計量基準為歷史成本基準，惟生物資產則按公平值列賬，詳情見附註3(g)所載之會計政策。

編製符合國際財務報告準則規定之財務報告要求管理層作出判斷、估計及假設，而此等判斷、估計及假設足以影響政策之應用及所呈報資產、負債及收支之金額。估計及相關假設乃以過往經驗及其他相信在有關情況下屬於合理之因素為依據，所得結果成為判斷無法隨時從其他來源清楚顯現之資產及負債賬面值之基礎。實際結果可能有別於該等估計。

估計及相關假設經不斷檢討。倘會計估計之修訂僅影響作出修訂之期間，則修訂於該期間內確認，或倘修訂影響本期間及未來期間，則修訂於作出修訂期間及未來期間內確認。

管理層在應用國際財務報告準則過程中所作出對財務報告具有重大影響之判斷及存在於來年作出重大調整之重大風險估計在附註5討論。

Notes to the Consolidated Financial Statements

綜合財務報告附註

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances and transactions and any unrealized profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at their proportionate share of the subsidiary's net identifiable assets.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the owners of the company. Non-controlling interests in the results of the Group are presented on the face of the consolidated income statement and the consolidated statement of comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the owners of the Company. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance (effective from 1 January 2010 onwards). Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position.

3. 主要會計政策概要(續)

(b) 附屬公司及非控股股東權益

附屬公司為本集團控制之實體。當本集團有權支配實體之財務及營運政策以從其活動中獲益時，即存在控制權。於評估控制權時，目前可行使之潛在表決權亦在考慮之列。

於附屬公司之投資乃自控制權開始日期起綜合計入綜合財務報告，直至控制權終止日期為止。集團內公司間之結餘及交易以及集團內公司間交易產生之任何未變現溢利，乃於編製綜合財務報告時全數對銷。集團內公司間交易產生之未變現虧損以與未變現收益相同之方式對銷，惟僅以並無證據證明出現減值為限。

非控股股東權益指並非由本公司直接或間接應佔附屬公司之權益，而本集團並無與該等權益持有人協定任何額外條款，以致本集團整體須就有關權益承擔財務負債所界定合約責任。就各項業務合併而言，本集團可選擇按公平值或應佔附屬公司可識別淨資產之比例計量任何非控股股東權益。

非控股股東權益於綜合財務狀況表內權益一項呈列，且獨立於本公司擁有人應佔權益。於本集團業績內之非控股股東權益在綜合收益表及綜合全面收益表內以非控股股東及本公司擁有人應佔年內損益總額及全面收益總額分配之形式列報。倘若附屬公司之全面收益總額歸屬本公司擁有人及非控股股東權益會導致非控股股東權益產生虧絀餘額，全面收益及開支總額仍然必須歸屬於本公司擁有人及非控股股東權益(自二零一零年一月一日起生效)。來自非控股股東權益持有人的貸款及須向該等持有人償還之其他合約債務於綜合財務狀況表列作財務負債。

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綜合財務報告附註

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Subsidiaries and non-controlling interests (continued)

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset or, when appropriate, the cost on initial recognition of an investment in an associate.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (Please refer to Note 3(i)), unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

(c) Business combinations

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

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

- a deferred tax asset or liability arising from the assets acquired and liabilities assumed in a business combination and the potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of acquisition are recognised and measured in accordance with IAS12 *Income Tax*;

3. 主要會計政策概要(續)

(b) 附屬公司及非控股股東權益(續)

本集團於現有附屬公司所佔擁有權權益變動

並未導致本集團失去附屬公司控制權之權益變動以權益交易形式入賬，而綜合權益中之控股及非控股股東權益之金額須作出調整，以反映相關權益之變動，但不會調整商譽，亦不確認損益。

當本集團失去附屬公司之控制權時，列作出售該附屬公司之全部權益，所得收益或虧損於損益中確認。於失去控制權當日於該前附屬公司保留之權益乃按公平值確認，而該金額被視作於初次確認財務資產時之公平值或(於情況合適時)初次確認聯營公司投資之成本。

於本公司之財務狀況表內，除分類為持作待售(或被納入分類為持作待售之出售集團)之投資外，於附屬公司之投資乃按成本值減去減值虧損(請參閱附註3(i))列賬。

(c) 業務合併

收購業務採用收購法入賬。業務合併之已轉讓代價按公平值計量，即於收購日期本集團所轉讓資產之公平值、本集團向被收購公司之前度擁有人所承擔負債以及由本集團發行以交換該被收購公司控制權之股本權益之總和。收購相關的成本於產生時在損益確認。

於收購日，所收購之可識別資產及所承擔之負債乃按其於收購日期之公平值列賬，惟下文所述者除外：

- 因在業務合併中所收購資產及所承擔負債而產生之遞延稅項資產或負債，以及被收購公司於收購日期已存在或因收購而出現之暫時差異及結轉額之潛在稅務影響乃根據國際會計準則第12號所得稅確認及計量；

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Business combinations (continued)

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

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

Non-controlling interests may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis.

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

3. 主要會計政策概要(續)

(c) 業務合併(續)

- 與僱員福利安排有關之資產或負債，乃根據國際會計準則第19號僱員福利確認及計量；
- 與被收購公司之以股份付款安排或與以本集團之以股份付款安排取代被收購公司之以股份付款安排相關之負債或股本工具乃於收購日期根據國際財務報告準則第2號以股份付款計量(請參閱下文之會計政策)；及
- 根據國際財務報告準則第5號持作待售非流動資產及已終止業務被分類為持作待售之資產(或出售集團)乃根據該準則計量。

商譽是以所轉讓代價、被收購方之任何非控股股東權益金額以及收購方於以往持有之被收購方股權之公平值(如有)之總和，超出所收購可識別資產與所承擔負債於收購日期之淨額的差額計量。倘經重新評估後，所收購可識別資產與所承擔負債於收購日期之淨額超出所轉讓代價、被收購方之任何非控股股東權益金額以及收購方以往持有之被收購方權益之公平值(如有)之總和，則差額即時於損益中確認為購買優惠收益。

非控股股東權益可初步按公平值或非控股股東權益分佔被收購方可識別淨資產公平值之比例計量。計量基準視乎每項交易而作出選擇。

倘本集團於業務合併中轉讓之代價包括或然代價安排產生之資產或負債，或然代價按其收購日期公平值計量並計入於業務合併中所轉讓代價之一部分。或然代價之公平值變動如符合資格作為計量期調整，則會追溯調整，並以商譽或低價收購收益作出相應調整。計量期調整指於「計量期」(不得超過收購日期起計一年)內取得有關於收購日期存在事實及情況之額外資料而產生之調整。

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綜合財務報告附註

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Business combinations (continued)

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

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

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

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

3. 主要會計政策概要(續)

(c) 業務合併(續)

不符合資格作為計量期調整之或然代價公平值變動日後之入賬方式須取決於或然代價如何分類。分類為權益之或然代價不會於隨後報告日期重新計量，而其後支付之代價則於權益內入賬。分類為資產或負債之或然代價根據國際會計準則第39號*財務工具：確認及計量*或國際會計準則第37號*撥備、或然負債及或然資產*(如適用)於隨後報告日期重新計量，而相應之盈虧於損益中確認。

倘業務合併分階段完成，則本集團先前於被收購方持有之股權重新計量至收購日期(即本集團取得控制權當日)之公平值，而所產生之盈虧(如有)於損益中確認。先前於其他全面收益確認於收購日期前於被收購方之權益產生之金額，在該權益出售時按有關處理方法重新分類至損益。

倘業務合併之初步會計處理於進行合併之報告期間結算日仍未完成，則本集團就仍未完成會計處理之項目呈報暫定金額。該等暫定金額於計量期(見上文)內作出調整，或確認額外資產或負債，以反映就於收購日期已存在事實及情況取得之新資料(倘知悉該等資料，將會影響於當日確認之金額)。

上述政策適用於所有於二零一零年一月一日或之後進行之業務合併。

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綜合財務報告附註

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Goodwill

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

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If some or all of goodwill allocated to a cash-generating unit was acquired in a business combination during the current annual period, that unit shall be tested for impairment before the end of the current annual period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss in the consolidated statement of comprehensive income/income statement. An impairment loss recognized for goodwill is not reversed in subsequent periods.

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

(e) Property, plant and equipment

Freehold land are measured on initial recognition of cost. The cost of freehold land acquired in a business combination is the fair value as at the date of acquisition.

Freehold land and construction in progress are not depreciated.

The following items of property, plant and equipment are stated in the consolidated statement of financial position at cost less accumulated depreciation and accumulated impairment losses (Please refer to Note 3(i)):

- furniture and fixtures, machinery, engineering and other equipment, and motor vehicles

3. 主要會計政策概要(續)

(d) 商譽

因收購業務產生之商譽以收購業務當日確定之成本(請參閱上述會計政策)減累計減值虧損(如有)列賬。

就減值測試而言，商譽分配予預期會受惠於合併之協同效益之本集團各相關現金產生單位。獲分配商譽的現金產生單位每年進行減值測試一次，或當有跡象顯示單位可能出現減值時則會增加減值測試次數。倘於本年度期間內若干或所有獲分配商譽之現金產生單位於業務合併時獲收購，該單位須於本年度期間結束前進行減值測試。倘若現金產生單位的可收回金額低於其賬面值，則先將有關減值虧損分配至減低該單位已獲分配的任何商譽的賬面值，再按該單位每項資產之賬面值按比例分配至該單位的其他資產。商譽的任何減值虧損直接於綜合全面收益表／收益表之損益中確認，且不會於往後期間撥回。

出售相關現金產生單位時，商譽之應佔金額於釐定出售損益時計入。

(e) 物業、廠房及設備

永久業權土地按初步確認之成本計量。於業務合併中收購之永久業權土地之成本為於收購日期之公平值。

概不會就永久業權土地及在建工程計算折舊。

以下物業、廠房及設備項目(永久業權土地除外)於綜合財務狀況表按成本減累計折舊及累計減值虧損列賬(請參閱附註3(i)):

- 傢俬及裝置、機器、工程及其他設備及汽車

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Property, plant and equipment (continued)

The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads and borrowing costs.

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight-line method over their estimate useful life as follow:

Furniture and fixtures	5–10 years
Machinery, engineering and other equipment	5–10 years
Motor vehicles	10 years

Where parts of an item of property, plant and equipment have different useful lives, the cost or valuation of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are recognised in profit or loss during the financial period in which they are incurred.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal. Any related revaluation surplus is transferred from the revaluation reserve to retained profits and is not reclassified to profit or loss.

3. 主要會計政策概要(續)

(e) 物業、廠房及設備(續)

自行興建之物業、廠房及設備項目之成本，包括材料成本、直接勞工成本、初步估計(如適用)拆卸及搬遷項目以及恢復項目所在地原貌的成本，以及適當比例的經常性生產成本及借貸成本。

折舊乃使用直線法按物業、廠房及設備項目以下之估計可使用年期，以撇銷有關項目之成本值，並扣除其估計剩餘價值(如有)：

傢俬及裝置	5–10年
機器、工程及其他設備	5–10年
汽車	10年

倘物業、廠房及設備項目之各個部分使用年期不同，則該項目之成本值或估值按合理基準於各個部分之間分配，且各個部分單獨計提折舊。資產之可使用年期及其剩餘價值(如有)每年檢討。

歷史成本包括收購項目之直接應計開支。成本亦包括自權益轉撥就以外幣購買物業、廠房及設備所作合資格現金流轉對沖產生之任何盈虧。

日後出現之成本只在涉及有關項目之未來經濟利益有可能流入本集團而項目成本能可靠計量時方列入該資產之賬面值或(在適當情況下)分開確認為一項資產。重置部分之賬面值均取消確認。所有其他維修保養成本於其出現之財政期間於損益中確認。

資產之賬面值倘超出其估計可收回值，則即時撇減至其可收回值。

報廢或出售物業、廠房及設備項目所產生盈虧按出售所得款項淨額與項目賬面值間之差額釐訂，並於報廢或出售當日確認損益。任何有關重估盈餘自重估儲備轉撥至保留溢利且不會重新分類至損益。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Intangible assets (other than goodwill)

Intangible assets, other than goodwill, identified on business combinations are capitalised based on their fair values.

Intangible assets acquired by the Group are stated in the consolidated statement of financial position at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (Please refer to Note 3(i)). Expenditure on internally generated goodwill and brands is recognised as an expense in the period in which it is incurred.

Amortisation of patent with finite useful lives is charged to profit or loss on a straight-line basis over its useful lives of 6 years which will expire on 2 August 2017.

Amortisation of outstanding sales contract is charged to profit or loss based on the percentage of revenue recognised on the contract.

Trademark has an indefinite useful life.

Amortisation of timber concession rights with finite useful lives is charged to profit or loss on a straight-line basis over its estimated useful lives of 5 to 25 years, which is based on their estimation of the economic benefits of units of production of forestry and timber products from the harvest of timber during the period of concession rights, or the expected useful life of the rights if shorter. Both the period and method of amortisation are reviewed annually.

Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss in the period when the asset is derecognised.

(g) Biological assets

Biological assets are living plants involved in the agricultural activities of the transformation of biological assets into agricultural produce for sale or into additional biological assets. Biological assets and agricultural produce are measured at fair value less costs to sell at initial recognition and at each reporting date. The fair value less costs to sell at the time of harvest is deemed as the cost of agricultural produce for further processing, if applicable.

3. 主要會計政策概要(續)

(f) 無形資產(不包括商譽)

於業務合併時識別之無形資產(不包括商譽)按其公平值作為資產項處理。

本集團收購之無形資產按成本減累計攤銷(估計可使用年期為有限)及減值虧損(請參閱附註3(i))在綜合財務狀況表列賬。有關內部產生之商譽及品牌開支,在產生期間作為費用列賬。

專利權攤銷是根據將於二零一七年八月二日屆滿之可使用年期6年以直線法計算,直接於損益中列賬。

未完成銷售合約之攤銷根據合約所確認之收入百分比直接於損益中列賬。

商標並無可使用年限。

木材開發權之攤銷是根據估計可使用年期由5年至25年並以直線法計算,直接於損益中列賬,有關計算乃根據於開發權期間來自木材及木料產品單位經濟利益之估計,或有關權利之預計剩餘年期(以較短者為準)而作出。攤銷期與方法會每年檢討。

無形資產轉移所產生之盈虧乃按出售所得款項淨額與該資產之賬面值兩者間之差額計量,並於該項資產轉移之期間內的損益中列賬。

(g) 生物資產

生物資產乃於農務活動中把種植植物轉化為可銷售之農產品或已增值之生物資產。於各呈報日期,生物資產及農產品於初步確認時乃按公平值減銷售成本計量。公平值減收成時之銷售成本被視為進一步加工之農產品成本(如適用)。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

(i) Classification of assets leased to the Group

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases, with the following exception:

Land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease. For these purposes, the inception of the lease is the time that the lease was first entered into by the Group, or taken over from the previous lessee, or at the date of construction of those buildings, if later.

(ii) Assets acquired under finance leases

Where the Group acquires the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments, of such assets are included in property, plant and equipment and the corresponding liabilities, net of finance charges, are recorded as obligations under finance leases. Depreciation is provided at rates which write off the cost or valuation of the assets over the term of the relevant lease or, where it is likely the Company or Group will obtain ownership of the asset, the life of the asset, as set out in Note 3(e). Impairment losses are accounted for in accordance with the accounting policy as set out in Note 3(i). (Finance charges implicit in the lease payments are charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period.)

3. 主要會計政策概要(續)

(h) 租賃資產

倘本集團釐定某項安排(由一宗或一系列交易組成)涉及轉授一項可於協定期間內使用一項特定資產或多項資產之權利以換取一項或多項付款,則該安排屬於租賃。該釐定乃根據對有關安排之本質評估作出,而不論該安排是否採取租約之法定形式。

(i) 本集團承租資產之分類

本集團根據租賃持有,且所有權之絕大部分風險及回報已轉移到本集團之資產乃分類為根據融資租約持有之資產。所有權之絕大部分風險及回報並無轉移到本集團之租賃分類為經營租約,惟下列各項除外:

根據經營租約持作自用且於租賃開始時公平值無法與建於其上之樓宇公平值分開計量之土地,入賬為根據融資租約持有,除非樓宇清楚地根據經營租約持有則另作別論。就此等目的而言,租約開始指本集團最初訂立或自前承租人接管租約之時間或該等樓宇興建日期之較後日期。

(ii) 根據融資租約收購之資產

倘本集團根據融資租約收購資產之使用權,則相當於所租賃資產公平值之金額或(倘更低)有關資產之最低租約付款現值,乃計入物業、廠房及設備,而相應負債(扣除融資費用)乃以融資租約承擔入賬。誠如附註3(e)所載,折舊按有關租約之期限或(倘本公司或本集團將有可能取得資產之所有權)資產之年期撇銷資產之成本值或估值之比率予以計提。減值虧損按附註3(i)所載會計政策入賬。租賃付款內含有之融資費用按租賃期於損益內扣除,使到各個會計期間之剩餘債務可以計算出一個相近的固定週期比率。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Leased assets (continued)

(iii) Operating lease charges

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged as an expense in the accounting period in which they are incurred.

(i) Impairment of assets

(i) Impairment of receivables

Current and non-current receivables that are stated at cost or amortised cost are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtors;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation; and
- significant changes in the technological market, economic or legal environment that have an adverse effect on the debtors.

3. 主要會計政策概要(續)

(h) 租賃資產(續)

(iii) 經營租約費用

倘本集團擁有根據經營租約持有之資產使用權，則根據租約作出之付款乃按租期涵蓋之會計期間分期均等地於損益內扣除，惟倘另一基準更能代表將源自所租賃資產之利益模式則除外。所收取之租賃獎勵作為已作出之總租約付款淨額的一部分於損益內確認。或然租金於產生之會計期間以支銷形式扣除。

(i) 資產之減值

(i) 應收款項之減值

以成本或攤銷成本列賬之流動及非流動應收款項於每個結算日檢討以釐定是否有減值之客觀證據。減值之客觀證據包括下列引起本集團關注一項或多項虧損事項之客觀數據：

- 重大財政困難或債務；
- 違約，如逾期支付或拖欠利息或本金還款；
- 債務人有可能破產或進行其他財務重組；及
- 技術市場、經濟或法律環境之重大變動對債務人產生不利影響。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Impairment of assets (continued)

(i) Impairment of receivables (continued)

If any such evidence exists, any impairment loss is determined and recognised as follows:

- For investments in subsidiaries, the impairment loss is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with note 3(i)(ii). The impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount in accordance with note 3(i)(ii).
- For trade receivables and other financial assets carried at amortised cost, 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 (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. This assessment is made collectively where financial assets carried at amortised cost share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

If in a subsequent period the amount of an impairment loss decrease and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

3. 主要會計政策概要(續)

(i) 資產之減值(續)

(i) 應收款項之減值(續)

如存在任何證據，減值虧損將按下列方式釐定及確認：

- 就於附屬公司之投資而言，減值虧損透過根據附註3(i)(ii)比較投資可收回金額與其賬面值計量。倘根據附註3(i)(ii)用於釐定可收回金額之估計發生有利變動，則撥回減值虧損。
- 以攤銷成本列賬之應收貿易款項及其他財務資產，減值虧損乃根據資產之賬面值與按財務資產原實際利率(即該等資產於首次確認時計算之實際利率)折現預期未來現金流轉現值(當折現之影響為重大時)之差異計算。倘按攤銷成本列賬之財務資產具備類似之風險特徵(例如類似之逾期情況及並未單獨被評估為出現減值)，則此等資產會一併進行評估。集體評估減值之財務資產之未來現金流轉以信貸風險特徵與本集團類似之資產過往之損失情況為依據。

倘於其後期間減值虧損金額有所減少，而客觀上與確認減值虧損後發生之事件有關，有關減值虧損會於損益撥回。減值虧損之撥回不應導致資產之賬面值超過其在過往年度沒有確認任何減值虧損情況下原應釐定之金額。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Impairment of assets (continued)

(i) *Impairment of receivables* (continued)

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of trade debtors included within trade and other receivables, whose recovery is considered doubtful but not remote. In this case, the impairment losses for doubtful debts are recorded using an allowance account. When the Group is satisfied that recovery is remote, the amount considered irrecoverable is written off against trade debtors directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

(ii) *Impairment of other assets*

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment (other than properties carried at revalued amounts);
- intangible assets;
- investments in subsidiaries; and
- goodwill

3. 主要會計政策概要(續)

(i) 資產之減值(續)

(i) *應收款項之減值(續)*

減值虧損直接以相應資產撇銷，惟就應收貿易款項(於應收貿易款項及其他應收款項內列值)確認之減值虧損除外，能否收回有關金額被視為存疑但並非不可能收回。在此情況，呆賬之減值虧損使用備抵賬記錄。倘本集團認為收回金額可能性甚微，視為不可收回之金額會於應收貿易款項中直接對銷，而備抵賬內關於該債務之任何金額會獲撥回。過去於備抵賬入賬之金額尚在其後收回，會於備抵賬內撥回。備抵賬之其他變動及於其後收回先前直接撇銷之金額，均於損益確認。

(ii) *其他資產之減值*

來自內部及外部之資料來源乃於各報告期間結算日予以檢討，以識別下列資產可能出現減值或(於屬於商譽之情況則除外)原先已確認之減值虧損不再存在或可能已減少之跡象：

- 物業、廠房及設備(以重估金額列賬之物業除外)；
- 無形資產；
- 於附屬公司之投資；及
- 商譽

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Impairment of assets (continued)

(ii) Impairment of other assets (continued)

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, intangible assets that are not yet available for use and intangible assets that have indefinite useful lives, the recoverable amount is estimated annually whether or not there is any indication of impairment.

- Calculation of recoverable amount
The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).
- Recognition of impairment losses
An impairment loss is recognised in profit or loss whenever the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying amount of an asset will not be reduced below its individual fair value less costs to sell, or value in use, if determinable.

3. 主要會計政策概要(續)

(i) 資產之減值(續)

(ii) 其他資產之減值(續)

倘任何有關跡象存在，則會估計資產之可收回金額。此外，就商譽、尚未可供動用之無形資產及具備無限可使用年期之無形資產而言，不論是否有任何減值跡象，均會每年估計可收回金額。

- 計算可收回金額
資產之可收回金額為其公平值減出售成本與使用價值兩者間之較高者。於評估使用價值時，估計未來現金流轉乃使用反映貨幣之時間價值及資產特定風險之現時市場評估稅前貼現率貼現至其現值。倘資產產生之現金流入並非大致上獨立於來自其他資產之現金流入，則為獨立產生現金流入之最小一組資產(即現金產生單位)釐定可收回金額。
- 確認減值虧損
當資產或資產所屬之現金產生單位之賬面值超過其可收回金額，則減值虧損於損益內確認。就現金產生單位確認之減值虧損予以分配，首先扣減現金產生單位(或一組單位)獲分配之任何商譽賬面值，然後，按比例扣除單位(或一組單位)之其他資產賬面值，惟資產之賬面值不會扣減至低於其個別公平值減出售成本，或使用價值(倘可釐定)。

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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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Impairment of assets (continued)

(ii) Impairment of other assets (continued)

— Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

(iii) Interim financial reporting and impairment

Under the Rules Governing the Listing of Securities on the Stock Exchange, the Group is required to prepare an interim financial report in compliance with IAS 34, *Interim Financial Reporting*, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (Please refer to notes 3(i)(i) and (ii)).

Impairment losses recognised in an interim period in respect of goodwill and available-for-sale equity securities carried at cost are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognised had the impairment been assessed only at the end of the financial year to which the interim period relates.

3. 主要會計政策概要(續)

(i) 資產之減值(續)

(ii) 其他資產之減值(續)

— 撥回減值虧損

就商譽以外之資產而言，倘用以釐定可收回金額之估計出現有利變動，則減值虧損予以撥回。有關商譽之減值虧損不予撥回。

減值虧損之撥回限於倘於過往年度內並無確認減值虧損時原應釐定之資產賬面值。減值虧損撥回於確認撥回年度計入損益。

(iii) 中期財務報告及減值

根據聯交所證券上市規則，本集團須按照國際會計準則第34號中期財務報告編製財政年度首六個月之中期財務報告。於中期結算日，本集團採用之減值測試、確認及撥回標準與該財政年度結算日所採用者相同(請參閱附註3(i)(i)及(ii))。

於中期內就商譽及按成本列賬之可供出售股本證券所確認減值虧損不可在其後期間撥回。假設在中期相關年度完結時才評估該等減值，即使毋需確認虧損或確認較少虧損，亦不可撥回減值虧損。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Inventories

Inventories are carried at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and, where applicable, costs of conversion and other costs incurred in bringing the inventories to their present location and condition, is determined on the first-in first-out basis. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write down or loss occurs. The amount of any reversal of any write down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

(k) Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less allowance for impairment of doubtful debts, except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts (see Note 3(i)).

(l) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

3. 主要會計政策概要(續)

(j) 存貨

存貨乃按成本值與可變現淨值兩者中之較低者列賬。成本包括所有購買成本及(如適用)轉換成本及將存貨付運至其現在位置及令存貨達致現在狀況所產生之其他成本。成本按先入先出法釐定。可變現淨值為於日常業務過程中之估計售價減完成之估計成本及銷售所需之估計成本。

當存貨售出時，該等存貨之賬面值於確認有關收入期間內支銷。將存貨撇減至可變現淨值之金額及存貨之所有虧損於撇減或虧損發生期間內支銷。任何存貨撇減之撥回金額乃於撥回產生期間內確認為已列作支銷之存貨金額之減少。

(k) 應收貿易款項及其他應收款項

應收貿易款項及其他應收款項初步按公平值確認，其後使用實際利息法按攤銷成本減呆賬減值備抵列賬，惟倘應收款項乃向有關連人士所提供並無固定還款期或貼現影響並不重大之免息貸款則除外。於該等情況，應收款項乃按成本值減呆賬減值備抵(見附註3(i))列賬。

(l) 附息借貸

附息借貸乃初步按公平值減應佔交易成本確認。於初步確認後，附息借貸乃按攤銷成本列賬，而初步確認之金額與贖回價值兩者間之任何差額使用實際利息法按借貸(連同任何應付利息及費用)之期間於損益內確認。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Preferred share capital

Preferred share capital is classified as equity if it is non-redeemable, or redeemable only at the Company's opinion, and any dividends are discretionary. Dividends on preference share capital classified as equity are recognised as distributions within equity.

Preferred share capital is classified as a liability if it is redeemable on a specific date or at the option of the shareholders, or if dividend payments are not discretionary. The liability is recognised in accordance with the Group's policy for interest-bearing borrowings set out in Note 3(l) and accordingly dividends thereon are recognised on an accruals basis in profit or loss as part of finance costs.

(n) Trade and other payables

Trade and other payables are initially recognised at fair value. Except for financial guarantee liabilities measured in accordance with Note 3(r)(i), trade and other payables are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(o) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows. Cash equivalents include investments and advances denominated in foreign currencies provided that they fulfill the above criteria.

(p) Employee benefits

(i) Short term employee benefits and contributions to defined contribution plans

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

3. 主要會計政策概要(續)

(m) 優先股股本

當優先股股本為不可贖回或僅本公司有權贖回，且任何股息乃酌情派付時，優先股股本則歸類為權益。分類為權益之優先股股本股息確認為權益分派。

當優先股股本為可於指定日期贖回或可按股東選擇贖回，或當股息並非酌情派付時，優先股股本則歸類為負債。負債按照附註3(l)所載本集團有關附息借貸之政策確認，故有關股息經損益確認為融資費用部分。

(n) 應付貿易款項及其他應付款項

應付貿易款項及其他應付款項乃初步按公平值確認。除根據附註3(r)(i)計量之財務擔保負債外，應付貿易款項及其他應付款項其後按攤銷成本列賬，惟貼現之影響輕微時則除外，於此情況乃按成本值列賬。

(o) 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、活期銀行及其他金融機構存款，以及可隨時兌換為已知金額之現金及毋須承受重大價值變動風險，且於購入後三個月內到期之短期高流動投資。就綜合現金流轉表而言，須按要求償還及構成本集團現金管理組成部分之銀行透支亦計作現金及現金等價物之一部分。現金等價物包括以外幣列值之投資及墊款，惟該等投資及墊款須符合上述規定。

(p) 僱員福利

(i) 短期僱員福利及向定額供款計劃供款

薪金、年度花紅、有薪年假、向定額供款退休計劃作出供款及非貨幣利益之成本乃於僱員提供有關服務年度內累計。倘延遲付款或結算而將會構成重大影響，則該等金額按現值列賬。

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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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Employee benefits (continued)

(ii) The employees of the Group's subsidiaries which operate in mainland China are required to participate in a central pension scheme operated by the local municipal government. The subsidiaries are required to contribute a percentage of their payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with rules of the central pension scheme.

(iii) *Share-based payments* *Share options granted to employees*

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date using the binomial option pricing model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the share options, the total estimated fair value of the share options is spread over the vesting period, taking into account the probability that the options will vest.

During the vesting period, the number of share options that is expected to vest is reviewed. Any adjustment to the cumulative fair value recognised in prior years is charged/credited to profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of share options that vest (with a corresponding adjustment to the capital reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the capital reserve until either the option is exercised (when it is transferred to the share premium account) or the option expires (when it is released directly to retained profits).

Share options granted to consultants

Share options granted to consultants in exchange for goods or services are measured at the fair values of goods or services received, unless that fair value cannot be reliably measured, in which case the goods or services received are measured by reference to the fair value of the share options granted. The amounts are recognised as expenses, with a corresponding increase in equity (share option reserve), when the Group obtains the goods or when the counterparties render services, unless the goods or services qualify for recognition as assets.

3. 主要會計政策概要(續)

(p) 僱員福利(續)

(ii) 本集團於中國大陸經營業務之附屬公司僱員須參加當地市政府管理之中央退休金計劃。附屬公司須按其工資成本若干百分比向中央退休金計劃作出供款。供款於根據中央退休金計劃之規則到期應付時在損益扣除。

(iii) *以股份支付* *授予僱員之購股權*

授予僱員之購股權公平值乃作為僱員成本予以確認，而權益內之資本儲備金額則會相應增加。公平值乃於購股權授出日期使用二項式期權定價模式計量，並會計及授出購股權之條款及條件。倘僱員須符合歸屬條件後才可無條件享有購股權，則購股權之估計公平值總額乃計及購股權將歸屬之可能性後按歸屬期攤分。

於歸屬期內，預期歸屬之購股權數目予以檢討。除非原來僱員費用合資格確認為一項資產並相應調整資本儲備，否則於過往年度內確認之累計公平值調整乃於回顧年度之損益扣除／入賬。於歸屬日期，確認為開支之金額予以調整，以反映歸屬購股權之實際數目（於資本儲備內作出相應調整），惟倘沒收僅由於未能達到與本公司股份市價有關之歸屬條件則除外。權益數額於資本儲備內確認，直至購股權獲行使（當其轉入股份溢價賬時）或購股權屆滿（當其直接轉至保留溢利時）為止。

授予顧問之購股權

為換取貨品或服務而授予顧問之購股權乃按所收取貨品或服務之公平值計量，除非有關公平值未能可靠計量，於此情況下，所收取貨品或服務將參考所授出購股權之公平值計量。當本集團取得貨品或當交易方提供服務時，款項將確認為開支，並相應增加權益（購股權儲備），惟倘貨品或服務符合資格確認為資產則除外。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the years, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided that those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

3. 主要會計政策概要(續)

(q) 所得稅

本年度之所得稅包括即期稅項，以及遞延稅項資產及負債內之變動。即期稅項及遞延稅項資產及負債於損益中確認，惟倘涉及於其他全面收益或直接於權益確認之項目，在此情況下，有關稅項金額分別於其他全面收益或直接於權益確認。

即期稅項是根據年內應課稅收入，按報告期間結算日已頒佈或大致已頒佈之稅率計算之預期應付稅項，並就過往年度的應付稅項作出調整。

遞延稅項資產及負債乃分別來自可扣稅及應課稅暫時差額，即資產及負債為財務報告目的呈列之賬面值，與其稅基之差額。遞延稅項資產亦可以是由尚未動用之稅務虧損及未動用之稅項抵免所產生。

除若干有限之例外情況外，所有遞延稅項負債及所有遞延稅項資產均被確認，惟以未來有可能產生之應課稅溢利並能沖銷可動用資產為限。可支持確認可扣稅暫時差異所產生遞延稅項資產之日後應課稅溢利包括轉回現有應課稅暫時差額所產生者，惟該等差額必須與同一稅務機關及同一應課稅實體有關，並預期在預計轉回可扣稅暫時差額之同一期間或遞延稅項資產所產生稅務虧損可予撥回或結轉之期間內轉回。在決定現有應課稅暫時差異是否足以支持確認可未使用稅項虧損及抵免所產生遞延稅項資產時，亦會採用同一準則，即須計及與同一稅務機關及同一應課稅實體有關的差額，並預期在能夠運用稅項虧損或抵免之一段或各段期間內轉回。

確認遞延稅項資產及負債之有限例外情況包括來自商譽之不可扣稅暫時差額，不影響會計或應課稅溢利(如屬業務合併的一部分則除外)資產或負債之初步確認，以及與於附屬公司投資有關之暫時差額，如為應課稅差額，只限於本集團控制轉回時間而不大可能在可預見將來轉回之差額；或如屬可扣稅差額，則只限於可在將來轉回之差額。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Income tax (continued)

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

3. 主要會計政策概要(續)

(q) 所得稅(續)

所確認之遞延稅項金額，乃按照各資產及負債預期之賬面值變現或償還方式，以及於報告期間結算日所通行或大致通行之稅率所計算。遞延稅項資產及負債不予折現。

遞延稅項資產之賬面值會於每個報告期間結算日予以檢討，並減少至不再可能有足夠之應課稅溢利以受惠於相關之稅務優惠。如有可能有足夠之應課稅溢利，該減值將被撥回。

分派股息產生之額外所得稅乃於確認支付有關股息之責任時確認。

即期稅項結餘及遞延稅項結餘以及當中之變動乃各自分開呈列及不予抵銷。倘本公司或本集團擁有以即期稅項資產抵銷即期稅項負債之法律強制執行權，以及符合以下之額外條件時，即期稅項資產才會與即期稅項負債抵銷，而遞延稅項資產則與遞延稅項負債抵銷：

- 就即期稅項資產及負債而言，本公司或本集團計劃以淨額方式結算，或同時變現資產及償還負債；或
- 就遞延稅項資產及負債而言，如該資產及負債涉及之所得稅乃由同一個稅務機關向以下各方徵收：
 - 同一個應課稅實體；或
 - 不同應課稅實體，但於每一段未來期間，預期將償還或收回龐大之遞延稅項負債或資產，計劃以淨額方式變現即期稅項資產及償還即期稅項負債或同時變現資產及償還負債。

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綜合財務報告附註

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Financial guarantees issued, provisions and contingent liabilities

(i) Financial guarantees issued

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the "holder") for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Where the Group issues a financial guarantee, the fair value of the guarantee (being the transaction price, unless the fair value can otherwise be reliably estimated) is initially recognised as deferred income within trade and other payables. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss on initial recognition of any deferred income.

The amount of the guarantee initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognised in accordance with Note 3(r)(iii) if and when (i) it becomes probable that the holder of the guarantee will call upon the Group under the guarantee, and (ii) the amount of that claim on the Group is expected to exceed the amount currently carried in trade and other payables in respect of that guarantee i.e. the amount initially recognised, less accumulated amortisation.

(ii) Contingent liabilities assumed in business combinations

Contingent liabilities assumed in a business combination which are present obligations at the date of acquisition are initially recognised at fair value, provided the fair value can be reliably measured. After their initial recognition at fair value, such contingent liabilities are recognised at the higher of the amount initially recognised, less accumulated amortisation where appropriate, and the amount that would be determined in accordance with Note 3(r)(iii). Contingent liabilities assumed in a business combination that cannot be reliably fair valued or were not present obligation at the date of acquisition are disclosed in accordance with Note 3(r)(iii).

3. 主要會計政策概要(續)

(r) 已發出之財務擔保、撥備及或然負債

(i) 已發出之財務擔保

財務擔保為當指定債務人未能按債務工具之條款如期付款時，發行人(即：擔保人)需支付指定金額予擔保受益人(「持有人」)以補償所遭受損失之合約。

當本集團作出財務擔保時，擔保之公平值(即交易價格，除非其公平值能可靠估計時則作別論)於首次確認時列為應付貿易款項及其他應付款項中的遞延收入。當就發出之擔保收到或可收取代價時，代價將根據本集團此類資產適用之政策確認。當沒有收到或應收代價時，則即時於損益就首次確認之任何遞延收入確認開支。

初步確認為遞延收入之擔保金額，乃於擔保期限作為已發出之財務擔保收入，並在損益中攤銷。此外，倘若(i)擔保之持有人有可能就此擔保向本集團追討，及(ii)向本集團追討之金額預期超過該擔保目前於應付貿易款項及其他應付款項中列賬之金額，即初步確認之金額減累計攤銷，則按附註3(r)(iii)確認撥備。

(ii) 於業務合併中承擔之或然負債

在業務合併中承擔之或然負債倘屬於收購日期之現有債務，只要能可靠計量公平值，初步以公平值確認。初步按公平值確認後，該等或然負債按初步確認數額扣除累計攤銷(如適用)後之數額與根據附註3(r)(iii)釐定之數額兩者中之較高者確認。在業務合併中承擔但無法可靠計算公平值或並非屬於收購日期之現有債務之或然負債，則按附註3(r)(iii)之規定披露。

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綜合財務報告附註

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Financial guarantees issued, provisions and contingent liabilities (continued)

(iii) Other provisions and contingent liabilities

Provisions are recognised for other liabilities of uncertain timing or amount when the Group or the Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(s) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Provided that it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

(i) Tree felling service income

Revenue from provision of tree felling services is recognised when services are provided. The amount of revenue recognised is based on the fair value of logs harvested during the tree felling process or any cash consideration received or receivable.

(ii) Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered at the customers' premises or agreed point of delivery which is taken to be the point in time when the customer has accepted the goods and the related risks and rewards of ownership. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

3. 主要會計政策概要(續)

(r) 已發出之財務擔保、撥備及或然負債(續)

(iii) 其他撥備及或然負債

倘若本集團或本公司須就已發生事件承擔法律或推定責任，而履行該責任會導致經濟效益外流，並可作出可靠估計，便會就時間或數額仍不明朗之其他負債確認撥備。如果貨幣時間價值重大，則按預計履行責任所需開支之現值計提撥備。

倘若致使經濟效益外流之機會不大，或無法對有關款額作出可靠估計，便會將該責任披露為或然負債，惟經濟效益外流之機會極低則除外。僅視乎一宗或多宗未來事件是否發生才能確定存在與否之潛在責任，亦會披露為或然負債，惟經濟效益外流之機會極低則除外。

(s) 收入確認

收入按已收或應收代價之公平值計量。倘經濟效益可能會流入本集團，以及能夠可靠地計算收入及成本(如適用)時，則收入根據下列方法在損益內確認：

(i) 伐木服務費收入

提供伐木服務之收入於有關服務獲提供時確認。已確認收入金額乃根據伐木工序中所砍伐原木或任何已收或應收現金代價之公平值計算。

(ii) 銷售貨品

銷售貨品之收入於貨品送抵客戶之場所或協定付運地點時確認，以客戶已接收貨品及擁有權之相關風險及回報為準。收入不包括增值稅或其他銷售稅，並在扣除任何商業折扣後列賬。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Revenue recognition (continued)

(iii) Interest income

Interest income is recognised as it accrues using the effective interest method.

(iv) Rental income from operating lease

Rental income receivable under operating lease is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Contingent rentals are recognised as income in which they are earned.

(v) Service fee income

Income from provision of services is recognised at the time when the services are rendered by reference to the stage of completion.

(t) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was determined.

The results of foreign operations are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Items of statement of financial position, including goodwill arising on consolidation of foreign operations acquired on or after 1 January 2005, are translated into Hong Kong dollars at the closing foreign exchange rates ruling at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange fluctuation reserve. Goodwill arising on consolidation of a foreign operation acquired before 1 January 2005 is translated at the foreign exchange rate that applied at the date of acquisition of the foreign operation.

3. 主要會計政策概要(續)

(s) 收入確認(續)

(iii) 利息收入

利息收入按實際利息法於累計時確認。

(iv) 經營租約之租金收入

根據經營租約可收取之租金收入於損益表確認，並於租期涵蓋之期間內平均攤分，惟倘有其他基準更能代表使用租賃資產所得利益之模式則作別論。獲授之租約優惠於損益表確認，作為總應收租金付款淨額其中部分。或然租金於賺取時確認為收入。

(v) 服務費收入

提供服務所得收入按照完成階段於提供服務時予以確認。

(t) 外幣換算

年內進行之外幣交易按交易日之適用匯率換算。以外幣列值之貨幣資產及負債按報告期間結算日之適用匯率換算。匯兌盈虧均於損益內確認。

根據歷史成本計量並以外幣為單位之非貨幣資產及負債，乃採用於交易日期之適用匯率換算。按公平值列賬並以外幣列值之非貨幣資產及負債，乃採用於釐定公平值當日適用之匯率換算。

海外業務之業績乃按與交易日期適用匯率相若之匯率換算為港元。財務狀況表項目(包括因合併於二零零五年一月一日或以後收購之海外業務而產生之商譽)則按報告期間結算日之收市外幣匯率換算為港元。所得出匯兌差額於其他全面收益確認，並分開於匯兌波動儲備中之權益中累計。合併於二零零五年一月一日前購入之海外業務產生之商譽，按該海外業務於收購當日適用之匯率換算。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(t) Translation of foreign currencies (continued)

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

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

(u) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in profit or loss in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

(v) Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which represents a separate major line of business or geographical area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. It also occurs when the operation is abandoned.

3. 主要會計政策概要(續)

(t) 外幣換算(續)

於出售一項海外業務(即出售本集團於一項海外業務所佔全部權益、或出售涉及失去於一家包括海外業務在內之附屬公司之控制權、或出售涉及失去對一家包括海外業務在內之聯營公司之重大影響力)時,所有就該項業務於權益中累計之本公司擁有人應佔匯兌差額均重新分類為損益。

倘出售附屬公司之部分權益而並未導致本集團失去該附屬公司之控制權,則按比例應佔之累計匯兌差額須重新歸屬於非控股股東權益而不在損益中確認。至於一切其他局部出售(即出售聯營公司權益而並未導致本集團失去重大影響力),按比例應佔之累計匯兌差額重新分類為損益。

(u) 借貸成本

直接用作收購、建設或生產一項需經相當長時間方可投入擬定用途或銷售之資產之借貸成本會撥充資本,作為該項資產之部分成本。其他借貸成本則在產生期間在損益支銷。

當引致涉及合資格資產之開支、引致借貸成本及籌備資產作擬定用途或出售所需之活動正在進行時,借貸成本開始撥充資本,作為有關資產之部分成本。當籌備資產作擬定用途或出售所需之絕大部分活動受干擾或完成,借貸成本須暫停或停止撥充資本。

(v) 已終止業務

已終止業務為本集團業務之一部分,其經營及現金流轉可明確與本集團之其他部分區別,並代表一個獨立之業務主線或地區業務,或者屬於出售獨立業務主線或地區業務之單一合作計劃之一部分,或為僅就轉售而購入之附屬公司。

當業務被出售或符合歸類為持作待售之準則(如較早)時,則分類為已終止業務。此分類亦會於放棄經營業務時出現。

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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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(v) Discontinued operations (continued)

Where an operation is classified as discontinued, a single amount is presented on the face of the profit or loss, which comprises:

- the post-tax profit or loss of the discontinued operation; and
- the post-tax gain or loss recognised on the measurement to fair value less costs to sell, or on the disposal, of the assets or disposal group(s) constituting the discontinued operation.

(w) Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the non-current asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

If the Group has classified non-current assets (or disposal group) as held for sale, but the criteria described above are no longer met, the Group ceases to classify the asset (or disposal group) as held for sale.

3. 主要會計政策概要 (續)

(v) 已終止業務 (續)

倘一項業務已分類為已終止經營，則會於損益上呈列一個單一金額，包括：

- 已終止業務之除稅後溢利或虧損；及
- 計量構成已終止業務的資產或出售組合之公平值減出售成本，或出售該等資產或組合時，已確認之除稅後收益或虧損。

(w) 持作待售非流動資產

當非流動資產及出售集團之賬面值將主要透過銷售交易而非透過持續使用收回時，則分類為持作待售。僅當出售為極有可能發生及當非流動資產（或出售集團）能夠以其現狀立即出售時，方被視為符合此條件。管理層必須承諾完成該項銷售，有關交易可望於分類日期起計一年內符合資格被確認為一項已完成銷售。

當本集團承諾進行一項涉及失去附屬公司控制權之銷售計劃，該附屬公司之所有資產及負債乃在符合上述準則時分類為持作待售，而不論本集團是否將於出售後保留其於前附屬公司之非控股股東權益。

分類為持作待售之非流動資產（及出售集團）會按其過往賬面值與公平值減銷售成本兩者中之較低者計量。

倘本集團已將非流動資產（或出售集團）分類為持作待售，但不再符合上述準則，則本集團不再將該項資產（或出售集團）分類為持作待售。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(w) Non-current assets held for sale (continued)

The Group measures a non-current asset that ceases to be classified as held for sale (or ceases to be included in a disposal group classified as held for sale) at the lower of:

- (a) its carrying amount before the asset (or disposal group) was classified as held for sale, adjusted for any depreciation, amortisation or revaluations that would have been recognised had the asset (or disposal group) not been classified as held for sale, and
- (b) its recoverable amount at the date of the subsequent decision not to sell.

