

ANNUAL REPORT 年報
2013



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

Stock Code 股票代號 : 718

Contents

目錄

	Pages		頁碼
Corporate Information	2	公司資料	2
Executive Director's Statement	4	執行董事報告書	4
Management Discussion and Analysis	10	管理層討論及分析	10
Biographical Details of Directors	12	董事履歷詳情	12
Report of the Directors	15	董事會報告	15
Corporate Governance Report	26	企業管治報告	26
Independent Auditor's Report	47	獨立核數師報告書	47
Consolidated Statement of Comprehensive Income	50	綜合全面收入報表	50
Consolidated Statement of Financial Position	51	綜合財務狀況報表	51
Consolidated Statement of Changes in Equity	52	綜合權益變動表	52
Consolidated Statement of Cash Flows	53	綜合現金流量表	53
Notes to the Consolidated Financial Statements	54	綜合財務報表附註	54

Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Ha Wing Ho, Peter (appointed on 23 April 2013)
Mr. Zhang Qianjin (appointed 23 April 2013)
Mr. Chim Kim Lun, Ricky (resigned on 23 April 2013)
Mr. Law Fei Shing (resigned on 10 May 2013)

Non-Executive Directors

Mr. Chee Man Sang, Eric (appointed on 10 January 2013)
Mr. Tang Shu Pui, Simon (appointed on 10 January 2013)

Independent Non-Executive Directors

Mr. Chan Wai Man (appointed on 10 May 2013)
Mr. Tsui Sai Ming, Steven (appointed on 10 May 2013)
Mr. Ng Chun Chuen, David (appointed on 7 June 2013)
Mr. Au Kwok Yee, Benjamin (resigned on 10 May 2013)
Ms. Lau Siu Ngor (resigned on 10 May 2013)
Mr. Lum Pak Sum (resigned on 31 May 2013)

AUDIT COMMITTEE

Mr. Chan Wai Man (*Chairman*) (appointed on 10 May 2013)

Mr. Chee Man Sang, Eric (appointed on 10 January 2013)
Mr. Tsui Sai Ming, Steven (appointed on 10 May 2013)
Mr. Ng Chun Chuen, David (appointed on 7 June 2013)
Ms. Lau Siu Ngor (resigned on 10 May 2013)
Mr. Au Kwok Yee, Benjamin (resigned on 10 May 2013)
Mr. Lum Pak Sum (resigned on 31 May 2013)

REMUNERATION COMMITTEE

Mr. Ng Chun Chuen, David (*Chairman*) (appointed on 7 June 2013)

Mr. Chee Man Sang, Eric (appointed on 10 January 2013)
Mr. Chan Wai Man (appointed on 10 May 2013)
Ms. Lau Siu Ngor (resigned on 10 May 2013)
Mr. Lum Pak Sum (resigned on 31 May 2013)

NOMINATION COMMITTEE

Mr. Ng Chun Chuen, David (*Chairman*) (appointed on 7 June 2013)

Mr. Chee Man Sang, Eric (appointed on 10 January 2013)
Mr. Chan Wai Man (appointed on 10 May 2013)
Ms. Lau Siu Ngor (resigned on 10 May 2013)
Mr. Lum Pak Sum (resigned on 31 May 2013)

COMPANY SECRETARY

Ms. Lee Yuen Ting (appointed on 10 January 2013)
Mr. Law Fei Shing (resigned on 10 January 2013)

董事會

執行董事

哈永豪先生 (於二零一三年四月二十三日獲委任)
張前進先生 (於二零一三年四月二十三日獲委任)
詹劍崙先生 (於二零一三年四月二十三日辭任)
羅輝城先生 (於二零一三年五月十日辭任)

非執行董事

池民生先生 (於二零一三年一月十日獲委任)
鄧澍培先生 (於二零一三年一月十日獲委任)

獨立非執行董事

陳偉民先生 (於二零一三年五月十日獲委任)
徐世明先生 (於二零一三年五月十日獲委任)
吳振泉先生 (於二零一三年六月七日獲委任)
歐國義先生 (於二零一三年五月十日辭任)
劉小娥女士 (於二零一三年五月十日辭任)
林柏森先生 (於二零一三年五月三十一日辭任)

審核委員會

陳偉民先生 (*主席*)
(於二零一三年五月十日獲委任)
池民生先生 (於二零一三年一月十日獲委任)
徐世明先生 (於二零一三年五月十日獲委任)
吳振泉先生 (於二零一三年六月七日獲委任)
劉小娥女士 (於二零一三年五月十日辭任)
歐國義先生 (於二零一三年五月十日辭任)
林柏森先生 (於二零一三年五月三十一日辭任)

薪酬委員會

吳振泉先生 (*主席*)
(於二零一三年六月七日獲委任)
池民生先生 (於二零一三年一月十日獲委任)
陳偉民先生 (於二零一三年五月十日獲委任)
劉小娥女士 (於二零一三年五月十日辭任)
林柏森先生 (於二零一三年五月三十一日辭任)

提名委員會

吳振泉先生 (*主席*)
(於二零一三年六月七日獲委任)
池民生先生 (於二零一三年一月十日獲委任)
陳偉民先生 (於二零一三年五月十日獲委任)
劉小娥女士 (於二零一三年五月十日辭任)
林柏森先生 (於二零一三年五月三十一日辭任)

公司秘書

李琬婷女士 (於二零一三年一月十日獲委任)
羅輝城先生 (於二零一三年一月十日辭任)

Corporate Information

公司資料

AUTHORISED REPRESENTATIVES

Ms. Lee Yuen Ting (appointed on 10 January 2013)
Mr. Ha Wing Ho, Peter (appointed on 10 May 2013)
Mr. Chim Kim Lun, Ricky (resigned on 10 January 2013)
Mr. Law Fei Shing (resigned on 10 May 2013)

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1102C, 11th Floor
Tower I, Admiralty Centre
18 Harcourt Road
Hong Kong

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

HSBC Bank Bermuda Limited
6 Front Street
Hamilton HM11
Bermuda

AUDITOR

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

COMPANY'S WEBSITE

www.irasia.com/listco/hk/bestway/index.htm

授權代表

李琬婷女士 (於二零一三年一月十日獲委任)
哈永豪先生 (於二零一三年五月十日獲委任)
詹劍崙先生 (於二零一三年一月十日辭任)
羅輝城先生 (於二零一三年五月十日辭任)

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

總辦事處及香港主要營業地點

香港
夏慤道18號
海富中心1座
11樓1102C室

香港股份過戶登記分處

卓佳登捷時有限公司
香港
皇后大道東28號
金鐘匯中心26樓

股份過戶登記總處

HSBC Bank Bermuda Limited
6 Front Street
Hamilton HM11
Bermuda

核數師

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

公司網站

www.irasia.com/listco/hk/bestway/index.htm

Executive Director's Statement

執行董事報告書

On behalf of the board of directors (“**Directors**”) (the “**Board**”) of Bestway International Holdings Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”), I am pleased to present herewith the annual report of the Company and the Group for the year ended 31 March 2013.

BUSINESS REVIEW

Capital structure

The Company completed the placing of 500,000,000 new shares at the placing price of HK\$0.05 per placing share under general mandate on 16 April 2012. The new shares rank equally among themselves and with the existing shares. The 500,000,000 new shares represented about 15.46% of the issued share capital of the Company prior to the placing and about 13.39% of the enlarged share capital of the Company immediately after the placing.

The Directors believe that the above fund raising exercise provided an opportunity to broaden the shareholder base and strengthened the capital base and working capital of the Group. The Group used the net proceeds of the placing as general working capital.

As at 31 March 2013, 3,733,562,180 ordinary shares with par value of HK\$0.01 each were in issue.

Trading of goods

The Group recorded a revenue of HK\$524,000 (2012: HK\$1,384,000) which represented a decrease in turnover of approximately 62% over the corresponding period last year. Gross profit margin had decreased to 4.58% (2012: 5.13%). The decrease of revenue and gross profit margin was mainly due to high competition environment. The net loss attributable to the owners of the Company was HK\$8,957,000 (2012: HK\$4,872,000). The Group's basic loss per share for the year was HK0.24 cent (2012: HK0.17 cent).