The Group includes any required adjustment to the carrying amount of a non-current asset that ceases to be classified as held for sale in profit or loss in the period in which the criteria described in above are no longer met.

(x) Related parties

- (a) A person, or a close member of that person's family, is related to the Group if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or the Group's parent.
- (b) An entity is related to the Group if any of the following conditions applies:
 - (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.

3. 主要會計政策概要(續)

(w) 持作待售非流動資產(續)

本集團按下列兩項中之較低者計量不再分類為持作待售(或不再列入分類為持作待售之出售集團)之非流動資產:

- (a) 於資產(或出售集團)被分類為持作待售前之賬面值,並就倘該資產(或出售集團)未有被分類為持作待售而應確認之任何折舊、攤銷或重估予以調整,及
- (b) 於其後決定不作出售當日之可收回金額。

本集團將就不再被分類為持作待售之非流動資產之賬面值所需作出之任何調整,列入不再符合上述準則期間之損益。

(x) 關連人士

- (a) 倘屬以下人士,即該人士或該人士之近親與本集團有關聯:
 - (i) 控制或共同控制本集團;
 - (ii) 對本集團有重大影響力;或
 - (iii) 為本集團或本集團母公司之主要管理人員。
- (b) 倘符合下列任何條件,即實體與本集團有關聯:
 - (i) 該實體與本集團屬同一集團之成員公司(即各母公司、附屬公司及同系附屬公司彼此間有關聯)。
 - (ii) 一家實體為另一實體之聯營公司或合營企業(或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業)。
 - (iii) 兩家實體均為同一第三方之合營企業。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(x) Related parties (continued)

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

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.

(vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(y) Segment reporting

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

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

3. 主要會計政策概要(續)

(x) 關連人士(續)

(b) 倘符合下列任何條件，即實體與本集團有關聯：(續)

(iv) 一家實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司。

(v) 該實體為本集團或與本集團有關聯之實體就僱員利益設立之離職後福利計劃。

(vi) 該實體受(a)所識別之人士控制或共同控制。

(vii) 於(a)(i)所識別之人士對該實體有重大影響力或屬該實體(或該實體之母公司)主要管理人員成員。

某人士之近親指於彼等與該實體進行交易時，預期可能影響該人士或受該人士影響之家族成員。

(y) 分部報告

經營分部及財務報告所呈報各分部項目之金額，乃取自定期向本集團最高層行政人員提供之財務資料，該等財務資料旨在考慮分配資源至本集團不同業務範疇及地區，以及評估其表現而編製。

在財務申報上，規模重大之個別經營分部不予累集計算，除非有關分部具有類似之經濟特點，且產品及服務性質、生產工序性質、客戶類型、分銷產品或提供服務之方法以及監管環境相若。規模並非重大之個別經營分部倘彼此符合上述大部分標準則可累集計算。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(z) Shares held by the Company for settlement of acquisition consideration

The Company issued shares and held them on behalf of the vendor for the settlement of acquisition consideration payables to the vendor in future years upon meeting of net profit guarantee by the vendor in connection with acquisition of its Zhongshan subsidiary. The shares, valued at HK\$0.414 per share, including any directly attributable incremental costs, are presented as “Shares held by the Company for settlement of acquisition consideration” and deducted from total equity. As a result of the failure to meet net profit guarantee by the vendor as per the acquisition agreement, these shares are held by the Company awaiting disposal by the Company. Proceeds recovered from the disposal of these shares shall be returned to the Company. Details of the acquisition and net profit guarantee are outlined in Note 42.

(aa) Warrants

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

4. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Group has adopted the following new and revised Standards, Amendments and Interpretations (“new and revised IFRSs”) that are first effective for the current accounting period.

IFRS 1 (Amendments)	Amendment to IFRS 1 First-time Adoption of IFRS
IAS 24 (Revised)	Related party disclosures
Amendments to IFRIC-Int 14	Prepayments of a Minimum Funding Requirement
IFRIC-Int 19	Extinguishing Financial Liabilities with Equity Instruments
Amendments to IFRSs	Improvements to IFRSs issued in 2010

3. 主要會計政策概要(續)

(z) 本公司就償付收購代價所持股份

在賣方達成有關收購其中山附屬公司之純利保證後，本公司就償付未來數年應付賣方之收購代價發行並代表賣方持有股份。每股面值港幣0.414元之股份包括任何直接應佔增加成本，呈列為「就償付收購代價由本公司持有之股份」並從總權益中扣除。由於賣方未能根據收購協議達成純利保證，該等股份由本公司持有以待出售。出售該等股份所收回之所得款項將歸還本公司。收購及純利保證之詳情於附註42概述。

(aa) 認股權證

並非以定額現金或一定數目之本公司股本工具結算之本公司所發行認股權證為衍生財務工具。分類為衍生財務工具之認股權證按發行日期之公平值確認。於其後期間之公平值變動於損益確認。

4. 應用新訂及經修訂國際財務報告準則

本集團已採納下列於本會計期間首次生效之新訂及經修訂準則、修訂及詮釋(「新訂及經修訂國際財務報告準則」)。

國際財務報告準則第1號(修訂本)	國際財務報告準則第1號 首次採納者之修訂
國際會計準則第24號 (經修訂)	關連人士披露
國際財務報告詮釋委員會 — 詮釋第14號(修訂本)	最低資金規定之預付款項
國際財務報告詮釋委員會 — 詮釋第19號	抵銷金融負債與股本工具
國際財務報告準則之修訂	二零一零年頒佈之國際財務 報告準則之改進

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4. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (continued)

Except as described below, the application of new and revised IFRSs in the current year has had no material effect on the Group's financial performance and positions for the current or prior accounting period and/or on the disclosures set out in these financial statements.

IAS 24 Related Party Disclosures (as revised in 2009)

IAS 24 (as revised in 2009) has revised the definition of a related party. As a result, the Group has re-assessed the identification of related parties and concluded that the revised definition does not have any material impact on the Group's related party disclosures in the current and previous periods. IAS 24 (as revised in 2009) also introduces modified disclosure requirements for government-related entities. The disclosure about the Group's related parties have been conformed to the amended disclosure requirement.

Improvements to IFRSs issued in 2010

Improvements to IFRSs issued in 2010 omnibus standard introduces a number of amendments to the disclosure requirements in IFRS 7 Financial instruments: Disclosures. These disclosures about the Group's and the Company's financial instruments in note 44 have been conformed to the amended disclosure requirements. These amendments do not have any material impact on the classification, recognition and measurements of the amounts recognised in the financial statements in the current and previous periods.

5. ACCOUNTING ESTIMATES AND JUDGEMENTS

Key Sources of Estimation Uncertainty

In the process of applying the Group's accounting policies which are described in Note 3, management has made certain key assumptions concerning the future, and other key sources of estimated uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year, as described below.

(a) *Property, plant and equipment and depreciation*

The Group management determines the estimated useful lives and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. It could change significantly as a result of technical innovations and competitor actions in response to severe industry cycles. Management will increase the depreciation charge where useful lives are less than previously estimated lives, or it will write off or write down technically obsolete or non-strategic assets that have been abandoned or sold.

4. 應用新訂及經修訂國際財務報告準則(續)

除下文所述者外，於本年度應用新訂及經修訂國際財務報告準則並無對本集團於本會計期間或以往會計期間之財務表現及狀況及／或該等財務報告之披露事項構成重大影響。

國際會計準則第24號關連人士披露(二零零九年修訂)

國際會計準則第24號(二零零九年修訂)對關連人士之定義作出修訂。因此，本集團已重新評估關連人士之識別方法，並認為該經修訂定義對本集團於目前及過往期間之關連人士披露並無任何重大影響。國際會計準則第24號(二零零九年修訂)亦對政府相關實體之披露規定作出修改。有關本集團關連人士之披露已遵照經修訂披露要求。

二零一零年頒佈之國際財務報告準則之改進

二零一零年頒佈之國際財務報告準則之改進綜合準則對國際財務報告準則第7號財務工具：披露之披露規定作出多項修訂。附註44所載有關本集團及本公司財務工具之披露符合經修訂披露規定。該等修訂對目前及過往期間於財務報告內確認金額之分類、確認及計量並無任何重大影響。

5. 會計估計及判斷

估計不明朗因素之主要來源

於應用附註3所述本集團會計政策時，管理層已就未來情況作出若干主要假設，而下文載述於報告期間結算日估計尚存在不明朗因素之其他主要來源，有關來源可能存在導致資產與負債賬面值於下一個財政年度須作出重大調整之重大風險。

(a) *物業、廠房及設備以及折舊*

本集團之管理層決定其物業、廠房及設備之估計可使用年期及相關折舊開支。此估計乃根據在性質及功能相近的物業、廠房及設備之實際可使用年期方面的以往經驗而定。技術創新及競爭對手因應嚴重行業週期而採取之行動可能使估計有重大改變。倘可使用年期少於先前估計的年期，管理層將增加折舊開支；管理層亦可能將已棄置或出售而技術上屬陳舊之資產或非策略資產予以撇銷或撇減。

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5. ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

Key Sources of Estimation Uncertainty (continued)

- (b) *Impairment of trade and other receivables*
The Group estimates impairment losses on trade and other receivables resulting from inability of the customers or debtors to make the required payments. The Group bases the estimates on the ageing of the trade and other receivables, customer or debtor credit-worthiness, and historical write off experience. If the financial condition of the customers or debtors were to deteriorate, actual write off would be higher than estimates.
- (c) *Write down of inventories*
Inventories are written down to net realisable value based on an assessment of the realisability of inventories. Write down of inventories are recorded where events or changes in circumstances indicate that the balances may not be realised. The identification of write downs requires the use of judgements and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying amount of inventories and write down of inventories in the periods in which such estimate has been changed.
- (d) *Impairment of goodwill*
The Group performs annual tests on whether there has been impairment of goodwill in accordance with the accounting policy stated in Note 3(i). The recoverable amounts of cash-generating units are determined based on value in use calculations. These calculations require the use of estimates and assumptions made by management on the future operation of the business, pre-tax discount rates, and other assumptions underlying the value in use calculations.
- (e) *Amortisation of intangible assets*
Intangible assets are amortised on a straight-line basis over their estimated useful lives. The determination of the useful lives involves management's estimation. The Group reassesses the useful life of the intangible assets and if the expectation differs from the original estimate, such a difference may impact the amortisation in the years and the estimate will be changed in the future period.

5. 會計估計及判斷(續)

估計不明朗因素之主要來源(續)

- (b) *應收貿易款項及其他應收款項減值*
本集團估計因客戶或債務人無力支付所需款項而導致應收貿易款項及其他應收款項出現之減值虧損。本集團乃按應收貿易款項及其他應收款項之賬齡、客戶或債務人之信譽及過往之撇賬記錄進行估計。倘客戶或債務人之財政狀況轉壞，實際之撇賬額將較估計數字為高。
- (c) *存貨之撇減*
存貨乃根據存貨之可變現能力的評估而撇減至可變現淨值。倘發生事件或情況有變而顯示金額可能無法變現時，則會撇減存貨。撇減之識別需要使用判斷及估計。倘若預期與原先估計有別，將影響改變有關估計期間存貨之賬面值及存貨之撇減。
- (d) *商譽減值*
本集團每年根據附註3(i)所載會計政策進行檢測，以判斷商譽有否減值。現金產生單位之可收回金額乃根據使用價值計算法釐定。計算時，管理層需要對業務之未來營運情況及稅前貼現率作出估計及假設，並使用有關使用價值計算法之其他假設。
- (e) *無形資產攤銷*
無形資產以直線法於估計可使用年期攤銷。釐定可使用年期涉及管理層之估計。本集團重新評估無形資產之可使用年期，若預期有別於原先估計，有關差額可能影響年內攤銷，而估計將於未來期間更改。

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5. ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

Key Sources of Estimation Uncertainty (continued)

(f) *Impairment loss of intangible assets*

The Group performs annual tests on whether there has been impairment of intangible assets. In the event that the carrying values of the intangible assets are higher than their recoverable amounts (i.e., the higher of fair value less costs to sell and value in use), impairment loss is recognized. The recoverable amounts of cash-generating units are determined based on value in use calculations. These calculations require the use of estimates and assumptions made by management on the future operation of the business, discount rates, and other assumptions underlying the value in use calculations.

(g) *Income tax*

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

(h) *Fair values of biological assets*

Management estimates at the end of the reporting period the current market prices less costs to sell of biological assets with reference to market prices and professional valuations. Unanticipated volatile changes in market prices of the underlying agricultural produce could significantly affect the fair values of these biological assets and result in fair value re-measurement losses in future accounting periods.

The Group's forestry business is subject to the usual agricultural hazards from fire, wind and insects. Forces of nature such as temperature and rainfall may also affect harvest efficiency. Management considers adequate preventive measures are in place and the relevant legislation under forestry laws in Brazil will assist in minimising exposure. Nevertheless, to the extent that un-anticipated factors affecting harvestable agricultural produce may result in re-measurement or losses in future accounting periods.

(i) *Consideration receivable*

Consideration receivable is carried at its net realizable value as of 31 March 2012. Management assumed it will be able to assist the Buyer of its Chita Operations in obtaining two lost concessions back. The consideration receivable will be subject to review at least at each reporting date to determine whether impairment has occurred.

5. 會計估計及判斷(續)

估計不明朗因素之主要來源(續)

(f) *無形資產之減值虧損*

本集團每年進行檢測，以判斷無形資產有否減值。倘無形資產之賬面值高於其可收回金額(即公平值減銷售成本與使用價值兩者中之較高者)，則會確認減值虧損。現金產生單位之可收回金額乃根據使用價值計算法釐定。計算時，管理層需要對業務之未來營運情況及貼現率作出估計及假設，並使用有關使用價值計算法之其他假設。

(g) *所得稅*

本集團須支付多個司法權區之所得稅。就所得稅釐訂全球撥備時須作出重大判斷。若干交易之最終稅項及釐訂有關稅項之計算方法於一般業務中仍存在不明朗因素。本集團按照額外稅項是否到期之估計，就預期稅務審核事宜確認負債。倘此等事宜之最終稅項有別於初步記錄之金額，則有關差額對釐訂有關稅項期間之所得稅及遞延稅項撥備構成影響。

(h) *生物資產公平值*

管理層於各報告期間結算日參照市價及專業估值估計生物資產之當前市價減估計銷售成本。相關農產品市價出現之意外波動變化，可能會對該等生物資產之公平值產生重大影響，並導致未來會計期間出現公平值重新計量虧損。

本集團林業業務受一般農業災禍影響，如火災、風災及蟲禍。氣溫及降雨量等天然因素亦可能影響砍伐效率。管理層認為，現已實施足夠預防措施，巴西亦有相關林業法例協助將風險減至最低。然而，影響農作物收成之不可預計因素可能導致未來會計期間重新計量有關金額或錄得虧損。

(i) *應收代價*

應收代價以於二零一二年三月三十一日之可變現淨值列賬。管理層假設其將能協助買方就其赤塔森林業務取回兩項失去之特許權。應收代價將至少於各呈報日期進行審核，以釐定是否出現減值。

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5. ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

Critical accounting judgements in applying the Group's accounting policies

Certain critical accounting judgements in applying the Group's accounting policies are described below.

Going concern basis

As mentioned in note 3(a) to the consolidated financial statements, the directors of the Company are confident that the Company will be able to meet its financial obligations in full as and when they fall due in the foreseeable future. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

If the going concern basis is not appropriate, adjustments would have to be made to reclassify non-current assets and liabilities as current assets and liabilities respectively, to reduce the values of assets to their immediate recoverable amounts and to provide for any further liabilities which might arise. Such adjustments may have a significant consequential effect on the loss for the year and net assets to the Company.

6. SEGMENT REPORTING

The Group manages its businesses by divisions, which are organised by a mixture of both business lines (products and services) and geography. In a manner consistent with the way in which information is reported internally to the board of directors ("Board") of the Company for the purposes of resource allocation and performance assessment, the Group has presented the following reportable segments. No operating segments have been aggregated to form the following reportable segments.

Continuing operations

Tree felling service: provision of tree felling and clearing services.

Sustainable forest management: sustainable management of and investment in natural forests; timber and wood processing; trading and sales of forestry and timber products.

Zhongshan operations: manufacturing and sales of timber products including but not limited to wooden doors, furniture and wooden flooring.

Discontinued operations

Chita forests operations: logging, timber and wood processing, timber trading and timber sales and marketing.

In accordance with IFRS 8, segment information disclosed in this consolidated financial statements has been prepared in a manner consistent with the information used by the Board of the Company for the purposes of assessing segment performance and allocating resources among segments. In this regard, the Board of the Company monitors the results and assets attributable to each reportable segment on the following bases:

5. 會計估計及判斷(續)

應用本集團會計政策之主要會計判斷

應用本集團會計政策之若干主要會計判斷載述如下。

持續經營基準

誠如綜合財務報告附註3(a)所述，本公司董事有信心本公司將有能力應付在可預見將來到期之財務責任。因此，綜合財務報告乃按持續經營基準編製。

倘持續經營基準並不恰當，則須作出調整以將非流動資產及負債重新分類為流動資產及負債，將資產價值減至其即時可收回金額，以及就可能產生之任何額外負債計提撥備。有關調整可能對本公司之年內虧損及資產淨值造成重大影響。

6. 分部報告

本集團按分部管理其業務，分部按業務線(產品及服務)及地理位置兩方面劃分。該等資料向本公司董事會(「董事會」)作內部報告以分配資源及評核表現，本集團已呈列下列可報告分部。概無合併經營分部以組成下列可報告分部。

持續經營業務

伐木服務：提供伐木及清理服務。

可持續森林管理：天然森林之可持續管理及投資、木材及木料加工、木材及木料產品貿易及銷售。

中山業務：製造及銷售木材產品，包括但不限於木門、傢俱及木地板。

已終止業務

赤塔森林業務：伐木、木材及木料加工、木材貿易以及木材銷售與市場推廣。

根據國際財務報告準則第8號，於本綜合財務報告披露之分部資料乃以與本公司董事會就評估分部表現及於分部間分配資源所用資料一致之方式編製。就此，本公司董事會按下列基準監察各可報告分部應佔之業績及資產：

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綜合財務報告附註

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

6. SEGMENT REPORTING (continued)

Segment assets include all non-current assets and current assets with the exception of certain unallocated corporate assets to an individual reportable segment.

All liabilities are allocated to reportable segments other than current, deferred tax liabilities and unallocated corporate liabilities.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or, which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

(a) Segment results, assets and liabilities

An analysis of the Group's reportable segment is reported below:

6. 分部報告(續)

分部資產包括全部非流動資產及流動資產，但不包括未獲分配至獨立可報告分部之若干未分配企業資產。

所有負債乃分配至可報告分部，惟即期稅項負債、遞延稅項負債及未分配企業負債除外。

收入及開支乃參考來自該等分部之銷售及該等分部所產生開支或折舊或攤銷該等分部應佔資產所產生之開支而分配至可報告分部。

(a) 分部業績、資產及負債

本集團所呈報可報告分部之分析如下：

		2012 二零一二年				Discontinued operations 已終止業務	
		Continuing operations 持續經營業務			Chita forests operation 赤塔森林業務		Total 總計
		Sustainable Tree felling service 可持續 森林管理 伐木服務	forest management 可持續 森林管理 森林管理	Zhongshan operations 中山業務	Sub-total 小計		
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Notes 附註							
	Revenue from external customers 來自外界客戶之收入	5,396	30,702	79,518	115,616	—	115,616
	Inter-segment revenue 分部間收入	—	58,389	—	58,389	—	58,389
	Reportable segment revenue 可報告分部收入	5,396	89,091	79,518	174,005	—	174,005
	Reportable segment loss before taxation 可報告分部除稅前虧損	(223,220)	(2,080,650)	(72,004)	(2,375,874)	(4,316)	(2,380,190)
	Change in fair value of biological assets less costs to sell 生物資產公平值變動減銷售成本	—	(150,419)	—	(150,419)	—	(150,419)
	Amortisation 攤銷	—	—	(2,389)	(2,389)	—	(2,389)
	Depreciation 折舊	—	(1,332)	(91)	(1,423)	—	(1,423)
	Write off of other receivables 撇銷其他應收款項	—	(7,434)	—	(7,434)	—	(7,434)
	Write off of timber logs 撇銷原木木材	9	(233,572)	—	(233,572)	—	(233,572)
	Write down of timber logs 撇減原木木材	—	(1,781)	—	(1,781)	—	(1,781)
	Rental expenses 租金開支	8	(13,745)	—	(13,745)	—	(13,745)
	Loss on disposal of property, plant and equipment 出售物業、廠房及設備之虧損	—	(296)	—	(296)	—	(296)
	Impairment loss of intangible assets 無形資產減值虧損	—	—	(45,205)	(45,205)	—	(45,205)
	Write off of trade receivables 撇銷應收貿易款項	8, 9	(413,360)	—	(413,360)	—	(413,360)
	Waiver of service fee payables 豁免應付服務費	9	12,205	—	12,205	—	12,205
	Impairment loss of goodwill 商譽減值虧損	—	(1,384,765)	(77,353)	(1,462,118)	—	(1,462,118)
	Interest income 利息收入	—	485	1	486	—	486
	Interest expense 利息開支	—	(9,780)	—	(9,780)	—	(9,780)
	Reportable segment assets 可報告分部資產	—	1,449,834	64,686	1,514,520	—	1,514,520
	Additions to non-current segment assets 非流動分部資產添置	—	3,847	2,881	6,728	—	6,728
	Reportable segment liabilities 可報告分部負債	—	(390,465)	(27,138)	(417,603)	—	(417,603)

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綜合財務報告附註

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

6. SEGMENT REPORTING (continued)

(a) Segment results, assets and liabilities (continued)

An analysis of the Group's reportable segment is reported below:
(continued)

6. 分部報告(續)

(a) 分部業績、資產及負債(續)

本集團所呈報可報告分部之分析如下：(續)

		2011 二零一一年				
		Continuing operations 持續經營業務			Discontinued operations 已終止業務	
		Tree felling service 伐木服務 HK\$'000 港幣千元	Sustainable forest management 可持續森林管理 HK\$'000 港幣千元	Sub-total 小計 HK\$'000 港幣千元	Chita forests operation 赤塔森林業務 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Revenue from external customers	來自外界客戶之收入	343,671	522,984	866,655	—	866,655
Inter-segment revenue	分部間收入	52,542	—	52,542	—	52,542
Reportable segment revenue	可報告分部收入	396,213	522,984	919,197	—	919,197
Reportable segment profit/(loss) before taxation	可報告分部除稅前溢利/(虧損)	32,253	503,896	536,149	(15,634)	520,515
Change in fair value of biological assets less costs to sell	生物資產公平值變動減銷售成本	—	250,243	250,243	—	250,243
Depreciation	折舊	(5)	(1,119)	(1,124)	—	(1,124)
Write off of other receivables	撇銷其他應收款項	—	(28)	(28)	(396)	(424)
Write off of timber logs	撇銷原木木材	(272,482)	—	(272,482)	—	(272,482)
Write down of timber logs	撇減原木木材	—	—	—	(1,000)	(1,000)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	—	(45)	(45)	—	(45)
Write off of intangible assets	撇銷無形資產	—	—	—	(9,926)	(9,926)
Waiver of liabilities by creditors	債權人豁免負債	108,274	—	108,274	—	108,274
Interest income	利息收入	1	62	63	—	63
Interest expense	利息開支	—	(9,985)	(9,985)	—	(9,985)
Reportable segment assets	可報告分部資產	240,841	3,662,618	3,903,459	279,828	4,183,287
Additions to non-current segment assets	非流動分部資產添置	116	21,323	21,439	—	21,439
Reportable segment liabilities	可報告分部負債	50,546	297,106	347,652	70,856	418,508

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綜合財務報告附註

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

6. SEGMENT REPORTING (continued)

(b) Reconciliations of reportable segment revenue, profit or loss, assets and liabilities:

(i) Revenue

		2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
Reportable segment revenue	可報告分部收入	174,005	919,197
Elimination of inter-segment revenue	對銷分部間收入	(58,389)	(52,542)
Consolidated revenue	綜合收入	115,616	866,655

(ii) (Loss)/profit

		2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
Reportable segment (loss)/profit before taxation (continuing operations)	可報告分部除稅前 (虧損)/溢利 (持續經營業務)	(2,375,874)	536,149
Unallocated corporate income	未分配企業收入	2,703	—
Depreciation	折舊	(231)	(326)
Unallocated corporate expenses	未分配企業開支	(40,108)	(27,963)
Unallocated interest expense	未分配利息開支	(6,010)	(846)
(Loss)/profit before taxation (continuing operations)	除稅前 (虧損)/溢利 (持續經營業務)	(2,419,520)	507,014

6. 分部報告 (續)

(b) 可報告分部收入、溢利或虧損、資產及負債之對賬：

(i) 收入

	2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
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可報告分部收入	174,005	919,197
對銷分部間收入	(58,389)	(52,542)

綜合收入	115,616	866,655
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(ii) (虧損)/溢利

	2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
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可報告分部除稅前 (虧損)/溢利 (持續經營業務)	(2,375,874)	536,149
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未分配企業收入	2,703	—
折舊	(231)	(326)
未分配企業開支	(40,108)	(27,963)
未分配利息開支	(6,010)	(846)

除稅前 (虧損)/溢利 (持續經營業務)	(2,419,520)	507,014
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綜合財務報告附註

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

6. SEGMENT REPORTING (continued)

(b) Reconciliations of reportable segment revenue, profit or loss, assets and liabilities: (continued)

(iii) Assets

		2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
Segment assets for reportable segments from continuing operations	持續經營業務可報告分部之分部資產	1,514,520	3,903,459
Segment assets for reportable segment from discontinued operations (Note 28)	已終止業務可報告分部之分部資產(附註28)	—	279,828
Reportable segment assets	可報告分部資產	1,514,520	4,183,287
Unallocated:	未分配:		
— Unallocated corporate assets	— 未分配企業資產	213,313	3,704
Total assets per consolidated statement of financial position	綜合財務狀況表所呈列資產總值	1,727,833	4,186,991

(iv) Liabilities

		2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
Segment liabilities for reportable segments from continuing operations	持續經營業務可報告分部之分部負債	417,603	347,652
Segment liabilities for reportable segment from discontinued operations (Note 28)	已終止業務可報告分部之分部負債(附註28)	—	70,856
Reportable segment liabilities	可報告分部負債	417,603	418,508
Unallocated:	未分配:		
— Provision for taxation	— 稅項撥備	49,456	49,456
— Deferred tax liabilities	— 遞延稅項負債	339,564	454,341
— Unallocated corporate liabilities	— 未分配企業負債	45,815	8,317
Total liabilities per consolidated statement of financial position	綜合財務狀況表所呈列負債總額	852,438	930,622

6. 分部報告(續)

(b) 可報告分部收入、溢利或虧損、資產及負債之對賬:(續)

(iii) 資產

		2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
Segment assets for reportable segments from continuing operations	持續經營業務可報告分部之分部資產	1,514,520	3,903,459
Segment assets for reportable segment from discontinued operations (Note 28)	已終止業務可報告分部之分部資產(附註28)	—	279,828
Reportable segment assets	可報告分部資產	1,514,520	4,183,287
Unallocated:	未分配:		
— Unallocated corporate assets	— 未分配企業資產	213,313	3,704
Total assets per consolidated statement of financial position	綜合財務狀況表所呈列資產總值	1,727,833	4,186,991

(iv) 負債

		2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
Segment liabilities for reportable segments from continuing operations	持續經營業務可報告分部之分部負債	417,603	347,652
Segment liabilities for reportable segment from discontinued operations (Note 28)	已終止業務可報告分部之分部負債(附註28)	—	70,856
Reportable segment liabilities	可報告分部負債	417,603	418,508
Unallocated:	未分配:		
— Provision for taxation	— 稅項撥備	49,456	49,456
— Deferred tax liabilities	— 遞延稅項負債	339,564	454,341
— Unallocated corporate liabilities	— 未分配企業負債	45,815	8,317
Total liabilities per consolidated statement of financial position	綜合財務狀況表所呈列負債總額	852,438	930,622

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綜合財務報告附註

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6. SEGMENT REPORTING (continued)

(b) Reconciliations of reportable segment revenue, profit or loss, assets and liabilities and other items: (continued)

(v) Other items

		2012 二零一二年					2011 二零一一年				
		Continuing operations 持續經營業務				Discontinued operations 已終止業務					
		Sustainable forest management 可持續 森林管理		Zhongshan operations 中山業務	Unallocated 未分配	Sub-total 小計	Chita forests operation 赤塔 森林業務		Unallocated 未分配	Sub-total 小計	Total 總計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	
Depreciation	折舊	-	(1,332)	(91)	(231)	(1,654)	-	-	-	(1,654)	
Interest expense	利息開支	-	(9,780)	-	(6,010)	(15,790)	-	-	-	(15,790)	
Write off of other receivables	撇銷其他應收款項	-	(7,434)	-	(2,000)	(9,434)	-	-	-	(9,434)	
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	-	(296)	-	(437)	(733)	-	-	-	(733)	
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	
Depreciation	折舊	(5)	(1,119)	-	(326)	(1,450)	-	-	-	(1,450)	
Interest expense	利息開支	-	(9,985)	-	(846)	(10,831)	-	-	-	(10,831)	
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	-	(45)	-	(106)	(151)	-	-	-	(151)	

(c) Revenue from major products and services:

(c) 來自主要產品及服務之收入：

		Continuing operations 持續經營業務		Discontinued operations 已終止業務		Consolidated 綜合	
		2012 二零一二年	2011 二零一一年	2012 二零一二年	2011 二零一一年	2012 二零一二年	2011 二零一一年
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Tree felling service income	伐木服務收入	5,396	343,671	-	-	5,396	343,671
Sales of forestry and timber products	銷售木材及木料產品	110,220	522,984	-	-	110,220	522,984
		115,616	866,655	-	-	115,616	866,655

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綜合財務報告附註

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

6. SEGMENT REPORTING (continued)

Geographical information

The following is an analysis of geographical location of (i) the Group's revenue from external customers and (ii) the Group's non-current assets. The geographical locations of customers refers to the locations at which the customers reside. The Group's non-current assets include property, plant and equipment, biological assets, intangible assets and goodwill. The geographical locations of property, plant and equipment and biological assets is based on the physical locations of the asset under consideration. In the case of intangible assets and goodwill, the allocation is based on the location of the operation.

6. 分部報告(續)

地區資料

以下為(i)本集團來自外界客戶之收入；及(ii)本集團非流動資產之地區分析。客戶地區指客戶所在之地區。本集團之非流動資產包括物業、廠房及設備、生物資產、無形資產及商譽。物業、廠房及設備以及生物資產之地區為相關資產本身位處之地點。無形資產及商譽按所屬營運地區分配。

		Revenue from external customers		Non-current assets	
		來自外界客戶之收入	非流動資產	來自外界客戶之收入	非流動資產
		2012	2011	2012	2011
		二零一二年	二零一一年	二零一二年	二零一一年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
Continuing operations	持續經營業務				
Europe	歐洲	—	1,756	—	—
North America	北美洲	111	2,562	—	—
South America	南美洲	5,921	346,314	1,422,778	3,119,965
Asia Pacific (other than Hong Kong)	亞太區(不包括香港)	109,584	516,023	3,049	101
Hong Kong (place of domicile)	香港(居籍地點)	—	—	2,646	2,149
		115,616	866,655	1,428,473	3,122,215
Discontinued operations	已終止業務				
Asia Pacific (other than Hong Kong)	亞太區(不包括香港)	—	—	—	—
Hong Kong (place of domicile)	香港(居籍地點)	—	—	—	—
		—	—	—	—
		115,616	866,655	1,428,473	3,122,215

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6. SEGMENT REPORTING (continued)

Information about major customers

Revenue from customers contributing 10% or more of the total revenue of the Group are as follows:

		2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
Continuing operations	持續經營業務		
Customer A — revenue from tree felling service — Brazil	客戶A — 來自伐木服務之收入 — 巴西	—	343,671
Customer B — revenue from sales of forestry and timber products — China	客戶B — 來自銷售木材及木料產品之收入 — 中國	—	174,634
Customer C — revenue from sales of forestry and timber products — China	客戶C — 來自銷售木材及木料產品之收入 — 中國	—	170,653
Customer D — revenue from sales of forestry and timber products — China	客戶D — 來自銷售木材及木料產品之收入 — 中國	—	165,407
Customer E — revenue from sales of forestry and timber products — China	客戶E — 來自銷售木材及木料產品之收入 — 中國	27,910	—

7. REVENUE

Revenue represents the net invoiced value of goods sold, after allowances for returns and trade discounts and revenue from tree felling service.

An analysis of revenue is as follows:

7. 收入

收入指經扣除退貨及商業折扣備抵後出售貨品之發票淨值以及伐木服務之收入。

收入分析如下：

	Continuing operations		Discontinued operations		Consolidated		
	持續經營業務		已終止業務		綜合		
	2012	2011	2012	2011	2012	2011	
	二零一二年	二零一一年	二零一二年	二零一一年	二零一二年	二零一一年	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	
Tree felling service income	伐木服務收入	5,396	343,671	—	—	5,396	343,671
Sales of forestry and timber products	銷售木材及木料產品	110,220	522,984	—	—	110,220	522,984
		115,616	866,655	—	—	115,616	866,655

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8. OTHER INCOME AND OTHER NET LOSS

8. 其他收入及其他虧損淨額

		Continuing operations		Discontinued operations		Consolidated	
		持續經營業務		已終止業務		綜合	
		2012	2011	2012	2011	2012	2011
		二零一二年	二零一一年	二零一二年	二零一一年	二零一二年	二零一一年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Other income	其他收入						
Rental income	租金收入	29	23	451	529	480	552
Others	其他	4,095	478	—	783	4,095	1,261
		4,124	501	451	1,312	4,575	1,813
Other net loss	其他虧損淨額						
Net exchange (loss)/gain	匯兌(虧損)/收益淨額	(35,536)	18,281	(1,284)	671	(36,820)	18,952
Write off of trade receivables (Note i)	撇銷應收貿易款項(附註i)	(299,086)	—	—	—	(299,086)	—
Write off of timber logs (Note ii)	撇銷原木木材(附註ii)	—	(272,482)	—	—	—	(272,482)
Waiver of liabilities by creditors (Note iii)	債權人豁免負債(附註iii)	—	108,274	—	—	—	108,274
Rental expenses (Note iv)	租金開支(附註iv)	(13,745)	—	—	—	(13,745)	—
Waiver of consideration payable (Note v)	豁免應付代價(附註v)	71,183	—	—	—	71,183	—
Change in fair value of financial liabilities (Note 35)	財務負債公平值變動(附註35)	2,700	—	—	—	2,700	—
		(274,484)	(145,927)	(1,284)	671	(275,768)	(145,256)

Notes:

- (i) In March 2011, the Group purchased logs and timber from independent suppliers in Democratic Republic of Congo ("DRC") and Virginia, USA and sold them at a total sale prices of approximately HK\$396 million to some PRC customers who are independent to the Group and its directors on an ex-yard basis. Ex-yard means the seller was required to deliver the goods to its yard. All other transportation costs and risks are assumed by the buyers. The customers inspected and accepted the goods sold at the respective designated yards in DRC and USA. The sales contracts were signed under Hong Kong laws. According to the terms and conditions of the sales contracts, the customers were responsible for arranging transportation after inspection and acceptance of delivery.

In April 2011, China placed a ban on importation of logs from Virginia, USA. No one could move any logs originated from Virginia to China. The ban was only lifted, on a test basis, beginning 1 June 2012.

附註：

- (i) 於二零一一年三月，本集團向非洲剛果民主共和國(「剛果」)及美國弗吉尼亞州之獨立供應商採購原木及木材，再按離岸價格碼頭交貨基準合共約港幣396,000,000元之售價銷售予若干獨立於本集團及其董事之中國客戶。離岸價格碼頭交貨規定賣家須付運貨品至其碼頭。所有其他運輸成本及風險概由買家承擔。客戶分別於剛果及美國之指定碼頭檢驗及接收所售貨品。銷售合約乃根據香港法例簽訂。根據銷售合約之條款及條件，客戶須負責於驗收後自行安排貨運。

於二零一一年四月，中國禁止進口美國弗吉尼亞州之原木，原產地為弗吉尼亞州之原木一概不得輸入中國。自二零一二年六月一日起，禁令僅按試行基準獲解除。

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8. OTHER INCOME AND OTHER NET LOSS (continued)

Notes: (continued)

- (i) The Group understood that Chinese customs places ban on importation of products and goods from time to time. These bans may be politically motivated as retaliations to discriminatory policies against Chinese goods by foreign countries. Bans based on such motivations may be difficult for market participants to predict the duration. The Group was not aware of any similar rationale behind the April 2011 ban which stemmed from pests being found in some shipments from those selected states involved. Pest problems in general should be easily addressed by proper fumigation. Based on public information, the US government from those states involved seemed to be working actively and immediately to resolve the problem with the Chinese customs. In addition, the views of the Group's sales in the PRC and market views collected by them indicated that the concerns could be resolved quickly. As such, the Group believed that the ban would be short-lived.

Concurrently, the customers began looking for vessels to transport the African logs and timber from DRC to China since signing of the sales contracts. It proved to be very difficult to secure vessels as there are limited choice of shipping lines due to the perceived security risks associated with DRC, the limiting conditions of the port and the lack of proper port facilities for loading. The Group tried to assist the customers out of courtesy but was also not successful.

Timber prices in China began to soften in the second half of 2011 and continued with a downward trend for the rest of the year. Demand and prices dropped significantly after Chinese New Year in February 2012 generally due to poor housing market and negative economic outlook in China.

The sales contracts required payments be made in five installments by the customers with the last of the installments paid by 31 August 2011. Up to 20 December 2012, only a total of approximately HK\$84 million was collected from the customers. No further payments were received from the PRC customers since July 2011. The Group requested the customers to settle the outstanding payments due to it numerous times while understanding the unusual circumstances surrounding the delays in shipment of the goods sold both from the USA and DRC to China. When considering to allow the customers to make deposit payments slower than the original plan, the Company took into consideration amongst other factors that it may physically block the movement of the logs and timber if payments received were not adequate to cover the quantity of logs and timber that the buyers ship. The physical block would be feasible as the Brazilian logs sold were stored inside the hydropower plant at our log yards; and the African logs and timber sold were stored at our supplier's warehouse at the port which we helped to arrange.

Timber prices began decreasing during the last quarter of 2011 and dropped significantly and suddenly during the first quarter of 2012 due to slow down in the Chinese housing market and economy. The customers notified the Group its intention to default on the contracts in May 2012. After repeated unsuccessful attempts in collecting the outstanding receivables from the PRC customers, the Group agreed with the African and US suppliers to terminate its purchase agreements with them on 31 May 2012. The African and US suppliers took back the logs and timber with no further liabilities due from the Group. The Group understood that the supplier sold the logs in the domestic market with some profit after taking back the logs.

8. 其他收入及其他虧損淨額(續)

附註：(續)

- (i) 本集團了解到，中國海關會不時就進口產品及貨品下達禁令。該等禁令可能出於政治動機報復外國對中國貨品之歧視政策。市場參與者可能難以預測基於該等動機下達之禁令之持續時間。本集團並不知悉二零一一年四月之禁令背後有任何類似理據，惟於該等有關數個州份之若干批次貨物中發現害蟲。害蟲問題一般可以適當蒸熏消毒方法輕易處理。根據公開資料，有關美國州政府一直積極工作，並即時與中國海關解決有關問題。此外，基於有關本集團在中國銷售之意見及其所收取之市場意見，均顯示有關憂慮將很快得以消除。因此，本集團相信該禁令將屬短暫性質。

與此同時，客戶自簽訂銷售合約後開始找尋船隻從剛果運送非洲原木及木材至中國。由於意識到與剛果相關之安全風險、港口之限制條件及缺乏正規港口裝載設施，可供揀選之船運公司不多，故客戶難以覓得船隻。本集團出於好意試圖協助客戶，但亦無功而還。

中國木材價格於二零一一年下半年開始回軟，並於年內餘下時間持續呈下降趨勢。需求及價格於二零一二年二月農曆新年後大幅下跌，大抵因中國樓市疲弱及經濟前景欠佳所致。

銷售合約要求客戶須分五期付款，而最後一期款項須於二零一一年八月三十一日前支付。截至二零一二年十二月二十日，僅從客戶收訖合共約港幣84,000,000元。自二零一一年七月起再無收到中國客戶之貨款。本集團多次要求客戶償還應付本集團之欠款，惟理解周圍之不尋常情況引致從美國及剛果裝運已售貨品至中國之延誤。當考慮讓客戶以較原訂計劃長之時間支付訂金時，除其他因素外，本公司亦考慮到倘所收取款項不足以償付買家裝運原木及木材之數量，則有可能阻礙運送原木及木材。由於所售巴西原木存放於我們的原木場地之水力發電廠內，則或會出現有關阻礙；而所售非洲原木及木材則存放於我們協助安排位於港口之供應商倉庫內。

木材價格於二零一一年第四季開始下滑，其後因中國樓市及經濟放緩而於二零一二年第一季急遽下跌。於二零一二年五月，多名客戶知會本集團其有意違約。在多次嘗試向中國客戶催收應收款項不果後，本集團與非洲及美國之供應商分別於二零一二年五月三十一日達成協議，終止本集團與彼等所訂之購買協議。非洲及美國供應商收回原木及木材，再無任何應收本集團之負債。據本集團了解，供應商於收回原木後已於國內市場出售原木並從中獲利。

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8. OTHER INCOME AND OTHER NET LOSS (continued)

Notes: (continued)

- (i) The Group is consulting legal advice from its Hong Kong lawyer and is preparing to take legal actions against the PRC customers for breach of contract and loss of profit. At present, it is uncertain as to the amount that may be recovered from the PRC customers and whether the courts of Hong Kong will be the convenient forum to handle the claims against these PRC companies. As such, the Group considers that the value of the total receivable outstanding with these PRC customers of HK\$299 million is impaired and the amount should be written off.

In hindsight, the customers may have underestimated the difficulties in sourcing transportation for such volume of timber and logs. Also, the slowdown of the housing market and the drop in timber prices in China that began in the fourth quarter of 2011 was not anticipated by the customers or the Group. These factors together contributed to the default by the customers eventually.

At the time of publishing the 31 March 2011 results on 29 June 2011, the intention to default by the customers was not known to the Group and as mentioned previously, there was no objective evidence of impairment. In June/July 2011, while it might have been difficult, the Group did not consider that it was impossible to secure vessels. The Group's senior logistic manager went to DRC in July 2011. After his trip, for the Group's other purchases, he was able to arrange one vessel that departed in July 2011 and one vessel for departure in September 2011. Accordingly, the Company did not consider the business of the Group at the time would be adversely affected, and on disclosure, impairment or announcement was considered necessary.

- (ii) In December 2009, a decree was issued by the state government of Rondonia, Brazil, allowing round logs relating to the tree felling service contract for the construction of hydropower plant in Rondonia to be exported overseas without any processing. The Group planned to export the round logs overseas. Contrary to the decree by the Rondonia state government, during the year ended 31 March 2011, Instituto Brasileiro do Meio Ambiente e dos Recursos Naturais Renováveis ("IBAMA"), the Brazilian Ministry of the Environment's Enforcement Agency, notified the Group that logs of all sizes obtained from the abovementioned tree felling service contract must be processed before export citing forestry laws in connection with restrictions on exportation of logs from sustainably managed forests. The Group disagreed with IBAMA's position and contested. However, after numerous attempts and negotiations, IBAMA maintained its position. After the assessment of the higher processing costs, management believes that the estimated net realizable value of certain logs should be zero and therefore, the Group decided and wrote off those logs with a total carrying amount of approximately HK\$272 million in the year ended 31 March 2011.
- (iii) During the year ended 31 March 2011, upon notification by IBAMA of the export restriction described in note (ii) above, the Group negotiated with the contractor and the subcontractor which carried out tree felling services for the Group to waive the accrued related fees. The total accrued fees waived were HK\$108 million.