本人謹代表百威國際控股有限公司(「本公司」)董事(「董事」)會(「董事會」)及其附屬公司(統稱「本集團」)欣然提呈本公司及本集團截至二零一三年三月三十一日止年度之年報。

業務回顧

資本架構

本公司已於二零一二年四月十六日完成根據一般授權按每股配售股份0.05港元之配售價配售500,000,000股新股份。該等新股份於彼此之間及與現有股份享有同等地位。500,000,000股新股份相當於本公司於配售前已發行股本約15.46%及本公司緊隨配售後之經擴大股本之約13.39%。

董事相信，上述集資活動提供擴闊股東基礎、增強股本基礎及本集團營運資金之機會。本集團已動用配售所得款項淨額作為一般營運資金。

於二零一三年三月三十一日，本公司有3,733,562,180股每股面值為0.01港元之已發行普通股。

買賣貨品

本集團錄得收益524,000港元(二零一二年: 1,384,000港元)，即營業額較去年同期下跌約62%。毛利率已下降至4.58%(二零一二年: 5.13%)。收入及毛利率下跌主要由於激烈競爭之環境所致。本公司擁有人應佔虧損淨額為8,957,000港元(二零一二年: 4,872,000港元)。年內，本集團之每股基本虧損為0.24港仙(二零一二年: 0.17港仙)。

Executive Director's Statement

執行董事報告書

Mining Business

Since completion of the acquisitions of the Mongolia subsidiaries in December 2009, the operation of the Mongolian tungsten mines has remained stagnant. The Group has re-engaged Ms. Yang Lee (a former executive Director who has extensive experience in the resources industry) as consultant and has engaged a Mongolian professional firm to prepare a feasibility study report and an environmental report for the Group to reconsider the overall operating strategy for the mining business in Mongolia. In addition, we have appointed a qualified mineral technical adviser to prepare a resource estimation based on the international reporting standards which are in line with the requirements under chapter 18 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**Listing Rules**”), and to provide further assistance in the design of the exploration programs in respect of Mongolian tungsten mines. At the same time, the Company is still seeking for and liaising with several financial advisers in relation to the financing of the capital expenditure for the Mongolian tungsten mines.

Due to the implementation of the Law of Mongolia on Prohibiting Mineral Exploration and Mining in the Area of the River and Water Stream Origin and Basins and in the areas of the Forests, approximately 56 hectares of the mineral mining license (no. 11863A) currently held by the Group covering approximately 689 hectares located in Hovd Gol, Tsengel Soum, Bayan-Ulgii Aima, Mongolia (the “**License**”) representing approximately 8% of the total areas covered by the License was cancelled (the “**Cancellation**”). Following the Cancellation, the area covered by the License was revised to approximately 633 hectares.

The management requested a Mongolian geologist to assess the impact of Cancellation on the mine resources and according to the geologist report issued, the cancelled area does not influence the reserves of mine. In addition, the Mongolian legal adviser was in the opinion that the License is still in effect and in good standing after the Cancellation.

The Directors, after taking into the consideration of geologist report and legal opinion, were of the view that the Cancellation would not significantly affect the volume of mine resources covered by the License.

採礦業務

自二零零九年十二月完成收購位於蒙古之附屬公司以來，蒙古鎢礦仍未開展營運。本集團已再次委聘Yang Lee女士（於資源行業具豐富經驗之本公司前執行董事）擔任顧問，並已委聘一間蒙古專業公司為本集團編製可行性研究報告及環境報告，以重新考慮蒙古採礦業務之整體營運策略。此外，本集團已委聘一名合資格礦產技術顧問根據符合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18章之規定之國際報告準則編製資源評估，並為有關蒙古鎢礦之勘探計劃設計提供進一步協助。同時，本公司仍就蒙古鎢礦之資本開支的融資尋求及聯絡若干財務顧問。

由於實施有關禁止於河流及水流源頭地區及盆地以及森林地區進行礦產勘探及開採之蒙古法律，本集團現時持有之覆蓋位於蒙古Bayan-Ulgii省Tsengel蘇木Hovd Gol之約689公頃之礦產開採許可證（編號：11863A）（「**許可證**」）之約56公頃（約佔許可證覆蓋總面積之8%）已被註銷（「**註銷**」）。於註銷後，許可證覆蓋之面積修訂為約633公頃。

管理層要求一名蒙古地質學家評估註銷礦產資源之影響，根據該地質學家發出之報告，註銷面積並不影響礦產儲量。此外，蒙古法律顧問認為，許可證於註銷後仍然有效及存續。

董事經考慮地質學家之報告及法律意見後認為，註銷將不會對許可證所覆蓋之礦產資源量造成重大影響。

Executive Director's Statement

執行董事報告書

The Directors reassessed the recoverable amount of the mining rights with reference to the valuation performed by Messers. Peak Vision Appraisals Limited, an independent qualified professional valuer, and determined that no impairment loss in respect of mining rights was identified for the year ended 31 March 2013. The recoverable amount of the mining rights was based on value-in-use calculations and key assumptions adopted included estimated mine reserve based on technical assessment reports and the expectation for market development.

SIGNIFICANT INVESTMENT, ACQUISITION AND DISPOSAL

For the year ended 31 March 2013, a wholly-owned subsidiary entered into an agreement to acquire from the vendor the entire issued capital of a target company on 17 August 2012 which constitutes a very substantial acquisition for the Company under the Listing Rules. On 13 June 2013, the purchaser, the Company and the vendor have entered into a supplemental agreement for extension the long stop date from 28 February 2013 to 31 December 2013. Details of which are set out in page 24 under Related Party and Connected Transactions in this report. Save for disclosed above, there was no significant investment, acquisition or disposal that should be notified to the shareholders of the Company (the "Shareholders") for the year ended 31 March 2013.

SEGMENT INFORMATION

Details of segment information of the Group for the year ended 31 March 2013 are set out in note 6 to the consolidated financial statements.

董事參考獨立合資格專業估值師潔鋒評估有限公司所作之估值，重估採礦權之可收回金額，並釐定於截至二零一三年三月三十一日止年度並無識別有關採礦權之減值虧損。採礦權之可收回金額乃按使用價值之計算方法釐定，而採納之主要假設包括以技術評估報告為基準之估計礦產儲量及對市場發展之預期。

重大投資、收購及出售

截至二零一三年三月三十一日止年度，一間全資附屬公司已於二零一二年八月十七日訂立協議以自賣方收購一間目標公司之所有已發行股本，根據上市規則，其已構成本公司之一項非常重大收購事項。於二零一三年六月十三日，買方、本公司及賣方已訂立補充協議，將最後截止日期自二零一三年二月二十八日延長至二零一三年十二月三十一日，有關詳情載於本報告第24頁關連人士及關連交易一節內。除上述所披露者外，截至二零一三年三月三十一日止年度，本集團概無須知會本公司股東（「股東」）之重大投資、收購或出售。

分部資料

本集團於截至二零一三年三月三十一日止年度之分部資料詳情載於綜合財務報表附註6。

Executive Director's Statement

執行董事報告書

FUTURE PLAN AND PROSPECTS FOR MATERIAL INVESTMENT OR CAPITAL ASSETS

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

On 17 August 2012, the Group entered into an agreement with a connected person of the Company in relation to an acquisition of group of companies which is principally engaged in the business of exploitation and sale of iron ore in Inner Mongolia, the People's Republic of China (the "PRC") (the "Acquisition"). Relevant details are set out in the announcement of the Company dated 7 January 2013.

Pursuant to the Rule 14.54 of the Listing Rules, the Stock Exchange will treat the Company proposing a reverse takeover as if it were a new listing applicant. The enlarged group or the assets to be acquired must be able to meet the requirements of Rule 8.05 of the Listing Rules and the enlarged group must be able to meet all the other basic conditions set out in Chapter 8 of the Listing Rules. The Company is required to submit a new listing application according to Chapter 9 of the Listing Rules.

The Company believes that there will be more comprehensive information in relation to the target group of the Acquisition (the "Target Group") which enables the Stock Exchange to reassess the Acquisition once the updated competent person's report and valuation report are ready, with which, the Directors believe that a clear path to the profitability of the Target Group can be demonstrated. Progress of the Acquisition will be announced as and when appropriate accordingly to the Listing Rules and the Securities and Futures Ordinance.

重大投資或資本資產之未來計劃及前景

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

於二零一二年八月十七日，本集團與本公司之一名關連人士訂立協議，內容有關收購主要於中華人民共和國（「中國」）內蒙古從事開採及銷售鐵礦業務之一組公司（「收購」）。有關詳情已載於本公司日期為二零一三年一月七日之公告。

根據上市規則第14.54條，聯交所將視本公司提呈一項反收購，猶如其為一名新上市申請人。經擴大集團或將予收購之資產必須符合上市規則第8.05條之規定，及經擴大集團必須有能力達致上市規則第8章所載之所有其他基本條件。本公司須根據上市規則第9章提交一份新上市申請。

本公司相信一旦最新合資格人士報告及估值報告完成後，收購之目標集團（「目標集團」）之更多綜合資料將可讓聯交所重新評估收購，因此，董事認為，可展示目標集團具有清晰之盈利能力途徑。收購事項之進展將於適當時候根據上市規則及證券及期貨條例予以公告。

Executive Director's Statement

執行董事報告書

Reference is made to the announcement of the Company dated 26 April 2013. A wholly-owned subsidiary of the Company was questioned by a Mongolian Province Governor for not doing business in relation to its mining licenses in Mongolia. The subsidiary was required to submit the time of commencing mining operations and the Mongolian Province Governor indicated that he may inform the relevant authorities to revoke the mining licenses. According to the Group's Mongolian legal advisers, there is no legal evidence about the Group failing to comply with the relevant requirements for the mining licenses, therefore, the Mongolian Province Governor's grounds do not fall within the grounds that entitle the Government Agency to revoke the mining licenses concerned. In addition, the Company has expedited its overall operating strategies over the Mongolian tungsten mines and entered into a memorandum of understanding (the "MOU") with China Metallurgical Geology Bureau of Shandong (the "Contractor") on 22 May 2013.

Pursuant to the MOU, the Group agreed to engage the Contractor to conduct mining activities, including development and exploitation, of the Mongolian tungsten mines. In addition, the Group shall fulfill all requirements from the Mongolian government in order to secure the mining licenses of the Mongolian tungsten mines, including but not limited to, payments of government fees and charges and submission of relevant feasibility study reports for the Mongolian tungsten mines before commencement of the exploitation. The Contractor undertakes to commence exploitation of the Mongolian tungsten mines by no later than the end of December 2013 and to employ local Mongolians to assist in such exploitation in the first place. The Contractor and the Company will negotiate in good faith the terms and consideration to be incorporated into the formal cooperation agreement. The proposed service period from the Contractor is 20 years from the date of the MOU.

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

謹此提述本公司日期為二零一三年四月二十六日之公告。本公司之一間全資附屬公司被一名蒙古省長質疑並未曾於蒙古從事有關其採礦許可證之業務。該附屬公司被要求提交其於何時開展採礦業務，且該蒙古省長表明其可能會知會有關機關以撤回採礦許可證。根據本集團之蒙古法律顧問之意見，概無合法證據顯示本集團並無遵守採礦許可證之有關規定，因此，該蒙古省長之理由不足以令政府機構可撤回有關採礦許可證。此外，本公司已加快其對蒙古鎢礦之整體營運策略並已於二零一三年五月二十二日與中國冶金地質總局山東局（「承包商」）訂立一份諒解備忘錄（「諒解備忘錄」）。

根據諒解備忘錄，本集團已同意委聘承包商進行採礦活動，包括開發及開採蒙古鎢礦。此外，本集團須達成蒙古政府之所有規定以保留蒙古鎢礦之採礦許可證，包括但不限於在開始開採前支付政府費用及收費以及呈交蒙古鎢礦之有關可行性研究報告。承包商承諾將不遲於二零一三年十二月底開始開採蒙古鎢礦，並首先僱用當地蒙古人協助有關開採。承包商與本公司將真誠磋商將予載入正式合作協議之條款及代價。承包商之建議服務期為諒解備忘錄日期起計20年。

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

Executive Director's Statement

執行董事報告書

APPRECIATION

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

By order of the Board

Ha Wing Ho Peter
Executive Director

Hong Kong, 28 June 2013

致謝

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

承董事會命

執行董事
哈永豪

香港，二零一三年六月二十八日

Management Discussion and Analysis

管理層討論及分析

FINANCIAL SUMMARY

The Group's revenue for the year ended 31 March 2013 was approximately HK\$524,000 and the administrative expenses for the year ended 31 March 2013 were approximately HK\$8,837,000, which represented an increase of 113% compared to the administrative expenses incurred in last year.

The loss attributable to the owners of the Company for the year ended 31 March 2013 was HK\$8,957,000, as compared a loss HK\$4,872,000 in the previous year. The increase in the loss was mainly due to the decrease in the Group's revenue and the increase in administrative expenses.

CURRENT AND GEARING RATIOS

As at 31 March 2013, the Group's bank balances and cash amounted to HK\$444,000 (as at 31 March 2012: HK\$1,792,000). The Group's net assets value amounted to approximately HK\$569,889,000 (as at 31 March 2012: HK\$553,954,000) with total assets approximately HK\$739,512,000 (as at 31 March 2012: HK\$741,939,000). Net current liabilities were approximately HK\$4,391,000 (as at 31 March 2012: HK\$20,544,000). The current ratio was 0.23 times (as at 31 March 2012: 0.15 times) and gearing ratio was 0.23 times (as at 31 March 2012: 0.25 times) represented on the basis of total liabilities over total assets.

CHARGES ON GROUP'S ASSETS

As at 31 March 2013, no assets of the Group are charged to secure the borrowings and banking facilities. As at 31 March 2012, the Group pledged bank deposit of HK\$869,000 to secure a short-term banking facilities of the Group.

財務摘要

本集團截至二零一三年三月三十一日止年度之收益約為524,000港元。截至二零一三年三月三十一日止年度之行政開支約為8,837,000港元，較去年產生之行政開支上升113%。

截至二零一三年三月三十一日止年度，本公司擁有人應佔虧損為8,957,000港元，而去年則為虧損4,872,000港元。虧損增加乃主要由於本集團之收益減少及行政開支增加所致。

流動及資產負債比率

於二零一三年三月三十一日，本集團之銀行結餘及現金為444,000港元（於二零一二年三月三十一日：1,792,000港元）。本集團之資產淨值約為569,889,000港元（於二零一二年三月三十一日：553,954,000港元），而總資產約為739,512,000港元（於二零一二年三月三十一日：741,939,000港元）。流動負債淨額約為4,391,000港元（於二零一二年三月三十一日：20,544,000港元）。流動比率為0.23倍（於二零一二年三月三十一日：0.15倍）及資產負債比率（以負債總額除以總資產表示）為0.23倍（於二零一二年三月三十一日：0.25倍）。

本集團資產之抵押

於二零一三年三月三十一日，本集團概無抵押任何資產以為借貸及銀行融資作抵押。於二零一二年三月三十一日，本集團已抵押銀行存款869,000港元以為本集團之短期銀行融資作抵押。

Management Discussion and Analysis

管理層討論及分析

CONTINGENT LIABILITIES

As at 31 March 2013, the Group did not have any significant contingent liabilities (as at 31 March 2012: Nil).

FOREIGN CURRENCY EXPOSURE

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

EMPLOYEE INFORMATION

As at 31 March 2013, the Group had approximately 9 full time managerial and administrative employees (2012: 15). The Group affords competitive remuneration packages to its employees based on prevailing and industry practice. Compensation policies are reviewed regularly and are designed to reward and motivate productivity and performance.

DIVIDENDS

The Directors do not recommend the payment of any dividend in respect of the year ended 31 March 2013 (2012: Nil).

或然負債

於二零一三年三月三十一日，本集團並無任何重大或然負債（於二零一二年三月三十一日：無）。

外幣風險

本集團並無承受任何與外幣波動相關之重大風險，亦無對沖有關風險。

僱員資料

於二零一三年三月三十一日，本集團聘用約9名（二零一二年：15名）負責管理及行政工作之全職僱員。本集團根據現行業內慣例向其僱員提供具競爭力之薪酬待遇。本公司定期檢討薪酬政策，旨在獎勵及激勵僱員之生產力及表現。

股息

董事並不建議就截至二零一三年三月三十一日止年度派付任何股息（二零一二年：無）。

Biographical Details of Directors

董事履歷詳情

EXECUTIVE DIRECTORS

Mr. Ha Wing Ho Peter (“Mr. Ha”), aged 50, has been appointed as an executive Director of the Company with effect from 23 April 2013. Mr. Ha obtained Bachelor of Laws degree (LLB) from the University of Wales in 1984 and Postgraduate Certificate in Laws (PCLL) from The University of Hong Kong in 1985. He is a partner of Messrs. Kok and Ha, Solicitors which was founded in 1989. Mr. Ha is an executive director of Mastermind Capital Limited (Stock Code: 905) (“**Mastermind**”) with effect from 9 March 2007 and he is also a director of Hong Kong Express Airways Limited. Mr. Ha entered into an appointment letter with the Company on 23 April 2013 for an initial term of one year commencing from 23 April 2013 subject to retirement at the first general meeting and retirement by rotation at least once every three years in accordance with the bye-laws of the Company (the “**Bye-Laws**”).

Mr. Zhang Qianjin (“Mr. Zhang”), aged 50, has been appointed as an executive Director of the Company with effect from 23 April 2013. Mr. Zhang is a senior engineer and holder of a doctorate degree from China University of Geosciences. He graduated from Hebei College of Geology with a major of geophysical prospecting in 1983 and he worked in Shanxi Academy of Geological Sciences since 1983 with the position of head of the geophysical prospecting laboratory, manager of the consulting firm to the laboratory, head of the remote sensing station and assistant director, etc. He is experienced in exploration, investigation and development of mineral resources, hydrogeology and engineering geology. Mr. Zhang entered into an appointment letter with the Company on 23 April 2013 for an initial term of one year commencing from 23 April 2013 subject to retirement at the first general meeting and retirement by rotation at least once every three years in accordance with the Bye-Laws.