8. 其他收入及其他虧損淨額(續)

附註：(續)

- (i) 本集團現正徵詢香港律師之法律意見，並準備就違約及利潤損失向中國客戶採取法律行動。目前，本集團未能確定可從中國客戶收回之金額，以及香港法院是否為向該等中國公司提出索償之合適訴訟地。因此，本集團認為來自該等中國客戶之尚未償還應收款項總額港幣299,000,000元為已減值及應撇銷該款項。

事後證明，客戶可能低估為有關數量之木材及原木找尋運輸之困難。此外，客戶或本集團始料不及中國樓市及木材價格會於二零一一年第四季放緩及下跌。集合該等因素致令客戶最終違約。

於二零一一年六月二十九日刊登二零一一年三月三十一日業績時，本集團未得知客戶有意違約，而誠如上文所述，概無減值之客觀證據。於二零一一年六月／七月，雖然可能遭遇困難，惟本集團不認為會無法覓得船隻。本集團高級物流經理於二零一一年七月曾到訪剛果。該行程後，彼已就本集團其他購買安排一艘船隻於二零一一年七月開出，而另一艘船隻於二零一一年九月開出。因此，本公司當時不認為本集團業務會受到不利影響，亦不認為有需要披露減值或刊發公告。

- (ii) 於二零零九年十二月，巴西朗多尼亞州州政府頒佈法令，容許就有關於朗多尼亞州興建水力發電廠之伐木服務合約所欲伐之圓木無需經過任何加工而出口國外。本集團計劃出口圓木至國外。截至二零一一年三月三十一日止年度內，巴西環境部執行機關(Instituto Brasileiro do Meio Ambiente e dos Recursos Naturais Renováveis)通知本集團，引用有關限制持續管理森林之木材出口之林業法例，經上述伐木服務合約取得之所有大小原木出口前均必須加工，推翻朗多尼亞州政府之法令。本集團不認同巴西環境部執行機關之立場並提出反對。然而，經過多次嘗試及磋商，巴西環境部執行機關仍堅持其立場。在評估較高之加工成本後，管理層相信若干原木之估計可變現淨值應為零，因此，本集團決定並於截至二零一一年三月三十一日止年度撇銷賬面值共約港幣272,000,000元之原木。
- (iii) 截至二零一一年三月三十一日止年度內，在獲得巴西環境部執行機關通知有關上述附註(ii)所述之出口限制後，本集團與為本集團提供伐木服務之承包商及分包商磋商豁免相關累計費用。獲豁免之累計費用總額為港幣108,000,000元。

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8. OTHER INCOME AND OTHER NET LOSS (continued)

Notes: (continued)

- (iv) On 1 January 2012, Universal Timber Resources Do Brasil Participacao LTDA (“UTRB”), a wholly owned subsidiary of the Company in Brazil, entered into an agreement with Berena Business Corp (“Berena”) to terminate an acquisition memorandum of understanding dated 1 June 2009 and its related supplemental agreement dated 28 March 2011 (Please refer to Note 24 for details).
- (v) On 2 August 2011, the Group acquired the entire issued share capital of Originate Tech Global Investments Limited (“Originate Tech”) for a total consideration of 769,230,769 shares. Originate Tech is an investment holding company and its Hong Kong and PRC subsidiaries are collectively referred to as “Zhongshan Operations”. Consideration shares are payable in three tranches with the second and third tranches contingent upon meeting net profit guarantee. Consideration payable represented the fair value of tranche 2 and 3 shares valued at the time of acquisition, and the amount is extinguished at the end of the financial year ended 31 March 2012 as the net profit guarantee was not met. Details of the acquisition and the net profit guarantee are outlined in Note 42.

9. LOSS ON BUSINESS DISRUPTION

Write off of trade receivables	撤銷應收貿易款項
Write off of timber logs	撤銷原木木材
Waiver of service fee payables	豁免服務費應付款項

2012	2011
二零一二年	二零一一年
HK\$'000	HK\$'000
港幣千元	港幣千元

114,274	—
233,572	—
(12,205)	—
335,641	—

In November 2009, UTRB and a main contractor being an independent third party of the Group (“Main Contractor”) entered into a service agreement, pursuant to which the Main Contractor engaged UTRB to provide tree felling services in the hydropower plant in Rondonia, Brazil. The main contract was signed between the operator of the hydropower plant and the Main Contractor.

In May 2010, the alleged agent (“Alleged Agent”) of the Main Contractor’s owner started negotiation with UTRB for the proposed sale of the equity interest of the Main Contractor to UTRB (the “Proposed Deal”). UTRB was not satisfied with the results of due diligence exercise on the Main Contractor and the Alleged Agent failed to provide proper authorization document from the equity-owner of the Main Contractor to proceed with the Proposed Deal. As such, the Proposed Deal did not materialize.

8. 其他收入及其他虧損淨額(續)

附註：(續)

- (iv) 於二零一二年一月一日，本公司於巴西之全資附屬公司 Universal Timber Resources Do Brasil Participacao LTDA (「UTRB」) 與 Berena Business Corp (「Berena」) 訂立協議，以終止日期為二零零九年六月一日之收購諒解備忘錄及其日期為二零一一年三月二十八日之相關補充協議，有關詳情請參閱附註24。
- (v) 於二零一一年八月二日，本集團以總代價 769,230,769 股股份收購創科環球投資有限公司 (「創科」) 全部已發行股本。創科為一家投資控股公司，其香港及中國附屬公司統稱「中山業務」。代價股份分三批支付，第二批及第三批或然代價須待達成純利保證後，方告作實。應付代價指於收購時第二批及第三批股份之公平值，而由於純利保證未能達成，故該金額於截至二零一二年三月三十一日止財政年度失效。純利保證於附註42提述。

9. 業務干擾之虧損

於二零零九年十一月，UTRB與主承包商 (「主承包商」，為本集團之獨立第三方) 訂立服務協議，據此，主承包商委聘 UTRB 在巴西朗多尼亞州之水力發電廠提供伐木服務。水力發電廠之經營者與主承包商簽訂主合約。

於二零一零年五月，主承包商擁有人之指稱代理 (「指稱代理」) 開始與 UTRB 就向 UTRB 建議銷售主承包商之股本權益 (「建議交易」) 進行磋商。UTRB 對主承包商之盡職審查結果並不滿意，而指稱代理無法提供由主承包商之權益擁有人發出之適當授權文件以進行建議交易。因此，建議交易無法實現。

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9. LOSS ON BUSINESS DISRUPTION (continued)

Since around February 2011, UTRB and some of the senior officers of the Company have been receiving threatening emails and phone calls from the Alleged Agent extorting money including that payable under the Proposed Deal. It is also believed that the Alleged Agent has published or procured the publication on internet and articles posing serious accusations against the Group on its integrity and manner of doing business. The Alleged Agent has also harassed the Group's staff with constant emails, phone calls, sms and numerous personal visits to UTRB's office premises.

As a result of the above events, ("Events"), UTRB made a police report with the Sao Paulo State Police Department on 10 October 2011. The alleged accusations against the Group and its business have adversely affected the reputation, business and operations of the Group in Rondonia. Further, since the occurrence of the above Events, the relationship between the Group and the Main Contractor deteriorated. In August 2011, unrelated to the Events and the operations of the Group in the power plant, hydropower plant operator terminated the main contract with the Main Contractor. Thereafter, UTRB was rejected access to the hydropower plant. During the year, inventories amounting to R\$51 million (or approximately HK\$234 million translated at the relevant average exchange rate for the year ended 31 March 2012) kept inside the hydropower plant.

In March 2011, the Group sold logs located inside the hydropower plant at total sale prices of approximately HK\$114 million to some PRC customers who are independent to the Group and its directors. The customers inspected and accepted the goods sold at the respective designated yards in DRC and USA. The sales contracts were signed under Hong Kong laws. According to the terms and conditions of the sales contracts, the customers were responsible for arranging transportation after inspection and acceptance of delivery. The abovementioned sold logs at the hydropower plant were part of the goods sold under sales contracts that also included other timber products from Africa and USA. The sold logs remained inside the hydropower plant up to the time when UTRB was denied access to the hydropower plant in September 2011. For goodwill with these PRC customers, the Group negotiated and agreed with PRC customers that it will not demand for payment of the outstanding trade receivables in the sum of HK\$114 million relating to the logs kept at the hydropower plant. The Group arrived at the decision to write off the trade receivables of approximately HK\$114 million after considering: (1) that the denial of access to the hydropower plant where the sold logs were kept was completely unrelated to the buyers and not their fault. After all, the Group, as seller, was not able to enter into the hydropower plant site itself; (2) approximately HK\$396,420,524 was still outstanding on the sales contracts relating to African and US logs and timber; (3) that Group believes there would be continued and additional businesses with these customers; and (4) that the Group did not believe it could collect the sum of HK\$114 million from the customers without jeopardizing the remaining portion of the contracts particularly under the circumstances of the denial of access to the hydropower plant.

9. 業務干擾之虧損(續)

大概自二零一一年二月以來，UTRB及本公司若干高級職員直接獲指稱代理勒索金錢之恐嚇電郵及電話，包括建議交易項下之應付款項。本集團亦相信指稱代理曾於互聯網上發表或促成發表文章，對本集團之誠信及營商手法提出嚴重指控。指稱代理亦不斷以電郵、電話、手機短訊甚至多次親自走訪UTRB之辦公室騷擾本集團員工。

鑑於上述事件(「事件」)，UTRB於二零一一年十月十日向聖保羅警處報案。該等對本集團及其業務作出之聲稱指控已對本集團於朗多尼亞州之聲譽、業務及營運構成不利影響。此外，自從發生上述事件，本集團與主承包商之關係惡化。於二零一一年八月，在與事件及本集團在發電廠內進行之業務無關之情況下，水力發電廠之經營者終止與主承包商訂立之主合約。其後，UTRB被拒絕進入水力發電廠。於年內，合共51,000,000雷亞爾(或按截至二零一二年三月三十一日止年度之相關平均匯率換算，約港幣234,000,000元)之存貨存放於水力發電廠內。

於二零一一年三月，本集團以總售價約港幣114,000,000元向若干獨立於本集團及其董事之中國客戶出售存放於水力發電廠內之原木。客戶分別於剛果及美國之指定碼頭檢驗及接收所售貨品。銷售合約乃根據香港法例簽訂。根據銷售合約之條款及條件，客戶須負責於驗收後自行安排貨運。上述所出售存放於水力發電廠之原木為銷售合約項下之部分出售貨品，另外亦包括非洲及美國之其他木材產品。截至UTRB於二零一一年九月被拒絕進入水力發電廠，所出售之原木仍存放於水力發電廠內。基於與此等中國客戶關係良好，本集團與中國客戶協商及同意本集團將不會要求客戶支付存放於水力發電廠之原木合共港幣114,000,000元之應收貿易賬款。經考慮：(1)本集團被拒絕進入存放出售原木之水力發電廠一事完全與買家無關亦並非彼等之過失。畢竟，本集團作為賣家本身未能進入水力發電廠；(2)有關非洲及美國原木及木材之銷售合約項下約港幣396,420,524元仍未償付；(3)本集團相信其將會與該等客戶繼續進行其他業務；及(4)本集團並不認為其可向客戶收回合共港幣114,000,000元，而不會損害合約餘下部分，特別是在被拒絕進入水力發電廠之情況下，故本集團已落實撇銷應收貿易款項約港幣114,000,000元。

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9. LOSS ON BUSINESS DISRUPTION (continued)

The Group is consulting legal counsels for the possible civil legal actions against the Alleged Agent and/or the Main Contractor in relations to the above Events and the blockage on the Group to operate in the hydropower plant. In light of the above matters which may adversely affect the Group's operations and prospects in Rondonia, the Group decided to write off R\$51 million (or approximately to HK\$234 million translated at the relevant average exchange rate for the year ended 31 March 2012) for the full carrying value of the logs and the trade receivables with PRC customers of HK\$114 million during the year.

The Group has also retained criminal lawyer to assist UTRB and its staff (including its departed staff) with the ongoing investigations by police in Brazil into the Events and various filings by our staff against the Alleged Agent.

9. 業務干擾之虧損(續)

本集團現正諮詢法律顧問之意見，可能就該等事件及本集團被阻撓於水力發電廠營運向指稱代理及／或主承包商提出民事法律訴訟。考慮到上述事宜可能對本集團於朗多尼亞州之業務及前景構成不利影響，本集團於年內決定撇銷原本全部賬面值51,000,000雷亞爾(或按截至二零一二年三月三十一日止年度之相關平均匯率換算，約港幣234,000,000元)及應收中國客戶之貿易款項港幣114,000,000元。

配合巴西警方現正就事件進行調查以及本集團員工向指稱代理作出之舉報，本集團亦已聘請刑事律師協助UTRB及其員工(包括其已離職員工)。

10. OTHER OPERATING EXPENSES

	Continuing operations		Discontinued operations		Consolidated		
	持續經營業務		已終止業務		綜合		
	2012	2011	2012	2011	2012	2011	
	二零一二年	二零一一年	二零一二年	二零一一年	二零一二年	二零一一年	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	733	151	—	—	733	151
Write off of intangible assets (Note 28(a))	撇銷無形資產(附註28(a))	—	—	—	9,926	—	9,926
Write down of timber logs (Note i)	撇減原木木材(附註i)	1,781	—	—	1,000	1,781	1,000
Write off of other receivables (Note ii)	撇銷其他應收款項(附註ii)	9,434	28	—	396	9,434	424
Impairment loss of intangible assets (Note 20)	無形資產之減值虧損(附註20)	45,205	—	—	—	45,205	—
Impairment loss of goodwill (Note iii)	商譽減值虧損(附註iii)	1,462,118	—	—	—	1,462,118	—
		1,519,271	179	—	11,322	1,519,271	11,501

Notes:

- (i) After the financial year ended 31 March 2012, UTRB entered into a sales agreement with a third party to purchase its logs inventory located at the yard inside the Brazil forest. The amount represented the estimated net loss on sale of logs inventory. The access road to the yard was destroyed during the rainy season and is being repaired as of the date of this report. Once completed, the Group will begin delivering the logs inventory to the buyer and receiving sales proceeds.
- (ii) Write off of other receivables included primarily prepaid service fees paid to vendors, advanced deposits paid to suppliers and other miscellaneous receivables that the suppliers, vendors defaulted on or were unable to return upon termination. Particularly, included in the amount is the write off of an advanced deposit of R\$840,000 (or approximately to HK\$3,869,000) paid to a third party under a Partnership Harvesting Agreement in Brazil. Please refer to Note 46(d) for more details.
- (iii) Impairment loss on goodwill is a non-cash item resulting from the annual revaluation of the cash-generating unit of the segments of sustainable forest management and Zhongshan Operations. Please refer to Note 22 for details.

附註:

- (i) 截至二零一二年三月三十一日止財政年度後，UTRB與第三方訂立銷售協議，以購買其位於巴西森林內場地之原木存貨。有關金額指銷售原木存貨之估計虧損淨額。前往場地之道路於雨季被毀，於本報告日期正在修復。一旦完成修復，本集團將開始運送原木存貨至買方，並收取銷售所得款項。
- (ii) 撇銷其他應收款項主要包括支付予賣方之預付服務費、向供應商支付之預付訂金以及供應商及賣方於終止時拖欠或未能償還之其他應收雜項費用。特別是，該款項包括根據巴西之夥伴伐木協議向第三方支付之撇減預付訂金840,000雷亞爾(或約港幣3,869,000元)。進一步詳情請參閱附註46(d)。
- (iii) 商譽減值虧損為每年重估可持續森林管理分部之現金產生單位及中山業務所產生之非現金項目。詳情請見附註22。

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11. (LOSS)/PROFIT BEFORE TAXATION

The Group's (loss)/profit before taxation is arrived at after charging/(crediting):

11. 除稅前(虧損)/溢利

本集團除稅前(虧損)/溢利乃經扣除/(計入)下列各項後得出：

	Notes 附註	Continuing operations 持續經營業務		Discontinued operations 已終止業務		Consolidated 綜合			
		2012	2011	2012	2011	2012	2011		
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元		
(a) Net finance costs		(a) 融資費用淨額							
Finance income on financial assets not at fair value through profit or loss			並非按公平值計入損益賬之財務資產之融資收入	(486)	(63)	—	—	(486)	(63)
Finance costs		融資費用							
Interest on loans and other borrowings wholly repayable within five years			須於五年內悉數償還貸款及其他借貸之利息	5,973	4,338	—	—	5,973	4,338
Interest on promissory notes	38	129	承付票據之利息	129	847	—	—	129	847
Interest on amounts due to shareholders	48(b)	8,463	應付股東款項之利息	8,463	4,937	—	—	8,463	4,937
Interest on amount due to a related company	48(b)	48	應付一家關連公司款項之利息	48	703	—	—	48	703
Interest on loan from a related company	48(b)	1,164	應收一家關連公司貸款之利息	1,164	—	—	—	1,164	—
Finance charges on obligations under finance leases		13	融資租約承擔之融資開支	13	6	—	—	13	6
Total interest expenses on financial liabilities not at fair value through profit or loss		15,790	並非按公平值計入損益賬之財務負債之利息開支總額	15,790	10,831	—	—	15,790	10,831
		15,304		15,304	10,768	—	—	15,304	10,768
(b) Staff costs (including directors' remuneration)		(b) 員工成本(包括董事酬金)							
Salaries, wages and other benefits		51,260	薪金、工資及其他福利	51,260	29,570	—	—	51,260	29,570
Pension scheme contributions		1,444	公積金計劃供款	1,444	360	—	—	1,444	360
Equity-settled share-based payment	40	(2,426)	以股權結算之股份付款	(2,426)	23,319	—	—	(2,426)	23,319
		50,278		50,278	53,249	—	—	50,278	53,249

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11. (LOSS)/PROFIT BEFORE TAXATION (continued)

11. 除稅前(虧損)/溢利(續)

		Notes 附註	Continuing operations 持續經營業務		Discontinued operations 已終止業務		Consolidated 綜合	
			2012	2011	2012	2011	2012	2011
			二零一二年	二零一一年	二零一二年	二零一一年	二零一二年	二零一一年
			HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
(c) Other items	(c) 其他項目							
Cost of inventories*	存貨成本*	25	347,436	521,384	—	1,000	347,436	522,384
Amortisation	攤銷		2,389	—	—	—	2,389	—
Depreciation	折舊		1,654	1,450	—	—	1,654	1,450
Minimum lease payments under operating leases for land and buildings (including directors' quarters)	土地及樓宇 (包括董事宿舍) 經營租約之最低 租金付款		4,483	3,170	27	72	4,510	3,242
Auditor's remuneration	核數師酬金							
— audit services	— 審核服務		1,072	1,203	254	315	1,326	1,518
— other services	— 其他服務		600	485	—	—	600	485
			1,672	1,688	254	315	1,926	2,003
Write off of deposit paid to a supplier	撇銷向一名供應商 支付之訂金		—	44	—	—	—	44
Equity-settled share-based payment for consultants	向顧問支付以 股權結算之 股份付款	40	(587)	7,835	—	—	(587)	7,835

* Cost of inventories includes depreciation of HK\$306,000 (2011: HK\$412,000), and staff costs of HK\$Nil (2011: HK\$4,605,000), the amount of which is also included in the respective total amounts disclosed separately above.

* 存貨成本包括折舊港幣306,000元(二零一一年:港幣412,000元)及員工成本港幣零元(二零一一年:港幣4,605,000元)。有關款項亦已包括在上文分別披露之相關總額當中。

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12. DIRECTORS' REMUNERATION

Directors' remuneration disclosed pursuant to Section 161 of the Companies Ordinance (Chapter 32 of Laws of Hong Kong) is as follows:

12. 董事酬金

根據香港法例第32章公司條例第161條披露之董事酬金如下：

		2012 二零一二年				
		Salaries and other benefits	Retirement scheme contributions	Share- based payment	Total	
		Fees	薪金及 退休金 計劃供款	以股份支付	總計	
		袍金	其他福利			
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		港幣千元	港幣千元	港幣千元	港幣千元	
Executive Directors	執行董事					
LOH Jiah Yee, Katherine	樂家宜	—	1,400	337	1,749	
FLETCHER Yurk Nam, Sandy	姜若男	—	2,200	802	3,014	
SHIH Chiu, David (Appointed on 12 July 2011 and resigned on 30 September 2012)	施秋(於二零一一年 七月十二日獲委任及 於二零一二年 九月三十日辭任)	—	433	—	433	
LI Zhixiong (Appointed on 2 September 2011)	李志雄(於二零一一年 九月二日獲委任)	—	375	—	380	
		—	4,408	1,139	5,576	
Non-Executive Directors	非執行董事					
NG Tik Hong (Resigned on 11 July 2011)	吳迪康(於二零一一年 七月十一日辭任)	28	—	—	28	
LEUNG Chau Ping, Paul (Re-designated as Non-Executive Director on 6 April 2011 and resigned on 23 December 2011)	梁秋平(於二零一一年 四月六日調任為 非執行董事及 於二零一一年 十二月二十三日辭任)	87	—	(4,095)	(4,008)	
		115	—	(4,095)	(3,980)	
LEUNG Siu Hung, Joel (Re-designated as Executive Director on 4 November 2011)	梁紹雄(於二零一一年 十一月四日調任為 執行董事)	68	—	256	324	
John Tewksbury BANIGAN	John Tewksbury BANIGAN	131	—	297	428	
KEUNG Paul Hinsum	姜顯森	129	—	—	129	
Donald Smith WORTHLEY (Appointed on 4 November 2011)	Donald Smith WORTHLEY (於二零一一年 十一月四日獲委任)	61	—	—	61	
		389	—	553	942	
		504	4,408	(2,403)	2,538	

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12. DIRECTORS' REMUNERATION (continued)

12. 董事酬金(續)

		2011 二零一一年				
		Salaries and other benefits	Retirement scheme contributions	Share- based payment	Total	
		Fees	薪金及 退休金 計劃供款	以股份支付	總計	
		袍金	其他福利	以股份支付	總計	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Executive Directors		執行董事				
LOH Jiah Yee, Katherine (Appointed on 17 December 2010)	樂家宜(於二零一零年 十二月十七日獲委任)	—	349	2	44	395
FLETCHER Yurk Nam, Sandy (Appointed on 17 December 2010)	姜若男(於二零一零年 十二月十七日獲委任)	—	394	4	795	1,193
LEUNG Chau Ping, Paul (Re-designated as Non-Executive Director on 6 April 2011)	梁秋平(於二零一一年 四月六日調任為 非執行董事)	—	1,020	12	9,376	10,408
Leandro Dos Martires GUERRA (Resigned on 24 February 2011)	Leandro Dos Martires GUERRA (於二零一一年 二月二十四日辭任)	—	2,740	—	1,963	4,703
CHIU Raymond Yim (Retired on 31 August 2010)	趙炎仁(於二零一零年 八月三十一日退任)	—	379	5	51	435
		—	4,882	23	12,229	17,134
Non-Executive Director		非執行董事				
NG Tik Hong (Appointed on 8 October 2010)	吳迪康(於二零一零年 十月八日獲委任)	—	48	—	—	48
Independent Non-Executive Directors		獨立非執行董事				
LEUNG Siu Hung, Joel	梁紹雄	100	—	—	436	536
John Tewksbury BANIGAN	John Tewksbury BANIGAN	100	—	—	704	804
KEUNG Paul Hinsum (Appointed on 27 July 2010)	姜顯森(於二零一零年 七月二十七日獲委任)	68	—	—	—	68
CHU Kin Wang, Peleus (Retired on 31 August 2010)	朱健宏(於二零一零年 八月三十一日退任)	42	—	—	—	42
		310	—	—	1,140	1,450
		310	4,930	23	13,369	18,632

There was no arrangement under which a director has waived or agreed to waive any remuneration.

概無董事放棄或同意放棄任何酬金的安排。

During the year ended 31 March 2012, no emolument was paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office.

截至二零一二年三月三十一日止年度內，本集團並無向董事支付酬金，以作為彼等加入或於加入本集團時之獎勵或離職補償。

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13. INDIVIDUALS WITH HIGHEST EMOLUMENTS

The five highest paid individuals during the years included two (2011: four) directors, details of whose remuneration are set out in Note 12 above. Details of the emoluments of the remaining three (2011: one) non-director, highest paid individuals were as follows:

		The Group 本集團	
		2012 二零一二年	2011 二零一一年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Salaries and other benefits	薪金及其他福利	3,757	603
Retirement scheme contributions	退休計劃供款	14	12
Share-based payment	以股份支付	81	833
		3,852	1,448

The remuneration of the non-director, highest paid individuals fell within the following bands:

		Number of individuals 僱員數目	
		2012 二零一二年	2011 二零一一年
Nil to HK\$1,000,000	零至港幣 1,000,000 元	2	—
HK\$1,000,001 to HK\$1,500,000	港幣 1,000,001 元至港幣 1,500,000 元	—	1
HK\$1,500,001 to HK\$2,000,000	港幣 1,500,001 元至港幣 2,000,000 元	—	—
HK\$2,000,001 to HK\$2,500,000	港幣 2,000,001 元至港幣 2,500,000 元	1	—
		3	1

During the year ended 31 March 2012, no emolument was paid by the Group to such individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

13. 最高薪人士

年內五名最高薪人士包括兩名(二零一一年: 四名)董事, 有關彼等之酬金詳情載於上文附註12。餘下三名(二零一一年: 一名)最高薪非董事人士之酬金詳情如下:

		The Group 本集團	
		2012 二零一二年	2011 二零一一年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Salaries and other benefits	薪金及其他福利	3,757	603
Retirement scheme contributions	退休計劃供款	14	12
Share-based payment	以股份支付	81	833
		3,852	1,448

最高薪非董事人士之酬金介乎以下範圍:

		Number of individuals 僱員數目	
		2012 二零一二年	2011 二零一一年
Nil to HK\$1,000,000	零至港幣 1,000,000 元	2	—
HK\$1,000,001 to HK\$1,500,000	港幣 1,000,001 元至港幣 1,500,000 元	—	1
HK\$1,500,001 to HK\$2,000,000	港幣 1,500,001 元至港幣 2,000,000 元	—	—
HK\$2,000,001 to HK\$2,500,000	港幣 2,000,001 元至港幣 2,500,000 元	1	—
		3	1

截至二零一二年三月三十一日止年度內, 本集團並無向有關人士支付酬金, 以作為彼等加入或於加入本集團時之獎勵或離職補償。

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14. INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT

(a) Income tax in the consolidated income statement represents:

	Continuing operations		Discontinued operations		Consolidated	
	持續經營業務		已終止業務		綜合	
	2012	2011	2012	2011	2012	2011
	二零一二年	二零一一年	二零一二年	二零一一年	二零一二年	二零一一年
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Current tax	即期稅項					
— Hong Kong Profits Tax	— 香港利得稅					
— Provision for the year	—	42,102	—	—	—	42,102
— PRC Enterprise Income Tax	— 中國企業所得稅					
— Provision for the year	20	—	—	—	20	—
Deferred tax	遞延稅項					
— (Reversal) and origination of temporary differences	(87,125)	108,380	—	(595)	(87,125)	107,785
	(87,105)	150,482	—	(595)	(87,105)	149,887

No Hong Kong Profits Tax has been provided for in the financial statements as the Group has no assessable profit for the year.

Hong Kong Profits Tax has been provided at the rate of 16.5% (2011: 16.5%) of the estimated assessable profits arising in Hong Kong for the year ended 31 March 2012.

Brazil income tax has been provided at the rate of 34% (2011: 34%) of the estimated assessable profits arising in Brazil.

PRC subsidiaries are subject to PRC Enterprise Income Tax at 25% (2011: 25%).

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

14. 綜合收益表之所得稅

(a) 綜合收益表之所得稅代表：

由於本集團在本年度並無應課稅溢利，故並無於財務報表就香港利得稅計提撥備。

截至二零一二年三月三十一日止年度，香港利得稅根據於香港產生之估計應課稅溢利按稅率16.5%（二零一一年：16.5%）計提撥備。

巴西所得稅根據於巴西產生之估計應課稅溢利按稅率34%（二零一一年：34%）計提撥備。

中國附屬公司須繳納25%（二零一一年：25%）中國企業所得稅。

於其他司法權區產生之稅項按相關司法權區之適用稅率計算。

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14. INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT (continued)

14. 綜合收益表之所得稅(續)

(b) Reconciliation between tax expense and accounting (loss)/profit at applicable tax rates:

(b) 採用適用稅率計算之稅項開支與會計(虧損)/溢利之對賬:

		2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
(Loss)/profit before taxation	除稅前(虧損)/溢利		
— Continuing operations	— 持續經營業務	(2,419,520)	507,014
— Discontinued operations (Note 15)	— 已終止業務(附註15)	4,503	(15,634)
		(2,415,017)	491,380
Notional tax on (loss)/profit before taxation, calculated at the rates applicable to (loss)/profits in the countries concerned	按有關國家適用於(虧損)/溢利之稅率計算之除稅前(虧損)/溢利之名義稅項	(732,414)	139,428
Tax effect of non-taxable income	毋須課稅收入之稅務影響	(43,256)	(826)
Tax effect of non-deductible expenses	不可扣稅開支之稅務影響	503,624	11,795
Tax effect of unused tax losses not recognised	未確認未動用稅項虧損之稅務影響	184,941	878
Utilisation of previously unrecognised tax losses	動用過往未確認稅項虧損	—	(1,388)
Actual tax expense	實際稅項開支	(87,105)	149,887

(c) Tax effect relating to each component of other comprehensive (loss)/income

(c) 其他全面(虧損)/收益各組成部分之稅務影響

	2012 二零一二年			2011 二零一一年		
	Before tax amount 除稅前數額 HK\$'000 港幣千元	(expenses)/benefit 稅項(開支)/優惠 HK\$'000 港幣千元	Net-of-tax amount 扣除稅項後數額 HK\$'000 港幣千元	Before tax amount 除稅前數額 HK\$'000 港幣千元	(expenses)/benefit 稅項(開支)/優惠 HK\$'000 港幣千元	Net-of-tax amount 扣除稅項後數額 HK\$'000 港幣千元
Exchange differences on translation of financial statements of overseas subsidiaries	(68,659)	—	(68,659)	86,014	—	86,014
Reclassification adjustment for exchange difference relating to disposal of overseas subsidiaries	(6,364)	—	(6,364)	—	—	—
	(75,023)	—	(75,023)	86,014	—	86,014

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15. DISCONTINUED OPERATIONS

In February 2010, the Group commenced negotiations to dispose of the Chita forests operation in Russia as part of its ongoing strategy to seek forest assets or operations with better return on investments, hence improving the return to shareholders.

On 6 October 2011, the Group entered into a disposal agreement (“Disposal Agreement”) with Source Bright Limited (“Buyer”) to dispose of the Group’s entire equity interest in issued share capital of Ally Rise Limited, which held 100% equity interest in OOO Zabaikalskaya Lesnaya Kompaniya (“ZLK”) (and which in turn held 99.95% equity interests in OOO Novoles (“Novoles”) (collectively referred to as “Ally Rise Group”).

In January 2012, Novoles was declared bankrupt and one concession right previously held by it expired without renewal. In the same month, one concession right previously held by ZLK with carrying amount on 30 March 2012 of HK\$144,231,000 was expropriated by the State Forest Agency due to concession fees in arrears. The Company is assisting the Buyer to get back the two concessions and obtain additional concessions from the relevant State Forest Agencies. The parties mutually agreed to proceed with the completion of the sale and purchase of Ally Rise Limited.

On 30 March 2012, in light that it will require some time for the Buyer to get back the two concessions from the State Forest Agency and restructure the assets of the Ally Rise Group from the bankruptcy, the Company agreed to extend the payment term of the consideration. The total consideration of HK\$208,000,000 shall be paid in one lump sum within nine months upon Completion (see below for definition). All conditions precedent outlined in the Disposal Agreement (including all of its supplemental agreements) were fully satisfied and the disposal was completed on 30 March 2012 (“Completion”) pursuant to the Disposal Agreement and its supplemental agreements.

On 18 December 2012, the board approved a further extension of the due date for the Consideration upon the request by the Buyer as more time is required to complete the procedures to get back the two concessions. In granting the extension, the board has consulted Russian lawyer. Based on the legal opinion obtained, it is common that such investment application may take up to a year and in the opinion of the Russian legal counsel, the three-month extension period is adequate to obtain the final approval from the forest agency for the above two concessions. After the extension, the total consideration of HK\$208,000,000 shall be paid no later than 30 March 2013. In consideration of further extending the payment date, the Buyer will pay interests equivalent to 9.25% p.a. to the Company on the consideration outstanding from the above date until the amount is fully settled.

15. 已終止業務

於二零一零年二月，本集團開始就出售俄羅斯赤塔森林業務進行磋商，作為尋求更具佳投資回報之森林資產或業務之持續策略一部分，從而提升股東回報。

於二零一一年十月六日，本集團與焯源有限公司（「買方」）訂立出售協議（「出售協議」），以出售本集團於合昇有限公司已發行股本所持全部股本權益。合昇有限公司持有OOO Zabaikalskaya Lesnaya Kompaniya（「ZLK」）之100%股本權益，而ZLK則持有OOO Novoles（「Novoles」）之99.95%股本權益（統稱「合昇集團」）。

於二零一二年一月，Novoles宣告破產，其以往持有之一項特許權屆滿而未有重續。同月，ZLK以往持有之一項於二零一二年三月三十日賬面值為港幣144,231,000元之特許權因拖欠特許權費而被國家森林機關沒收。本公司現正協助買方向相關國家森林機關取回該兩項特許權及取得更多特許權，雙方並同意繼續完成買賣合昇有限公司之交易。

於二零一二年三月三十日，鑑於買方需要時間向國家森林機關取回該兩項特許權及自破產重組合昇集團之資產，本公司同意延長代價之付款期限。總代價港幣208,000,000元須於完成（定義見下文）後九個月內一次過支付。出售協議（包括其所有補充協議）提述之所有先決條件已全部獲達成，而出售事項已於二零一二年三月三十日根據出售協議及其補充協議完成（「完成」）。

於二零一二年十二月十八日，鑑於買方需更多時間完成取回該兩項特許權之手續，董事會批准應買方要求進一步延遲支付代價到期日。就准許延遲到期日，董事會已諮詢俄羅斯律師。根據所得法律意見，有關投資普遍需時長達一年，而俄羅斯法律顧問認為，三個月的延遲期限已足夠自林業機關取得上述兩項特許權之最終核准。延遲到期日後，總代價港幣208,000,000元須不遲於二零一三年三月三十日繳付。考慮到進一步延遲付款日期，買家將向本公司繳付相等於由上述日期直至金額全數繳付期間就未償付代價按年利率9.25%計算之利息。

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15. DISCONTINUED OPERATIONS (continued)

The Company has obtained two separate legal opinions in Russia regarding the feasibility and legality of the steps proposed by the Company and the Buyer in obtaining the two concessions back. The legal counsels had also met with the relevant State Forest Agency to confirm that those concessions were reserved for the Buyer and that such arrangement is within normal industry practices for forestry sector in Siberia. Based on their independent analyzes, they both concluded that the plan proposed by the Company and the Buyer to obtain the two concessions back are legal, reasonable and feasible.

While the Company is confident in its ability to assist the Buyer in obtaining the two concessions back, it is not possible to predict the future or outcome of its assistance relating to the concessions with hundred percent precision. The deferred nature of the consideration payable under the above disposal may cast some uncertainties in the collectability of the amount in the future. At Completion, the parties executed a charge on the entire shareholdings of Ally Rise Limited in favor of the Company. In the event of default of payment by the Buyer, the Company may exercise its right and repossess Ally Rise Group.

The operations of Chita forests were classified as discontinued operations and the gain/(loss) arising from discontinued operations are analysed as follows:

15. 已終止業務(續)

有關本公司與買方就取回該兩項特許權所建議採取之步驟之可行性及合法性，本公司已於俄羅斯取得兩個獨立法律意見。法律顧問亦與相關國家森林機關會面以確認該等特許權已為買方保留，而有關安排亦符合西伯利亞林業之一般行業慣例。根據彼等之獨立分析，彼等均認為本公司與買方就取回兩項特許權之建議乃合法、合理及可行。

儘管本公司有信心其能夠協助買方取回該兩項特許權，惟不可能百分之百準確預測其協助取回特許權之日後情況或結果。上述出售事項之應付代價之遞延性質可能令日後能否收回有關款項存在若干不明朗因素。完成時，訂約方簽立一項抵押，將合昇有限公司之全部股權抵押予本公司。倘買方拖欠還款，本公司可行使其權利收回合昇集團。

赤塔森林業務分類為已終止業務，而已終止業務產生之收益／(虧損)分析如下：

		2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
Loss after tax	除稅後虧損	(4,316)	(15,039)
Gain on disposal of discontinued operations (Note 43)	出售已終止業務之收益(附註43)	8,819	—
Profit/(loss) from discontinued operations	已終止業務之溢利／(虧損)	4,503	(15,039)

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15. DISCONTINUED OPERATIONS (continued)

The results of the discontinued operations which have been included in the consolidated income statement up to the date of disposals are as follows:

15. 已終止業務 (續)

截至出售日期止，已計入綜合收益表之已終止業務業績如下：

		Chita forests operation	
		赤塔森林業務	
		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
	<i>Notes</i>		
	<i>附註</i>		
Revenue	7	—	—
Cost of sales		—	—
Gross profit		—	—
Other income	8	451	1,312
Other net (loss)/gain	8	(1,284)	671
Selling and distribution costs		—	—
Administration expenses		(3,483)	(6,295)
Other operating expenses	10	—	(11,322)
		(3,483)	(17,617)
Loss from operations		(4,316)	(15,634)
Finance income		—	—
Finance costs		—	—
Net finance costs	11(a)	—	—
Loss before tax		(4,316)	(15,634)
Income tax	14(a)	—	595
Loss after tax		(4,316)	(15,039)
Gain on disposal of discontinued operations before tax		8,819	—
Income tax		—	—
Gain on disposal of discontinued operations, net of tax	43	8,819	—
Profit/(loss) from discontinued operations		4,503	(15,039)
Attributable to:	應佔：		
Owners of the Company	本公司擁有人	4,506	(15,029)
Non-controlling interests	非控股股東權益	(3)	(10)
		4,503	(15,039)

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15. DISCONTINUED OPERATIONS (continued)

15. 已終止業務(續)

		Chita forests operation	
		赤塔森林業務	
		2012	2011
		二零一二年	二零一一年
Notes		HK\$'000	HK\$'000
附註		港幣千元	港幣千元
Cash flow from discontinued operations	已終止業務之現金流轉		
Net cash used in operating activities	經營業務現金流出淨額	(536)	(6,408)
Net cash generated from investing activities	投資活動現金流入淨額	—	—
Net cash generated from financing activities	融資活動現金流入淨額	535	6,407
		(1)	(1)

The carrying amounts of the assets and liabilities of the discontinued operations at the date of disposal are disclosed in Note 43.

已終止業務於出售日期之資產及負債賬面值於附註43披露。

16. DIVIDENDS

Dividends payable to the owners of the Company attributable to the year:

16. 股息

本年度須向本公司擁有人派付之股息：

		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Final dividend proposed after the end of the reporting period of Nil per ordinary share (2011: HK0.45 cent per ordinary share)	於報告期間結算日後建議之每股普通股末期股息為零 (二零一一年：每股普通股港幣0.45仙)	—	22,804
Final dividend proposed after the end of the reporting period of Nil per convertible preferred share (2011: HK0.084 cent per convertible preferred share)	於報告期間結算日後建議之每股可換股優先股末期股息為零 (二零一一年：每股可換股優先股港幣0.084仙)	—	7,481
		—	30,285[#]

The final dividend proposed after the end of the reporting period has not been recognised as a liability at the end of the reporting period.

於報告期間結算日後建議之末期股息並未於報告期間結算日確認為負債。

[#] The calculation of dividends payable was based on the number of ordinary shares and convertible preferred shares on 28 June 2011.

[#] 應付股息乃按於二零一一年六月二十八日期之普通股及可換股優先股數目計算得出。

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16. DIVIDENDS (continued)

Dividends payable to owners of the Company attributable to the previous financial year, approved during the year:

Final dividend in respect of the previous financial year, approved during the year, of HK0.45 cent per ordinary shares (2011: Nil)

Final dividend in respect of the previous financial year, approved during the year, of HK0.084 cent per convertible preferred share (2011: Nil)

來自上一個財政年度並於本年度獲批准之末期股息每股普通股港幣0.45仙
(二零一一年：零)

來自上一個財政年度並於本年度獲批准之末期股息每股可換股優先股港幣0.084仙
(二零一一年：零)

16. 股息(續)

來自上一個財政年度並於本年度獲批准之應付本公司擁有人股息：

2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
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24,683	—
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7,313	—
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31,996	—
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The final dividend relating to year ended 31 March 2011 amounted to HK\$22,691,000 was paid in September 2011. Dividend payable of HK\$1,710,000 and HK\$7,595,000 were included in other payable and amount due to shareholders respectively.

有關截至二零一一年三月三十一日止年度之末期股息港幣22,691,000元已於二零一一年九月支付。應付股息港幣1,710,000元及港幣7,595,000元分別計入其他應收款項及應付股東款項。

17. LOSS ATTRIBUTABLE TO THE OWNERS OF THE COMPANY

The consolidated loss attributable to the owners of the Company includes a loss of HK\$1,625,455,000 and HK\$15,410,000 for the years ended 31 March 2012 and 2011 respectively, which has been dealt with in the financial statements of the Company.

17. 本公司擁有人應佔虧損

已於本公司財務報告處理之本公司擁有人應佔綜合虧損包括截至二零一二年及二零一一年三月三十一日止年度之虧損分別港幣1,625,455,000元及港幣15,410,000元。

Notes to the Consolidated Financial Statements

綜合財務報告附註

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

18. (LOSS)/EARNINGS PER SHARE

(a) For continuing and discontinued operations

The calculation of basic and diluted (loss)/earnings per share is based on the (loss)/profit attributable to the owners of the Company as follow and the reconciliation of the weighted average number of shares as shown in Note (d):

(Loss)/earnings	(虧損)/盈利	2012	2011
(Loss)/earnings for the purpose of basic and diluted (loss)/earnings per share	用以計算每股基本及攤薄 (虧損)/盈利之(虧損)/盈利	二零一二年	二零一一年
— (Loss)/profit attributable to the owners of the Company	— 本公司擁有人應佔 (虧損)/溢利	HK\$'000 港幣千元	HK\$'000 港幣千元
		(2,327,909)	341,486

Diluted loss per share equals to the basic loss per share for the year ended 31 March 2012 because the outstanding convertible preferred shares and share options and other potential ordinary shares in issue had an anti-dilutive effect on the basic loss per share.

(b) For continuing operations

The calculation of basic and diluted (loss)/earnings per share from continuing operations is based on the (loss)/profit attributable to the owners of the Company as follow and the reconciliation of the weighted average number of shares as shown in Note (d):

(Loss)/earnings	(虧損)/盈利	2012	2011
(Loss)/earnings for the purpose of basic and diluted (loss)/earnings per share	用以計算每股基本及攤薄 (虧損)/盈利之(虧損)/盈利	二零一二年	二零一一年
— (Loss)/profit attributable to the owners of the Company	— 本公司擁有人應佔 (虧損)/溢利	HK\$'000 港幣千元	HK\$'000 港幣千元
		(2,332,415)	356,515

Diluted loss per share equals to the basic loss per share for the year ended 31 March 2012 because the outstanding convertible preferred shares and share options and other potential ordinary shares in issue had an anti-dilutive effect on the basic loss per share.

18. 每股(虧損)/盈利

(a) 持續經營業務及已終止業務

每股基本及攤薄(虧損)/盈利乃根據以下本公司擁有人應佔(虧損)/溢利及附註(d)之股份加權平均數之對賬計算：

2012	2011
二零一二年	二零一一年
HK\$'000	HK\$'000
港幣千元	港幣千元
(2,327,909)	341,486

由於尚未行使之可換股優先股及購股權以及其他已發行潛在普通股之每股基本虧損具反攤薄影響，故截至二零一二年三月三十一日止年度之每股攤薄虧損相等於每股基本虧損。

(b) 持續經營業務

來自持續經營業務之每股基本及攤薄(虧損)/盈利乃根據以下本公司擁有人應佔(虧損)/溢利及附註(d)之股份加權平均數之對賬計算：

2012	2011
二零一二年	二零一一年
HK\$'000	HK\$'000
港幣千元	港幣千元
(2,332,415)	356,515

由於尚未行使之可換股優先股及購股權以及其他已發行潛在普通股之每股基本虧損具反攤薄影響，故截至二零一二年三月三十一日止年度之每股攤薄虧損相等於每股基本虧損。

Notes to the Consolidated Financial Statements

綜合財務報告附註

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

18. (LOSS)/EARNINGS PER SHARE (continued)

(c) For discontinued operations

Basic earnings/(loss) per share

Basic earnings per share for the discontinued operations is HK0.08 cent per share (2011: basic loss per share of HK0.44 cents) which is based on the profit from the discontinued operations of HK\$4,506,000 (2011: loss of HK\$15,029,000) and the denominators used are shown in Note (d).

Diluted earnings per share is equal to the basic earnings per share because the outstanding convertible preferred shares and share options and other potential ordinary share in issue had an anti-dilutive effect on the basic earnings per share for continuing operations for the year ended 31 March 2012.

Diluted loss per share is equal to the basic loss per share for the year ended 31 March 2011 because the outstanding convertible preferred shares and share options had an anti-dilutive effect on the basic loss per share.

(d) Weighted average number of shares

Number of Shares

Weighted average number of ordinary shares for the purpose of basic earnings per share

股份數目

用以計算每股基本盈利之普通股加權平均數

2012	2011
二零一二年	二零一一年
'000	'000
千股	千股

5,651,619	3,462,624
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Weighted average number of ordinary shares for the purpose of basic earnings per share

用以計算每股基本盈利之普通股加權平均數

2011
二零一一年
'000
千股

3,462,624

Effect of dilutive potential ordinary shares arising from conversion of convertible preferred shares

兌換可換股優先股產生之潛在攤薄普通股之影響

2,977,901

Effect of dilutive potential ordinary shares arising from share options

購股權產生之潛在攤薄普通股之影響

6,499

Weighted average number of ordinary shares for the purpose of diluted earnings per share

用以計算每股攤薄盈利之普通股加權平均數

6,447,024

18. 每股(虧損)/盈利(續)

(c) 已終止業務

每股基本盈利/(虧損)

已終止業務之每股基本盈利為每股港幣0.08仙(二零一一年：每股基本虧損港幣0.44仙)，乃根據已終止業務溢利港幣4,506,000元(二零一一年：虧損港幣15,029,000元)計算，而所用分母載於附註(d)。

由於截至二零一二年三月三十一日止年度來自持續經營業務之尚未行使可換股優先股及購股權以及其他已發行潛在普通股之每股基本盈利具反攤薄影響，故每股攤薄盈利相等於每股基本盈利。

由於尚未行使之可換股優先股及購股權之每股基本虧損具反攤薄影響，故截至二零一一年三月三十一日止年度之每股攤薄虧損相等於每股基本虧損。

(d) 股份加權平均數

Notes to the Consolidated Financial Statements

綜合財務報告附註

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

19. PROPERTY, PLANT AND EQUIPMENT

19. 物業、廠房及設備

The Group

本集團

		Freehold Lands 永久 業權土地 (Note a) (附註 a)	Furniture and fixtures 傢俬及裝置	Machinery, engineering and other equipment 機器、工程及 其他設備	Motor vehicles 汽車 (Note b) (附註 b)	Construction in progress 在建工程	Total 總計
Cost	成本						
At 1 April 2010	於二零一零年四月一日	195,307	1,963	1,948	3,158	—	202,376
Additions	添置	—	589	365	577	—	1,531
Disposals	出售	—	—	(50)	(215)	—	(265)
Exchange movement	匯兌變動	30,366	16	128	274	—	30,784
At 31 March 2011	於二零一一年三月三十一日	225,673	2,568	2,391	3,794	—	234,426
At 1 April 2011	於二零一一年四月一日	225,673	2,568	2,391	3,794	—	234,426
Acquisition of subsidiaries	收購附屬公司	—	165	—	—	—	165
Additions	添置	—	2,108	2,596	—	2,024	6,728
Disposals	出售	—	(1,760)	(5)	—	—	(1,765)
Exchange movement	匯兌變動	(22,729)	(33)	(158)	(324)	—	(23,244)
At 31 March 2012	於二零一二年三月三十一日	202,944	3,048	4,824	3,470	2,024	216,310

Notes to the Consolidated Financial Statements

綜合財務報告附註

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

19. PROPERTY, PLANT AND EQUIPMENT (continued) 19. 物業、廠房及設備(續)

The Group (continued)

本集團(續)

		Freehold Lands 永久 業權土地 (Note a) (附註a)	Furniture and fixtures 傢俬及裝置	Machinery, engineering and other equipment 機器、工程及 其他設備	Motor vehicles 汽車 (Note b, c) (附註b、c)	Construction in progress 在建工程	Total 總計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Accumulated depreciation	累計折舊						
At 1 April 2010	於二零一零年四月一日	—	768	107	208	—	1,083
Charge for the year	本年度折舊	—	387	396	667	—	1,450
Written back on disposals	出售時撥回	—	—	(4)	(20)	—	(24)
Exchange movement	匯兌變動	—	2	21	48	—	71
At 31 March 2011	於二零一一年三月三十一日	—	1,157	520	903	—	2,580
At 1 April 2011	於二零一一年四月一日	—	1,157	520	903	—	2,580
Charge for the year	本年度折舊	—	414	439	801	—	1,654
Written back on disposals	出售時撥回	—	(1,028)	(2)	—	—	(1,030)
Exchange movement	匯兌變動	—	(7)	(52)	(141)	—	(200)
At 31 March 2012	於二零一二年三月三十一日	—	536	905	1,563	—	3,004
Carrying amount	賬面值						
At 31 March 2012	於二零一二年三月三十一日	202,944	2,512	3,919	1,907	2,024	213,306
At 31 March 2011	於二零一一年三月三十一日	225,673	1,411	1,871	2,891	—	231,846

Notes:

- (a) The freehold lands are held in Amazon Brazil where the 44,500-hectare nature forest is located.
- (b) At 31 March 2012, the motor vehicles with carrying amount of HK\$196,000 (2011: HK\$533,000) are pledged for bank loan of HK\$83,000 (2011: HK\$304,000) (Note 30).
- (c) During the year ended 31 March 2012, a motor vehicle of the Group financed by the finance lease was HK\$350,000 (2011: HK\$450,000). At the end of the reporting period, the net book value of motor vehicle held under finance lease of the Group was HK\$471,000 (2011: HK\$529,000).

附註:

- (a) 永久業權土地為位於巴西亞馬遜44,500公頃天然森林所在地。
- (b) 於二零一二年三月三十一日，賬面值港幣196,000元(二零一一年：港幣533,000元)之汽車已作為銀行貸款港幣83,000元(二零一一年：港幣304,000元)之抵押(附註30)。
- (c) 截至二零一二年三月三十一日止年度內，本集團之汽車融資租為港幣350,000元(二零一一年：港幣450,000元)。於報告期間結算日時，本集團以融資租約持有之汽車之賬面淨值為港幣471,000元(二零一一年：港幣529,000元)。

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綜合財務報告附註

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

19. PROPERTY, PLANT AND EQUIPMENT (continued) 19. 物業、廠房及設備(續)

The Company

本公司

		Leasehold	Furniture	Total
		improvements	and other	
		租賃物業裝修	傢俬及其他設備	總計
		HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元
Cost	成本			
At 1 April 2010	於二零一零年四月一日	1,062	713	1,775
Additions	添置	—	—	—
At 31 March 2011 and 1 April 2011	於二零一一年三月三十一日及 二零一一年四月一日	1,062	713	1,775
Disposals	出售	(1,062)	(337)	(1,399)
At 31 March 2012	於二零一二年三月三十一日	—	376	376
Accumulated depreciation	累計折舊			
At 1 April 2010	於二零一零年四月一日	425	339	764
Charge for the year	本年度折舊	212	109	321
At 31 March 2011 and 1 April 2011	於二零一一年三月三十一日及 二零一一年四月一日	637	448	1,085
Charge for the year	本年度折舊	177	54	231
Written back on disposals	出售時撥回	(814)	(148)	(962)
At 31 March 2012	於二零一二年三月三十一日	—	354	354
Carrying amount	賬面值			
At 31 March 2012	於二零一二年三月三十一日	—	22	22
At 31 March 2011	於二零一一年三月三十一日	425	265	690

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綜合財務報告附註

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

20. INTANGIBLE ASSETS

The Group

	HK\$'000 港幣千元
Cost	
At 1 April 2010, 31 March 2011 and 1 April 2011	—
Acquisition of subsidiaries (Note 42)	47,594
At 31 March 2012	47,594
Accumulated amortisation and impairment losses	
At 1 April 2010, 31 March 2011 and 1 April 2011	—
Charge for the years	2,389
Impairment losses recognised in the year	45,205
At 31 March 2012	47,594
Carrying amount	
At 31 March 2012	—
At 31 March 2011	—

The Group acquired the patent for the “curved floor panels”, outstanding sales contracts and the registered trademark “新綠洲” through the acquisition of Originate Tech Global Investments Limited (“Originate Tech”) and its subsidiaries (collectively the “Zhongshan Operations”) on 2 August 2011 as disclosed in Note 42. These intangible assets were valued by independent valuer as at the date of acquisition at HK\$48 million.

The patent has a finite life and will expire on 2 August 2017. The patent was valued by Greater China Appraisal Limited (“GCA”), an independent qualified professional valuers not connected with the Group, with a fair value of HK\$4,419,000. GCA adopted multi-period excess earnings method at a discount rate of 18% to value the patent which is based on a financial projection cover a period of approximately 5 years approved by management. The management estimated the financial projection based on their experience and the average annual growth rate for the forecast period is 3%.

Amortisation has been provided on a straight-line basis over the remaining useful life of 6 years from the date of acquisition to 2 August 2017. The amortisation charge approximately of HK\$268,000 for the year is included in other operating expenses in the consolidated income statement.

20. 無形資產

本集團

	HK\$'000 港幣千元
成本	
於二零一零年四月一日、 二零一一年三月三十一日及 二零一一年四月一日	—
收購附屬公司(附註42)	47,594
於二零一二年三月三十一日	47,594
累計攤銷及減值虧損	
於二零一零年四月一日、 二零一一年三月三十一日及 二零一一年四月一日	—
本年度折舊	2,389
年內確認減值虧損	45,205
於二零一二年三月三十一日	47,594
賬面值	
於二零一二年三月三十一日	—
於二零一一年三月三十一日	—

誠如附註42所披露，於二零一一年八月二日，本集團透過收購創科環球投資有限公司(「創科」)及其附屬公司(統稱「中山業務」)取得「曲線地板」之專利權、未完成銷售合約及註冊商標「新綠洲」。獨立估值師就該等無形資產於收購日期所作估值為港幣48,000,000元。

專利權將於二零一七年八月二日屆滿。專利權由與本集團並無關連之獨立合資格專業估值師漢華評估有限公司(「漢華評估」)評估，其公平值為港幣4,419,000元。漢華評估基於管理層所批准涵蓋約5年期間之財務預測，採用多期間超額盈利法以貼現率18%為專利權估值。管理層根據彼等之經驗以及預測期間之平均年增長率3%估計財務預測。

攤銷以直線法於自收購日期起計至二零一七年八月二日之6年餘下可使用年期作出撥備。本年度攤銷約港幣268,000元已計入綜合收益表中其他營運開支。

Notes to the Consolidated Financial Statements

綜合財務報告附註

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

20. INTANGIBLE ASSETS (continued)

Outstanding sales contracts were unfinished contracts with a number of property developers at the acquisition date. The outstanding sales contracts were valued by GCA with a fair value of HK\$17,251,000. In valuing the outstanding sales contracts, GCA adopted a discount cashflow method using a discount rate of 17.5% to value and forecast and gross profit of each contract estimated by management.

Amortisation has been provided based on the percentage of revenue recognised on the contract. The amortisation charge approximately of HK\$2,121,000 for the year is included other operating expenses in the consolidated income statement.

Trademark is registered in China and is for the distribution of wood flooring products. The trademark was valued by GCA with a fair value of HK\$25,924,000. GCA adopted a multi-period excess earnings method using a discount rate of 18% and financial projection covering a period of approximately 5 years approved by management. The management estimated the financial projection based on their experience and an average annual growth rate of 3%.

Trademark has an indefinite useful life. The management will assess recoverable amount of the trademark and provide necessary impairment on each reporting date. The impairment for the year is included other operating expenses in the consolidated income statement.

For the year ended 31 March 2012 (first year of operations after consolidation into the Group), the results of Zhongshan Operations incurred a net loss of approximately HK\$18 million. The net loss was primarily attributable to the rapid slow down of the property market and falling property prices in the PRC. As a result of the uncertainties in the PRC economy and continued depressed timber demand and prices, the Group considers that the value of the intangible assets related to Zhongshan Operations suffered impairment. Details of the impairment are disclosed in Note 42.

The recoverable amount of the intangible assets relating to Zhongshan operations segment cash-generating unit was based on value in use and was determined with the assistance of an independent valuer.

The patent was valued by GCA with a recoverable amount of Nil. GCA adopted multi-period excess earnings method at a discount rate of 19% to value the patent which is based on a financial projection cover a period of approximately 5 years approved by management.

Outstanding sales contracts were valued by GCA with a recoverable amount of Nil. GCA adopted a discount cashflow method using a pre-tax discount rate of 18% to value and forecast and gross profit of each contract estimated by management.

The trademark was valued by GCA with recoverable amount of Nil adopted a multi-period excess earnings method using a discount rate of 20% and financial projection covering a period of approximately 5 years approved by management.

The Group decided to fully impair the carrying amount of the intangible assets, the patent, outstanding sales contracts and trademark of HK\$4,151,000, HK\$15,130,000 and HK\$25,924,000 respectively.

20. 無形資產(續)

未完成銷售合約為於收購日期與若干地產發展商之未完成合約。未完成銷售合約由漢華評值進行估值，所得出公平值為港幣17,251,000元。評值未完成銷售合約時，漢華評值採用貼現現金流量法以貼現率17.5%作出估值及預測管理層所預計各合約之毛利。

攤銷根據合約所確認之收入百分比作出撥備。本年度攤銷約港幣2,121,000元已計入綜合收益表中其他營運開支。

商標為於中國註冊，以分銷木地板產品。商標由漢華評值進行估值，所得出公平值為港幣25,924,000元。漢華評值採用多期間超額盈利法以貼現率18%及管理層所批准涵蓋約5年期間之財務預測為商標估值。管理層根據彼等之經驗以及平均年增長率3%估計財務預測。

商標並無可使用年限。管理層將評估商標之可收回金額，並於各呈報日期作出所需減值。本年度減值已計入綜合收益表中其他營運開支。

自與本集團合併以來，中山業務於營運首年截至二零一二年三月三十一日止年度產生虧損淨額約港幣18,000,000元。虧損淨額主要來自中國物業市場於短時間內放緩及中國物業價格下跌。由於中國經濟不明朗及木材需求及價格持續受壓，本集團認為與中山業務有關之無形資產已出現減值。減值詳情於附註42披露。

中山業務分部現金產生單位之可收回金額以使用價值為基礎，並在獨立估值師協助下釐定。

專利權由漢華評值評估，其可收回金額為零。漢華評值採用多期間超額盈利法，根據管理層所批准涵蓋約5年期間之財務預測以貼現率19%為商標估值。

未完成銷售合約由漢華評值評估，其可收回金額為零。漢華評值採用貼現現金流量法以稅前貼現率18%作出估值及預測管理層所預計各合約之毛利。

商標由漢華評值評估，其可收回金額為零。漢華評值採用多期間超額盈利法以貼現率20%及管理層所批准涵蓋約5年期間之財務預測為商標估值。

本集團決定就無形資產、專利權、未完成銷售合約及商標之賬面值分別為港幣4,151,000元、港幣15,130,000元及港幣25,924,000元作出全數減值。

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21. BIOLOGICAL ASSETS

The Group

		2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
At beginning of the year	於年初	1,173,150	833,323
Transfer to inventories	轉撥至存貨	(2,951)	—
Changes in fair value less costs to sell	公平值變動減銷售成本	(150,419)	250,243
Exchange movement	匯兌變動	(106,731)	89,584
At end of the year	於年終	913,049	1,173,150

The Group's forest assets, acquired through the business combination of Amplewell Holdings Limited ("Amplewell") and its subsidiaries ("Amplewell Group"), are located in the Northwest of Brazil, the State of Acre, Amazon Region (the "Brazil Forest"). At 31 March 2012 and 2011, the biological assets represent natural tropical forests. The total area of the Brazil Forest is approximately 44,500 hectares. Under the environmental laws in Brazil, 20% (2011: 15%) or 8,939 hectares (2011: 6,675 hectares) of the Brazil Forest area is the permanent preservation area and therefore is restricted from logging. At least 80% of the remaining area is designated as the sustainable forest management area and the balance is the permissible clear cut area that has no restriction on felling under the environmental laws of Brazil. In the sustainable forest management area, minimum impact logging techniques are used and forests are managed in a sustainable manner which means that the harvesting rate is below the overall natural growth of the forest. The main objective in sustainable forest management program is to ensure the substance of the forests be preserved. The maximum logging rate allowed under relevant regulations governing sustainable forest management is 30 cubic meters per hectare, an average, over a 25 to 30 year harvesting cycle.

Harvesting in Acre commenced in 2011 after a longer than expected rainy season in 2010 and the roads into the harvesting area were repaired. However, on 27 March 2012, the board decided to suspend harvesting operations in Acre for 1 year until the operating environment for UTRB is improved. As disclosed in Note 9, UTRB and its staff had been harassed by the Alleged Agent of the Main Contractor in the tree felling service project in Rondonia. Not only was the tree felling service project adversely affected by the Alleged Agent, he has also created a difficult and hostile environment for UTRB and its staff in Brazil. Since the harassments began in February 2011, the Alleged Agent harassed UTRB's staff and their family with death threats in numerous instances. The Group's employees especially in Brazil were scared and UTRB had experienced high turnover of personnel. As such, it was decided to suspend harvesting operations in Acre to address the concerns of its staff. For the year ended 31 March 2012, the Group recorded a revaluation loss on biological assets of HK\$150.4 million. The loss was primarily attributable to decrease in log prices; decrease in remeasurement of allowable harvesting area; depreciation of Brazilian Real against Hong Kong dollars; and increase in costs to sell.

21. 生物資產

本集團

		2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
At beginning of the year	於年初	1,173,150	833,323
Transfer to inventories	轉撥至存貨	(2,951)	—
Changes in fair value less costs to sell	公平值變動減銷售成本	(150,419)	250,243
Exchange movement	匯兌變動	(106,731)	89,584
At end of the year	於年終	913,049	1,173,150

本集團透過合併沛源控股有限公司(「沛源」)及其附屬公司(「沛源集團」)之業務取得之森林資產位於巴西西北部之亞克裏州亞馬遜叢林區(「巴西森林」)。於二零一二年及二零一一年三月三十一日，生物資產指天然熱帶森林。巴西森林之總面積約為44,500公頃。根據巴西之環保法律，巴西森林面積之20%(二零一一年：15%)或8,939公頃(二零一一年：6,675公頃)為永久保護區，故嚴禁在此範圍內進行砍伐。餘下範圍最少80%指定作為可持續森林管理區，根據巴西環保法，其餘範圍屬並無砍伐限制之砍伐區。在可持續森林管理範圍內，已採用構成最低影響之砍伐技術，而森林乃以可持續之方式管理，保持砍伐比率低於森林整體天然生長速度。可持續森林管理計劃之主要目的為確保森林內之林木得到保護。可持續森林管理之相關監管規例容許之最大砍伐率為於二十五至三十年之砍伐周期內平均每公頃30立方米。

經過二零一零年較預期漫長之雨季以及進入砍伐地區之道路修妥後，亞克裏州之砍伐活動於二零一一年展開。然而，於二零一二年三月二十七日，董事會決定暫停亞克裏州之伐木業務一年，直至UTRB之經營環境有所改善為止。誠如附註9所披露，UTRB及其員工在朗多尼亞州之伐木服務項目上被主承包商之指稱代理騷擾。指稱代理不單為伐木服務項目帶來不利影響，彼亦令UTRB及其員工在巴西面對艱鉅及敵對局面。自騷擾事件於二零一一年二月開始發生以來，指稱代理多次以死亡威脅騷擾UTRB員工及彼等之家人。本集團之員工，特別於巴西之員工深感恐懼，導致UTRB之員工流失率高企。因此，本集團決定暫停亞克裏州之伐木業務以解除員工之憂慮。於截至二零一二年三月三十一日止年度，本集團就生物資產錄得重估虧損港幣150,400,000元。虧損主要由於原木價格下跌、重新計量可砍伐範圍面積減少、巴西雷亞爾兌港幣匯率貶值，以及銷售成本上漲所致。

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21. BIOLOGICAL ASSETS (continued)

The forest engineer adopted a new methodology in determining the harvestable area of the Brazil forests in the technical report used for the current year's valuation. This new methodology or standard (Modeflora – Digital Model of Forest Exploration) was developed locally in Brazil by Embrapa (Brazilian Enterprise for Agricultural Research). Adoption is not mandatory by the state but recommended to the forest engineer professionals.

During the valuation process, GCA referenced to a technical report on estimation of quality and quantity of commercial and potentially commercial wood species and residues resulting from the forest exploitation issued by CAAP FORESTAL ("CAAP"). CAAP performs only once diagnostic sampling for the whole farm area under current State regulation. 100% census of the inventory will be performed to obtain a new operating license for a UPA area. In general, it is common practice by forest engineers to assume there is no change in the forest inventory as the tropical natural forestry asset is very stable within five to ten years, so there is not necessary to perform detailed sampling every year. Rain forest is a long lasting asset if without human intervention (Amazon forest is estimated to have existed for some 10 million years). Temporary hostile climate, e.g. strong wind, heavy rain and flooding do not change the natural habitat of the forest. Disease and fire might affect the forestry assets, but to the best knowledge of the Company, no known fire and abnormal wood disease were reported during the periods covered under the valuation. Temperature might affect the quality/volume of the forestry asset, but in a long term prospective (which usually over decades) instead of affecting within a short period of time.

Notwithstanding the above, CAAP obtains satellite image of the farms in August every year with spatial resolution of 15 m (49 ft). This is to recognize if there is any abnormal situation (e.g., sudden large scale clearing/disappearing of trees) in the farms. It indicated that any object or abnormality with 15m in size will be shown on the satellite image. CAAP also monitors the daily updates on burns and fires in Brazil forest area: <http://www.inpe.br/queimadas/>.

The Brazil Forest was independently valued by Greater China Appraisal Limited ("GCA"), an independent qualified professional valuers not connected with the Group. GCA has experience in valuing similar forestry assets. GCA has adopted a discounted cash flow methodology in valuing the Brazil Forest. The following are the major assumptions used in the valuation:

- a logging volume of 21.5 m³ (2011: 21.5 m³) per hectare in the sustainable forest management program area.

21. 生物資產(續)

森林工程師於技術報告中採用新方法就本年度之估值釐定巴西森林之可供砍伐範圍。該新方法或準則(Modeflora – Digital Model of Forest Exploration)由Embrapa (Brazilian Enterprise for Agricultural Research)於巴西研發。國家並無強制要求採用該方法，惟已向專業森林工程師推薦。

估值過程中，漢華評估參考由CAAP FORESTAL (「CAAP」)所發表就森林開發而估計商業及潛在商業木材種類及木渣質量及數量的技術報告。CAAP根據現時國家規例僅就整個農場範圍作一次抽樣檢查。就取得UPA地區的新營運牌照，將統計所有存貨數量。一般而言，由於五至十年內的熱帶天然林資產相當穩定，森林工程師普遍會假設森林存貨概無變動，故毋須每年作出詳細抽樣檢查。在不受人為干擾的情況下，熱帶雨林應為長久的資產(估計亞馬遜森林已有約一千萬年歷史)。短暫不利氣候，如強風、暴雨及水災不會改變森林的自然生態。疾病及火災或會影響森林資產，惟就本公司所深知，估值所涵蓋期間並無已知的火災及異常病木。氣溫亦可能影響森林資產的質量／數量，但並非在短期內有所影響，通常在幾十年後較長期間方受影響。

除上文所述者外，CAAP於每年八月取得農場的衛星圖像，其空間解像為15米(49呎)，以確認農場是否有任何異常情況(如樹木突然大規模遭清除／消失)。衛星圖像會顯示任何大小為15米的物體或異常物。CAAP亦每日於<http://www.inpe.br/queimadas/>上監察巴西森林面積是否遭燒毀及火災。

巴西森林由與本集團並無關連之獨立合資格專業估值師漢華評估有限公司(「漢華評估」)獨立評估。漢華評估具備評估類似森林資產之經驗。漢華評估就評估巴西森林採用貼現現金流轉法。以下為評估所用主要假設：

- 可持續森林管理計劃範圍之砍伐量為每公頃21.5立方米(二零一一年：21.5立方米)。

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綜合財務報告附註

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

21. BIOLOGICAL ASSETS (continued)

- a discount rate of 15.8% (2011: 16.6%) based on the data and factors relevant to the economy of Brazil, the industry of forest business and the harvestable resources in the Brazil Forest, and the weighted average cost of capital.
- harvesting activities for the first 30-year cycle will resume from the calendar year of 2013 and complete in 7 years (2011: 8 years). Revenue or costs from subsequent harvesting cycle are not taken into account.
- average logs price growth at a rate of 3% per annum (2011: 3% per annum) in the next 7 years (2011: 7 years) which is the expected long term growth rate was estimated by reference to the Consumer Price Index in USA.
- the Group will obtain Forest Stewardship Council (the "FSC") certification in 2014. FSC certification demonstrates fulfillment of social and ecological criteria, while increasing the prices achievable for timber products. Based on current market practices, the directors estimate that the Group can enjoy a price premium of 15% over non FSC timber products from 2014 when the Group obtains the FSC certification.

The Group is exposed to a number of risks related to its natural forest.

(i) Regulatory and environmental risks

The Group is subject to laws and regulations in Brazil in which it operates. The Group has established environmental policies and procedures aimed at compliance with local environmental and other laws. Management performs regular reviews to identify environmental risks and to ensure that the systems in place are adequate to manage those risks. The Directors are not aware of any environmental liabilities as at 31 March 2012.

(ii) Supply and demand risk

The Group is exposed to risks arising from fluctuations in the price and sales volume of logs. When possible the Group manages this risk by controlling its harvest volume, according to market conditions. Management performs regular industry trend analysis to ensure the Group's pricing policy is comparable to the market and the projected harvesting volumes are consistent with the expected demand.

21. 生物資產(續)

- 折現率15.8%(二零一一年:16.6%)乃按照與巴西經濟環境有關之資料及因素、林業業務行業概況、於巴西森林之可供砍伐資源以及加權平均資本成本釐訂。
- 首三十年周期之砍伐活動將自公曆二零一三年起恢復，並於七年(二零一一年:八年)內完成。並無計及往後砍伐周期之收入或成本。
- 未來七年(二零一一年:七年)之平均原木價格增幅為每年3%(二零一一年:每年3%)，與經參考美國消費物價指數估計之長期增長率一致。
- 本集團將於二零一四年取得森林管理委員會(FSC)認證，FSC認證顯示本集團符合社會及生態標準，同時可提高木材產品售價。按現時市場慣例，董事估計本集團於二零一四年取得FSC認證後，產品價格可較非FSC木材產品高出15%。

本集團面對多項與天然森林有關之風險。

(i) 監管及環境風險

本集團受其業務所在之巴西法例及規例規管。本集團已制訂環境政策及程序，旨在遵守當地之環保及其他法例。管理層定期進行檢討，以確定環境風險及確保現行制度足以管理有關風險。於二零一二年三月三十一日，董事並不知悉任何環保責任。

(ii) 供求風險

本集團面對原木價格及銷售量波動產生之風險。在可能情況下，本集團根據市況控制其砍伐量，以管理此項風險。管理層定期進行行業趨勢分析，以確保本集團定價政策貼近市場水平及預計砍伐量與預期需求一致。

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22. GOODWILL

The Group

		Sustainable forest management <i>(note i)</i> 可持續森林 管理業務 <i>(附註i)</i> HK\$'000 港幣千元	Zhongshan Operations <i>(note ii)</i> 中山業務 <i>(附註ii)</i> HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Cost	成本			
At 1 April 2010, 31 March 2011 and 1 April 2011	於二零一零年四月一日、 二零一一年三月三十一日及 二零一一年四月一日	1,686,883	—	1,686,883
Arising from acquisition of subsidiaries	收購附屬公司所產生	—	77,353	77,353
At 31 March 2012	於二零一二年三月三十一日	1,686,883	77,353	1,764,236
Accumulated impairment losses	累計減值虧損			
At 1 April 2010, 31 March 2011 and 1 April 2011	於二零一零年四月一日、 二零一一年三月三十一日及 二零一一年四月一日	—	—	—
Impairment losses recognised during the year	於年內已確認減值虧損	1,384,765	77,353	1,462,118
At 31 March 2012	於二零一二年三月三十一日	1,384,765	77,353	1,462,118
Carrying amount	賬面值			
At 31 March 2012	於二零一二年三月三十一日	302,118	—	302,118
At 31 March 2011	於二零一一年三月三十一日	1,686,883	—	1,686,883

22. 商譽

本集團

		Sustainable forest management <i>(note i)</i> 可持續森林 管理業務 <i>(附註i)</i> HK\$'000 港幣千元	Zhongshan Operations <i>(note ii)</i> 中山業務 <i>(附註ii)</i> HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Cost	成本			
At 1 April 2010, 31 March 2011 and 1 April 2011	於二零一零年四月一日、 二零一一年三月三十一日及 二零一一年四月一日	1,686,883	—	1,686,883
Arising from acquisition of subsidiaries	收購附屬公司所產生	—	77,353	77,353
At 31 March 2012	於二零一二年三月三十一日	1,686,883	77,353	1,764,236
Accumulated impairment losses	累計減值虧損			
At 1 April 2010, 31 March 2011 and 1 April 2011	於二零一零年四月一日、 二零一一年三月三十一日及 二零一一年四月一日	—	—	—
Impairment losses recognised during the year	於年內已確認減值虧損	1,384,765	77,353	1,462,118
At 31 March 2012	於二零一二年三月三十一日	1,384,765	77,353	1,462,118
Carrying amount	賬面值			
At 31 March 2012	於二零一二年三月三十一日	302,118	—	302,118
At 31 March 2011	於二零一一年三月三十一日	1,686,883	—	1,686,883

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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

22. GOODWILL (continued)

Notes:

(i) Sustainable forest management

Goodwill was allocated to the Group's cash-generating unit identified according to the operating segment. Goodwill as at 31 March 2012 and 2011 was attributable to the cash-generating unit that comprises the sustainable forest management segment.

For the year ended 31 March 2012, goodwill relating to sustainable forest management segment suffered an impairment loss of HK\$1,385 million primarily as a result of the deferral of harvesting plan; drop in timber prices and decrease in remeasurement of allowable forest area.

The forest engineer adopted a new methodology in determining the harvestable area of the Brazil forests in the technical report used for the current year's valuation. This new methodology or standard (Modelflora – Digital Model of Forest Exploration) was developed locally in Brazil by Embrapa (Brazilian Enterprise for Agricultural Research). Adoption is not mandatory by the state but recommended to the forest engineer professionals.

The recoverable amount of the sustainable forest management segment cash-generating unit was based on value in use and was determined with the assistance of an independent valuer.

Value in use was determined by discounting the future cash flows generated from the continuing use of the unit. The calculation of the value in use was based on the following key assumptions:

- Cash flows were projected based on past experience and financial budget approved by management. Management estimated that the cash flows after 9 years (2011: 9 years) are immaterial to the overall recoverable amount of the unit because the management planned to complete the harvesting and selling activities for the first 30-year cycle of the Brazil Forest within 8 years. Therefore, cash flows after 9 years (2011: 9 years) are not included in the value in use calculations. Cash flows from year 5 to year 9 are extrapolated using an estimated weighted average growth rate of 3%, which is consistent with the expected long term growth rate of Consumer Price Index in USA. Management estimated that there would be a negative growth of 63% in year 9 as a result of the completion of harvesting and selling activities for the first 30-year cycle of the Brazil forest.
- Revenue was projected based on management's past experience and their expectations for market development and the harvesting plan.
- Timber product average price growth at 3% per annum (2011: 3% per annum). The expected long term growth rate was estimated by reference to the Consumer Price Index in USA.
- A pre-tax discount rate of 27.84% (2011: 21.2%) based on the data and factors relevant to the economy of Brazil, the forest industry, the timber products in the Brazil Forest, and the weighted average cost of capital.
- The Group will obtain FSC certification in 2014. FSC certification demonstrates fulfillment of social and ecological criteria, while increasing the prices achievable for timber products. Based on current market practices, the directors estimate that the Group can enjoy a price premium of 15% over non FSC timber products from 2014 when the Group obtains the FSC certification.

22. 商譽(續)

附註:

(i) 可持續森林管理業務

商譽分配至根據經營分部識別之本集團現金產生單位。於二零一二年及二零一一年三月三十一日之商譽乃源自組成可持續森林管理分部之現金產生單位。

截至二零一二年三月三十一日止年度，可持續森林管理分部錄得相關減值虧損港幣1,385,000,000元，此乃主要由於暫緩砍伐計劃、木材價格下跌及重新計量可砍伐範圍面積減少。

森林工程師於技術報告中採用新方法就本年度之估值釐定巴西森林之可供砍伐範圍。該新方法或準則 (Modelflora – Digital Model of Forest Exploration) 由 Embrapa (Brazilian Enterprise for Agricultural Research) 於巴西研發。國家並無強制要求採用該方法，惟已向專業森林工程師推薦。

可持續森林管理分部現金產生單位之可收回金額以使用價值為基礎，並在獨立估值師協助下釐定。

使用價值乃按貼現來自持續使用該單位之未來現金流轉釐定。使用價值乃按以下主要假設計算：

- 現金流轉乃按過往經驗及管理層批准之財務預算預測。由於管理層計劃於八年內完成巴西森林之首三十年周期之砍伐及銷售活動，管理層估計九年(二零一一年：九年)後之現金流轉對單位之整體可收回金額而言並不重大，因此，於計算使用價值時並無計入九年(二零一一年：九年)後之現金流轉。第五年至第九年之現金流轉使用估計加權平均增長率3%，其與美國消費物價指數之預期長期增長率一致。管理層估計待巴西森林首三十年周期之砍伐及銷售活動完成後，於第九年將出現63%負增長。
- 收入乃按管理層之過往經驗及彼等對市場發展及砍伐計劃之預期作出預測。
- 木材產品之平均價格增幅為每年3% (二零一一年：每年3%)，此乃參考美國消費物價指數後估計之預期長期增長率。
- 除稅前貼現率27.84% (二零一一年：21.2%) 乃根據與巴西經濟、林業行業以及巴西森林木材產品相關之數據及因素以及加權平均資本成本計算。
- 本集團將於二零一四年取得FSC認證。FSC認證顯示本集團符合社會及生態標準，同時可提高木材產品售價。按現時市場慣例，董事估計本集團於二零一四年取得FSC認證後，產品價格可較非FSC木材產品高出15%。

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22. GOODWILL (continued)

Notes: (continued)

(ii) Zhongshan Operations

The goodwill of HK\$77,353,000 arising from the acquisition of Zhongshan Operations represented the future economic benefits from the synergy effect of the business combination.

The entire value of Zhongshan operations segment was considered impaired as of 31 March 2012, and an impairment loss on goodwill of HK\$77 million was recorded. Details of the impairment are disclosed in Note 42.

The recoverable amount of Zhongshan operations segment cash-generating unit was based on value in use and was determined with the assistance of GCA.

The value in use was determined by discounting the future cash flows generated from the continuing use of the unit. The calculation of the value in use was based on the following key assumptions:

- Cash flows for Zhongshan operations segment were projected based on past experience and financial budget approved by management. Management estimated that the cash flows after 5 years are immaterial to the overall recoverable amount of the unit.
- Revenue for Zhongshan operations segment was projected based on management's expectation for market development and the existing agreement with customers.
- The expected long term growth rate is 3% per annum was estimated by reference to the Consumer Price Index in USA.
- A pre-tax discount rate of 22.70% based on the data and factors relevant to the economy of China, and the weighted average cost of capital.

For the year ended 31 March 2012, goodwill relating to Zhongshan operations segment suffered an impairment loss of HK\$77 million. Zhongshan Operations incurred a net loss of approximately HK\$18 million in its first year of operations since consolidation into the Group. The net loss was mainly due to rapid slow down of the PRC property market and falling property prices in the PRC. As a result of the uncertainties in the PRC economy and continued depressed timber demand and prices, the Group considers that the value of the goodwill related to Zhongshan Operations suffered impairment. Please refer to Note 42 for more details on the acquisition of Zhongshan Operations.

22. 商譽(續)

附註：(續)

(ii) 中山業務

收購中山業務產生商譽港幣 77,353,000 元代表業務合併所帶來協同效應之未來經濟利益。

於二零一二年三月三十一日，中山業務分部之全部價值被視為已減值，並錄得商譽減值虧損港幣 77,000,000 元。減值詳情載於附註 42。

中山業務分部現金產生單位之可收回金額以使用價值為基礎，並在漢華評估協助下釐定。

使用價值乃按貼現來自持續使用該單位之未來現金流轉釐定。使用價值乃按以下主要假設計算：

- 中山業務分部之現金流轉乃按過往經驗及管理層批准之財務預算預測。管理層估計五年後之現金流轉對單位之整體可收回金額而言並不重大。
- 中山業務分部之收入乃按管理層對市場發展之預期及與客戶之現有協議預測得出。
- 參考美國消費物價指數估計之預計長期增長率為每年 3%。
- 除稅前貼現率 22.70% 乃根據與中國經濟相關之數據及因素以及加權平均資本成本計算。

於截至二零一二年三月三十一日止年度，涉及中山業務分部之商譽錄得減值虧損港幣 77,000,000 元。中山業務於與本集團合併後之營運首年產生虧損淨額約港幣 18,000,000 元。虧損淨額主要來自中國物業市場於短時間內放緩及中國物業價格下跌。由於中國經濟不明朗及木材需求及價格持續受壓，本集團認為與中山業務有關之商譽已出現減值。有關收購中山業務之進一步詳情，請參閱附註 42。

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23. INTEREST IN SUBSIDIARIES

23. 附屬公司權益

		The Company	
		本公司	
		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Unlisted shares, at cost	非上市股份，按成本	—*	—*
Amounts due from subsidiaries	應收附屬公司款項	2,555,161	2,519,978
		2,555,161	2,519,978
Less: Impairment losses	減：減值虧損	(1,618,236)	(15,284)
		936,925	2,504,694

* Total investment cost are HK\$10 (2011: HK\$11).

* 總投資成本為港幣10元(二零一一年：港幣11元)。

(a) The amounts due from subsidiaries are unsecured, interest-free and had no fixed repayment terms. In the opinion of the Company's director, these advances are considered as quasi-equity loans to the subsidiaries. The carrying amounts of the amounts due from subsidiaries approximate to their fair value.

(a) 應收附屬公司款項為無抵押、免息及無固定還款期。本公司董事認為，該等墊款被視為向附屬公司提供之準股權貸款。應收附屬公司款項之賬面值與其公平值相若。

(b) The movement in the allowance for impairment losses during the year was as follows:

(b) 年內減值虧損撥備之變動載列如下：

		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Balance brought forward	承前結餘	15,284	15,334
Impairment loss recognised	已確認減值虧損	1,602,952	—
Write off	撇銷	—	(50)*
		1,618,236	15,284

As a result of deferral, decline in market prices of timber and the unexpected operating performance of Zhongshan operations, the directors of the Company are of the opinion that an impairment of HK\$1,602,952,000 was made in 2012.

由於暫緩有關業務以及中山業務之經營表現未如理想，本公司董事認為，已於二零一二年作出港幣1,602,952,000元之減值。

* During the year ended 31 March 2011, a subsidiary, which was inactive in the current and prior years, was deregistered and the amount due from this subsidiary was written off against the impairment loss recognised in previous years in relation to this subsidiary.

* 截至二零一一年三月三十一日止年度內，一間於本年度及過往年度暫無營業之附屬公司已被取消註冊，而應收該附屬公司之款項已利用於過往年度就該附屬公司確認之減值虧損予以撇銷。

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23. INTEREST IN SUBSIDIARIES (continued)

23. 附屬公司權益 (續)

(c) Particulars of the subsidiaries are as follows:

(c) 附屬公司詳情如下：

Name 名稱	Place of incorporation/ registration and operations 成立/註冊及 經營地點	Particulars of issued and paid up capital 已發行及 繳足股本詳情	Percentage of equity attributable to the Company 本公司應佔 股權百分比		Principal activities 主要業務
			directly 直接	indirectly 間接	
Amano Holdings Limited	Cyprus 塞浦路斯	1,000 ordinary shares of Euro1 each 1,000股普通股 每股面值1歐元	—	100	Inactive 暫無營業
Amplewell Holdings Limited 沛源控股有限公司	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 each 1股普通股 每股面值1美元	—	100	Investment holding 投資控股
Anex International Management Limited 安歷士國際管理有限公司	Hong Kong 香港	1 ordinary share of HK\$1 each 1股普通股 每股面值港幣1元	100	—	Human resources management 人力資源管理
AW Holdings Limited 安護控股有限公司	Hong Kong 香港	1 ordinary share of HK\$1 each 1股普通股 每股面值港幣1元	—	100	Inactive 暫無營業
Eastmark Holding Ltd.	Samoa 薩摩亞	3,350 ordinary shares of US\$1 each 3,350股普通股 每股面值1美元	—	100	Investment holding 投資控股
Firm Well Limited 毅佳有限公司	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 each 1股普通股 每股面值1美元	—	100	Investment holding 投資控股
Great Path Limited 宏通有限公司	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 each 1股普通股 每股面值1美元	100	—	Investment holding 投資控股

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23. INTEREST IN SUBSIDIARIES (continued)

(c) Particulars of the subsidiaries are as follows:
(continued)

Name 名稱	Place of incorporation/ registration and operations 成立/註冊及 經營地點	Particulars of issued and paid up capital 已發行及 繳足股本詳情	Percentage of equity attributable to the Company 本公司應佔 股權百分比		Principal activities 主要業務
			directly 直接	indirectly 間接	
Manzhouli Yongbao Forestry Co., Ltd.* (Formerly known as "Manzhouli Eastmark Wooden Products Co., Ltd **") 滿洲里永保林業有限公司** (前稱「滿洲里怡美木業 有限公司**」)	China 中國	Paid up registered capital of US\$75,000 已繳足註冊股本 75,000美元	—	100	Inactive 暫無營業
New On Creation Limited 新安創建有限公司	Hong Kong 香港	10,000 ordinary shares of HK\$1 each 10,000股普通股 每股面值港幣1元	—	100	Investment holding 投資控股
Originate Tech Global Investments Limited 創科環球投資有限公司	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 each 1股普通股 每股面值1美元	—	100	Investment holding 投資控股
SFH Management Limited 永保管理有限公司	Hong Kong 香港	1 ordinary share of HK\$1 each 1股普通股 每股面值港幣1元	100	—	General management 一般管理
SFH Innovation Limited 永保創建有限公司	Hong Kong 香港	100 ordinary shares of HK\$1 each 100股普通股 每股面值港幣1元	—	100	Construction and trading of wooden building materials 木製建材建設及買賣
SFH Trading Limited 永保貿易有限公司	Hong Kong 香港	1 ordinary share of HK\$1 each 1股普通股 每股面值港幣1元	—	100	Timber and wood products trading 木材及木料產品買賣

23. 附屬公司權益 (續)

(c) 附屬公司詳情如下：(續)

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23. INTEREST IN SUBSIDIARIES (continued)

23. 附屬公司權益 (續)

(c) Particulars of the subsidiaries are as follows:
(continued)

(c) 附屬公司詳情如下：(續)

Name 名稱	Place of incorporation/ registration and operations 成立/註冊及 經營地點	Particulars of issued and paid up capital 已發行及 繳足股本詳情	Percentage of equity attributable to the Company 本公司應佔 股權百分比		Principal activities 主要業務
			directly 直接	indirectly 間接	
SFH Trading (USA) Inc.	United States of America 美國	1,000 common stocks of US\$0.001 each 1,000股普通股 每股面值0.001美元	—	100	Procurement business 採購業務
SFH Trading (Zhongshan) Limited (Currently known as "SFH Homes Limited") 永保貿易(中山)有限公司 (現稱「永保家居控股有限公司」)	Hong Kong 香港	1 ordinary share of HK\$1 each 1股普通股 每股面值港幣1元	—	100	Trading business 貿易業務
Susfor-Oasis Timber (Zhongshan) Co. Ltd.* 中山市永保新綠洲木業有限公司**	China 中國	Paid up registered capital of US\$314,922 已繳足註冊資本 314,922美元	—	100	Manufacturing and sales of timber products 木料產品生產及銷售
Total Integrity Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 each 1股普通股 每股面值1美元	—	100	Inactive 暫無營業
Universal Timber Resources do Brasil Ltda. (Formerly knowns as "Universal Timber Resources do Brasil Participacao Ltda.") (前稱「Universal Timber Resources do Brasil Participacao Ltda.」) ("Universal Timber") (「Universal Timber」)	Brazil 巴西	R\$12,049,136 12,049,136雷亞爾	—	100	Sustainable management of and investment in natural forests, timber and wood processing, timber trading and timber sales, marketing and tree felling services 可持續天然森木管理及投資、 木材及木料加工、木材買賣、 木材銷售及市場推廣 以及伐木服務

* The English translation of Chinese name is for identification purpose only.