NON-EXECUTIVE DIRECTORS

Mr. Chee Man Sang Eric (“Mr. Chee”), aged 51, has been appointed as a non-executive Director of the Company with effect from 10 January 2013. Mr. Chee is a practising Certified Public Accountant in Hong Kong and a senior partner of Chan Chee Cheng & Co., a firm of certified public accountants. Mr. Chee holds a Bachelor Degree in Commerce (majoring in Accounting) from Birmingham University. He had worked in two international accounting firms in Canada and Hong Kong. Mr. Chee is an associate member of the Hong Kong Institute of Certified Public Accountants and a member of the Institute of Chartered Accountants of Ontario, Canada.

執行董事

哈永豪先生(「哈先生」)，50歲，自二零一三年四月二十三日起獲委任為本公司執行董事。哈先生於一九八四年取得威爾士大學(University of Wales)之法學士學位，並於一九八五年取得香港大學之法律專業證書。彼為於一九八九年創立之郭立成哈永豪律師行之合夥人。哈先生自二零零七年三月九日起獲委任為慧德投資有限公司(股份代號：905)(「慧德」)之執行董事，彼亦為港聯航空有限公司之董事。哈先生於二零一三年四月二十三日與本公司訂立委任函，自二零一三年四月二十三日起計初步年期為一年，惟須於首次股東大會上退任並根據本公司之公司細則(「**公司細則**」)至少每三年輪席退任一次。

張前進先生(「張先生」)，50歲，自二零一三年四月二十三日起獲委任為本公司執行董事。張先生為高級工程師及持有中國地質大學博士學位。彼於一九八三年畢業於河北地質學院地球物理勘探專業，並自一九八三年起於山西省地質科學研究所任地球物理勘探實驗室主任、研究所諮詢公司之經理、遙距監測站之主管及助理站長等職位。彼於礦產資源、水文地質及地質工程之勘探、研究及開發方面具有豐富經驗。張先生於二零一三年四月二十三日起計初步年期為一年，惟須於首次股東大會上退任並根據公司細則至少每三年輪席退任一次。

非執行董事

池民生先生(「池先生」)，51歲，自二零一三年一月十日起獲委任為本公司非執行董事。池先生為香港執業會計師及執業會計師行陳池鄭會計師事務所之高級合夥人。池先生於伯明翰大學畢業，持有商業學士學位(主修會計)。彼曾任職加拿大及香港之兩間國際會計師行。池先生為香港會計師公會會員及加拿大安大略省特許會計師公會(Institute of Chartered Accountants of Ontario)會員。

Biographical Details of Directors 董事履歷詳情

Mr. Chee was appointed as an independent non-executive director of Mastermind with effect from 9 March 2007 and has been re-designated as an executive director of Mastermind with effect from 13 May 2010. He is currently an independent non-executive director of Hop Fung Group Holdings Limited (Stock Code: 2320). He was an independent non-executive director of Viva China Holdings Limited (formerly known as Coolpoint Energy Limited) (Stock Code: 8032) from 18 February 2009 to 23 June 2010. Mr. Chee entered into an appointment letter with the Company on 10 January 2013 for an initial term of one year commencing from 10 January 2013 subject to retirement at the first general meeting and retirement by rotation at least once every three years in accordance with the Bye-Laws.

Mr. Tang Shu Pui Simon ("Mr. Tang"), aged 48, has been appointed as a non-executive Director of the Company with effect from 10 January 2013. He is a solicitor and an accredited mediator with the Hong Kong International Arbitration Centre. Mr. Tang is a partner of P. C. Woo & Co., solicitors, a solicitors firm with over 66 years of service in Hong Kong. Mr. Tang is a member of the Appeal Tribunal of the Hong Kong Federation of Insurers, Honorary Legal Advisor to the General Agents and Managers Association of Hong Kong, Founding Member and Executive Committee Member of the Hong Kong Institute Patent Attorneys, Visiting Lecturer in Intellectual Property Law in The Hong Kong Polytechnic University, Part Time Lecturer in Hong Kong University School of Professional and Continuing Education, member of the Basic Law Promotion Steering Committee and member of the Standing Committee on Standards and Development of the Law Society of Hong Kong. Mr. Tang entered into an appointment letter with the Company on 10 January 2013 for an initial term of one year commencing from 10 January 2013 subject to retirement at the first general meeting and retirement by rotation at least once every three years in accordance with the Bye-Laws.

池先生自二零零七年三月九日起獲委任為慧德之獨立非執行董事，並自二零一零年五月十三日起調任為慧德之執行董事。彼現任合豐集團控股有限公司（股份代號：2320）之獨立非執行董事。彼於二零零九年二月十八日至二零一零年六月二十三日期間擔任非凡中國控股有限公司（前稱快意節能有限公司）（股份代號：8032）之獨立非執行董事。池先生於二零一三年一月十日與本公司訂立委任函，自二零一三年一月十日起計初步年期為一年，惟須於首次股東大會上退任並根據公司細則至少每三年輪席退任一次。

鄧澍培先生（「鄧先生」），48歲，自二零一三年一月十日起獲委任為本公司非執行董事。彼為一名律師及香港國際仲裁中心之認可調解員。鄧先生為胡百全律師事務所（於香港服務超過66年之律師事務所）之合夥人。鄧先生為香港保險業聯會上訴裁判處委員、香港人壽保險經理協會榮譽法律顧問、香港專利師協會創會會員及執行委員會委員、香港理工大學知識產權法客座講師、香港大學專業進修學院兼職講師、基本法推廣督導委員會委員及香港律師會專業水準及發展常務委員會委員。鄧先生於二零一三年一月十日與本公司訂立委任函，自二零一三年一月十日起計初步年期為一年，惟須於首次股東大會上退任並根據公司細則至少每三年輪席退任一次。

Biographical Details of Directors

董事履歷詳情

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chan Wai Man (“Mr. Chan”), aged 48, has been appointed as an independent non-executive Director of the Company with effect from 10 May 2013. He is a practicing certified public accountant, a fellow member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. Mr. Chan is also a member of the Institute of Chartered Accountants in England and Wales. He has experiences in auditing, taxation and finance for over 15 years. Mr. Chan is now an independent non-executive director of Sage International Group Limited (Stock Code: 8082) and was an independent non-executive director of Computech Holdings Limited (Stock Code: 8081) from May 2011 to December 2011. Mr. Chan entered into an appointment letter with the Company on 10 May 2013 for an initial term of one year commencing from 10 May 2013 subject to retirement at the first general meeting and retirement by rotation at least once every three years in accordance with the Bye-Laws.

Mr. Tsui Sai Ming Steven (“Mr. Tsui”), aged 50, has been appointed as an independent non-executive Director of the Company with effect from 10 May 2013. He is currently running his own trading and consultant company. Mr. Tsui had been working as a sales executive in a Toys manufacturing company from year 1996 to 2011 and became its director afterwards, who mainly ran sales and operation of its marketing companies in the United States. Mr. Tsui obtained a Bachelor’s Degree of Commerce (Accounting) with Honours from Birmingham University in 1985. Ms. Tsui entered into an appointment letter with the Company on 10 May 2013 for an initial term of one year commencing from 10 May 2013 subject to retirement at the first general meeting and retirement by rotation at least once every three years in accordance with the Bye-Laws.

Mr. Ng Chun Chuen David (“Mr. Ng”), aged 48, has been appointed as an independent non-executive Director of the Company with effect from 7 June 2013. He is a practicing certified public accountant and a fellow member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. Mr. Ng obtained Professional Diploma in Accountancy from The Hong Kong Polytechnic University in 1988. He has extensive experience in auditing, financial management, corporate development, investment and corporate finance. Mr. Ng entered into an appointment letter with the Company on 7 June 2013 for an initial term of one year commencing from 7 June 2013 subject to retirement at the first general meeting and retirement by rotation at least once every three years in accordance with the Bye-Laws of the Company.

獨立非執行董事

陳偉民先生（「陳先生」），48歲，自二零一三年五月十日起獲委任為本公司獨立非執行董事。彼為執業會計師、香港會計師公會及特許公認會計師公會資深會員。陳先生亦為英格蘭及威爾士特許會計師公會會員。彼擁有超過十五年之審計、稅務及財務經驗。陳先生現任仁智國際集團有限公司（股份代號：8082）之獨立非執行董事，並自二零一一年五月至二零一一年十二月期間擔任駿科網絡訊息有限公司（股份代號：8081）之獨立非執行董事。陳先生於二零一三年五月十日與本公司訂立委任函，自二零一三年五月十日起計初步年期為一年，惟須於首次股東大會上退任並根據公司細則至少每三年輪席退任一次。

徐世明先生（「徐先生」），50歲，自二零一三年五月十日起獲委任為本公司獨立非執行董事。彼目前正經營彼本身之貿易及顧問公司。徐先生自一九九六年至二零一一年於一間玩具生產公司擔任銷售主任，並於其後成為其董事，主要負責其美國市場推廣公司之銷售及營運。徐先生於一九八五年於英國伯明翰大學取得商業（會計）學士榮譽學位。徐先生於二零一三年五月十日與本公司訂立委任函，自二零一三年五月十日起計初步年期為一年，惟須於首次股東大會上退任並根據公司細則至少每三年輪席退任一次。

吳振泉先生（「吳先生」），48歲，自二零一三年六月七日起已獲委任為本公司之獨立非執行董事。彼為執業會計師以及香港會計師公會及特許公認會計師公會資深會員。吳先生於一九八八年取得香港理工大學專業會計文憑。彼於核數、財務管理、企業發展、投資及企業融資方面擁有豐富經驗。吳先生於二零一三年六月七日與本公司訂立委任函，自二零一三年六月七日起計初步年期為一年，惟須於首次股東大會上退任並根據公司細則至少每三年輪席退任一次。

Report of the Directors

董事會報告

The Directors submit herewith their annual report together with the audited financial statements for the year ended 31 March 2013.

PRINCIPAL ACTIVITIES

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

RESULTS AND DIVIDEND

The results of the Group for the year ended 31 March 2013 and the state of the Company's and the Group's affairs as at that date are set out in the financial statements on pages 50 to 96. The Directors do not recommend the payment of any dividend in respect of the year.

SUMMARY FINANCIAL INFORMATION

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

董事謹此提呈本集團截至二零一三年三月三十一日止年度之年報連同經審核財務報表。

主要業務

本公司之主要業務為投資控股及棉紗買賣。本集團之主要業務為採礦業務。

業績及股息

本集團截至二零一三年三月三十一日止年度之業績及於該日之本公司狀況以及本集團事務載於財務報表第50頁至第96頁。董事並不建議就本年度派付任何股息。

財務資料概要

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

Report of the Directors

董事會報告

RESULTS

業績

		Years ended 31 March 截至三月三十一日止年度				
		2013 HK\$'000 二零一三年 千港元	2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元	2010 HK\$'000 二零一零年 千港元	2009 HK\$'000 二零零九年 千港元
Revenue	收益	524	1,384	1,855	14,165	16,966
(Loss)/Profit before taxation	除稅前(虧損)/溢利	(8,957)	(4,872)	(271,050)	1,514	(3,744)
Taxation	稅項	-	-	66,368	-	-
(Loss)/Profit for the year from continuing operations	來自持續經營業務之年度(虧損)/溢利	(8,957)	(4,872)	(204,682)	1,514	(3,744)
Profit for the year from discontinued operation	來自已終止經營業務之年度溢利	-	-	-	2,006	6,955
(Loss)/Profit for the year	年度(虧損)/溢利	(8,957)	(4,872)	(204,682)	3,520	3,211
Attributable to:	應佔:					
Owners of the Company	本公司擁有人	(8,957)	(4,872)	(204,682)	3,520	3,286
Non-controlling interests	非控股權益	-	-	-	-	(75)
		(8,957)	(4,872)	(204,682)	3,520	3,211

Report of the Directors

董事會報告

ASSETS AND LIABILITIES

資產及負債

		At 31 March 於三月三十一日				
		2013 HK\$'000 二零一三年 千港元	2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元	2010 HK\$'000 二零一零年 千港元	2009 HK\$'000 二零零九年 千港元
Property, plant and equipment	物業、廠房及設備	127	208	314	345	8
Long term receivables/Long term investments	長期應收賬款／長期投資	–	–	–	–	2,436
Exploration and evaluation assets	勘探及評估資產	2,409	2,546	2,837	863	–
Mining rights	採礦權	735,657	735,657	735,657	1,001,130	–
Current assets	流動資產	1,319	3,528	8,049	16,735	166,421
Total assets	總資產	739,512	741,939	746,857	1,019,073	168,865
Current liabilities	流動負債	(5,710)	(4,072)	(4,782)	(6,751)	(76,362)
Promissory notes	承兌票據	–	(20,000)	(19,214)	(18,607)	–
Deferred tax liabilities	遞延稅項負債	(163,913)	(163,913)	(163,913)	(230,281)	–
Total liabilities	總負債	(169,623)	(187,985)	(187,909)	(255,639)	(76,362)
Net assets	資產淨值	569,889	553,954	558,948	763,434	92,503

Report of the Directors

董事會報告

CHARITABLE DONATION

No charitable donation was made by the Group during the year (2012: Nil).

FIXED ASSETS

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

SHARE CAPITAL

Details of the movements in share capital of the Company during the year, together with the reasons, are set out in note 24 to the financial statements.

PRE-EMPTIVE RIGHTS

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

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During the year ended 31 March 2013, neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities.

RESERVES

Details of movements in reserves of the Company and the Group during the year are set out in note 27 to the financial statements and in the consolidated statement of changes in equity respectively.

DISTRIBUTABLE RESERVES

At 31 March 2013, the Company had no retained profits available for cash distribution and/or distribution in specie. Under the Bermuda Companies Act 1981, the Company's contributed surplus of HK\$159,393,000 is currently not available for distribution. The Company's share premium account in the amount of HK\$734,069,000 may be distributed in the form of fully paid bonus shares.

慈善捐贈

本年度內，本集團並無作出慈善捐贈（二零一二年：無）。

固定資產

本集團年內之固定資產變動詳情載於財務報表附註15。

股本

本公司年內之股本變動詳情連同其原因載於財務報表附註24。

優先購買權

本公司之公司細則或百慕達法例均無條文規定本公司須按持股量比例向現有股東發售新股份之優先購買權。

購買、贖回或出售本公司之上市證券

截至二零一三年三月三十一日止年度內，本公司及其任何附屬公司概無購買、贖回或出售本公司之任何上市證券。

儲備

本公司及本集團於年內之儲備變動詳情分別載於財務報表附註27及綜合權益變動表。

可分派儲備

於二零一三年三月三十一日，本公司並無可供現金分派及／或實物分派之保留溢利。根據百慕達一九八一年公司法，本公司之實繳盈餘159,393,000港元現時並不可供分派。本公司之股份溢價賬734,069,000港元可按繳足紅股之形式作分派。

Report of the Directors

董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

The information in respect of the Group's sales and purchases attributable to the major customers and suppliers respectively during the year ended 31 March 2013 is as follows:

		Percentage of the group's total 集團總額之百分比	
		Sales 銷售	Purchases 採購額
The largest customer	最大客戶	100%	N/A不適用
Five largest customers in aggregate	五大客戶總計	100%	N/A不適用
The largest supplier	最大供應商	N/A不適用	100%
Five largest suppliers in aggregate	五大供應商總計	N/A不適用	100%

At no time during the year have the Directors, their associates or any Shareholder of the Company (which to the knowledge of the Directors owns more than 5% of the Company issued share capital) had any interest in these customers and suppliers.

DIRECTORS

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

Executive Directors

Mr. Ha Wing Ho, Peter (appointed on 23 April 2013)

Mr. Zhang Qianjin (appointed on 23 April 2013)

Mr. Chim Kim Lun, Ricky (resigned on 23 April 2013)

Mr. Law Fei Shing (resigned on 10 May 2013)

Non-Executive Directors

Mr. Chee Man Sang, Eric (appointed on 10 January 2013)

Mr. Tang Shu Pui, Simon (appointed on 10 January 2013)

Independent Non-Executive Directors

Mr. Chan Wai Man (appointed on 10 May 2013)

Mr. Tsui Sai Ming, Steven (appointed on 10 May 2013)

Mr. Ng Chun Chuen, David (appointed on 7 June 2013)

Mr. Au Kwok Yee, Benjamin (resigned on 10 May 2013)

Ms. Lau Siu Ngor (resigned on 10 May 2013)

Mr. Lum Pak Sum (resigned on 31 May 2013)

主要客戶及主要供應商

主要客戶及供應商分別於截至二零一三年三月三十一日止年度內應佔本集團銷售及採購額之資料如下：

		Percentage of the group's total 集團總額之百分比	
		Sales 銷售	Purchases 採購額
The largest customer	最大客戶	100%	N/A不適用
Five largest customers in aggregate	五大客戶總計	100%	N/A不適用
The largest supplier	最大供應商	N/A不適用	100%
Five largest suppliers in aggregate	五大供應商總計	N/A不適用	100%