* 中文公司名稱之英譯僅供識別。

** Wholly-foreign owned enterprise registered in China.

** 於中國註冊之外商獨資企業。

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24. DEPOSIT FOR PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

Pursuant to a memorandum of understanding and its extension agreement (collectively "MOUs") entered into between UTRB and Berena on 1 June 2009 and 28 March 2011, respectively, UTRB paid a total advanced deposit of R\$6,400,000 (or approximately HK\$30,336,000 as of 31 March 2011) to acquire a factory, machinery and equipment. UTRB occupied the factory and used the machinery and equipment from July 2009 to January 2012. Pursuant to the MOUs, the advanced deposit shall be used to offset against the purchase price in the event that a definitive agreement shall be entered into for the purchase of the factory, machinery and equipment on or before 31 March 2012 (the "Expiry Date"), or as rental payments if no such acquisition agreement is reached.

On 27 July 2010, Berena entered into a loan agreement lending R\$3,000,000 (or approximately HK\$14,220,000 as of 31 March 2011) to UTRB with maturity on 27 January 2011. The loan agreement was subsequently renewed on 28 March 2011 extending maturity to 27 January 2012.

No definitive acquisition agreement for the purchase of the factory was reached between the parties on or before the Expiry Date. On 1 January 2012, Berena and UTRB entered into an agreement ("Termination Agreement") to offset the loan and its accrued interests payables of R\$3,416,000 (or approximately HK\$15,732,000 as of 14 February 2012) against the advanced deposit of R\$6,400,000 (or approximately HK\$29,477,000 as of 14 February 2012). The net difference of R\$2,984,000 (or approximately HK\$13,745,000) would have been rental expenses for the usage of the factory from July 2009 to January 2012. In addition, UTRB entered into an agreement on 30 December 2011 and paid R\$320,000 (or approximately HK\$1,364,000) to purchase some machinery and equipment from Berena.

On 7 April 2011, Berena became a related company to the Group as the ultimate beneficial owner of Berena joined the Group as part of the senior management team.

24. 收購物業、廠房及設備之訂金

根據UTRB與Berena分別於二零零九年六月一日及二零一一年三月二十八日訂立之諒解備忘錄及其延期協議(統稱「諒解備忘錄」)，UTRB支付預付訂金合共6,400,000雷亞爾(或於二零一一年三月三十一日約港幣30,336,000元)以收購廠房、機器及設備。UTRB自二零零九年七月至二零一二年一月佔用該廠房及使用機器及設備。根據諒解備忘錄，倘於二零一二年三月三十一日(「屆滿日期」)或之前就購買廠房、機器及設備訂立正式協議，預付訂金將用作抵銷購買價，或倘未能達成有關收購協議，則當作租金。

於二零一零年七月二十七日，Berena訂立貸款協議，向UTRB借出3,000,000雷亞爾(或於二零一一年三月三十一日約港幣14,220,000元)，到期日為二零一一年一月二十七日。貸款協議其後於二零一一年三月二十八日獲重續，而到期日順延至二零一二年一月二十七日。

於屆滿日期或之前，各方並無就購買廠房訂立正式收購協議。於二零一二年一月一日，Berena及UTRB訂立協議(「終止協議」)，以貸款及其累計應付利息3,416,000雷亞爾(或於二零一二年二月十四日約港幣15,732,000元)抵銷預付訂金6,400,000雷亞爾(或於二零一二年二月十四日約港幣29,477,000元)。淨差額約2,984,000雷亞爾(或約港幣13,745,000元)為自二零零九年七月至二零一二年一月使用廠房之租金開支。此外，UTRB於二零一一年十二月三十日訂立協議，並支付320,000雷亞爾(約港幣1,364,000元)向Berena購買若干機器及設備。

於二零一一年四月七日，由於Berena之最終實益擁有人加入本集團之高層管理團隊，故Berena成為本集團之關連公司。

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25. INVENTORIES

25. 存貨

			2012	2011
		Notes	二零一二年	二零一一年
		附註	HK\$'000	HK\$'000
			港幣千元	港幣千元
Timber logs	原木木材	(a)	1,425	240,383
Sawn timber	鋸材	(b)	48,126	—
Raw materials	原材料	(c)	3,212	865
Work in progress	在製品	(c)	83	490
Finished goods	製成品	(c)	12,782	242
			65,628	241,980

Notes:

- (a) The timber logs were harvested from the biological assets (2011: harvested during the provision of tree felling services).
- (b) The sawn timber was purchased for trading purpose.
- (c) These inventories were held for further processing or sale.
- (d) The analysis of the amount of inventories recognised as an expense is as follows:

附註：

- (a) 原木木材乃於生物資產中砍伐(二零一一年：於提供伐木服務時砍伐)。
- (b) 鋸材乃就買賣用途而購入。
- (c) 該等存貨持有作進一步加工或銷售用途。
- (d) 已確認為開支之存貨金額分析如下：

		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Carrying amount of inventories sold	已售存貨賬面值	112,083	248,902
Write down of timber logs (Note 10)	撇減原木木材(附註10)	1,781	1,000
Write off of timber logs (2012: Note 9 and 2011: Note 8(ii))	撇銷原木木材(二零一二年：附註9及二零一一年：附註8(ii))	233,572	272,482
		347,436	522,384

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26. TRADE AND OTHER RECEIVABLES

		The Group 本集團		The Company 本公司	
		2012 二零一二年	2011 二零一一年	2012 二零一二年	2011 二零一一年
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Trade receivables	應收貿易款項	955	513,693	—	—
Other receivables	其他應收款項	10,279	1,480	—	—
Amount due from a director	應收一名董事款項	456	—	—	—
Prepayments and deposits	預付款項及按金	6,282	4,116	3,011	1,435
		17,972	519,289	3,011	1,435

All of the trade and other receivables are expected to be recovered within one year.

The trade receivables as of 31 March 2011 related primarily to sales to customers completed in March 2011 for logs and sawn timber from Brazil, Africa and United States on ex-yard basis. Due to the size of the orders, goods were planned to be shipped in multiple shipments. While the Group was not responsible for arranging or the costs of transportation, the Group agreed to defer part of the payment according to the anticipated shipment dates. Please refer to Note 8(i) and 9 for details regarding the write off of the trade receivables relating to the sales of timber logs and sawn timber from Brazil, Africa and the United States.

(a) Trade receivables

The aging analysis of the trade receivables as of the reporting date, based on invoice date, was as follows:

		2012 二零一二年	2011 二零一一年
		HK\$'000 港幣千元	HK\$'000 港幣千元
0 to 30 days	0至30日	922	512,845
31 to 60 days	31至60日	18	—
61 to 90 days	61至90日	—	827
Over 90 days	90日以上	15	21
		955	513,693

The Group's trading terms with its customers are mainly on credit and letters of credit, except for new customers where payment in advance and cash on delivery are normally required. Invoices are normally payable between 30 and 180 days after issuance. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. Further details on the Group's credit policy are set out in Note 44.

26. 應收貿易款項及其他應收款項

所有應收貿易款項及其他應收款項均預期於一年內收回。

於二零一一年三月三十一日之應收貿易款項主要涉及於二零一一年三月完成有關按離岸價格碼頭交貨基準向客戶銷售來自巴西、非洲及美國之原木及鋸材之交易。基於訂單之規模，貨品計劃分開多批付運。由於本集團並不負責運輸之安排及成本，本集團同意根據預計付運日期延後部分付款。有關撤銷銷售來自巴西、非洲及美國之原木、木材及鋸材之有關應收貿易款項詳情，請參閱附註8(i)及附註9。

(a) 應收貿易款項

於呈報日期，按發票日期計算之應收貿易款項之賬齡分析如下：

除新客戶一般須預付款項及貨到支付現金外，本集團大多會給予客戶信貸期及以信用證交易。發票一般須於發出後30至180日內支付。每名客戶均設有最高信貸額。本集團對未收回之應收款項實施嚴格控制，並已設立信貸控制部進行管理，以求盡量降低信貸風險。高級管理層定期審閱逾期結餘。有關本集團信貸政策進一步詳情載於附註44。

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26. TRADE AND OTHER RECEIVABLES (continued)

- (a) **Trade receivables** (continued)
Trade receivables over 90 days as of 31 March 2012 were fully settled in April 2012 after year end.
- (b) **Impairment of trade receivables**
Impairment losses in respect of trade receivables are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade receivables directly.
- (c) **Trade receivables that are not impaired**
The aging analysis of trade receivables that are neither individually nor collectively considered to be impaired are as follows:

26. 應收貿易款項及其他應收款項 (續)

- (a) **應收貿易款項** (續)
於二零一二年三月三十一日賬齡為90日以上之應收貿易款項已於年結日後於二零一二年四月悉數償付。
- (b) **應收貿易款項之減值**
有關應收貿易款項之減值虧損乃使用備抵賬記錄，惟倘本集團認為收回款項之機會甚微，則減值虧損會直接與應收貿易款項撇銷。
- (c) **並無減值之應收貿易款項**
並無被視為出現個別或集體減值之應收貿易款項之賬齡分析如下：

		The Group 本集團		The Company 本公司	
		2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元	2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
Neither past due nor impaired	並無逾期亦無減值	28	513,678	—	—
Less than 1 month past due	逾期少於一個月	894	3	—	—
1 to 3 months past due	逾期一至三個月	18	4	—	—
Over 3 months past due	逾期三個月以上	15	8	—	—
		927	15	—	—
		955	513,693	—	—

Receivables that were past due but not impaired related to a number of independent customers that have a good track record with the Group for whom there was no recent history of default. Based on past experience, management believes 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. The Group does not hold any collateral over these balances.

已逾期但並無減值之應收款項與多名獨立客戶有關，彼等於本集團有良好業務往來記錄，近期亦無欠款記錄。根據以往經驗，由於信貸質素並無重大變動，此等結餘仍被視為可以全數收回，故管理層相信毋須就此等結餘作出減值撥備。本集團並無就此等結餘持有任何抵押品。

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27. CASH AND CASH EQUIVALENTS

27. 現金及現金等價物

		The Group		The Company	
		本集團		本公司	
		2012	2011	2012	2011
		二零一二年	二零一一年	二零一二年	二零一一年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
Cash at bank and on hand, and cash and cash equivalents in the consolidated statement of financial position	銀行及手頭現金及於綜合財務狀況表之現金及現金等價物	7,760	23,679	2,166	1,423
Cash and bank balances classified as held for sale (Note 28)	分類為持作待售之現金及銀行結存(附註28)	—	1		
Cash and cash equivalents in the consolidated statement of cash flows	於綜合現金流轉表之現金及現金等價物	7,760	23,680		
Cash and bank balances denominated in Renminbi	以人民幣列值之現金及銀行結存	1,297	7		

Renminbi is not freely convertible into other currencies. However, under mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange Renminbi for other currencies through banks authorised to conduct foreign exchange business.

人民幣不可自由兌換為其他貨幣。然而，根據中國大陸之外匯管理條例以及結匯、售匯及付匯管理規定，本集團獲准透過獲授權進行外匯業務之銀行將人民幣兌換為其他貨幣。

The interest rates on the cash at bank and deposits with banks ranged from 0.005% to 8.4% (2011: 0.005% to 10.95%) per annum.

銀行現金及銀行存款之利率介乎每年0.005%至8.4% (二零一一年：0.005%至10.95%)。

28. ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE

In February 2010, the Group commenced negotiations to dispose of the Chita forests operations in Russia as part of its ongoing strategy to seek forest assets or operations with better return on investments, hence improving the return to shareholders. As at 31 March 2011, the assets and liabilities attributable to the Chita forests operations have not been sold but were expected to be sold within twelve months. As such, the assets and liabilities of Chita forest operations were classified as assets and liabilities held for sale and presented separately in the consolidated statement of financial position.

28. 分類為持作待售資產及負債

於二零一零年二月，本集團開始就出售俄羅斯赤塔森林業務進行磋商，作為尋求更佳投資回報之森林資產或業務之持續策略一部分，從而提升股東回報。於二零一一年三月三十一日，赤塔森林業務應佔之業績及資產仍未售出，但預期在十二個月內售出。因此，赤塔森林業務之資產及負債已分類為持作待售資產及負債，並分開於綜合財務狀況表內呈列。

The sale of the assets and liabilities of Chita forests operations was completed on 30 March 2012. Details are disclosed in Note 43.

赤塔森林業務之資產及負債已於二零一二年三月三十日完成出售。詳情於附註43披露。

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28. ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE (continued)

As at 31 March, 2011, the major classes of assets and liabilities of Chita forests operations in Russia, which have been classified as held for sale are as follows:

			2012 二零一二年	2011 二零一一年
		Notes 附註	HK\$'000 港幣千元	HK\$'000 港幣千元
Property, plant and equipment	物業、廠房及設備		—	74,019
Intangible assets	無形資產	(a)	—	152,506
Trade and other receivables	應收貿易款項及其他應收款項		—	505
Amount due from a non-controlling shareholder	應收一名非控股股東款項	(b)	—	52,797
Cash and bank balances	現金及銀行結存	27	—	1
Assets classified as held for sale	分類為持作待售資產		—	279,828
Trade and other payables	應付貿易款項及其他應付款項		—	26,639
Other loans, secured	有抵押之其他貸款	(c)	—	4,131
Other loans, unsecured	無抵押之其他貸款	(d)	—	2,517
Deferred tax liabilities	遞延稅項負債	34(b)	—	37,569
Liabilities associated with assets classified as held for sale	與分類為持作待售資產相關之負債		—	70,856

Notes:

(a) Intangible assets

The Group acquired seven timber concession licences through acquisition of Amplewell Group on 31 July 2009. These timber concession rights cover approximately 242,745 hectares of forests situated within the Chita region in Russia.

The timber concession licences have finite life which will expire in 2012 to 2032. Under the terms of the timber concession licences, the Group has the right to carry out harvesting activities. In addition, the Group is required to pay royalties to the respective forestry services departments in Russia at a pre-determined fixed sum calculated based on the volume by species allowed to be harvested each year.

The timber concession rights were independently valued by GCA, with a fair value of HK\$168,182,000 at the date of acquisition. GCA adopted a direct market data method to value the timber concession rights which was based on the official price data published by the Federal Forestry Agency of the Ministry of Agriculture of the Russian Federation.

During the year ended 31 March 2011, two timber concession rights covering approximately 23,893 hectares of forest were expropriated by respective forestry services departments in Russia due to defaults of payments of royalties during the year. As a result, these two timber concession rights were written off by the Group with the carrying amount of approximately HK\$9,926,000 recognised as other operating expenses of discontinued operations.

28. 分類為持作待售資產及負債(續)

於二零一一年三月三十一日，已分類為持作待售之俄羅斯赤塔森林業務之資產及負債主要類別如下：

			2012 二零一二年	2011 二零一一年
		Notes 附註	HK\$'000 港幣千元	HK\$'000 港幣千元
Property, plant and equipment	物業、廠房及設備		—	74,019
Intangible assets	無形資產	(a)	—	152,506
Trade and other receivables	應收貿易款項及其他應收款項		—	505
Amount due from a non-controlling shareholder	應收一名非控股股東款項	(b)	—	52,797
Cash and bank balances	現金及銀行結存	27	—	1
Assets classified as held for sale	分類為持作待售資產		—	279,828
Trade and other payables	應付貿易款項及其他應付款項		—	26,639
Other loans, secured	有抵押之其他貸款	(c)	—	4,131
Other loans, unsecured	無抵押之其他貸款	(d)	—	2,517
Deferred tax liabilities	遞延稅項負債	34(b)	—	37,569
Liabilities associated with assets classified as held for sale	與分類為持作待售資產相關之負債		—	70,856

附註：

(a) 無形資產

於二零零九年七月三十一日，本集團透過收購沛源集團取得七項木材特許權。此等木材特許權覆蓋俄羅斯赤塔地區面積約242,745公頃之森林。

木材特許權將於二零一二年至二零三二年期間屆滿。根據木材特許權之條款，本集團有權進行砍伐活動。此外，本集團須根據每年獲准砍伐樹種之數量向俄羅斯相關森林服務部門按事前釐定之固定金額支付專利權費。

木材特許權乃漢華評值獨立估值，於收購日期之公平值為港幣168,182,000元。漢華評值已按俄羅斯聯邦農業部(Ministry of Agriculture of the Russian Federation) Federal Forestry Agency刊發之官方價格資料採納直接市場數據法評估木材特許權。

截至二零一一年三月三十一日止年度內，因年內拖欠支付專利權費之款項，兩項木材特許權涵蓋約23,893公頃之森林被俄羅斯相關森林服務部門沒收。因此，本集團已撤銷該兩項木材特許權，而其賬面值約港幣9,926,000元確認為已終止業務之其他營運開支。

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28. ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE (continued)

Notes: (continued)

(b) Amount due from a non-controlling shareholder

The amount was unsecured and interest-free. In the opinion of the directors, the amount was expected to be realised within twelve months from the end of the reporting period.

Under the repayment agreement entered between the non-controlling shareholder and Amplewell, the non-controlling shareholder agreed to dispose part of his shares in Winner Global Holdings Limited ("Winner Global"), a substantial shareholder of the Company, and ordinary shares in the Company for repayment of the amount due to the Group. The amount was also guaranteed by a shareholder, Assure Gain International Limited ("Assure Gain") which owned 43.38% interests in Winner Global. Under the guarantee agreement, the shareholder agreed to dispose sufficient shares in the Company to repay the outstanding amount in the event of default by the non-controlling shareholder.

(c) Other loans, secured

As at 31 March 2011 the loans were secured by the subsidiary's building with carrying amount of HK\$3,139,000 and the personal assets given by a non-controlling shareholder. The loans were bearing fixed interest rate at 3% to 5% per annum. During the year ended 31 March 2010, the Ally Rise Group failed to repay the loans on maturity dates and the amounts of loans became due as at 31 March 2011.

(d) Other loans, unsecured

As at 31 March 2011, out of the amount of HK\$2,517,000, HK\$1,368,000 ("Loan A") was bearing fixed interest rate at 5% per annum, HK\$164,000 ("Loan B") was interest free and the remaining HK\$985,000 ("Loan C") was bearing fixed interest rate at 16% per annum.

During the year ended 31 March 2010, the Ally Rise Group failed to repay the Loan A, Loan B and Loan C on maturity dates and became due as at 31 March 2011.

28. 分類為持作待售資產及負債(續)

附註：(續)

(b) 應收一名非控股股東款項

有關款項為無抵押及免息。董事認為，有關款項預期將自報告期間結算日起計十二個月內變現。

根據非控股股東與沛源訂立之還款協議，非控股股東同意出售彼於本公司主要股東 Winner Global Holdings Limited (「Winner Global」) 之部分股份及本公司普通股，以償還結欠本集團之款項。該款項亦由股東 Assure Gain International Limited (「Assure Gain」) 擔保，Assure Gain 擁有 Winner Global 之 43.38% 權益。根據擔保協議，倘非控股股東拖欠款項，股東同意出售足夠之本公司股份以償還尚欠金額。

(c) 有抵押之其他貸款

於二零一一年三月三十一日，該等貸款以賬面值為港幣3,139,000元之附屬公司樓宇及一名非控股股東提供之個人資產作抵押。貸款按固定年利率3厘至5厘計息。於截至二零一零年三月三十一日止年度，合昇集團並未於到期日償還有關貸款，故該等貸款成為二零一一年三月三十一日之到期欠款。

(d) 無抵押之其他貸款

於二零一一年三月三十一日，港幣2,517,000元之款項當中，港幣1,368,000元(「貸款A」)按固定年利率5厘計息，港幣164,000元(「貸款B」)為免息，而餘額港幣985,000元(「貸款C」)則按固定年利率16厘計息。

截至二零一零年三月三十一日止年度內，合昇集團並未於到期日償還貸款A、貸款B及貸款C，故成為二零一一年三月三十一日之到期欠款。

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28. ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE (continued)

Notes: (continued)

(e) Litigations

- (i) On 9 August 2010, the Arbitration Court of Zabaykalsky region of Russia (the "Court") initiated a procedure of observation (bankruptcy) (the "Observation") for ZLK. Within the period for the Observation, the Court received certain claims from the several creditors against ZLK to repay approximately 24 million Russian rubles (approximately HK\$6.5 million) of liabilities. These liabilities were included in the liabilities associated with assets held for sale as of 31 March 2011. During the year ended 31 March 2011, ZLK settled certain parts of these liabilities. ZLK as part of Chita forest operations was sold before 31 March 2012 and all liabilities related to the claims were transferred to the Buyer. Therefore no such amounts are included in the consolidated statement of financial position of the Group as of 31 March 2012. Please refer to note (iii) for details on Completion.
- (ii) On 11 February 2011, a lender (the "Lender") of loans submitted a claim to the Court against ZLK to repay the alleged defaulted loan principal, interests with penalties of approximately 40 million Russian rubles (approximately HK\$11 million) (the "Claim"), which was different from the balance of approximately 21 million Russian rubles (approximately HK\$5.8 million) in the records of the Company. According to the legal opinion issued by a legal advisor, the Court would probably validate the total loan principal with interests of approximately 21 million Russian rubles (approximately HK\$5.8 million) which was the same as the records of the Company. These amounts were included in the liabilities associated with assets held for sale as of 31 March 2011. ZLK as part of Chita forest operations was sold before 31 March 2012 and all liabilities related to the claims were transferred to the Buyer. Therefore no such amounts are included in the consolidated statement of financial position of the Group as of 31 March 2012. Please refer to note (iii) for details on Completion.
- (iii) The Completion of the disposal took place on 30 March 2012. Upon Completion, as a security for payment of the Considerations and other obligations on the part of the purchaser under the disposal agreement, the purchaser has executed a share charge in relation to the charge of the entire issued share capital of Ally Rise.

28. 分類為持作待售資產及負債(續)

附註：(續)

(e) 訴訟

- (i) 於二零一零年八月九日，俄羅斯 Zabaykalsky 仲裁法院(「法院」)向 ZLK 展開觀察(破產)程序(「觀察」)。於觀察期間，法院收到多名債權人入稟追討 ZLK 償還約 24,000,000 俄羅斯盧布(約港幣 6,500,000 元)之負債。於二零一一年三月三十一日，此等負債已計入與持作待售資產有關之負債。於截至二零一一年三月三十一日止年度，ZLK 已償還部分此等負債。ZLK 作為赤塔森林業務之一部分，已於二零一二年三月三十一日前售出，而有關申索之所有負債已轉讓予買方。本集團截至二零一二年三月三十一日止年度之綜合財務狀況表內並無包括有關金額。有關完成之詳情，請參閱第 (iii) 項。
- (ii) 於二零一一年二月十一日，一名借出多筆貸款之貸款方(「貸款方」)入稟法院追討 ZLK 償還聲稱拖欠之貸款本金、利息連罰款，金額約為 40,000,000 俄羅斯盧布(約港幣 11,000,000 元)(「申索」)，有別於本公司記錄所列約 21,000,000 俄羅斯盧布(約港幣 5,800,000 元)之結餘。根據法律顧問之法律意見，法院將可能承認貸款本金連利息約 21,000,000 俄羅斯盧布(約港幣 5,800,000 元)為有效，與本公司之記錄相符。於二零一一年三月三十一日，此等款項已列作與持作待售資產相關之負債。ZLK 作為赤塔森林業務之一部分，已於二零一二年三月三十一日前售出，而有關申索之所有負債已轉讓予買方。本集團截至二零一二年三月三十一日止年度之綜合財務狀況表內並無包括有關金額。有關完成之詳情，請參閱第 (iii) 項。
- (iii) 出售事項已於二零一二年三月三十日完成。完成時，買方已簽立一項有關抵押合昇全部已發行股本的股份抵押，作為支付代價及履行買方於出售協議之其他責任之擔保。

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29. TRADE AND OTHER PAYABLES

		Notes 附註	The Group 本集團		The Company 本公司	
			2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元	2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
Trade payables	應付貿易款項	(a)	177,997	180,231	—	—
Other payables and accruals	其他應付款項及 應計費用		22,049	19,055	7,918	1,907
Amounts due to related companies	應付關連公司 款項	(c)	12,264	—	—	—
Financial liabilities measured at amortised costs	按攤銷成本計量 之財務負債		212,310	199,286	7,918	1,907

All of the trade and other payables are expected to be repaid or recognised as income within one year or had no fixed terms of repayment.

(a) Trade payables

An aging analysis of the Group's trade payables as at the end of the reporting period, based on invoice date, was as follows:

		2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
0 to 30 days	0至30日	5,200	130,566
31 to 60 days	31至60日	2,717	—
Over 90 days (note (i))	90日以上(附註(i))	170,080	49,665
		177,997	180,231

Note:

- (i) Trade payables as of 31 March 2012 included HK dollars equivalent amounts of HK\$114 million and HK\$10 million payable to two suppliers for African timber and logs, and North American logs, respectively. The logs were purchased and sold to PRC customers during the financial year ended 31 March 2011. Please refer to Note 8(i) for details of the purchases and the related sales.

In addition, trade payables also included equivalent R\$10 million (equivalent to approximately HK\$45 million at 31 March 2012 and HK\$50 million at 31 March 2011). This sum represented service fees payable to a subcontractor for a tree felling service project in Rondonia, Brazil. UTRB had disputes with the subcontractor and it abandoned the site. No further work was subcontracted to them after the year ended 31 March 2011 as UTRB was not assigned any area for clearing by the hydropower plant of this project in the financial year ended 31 March 2012, and no amount was paid by UTRB either. UTRB is not aware of any claims or lawsuits filed by the subcontractor at the relevant courts.

29. 應付貿易款項及其他應付款項

所有應付貿易款項及其他應付款項預期將於一年內償還或確認為收入，或無固定還款期。

(a) 應付貿易款項

於報告期間結算日，按發票日期計算之本集團應付貿易款項之賬齡分析如下：

	2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
0 to 30 days	5,200	130,566
31 to 60 days	2,717	—
Over 90 days (note (i))	170,080	49,665
	177,997	180,231

附註：

- (i) 於二零一二年三月三十一日之應付貿易款項包括分別應付兩名非洲木材及原木供應商以及北美原木供應商之應付款項約相當於港幣114,000,000元及港幣10,000,000元。截至二零一一年三月三十一日止財政年度所購買之原木已售予中國客戶。採購及相關銷售之詳情請參閱附註8(i)。

此外，應付貿易款項亦包括相當於10,000,000雷亞爾(約相當於二零一二年三月三十一日之港幣45,000,000元及於二零一一年三月三十一日之港幣50,000,000元)。有關金額指位於巴西朗多尼亞州之伐木服務項目應付分包商之服務費。UTRB與分包商發生爭議，彼已放棄該場地。由於UTRB於截至二零一二年三月三十一日止財政年度未就該項目之水力發電廠獲分配任何區域之清理工作，故於截至二零一一年三月三十一日止年度後概無向彼等進一步分包工作，而UTRB亦並無支付任何款項。UTRB並不知悉由分包商於相關法院提出之任何申索或訴訟。

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29. TRADE AND OTHER PAYABLES (continued)

(b) Cash consideration payable for acquisition of biological assets

		2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
At beginning of the year	於年初	—	26,598
Less: Settlement	減：償還	—	(29,071)
Exchange movement	匯兌變動	—	2,473
At end of the year	於年終	—	—

(c) Amounts due to related companies

The amounts were unsecured, interest free and had no fixed terms of repayment.

29. 應付貿易款項及其他應付款項 (續)

(b) 收購生物資產之應付現金代價

(c) 應付關連公司款項

有關款項為無抵押、免息及無固定還款期。

30. LOANS AND BORROWINGS

		Note 附註	The Group 本集團		The Company 本公司	
			2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元	2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
Bank loans, secured	有抵押之銀行貸款	(a)	83	304	—	—
Secured interest-bearing loan	有抵押之計息貸款	(b)	7,206	—	7,206	—
Unsecured interest-bearing loan	無抵押之計息貸款	(c), (2011: noted (d)) (二零一一年：附註(d))	18,000	18,014	18,000	—
			25,289	18,318	25,206	—
Carrying amount repayable:	於以下期間須償還之賬面值：					
On demand or within one year	應要求或一年內		25,289	18,230	25,206	—
More than one year but not exceeding two years	超過一年但不超過兩年		—	—	—	—
More than two years but not more than five years	超過兩年但不超過五年		—	88	—	—
			25,289	18,318	25,206	—
Less: Amounts due within one year shown under current liabilities	減：流動負債項下列為於一年內到期之款項		(25,289)	(18,230)	(25,206)	—
Non-current liabilities	非流動負債		—	88	—	—

30. 貸款及借貸

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綜合財務報告附註

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

30. LOANS AND BORROWINGS (continued)

- (a) As at 31 March 2012, the Group had total banking facilities of HK\$83,000 (2011: HK\$304,000) of which HK\$83,000 (2011: HK\$304,000) had been utilised.

The bank loan of HK\$83,000 (2011: HK\$304,000) was secured by the Group's motor vehicles with a carrying amount of HK\$196,000 (2011: HK\$533,000) (Note 19) and is bearing interest at a fixed rate of 23.87% (2011: 21.27% to 23.87%) per annum.

- (b) On 4 November 2011, the Company entered into a HK\$12.8 million Term Loan agreement with an independent third party (the "Lender"). The loan was guaranteed by Assure Gain International Limited, a shareholder, and Mr. YIP Kam Kuen, an employee of the Group. The loan carried monthly interest of one percent (four percent per month in case of default) and had maturity falling two months after the draw down of the loan. Based on subsequent agreement, repayment were rescheduled into installments with maturity extended. The entire loan plus accrued interests payable were repaid in full on 15 June 2012.

- (c) On 19 December 2011, the Company and an independent third party ("Investor") entered into (1) the Equity Line Facility Agreement ("ELF Agreement") and (2) a Debt Facility Agreement ("DF Agreement"). Pursuant to the DF Agreement, the Lender agrees to grant the Debt Facility to the Company, comprising the Initial Loan in the principal amount of HK\$30 million and the Renewal Loan in an aggregate maximum amount of up to HK\$80 million which may be re-borrowed up to a maximum of ten (10) times to be granted by the Lender to the Company. The Initial Loan was repayable in five installments with the last one falling on the sixty-first trading day after the draw down of the Initial Loan. There is no interest payable under the Initial Loan and Renewal Loan. A draw down fee of 3.25% on the principal amount of the Initial Loan and Renewal Loan is payable to the Lender upon each drawn down. As of 31 March 2012, HK\$18 million was outstanding under the Initial Loan. The Initial Loan was repaid in full on 6 June 2012.

30. 貸款及借貸(續)

- (a) 於二零一二年三月三十一日，本集團有銀行融資總額港幣83,000元(二零一一年：港幣304,000元)，當中港幣83,000元(二零一一年：港幣304,000元)已動用。

銀行貸款港幣83,000元(二零一一年：港幣304,000元)乃以賬面值為港幣196,000元(二零一一年：港幣533,000元)之本集團汽車(附註19)作抵押，並按固定年利率23.87厘(二零一一年：21.27厘至23.87厘)計息。

- (b) 於二零一一年十一月四日，本公司與一名獨立第三方(「貸方」)訂立一項港幣12,800,000元定期貸款協議。該項貸款由Assure Gain International Limited、一名股東及本集團僱員葉錦權先生提供擔保。該項貸款按每月利率1厘(倘拖欠還款為每月4厘)，將於提取貸款後兩個月當日屆滿。根據其後協議，有關貸款改為分期還款，並延長還款期。全數貸款連應付累計利息已於二零一二年六月十五日悉數償付。

- (c) 於二零一一年十二月十九日，本公司與一名獨立第三方(「投資者」)訂立(1)股本融資協議(「股本融資協議」)及(2)債務融資協議(「債務融資協議」)。根據債務融資協議，投資者同意向本公司授出債務融資，當中包括本金額為港幣30,000,000元之初步貸款及總金額最多為港幣80,000,000元之更新貸款，可由貸方向本公司重新借出最多十(10)次。初步貸款分五期償還，最後一期為提取初步貸款第六十一個交易日。初步貸款及更新貸款為不計息，惟須就每次提款向貸方支付初步貸款及更新貸款本金額之3.25%提款費用。於二零一二年三月三十一日，初步貸款項下有港幣18,000,000元尚未償還。初步貸款已於二零一二年六月六日悉數償付。

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30. LOANS AND BORROWINGS (continued)

- (d) On 27 July 2010, UTRB entered into a loan agreement with an independent third party (the "Lender") whereby UTRB borrowed a loan of R\$3,000,000 (the "Loan") from the Lender for the period from 27 July 2010 to 27 January 2011. On 28 March 2011, UTRB signed an extension agreement with the Lender to extend the maturity date of the Loan from 27 January 2011 to 27 January 2012. The Loan is unsecured and bears interest at 2.7% per month. The carrying amount of the Loan as at 31 March 2011 included the principal of R\$3,000,000 (equivalent to approximately HK\$14,220,000) and interest payable of R\$800,000 (equivalent to approximately HK\$3,794,000).

On 27 June 2011, UTRB entered into an agreement with the Lender whereby the Lender agreed to reduce the interest rate of the Loan from 2.7% to 0.5% per month, retroactively from the date of commencement of the Loan.

On 7 April, 2011, the Lender became a related company to the Group. The balance of the loan of HK\$15,732,000 was offset entirely on 14 February 2012. Please refer to Note 24 for further details.

31. FINANCE LEASES PAYABLES

At 31 March 2012, the Group had finance leases payables as follows:

The Group

		2012 二零一二年		2011 二零一一年	
		Present value of the minimum lease payments 最低租金現值 HK\$'000 港幣千元	Total minimum lease payments 最低租金總額 HK\$'000 港幣千元	Present value of the minimum lease payments 最低租金現值 HK\$'000 港幣千元	Total minimum lease payments 最低租金總額 HK\$'000 港幣千元
Within 1 year	一年內	100	113	100	113
After 1 year but within 5 years	一年後但五年內	250	281	350	394
		350	394	450	507
Less: total future interest expenses	減：日後利息開支 總額		(44)		(57)
Present value of lease obligations	租約承擔現值		350		450

30. 貸款及借貸(續)

- (d) 於二零一零年七月二十七日，UTRB 與獨立第三方(「貸方」)訂立貸款協議，據此，UTRB 自二零一零年七月二十七日至二零一一年一月二十七日期間向貸方借入3,000,000雷亞爾之貸款(「貸款」)。於二零一一年三月二十八日，UTRB 與貸方簽訂延長協議，以將貸款到期日由二零一一年一月二十七日順延至二零一二年一月二十七日。貸款為無抵押及每月按利率2.7厘計息。於二零一一年三月三十一日，貸款之賬面值包括本金3,000,000雷亞爾(約相當於港幣14,220,000元)及應付利息800,000雷亞爾(約相當於港幣3,794,000元)。

於二零一一年六月二十七日，UTRB 與貸方訂立協議，據此，貸方同意將貸款之每月利率由2.7厘調低至0.5厘，追溯至貸款開始日期起生效。

於二零一一年四月七日，貸方成為本集團之關連公司。該項貸款之結餘港幣15,732,000元已於二零一二年二月十四日悉數抵銷。有關進一步詳情，請參閱附註24。

31. 應付融資租約

於二零一二年三月三十一日，本集團之應付融資租約如下：

本集團

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32. CONSIDERATION PAYABLES

		The Group 本集團	
		2012 二零一二年	2011 二零一一年
		HK\$'000 港幣千元	HK\$'000 港幣千元
		Note 附註	
At beginning of the year	年初	—	—
Consideration for acquisition of subsidiaries	收購附屬公司之代價	42	—
Waiver of consideration payable	豁免應付代價	(71,183)	—
At end of the year	年終	—	—

Referring to Note 42, the Group acquired Zhongshan Operations on 2 August 2011 for a total consideration of 769,230,769 shares of the Company. The total consideration was payable in three tranches with tranches 2 and 3 contingent upon meeting net profit guarantee by the Vendor. As part of the acquisition, the Vendor guaranteed that Susfor-Oasis must not incur any net losses for each of the three financial years immediately after completion. For the year ended 31 March 2012 (first year of operations after consolidation into the Group), Susfor-Oasis had a net loss of approximately HK\$18 million. As such, the net profit guarantee was not met and tranches 2 and 3 under the acquisition were not payable.

誠如附註42所示，本集團已於二零一一年八月二日收購中山業務，總代價為769,230,769股本公司股份。總代價分三批支付，第二批及第三批或然代價須待賣方達成純利保證後，方告作實。作為收購一部分，賣方保證永保新綠洲於緊隨完成後三個財政年度各年均不會產生任何淨虧損。於截至二零一二年三月三十一日止年度（即與本集團合併後營運首年），永保新綠洲錄得虧損淨額約港幣18,000,000元。因此，純利保證未能達成，故毋須支付收購第二及第三批代價。

33. SEASONALITY OF OPERATIONS

The Group's forest operations in Brazil is located in the Amazon and is subject to weather conditions during the rainy season ranging roughly from December to April each year. Forest logging activities in the Amazon are substantially scaled down or stopped completely in some areas. Log prices usually increase during the rainy season due to diminished supplies. This affects many sawmill operators that have to stock up logs and tie up significant working capital, but benefit forest owners who can plan ahead to reserve stock pile prior to the start of the rainy season. The Group incorporates this seasonality in its forest management plan to avoid supply shortage as well as to take advantage of seasonal price differentials in logs.

33. 業務之季節性因素

本集團於巴西之林業業務位於亞馬遜，於雨季受天氣狀況所限制，而雨季一般為每年十二月至四月。亞馬遜森林砍伐活動規模大幅減少，於若干地區更加完全停止。木材價格一般於雨季上升，乃由於供應減少所致。此影響多家鋸木廠經營者，令該等經營者須儲起木材及凍結大量營運資金，但此情況將為森林擁所有者帶來好處，彼等可計劃於雨季前儲備充足木材。本集團將此季節性因素加入森林管理計劃，以避免供應短缺，並可受惠於木材季節性價格變動。

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

34. INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(a) Current taxation in the consolidated statement of financial position represents:

Provision for Hong Kong Profits Tax for the year	本年度香港利得稅撥備
Balance of Profits Tax provision relating to prior years	過往年度利得稅撥備結餘

2012	2011
二零一二年	二零一一年
HK\$'000	HK\$'000
港幣千元	港幣千元

—	42,102
49,456	7,354
49,456	49,456

(b) Deferred tax liabilities recognised:

The components of deferred tax liabilities recognised in the consolidated statement of financial position and the movement during the year is as follows:

(b) 已確認遞延稅項負債：

於綜合財務狀況表確認之遞延稅項負債之組成部分及其年內變動如下：

		Consolidated statement of financial position 綜合財務狀況表					Classified as liabilities associated with assets held for sale (Note 28) 分類為與持作待售資產有關之負債(附註28)			
		Property, plant and equipment 物業、廠房 及設備 HK\$'000 港幣千元	Biological assets 生物資產 HK\$'000 港幣千元	Inventories 存貨 HK\$'000 港幣千元	Intangible assets 無形資產 HK\$'000 港幣千元	Sub-total 小計 HK\$'000 港幣千元	Property, plant and equipment 物業、廠房 及設備 HK\$'000 港幣千元	Intangible assets 無形資產 HK\$'000 港幣千元	Sub-total 小計 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At 1 April 2010	於二零一零年四月一日	66,528	242,659	—	—	309,187	8,141	29,906	38,047	347,234
Charged/(credited) to consolidated income statement	扣自/(計入)綜合收益表	—	85,300	23,080	—	108,380	—	(595)	(595)	107,785
Exchange movement	匯兌變動	10,087	26,687	—	—	36,774	26	91	117	36,891
At 31 March 2011	於二零一一年三月三十一日	76,615	354,646	23,080	—	454,341	8,167	29,402	37,569	491,910
At 1 April 2011	於二零一一年四月一日	76,615	354,646	23,080	—	454,341	8,167	29,402	37,569	491,910
Acquisition of subsidiaries	收購附屬公司	—	—	—	11,899	11,899	—	—	—	11,899
Credited to consolidated income statement	計入綜合收益表	—	(52,146)	(23,080)	(11,899)	(87,125)	—	—	—	(87,125)
Exchange movement	匯兌變動	(7,717)	(31,834)	—	—	(39,551)	(26)	(90)	(116)	(39,667)
Disposal of subsidiaries (Note 43)	出售附屬公司(附註43)	—	—	—	—	—	(8,141)	(29,312)	(37,453)	(37,453)
At 31 March 2012	於二零一二年三月三十一日	68,898	270,666	—	—	339,564	—	—	—	339,564

At 31 March 2012, the Group has tax losses of HK\$549,287,000 (2011: HK\$50,848,000) that are available for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised as it is not probable that future taxable profits against which the losses can be utilised will be available for the companies in which losses arose. The tax losses do not expire under current tax legislation. The Group has tax losses of HK\$16,410,000 (2011: Nil) available for offsetting against future profits that may be carried forward for five years, for PRC enterprise income tax purpose.

Save as disclosed above, there was no other significant deferred tax liabilities that is required to be provided for in the consolidated financial statements for the years ended 31 March 2012 and 2011.

於二零一二年三月三十一日，本集團在香港產生之稅項虧損為港幣549,287,000元(二零一一年：港幣50,848,000元)，可與產生虧損之公司日後應課稅溢利抵銷。由於用作抵銷日後應課稅溢利遞延稅項資產之虧損不可能供產生虧損公司動用，故並無確認遞延稅項資產。根據現行稅法，稅務虧損不會到期。就中國企業所得稅而言，本集團有港幣16,410,000元(二零一一年：無)之稅項虧損，可與日後溢利抵銷，稅項虧損可結轉五年。

除上文披露者外，概無其他重大遞延稅項負債須於截至二零一二年及二零一一年三月三十一日止年度之綜合財務報告中撥備。

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

35. FINANCIAL LIABILITIES

The Group and the Company

		2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
Issue of warrants	發行認購權證	8,730	—
Change in fair value	公平值變動	(2,700)	—
At end of the year	於年終	6,030	—

The warrants are measured at fair value at each end of the reporting period. The valuation was carried out by GCA independently based on Binomial Option Pricing Model.

35. 財務負債

本集團及本公司

認股權證按各報告期間結算日之公平值計量。估值由漢華評值按二項式期權定價模式獨立進行。

36. AMOUNTS DUE TO SHAREHOLDERS

		2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
LOH Jiah Yee, Katherine ("Ms. Loh")	樂家宜女士(「樂女士」)	16,738	10,004
Winner Global Holdings Limited ("Winner Global")	Winner Global Holdings Limited (「Winner Global」)	51,294	45,333
LIM Ping Wai	林萍惠	7,930	—
New Premier Holdings Limited ("New Premier")	New Premier Holdings Limited (「New Premier」)	56,385	60,442
Assure Gain International Limited ("Assure Gain")	Assure Gain International Limited (「Assure Gain」)	17,624	15,748
Corporate Insights Limited ("Corporate Insights")	慧商投資管理有限公司 (「慧商」)	645	—
Splendid Asset Holdings Limited ("Splendid Asset")	Splendid Asset Holdings Limited (「Splendid Asset」)	60,258	—
		210,874	131,527

Notes:

- (a) The amount was unsecured, bearing interest at 5% per annum and repayable on 31 December 2014. On 1 March 2012, an extension agreement was signed and the maturity date was extended to 31 December 2014. As at 31 March 2012, Ms. Loh was also an executive director of the Company.
- (b) The amount was unsecured, bearing interest at 5% per annum and repayable on 31 December 2014. On 1 March 2012, an extension agreement was signed and the maturity date was extended to 31 December 2014. Ms. Loh is beneficially interested in 43.39% of the share capital of Winner Global.
- (c) The amount was unsecured, bearing interest at 5% per annum and repayable on 31 December 2014. On 1 March 2012, an extension agreement was signed and the maturity date was extended to 31 December 2014. Ms. LIM Ping Wai is beneficially interested in 100% of the issued share capital of New Premier.

附註：

- (a) 有關款項為無抵押、按年利率5厘計息及須於二零一四年十二月三十一日償還。於二零一二年三月一日，已簽訂延長協議，而到期日已延至二零一四年十二月三十一日。於二零一二年三月三十一日，樂女士亦為本公司之執行董事。
- (b) 有關款項為無抵押、按年利率5厘計息及須於二零一四年十二月三十一日償還。於二零一二年三月一日，已簽訂延長協議，而到期日已延至二零一四年十二月三十一日。樂女士實益擁有 Winner Global 之股本 43.39%。
- (c) 有關款項為無抵押、按年利率5厘計息及須於二零一四年十二月三十一日償還。於二零一二年三月一日，已簽訂延長協議，而到期日已延至二零一四年十二月三十一日。林萍惠女士實益擁有 New Premier 已發行股本中全部權益。

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36. AMOUNTS DUE TO SHAREHOLDERS (continued)

Notes: (continued)

- (d) The amount was unsecured, bearing interest at 5% per annum and repayable on 31 December 2014. On 1 March 2012, an extension agreement was signed and the maturity date was extended to 31 December 2014.
- (e) The amount was unsecured, bearing interest at 5% per annum and repayable on 31 December 2014. On 31 December 2011, an extension agreement was signed and the maturity date was extended to 31 December 2014. Ms. Loh is beneficially interested in 100% of the issued share capital of Assure Gain.
- (f) The amount was unsecured, bearing interest at 5% per annum and repayable on 31 December 2014.
- (g) The amount was unsecured, bearing interest at 5% per annum and repayable on 31 December 2014. On 1 March 2012, an extension agreement was signed and the maturity date was extended to 31 December 2014. Ms. Loh is beneficially interested in 100% of the issued capital of Splendid Asset.