概無本公司董事、彼等之聯繫人士或就董事所知擁有超過本公司已發行股本5%以上之任何股東於年內任何時間於該等客戶及供應商擁有任何權益。

董事

本公司於年內及截至本年報刊發日期之董事如下：

執行董事

哈永豪先生

(於二零一三年四月二十三日獲委任)

張前進先生

(於二零一三年四月二十三日獲委任)

詹劍崙先生

(於二零一三年四月二十三日辭任)

羅輝城先生(於二零一三年五月十日辭任)

非執行董事

池民生先生(於二零一三年一月十日獲委任)

鄧澍煒先生(於二零一三年一月十日獲委任)

獨立非執行董事

陳偉民先生(於二零一三年五月十日獲委任)

徐世明先生(於二零一三年五月十日獲委任)

吳振泉先生(於二零一三年六月七獲委任)

歐國義先生(於二零一三年五月十日辭任)

劉小娥女士(於二零一三年五月十日辭任)

林柏森先生(於二零一三年五月三十一日辭任)

Report of the Directors

董事會報告

DIRECTORS (Continued)

In accordance with Bye-laws 86 and 87, Mr. Ha Wing Ho, Peter, Mr. Zhang Qianjin, Mr. Chee Man Sang, Eric, Mr. Tang Shu Pui, Simon, Mr. Chan Wai Man, Mr. Tsui Sai Ming, Steven and Mr. Ng Chun Chuen, David will retire from office and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

Each of the independent non-executive Directors had made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Board considers that all independent non-executive Directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines.

The total number of independent non-executive Directors has fallen below the minimum requirement as set under Rule 3.10 of the Listing Rules after the resignation of Mr. Lum Pak Sum on 31 May 2013. Upon the appointment of Mr. Ng Chun Chuen, David on 7 June 2013 as an independent non-executive Director, there have been three independent non-executive Directors, and the Company has then fully complied with the Listing Rules in this regards.

BIOGRAPHICAL DETAILS OF DIRECTORS

The Director's biographical information are set out on pages 12 to 14.

DIRECTORS' SERVICE CONTRACTS

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

DIRECTORS' REMUNERATION

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

董事 (續)

按照公司細則第86及87條，哈永豪先生、張前進先生、池民生先生、鄧澍培先生、陳偉民先生、徐世明先生及吳振泉先生將於應屆股東週年大會上告退，惟彼等均符合資格並願意膺選連任。

各獨立非執行董事已根據上市規則第3.13條之規定提交年度獨立性確認書。董事會認為全體獨立非執行董事均符合上市規則第3.13條所載之獨立性指引，並根據該指引之條款屬獨立人士。

在林柏森先生於二零一三年五月三十一日辭任後，獨立非執行董事總數已低於上市規則第3.10條規定之最低人數要求。於二零一三年六月七日委任吳振泉先生為獨立非執行董事後，本公司已有三名獨立非執行董事，故本公司於此方面已完全符合上市規則之規定。

董事履歷詳情

董事履歷資料載於第12頁至第14頁。

董事之服務合約

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

董事酬金

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

Report of the Directors

董事會報告

DIRECTORS' INTERESTS IN CONTRACTS

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

MANAGEMENT CONTRACTS

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

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

As at 31 March 2013, none of the Directors or chief executives of the Company and their associates had any interests or short positions in shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code").

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

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

董事於合約中之權益

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

管理合約

年內並無訂立或存在有關本公司整體或任何重大部份業務之管理及行政合約。

董事於股份、相關股份及債券之權益及短倉

於二零一三年三月三十一日，董事及本公司主要行政人員及彼等之聯繫人士概無於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中，擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所之任何權益或短倉（包括根據證券及期貨條例有關條文彼等被當作或視作擁有之權益及短倉），或根據證券及期貨條例第352條須載入本公司存置之登記冊之任何權益或短倉，或根據上市發行人董事進行證券交易之標準守則（「標準守則」）須知會本公司及聯交所之任何權益或短倉。

董事收購股份或債券之權利

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

Report of the Directors

董事會報告

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

As at 31 March 2013, the following interests of 5% or more of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Long position of substantial shareholders in the shares of the Company

Name of Shareholders	Capacity	Number of ordinary shares held	% of issued ordinary share capital 佔已發行普通股股本百分比
股東名稱	身份	所持有普通股數目	
Skill Trade Investments Limited	Beneficial Owner 實益擁有人	926,666,666 (Note 1) (附註1)	24.82%
Mung Bun Man, Alan 蒙品文	Interest of Controlled Corporation 受控制法團之權益	926,666,666 (Note 1) (附註1)	24.82%
Tang Guochao 湯國朝	Beneficial Owner 實益擁有人	431,890,000	11.57%
Chen Yiqiu 陳益秋	Beneficial Owner 實益擁有人	340,000,000	9.11%
Zheng Liqiang 鄭歷強	Beneficial Owner 實益擁有人	191,000,000	5.12%

Notes:

1. Skill Trade Investments Limited is a company incorporated under the laws of the British Virgin Islands, the entire issued share capital of which is legally and beneficially owned by Mr. Mung Bun Man, Alan.

Save as disclosed above, as far as the Directors are aware, as at 31 March 2013, no other person had an interest or short position in the Company's shares or underlying shares which would fall to be disclosed to the Company under the provisions of the Divisions 2 and 3 of Part XV of the SFO, or which was recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

主要股東於本公司股份及相關股份之權益及短倉

於二零一三年三月三十一日，按本公司根據證券及期貨條例第336條存置之權益登記冊所載，擁有本公司已發行股本5%或以上權益之股東載列如下：

主要股東於本公司股份之好倉

附註：

1. Skill Trade Investments Limited為一間根據英屬處女群島法例註冊成立之公司，其全部已發行股本由蒙品文先生合法及實益擁有。

除上文所披露者外，據董事所知，於二零一三年三月三十一日，概無其他人士於本公司之股份或相關股份中，擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司披露之權益或短倉，或根據證券及期貨條例第336條須載入本公司存置之登記冊之權益或短倉。

Report of the Directors

董事會報告

SHARE OPTION SCHEME

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

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

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

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

All the share options granted were expired and no outstanding share options remained for the years ended 31 March 2013.

購股權計劃

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

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

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

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

於截至二零一三年三月三十一日止年度，所有已授出購股權已屆滿，且並無尚未行使購股權。

Report of the Directors

董事會報告

RELATED PARTY AND CONNECTED TRANSACTIONS

On 17 August 2012, Wide Flourish Investments Limited, a wholly-owned subsidiary of the Company as purchaser entered into the agreement with Mr. Mung Kin Keung as vendor for acquisition of the entire issued share capital of Glory Base Development Ltd. at a consideration of HK\$320,000,000. The vendor is the father of Mr. Mung Bun Man, Alan, a substantial Shareholder of the Company, holding 926,666,666 shares representing approximately 24.82% of the total issued share capital of the Company. The vendor is therefore regarded as a connected person of the Company and the agreement constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. On 13 June 2013, the purchaser, the Company and the vendor entered into a supplemental agreement which the parties thereto agreed to extend the long stop date from 28 February 2013 to 31 December 2013 which may be extended the parties thereto in writing.

DIRECTORS' INTERESTS IN A COMPETING BUSINESS

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

CORPORATE GOVERNANCE

In the opinion of the Directors, the Company has complied with the Code on Corporate Governance Practices (the "CG Codes") as set out in Appendix 14 of the Listing Rules throughout the accounting period covered by the annual report, except for certain deviations, please refer to the Corporate Governance Report on pages 26 to 46 of the annual report.

SUFFICIENCY OF PUBLIC FLOAT

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

關連人士及關連交易

於二零一二年八月十七日，本公司之全資附屬公司廣盛投資有限公司（作為買方）與蒙建強先生（作為賣方）就以代價320,000,000港元收購Glory Base Development Ltd之全部已發行股本訂立協議。賣方為本公司主要股東蒙品文先生之父親，持有926,666,666股股份，相當於本公司已發行股本總額約24.82%。因此，賣方被視為本公司之關連人士，而根據上市規則第14A章，該協議構成本公司之關連交易。於二零一三年六月十三日，買方、本公司與賣方訂立補充協議，據此，有關訂約方同意將最後截止日期自二零一三年二月二十八日延長至二零一三年十二月三十一日，最後截止日期可能獲有關訂約方以書面延長。

董事於競爭業務之權益

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

企業管治

董事認為，本公司已於年報所涵蓋之整個會計期間內遵守上市規則附錄十四所載之《企業管治常規守則》（「企業管治守則」），惟若干偏離者除外，請參閱年報第26頁至第46頁之企業管治報告。

足夠之公眾持股量

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

Report of the Directors

董事會報告

AUDIT COMMITTEE

The Company has an Audit Committee which was established in compliance with the CG Codes contained in Appendix 14 of the Listing Rules for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls. The Group's audited financial statements for the year ended 31 March 2013 has been reviewed by the Audit Committee. The Audit Committee comprises the three independent non-executive Directors and one non-executive director of the Company, and meets at least twice annually to perform their duties.

AUDITOR

The financial statements for the year ended 31 March 2013 have been audited by Morison Heng, Certified Public Accountants, who will retire and, being eligible, offer themselves for re-appointment at the forthcoming annual general meeting of the Company.

BY ORDER OF THE BOARD

Ha Wing Ho Peter
Executive Director

Hong Kong
28 June 2013

審核委員會

本公司已遵照上市規則附錄十四所載之企業管治守則成立審核委員會，以審視及監督本集團之財務報告程序及內部控制。審核委員會已審閱本集團截至二零一三年三月三十一日止年度之經審核財務報表。審核委員會由本公司三位獨立非執行董事及一位非執行董事組成，並每年至少舉行兩次會議以履行其職責。

核數師

截至二零一三年三月三十一日止年度之財務報表已由執業會計師華利信會計師事務所審核，該會計師將於本公司之應屆股東週年大會退任，並合資格依願重新獲委任。

承董事會命

執行董事
哈永豪

香港
二零一三年六月二十八日

Corporate Governance Report

企業管治報告

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

The Stock Exchange has issued Appendix 14 of the Listing Rules relating to the CG Codes for the listed company to comply with. In the opinion of the Directors, the Company has complied with the CG Codes throughout the year, except for the certain deviations from the CG Codes which are explained in the following paragraphs.

THE BOARD

Responsibilities

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

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

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

上市公司須遵守聯交所頒佈之上市規則附錄十四之企業管治守則。董事認為，除若干偏離企業管治守則之情況外，本公司全年一直遵守企業管治守則，偏離詳情於以下段落說明。

董事會

職責

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

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

Corporate Governance Report

企業管治報告

THE BOARD *(Continued)*

Responsibilities *(Continued)*

The CG Codes provision A.2.1 stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The Company does not have any officers with title of "Chairman" and "Chief Executive Officer". The executive Directors undertake the day-to-day management of the Company's business and strategic planning of the Group with the advice of all non-executive Directors. Under the existing arrangement, the Board believes that the balance of power and authority is adequately ensured and such arrangement is for the benefits of the Group. However, the Board will also review regularly the board composition and appoint a chairman and/or a chief executive officer if a suitable candidate is identified.

In respect of the CG Codes provision D.1.4, subsequent to 31 March 2012, formal letters of appointment for Directors setting out the key terms and conditions of their appointments were subsequently executed by all Directors.

Composition

The Board currently comprises the following Directors:

Executive Directors

Mr. Ha Wing Ho, Peter (appointed on 23 April 2013)

Mr. Zhang Qianjin (appointed on 23 April 2013)

董事會 (續)

職責 (續)

企業管治守則條文第A.2.1條規定主席及行政總裁之角色應加以區分且不得由同一人士兼任。本公司並無任何職銜為「主席」及「行政總裁」之職員。執行董事於全體非執行董事之建議下負責本公司業務之日常管理工作及本集團之策略規劃。根據現有安排，董事會相信，已充份確保權力及職權得到平衡，且有關安排對本集團有利。然而，董事會亦將定期檢討董事會之組成，並於已物色合適人選時委任主席及／或行政總裁。

就企業管治守則條文第D.1.4條而言，於二零一二年三月三十一日之後，全體董事其後已簽署載列董事獲委任之主要條款及條件之董事正式委任書。

組成

董事會現時由以下董事組成：

執行董事

哈永豪先生
(於二零一三年四月二十三日獲委任)
張前進先生
(於二零一三年四月二十三日獲委任)

Corporate Governance Report

企業管治報告

THE BOARD *(Continued)*

Composition *(Continued)*

Non-Executive Directors

Mr. Chee Man Sang, Eric (appointed on 10 January 2013)
Mr. Tang Shu Pui, Simon (appointed on 10 January 2013)

Independent Non-Executive Directors

Mr. Chan Wai Man (appointed on 10 May 2013)
Mr. Tsui Sai Ming, Steven (appointed on 10 May 2013)
Mr. Ng Chun Chuen, David (appointed on 7 June 2013)

In accordance with Bye-laws 86 and 87, Mr. Ha Wing Ho, Peter, Mr. Zhang Qianjin, Mr. Chee Man Sang, Eric, Mr. Tang Shu Pui, Simon, Mr. Chan Wai Man, Mr. Tsui Sai Ming, Steven and Mr. Ng Chun Chuen, David will retire from office and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

Each of the independent non-executive Directors had made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Board considered that all Independent Non-executive Directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines.

The total number of independent non-executive Directors has fallen below the minimum requirement as set under Rule 3.10 of the Listing Rules after the resignation of Mr. Lum Pak Sum on 31 May 2013. Upon the appointment of Mr. Ng Chun Chuen, David on 7 June 2013 as an independent non-executive Director, there have been three independent non-executive Directors, and the Company has then fully complied with the Listing Rules in this regards.

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

Biographical details of the Directors of the Company as at the date of this annual report are set out in the "Biographical Details of Directors" section on pages 12 to 14 of this report, which demonstrates a diversity of skills, expertise, experience and qualifications. None of the Directors has any financial, business, family or other material or relevant relationships among members of the Board.

董事會 (續)

組成 (續)

非執行董事

池民生先生 (於二零一三年一月十日獲委任)
鄧澍培先生 (於二零一三年一月十日獲委任)

獨立非執行董事

陳偉民先生 (於二零一三年五月十日獲委任)
徐世明先生 (於二零一三年五月十日獲委任)
吳振泉先生 (於二零一三年六月七獲委任)

按公司細則第86及87條，哈永豪先生、張前進先生、池民生先生、鄧澍培先生、陳偉民先生、徐世明先生及吳振泉先生將於應屆股東週年大會上告退，惟彼等均符合資格並願意膺選連任。

各獨立非執行董事已根據上市規則第3.13條之規定提交年度獨立性確認書。董事會認為全體獨立非執行董事均符合上市規則第3.13條所載之獨立性指引，並根據該指引之條款屬獨立人士。

在林柏森先生於二零一三年五月三十一日辭任後，獨立非執行董事總數已低於上市規則第3.10條規定之最低人數要求。於二零一三年六月七日委任吳振泉先生為獨立非執行董事後，本公司已有三名獨立非執行董事，故本公司於此方面已完全符合上市規則之規定。

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

本公司董事於本年報日期之履歷詳情載於本報告第12頁至第14頁之「董事履歷詳情」一節，當中載列各董事之多樣化技能、專業知識、經驗及資格。董事會成員間並無任何財務、業務、家屬或其他重大或相關關係。

Corporate Governance Report

企業管治報告

THE BOARD (Continued)

Composition (Continued)

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

During the year, 2 regular and 5 irregular Board meetings were held. The Directors can include matters for discussion in the agenda if necessary. Agenda and accompanying Board papers in respect of Board meetings are sent out in full to all Directors within reasonable time before the meeting. Minutes of Board meetings are kept by duly appointed secretaries of the respective meetings and record in sufficient detail the matters considered by the Board and decision reached and sent to all Directors for their comment and records respectively within a reasonable time after the Board meeting was held.

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

During the year ended 31 March 2013, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors (“INEDs”) with at least one INED possessing appropriate professional qualifications or accounting or related financial management expertise.

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

All non-executive Directors (including the INEDs) are appointed for a specific terms. The term of office for each INED is not more than three years from the date of appointment subject to the requirement that one-third of all the Directors shall retire from office by rotation at each annual general meeting pursuant to the Company’s Bye-laws.

董事會 (續)

組成 (續)

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

年內，董事會召開了2次定期董事會會議及5次臨時董事會會議。如有需要，董事可將討論事項納入有關議程。董事會會議之議程及隨附之董事會文件在開會前一段合理時間內發送予全體董事。董事會會議紀錄由正式獲委任之有關會議之秘書備存，詳列會議上董事會所考慮事項及達致之決定，並於董事會會議舉行後一段合理時間內送交全體董事，以分別供董事表達意見及紀錄之用。

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

於截至二零一三年三月三十一日止年度，董事會一直符合上市規則之規定，委任最少三名獨立非執行董事（「獨立非執行董事」），而其中最少一名獨立非執行董事須具備適當專業資格，或具備會計或有關財務管理之專業知識。

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

全體非執行董事（包括獨立非執行董事）均按特定任期委任。根據本公司之公司細則，每位獨立非執行董事之任期均自委任日期起計不超過三年，並須遵守三分之一之全體董事須於每屆股東週年大會上輪席退任之規定。

Corporate Governance Report

企業管治報告

THE BOARD *(Continued)*

Composition *(Continued)*

According to the Company's Bye-Laws 86(2), the Directors shall have the power from time to time and at any time to appoint any person as a director either to fill a casual vacancy on the Board or, subject to authorization by the Shareholders in general meeting, as an addition to the existing Board but so that the numbers of Directors so appointed shall not exceed any maximum number determined from time to time by the Shareholders in general meeting. All Directors appointed to fill a casual vacancy should be subject to election by Shareholders at the first general meeting after their appointment. Any other Director so appointed by the Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election at that meeting.