37. AMOUNT DUE TO A RELATED COMPANY

Value Creation Partners Company Limited

Note:

- (a) Value Creation Partners Company Limited is a company controlled by Ms. Loh, an Executive Director of the Company. The amount was unsecured, bearing interest at 5% per annum and repayable on 31 December 2014. On 1 July 2011, an extension agreement was signed and the maturity date was extended to 31 December 2014.

38. PROMISSORY NOTES

The Group and the Company

At beginning of the year	於年初
Accrued effective interests	累計實際利息
Less: Repayment	減：償還

At end of the year

於年終

	2012	2011
	二零一二年	二零一一年
	HK\$'000	HK\$'000
	港幣千元	港幣千元

6,388	24,617
129	847
—	(19,076)

6,517	6,388
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36. 應付股東款項(續)

附註：(續)

- (d) 有關款項為無抵押、按年利率5厘計息及須於二零一四年十二月三十一日償還。於二零一二年三月一日，已簽訂延長協議，而到期日已延至二零一四年十二月三十一日。
- (e) 有關款項為無抵押、按年利率5厘計息及須於二零一四年十二月三十一日償還。於二零一一年十二月三十一日，已簽訂延長協議，而到期日已延至二零一四年十二月三十一日。樂家宜女士實益擁有 Assure Gain 全部已發行股本。
- (f) 有關款項為無抵押、按年利率5厘計息及須於二零一四年十二月三十一日償還。
- (g) 有關款項為無抵押、按年利率5厘計息及須於二零一四年十二月三十一日償還。於二零一二年三月一日，已簽訂延長協議，而到期日已延至二零一四年十二月三十一日。樂女士實益擁有 Splendid Asset 已發行股本中全部權益。

37. 應付一家關連公司款項

	2012	2011
	二零一二年	二零一一年
Note	HK\$'000	HK\$'000
附註	港幣千元	港幣千元

(a)	2,048	—
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附註：

- (a) Value Creation Partners Company Limited 為一家由本公司執行董事樂女士控制之公司。有關款項為無抵押、按年利率5厘計息及須於二零一四年十二月三十一日償還。於二零一一年七月一日，已簽訂延長協議，而到期日已延至二零一四年十二月三十一日。

38. 承付票據

本集團及本公司

	2012	2011
	二零一二年	二零一一年
	HK\$'000	HK\$'000
	港幣千元	港幣千元

6,388	24,617
129	847
—	(19,076)

6,517	6,388
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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

38. PROMISSORY NOTES (continued)

The Group and the Company (continued)

On 31 July 2009, the Company issued promissory notes in an aggregate principal amount of HK\$232,000,000 as part of the consideration for the acquisition of Amplewell. The promissory notes bear interest at 2% per annum. The interest shall be repaid together with principal in one lump sum upon maturity on 31 January 2011. On 1 September 2010, the Company entered into a letter with the holder of the promissory notes to extend the maturity date of the promissory note to 31 July 2012. On 1 September 2011, further extension to 31 July 2013 was granted from the holder. The promissory notes may be assigned or transferred (in integral multiple of HK\$1,000,000) to any third party (other than a connected person as defined in subject to the Listing Rules) subject to the Listing Rules and the applicable laws. The Company may repay all or part of the principal amount and interest at any time prior to the maturity date (i.e. 31 July 2012) by giving the holder not less than seven days' prior written notice specifying the amount and date of repayment provided that the amount shall be at least HK\$1,000,000. Otherwise, the payment of principal and interest payment of promissory notes shall be made in full upon the maturity date.

The fair value of the promissory notes at the date of issuance was HK\$191,911,000, which was determined by GCA. Valuations were made on the basis of effective interest method which is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate used in the calculation of the fair value is 15.74%.

The promissory notes are held by a substantial shareholder. On 23 September 2009, the Company made repayment of promissory notes with carrying amount of HK\$84,529,000 at par value for HK\$100,000,000. On 2 November 2009, the Company made another repayment of promissory notes with carrying amount of HK\$90,188,000 at par value for HK\$105,000,000. The excess of the repayment amount over the carrying amount of HK\$30,283,000 for the year ended 31 March 2010 was accounted for as distribution to the shareholder.

On 12 April 2010, the Company made another repayment of promissory notes with carrying amount of HK\$19,076,000 at par value of HK\$20,822,000. The excess of the repayment amount over the carrying amount of HK\$1,746,000 for the year ended 31 March 2011 was accounted for as distribution to the shareholder.

Given that the Company has the legal obligation to settle the full face value of the promissory notes for the aforesaid acquisition, the directors considered that it is transaction with shareholder in the capacity as owner. The excess shall be accounted for as a deemed capital distribution to the shareholder and charged to the contributed surplus account.

38. 承付票據 (續)

本集團及本公司 (續)

於二零零九年七月三十一日，本公司發行本金總額為港幣232,000,000元之承付票據，作為收購沛源之部分代價。承付票據按年利率2厘計息。利息連同本金於二零一一年一月三十一日到期，屆時一次過償還。於二零一零年九月一日，本公司與承付票據持有人訂立一份函件，將承付票據之到期日順延至二零一二年七月三十一日。於二零一一年九月一日，已獲持有人授予進一步順延到期日至二零一三年七月三十一日。在符合上市規則及適用法律之情況下，承付票據將以港幣1,000,000元之完整倍數出讓或轉讓予任何第三方，惟上市規則所界定之關連人士除外。本公司可於到期日（即二零一二年七月三十一日）之前任何時間償還全部或部分本金額及利息，方式為向持有人發出不少於七日的事先書面通知，列明所償還之金額及還款日期，惟償還金額須最少為港幣1,000,000元。否則，承付票據之本金及利息須於到期日清償。

承付票據於發行日期之公平值為港幣191,911,000元，乃由漢華評估釐訂。估值乃按實際利率法作出，其為計算財務資產或財務負債攤銷成本及於相關期間分配利息收入或利息開支之方法。計算公平值所用實際利率為15.74厘。

承付票據乃由一名主要股東持有。於二零零九年九月二十三日，本公司按面值港幣100,000,000元償還賬面值港幣84,529,000元之承付票據。於二零零九年十一月二日，本公司另行按面值港幣105,000,000元償還賬面值港幣90,188,000元之承付票據。截至二零一零年三月三十一日止年度，償還金額超出賬面值之金額港幣30,283,000元入賬列作股東分派。

於二零一零年四月十二日，本公司另行按面值港幣20,822,000元償還賬面值港幣19,076,000元之承付票據。截至二零一一年三月三十一日止年度，償還金額超出賬面值之金額港幣1,746,000元入賬列作股東分派。

基於本公司有法律責任就上述全數收購償付承付票據之面值，董事認為此乃以擁有人身份與股東進行之交易。超出金額應入賬列作視作股東資本分派，並於實繳盈餘賬扣除。

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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

39. SHARE CAPITAL

39. 股本

			Number of ordinary shares of HK\$0.0533 per share 每股面值 港幣0.0533元 之普通股數目	HK\$'000 港幣千元	Number of convertible preferred shares of HK\$0.01 per share 每股面值 港幣0.01元 之可換股 優先股數目	HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
	Note 附註	'000 千股	'000 千股	'000 千股	'000 千股	'000 千股	'000 千股
Authorised:	法定：						
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	8,437,500	450,000	27,534,000	275,340	725,340	
Issued and fully paid:	已發行及繳足：						
At 1 April 2010	於二零一零年四月一日	2,326,454	124,078	19,877,708	198,777	322,855	
Placing of new shares	配售新股 (a)	412,000	21,973	—	—	21,973	
Convertible preferred shares issued for settlement of consideration payables	就償還應付代價發行可換股 優先股份 (b)	—	—	1,402,000	14,020	14,020	
Conversion of convertible preferred shares	兌換可換股優先股 (c)	1,771,712	94,491	(9,449,130)	(94,491)	—	
Shares issue upon exercise of share options	行使購股權時發行股份 (d)	8,908	476	—	—	476	
At 31 March 2011 and 1 April 2011	於二零一一年三月三十一日及 二零一一年四月一日	4,519,074	241,018	11,830,578	118,306	359,324	
Conversion of convertible preferred shares	兌換可換股優先股 (c)	1,714,447	91,437	(9,143,717)	(91,437)	—	
Shares issue upon exercise of share options	行使購股權後發行股份 (d)	190	10	—	—	10	
Consideration shares issued for the acquisition of subsidiaries	就收購附屬公司發行代價股份 (e)	380,000	20,267	—	—	20,267	
Issuance of shares pursuant to the equity line facility	根據股本融資發行股份 (f)	88,653	4,727	—	—	4,727	
At 31 March 2012	於二零一二年三月三十一日	6,702,364	357,459	2,686,861	26,869	384,328	

Notes:

(a) On 26 May 2010, the Company entered into a subscription agreement with NWS Financial Management Services Limited (the "Subscriber"), a subsidiary of NWS Holdings Limited who is an independent third party to the Group, pursuant to which the Company has agreed to allot and issue to the Subscriber, the subscription shares of 412,000,000 at HK\$0.50 per subscription share (the net price per subscription share amounted to HK\$0.46). The aggregate nominal amount of the subscription share amounted to HK\$21,973,000. The Company completed the subscription of 412,000,000 shares on 2 June 2010. The net proceeds raised from the subscription were approximately HK\$190.6 million. The said subscription shares rank pari passu in all respects with the issued ordinary share of the Company, including the right to receive all dividends and distributions. The closing price per share of the Company as quoted on the Stock Exchange on 26 May 2010 (being the date on which the terms of the subscription agreement were fixed) was HK\$0.53. The directors of the Company believed that the said subscription provided not only capital to assist the Group in achieving its corporate objectives and goals, but also allowed the Group to gain a strategic partnership with the Subscriber. The net proceeds from the subscription were used for business development and as general working capital.

附註：

(a) 於二零一零年五月二十六日，本公司與為本集團之獨立第三方新創建集團有限公司旗下附屬公司NWS Financial Management Services Limited (「認購人」) 訂立認購協議。據此，本公司同意按每股認購股份港幣0.50元向認購人配發及發行412,000,000股認購股份(每股認購股份之價格淨值為港幣0.46元)。認購股份之面值總額達港幣21,973,000元。本公司已於二零一零年六月二日完成認購412,000,000股股份。認購事項之所得款項淨額約為港幣190,600,000元。上述認購股份於各方面與本公司已發行普通股享有同等地位，包括收取所有股息及分派之權利。於二零一零年五月二十六日(即釐定認購協議條款當日)本公司股份於聯交所報之收市價為每股港幣0.53元。本公司董事相信，上述認購不僅為本集團帶來資金以協助達成其企業目標，亦令本集團得以與認購人建立策略夥伴關係。認購所得款項淨額用於業務發展及作為一般營運資金。

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39. SHARE CAPITAL (continued)

Notes: (continued)

- (b) On 31 January 2011, the Company allotted and issued 1,402,000,000 second tranche of the Convertible Preferred Shares to Winner Global for the settlement of part of the consideration payable under the Acquisition Agreement.
- (c) During the year ended 31 March 2012, an aggregate of 1,714,446,877 (2011: 1,771,711,912) new ordinary shares of HK\$0.0533 each were issued upon the conversion of 9,143,716,696 (2011: 9,449,130,212) Convertible Preferred Shares of HK\$0.01 each.
- (d) During the year ended 31 March 2012, 190,000 (2011: 8,907,500) options were exercised to subscribe for 190,000 (2011: 8,907,500) new ordinary shares of the Company at a consideration of HK\$71,000 (2011: HK\$3,341,000) of which approximately HK\$10,000 (2011: HK\$476,000) was credited to share capital and the balance of HK\$84,000 (2011: HK\$4,402,000) was credited to share premium account. HK\$23,000 (2011: HK\$1,537,000) has been transferred from share option reserve to the share premium account in accordance with policy set out in Note 3(p)(iii).
- (e) On 2 August 2011, the Group completed the acquisition of 100% of Originate Tech Group at a total consideration of 769,230,769 shares of the Company. The total consideration was divided into 3 tranches with the first tranche of 100,000,000 shares and second tranche of 280,000,000 shares issued at completion. The second tranche of 280,000,000 shares were held by the Company in escrow on behalf of the vendor and would have been released upon meeting of net profit guarantee by the vendor in three years after completion. The details of the acquisition and net profit guarantee are outlined in Note 42. As a result of failure to meet the net profit guarantee, the Company is currently holding the second tranche shares awaiting disposal by the Company. Proceeds from the disposal of these shares shall be returned to the Company in accordance with the terms of the acquisition agreement.
- (f) On 19 December 2011, the Company and an independent third party ("Investor") entered into (1) the equity line facility agreement ("ELF Agreement") and (2) the debt facility agreement ("DF Agreement"). Under the ELF Agreement, the Company may require the Investor to subscribe up to HK\$350 million, subject to a floor price of HK\$0.149 per share ("Floor Price"), worth of the Company's shares during a maximum of 3-year period after the commencement date of the ELF Agreement. Pursuant to the DF Agreement, the Investor agreed to grant an initial loan of HK\$30 million ("Initial Loan") and additional term loan of up to HK\$80 million ("Renewal Loan"). On 21 December 2011 and 19 January 2011, the Company and the Investor entered into supplemental ELF Agreements reducing the maximum commitment amount from HK\$350 million to finally HK\$115 million. The Company issued 19,351,556 shares to the Investor as commitment fees for the facilities. As of 31 March 2012, 88,653,637 shares were issued to and subscribed by the Investor under the ELF Agreement.

39. 股本(續)

附註：(續)

- (b) 於二零一一年一月三十一日，本公司向 Winner Global 配發及發行 1,402,000,000 股第二批可換股優先股以償還收購協議項下之應付代價。
- (c) 截至二零一二年三月三十一日止年度內，於兌換 9,143,716,696 股(二零一一年：9,449,130,212 股)每股面值港幣 0.01 元之可換股優先股後，已發行合共 1,714,446,877 股(二零一一年：1,771,711,912 股)每股面值港幣 0.0533 元之新普通股。
- (d) 截至二零一二年三月三十一日止年度內，190,000 份(二零一一年：8,907,500 份)購股權已獲行使，以認購 190,000 股(2011: 8,907,500 股)股本公司新普通股，代價為港幣 71,000 元(二零一一年：港幣 3,341,000 元)，當中港幣 10,000 元(二零一一年：港幣 476,000 元)已計入股本，餘額港幣 84,000 元(二零一一年：港幣 4,402,000 元)則計入股份溢價賬。根據附註 3(p)(iii) 所列政策，港幣 23,000 元(二零一一年：港幣 1,537,000 元)已由購股權儲備轉撥至股份溢價賬。
- (e) 於二零一一年八月二日，本集團完成以總代價 769,230,769 股本公司股份收購創科集團全部股權。總代價分為三批股份包括於完成時發行之第一批 100,000,000 股股份及第二批 280,000,000 股股份。第二批 280,000,000 股股份由本公司以託管形式代表賣方持有，並在賣方於完成後三年內達成純利保證後發還。收購及純利保證之詳情於附註 42 提述。由於未能達成純利保證，本公司現時持有第二批股份以待出售。出售該等股份之所得款項須根據收購協議之條款歸還本公司。
- (f) 於二零一一年十二月十九日，本公司與一名獨立第三方(「投資者」)訂立(1)股本融資協議(「股本融資協議」)及(2)債務融資協議(「債務融資協議」)。根據股本融資協議，本公司可要求投資者於股本融資協議開始日期後最多三年期間認購價值最多為港幣 350,000,000 元之股份(限定於最低價為每股股份港幣 0.149 元(「最低價」))。根據債務融資協議，投資者同意授出港幣 30,000,000 元之初步貸款(「初步貸款」)及最多為港幣 80,000,000 元之額外有期貨款(「更新貸款」)。於二零一一年十二月二十一日及二零一一年一月十九日，本公司與投資者訂立補充股本融資協議，將最高承諾金額由港幣 350,000,000 元減至最終港幣 115,000,000 元。本公司向投資者發行 19,351,556 股股份作融資之承諾費用。於二零一二年三月三十一日，已根據股本融資協議向投資者發行並由投資者認購 88,653,637 股股份。

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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

40. SHARE OPTION SCHEME

The Company terminated the share option scheme adopted by the Company on 9 September 2002 (“Old Scheme”) and adopted a new share option scheme (“New Scheme”) pursuant to an ordinary resolution passed by the shareholders of the Company at the special general meeting held on 27 November 2009. There was no share option granted under the Old Scheme. The principal terms of the New Scheme are as follows:

(a) Purpose

The purpose of the New Scheme is to provide incentives and rewards to eligible participants who contribute to the success of the Group’s operation and to recruit and retain high caliber employees and attract human resources that are valuable to the Group and any entity which any member of the Group holds any equity interest (“Invested Entity”).

(b) Eligible participants

Eligible participants of the New Scheme include the Company’s directors and other employees of the Group or Invested Entity, any customers, supplier of goods or services to any member of the Group or any Invested Entity who, in the sole discretion of the Board have contributed or will contribute to the growth and development of the Group or any Invested Entity.

(c) Maximum number of shares

The total number of shares (i.e. 670,236,433 ordinary shares) which may be issued upon exercise of all options granted and to be granted under the New Scheme represented 10% of the total number of issued ordinary shares of the Company as at the date of passing the ordinary resolution on 11 April 2012 (being the date on which the mandate limit of the New Scheme was refreshed) and represented approximately 9.5% of the total number of issued ordinary shares of the Company as at the date of this report.

40. 購股權計劃

本公司終止本公司於二零零二年九月九日採納之購股權計劃(「舊計劃」)，並根據於二零零九年十一月二十七日舉行之股東特別大會獲本公司股東通過之普通決議案採納新購股權計劃(「新計劃」)。並無根據舊計劃授出任何購股權。新計劃之主要條款如下：

(a) 目的

新計劃之目的為向為本集團之成功營運作出貢獻之合資格參與者給予鼓勵及回報，並為本集團或本集團任何成員公司持有其股本權益之實體(「投資實體」)招聘及留聘優秀僱員以及吸引寶貴人力資源。

(b) 合資格參與者

新計劃之合資格參與者包括董事會全權酌情認為已經或將會對本集團或投資實體之增長及發展作出貢獻之本公司董事、本集團或任何投資實體之其他僱員、本集團任何成員公司之任何客戶、貨品或服務供應商或任何投資實體。

(c) 股份數目上限

就根據新計劃已授出及將授出之所有購股權獲行使而可予發行之股份總數(即670,236,433股普通股)，佔於二零一二年四月十一日(即新計劃之授權限額獲更新當日)普通決議案獲通過當日之本公司已發行普通股總數之10%，及佔本報告日期之本公司已發行普通股總數約9.5%。

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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

40. SHARE OPTION SCHEME (continued)

(d) Maximum entitlement of each eligible participant

The maximum number of shares issuable under the New Scheme to each eligible participant within any 12-month period, is limited to 1% of the total number of ordinary shares of the Company in issue at any time.

Any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their respective associates, which would result in the ordinary shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in excess of 0.1% of the ordinary shares of the Company in issue at any time and with an aggregate value (based on the price of the Company's shares at the date of the grant) in excess of HK\$5,000,000 within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

(e) Option period

An option shall be exercised within 10 years from the date of grant or such shorter period as the directors may specify at the time of grant.

(f) Acceptance of offer

The offer of a grant of share options may be accepted within 28 days from the date of the offer, upon payment of a nominal consideration of HK\$1 in total by the grantee.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

(g) Exercise price

The exercise price of the share options is determinable by the directors, but shall not be less than the highest of (i) the closing price of the Company's shares as stated in the Stock Exchange's daily quotation sheet on the date of offer of the share options; and (ii) the average closing prices of the Company's shares as stated in the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the date of the offer; and (iii) the nominal value of the Company's shares.

(h) The validity of the New Scheme

The New Scheme has a life of 10 years and will expire on 27 November 2019 unless otherwise terminated in accordance with the terms of the New Scheme.

No share option was granted during the year ended 31 March 2012. In assessing the theoretical aggregate value of the share options granted and fully accepted during the year ended 31 March 2011, the result of Binominal Option Pricing Model performed by GCA was used. In total, approximately HK\$Nil (2011: HK\$23,319,000) and HK\$Nil (2011: HK\$7,835,000) was recognised as share-based payment for employees and consultants, respectively for the year ended 31 March 2012.

40. 購股權計劃(續)

(d) 每名合資格參與者之權益上限

於任何十二個月期間內向新計劃項下每名合資格參與者授出之購股權可發行之股份總數，最多不得超過本公司任何時間已發行普通股總數1%。

倘於任何十二個月期間內授予本公司主要股東或獨立非執行董事或彼等各自之任何聯繫人士之任何購股權而將導致向該名人士經已授出及將授出之所有購股權(包括已行使、已註銷及尚未行使之購股權)獲行使時已發行及將予發行之普通股，超過本公司任何時間已發行普通股之0.1%，及其總值(根據本公司股份於授出當日之價格計算)超過港幣5,000,000元，則須事先經股東於股東大會批准。

(e) 購股權有效期

購股權須自授出日期起十年內或董事會於授出時可能訂明之較短期間行使。

(f) 接納建議

承授人可於建議授出購股權當日起計二十八日內通過支付象徵式代價合共港幣1元而接納購股權。

購股權並無賦予持有人獲發股息或於股東大會投票之權利。

(g) 行使價

購股權之行使價由董事釐定，惟不得低於(i)本公司股份於建議授出購股權日期在聯交所每日報價表所列之收市價；及(ii)緊接建議授出購股權日期前五個交易日本公司股份在聯交所每日報價表所列之平均收市價；及(iii)本公司股份之面值(以最高者為準)。

(h) 新計劃之有效期

除根據新計劃條款另行終止外，新計劃為期十年，將於二零一九年十一月二十七日期到。

截至二零一二年三月三十一日止年度，概無授出購股權。於評估截至二零一二年三月三十一日止年度授出及獲全數接納之購股權理論總值時，已採用由漢華評值進行二項式期權定價模式之結果。截至二零一二年三月三十一日止年度，合共約港幣零元(二零一一年：港幣23,319,000元)及港幣零元(二零一一年：港幣7,835,000元)已分別確認為向僱員及顧問以股份支付之開支。

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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

40. SHARE OPTION SCHEME (continued)

(a) Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

40. 購股權計劃(續)

(a) 尚未行使購股權數目及其相關加權平均行使價之變動如下：

Date of Grant 授出日期	Exercise period 行使期	Exercise price 每股行使價	Number of share options 購股權數目							Outstanding at 31 March 2012 於二零一二年三月三十一日 尚未行使	Exercisable at 31 March 2012 於二零一二年三月三十一日 可行使	
			Outstanding at 1 April 2010 於二零一零年四月一日 尚未行使	Granted 已授出	Exercised 已行使	Lapsed 已失效	Outstanding at 1 April 2011 於二零一一年三月三十一日 尚未行使	Granted 已授出	Exercised 已行使			Lapsed 已失效
13 January 2010 二零一零年一月十三日	13 January 2011 to 12 January 2020 二零一一年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣0.940元	13,247,988	—	—	(4,024,396)	9,223,592	—	—	(7,313,906)	1,909,686	1,909,686
13 January 2010 二零一零年一月十三日	13 January 2012 to 12 January 2020 二零一二年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣0.940元	13,247,988	—	—	(4,024,396)	9,223,592	—	—	(7,313,904)	1,909,688	1,909,688
13 January 2010 二零一零年一月十三日	13 January 2013 to 12 January 2020 二零一三年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣0.940元	13,247,990	—	—	(4,024,399)	9,223,591	—	—	(7,313,900)	1,909,691	—
13 January 2010 二零一零年一月十三日	15 July 2010 to 12 January 2020 二零一零年七月十五日至 二零二零年一月十二日	HK\$0.940 港幣0.940元	5,105,428	—	—	—	5,105,428	—	—	—	5,105,428	5,105,428
13 January 2010 二零一零年一月十三日	15 July 2011 to 12 January 2020 二零一一年七月十五日至 二零二零年一月十二日	HK\$0.940 港幣0.940元	5,105,427	—	—	—	5,105,427	—	—	—	5,105,427	5,105,427
7 May 2010 二零一零年五月七日	15 July 2010 to 6 May 2020 二零一零年七月十五日至 二零二零年五月六日	HK\$0.710 港幣0.710元	—	5,105,427	—	—	5,105,427	—	—	—	5,105,427	5,105,427
7 May 2010 二零一零年五月七日	7 November 2010 to 6 May 2020 二零一零年十一月七日至 二零二零年五月六日	HK\$0.710 港幣0.710元	—	2,000,000	—	—	2,000,000	—	—	(2,000,000)	—	—
7 May 2010 二零一零年五月七日	13 January 2011 to 6 May 2020 二零一一年一月十三日至 二零二零年五月六日	HK\$0.710 港幣0.710元	—	9,381,644	—	(5,700,232)	3,681,412	—	—	(2,515,141)	1,166,271	1,166,271
7 May 2010 二零一零年五月七日	7 May 2011 to 6 May 2020 二零一一年五月七日至 二零二零年五月六日	HK\$0.710 港幣0.710元	—	4,162,677	—	(1,290,266)	2,872,411	—	—	(2,046,753)	825,658	825,658
7 May 2010 二零一零年五月七日	15 July 2011 to 6 May 2020 二零一一年七月十五日至 二零二零年五月六日	HK\$0.710 港幣0.710元	—	5,105,428	—	—	5,105,428	—	—	—	5,105,428	5,105,428

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40. SHARE OPTION SCHEME (continued)

- (a) Movements in the number of share options outstanding and their related weighted average exercise prices are as follows: (continued)

40. 購股權計劃 (續)

- (a) 尚未行使購股權數目及其相關加權平均行使價之變動如下：(續)

Date of Grant 授出日期	Exercise period 行使期	Exercise price per share 每股行使價	Number of share options 購股權數目									
			Outstanding at 1 April 2010 於二零一零年四月一日尚未行使	Granted 已授出	Exercised 已行使	Lapsed 已失效	Outstanding at 31 March 2011 and 1 April 2011 於二零一一年三月三十一日及二零一一年四月一日尚未行使	Granted 已授出	Exercised 已行使	Lapsed 已失效	Outstanding at 31 March 2012 於二零一二年三月三十一日尚未行使	Exercisable at 31 March 2012 於二零一二年三月三十一日可行使
7 May 2010 二零一零年五月七日	13 January 2012 to 6 May 2020 二零一二年一月十三日至二零二零年五月六日	HK\$0.710 港幣0.710元	—	9,381,646	—	(7,402,042)	1,979,604	—	—	(813,333)	1,166,271	1,166,271
7 May 2010 二零一零年五月七日	7 May 2012 to 6 May 2020 二零一二年五月七日至二零二零年五月六日	HK\$0.710 港幣0.710元	—	4,162,678	—	(1,290,266)	2,872,412	—	—	(2,046,753)	825,659	—
7 May 2010 二零一零年五月七日	13 January 2013 to 6 May 2020 二零一三年一月十三日至二零二零年五月六日	HK\$0.710 港幣0.710元	—	9,381,664	—	(7,402,043)	1,979,611	—	—	(813,335)	1,166,276	—
7 May 2010 二零一零年五月七日	7 May 2013 to 6 May 2020 二零一三年五月七日至二零二零年五月六日	HK\$0.710 港幣0.710元	—	4,162,680	—	(1,290,266)	2,872,414	—	—	(2,046,755)	825,659	—
14 September 2010 二零一零年九月十四日	14 September 2010 to 27 November 2019 二零一零年九月十四日至二零一九年十一月二十七日	HK\$0.375 港幣0.375元	—	79,350,000	(8,907,500)	(600,000)	69,842,500	—	(190,000)	(6,100,000)	63,552,500	63,552,500
18 February 2011 二零一一年二月十八日	30 June 2011 to 17 February 2021 二零一一年六月三十日至二零二零年二月十七日	HK\$0.42 港幣0.42元	—	1,701,809	—	—	1,701,809	—	—	(1,701,809)	—	—
18 February 2011 二零一一年二月十八日	31 July 2011 to 17 February 2021 二零一一年七月三十一日至二零二零年二月十七日	HK\$0.42 港幣0.42元	—	273,529	—	—	273,529	—	—	(273,529)	—	—
18 February 2011 二零一一年二月十八日	6 September 2011 to 17 February 2021 二零一一年九月六日至二零二零年二月十七日	HK\$0.42 港幣0.42元	—	333,333	—	(333,333)	—	—	—	—	—	—
18 February 2011 二零一一年二月十八日	5 December 2011 to 17 February 2021 二零一一年十二月五日至二零二零年二月十七日	HK\$0.42 港幣0.42元	—	266,666	—	—	266,666	—	—	(266,666)	—	—
18 February 2011 二零一一年二月十八日	16 December 2011 to 17 February 2021 二零一一年十二月十六日至二零二零年二月十七日	HK\$0.42 港幣0.42元	—	1,433,333	—	—	1,433,333	—	—	—	1,433,333	1,433,333

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40. SHARE OPTION SCHEME (continued)

- (a) Movements in the number of share options outstanding and their related weighted average exercise prices are as follows: (continued)

40. 購股權計劃(續)

- (a) 尚未行使購股權數目及其相關加權平均行使價之變動如下：(續)

Date of Grant 授出日期	Exercise period 行使期	Exercise price per share 每股行使價	Number of share options 購股權數目						Outstanding at 31 March 2012 於二零一二年三月三十一日尚未行使	Exercisable at 31 March 2012 於二零一二年三月三十一日可行使		
			Outstanding at 1 April 2010 於二零一零年四月一日尚未行使	Granted 已授出	Exercised 已行使	Lapsed 已失效	Outstanding at 1 April 2011 於二零一一年四月一日尚未行使	Granted 已授出			Exercised 已行使	Lapsed 已失效
18 February 2011 二零一一年二月十八日	2 January 2012 to 17 February 2021 二零一二年一月二日至 二零一二年二月十七日	HK\$0.42 港幣0.42元	—	333,333	—	—	333,333	—	—	(333,333)	—	—
18 February 2011 二零一一年二月十八日	9 January 2012 to 17 February 2021 二零一二年一月九日至 二零一二年二月十七日	HK\$0.42 港幣0.42元	—	433,333	—	—	433,333	—	—	(433,333)	—	—
18 February 2011 二零一一年二月十八日	30 June 2012 to 17 February 2021 二零一二年六月三十日至 二零一二年二月十七日	HK\$0.42 港幣0.42元	—	1,701,809	—	—	1,701,809	—	—	(1,701,809)	—	—
18 February 2011 二零一一年二月十八日	31 July 2012 to 17 February 2021 二零一二年七月三十一日至 二零一二年二月十七日	HK\$0.42 港幣0.42元	—	273,529	—	—	273,529	—	—	(273,529)	—	—
18 February 2011 二零一一年二月十八日	6 September 2012 to 17 February 2021 二零一二年九月六日至 二零一二年二月十七日	HK\$0.42 港幣0.42元	—	333,333	—	(333,333)	—	—	—	—	—	—
18 February 2011 二零一一年二月十八日	5 December 2012 to 17 February 2021 二零一二年十二月五日至 二零一二年二月十七日	HK\$0.42 港幣0.42元	—	266,667	—	—	266,667	—	—	(266,667)	—	—
18 February 2011 二零一一年二月十八日	16 December 2012 to 17 February 2021 二零一二年十二月十六日至 二零一二年二月十七日	HK\$0.42 港幣0.42元	—	1,433,333	—	—	1,433,333	—	—	—	1,433,333	—
18 February 2011 二零一一年二月十八日	2 January 2013 to 17 February 2021 二零一三年一月二日至 二零一二年二月十七日	HK\$0.42 港幣0.42元	—	333,333	—	—	333,333	—	—	(333,333)	—	—
18 February 2011 二零一一年二月十八日	9 January 2013 to 17 February 2021 二零一三年一月九日至 二零一二年二月十七日	HK\$0.42 港幣0.42元	—	433,333	—	—	433,333	—	—	(433,333)	—	—

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40. SHARE OPTION SCHEME (continued)

- (a) Movements in the number of share options outstanding and their related weighted average exercise prices are as follows: (continued)

Date of Grant 授出日期	Exercise period 行使期	Exercise price per share 每股行使價	Outstanding at 1 April 2010 於二零一零年四月一日		Number of share options 購股權數目			Outstanding at 31 March 2011 and 1 April 2011 於二零一一年三月三十一日及二零一一年四月一日			Outstanding at 31 March 2012 於二零一二年三月三十一日		Exercisable at 31 March 2012 於二零一二年三月三十一日
			Granted 已授出	Exercised 已行使	Lapsed 已失效	Granted 已授出	Exercised 已行使	Lapsed 已失效	Granted 已授出	Exercised 已行使	Lapsed 已失效	Granted 已授出	Exercised 已行使
18 February 2011 二零一一年二月十八日	30 June 2013 to 17 February 2021 二零一三年六月三十日至 二零一二年二月十七日	HK\$0.42 港幣0.42元	—	1,701,810	—	—	1,701,810	—	—	(1,701,810)	—	—	
18 February 2011 二零一一年二月十八日	31 July 2013 to 17 February 2021 二零一三年七月三十一日至 二零一二年二月十七日	HK\$0.42 港幣0.42元	—	273,530	—	—	273,530	—	—	(273,530)	—	—	
18 February 2011 二零一一年二月十八日	6 September 2013 to 17 February 2021 二零一三年九月六日至 二零一二年二月十七日	HK\$0.42 港幣0.42元	—	333,334	—	(333,334)	—	—	—	—	—	—	
18 February 2011 二零一一年二月十八日	5 December 2013 to 17 February 2021 二零一三年十二月五日至 二零一二年二月十七日	HK\$0.42 港幣0.42元	—	266,667	—	—	266,667	—	—	(266,667)	—	—	
18 February 2011 二零一一年二月十八日	16 December 2013 to 17 February 2021 二零一三年十二月十六日 至二零一二年二月十七日	HK\$0.42 港幣0.42元	—	1,433,334	—	—	1,433,334	—	—	—	1,433,334	—	
18 February 2011 二零一一年二月十八日	2 January 2014 to 17 February 2021 二零一四年一月二日至 二零一二年二月十七日	HK\$0.42 港幣0.42元	—	333,334	—	—	333,334	—	—	(333,334)	—	—	
18 February 2011 二零一一年二月十八日	9 January 2014 to 17 February 2021 二零一四年一月九日至 二零一二年二月十七日	HK\$0.42 港幣0.42元	—	433,334	—	—	433,334	—	—	(433,334)	—	—	
			49,954,821	146,519,850	(8,907,500)	(38,048,305)	149,518,865	—	(190,000)	(49,349,796)	99,979,069	92,385,117	
Weighted average exercise price: 加權平均行使價:			HK\$0.940 港幣0.940元	HK\$0.500 港幣0.500元	HK\$0.375 港幣0.375元	HK\$0.770 港幣0.770元	HK\$0.496 港幣0.496元	—	HK\$0.375 港幣0.375元	HK\$0.718 港幣0.718元	HK\$0.521 港幣0.521元	HK\$0.510 港幣0.510元	

40. 購股權計劃 (續)

- (a) 尚未行使購股權數目及其相關加權平均行使價之變動如下：(續)

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40. SHARE OPTION SCHEME (continued)

(b) The vesting period for the share options is as below.

Date of grant 授出日期	No. of share options granted 已授出購股權數目	Vesting conditions 歸屬條件		
		No. of shares options vested 已歸屬購股權數目	Vesting date 歸屬日期	
13 January 2010 二零一零年一月十三日	10,210,855	5,105,428	15 July 2010 二零一零年七月十五日	
		5,105,427	15 July 2011 二零一一年七月十五日	
		45,040,069	13,398,633	13 January 2011 二零一一年一月十三日
		13,320,716	13 January 2012 二零一二年一月十三日	
		13,320,720	13 January 2013 二零一三年一月十三日	
7 May 2010 二零一零年五月七日	10,210,855	5,105,427	15 July 2010 二零一零年七月十五日	
		5,105,428	15 July 2011 二零一一年七月十五日	
		14,488,035	2,000,000	7 November 2010 二零一零年十一月七日
		4,162,677	7 May 2011 二零一一年五月七日	
		4,162,678	7 May 2012 二零一二年五月七日	
		4,162,680	7 May 2013 二零一三年五月七日	
		28,144,944	9,381,644	13 January 2011 二零一一年一月十三日
		9,381,646	13 January 2012 二零一二年一月十三日	
		9,381,654	13 January 2013 二零一三年一月十三日	
14 September 2010 二零一零年九月十四日	79,350,000	79,350,000	14 September 2010 二零一零年九月十四日	
18 February 2011 二零一一年二月十八日	5,105,428	1,701,809	30 June 2011 二零一一年六月三十日	
		1,701,809	30 June 2012 二零一二年六月三十日	
		1,701,810	30 June 2013 二零一三年六月三十日	
		820,588	273,529	31 July 2011 二零一一年七月三十一日
			273,529	31 July 2012 二零一二年七月三十一日
			273,530	31 July 2013 二零一三年七月三十一日
		1,000,000	333,333	6 September 2011 二零一一年九月六日
			333,333	6 September 2012 二零一二年九月六日
			333,334	6 September 2013 二零一三年九月六日
		800,000	266,666	5 December 2011 二零一一年十二月五日
			266,667	5 December 2012 二零一二年十二月五日
			266,667	5 December 2013 二零一三年十二月五日
		4,300,000	1,433,333	16 December 2011 二零一一年十二月十六日
			1,433,333	16 December 2012 二零一二年十二月十六日
			1,433,334	16 December 2013 二零一三年十二月十六日
		1,000,000	333,333	2 January 2012 二零一二年一月二日
			333,333	2 January 2013 二零一三年一月二日
	333,334	2 January 2014 二零一四年一月二日		
1,300,000	433,333	9 January 2012 二零一二年一月九日		
	433,333	9 January 2013 二零一三年一月九日		
	433,334	9 January 2014 二零一四年一月九日		
Total share option granted 已授出購股權總數	201,770,774			
Less: Lapsed 減：已失效	(92,694,205)			
Exercised 已行使	(9,097,500)			
Outstanding at 31 March 2012 於二零一二年三月三十一日 尚未行使	99,979,069			

40. 購股權計劃(續)

(b) 購股權之歸屬期如下。

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40. SHARE OPTION SCHEME (continued)

(b) (continued)

The option outstanding as at 31 March 2012 have a weighted average remaining contractual life of 7.81 years (2011: 9.25 years).

The weighted average share price at the date of exercise for share options exercised during the year was HK\$0.375 (2011: HK\$0.428).

No other share options granted under the New Scheme were cancelled during the year ended 31 March 2012 and 2011. The Group had no legal or constructive obligation to repurchase or settle the options in cash.

(c) The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The estimate of the fair value of the share options granted is measured based on binomial option pricing model. The contractual life of the share option is used as an input into this model. Expectations of early exercise are incorporated into the binomial option pricing.

40. 購股權計劃 (續)

(b) (續)

於二零一二年三月三十一日尚未行使購股權之加權平均餘下合約年期為7.81年(二零一一年: 9.25年)。

年內已行使購股權於行使日期之加權平均股價為港幣0.375元(二零一一年: 港幣0.428元)。

截至二零一二年及二零一一年三月三十一日止年度, 概無其他根據新計劃授出之購股權獲註銷。本集團並無法律或推定責任須以現金購回或支付購股權。

(c) 以授出購股權換取之服務公平值乃參考已授出購股權之公平值計量。已授出購股權之估計公平值按二項式期權定價模式計量。購股權之合約年期作為輸入該模式之數據, 而預期提早行使已計入二項式期權定價模式之中。

		Date of grant			
		授出日期			
		18/2/2011	14/9/2010	7/5/2010	13/1/2010
		二零一一年	二零一零年	二零一零年	二零一零年
		二月十八日	九月十四日	五月七日	一月十三日
Fair value of share options and assumptions	購股權之公平值及假設				
Share price	股價	HK\$0.415 港幣0.415元	HK\$0.375 港幣0.375元	HK\$0.65 港幣0.65元	HK\$0.94 港幣0.94元
Exercise price	行使價	HK\$0.42 港幣0.42元	HK\$0.375 港幣0.375元	HK\$0.71 港幣0.71元	HK\$0.94 港幣0.94元
Expected volatility (expressed as weighted average volatility used in the modeling under binomial option pricing)	預期波幅(根據二項式期權定價模式模擬時所用加權平均波幅)	55.67%	70.650%	70.53%	70.572%
Option life (expressed as weighted average life used in the modeling under binomial option pricing model)	購股權年期(根據二項式期權定價模式模擬時所用加權平均年期)	10 years年	10 years年	10 years年	10 years年
Expected dividends	預期股息	HK\$Nil 港幣零元	HK\$Nil 港幣零元	HK\$Nil 港幣零元	HK\$Nil 港幣零元
Risk-free interest rate (based on 10-year Hong Kong Exchange Fund Notes)	無風險利率(以十年期香港外匯基金票據為準)	2.868%	2.017%	2.670%	2.799%

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40. SHARE OPTION SCHEME (continued)

(c) (continued)

The expected volatility is based on annualized standard deviations of the continuously compounded rates of return on the share prices of five comparable companies in Hong Kong and Brazil Exchange with similar business operations. No dividends are expected as the Company had no history of payment of dividends.

Share options were granted under a service condition. This condition has not been taken into account in the grant date fair value measurement of the services received. There were no market conditions associated with the share option grants.

41. RESERVES

(a) The Group

Notes	Share premium	Contributed surplus	Distributable reserve	Capital redemption reserve	Exchange fluctuation reserve	Share option reserve	Retained profits	Sub-total	Non-controlling interests	Total
附註	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 1 April 2010	2,009,852	54,770	2,216	8,000	667	2,005	106,203	2,183,713	62	2,183,775
Change in equity for 2011										
Profit for the year	-	-	-	-	-	-	341,486	341,486	7	341,493
Exchange differences on translation of financial statements of overseas subsidiaries					86,007			86,007	7	86,014
Total other comprehensive income					86,007			86,007	7	86,014
Total comprehensive income for the year	-	-	-	-	86,007	-	341,486	427,493	14	427,507
Transactions with owners										
Placement of new shares	184,027	-	-	-	-	-	-	184,027	-	184,027
Shares issue expenses	(15,450)	-	-	-	-	-	-	(15,450)	-	(15,450)
Issuance of convertible preferred shares	127,934	(48,021)	-	-	-	-	-	79,913	-	79,913
Deemed capital distribution arising from settlement of promissory notes	38	(1,746)	-	-	-	-	-	(1,746)	-	(1,746)
Deemed capital contribution arising from waiver of liabilities by a substantial shareholder	(i)	5,000	-	-	-	-	-	5,000	-	5,000
Equity-settled share-based payment						31,154		31,154		31,154
Forfeiture of share options						(2,311)	2,311	-		-
Shares issue upon exercise of share options	4,402					(1,637)		2,865		2,865
Total transactions with owners	300,913	(44,767)	-	-	-	27,806	2,311	285,763	-	285,763
At 31 March 2011	2,310,765	10,003	2,216	8,000	86,674	29,311	450,000	2,896,969	76	2,897,045

Note: (i) On 31 March 2011, Winner Global and a subsidiary of the Company signed an agreement (the "Waiver Agreement"). Pursuant to the Waiver Agreement, Winner Global agreed to waive the consideration payable of HK\$5,000,000 unconditionally. The directors considered that the waiver of the liability was a transaction with the owners and shall be accounted for as a deemed capital contribution from the shareholder and credited to contributed surplus account.

附註: (i) 於二零一一年三月三十一日，Winner Global與本公司一家附屬公司訂立一份協議（「豁免協議」）。根據豁免協議，Winner Global同意無條件豁免應付代價港幣5,000,000元。董事認為，豁免負債屬於一項與擁有人之交易，應以來自股東之視作注資形式入賬，並計入實繳盈餘賬。

40. 購股權計劃(續)

(c) (續)

預期波幅乃以於香港及巴西證券交易所從事同類業務營運之五家可資比較公司之股價回報持續複合比率之年度標準差為基準。由於本公司過往並無派付股息記錄，故預期不會派付任何股息。

購股權乃根據服務條件而授出。此條件並無計入所獲取服務於授出日期之公平值。授出購股權並無附帶市場條件。

41. 儲備

(a) 本集團

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41. RESERVES (continued)

(a) The Group (continued)

Notes	附註	Shares held by Company for settlement of acquisition consideration		Contributed surplus	Distributable reserve	Capital redemption reserve	Exchange fluctuation reserve	Share option reserve	Retained profits	Sub-total	Non-controlling interests	Total equity	
		Share premium	本公司就償付收購代價										
		HK\$'000	HK\$'000										
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	
At 1 April 2011	於二零一一年四月一日	2,310,765	—	10,003	2,216	8,000	86,674	29,311	450,000	2,896,969	76	2,987,045	
Change in equity for 2012	二零一二年權益變動												
Loss for the year	年度虧損	—	—	—	—	—	—	—	(2,327,909)	(2,327,909)	(9)	(2,327,912)	
Disposal of subsidiaries	出售附屬公司	—	—	—	—	—	(6,377)	—	—	(6,377)	13	(6,364)	
Exchange differences on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報告之匯兌差額	—	—	—	—	—	(68,659)	—	—	(68,659)	—	(68,659)	
Total other comprehensive loss	其他全面虧損總額	—	—	—	—	—	(75,036)	—	—	(75,036)	13	(75,023)	
Total comprehensive loss for the year	本年度全面虧損總額	—	—	—	—	—	(75,036)	—	(2,327,909)	(2,402,945)	10	(2,402,835)	
Transactions with owners	與擁有人進行之交易												
Consideration shares issue for acquisition of subsidiaries	發行代價附屬公司	39(e)	137,053	(115,920)	—	—	—	—	—	21,133	—	21,133	
Issuance of shares pursuant to the equity line facility	根據股本融資發行股份	39(f)	10,772	—	—	—	—	—	—	10,772	—	10,772	
Dividends declared in respect of previous period	就過往期間宣派股息	16	—	—	—	—	—	—	(31,996)	(31,996)	—	(31,996)	
Forfeiture of share options	沒收購股權	—	—	—	—	—	—	(6,751)	6,751	—	—	—	
Shares issue upon exercise of share options	行使購股權時發行股份	39(g)	84	—	—	—	—	(23)	—	61	—	61	
Equity-settled share-based payment	以股權結算之股份付款	—	—	—	—	—	—	(3,013)	—	(3,013)	—	(3,013)	
Total transactions with owners	與擁有人進行之交易總額		147,909	(115,920)	—	—	—	(9,787)	(25,245)	(3,043)	—	(3,043)	
At 31 March 2012	於二零一二年三月三十一日		2,458,674	(115,920)	10,003	2,216	8,000	11,638	19,524	(1,903,154)	490,981	86	491,067

41. 儲備 (續)

(a) 本集團 (續)

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

41. RESERVES (continued)

(b) The Company

		Share premium	Shares of acquisition consideration 本公司就償付收購代價 所持股份	Contributed surplus 實繳盈餘	Distributable reserve 可供分派儲備	Capital redemption reserve 股本贖回儲備	Share option reserve 購股權儲備	Accumulated losses 累計虧損	Total 總計
Notes 附註	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
At 1 April 2010	於二零一零年四月一日	2,009,852	—	112,714	2,216	8,000	2,005	(259,517)	1,875,270
Loss for the year	年度虧損	—	—	—	—	—	—	(15,410)	(15,410)
Placing of new shares	配售新股份	184,027	—	—	—	—	—	—	184,027
Shares issue expenses	股份發行開支	(15,450)	—	—	—	—	—	—	(15,450)
Issuance of convertible preference shares	發行可換股優先股	127,934	—	(48,021)	—	—	—	—	79,913
Deemed capital contribution	視作股本分派	—	—	(1,746)	—	—	—	—	(1,746)
Equity-settled share-based payment	以股權結算之股份付款	—	—	—	—	—	31,154	—	31,154
Forfeiture of share options	沒收購股權	—	—	—	—	—	(2,311)	2,311	—
Shares issued upon exercise of share options	於行使購股權時發行股份	4,402	—	—	—	—	(1,537)	—	2,865
At 31 March 2011	於二零一一年三月三十一日	2,310,765	—	62,947	2,216	8,000	29,311	(272,616)	2,140,623
At 1 April 2011	於二零一一年四月一日	2,310,765	—	62,947	2,216	8,000	29,311	(272,616)	2,140,623
Loss for the year	年度虧損	—	—	—	—	—	—	(1,625,455)	(1,625,455)
Consideration share issue for acquisition of subsidiaries	就收購附屬公司發行代價股份	39(e) 137,053	(115,920)	—	—	—	—	—	21,133
Dividends declared in respect of the previous period	就過往期間宣派股息	76	—	—	—	—	—	(31,996)	(31,996)
Equity-settled share-based payment	以股權結算之股份付款	—	—	—	—	—	(3,013)	—	(3,013)
Forfeiture of share options	沒收購股權	—	—	—	—	—	(6,751)	6,751	—
Issuance of shares pursuant to the equity line facility	根據股本融資發行股份	39(f) 10,772	—	—	—	—	—	—	10,772
Share issued upon exercise of share options	於行使購股權時發行股份	39(c) 84	—	—	—	—	(23)	—	61
At 31 March 2012	於二零一二年三月三十一日	2,458,674	(115,920)	62,947	2,216	8,000	19,524	(1,923,316)	512,125

41. 儲備 (續)

(b) 本公司

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綜合財務報告附註

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

41. RESERVES (continued)

(c) Nature of purposes of the reserves

- (i) **Share premium**
The application of the share premium account is governed by section 40 of the Bermuda Companies Act 1981. The share premium account of the Company is distributable to the owners of the Company in the form of fully paid bonus shares.
- (ii) **Contributed surplus**
The contributed surplus of the Company represents the excess of the fair value of the shares of the subsidiaries acquired pursuant to the Group reorganisation in June 1991, over the nominal value of the Company's shares issued in exchange thereof. Under the Bermuda Companies Act 1981 (as amended), the contributed surplus is distributable to shareholders in certain circumstances.
- (iii) **Distributable reserve**
Pursuant to a special resolution passed on 15 July 2003, the share premium account of the Company was reduced by an amount of HK\$103,948,000 to Nil and of which HK\$98,953,000 was applied towards the elimination of the accumulated losses of the Company as at 31 March 2003, with the remaining balance of HK\$4,995,000 being credited to a distributable reserve of the Company. The reduction of share premium account was effective on 6 October 2003.
- (iv) **Capital redemption reserve**
The capital redemption reserve represents the amount paid by which the Company's issued share capital has been diminished on the cancellation of the shares repurchased.
- (v) **Exchange fluctuation reserve**
The exchange fluctuation reserve comprises all foreign exchange differences arising from the translation of the financial statements of the overseas subsidiaries. The reserve is dealt with in accordance with the accounting policy set out in Note 3(t).
- (vi) **Share option reserve**
Share options reserve comprise the fair value of the estimated number of unexercised share options granted to employees of the Group recognized in accordance with the accounting policy adopted for share-based payments in Note 3(p)(iii).

41. 儲備(續)

(c) 儲備之性質及目的

- (i) **股份溢價**
股份溢價賬之應用受百慕達一九八一年公司法第40條管轄。本公司股份溢價賬以繳足紅股方式分派予本公司擁有人。
- (ii) **實繳盈餘**
本公司之實繳盈餘為按本集團於一九九一年六月進行集團重組所收購附屬公司股份之公平值超逾本公司為交換該等股份而發行之股份面值之差額。根據百慕達一九八一年公司法(修訂本)，實繳盈餘可於若干情況下分派予股東。
- (iii) **可供分派儲備**
根據於二零零三年七月十五日通過之特別決議案，本公司之股份溢價賬已削減港幣103,948,000元至港幣零元，當中港幣98,953,000元已用作撇銷本公司於二零零三年三月三十一日之累計虧損，而餘額港幣4,995,000元則計入本公司之可供分派儲備。削減股份溢價賬於二零零三年十月六日生效。
- (iv) **股本贖回儲備**
股本贖回儲備指本公司已發行股本削減至所購回股份被註銷所支付金額。
- (v) **匯兌波動儲備**
匯兌波動儲備包括換算海外附屬公司財務報告產生之一切匯兌差額。該儲備乃根據附註3(t)所載會計政策處理。
- (vi) **購股權儲備**
購股權儲備包括根據附註3(p)(iii)就以股份支付所採納會計政策確認之授予本集團僱員未行使購股權估計數目之公平值。

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綜合財務報告附註

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

41. RESERVES (continued)

(c) Nature of purposes of the reserves (continued)

(vii) *Shares held by Company for settlement of acquisition consideration*

As set out in Notes 42 and 39(e), the Company issued shares for acquisitions of Originate Tech during the year. At the end of the reporting period, 280,000,000 shares, valued at HK\$0.414 (the issue price) per share amounting to HK\$115,920,000 were held by the Company awaiting disposal. Proceeds from the disposal of these shares shall be returned to the Company in accordance with the terms of the acquisition agreement.

(d) Distributability of reserves

At 31 March 2012 and 2011, the aggregate amount of reserves available for the distribution to the owners of the Company calculated in accordance with the Bermuda Companies Act 1981 (as amended) was HK\$492,601,000 and HK\$2,111,312,000 respectively.

(e) Capital risk management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher level of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors its capital structure on the basis of a net debt-to-adjusted capital ratio. For this purpose the Group defines net debt as total debt (which includes loan notes and other financial liabilities) plus unaccrued proposed dividends, less bank deposits and cash. Adjusted capital comprises all components of equity less unaccrued proposed dividends.

41. 儲備(續)

(c) 儲備之性質及目的(續)

(vii) 本公司就償付收購代價所持股份

誠如附註42及39(e)所載，本公司於年內已就收購創科發行股份。於報告期間結算日，本公司持有每股價格港幣0.414元(發行價)之280,000,000股股份合共港幣115,920,000元以待出售。出售有關股份之所得款項將根據收購協議之條款退還本公司。

(d) 儲備是否可予分派

於二零一二年及二零一二年三月三十一日，根據百慕達一九八一年公司法(經修訂)計算可供分派予本公司擁有人之儲備總額分別為港幣492,601,000元及港幣2,111,312,000元。

(e) 資本風險管理

本集團管理資本主要旨在保障本集團的持續經營能力，從而能夠繼續為股東帶來回報並且令其他利益相關者受惠，以及保持最佳資本架構以減輕資金成本。

本集團積極及定期檢討及管理其資本架構，以在較高借貸水平可能帶來較高股東回報與維持穩健資金狀況所帶來的裨益及保障之間取得平衡，並因應經濟環境的轉變調整資本架構。

本集團按債務淨額對經調整資本比率之基準監察其資本結構。為此，本集團界定債務淨額為債務總額(包括貸款票據及其他財務負債)加非累計擬派股息，減銀行存款及現金。經調整資本包括權益之所有組成部分減去非累計擬派股息。

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綜合財務報告附註

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

41. RESERVES (continued)

(e) Capital risk management (continued)

During the year ended 31 March 2012, the Group's strategy, which unchanged from 2011, was to maintain the net debt-to-adjusted capital ratio as low as feasible. In order to maintain or adjust the ratio, the Group may adjust the amount of dividends paid to the owners, return capital to the owners, issue new shares or sell assets to reduce debt. The debt-to-adjusted capital ratio at 31 March 2012 and 2011 were as follows:

		2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
Trade and other payables	應付貿易款項及其他應付款項	212,310	199,286
Loans and borrowings	貸款及借貸	25,289	18,318
Consideration payables	應付代價	—	—
Finance leases payables	應付融資租約	350	450
Amounts due to shareholders	應付股東款項	210,874	131,527
Amount due to a related company	應付一家關連公司款項	2,048	—
Promissory notes	承付票據	6,517	6,388
Total debt	債務總額	457,388	355,969
Add: proposed dividends	加：擬派股息	—	30,285
Less: cash and cash equivalents	減：現金及現金等價物	(7,760)	(23,679)
Net debt	債務淨額	449,628	362,575
Total equity	權益總額	875,395	3,256,369
Total capital	資本總額	1,325,023	3,618,944
Net debt-to-adjusted capital ratio	債務淨額對經調整資本比率	34%	10%

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

41. 儲備(續)

(e) 資本風險管理(續)

截至二零一二年三月三十一日止年度，本集團採取與二零一一年度相同的策略，盡可能將債務淨額對經調整資本比率維持在低水平。為維持或調整該比率，本集團可調整向擁有人支付之股息金額、向擁有人返還資本、發行新股份或出售資產減債。於二零一二年及二零一一年三月三十一日，債務對經調整資本比率如下：

本公司或其任何附屬公司均無受外界施加的資本規定所規限。

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綜合財務報告附註

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

42. ACQUISITION OF SUBSIDIARIES

On 2 August 2011, the Group obtained control of Originate Tech and its subsidiaries (collectively “Zhongshan Operations”) by acquiring 100% equity interest and voting rights in Originate Tech from Mr. Li Zhixiong (“Mr. Li”). Zhongshan Operations are engaged in manufacturing and sales of timber products including but not limited to wooden floor panels, doors and furniture. Mr. Li was appointed as an executive director of the Company on 2 September 2011.

Net Profit Guarantee and Contingent Consideration

The total consideration for the acquisition of the Zhongshan Operations was 769,230,769 shares of the Company and was divided into three tranches. The first tranche of 100,000,000 shares was issued at closing to Mr. Li. The second tranche of 280,000,000 shares (also issued at closing but held by the Company) and the third tranche (remaining balance) are contingent upon meeting net profit guarantee. Mr. Li guaranteed that audited net profit after tax on IFRS basis will not be less than HK\$300,000,000 for the three years after completion, and that Susfor-Oasis must not incur any net losses for each of three financial years immediate after completion.

Rationale for the Acquisition

As a veteran in the PRC timber industry, Mr. Li had more than 20 years of experiences in sales and manufacturing. He was the president of Zhongshan New Oasis, a PRC company specializing in manufacturing and selling of wooden flooring products to property developers in the PRC prior to the acquisition of the Zhongshan Operations. He is also the registered holder of a patent for “curve flooring”. Under his management, New Oasis (a brand under which Zhongshan New Oasis manufactured its flooring products) was ranked 3rd, in flooring category, by “Top Ten Brands in China” in May 2011 and was awarded “China’s 500 Most Valuable Brands” of the year 2010 by the World Brand Laboratory. Also, Zhongshan New Oasis had an extensive network of distributors and an experienced team in sales, manufacturing and quality control in the PRC.

The Board believed the acquisition was a perfect marriage where the companies complemented each other well. The Group had its own forest resources and specialized in sourcing logs and timber products from different parts of the globe, but had no significant presence in the PRC, the largest timber consumption market in the world. Mr. Li had little overseas access or experience in direct sourcing of timber raw materials. The acquisition allowed the Group to buy into a ready platform of local expertise, distribution network and customer base in the PRC, matching its own overseas sourcing expertise.

The Board was optimistic about the prospect of the timber and wood processing and timber sales in the PRC having taking into account the continuous growth of gross domestic product and sales of floor panels (which is one of the major products of the Zhongshan New Oasis) in the PRC in recent years.

42. 收購附屬公司

於二零一一年八月二日，本集團透過向李志雄先生（「李先生」）收購創科全部股本權益及投票權而取得創科及其附屬公司（統稱「中山業務」）之控制權。創科為一家投資控股公司，中山業務從事製造及銷售木材產品，包括但不限於木地板、木門及傢具。李先生於二零一一年九月二日獲委任為本公司執行董事。

純利保證及或然代價

收購中山業務之總代價為769,230,769股本公司股份，分三批支付。第一批100,000,000股股份已於成交時發行予李先生。第二批280,000,000股股份（亦已於成交時發行但由本公司持有）及第三批（餘下股份數目）視乎能否達成純利保證方予發行。李先生保證於完成後三年，按國際財務報告準則編製之經審核除稅後純利不會少於港幣300,000,000元，以及永保新綠洲於緊隨完成後三個財政年度各年均不會產生任何淨虧損。

收購之理念

李先生投身中國木材行業多年，於銷售及製造木產品方面積逾20年經驗。彼為中山新綠洲之主席，在收購中山業務前，該中國公司專注於製造及銷售木地板產品予中國地產發展商。彼登記持有「曲線地板」之專利權。在李先生之管理下，新綠洲（中山新綠洲出品之地板品牌）於二零一一年五月之「中國十大品牌」（地板類別）排行榜位列第三，並榮獲世界品牌實驗室主辦之二零一零年「中國500最具價值品牌」稱號。此外，中山新綠洲具備廣泛的中國分銷商網絡，以及經驗豐富的銷售、製造及質量控制團隊。

董事會相信收購事項能令各公司相輔相成。本集團擁有其本身森林資源，同時專注於在全球各地採購原木及木材產品，惟並未在全球最大木材消耗國中國佔據重要席位；李先生則稍欠於海外直接採購木材原材料之門徑及經驗。收購事項讓本集團得以在中國購入一個熟悉當地情況、具備分銷網絡及客戶基礎之完備平台，與其本身之海外採購專業知識互相配合。

有見中國國內生產總值及木地板銷售（為中山新綠洲其中一項主要產品）於近年持續增長，董事會對中國木材與木加工以及木材銷售之前景感樂觀。

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綜合財務報告附註

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

42. ACQUISITION OF SUBSIDIARIES (continued)

Rationale for the Acquisition (continued)

The following summarises the acquisition-date fair value of consideration transferred and the acquisition-date fair value of each major class of consideration:

		HK\$'000 港幣千元
Fair value of first tranche ordinary consideration shares issued	已發行第一批普通股代價股份之公平值	41,400
Fair value of second tranche ordinary consideration shares issued	已發行第二批普通股代價股份之公平值	30,898
Fair value of third tranche ordinary consideration shares to be issued	將予發行第三批普通股代價股份之公平值	40,285
		112,583

The fair value of ordinary consideration shares are based on the published share price of HK\$0.414 per share as at 2 August 2011.

普通股代價股份之公平值乃根據於二零一一年八月二日已公佈股價每股港幣0.414元計算。

The following summarized the recognised amounts of identifiable assets acquired and liabilities assumed as at 2 August 2011.

所收購可識別資產及所承擔負債於二零一一年八月二日之已確認金額概列如下。

		Acquiree's carrying amount before combination		
		合併前 被收購方 之賬面值 HK\$'000 港幣千元	Fair value adjustments 公平值調整 HK\$'000 港幣千元	Fair value 公平值 HK\$'000 港幣千元
Property, plant and equipment	物業、廠房及設備	165	—	165
Intangible assets	無形資產	—	47,594	47,594
Cash and cash equivalents	現金及現金等價物	897	—	897
Inventories	存貨	567	—	567
Other receivables	其他應收款項	179	—	179
Trade and other payables	應付貿易款項及 其他應付款項	(2,273)	—	(2,273)
Deferred tax liabilities	遞延稅項負債	—	(11,899)	(11,899)
Total net identifiable assets	可識別淨資產總額	(465)	35,695	35,230
Goodwill	商譽			77,353
Total consideration	總代價			112,583

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綜合財務報告附註

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

42. ACQUISITION OF SUBSIDIARIES (continued)

42. 收購附屬公司 (續)

Goodwill arising on acquisition

收購產生之商譽

		HK\$'000 港幣千元
Consideration transferred	已轉讓代價	112,583
Less: fair value of identifiable net assets acquired	減：所收購可識別淨資產之公平值	(35,230)
Goodwill arising on acquisition	收購產生之商譽	77,353
Cash and bank balances acquired of	所收購之現金及現金等價物	897

The goodwill of HK\$77,353,000 arising from the acquisition of Zhongshan Operations represented the future economic benefits from the synergy effect of the business combination. The acquisition allowed the Group to buy into a ready platform of local expertise, distribution network and customer base in the PRC, matching its own overseas sourcing expertise.

收購中山業務產生商譽港幣77,353,000元代表業務合併所帶來協同效應之未來經濟利益。收購事項讓本集團得以在中國購入一個熟悉當地情況、具備分銷網絡及客戶基礎之完備平台，與其本身之海外採購專業知識互相配合。

None of the goodwill recognised is expected to be deductible for income tax purposes.

已確認商譽預期不可用作扣除所得稅。

The Group incurred acquisition related costs of HK\$330,000 relating to legal and professional fees and other charges which have been excluded from the cost of acquisition. The acquisition related costs have been recognised as expenses during the year ended 31 March 2012, within the 'administrative expenses' line item in the consolidated income statement.

本集團就法律及專業費用以及其他收費涉及之收購相關收費產生成本港幣330,000元並無計入收購成本內。截至二零一二年三月三十一日止年度，收購相關成本已確認為開支，並於綜合收益表中列入「行政支出」一項。

Zhongshan Operations contributed revenue of HK\$79,518,000 and loss of HK\$18,262,000 for the year. Had the acquisition occurred on 1 April 2011, the revenue and loss of the Group for the year ended 31 March 2012 would have been HK\$115,616,000 and HK\$2,328,365,000 respectively. The directors consider these pro-forma numbers to represent an approximate measure of the performance of the combined group on an annualised basis and to provide a reference results for comparison in future periods.

於年內，中山業務貢獻收入港幣79,518,000元及虧損港幣18,262,000元。倘收購於二零一一年四月一日發生，則本集團截至二零一二年三月三十一日止年度之收入及虧損將分別為港幣115,616,000元及港幣2,328,365,000元。董事認為此等備考數字代表合併後集團按年化基準計量之概約業績，並可作為與未來期間比較之參考業績。

After the completion of the acquisition, the vendor has the responsibility to report and pay the tax for the gain on disposal of shares in PRC and the buyer has the responsibility to withhold the tax. If the tax authority cannot recover the tax from the vendor, it may lodge an assessment on the buyer to pay the tax. The estimated tax liability amounted to approximately HK\$9,900,000.

收購完成後，賣方有責任就於中國出售股份之收益報稅及支付稅項，而買方有責任預扣稅款。倘稅務機關未能從賣方獲取稅項，其可為買方評估須支付之稅項。估計稅項負債合共約為港幣9,900,000元。

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42. ACQUISITION OF SUBSIDIARIES (continued)

Impairment of Zhongshan Operations and Acquisition Goodwill

Subsequent to the acquisition, Zhongshan Operations carried out the business, which was previously carried out by Zhongshan New Oasis, of selling wooden flooring and products to property developers in the PRC. In addition, according to the business plan, Zhongshan Operations was to operate two new lines of business, namely timber wholesale market; and franchise retail network selling its wooden flooring and other products.

Unfortunately, the results of Zhongshan Operations was disappointing and incurred a net loss of approximately HK\$18 million during the financial year ended 31 March 2012. The net loss was primarily attributable to the rapid slow down of the property market and falling property prices in the PRC. Home prices began declining in and around September 2011 and many developers in the PRC began offering significant discounts in order to raise cash. The above created a difficult environment for all of our three business lines.

Project Sales

Many of the contracts for sales of flooring products to the developers were delayed or put on hold without definite time when they will come on line again. In addition, as home prices declined, many developers are demanding prices to be discounted from all of their vendors. The profit margin for many potential projects became too thin or simply vanished and therefore could not materialize.

Franchise Operations

The Company planned to turn approximately 70 of the traditional distributors of flooring for Zhongshan New Oasis into franchisees with standardized shop front, unified prices and selling only our products. While preparing for such change, Zhongshan Operations opened 4 directly operated shops in Shenzhen and Zhongshan. Performances for all of the 4 shops were poor and sales were dismal and all incurred net losses. The shops were closed subsequently. The macro environment of sluggish property market and general poor market sentiment affected this "start up" business greatly.

42. 收購附屬公司(續)

中山業務之減值及收購商譽

於收購後，中山業務經營以往由中山新綠洲經營之業務，即向中國地產發展商銷售木地板及木料產品。此外，根據業務計劃，中山業務將拓展兩項新業務，即木材批發市場銷售及木地板與其他產品之特許專營零售網絡。

可惜中山業務之業績令人失望，於截至二零一二年三月三十一日止財政年度錄得淨虧損約港幣18,000,000元。錄得淨虧損之主要原因為中國之物業市場急速放緩及物業價格下跌。住房價格約於二零一一年九月開始下跌，許多中國發展商開始提供巨額折扣促銷套現。上述情況令集團旗下三個業務分部均艱苦經營。

項目銷售

向發展商銷售木地板之合約大多延遲執行或無限期擱置。此外，隨著樓價下跌，許多發展商要求其供應商減價。大批潛在項目由於邊際利潤變得微薄甚至無利可圖而無法落實。

特許專營業務

本公司計劃將約70家中山新綠洲之傳統地板分銷商轉為特許專營商，採用劃一之鋪面陳設，以統一價格專門銷售本集團之產品。在籌備作出上述轉變之同時，中山業務分別在深圳及中山開設4間直接經營店舖。該4間店舖之表現均未如理想，銷售額微不足道，全部均錄得淨虧損。該等店舖其後結業。物業市道停滯及市場氣氛普遍淡靜之宏觀經濟環境，令此項「剛起步」業務大受影響。

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42. ACQUISITION OF SUBSIDIARIES (continued)

Impairment of Zhongshan Operations and Acquisition Goodwill (continued)

Timber Wholesale Market

Timber Wholesale Market aimed to take advantage of the Group's overseas sourcing ability and network and Zhongshan Operations' geographical advantage. Zhongshan and its neighboring Shunde formed one of the largest wooden furniture and flooring centers in the PRC. As general economy and housing market was turning south in 2011 and 2012, wholesale timber prices were also declining. The shrinking margin could not bear the additional cost of transportation of logs and timber to one central location at our facility in Zhongshan. Zhongshan Operations had to store and sell the logs and timber at the ports in the PRC. Also, Zhongshan Operations was facing resistance from potential renters as the centralized inventory concept was not able to materialize. Those distributors that had originally agreed to relocate to our premises now reneged on their commitment and adopted a wait-and-see attitude. As such, the timber wholesale market did not commence operation.

As a result of the uncertainties in the PRC economy and continued depressed timber demand and prices, the Group considers that the value of the assets related to Zhongshan Operations suffered impairment and recorded net loss of HK\$42 million (comprising waiver of contingent consideration payable of HK\$71 million, reversal of deferred tax liabilities of HK\$12 million, recognition of impairment loss on goodwill of HK\$77 million, and recognition of impairment loss and amortization on intangible assets totalling HK\$48 million).

On 27 June 2012, Mr. Li entered into an agreement with the Group confirming that the net profit guarantee under the acquisition was not met. It was further confirmed that the Group does not owe any further amounts to Mr. Li. 280,000,000 ordinary shares of the Company issued under Tranche 2 are being held by the Company pending disposal in the market at its discretion. The Company plans to sell these shares in due course subject to the market conditions. All net proceeds from the disposals of the above shares shall be retained by the Company.

42. 收購附屬公司(續)

中山業務之減值及收購商譽(續)

木材批發市場

拓展木材批發市場旨在利用本集團之海外採購能力及網絡以及中山業務之地理優勢。中山市及毗鄰順德形成中國其中一個最大規模之木製傢俱及地板中心。隨著經濟大氣候及樓市於二零一一年及二零一二年轉弱，木材批發價亦告下跌。由於邊際利潤萎縮，令集團無法負擔將原木及木材集中運往集團設於中山之設施所需額外運輸成本。中山業務須在中國各地港口儲存及銷售原木及木材。此外，由於中央庫存概念無法實現，中山業務在爭取潛在承租人方面受阻。原先同意遷入集團旗下物業之分銷商紛紛悔約，改為採取觀望態度。因此，木材批發市場並未開展。

由於中國經濟不明朗及木材需求及價格持續受壓，本集團認為與中山業務有關之資產已出現減值，並錄得淨虧損港幣42,000,000元(包括豁免或然應付代價港幣71,000,000元、撥回遞延稅項負債港幣12,000,000元、確認商譽減值虧損港幣77,000,000元，以及就無形資產確認減值虧損及攤銷合共港幣48,000,000元)。

於二零一二年六月二十七日，李先生與本集團訂立協議，確認其未能達成收購事項之純利保證。本集團已進一步確認其並無結欠李先生任何款項。根據第二批發行之280,000,000股本公司普通股為本公司所持有，以待其酌情於市場出售。本公司計劃根據市況於適當時候出售該等股份。出售上述股份之所有所得款項淨額將由本公司保留。

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43. DISPOSAL OF SUBSIDIARIES

The Group discontinued its Chita forest operations at the time of disposal of its subsidiaries during the year ended 31 March 2012. The net assets at the date of the disposals were as follows:

43. 出售附屬公司

本集團於截至二零一二年三月三十一日止年度出售附屬公司終止其赤塔森林業務。於出售日期之資產淨額載列如下：

		HK\$'000 港幣千元
Net assets disposed of	所出售資產淨值	
Property, plant and equipment	物業、廠房及設備	71,597
Intangible assets	無形資產	152,099
Trade and other receivables	應收貿易款項及其他應收款項	1,020
Amount due from a non-controlling shareholder	應收一名非控股股東款項	53,176
Cash and bank balances	現金及銀行結餘	1
Trade and other payables	應付貿易款項及其他應付款項	(28,475)
Other loans, secured	有抵押之其他貸款	(3,989)
Other loans, unsecured	無抵押之其他貸款	(2,431)
Deferred tax liabilities	遞延稅項負債	(37,453)
		205,545
Non-controlling interests	非控股股東權益	13
		205,558
Exchange reserve	匯兌儲備	(6,377)
		199,181
Disposal costs	出售成本	—
Gain on disposal of subsidiaries (note 15)	出售附屬公司之收益(附註15)	8,819
		208,000
Total consideration	總代價	208,000
Satisfied by:	支付方式:	
Promissory Note (note i)	承付票據(附註i)	208,000
		208,000
Total consideration	總代價	208,000
Cash and bank balances disposed of	所出售現金及銀行結餘	(1)
		207,999
Cash consideration receivable	應收現金代價	(208,000)
		207,999
Net cash outflow arising on the disposal	出售產生之現金流出淨額	(1)

Note:

附註:

(i) A promissory note was issued by the Buyer of Chita forests operations on 30 March 2012 in lieu of cash payment. The note is interest free and matures nine months after Completion.

(i) 赤塔森林業務之買方於二零一二年三月三十日發行承付票據代替現金付款。該票據為免息及於完成後九個月到期。

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44. FINANCIAL RISK MANAGEMENT

The Group's major financial instruments include trade and other receivables, bank balances and cash, loans and borrowings, finance lease payables, trade and other payables, financial liabilities, promissory notes, amounts due to shareholders and amount due to a related company. Details of these financial instruments are disclosed in respective notes. The risk associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(a) Credit risk

The Group's credit risk is primarily attributable to bank deposits and trade and other receivables.

For trade and other receivables, management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis. In respect of trade and other receivables, credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within 30–180 days from the date of billing.

Debtors with balances that are more than 6 months past due are requested to settle all outstanding balances before any further credit is granted.

None of the Group's financial assets are secured by collateral or other credit enhancements.

The Group's concentration of credit risk by geographical locations was all in Asia Pacific. The Group had concentration of credit risk by customers as for 100% (2011: 99%) and 96% (2011: 34%) of the total receivables were due from the Group's five largest customers and the largest customer respectively as at 31 March 2011.

44. 財務風險管理

本集團之主要財務工具包括應收貿易款項及其他應收款項、銀行結餘及現金、貸款及借貸、應付融資租約、應付貿易款項及其他應付款項、財務負債、承付票據以及應付股東及一家關連公司款項。該等財務工具之詳情於有關附註披露。與該等財務工具相關之風險及如何降低該等風險之政策載於下文。管理層管理及監控該等風險，確保能及時和有效地採取適當措施。

(a) 信貸風險

本集團之信貸風險主要與銀行存款以及應收貿易款項及其他應收款項有關。

管理層就應收貿易款項及其他應收款項採用信貸政策，並以持續基準監察該等信貸風險。就應收貿易款項及其他應收款項而言，信貸評估會向所有要求餘賬超過若干金額之客戶進行，從而集中評估客戶之過往到期付款記錄及目前付款能力，並會考慮客戶之特定資料及其營運地區之經濟環境。應收貿易款項於開單日期起計30至180日內到期。

結餘逾期六個月以上之債務人須清償所有結餘後方會獲授其他信貸額。

本集團財務資產概無以抵押品或其他信貸提升作擔保。

本集團之地區信貸風險全面集中於亞太區。於二零一二年三月三十一日，本集團之集中客戶信貸風險來自本集團五大客戶及最大客戶，彼等各佔應收款項總額之100%（二零一一年：99%）及96%（二零一一年：34%）。

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44. FINANCIAL RISK MANAGEMENT (continued)

(a) Credit risk (continued)

As at 31 March 2011, the Group was exposed to concentration of credit risk on an amount due from a non-controlling shareholder of HK\$52,797,000 which was classified as assets held for sale in Note 28. Under the repayment agreement entered into between the non-controlling shareholder and Amplewell, the non-controlling shareholder agreed to dispose part of his shares in Winner Global and ordinary shares in the Company for repayment of the amount due to the Group. The amount was also guaranteed by a related company, Assure Gain International Limited, which owned 43.38% interests in Winner Global. Under the guarantee agreement, the related company agreed to dispose sufficient shares in the Company to repay the outstanding amount in the event of default by the non-controlling shareholder. In this regard, the directors of the Company consider that the Group's credit risk was significantly reduced. As the amount due from a non-controlling shareholder was part of the assets held for sales in Chita forest operations which was sold before 31 March 2012. Therefore, as at 31 March 2012, the Group is not exposed to this concentration of credit risk on this amount.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the consolidated statement of financial position after deducting any impairment allowance. Except for the financial guarantees given by the Group as set out in Note 46(c), the Group does not provide any other guarantees which would expose the Group or the Company to credit risk. The maximum exposure to credit risk in respect of these financial guarantees at the end of the reporting period is noted in Note 46(c).

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

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade and other receivables are set out in Note 26.

(b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the raising of loans to cover expected cash demands, subject to approval by the holding company's board. The Group's policy is to regularly monitor current and expected liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from bankers to meet its liquidity requirements in the short and longer term.

44. 財務風險管理(續)

(a) 信貸風險(續)

於二零一一年三月三十一日，本集團就附註28所述分類為持作待售資產之應收非控股股東款項港幣52,797,000元承受信貸風險集中之情況。根據非控股股東與沛源訂立之還款協議，非控股股東同意出售部分Winner Global股份及本公司普通股，以償還應付本集團之款項。該款項亦由擁有Winner Global 43.38%權益之關連公司Assure Gain International Limited擔保。根據擔保協議，關連公司同意出售之本公司股份數目將足以償還非控股股東之欠款。就此，本公司董事認為本集團之信貸風險已大幅降低。由於應收非控股股東款項為已於二零一二年三月三十一日前出售之赤塔森林業務部分持作待售之資產，因此，於二零一二年三月三十一日，本集團毋須就該款項承受信貸風險集中之情況。

最高信貸風險指經扣除任何減值撥備後各財務資產於綜合財務狀況表之賬面值。除附註46(c)所載本集團作出之財務擔保外，本集團並無提供任何其他擔保，致使本集團或本公司承受信貸風險。於報告期間結算日就該等財務擔保面對之最高信貸風險在附註46(c)披露。

由於對手方均為獲國際信貸評級機構給予高信貸評級之銀行，流動資金之信貸風險有限。

有關本集團因應收貿易款項及其他應收款項而面對之信貸風險，其進一步計量披露載於附註26。

(b) 流動資金風險

本集團內的個別經營實體須自行負責其現金管理事宜，包括籌措貸款以應付預期現金需求，惟須待控股公司之董事會批准作實。本集團之政策為定期監控現時及預期流動資金需求以及是否遵守借貸契諾，確保維持足夠現金和獲得往來銀行承諾授予充裕信貸額度，以應付其短期及較長期的流動資金需求。

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44. FINANCIAL RISK MANAGEMENT (continued)

(b) Liquidity risk (continued)

The following table details the remaining contractual maturities at the end of the reporting period of the Group's and the Company's non-derivative financial liabilities which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group and the Company can be required to pay:

The Group

		2012 二零一二年					
		Weighted average effective interest rate	Carrying amount	Total contractual undiscounted cash flow	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years
		加權平均實際利率	賬面值	合約未貼現金流轉總額	一年內或應要求	一年後但兩年內	兩年後但五年內
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Trade and other payables	應付貿易款項及其他應付款項	—	212,310	212,310	212,310	—	—
Finance leases payables	應付融資租約	4.58%	350	394	113	113	168
Promissory notes	承付票據	15.74%	6,517	7,800	—	7,800	—
Loans and borrowings	貸款及借貸	0%–60%	25,289	25,865	25,865	—	—
Amounts due to shareholders	應付股東款項	5%	210,874	239,906	—	—	239,906
Amount due to a related company	應付一家關連公司	5%	2,048	2,330	—	—	2,330
			457,388	488,605	238,288	7,913	242,404

		2011 二零一一年					
		Weighted average effective interest rate	Carrying amount	Total contractual undiscounted cash flow	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years
		加權平均實際利率	賬面值	合約未貼現金流轉總額	一年內或應要求	一年後但兩年內	兩年後但五年內
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Trade and other payables	應付貿易款項及其他應付款項	—	199,286	199,286	199,286	—	—
Finance leases payables	應付融資租約	4.58%	450	507	113	113	281
Promissory notes	承付票據	15.74%	6,388	7,676	—	7,676	—
Loans and borrowings	貸款及借貸	6%–23.87%	18,318	19,093	18,970	123	—
Amounts due to shareholders	應付股東款項	5%	131,527	141,917	—	141,917	—
			355,969	368,479	218,369	149,829	281

44. 財務風險管理 (續)

(b) 流動資金風險 (續)

下表詳列本集團及本公司非衍生財務負債於報告期間結算日的剩餘合約期限，乃根據合約未貼現金流轉（包括以合約利率（或如屬浮息，則根據於報告期間結算日之通行利率）推算之利息支出）以及本集團及本公司可被要求還款的最早日期編製：

本集團

		2012 二零一二年					
		Weighted average effective interest rate	Carrying amount	Total contractual undiscounted cash flow	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years
		加權平均實際利率	賬面值	合約未貼現金流轉總額	一年內或應要求	一年後但兩年內	兩年後但五年內
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Trade and other payables	應付貿易款項及其他應付款項	—	212,310	212,310	212,310	—	—
Finance leases payables	應付融資租約	4.58%	350	394	113	113	168
Promissory notes	承付票據	15.74%	6,517	7,800	—	7,800	—
Loans and borrowings	貸款及借貸	0%–60%	25,289	25,865	25,865	—	—
Amounts due to shareholders	應付股東款項	5%	210,874	239,906	—	—	239,906
Amount due to a related company	應付一家關連公司	5%	2,048	2,330	—	—	2,330
			457,388	488,605	238,288	7,913	242,404

		2011 二零一一年					
		Weighted average effective interest rate	Carrying amount	Total contractual undiscounted cash flow	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years
		加權平均實際利率	賬面值	合約未貼現金流轉總額	一年內或應要求	一年後但兩年內	兩年後但五年內
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Trade and other payables	應付貿易款項及其他應付款項	—	199,286	199,286	199,286	—	—
Finance leases payables	應付融資租約	4.58%	450	507	113	113	281
Promissory notes	承付票據	15.74%	6,388	7,676	—	7,676	—
Loans and borrowings	貸款及借貸	6%–23.87%	18,318	19,093	18,970	123	—
Amounts due to shareholders	應付股東款項	5%	131,527	141,917	—	141,917	—
			355,969	368,479	218,369	149,829	281

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44. FINANCIAL RISK MANAGEMENT (continued)

(b) Liquidity risk (continued)

The Company

		2012 二零一二年			
	Weighted average effective interest rate 加權平均實際利率	Carrying amount 賬面值 HK\$'000 港幣千元	Total contractual undiscounted cash flow 合約未貼現現金流轉總額 HK\$'000 港幣千元	Within 1 year or on demand 一年內或應要求 HK\$'000 港幣千元	More than 1 year but less than 2 years 一年後但兩年內 HK\$'000 港幣千元
Trade and other payables	應付貿易款項及其他應付款項	—	7,918	7,918	—
Loans and borrowings	貸款及借貸	0%-60%	25,206	25,770	—
Promissory notes	承付票據	15.74%	6,517	7,800	7,800
			39,641	41,488	7,800

		2011 二零一一年			
	Weighted average effective interest rate 加權平均實際利率	Carrying amount 賬面值 HK\$'000 港幣千元	Total contractual undiscounted cash flow 合約未貼現現金流轉總額 HK\$'000 港幣千元	Within 1 year or on demand 一年內或應要求 HK\$'000 港幣千元	More than 1 year but less than 2 years 一年後但兩年內 HK\$'000 港幣千元
Trade and other payables	應付貿易款項及其他應付款項	—	1,907	1,907	—
Promissory notes	承付票據	15.74%	6,388	7,676	7,676
			8,295	9,583	7,676

44. 財務風險管理 (續)

(b) 流動資金風險 (續)

本公司

		2012 二零一二年			
	Weighted average effective interest rate 加權平均實際利率	Carrying amount 賬面值 HK\$'000 港幣千元	Total contractual undiscounted cash flow 合約未貼現現金流轉總額 HK\$'000 港幣千元	Within 1 year or on demand 一年內或應要求 HK\$'000 港幣千元	More than 1 year but less than 2 years 一年後但兩年內 HK\$'000 港幣千元
Trade and other payables	應付貿易款項及其他應付款項	—	7,918	7,918	—
Loans and borrowings	貸款及借貸	0%-60%	25,206	25,770	—
Promissory notes	承付票據	15.74%	6,517	7,800	7,800
			39,641	41,488	7,800

		2011 二零一一年			
	Weighted average effective interest rate 加權平均實際利率	Carrying amount 賬面值 HK\$'000 港幣千元	Total contractual undiscounted cash flow 合約未貼現現金流轉總額 HK\$'000 港幣千元	Within 1 year or on demand 一年內或應要求 HK\$'000 港幣千元	More than 1 year but less than 2 years 一年後但兩年內 HK\$'000 港幣千元
Trade and other payables	應付貿易款項及其他應付款項	—	1,907	1,907	—
Promissory notes	承付票據	15.74%	6,388	7,676	7,676
			8,295	9,583	7,676

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44. FINANCIAL RISK MANAGEMENT (continued)

(c) Foreign currency risk

The Group's exposure to foreign currency risk related primarily to cash and cash equivalents, trade and other receivables and trade and other payables that are denominated in currencies other than the functional currency of the relevant group entities.

(i) Exposure to currency risk

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. Differences resulting from the translation of the financial statements of the entity within the Group into the Group's presentation currency are excluded.

		2012		2011	
		二零一二年		二零一一年	
		United States Dollars	Euros	United States Dollars	Euros
		美元	歐元	美元	歐元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
Trade and other receivables	應收貿易款項及其他應收款項	1,118	5	142,050	372,078
Cash and cash equivalents	現金及現金等價物	2,239	4	4,647	—
Trade and other payables	應付貿易款項及其他應付款項	(16,858)	(113,743)	(11,144)	(120,583)
Overall exposure to currency risk	所承受整體貨幣風險	(13,501)	(113,734)	135,553	251,495

44. 財務風險管理 (續)

(c) 外匯風險

本集團之外匯風險主要與以相關集團實體功能貨幣以外貨幣結算之現金及現金等價物、應收貿易款項及其他應收款項，以及應付貿易款項及其他應付款項有關。

(i) 貨幣風險

下表詳列本集團於報告期間結算日就來自以與實體有關之功能貨幣以外貨幣計值之已確認資產或負債所承受貨幣風險，當中不包括將本集團內實體之財務報告換算為本集團呈列貨幣所產生差異。

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44. FINANCIAL RISK MANAGEMENT (continued)

(c) Foreign currency risk (continued)

(ii) Sensitivity analysis

The following table indicates the instantaneous change in the Group's (loss)/profit after tax (and retained profits) that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant.

		2012 二零一二年		2011 二零一一年	
		Increase/ (decrease) in foreign exchange rates 外幣匯率 上升/(下降)	Effect on loss after tax and retained profits 對除稅後 虧損及 保留溢利 之影響 HK\$'000 港幣千元	Increase/ (decrease) in foreign exchange rates 外幣匯率 上升/(下降)	Effect on profit after tax and retained profits 對除稅後 溢利及 保留溢利 之影響 HK\$'000 港幣千元
United States Dollars	美元	1% (1)%	113 (113)	1% (1)%	1,132 (1,132)
Euros	歐羅	5% (5)%	4,748 (4,748)	5% (5)%	10,500 (10,500)

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the Group's entities' (loss)/profit after tax and equity measured in the respective functional currencies, translated into Hong Kong dollars at the exchange rate ruling at the end of the reporting period for presentation purposes.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period. The analysis excludes differences that would result from the translation of the financial statements of the entity within the Group into the Group's presentation currency. The analysis is performed on the same basis for the year ended 31 March 2011.

44. 財務風險管理(續)

(c) 外匯風險(續)

(ii) 敏感度分析

下表列出在報告期間結算日對本集團有重大影響之外幣匯率出現變化時，假設所有其他風險變數維持不變，本集團除稅後(虧損)/溢利(及保留溢利)將會產生之即時變動。

上表所呈列分析結果代表對本集團旗下各實體按各自之功能貨幣計算並按報告期間結算日之匯率換算為港元以供呈列之用的除稅後(虧損)/溢利及權益之即時影響總額。

上述敏感度分析乃假設外幣匯率已應用重新計量於報告期間結算日本集團所持該等財務工具而令本集團所承受外匯風險。有關分析不包括將本集團內實體之財務報告換算為本集團呈列貨幣所產生差異。上述分析乃以與截至二零一一年三月三十一日止年度相同之基準進行。

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44. FINANCIAL RISK MANAGEMENT (continued)

(d) Interest rate risk

The Group's interest rate risk arises primarily from financial liabilities issued at a fixed rate that expose the Group to fair value interest rate risk. The Group's interest rate profile as monitored by management is set out below. The Group does not expect any changes on interest rate which might materially affect the Group's result of operations.

During the year, the Group and the Company had not entered into any interest rate swap contracts.

(i) Interest rate profile

The following table details the interest rate profile of the Group at the end of the reporting period:

		2012 二零一二年		2011 二零一一年	
		Effective interest rate 實際利率 %	HK\$'000 港幣千元	Effective interest rate 實際利率 %	HK\$'000 港幣千元
Fixed rate borrowings:	定息借貸：				
Finance lease payables	應付融資租約	4.58%	350	4.58%	450
Promissory notes	承付票據	15.74%	6,517	15.74%	6,388
Loans and borrowings	貸款及借貸	0% – 60%	25,289	6% – 23.87%	18,318
Amounts due to shareholders	應付股東款項	5%	210,874	5%	131,527
Amount due to a related company	應付一家關連公司款項	5%	2,048	—	—

(ii) Sensitivity analysis

All of the borrowings of the Group which are fixed-rate instruments are insensitive to any change in interest rates. A change in interest rate at the end of the reporting period would not affect profit or loss.

44. 財務風險管理 (續)

(d) 利率風險

本集團之利率風險主要來自按固定利率發行並導致本集團須面對公平值利率風險之財務負債。管理層所監控之本集團利率詳情載於下文。本集團預期不會出現任何可能對本集團經營業績構成重大影響之利率變動。

年內，本集團及本公司概無訂立任何利率掉期合約。

(i) 利率詳情

下表詳列本集團於報告期間結算日之利率情況：

(ii) 敏感度分析

本集團所有銀行借貸屬於固定利率工具，對任何利率變動均不敏感。於報告期間結算日之利率變動不會影響損益。

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44. FINANCIAL RISK MANAGEMENT (continued)

(e) Natural risk

The ability to harvest wood and the growth of the trees in the forests may be affected by unfavourable local weather conditions and natural disasters. Weather conditions such as floods, droughts, cyclones and windstorms and natural disasters such as earthquakes, fire, disease, insect infestation and pests are examples of such events. The occurrence of severe weather conditions or natural disasters may diminish the supply of trees available for harvesting, or otherwise impede the Group's logging operations or the growth of the trees in the forests, which in turn may have an adverse effect on the Group's ability to produce the products in a timely manner and maintain sufficient operations.

(f) Fair value measurements recognised in the statement of financial position

The following table provides an analysis of financial instruments that are measured at fair value at the end of the reporting period, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

44. 財務風險管理 (續)

(e) 自然風險

在森林內砍伐木材的能力及林木生長可能受到地方氣候及自然災害之不利影響。氣候狀況如洪水、乾旱、颶風、風暴和自然災害如地震、火災、疾病、蟲禍及害蟲都是該等事件的例子。出現惡劣天氣狀況或發生自然災害可能導致可供砍伐的樹木減少，或妨礙本集團伐木業務或影響森林內林木的生長，繼而可能對本集團按時生產及供貨能力造成不利影響。

(f) 於財務狀況表內確認之公平值計量

下表提供於報告期間結算日按公平值計量之財務工具之分析，並根據公平值之可觀察程度歸類為第一至三層分類。

- 第一層公平值計量乃指由活躍市場上相同資產或負債之報價（不作任何調整）所得公平值計量。
- 第二層公平值計量乃指由第一層報價以外之可直接（即價格）或間接（即由價格得出）觀察而與資產或負債相關之輸入數據所得公平值計量。
- 第三層公平值計量乃指由包括並非基於可觀察市場數據之資產或負債之相關輸入數據（不可觀察輸入數據）之估值技術所得公平值計量。

公平值計量在公平值架構中之層級分類全然基於對公平值計量整體而言屬重大之最低層級輸入數據釐定。

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44. FINANCIAL RISK MANAGEMENT (continued)

44. 財務風險管理 (續)

The Group and The Company

本集團及本公司

		2012 二零一二年				2011 二零一一年			
		Level 1 第一層	Level 2 第二層	Level 3 第三層	Total 總計	Level 1 第一層	Level 2 第二層	Level 3 第三層	Total 總計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Financial liabilities at fair value through profit or loss	按公平值計入損益賬之財務負債	-	-	6,030	6,030	-	-	-	-
Financial liabilities	財務負債	-	-	6,030	6,030	-	-	-	-

There were no significant transfers between instruments in Level 1 and Level 2 during the year.

於年內，第一層及第二層之工具間於並無重大轉撥。

Reconciliation of level 3 fair value measurements of financial liabilities

財務負債之第三層公平值計量之對賬

		HK\$'000 港幣千元
Issuance of warrants	發行認股權證	8,730
Change in fair value	公平值變動	(2,700)
At 31 March 2012	於二零一二年三月三十一日	6,030

(g) Fair value

The directors of the Company consider that the carrying amounts of the current financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements are not materially different from their fair values because of the immediate or short-term maturity of these financial instruments. The carrying amounts of the loans and borrowing, amounts due to the shareholders, amount due to a related company, finance lease payables and promissory notes approximate their fair values. The fair values of the loans and borrowings, amounts due to the shareholders, amount due to a related company and finance lease payables are estimated as the present value of future cash flows, discounted at the current market interest rates for similar financial instruments.

(g) 公平值

本公司董事認為，於綜合財務報告按攤銷成本入賬之現有財務資產及財務負債之賬面值與其公平值並無重大差異，此乃由於該等財務工具將即時或於短期內到期。貸款及借貸、應付股東款項、應付一家關連公司款項、應付融資租約及承付票據之賬面值與其公平值相若。貸款及借貸、應付股東款項、應付一家關連公司款項及應付融資租約之公平值乃按未來現金流轉之現值作估計，並按同類財務工具之現行市場利率貼現。

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綜合財務報告附註

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

45. COMMITMENTS

(a) Commitments in respect of capital expenditure

At the end of the reporting period, the Group had commitments in respect of capital expenditure outstanding but not provided for in the consolidated financial statements as follows:

Contracted, but not provided for	已訂約但未撥備	2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
— Acquisition of forest, forest concession rights, a wood processing plant, investment in a flooring company and exclusive production rights (Note i)	— 收購森林、森林特許權、一家木材加工廠、於一家地板公司之投資及獨家生產權(附註i)	—	331,800
— Acquisition of forest, sawmill and fiberboard processing facilities (Note ii)	— 收購森林、鋸木廠及纖維板加工廠(附註ii)	—	379,200
— Acquisition of subsidiaries	— 收購附屬公司	—	380,000
— Purchase of property, plant and equipment	— 購買物業、廠房及設備	692	—
		692	1,091,000

Notes:

- (i) On 12 February 2010, the Group entered into a term sheet (the "Term Sheet") to acquire the entire equity interests in a company (an independent third party) incorporated in Brazil holding among others approximately 98,000 hectares of forest area in Brazil, up to 800,000 hectares of forest concession rights in Bolivia, a wood processing plant, investment interests in a flooring company and exclusive production rights. The Term Sheet is legally binding and pursuant to its terms, the consideration of the acquisition shall be R\$70,000,000 (equivalent to approximately HK\$331,800,000). The consideration shall be payable by installments as follows: (i) R\$45,000,000 (equivalent to approximately HK\$213,300,000) to be satisfied upon completion of the acquisition and (ii) R\$25,000,000 (equivalent to approximately HK\$118,500,000) to be satisfied by payment in cash in United State dollars on a date falling within three years after completion. Accordingly to the terms of the Term Sheet, the consideration may be reduced, if the net profit after tax for each of the three years after completion shall be less than R\$10,000,000.

The term sheet was terminated by approval of directors of the Company on 30 March 2012. Therefore, there was no capital commitment as at 31 March 2012.

45. 承擔

(a) 有關資本開支之承擔

本集團於報告期間結算日就資本開支有下列未償還但並無於綜合財務報告撥備之承擔：

Contracted, but not provided for	已訂約但未撥備	2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
— Acquisition of forest, forest concession rights, a wood processing plant, investment in a flooring company and exclusive production rights (Note i)	— 收購森林、森林特許權、一家木材加工廠、於一家地板公司之投資及獨家生產權(附註i)	—	331,800
— Acquisition of forest, sawmill and fiberboard processing facilities (Note ii)	— 收購森林、鋸木廠及纖維板加工廠(附註ii)	—	379,200
— Acquisition of subsidiaries	— 收購附屬公司	—	380,000
— Purchase of property, plant and equipment	— 購買物業、廠房及設備	692	—
		692	1,091,000

附註：

- (i) 於二零一零年二月十二日，本集團訂立條款表(「條款表」)，收購一間於巴西註冊成立之公司(為獨立第三方)全部股本權益，該公司持有(其中包括)巴西約98,000公頃之森林區、達800,000公頃之玻利維亞森林特許權、一家木材加工廠、於一家地板公司之投資權益及獨家生產權。條款表具法律約束力，根據其條款，收購代價將為70,000,000雷亞爾(約相當於港幣331,800,000元)。代價將按以下方式分期支付：(i)45,000,000雷亞爾(約相當於港幣213,300,000元)將於收購事項完成時支付及(ii)25,000,000雷亞爾(約相當於港幣118,500,000元)將於交易完成後三年內以美元現金支付。根據條款表之條款，倘完成後三個年度各年之除稅後純利少於10,000,000雷亞爾，則代價或會減少。

於二零一二年三月三十日，條款表經本公司董事批准予以終止。因此，於二零一二年三月三十一日概無資本承擔。

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45. COMMITMENTS (continued)

(a) Commitments in respect of capital expenditure

(continued)

Notes: (continued)

- (ii) On 1 November 2009, the Group entered into a legally binding Memorandum of intent ("MOU") to acquire the entire equity interests in a company (an independent third party) incorporated in Brazil holding freehold forest area of approximately 137,000 hectares in Brazil, a sawmill and a fibreboard processing facility. Pursuant to the terms of the MOU, the consideration of the acquisition should be R\$80,000,000 (equivalent to approximately HK\$379,200,000). The consideration shall be payable as follows: (i) R\$27,000,000 (equivalent to approximately HK\$127,980,000) to be satisfied by cash on the completion date of the acquisition; (ii) R\$26,000,000 (equivalent to approximately HK\$123,240,000) to be satisfied by the allotment and issue of new shares of the Company on the completion date of the acquisition and (iii) R\$27,000,000 (equivalent to approximately HK\$127,980,000) to be paid in 6 instalments, falling due on a half-yearly basis, with the first instalment falling due after 12 months from the completion date of the acquisition.

The MOU was terminated by approval of directors of the Company on 30 March 2012. Therefore, there was no capital commitment as at 31 March 2012.

(b) Operating lease commitments

The Group leases certain of its office premises under operating leases. Leases for these properties are negotiated for terms ranging one to three years.

At the end of the reporting period, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

45. 承擔 (續)

(a) 有關資本開支之承擔 (續)

附註：(續)

- (ii) 於二零零九年十一月一日，本集團訂立一份具法律約束力之意向諒解備忘錄（「諒解備忘錄」），收購一家於巴西註冊成立之公司（為獨立第三方）之全部股本權益，該公司於巴西永久持有約137,000公頃之森林區、一家鋸木廠及一家纖維板加工廠。根據諒解備忘錄之條款，收購代價為80,000,000雷亞爾（約相當於港幣379,200,000元）。代價須以下列方式支付：(i) 27,000,000雷亞爾（約相當於港幣127,980,000元）於收購完成日期以現金支付；(ii) 26,000,000雷亞爾（約相當於港幣123,240,000元）於收購完成日期以配發及發行本公司新股份支付；及(iii) 27,000,000雷亞爾（約相當於港幣127,980,000元）分六期支付，每半年到期付款，首期將於收購完成日期起計12個月後到期支付。

於二零一二年三月三十日，諒解備忘錄經本公司董事批准予以終止。因此，於二零一二年三月三十一日概無資本承擔。

(b) 經營租約承擔

本集團根據經營租約租用若干辦公室物業。該等物業之租約經磋商後為期一至三年。

於報告期間結算日，根據不可撤銷經營租約應付之日後最低租金總額如下：

	The Group 本集團		The Company 本公司	
	2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元	2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
Within one year 一年內	3,478	2,495	3,463	1,970
In the second to fifth years, inclusive 第二至第五年 (包括首尾兩年)	5,873	—	5,873	—
	9,351	2,495	9,336	1,970

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45. COMMITMENTS (continued)

(c) Minimum royalty payments

The total future minimum royalty payments payable under the terms of the timber concession licences were as follows:

		2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
Within one year	一年內	—	3,028
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)	—	11,704
After five years	五年後	—	30,209
		—	44,941

The terms of the timber concession licences ranges from 3 to 23 years. As at 31 March 2012, no timber concession licence was held by the Group due to disposal of Ally Rise Group during the year.

45. 承擔(續)

(c) 最低專利權費付款

根據木材特許權證之條款於日後應付之最低專利權費付款總額如下：

		2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
Within one year	一年內	—	3,028
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)	—	11,704
After five years	五年後	—	30,209
		—	44,941

木材特許權證之期限介乎3至23年。於二零一二年三月三十一日，由於年內出售合昇集團，故本集團並無持有木材特許權證。

46. CONTINGENT LIABILITIES

(a) Litigations in relation to Ally Rise Group

As at 31 March 2011, Ally Rise Group had two outstanding litigations and the details are disclosed in note 28(e). On 30 March 2012, Ally Rise Group was sold and the contingent liabilities transferred to the buyer of the Ally Rise Group. The details of the sale is outlined in Note 43.

(b) Claims against the Company

A third party (the "Plaintiff") asserted claims against the Company for salaries in amounts equivalent in the aggregate to US\$901,539 (approximately HK\$7,022,000), together with certain other employment benefits, by reason of the alleged breach by the Company of two separate but concurrent contracts of employment that the Plaintiff asserted were entered into between the Plaintiff and the Company in April 2009. The Company disputed the existence of any contracts, whether of employment or otherwise, between itself and the Plaintiff. Arbitration proceedings commenced on 30 October 2009 and hearing was scheduled for the week of 19 September 2011. The Company defended itself vigorously in those proceedings. In the opinion of the directors of the Company, the claims were at a preliminary stage and no provision has been made in respect of such claims as of 31 March 2011. The above matters were dealt with under arbitration proceedings which hearings were held at the Hong Kong International Arbitration Centre ("HKIAC") from 19 to 21 September 2011.

The Company received a final award from the HKIAC on 5 March 2012. The arbitral tribunal made an order that the Claimant's claims against the Company are dismissed and that each party will bear its own legal costs and the costs of the arbitration.

46. 或然負債

(a) 有關合昇集團之訴訟

於二零一一年三月三十一日，合昇集團有兩項待決訴訟，詳情載於附註28(e)。於二零一二年三月三十日，合昇集團已售出，而或然負債已轉讓予合昇集團之買方。有關銷售之詳情概要，已載於附註43。

(b) 對本公司提出之申索

第三方(「原告」)以本公司涉嫌違反兩份原告聲稱是由原告與本公司於二零零九年四月分開發訂但同時生效之僱傭合約為理由，向本公司提出申索，涉及相當於合共901,539美元(約港幣7,022,000元)之薪金連同若干其他僱員福利。本公司對本公司與原告之間存在任何合約(不論為僱傭或其他性質之合約)提出爭議。仲裁程序於二零零九年十月三十日展開，並排期於二零一一年九月十九日之一週內進行聆訊。本公司於聆訊過程中積極抗辯。本公司董事認為，申索尚處於初步階段，故並無於二零一一年三月三十一日就有關申索作出撥備。上述事宜經仲裁程序處理，並已於二零一一年九月十九日至二十一日在香港國際仲裁中心(「香港國際仲裁中心」)進行聆訊。

本公司於二零一二年三月五日接獲香港國際仲裁中心之最終裁決。仲裁庭已頒令撤銷申索方向本公司提出之申索，而各方將承擔其各自之法律費用及仲裁費用。

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46. CONTINGENT LIABILITIES (continued)

(c) Corporate guarantee

As at 31 March 2012, the Company had given unconditional guarantee to a financial institution to secure finance leases payables granted to a subsidiary to the extent of HK\$500,000 (2011: HK\$500,000). The extent of the finance leases payables utilised by the subsidiary at the end of the reporting period amounted to approximately HK\$350,000 (2011: HK\$450,000).

In the opinion of the directors of the Company, the fair value of the financial guarantee contract of the Company is insignificant at initial recognition and, the directors of the Company consider that the possibility of default by the subsidiary is remote and, in case of default in payments, the net realisable value of the net assets of the subsidiary can recover the repayment of the outstanding principals of the finance leases payables together with the accrued interest and penalty. Accordingly, no provision has been made in respect of such guarantee.

(d) Partnership harvesting agreement

On 18 July 2011, UTRB entered into an agreement (the "Partnership Harvesting Agreement" or the "Agreement") with R2R Indústria e Comércio de Produtos Florestais Ltda. ("R2R"). Under the Agreement, UTRB will harvest logs on forest area supposedly owned by R2R under a Sustainable Forest Management Plan and pay R2R Florestal a total of R\$9,602,000 (or approximately HK\$41 million) by installments. R2R was responsible to obtain the necessary harvesting permit ("AUTEF") within 30 days of the Agreement. R2R was late in presenting the AUTEF to UTRB and failed to produce documentations that support its ownership of the subject forest area. In addition, UTRB's harvesting team discovered various environmental crimes in the subject forest area during its preparatory inspection. A total sum of R\$840,000 (or approximately HK\$3,869,000) was paid by UTRB under the Agreement while the remaining balance was withheld due to the above breach and irregularities. In the meantime, R2R sent various notices demanding for performance under the Agreement. On 17 January 2012, UTRB served a termination notice to R2R and demanded for the return of the deposits paid. On 23 February 2012, R2R sent UTRB an amicable settlement offer where reducing the outstanding balance to R\$1,621,000 (or approximately HK\$6,910,000) as final settlement for the immediate termination of the Agreement. According to the opinion of inhouse and external legal counsels, UTRB has adequate legal ground to terminate the Agreement, demand for the return of the deposit and ask for penalties.

46. 或然負債(續)

(c) 公司擔保

於二零一二年三月三十一日，本公司已向一家金融機構作出無條件擔保，作為一家附屬公司獲授應付融資租約港幣500,000元(二零一一年：港幣500,000元)之抵押。於報告期間結算日，附屬公司已動用應付融資租約其中約港幣350,000元(二零一一年：港幣450,000元)。

本公司董事認為，本公司財務擔保合約之公平值於初次確認時屬微不足道，且本公司董事認為附屬公司違約之機會極微，倘出現拖欠付款之情況，附屬公司名下淨資產之可變現淨值足夠抵償應付融資租約之結欠本金連同應計利息及罰款。因此，並無就有關擔保作出撥備。

(d) 夥伴伐木協議

於二零一一年七月十八日，UTRB與R2R Indústria e Comércio de Produtos Florestais Ltda. (「R2R」) 訂立協議(「夥伴伐木協議」或「協議」)。根據協議，UTRB將於據稱由R2R根據可持續森林管理計劃擁有之森林地區砍伐原木，並分期向R2R支付合共9,602,000雷亞爾(或約港幣41,000,000元)。R2R負責於協議日期起計30日內取得所需伐木許可證(「伐木許可證」)。R2R未能及時向UTRB交付伐木許可證及不能出示能證明其擁有所述森林地區之文據。此外，UTRB之伐木團隊在進行籌備檢查時於所述森林地區發現多項環保罪行。UTRB已根據協議支付合共840,000雷亞爾(或約港幣3,869,000元)，而餘額因上述違約及違規行為而扣留。於此期間內，R2R發出多項通知要求履行協議。於二零一二年一月十七日，UTRB向R2R送達終止通知並要求退還已付訂金。於二零一二年二月二十三日，R2R向UTRB發出和解提議，將未償還餘額減至1,621,000雷亞爾(或約港幣6,910,000元)以作為立即終止協議之最終款項。根據內部及外聘法律顧問之意見，UTRB有足夠法律理據終止協議、要求退還訂金及追討罰金。

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46. CONTINGENT LIABILITIES (continued)

(e) Class action case in connection with the hydropower plant in Rondonia, Brazil

On 19 October 2010, Procurador do Trabalho, Procuradoria Regional do Trabalho da 14^a Região (the “Ministry”) began a class action investigation into potential misconducts or breach of relevant labor laws by all companies that operated in the hydropower plant in Rondonia State, Brazil. UTRB was one of the many companies that provided services directly or indirectly to the hydropower plant in Rondonia. In February 2012, UTRB voluntarily requested a review of its operations by the Ministry in connection with its provision of clear cutting services at the hydropower plant. There was no wrong doings of breach of law discovered under the review by the Ministry. In order to avoid being held liable for potential liabilities or labor claims as a result of other companies’ wrong doings under Brazil labor laws, UTRB is negotiating to enter into a Term of Adjustment of Conduct Agreement (“TOC”) with the Ministry. Under the proposed terms of TOC, UTRB will agree to abide by the labor laws of Brazil in Rondonia. In exchange, it will not be responsible for any claims or breach of labor laws by other companies involved with the hydropower plant in Rondonia. On 23 July 2012, a final TOC was signed by UTRB and delivered to the Ministry. The TOC was accepted and signed by the Ministry on 19 September 2012. It should be noted that there is no active operations by UTRB or any of the Companies’ subsidiaries at the hydropower plant in Rondonia.

46. 或然負債(續)

(e) 有關巴西朗多尼亞州水力發電廠之集體訴訟案件

於二零一零年十月十九日，Procurador do Trabalho, Procuradoria Regional do Trabalho da 14^a Região (「部門」)就巴西朗多尼亞州經營水力發電廠內經營的所有公司之可能不正當行為或違反相關勞工法例展開集體訴訟調查。UTRB為其中一家直接或間接向朗多尼亞州水力發電廠提供服務之公司。於二零一二年二月，UTRB自願要求部門就其於水力發電廠提供之清伐服務進行業務審查。根據部門之審查，概無發現錯失或違反法例。為避免承擔其他公司在巴西勞工法下之錯失所導致之潛在負債或勞工索償，UTRB正與部門商討訂立調整操守守則協議(「操守守則」)。根據操守守則之建議條款，UTRB將同意遵守於朗多尼亞州之巴西勞工法。作為交換條件，UTRB將不會就其他公司涉及於朗多尼亞州水力發電廠之任何申索或違反勞工法承擔責任。於二零一二年七月二十三日，UTRB已簽署操守守則定稿。部門已於二零一二年九月十九日接納並簽署操守守則定稿。務請注意，UTRB或本公司任何附屬公司於朗多尼亞州之水力發電廠並無活躍業務。

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47. SUBSEQUENT EVENTS

- (a) On 7 June 2012, the Company together with Amplewell Holdings Limited, Acenergy Limited and Great Path Limited, all wholly owned subsidiaries of the Company, (collectively the "Borrowers") entered into a loan agreement (the "Loan Agreement") with Riso Investments Limited (the "Lender"), an independent third party. Under the Loan Agreement, the Borrowers may borrow up to HK\$50 million within a 12-month period commencing the date of the Loan Agreement. Interest rate is 18% per annum and maturity in one lump sum 18 months after the first draw down under the Loan Agreement. Notwithstanding the above, the Borrowers may prepay any loan amount outstanding after 12 months from the first draw down without penalties. The loan is secured by share charge in favor of the Lender over the entire issued share capital of Acenergy Limited. As of 20 December 2012, the Borrowers have drawn down HK\$30 million under the Loan Agreement, of which HK\$15 million is still in escrow.
- (b) On 26 June 2012, the Borrowers entered into a supplementary agreement ("Further Loan Facility") providing further loan facility of HK\$40 million in the event if a trade creditor in Brazil lodge any official claims against UTRB for payment of fees accrued. This Further Loan Facility is valid and effective for a period of 18 months from the agreement date above and is subject to formal loan agreement similar to the Loan Agreement in (a).
- (c) During the financial year ended 31 March 2011, the Group entered into purchase agreements to procure African logs and timber, and North American logs from two independent suppliers separately for sums of Euro10,980,000 (equivalent to HK\$113,729,000) and US\$1,282,000 (equivalent to HK\$9,953,000). On 31 May 2012, the Group entered into agreements with two suppliers separately terminating their respective purchase agreements amicably. The suppliers took back the logs and timber with no further liabilities due from the Group. Please refer to Note 8(i) for details of the terminations.

47. 結算日後事項

- (a) 於二零一二年六月七日，本公司連同本公司之全資附屬公司沛源控股有限公司、Acenergy Limited及宏通有限公司(統稱「借款人」)與獨立第三方Riso Investments Limited(「貸款人」)訂立貸款協議(「貸款協議」)。根據貸款協議，借款人可於貸款協議日期起計12個月期間，借取最多港幣50,000,000元，年利率為18厘，將於根據貸款協議首次提款後18個月一筆過到期還款。受限於前述者，借款人可於首次提款起計12個月後償還任何尚未償還貸款而毋須支付罰息。貸款乃以貸款人之利益抵押Acenergy Limited全部已發行股本作為抵押。於二零一二年十二月二十日，借款人已根據貸款協議提取港幣30,000,000元，其中港幣15,000,000元仍由託管人持有。
- (b) 於二零一二年六月二十六日，借款人訂立補充協議(「進一步貸款融資」)，有關協議於巴西之一名貿易債權人一旦向UTRB就支付所產生費用提出任何正式索償時，進一步提供貸款融資港幣40,000,000元。該進一步貸款融資自上述協議日期起計18個月期間生效，並受限於與(a)項貸款協議相近之正式貸款協議。
- (c) 截至二零一一年三月三十一日止財政年度，本集團分別與兩名獨立供應商訂立購買協議，合共以10,980,000歐元(相當於港幣113,729,000元)及1,282,000美元(相當於港幣9,953,000元)採購非洲木材及原木以及北美原木。於二零一二年五月三十一日，本集團分別與兩名供應商訂立協議和平地終止彼等各自之購買協議。供應商收回原木及木材，再無任何應收本集團之負債。終止之詳情請參閱附註8(i)。

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48. MATERIAL RELATED PARTY TRANSACTIONS

The Group had the following transactions with related parties during the year.

(a) Key management personnel remuneration

The key management personnel of the Group are the directors and employees of the Company. Details of their remuneration as set out in Note 12 to the financial statements are as follows:

		2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	7,312	5,240
Retirement scheme contributions	退休計劃供款	29	23
Share-based payment	以股份支付	(2,403)	13,369
		4,938	18,632

(b) Financing arrangement

48. 重大關連人士交易

本集團於本年度曾與關連人士進行以下交易。

(a) 主要管理人員之薪酬

本集團之主要管理人員為本公司董事及僱員。財務報告附註12所載向彼等支付之酬金詳情如下：

(b) 融資安排

			The Group 本集團			
			Amounts due to related parties 應付關連人士款項		Related interest expenses 相關利息開支	
			2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元	2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
		Notes 附註				
Amounts due to shareholders	應付股東款項	(i)	210,874	131,527	8,463	4,937
Amount due to a related company	應付一家關連公司款項	(ii)	2,048	—	48	703
Loan from a related company	來自一家關連公司之貸款	(iii)	—	—	1,164	—
			212,922	131,527	9,675	5,640

Notes:

- (i) The interest expenses charged on amounts due to shareholders were calculated at 5% per annum. The outstanding balances of the amounts due to shareholders at the end of the reporting period are disclosed in Note 36.
- (ii) The interest expenses charged on amount due to a related company was calculated at 5% per annum. During the year ended 31 March 2011, the interest on amount due to a related company was fully repaid. The outstanding balances of amount due to a related company as at 31 March 2012 is disclosed in Note 37.
- (iii) The interest expenses charged on loan from a related company was calculated at 0.5% per month. Details of the loan are disclosed in note 30.

附註：

- (i) 應付股東款項之利息開支乃按年利率5厘計算。應付股東款項於報告期間結算日之尚未償還結餘在附註36披露。
- (ii) 應付一家關連公司款項之利息開支乃按年利率5厘計算。截至二零一一年三月三十一日止年度，應付一家關連公司款項之利息已悉數償還。應付一家關連公司款項於二零一二年三月三十一日之尚未償還結餘在附註37披露。
- (iii) 來自一家關連公司之貸款之利息開支乃按每月利率0.5厘計算。貸款之詳情於附註30披露。

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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

48. MATERIAL RELATED PARTY TRANSACTIONS

(continued)

(c) Other related party transactions

Interest on promissory notes	承付票據之利息
Rental expenses	租金開支
Reduction of interest payable	削減應付利息
Purchase of machinery and equipment	購買機器及設備
Sales to a related company	向一家關連公司銷售
Purchase from a related company	向一家關連公司購買

Notes:

- (i) This represents interest on promissory notes issued to Winner Global and was calculated at a coupon rate of 2% per annum (effective interest rate: 15.74%). The outstanding balance at the end of the reporting period is disclosed in Note 38.
- (ii) This represents the difference arising from the net-off of write off of deposit for purchases of property, plant and equipment and waiver of loan and borrowing due to a related company. Details are disclosed in Note 24.
- (iii) This represents the reduction of interest rate from 2.7% to 0.5% per month, retroactively from the date of commencement of loan from a related company.
- (iv) This represents the purchase of machinery and equipment from a related company. Details are disclosed in Note 24.

In the opinion of the Company's directors, the above transactions were conducted on terms mutually agreed by the Group and the related parties.

48. 重大關連人士交易 (續)

(c) 其他關連人士交易

Note 附註	2012	2011
	HK\$'000 港幣千元	HK\$'000 港幣千元
(i)	129	847
(ii)	13,745	—
(iii)	2,932	—
(iv)	1,364	—
	14,385	—
	48,340	—

附註：

- (i) 此乃發行予Winner Global之承付票據按票面息率每年2厘(實際利率：15.74厘)計算之利息。於報告期間結算日之尚未償還結餘在附註38披露。
- (ii) 此乃就扣除撇銷購買物業、廠房及設備之訂金及豁免應付一家關連公司之貸款及借貸而產之差額。詳情於附註24披露。
- (iii) 此乃將利率由每月2.7厘調低至0.5厘，追溯至來自一家關連公司之貸款開始日期起生效。
- (iv) 此乃向一家關連公司購買機器及設備之款項。詳情於附註24披露。

本公司董事認為，上述交易乃按本集團與關連人士相互協定之條款進行。

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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

49. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2012

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

Amendments to IFRSs	Annual Improvements to IFRSs 2009–2011 Cycle ²
Amendments to IFRS 7	Disclosures — Transfers of Financial Assets ¹
Amendments to IFRS 7	Disclosures — Offsetting Financial Assets and Financial Liabilities ²
Amendments to IFRS 7 and IFRS 9	Mandatory Effective Date of IFRS 9 and Transition Disclosures ³
IFRS 9	Financial Instruments ³
IFRS 10	Consolidated Financial Statements ²
IFRS 11	Joint Arrangements ²
IFRS 12	Disclosure of Interests in Other Entities ²
IFRS 13	Fair Value Measurement ²
Amendments to IAS 1	Presentation of Items of Other Comprehensive Income ⁵
Amendments to IAS 12	Deferred Tax — Recovery of Underlying Assets ⁴
IAS 19 (as revised in 2011)	Employee Benefits ²
IAS 27 (as revised in 2011)	Separate Financial Statements ²
IAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures ²
Amendments to IAS 32	Offsetting Finance Assets and Financial Liabilities ⁶
IFRIC-Int 20	Stripping Costs in the Production Phase of a Surface Mine ²

¹ Effective for annual periods beginning on or after 1 July 2011.

² Effective for annual periods beginning on or after 1 January 2013.

³ Effective for annual periods beginning on or after 1 January 2015.

⁴ Effective for annual periods beginning on or after 1 January 2012.

⁵ Effective for annual periods beginning on or after 1 July 2012.

⁶ Effective for annual periods beginning on or after 1 January 2014.

49. 截至二零一二年三月三十一日止年度已頒佈但尚未生效之修訂、新訂準則及詮釋之可能影響

本集團並無提早應用以下已頒佈但尚未生效之新訂及經修訂國際財務報告準則：

國際財務報告準則之修訂	二零零九年至二零一一年週期之國際財務報告準則之年度改進 ²
國際財務報告準則第7號之修訂	披露 — 財務資產之轉讓 ¹
國際財務報告準則第7號之修訂	披露 — 抵銷財務資產及財務負債 ²
國際財務報告準則第7號及國際財務報告準則第9號之修訂	國際財務報告準則第9號之強制生效日期及過渡性披露 ³
國際財務報告準則第9號	財務工具 ³
國際財務報告準則第10號	綜合財務報告 ²
國際財務報告準則第11號	聯合安排 ²
國際財務報告準則第12號	其他實體權益之披露 ²
國際財務報告準則第13號	公平值計量 ²
國際會計準則第1號之修訂	其他全面收入項目呈報 ⁵
國際會計準則第12號之修訂	遞延稅項 — 收回相關資產 ⁴
國際會計準則第19號 (於二零一一年經修訂)	僱員福利 ²
國際會計準則第27號 (於二零一一年經修訂)	獨立財務報告 ²
國際會計準則第28號 (於二零一一年經修訂)	投資聯營公司及合營企業 ²
國際會計準則第32號之修訂	抵銷財務資產及財務負債 ⁶
國際財務報告詮釋委員會 — 詮釋第20號	露天採礦場生產階段之剝採成本 ²

¹ 於二零一一年七月一日或之後開始之年度期間生效。

² 於二零一三年一月一日或之後開始之年度期間生效。

³ 於二零一五年一月一日或之後開始之年度期間生效。

⁴ 於二零一二年一月一日或之後開始之年度期間生效。

⁵ 於二零一二年七月一日或之後開始之年度期間生效。

⁶ 於二零一四年一月一日或之後開始之年度期間生效。

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綜合財務報告附註

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

49. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2012 (continued)

Amendments to IFRS 7 Disclosures — Transfers of Financial Assets

The amendments to IFRS 7 increase the disclosure requirements for transactions involving transfers of financial assets. These amendments are intended to provide greater transparency around risk exposures when a financial asset is transferred but the transferor retains some level of continuing exposure in the asset. The amendments also require disclosures where transfers of financial assets are not evenly distributed throughout the period.

The directors anticipate that the application of the amendments to IFRS 7 will affect the Group's disclosures regarding transfers of financial assets in the future, if any.

IFRS 9 Financial Instruments

IFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. IFRS 9 amended in 2010 includes the requirements for the classification and measurement of financial liabilities and for derecognition.

Key requirements of IFRS 9 are described as follows:

- IFRS 9 requires all recognised financial assets that are within the scope of IAS 39 Financial Instruments: Recognition and Measurement to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent reporting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting periods. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

49. 截至二零一二年三月三十一日止年度已頒佈但尚未生效之修訂、新訂準則及詮釋之可能影響(續)

國際財務報告準則第7號之修訂披露 — 財務資產之轉讓

國際財務報告準則第7號之修訂增加涉及財務資產轉讓之交易之披露規定。該修訂旨在就轉讓財務資產但轉讓人保留資產一定程度之持續風險承擔時，提高風險承擔之透明度。該修訂亦要求於該期間內財務資產之轉讓並非均衡分佈時作出披露。

董事預計應用國際財務報告準則第7號之修訂將影響本集團有關未來財務資產轉讓(如有)之披露。

國際財務報告準則第9號財務工具

於二零零九年頒佈之國際財務報告準則第9號對財務資產之分類及計量提出新規定。於二零一零年修訂之國際財務報告準則第9號包括對財務負債之分類及計量以及剔除確認之規定。

國際財務報告準則第9號之主要規定描述如下：

- 國際財務報告準則第9號規定，屬於國際會計準則第39號財務工具：確認及計量範疇之所有已確認財務資產其後按攤銷成本或公平值計量。特別是，根據業務模式以收取合約現金流量為目的所持有之債務投資，及僅為支付本金及未償還本金之利息而產生合約現金流量之債務投資一般於其後報告期間結算日按攤銷成本計量。所有其他債務投資及股本投資於其後的呈報期末按公平值計量。此外，根據國際財務報告準則第9號，實體可作出不可撤回之選擇，於其他綜合收益呈列股本投資(非持作交易)公平值之其後變動，而僅有股息收入一般於損益中確認。

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49. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2012 (continued)

IFRS 9 financial Instruments (continued)

- The most significant effect of IFRS 9 regarding the classification and measurement of financial liabilities relates to the presentation of changes in the fair value of a financial liability (designated as at fair value through profit or loss) attributable to changes in the credit risk of that liability. Specifically, under IFRS 9, for financial liabilities that are designated as at fair value through profit or loss, the amount of changes in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Previously, under IAS 39, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss was presented in profit or loss.

The directors anticipate that the adoption of IFRS 9 in the future will not have significant impact on amounts reported in respect of the Group's financial assets and financial liabilities.

New and revised standards on consolidation, joint arrangements, associates and disclosures

In June 2011, a package of five standards on consolidation, joint arrangements, associates and disclosures was issued, including IFRS 10, IFRS 11, IFRS 12, IAS 27 (as revised in 2011) and IAS 28 (as revised in 2011).

Key requirements of these five standards are described below:

IFRS 10 replaces the parts of IAS 27 Consolidated and Separate Financial Statements that deal with consolidated financial statements and SIC 12 Consolidation — Special Purpose Entities. IFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's returns. Extensive guidance has been added in IFRS 10 to deal with complex scenarios.

49. 截至二零一二年三月三十一日止年度已頒佈但尚未生效之修訂、新訂準則及詮釋之可能影響 (續)

國際財務報告準則第9號財務工具 (續)

- 國際財務報告準則第9號對財務負債分類及計量之最重大影響乃指定為透過損益按公平值列賬之財務負債因信貸風險變動引致公平值變動之呈列。具體而言，根據國際財務報告準則第9號，指定為透過損益按公平值列賬之財務負債因信貸風險變動引致的公平值變動數額，除非於其他全面收入確認該負債的信貸風險變動影響會造成或擴大損益的會計錯配，否則須於其他全面收入呈列。財務負債的信貸風險引致的公平值變動其後不會重新分類至損益。過往，根據國際會計準則第39號，指定為透過損益按公平值列賬之財務負債之公平值變動全數均於損益呈列。

董事預期日後採納國際財務報告準則第9號不會對本集團之財務資產及財務負債之報告金額產生重大影響。

有關綜合賬目、聯合安排、聯營公司以及披露之新訂及經修訂準則

於二零一一年六月，有關綜合賬目、聯合安排、聯營公司以及披露的五項準則組合獲頒佈，包括國際財務報告準則第10號、國際財務報告準則第11號、國際財務報告準則第12號、國際會計準則第27號(於二零一一年經修訂)及國際會計準則第28號(於二零一一年經修訂)。

五項準則之主要規定描述如下：

國際財務報告準則第10號取代國際會計準則第27號綜合及獨立財務報告有關綜合財務報告及會計詮釋委員會第12號綜合一特殊目的實體之部分規定。國際財務報告準則第10號包含控制權之新定義，當中包括三項要素：(a)有權控制投資對象；(b)從參與投資對象營運所得可變回報之風險或權利；及(c)對投資對象行使權力以影響投資者回報金額之能力。國際財務報告準則第10號已就複雜情況的處理方法加入詳細指引。

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49. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2012 (continued)

New and revised standards on consolidation, joint arrangements, associates and disclosures (continued)

IFRS 11 replaces IAS 31 Interests in Joint Ventures and SIC 13 Jointly Controlled Entities — Non-Monetary Contributions by Ventures. IFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. Under IFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the rights and obligations of the parties to the arrangements. In contrast, under IAS 31, there are three types of joint arrangements: jointly controlled entities, jointly controlled assets and jointly controlled operations.

In addition, joint ventures under IFRS 11 are required to be accounted for using the equity method of accounting, whereas jointly controlled entities under IAS 31 can be accounted for using the equity method of accounting, whereas jointly controlled entities under IAS 31 can be accounted for using the equity method of accounting or proportionate accounting.

IFRS 12 is a disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the disclosure requirements in IFRS 12 are more extensive than those in the current standards.

These five standards are effective for annual periods beginning on or after 1 April 2013. Earlier application is permitted provided that all of these five standards are applied early at the same time.

The directors anticipate that these five standards will be adopted in the Group's consolidated financial statements for the annual period beginning 1 April 2013 but is not yet in a position to state whether they would have a significant impact on its results of performance and financial position.

49. 截至二零一二年三月三十一日止年度已頒佈但尚未生效之修訂、新訂準則及詮釋之可能影響(續)

有關綜合賬目、聯合安排、聯營公司以及披露之新訂及經修訂準則(續)

國際財務報告準則第11號取代國際會計準則第31號合營企業權益及會計詮釋委員會第13號共同控制實體—合營方提供之非貨幣出資。國際財務報告準則第11號處理兩名或以上人士擁有共同控制權之聯合安排分類方法。根據國際財務報告準則第11號，聯合安排視乎安排所涉各方的權利及責任分為合營業務或合營企業，而根據國際會計準則第31號，聯合安排分為三種類型：共同控制實體、共同控制資產及共同控制業務。

此外，國際財務報告準則第11號所規定之合營企業須採用權益會計法入賬，而國際會計準則第31號所規定之共同控制實體則可使用權益會計法或比例會計法入賬。

國際財務報告準則第12號為披露準則，適用於擁有子公司、聯合安排、聯營公司及／或未綜合入賬之結構實體權益之實體。整體而言，國際財務報告準則第12號之披露規定較現行準則所規定者更全面。

五項準則將於二零一三年四月一日或其後開始之年度生效，並容許提早採用，惟須同時提前採用全部五項準則。

董事預計本集團將於二零一三年四月一日開始之年度之綜合財務報告中採納該等五項準則，惟尚未確定該五項準則是否可能對其業績及財務狀況構成重大影響。

Notes to the Consolidated Financial Statements

綜合財務報告附註

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

49. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2012 (continued)

Amendments to IAS 12 Deferred Tax — Recovery of Underlying Assets

The amendments to IAS 12 provide an exception to the general principles in IAS 12 that the measurement of deferred tax assets and deferred tax liabilities should reflect the tax consequences that would follow from the manner in which the entity expects to recover the carrying amount of an asset. Specifically, under the amendments, investment properties that are measured using the fair value model in accordance with IAS 40 Investment Property are presumed to be recovered through sale for the purposes of measuring deferred taxes, unless the presumption is rebutted in certain circumstances.

The amendments to IAS 12 are effective for annual periods beginning on or after 1 April 2012. The directors anticipate that the application of the amendments to IAS 12 in future reporting periods may result in immaterial adjustments to the amounts of deferred tax liabilities recognised in prior years regarding the Group's investment properties of which the carrying amounts are presumed to be recovered through sale.

The directors of the Company anticipate that the application of the other new and revised IFRSs will have no material impact on the consolidated financial statements of the Group.

49. 截至二零一二年三月三十一日止年度已頒佈但尚未生效之修訂、新訂準則及詮釋之可能影響(續)

國際會計準則第12號之修訂遞延稅項 — 收回相關資產

國際會計準則第12號之修訂為國際會計準則第12號之一般準則提供一項例外情況，即遞延稅項資產及遞延稅項負債之計量須反映實體預計收回資產賬面值所用方式產生之稅項影響。具體而言，根據該修訂，除非有關假設在若干情況下被推翻，否則按照國際會計準則第40號投資物業採用公平值模式計量的投資物業於計量遞延稅項時會假設通過銷售收回。

國際會計準則第12號之修訂將於二零一二年四月一日或其後開始之年度期間生效。董事預計，於未來報告期間應用國際會計準則第12號之修訂可能導致本集團須略為調整過往年度所確認投資物業(假定其賬面值通過銷售收回)之遞延稅負債額。

本集團董事預計採納其他新訂及經修訂之國際財務報告準則將不會對本集團綜合財務報告造成重大影響。

Five Years Financial Summary

五年財務摘要

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度
(Expressed in Hong Kong dollars) (以港幣呈列)

RESULTS

業績

		Year ended 31 March 截至三月三十一日止年度				
		2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元	2008 二零零八年 HK\$'000 港幣千元
Revenue	收入	115,616	866,655	342,580	178,061	222,854
(Loss)/profit attributable to the owners of the Company	本公司擁有人應佔 (虧損)/溢利	(2,327,909)	341,486	273,303	(12,707)	(112,892)

ASSETS AND LIABILITIES

資產及負債

		As at 31 March 於三月三十一日				
		2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元	2008 二零零八年 HK\$'000 港幣千元
Total assets	總資產	1,727,833	4,186,991	3,338,236	237,960	2,361,532
Total liabilities	總負債	852,438	930,622	831,606	57,618	1,283,928
Net assets	淨資產	875,395	3,256,369	2,506,630	180,342	1,077,604
EQUITY	權益					
Equity attributable to the owners of the Company	本公司擁有人 應佔權益	875,309	3,256,293	2,506,568	166,228	658,187
Non-controlling interests	非控股股東權益	86	76	62	14,114	419,417
Total equity	總權益	875,395	3,256,369	2,506,630	180,342	1,077,604

SUSTAINABLE FOREST HOLDINGS LIMITED

4th Floor, Soho Tower
No. 110-118 Caine Road
Central, Hong Kong

永保林業控股有限公司

香港中環堅道110-118號4樓

www.susfor.com