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

The Company has arranged a Directors & Officers Liabilities Insurance for its directors and officers.

Continuous Professional Development of the Directors

The Directors are encouraged to participate in continuous professional development (the "CPD") to develop and refresh their knowledge and skills. According to the confirmation records provided by the Directors, all of the Directors have participated in the CPD for the year ended 31 March 2013.

董事會 (續)

組成 (續)

根據本公司之公司細則第86(2)條，董事有權不時及隨時委任任何人士為董事，以填補董事會臨時空缺，或待股東於股東大會上授權後，作為現有董事會之新增董事，惟就此獲委任後之董事數目不得超出股東於股東大會不時釐定之數目上限。獲委任填補臨時空缺之所有董事須於彼等獲委任後之首屆股東大會上接受股東選舉。就此獲董事會委任之任何其他董事僅可任職至本公司下屆股東週年大會，屆時將符合資格於該大會膺選連任。

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

本公司已為其董事及高級職員購買董事及高級職員責任保險。

董事之持續專業發展

本公司鼓勵董事參與持續專業發展（「持續專業發展」），以發展和更新其知識和技能。根據董事所提供之確認記錄，全體董事於截至二零一三年三月三十一日止年度均有參與持續專業發展。

Corporate Governance Report

企業管治報告

THE BOARD (Continued)

Directors' attendance records

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

Name of Director 董事姓名		Full Board Meetings 全體董事會會議	Audit Committee Meetings 審核委員會會議	Remuneration Committee Meetings 薪酬委員會會議	Nomination Committee Meetings 提名委員會會議	General Meetings 股東大會
Executive Directors 執行董事						
Mr. Chim Kim Lun Ricky (note 1)	詹劍崙先生(附註1)	7/(7)	N/A不適用	N/A不適用	N/A不適用	1/(1)
Mr. Law Fei Shing (note 2)	羅輝城先生(附註2)	7/(7)	N/A不適用	N/A不適用	N/A不適用	1/(1)
Non-executive Directors 非執行董事						
Mr. Chee Man Sang Eric (note 4)	池民生先生(附註4)	1/(2)	N/A不適用	N/A不適用	N/A不適用	N/A不適用
Mr. Tang Shu Pui Simon (note 4)	鄧澍培先生(附註4)	0/(2)	N/A不適用	N/A不適用	N/A不適用	N/A不適用
Independent non-executive Directors 獨立非執行董事						
Mr. Au Kwok Yee Benjamin (note 2)	歐國義先生(附註2)	7/(7)	2/(2)	N/A不適用	N/A不適用	0/1
Ms. Lau Siu Ngor (note 2)	劉小娥女士(附註2)	7/(7)	2/(2)	2/(2)	2/(2)	1/(1)
Mr. Lum Pak Sum (note 3)	林柏森先生(附註3)	7/(7)	2/(2)	2/(2)	2/(2)	1/(1)

Note 1: Resigned on 23 April 2013

Note 2: Resigned on 10 May 2013

Note 3: Resigned on 31 May 2013

Note 4: Appointed on 10 January 2013

COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES

During the year ended 31 March 2013, the Board has adopted and complied with the code provisions of the CG Codes in so far as they are applicable except for the following deviations.

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

董事會(續)

董事出席記錄

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

附註1：於二零一三年四月二十三日辭任

附註2：於二零一三年五月十日辭任

附註3：於二零一三年五月三十一日辭任

附註4：於二零一三年一月十日獲委任

遵守《企業管治常規守則》

董事會已於截至二零一三年三月三十一日止年度內採納及遵守企業管治守則內適用之守則條文，惟以下偏離者除外。

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

Corporate Governance Report

企業管治報告

COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

CG Codes provision A.6.7 stipulates that the independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of Shareholders. An independent non-executive Director was unable to attend the annual general meeting of the Company held on 22 August 2012 due to his various work commitments.

REMUNERATION COMMITTEE

The Company has set up a remuneration committee with written terms of reference in compliance with the CG Codes as set out in Appendix 14 of the Listing Rules to ensure that there are formal and transparent procedures for setting policies on the remuneration of Directors and senior management. The remuneration committee currently comprises Mr. Chee Man Sang, Eric, Mr. Chan Wai Man and Mr. Ng Chun Chuen, David.

Ms. Lau Siu Ngor and Mr. Lum Pak Sum resigned as independent non-executive Directors and ceased to be a member and chairman of this committee on 10 May 2013 and 31 May 2013 respectively. Subsequent to the resignation of Mr. Lum Pak Sum on 31 May 2013, the position of chairman of the remuneration committee as required by Rule 3.25 of the Listing Rules was vacant. Upon the appointment of Mr. Ng Chun Chuen, David on 7 June 2013 as the chairman of the remuneration committee, the Company has fully complied with the Listing Rules in this regards.

The duties of the remuneration committee are as follows:

- (a) to make recommendations to the Board on the Company's policy and structure for all remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing such policy;

遵守《企業管治常規守則》(續)

企業管治守則第A.6.7條訂明獨立非執行董事及其他非執行董事應出席股東大會及對股東的意見有公正的了解。一名獨立非執行董事因其多項工作事務未能出席本公司於二零一二年八月二十二日舉行之股東週年大會。

薪酬委員會

本公司遵照上市規則附錄14所載之企業管治守則成立薪酬委員會，並訂有書面職權範圍，以確保在制定董事及高級管理層之薪酬政策上採納正式及透明之程序。薪酬委員會現時由池民生先生、陳偉民先生及吳振泉先生組成。

劉小娥女士及林柏森先生分別於二零一三年五月十日及二零一三年五月三十一日辭任獨立非執行董事及不再為該委員會之成員及主席。按上市規則第3.25條之規定，在林柏森先生於二零一三年五月三十一日辭任後，薪酬委員會主席一職空缺。於二零一三年六月七日委任吳振泉先生為薪酬委員會主席後，本公司於此方面已完全符合上市規則之規定。

薪酬委員會的職責如下：

- (a) 就本公司所有董事及高級管理層之薪酬政策及架構以及確立正式及透明的程序以發展該政策向董事會提出建議；

Corporate Governance Report

企業管治報告

REMUNERATION COMMITTEE (Continued)

- (b) to have the delegated responsibility to determine the specific remuneration packages of all executive Directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and make recommendations to the Board of the remuneration of non-executive Directors. The Remuneration Committee shall consider factors such as salaries paid by comparable companies, time commitment and responsibilities of the Directors, employment conditions elsewhere in the group and desirability of performance based remuneration;
- (c) to review and approve performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time;
- (d) to review and approve the compensation payable to executive Directors and senior management in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with relevant contractual terms and that such compensation is otherwise fair and not excessive for the Company;
- (e) to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that such arrangements are determined in accordance with relevant contractual terms and that any compensation payment is otherwise reasonable and appropriate;
- (f) to ensure that no Director or any of his associates is involved in deciding his own remuneration; and
- (g) to advise Shareholders on how to vote with respect to any service contracts of Directors that require Shareholders' approval under Rule 13.68 of the Listing Rules.

During the year, 2 meetings were held to review the remuneration of Directors and resigned Directors. Details of the Directors' remuneration are set out in note 12 to the financial statements.

薪酬委員會 (續)

- (b) 獲授權以決定所有執行董事及高級管理層的具體薪酬組合，包括實物福利、退休金權利及賠償支出（包括離職補償及終止僱傭合約賠償）及向董事會建議非執行董事之薪酬。薪酬委員會應參考之因素包括可資比較公司之薪金、工作時數及董事之責任、本集團其他方面之僱傭條件及與表現掛鉤薪酬之可取性；
- (c) 參考董事會不時議決之公司目標及宗旨以檢討及批准按表現掛鉤薪酬；
- (d) 檢討及批准給予執行董事及高級管理層的離職補償及終止僱傭合約賠償，以確保該等賠償按相關合約條款制定、在其他方面公平及不超逾本公司應付者；
- (e) 檢討及批准董事因不當行為被解僱或免職之賠償安排，以確保該等安排按相關合約條款制定以及賠償支出在其他方面為合理及適當者；
- (f) 確保概無董事或其任何聯繫人士參予制定其本人的薪酬；及
- (g) 就上市規則13.68條所需股東批准之任何董事服務合約如何投票向股東提出意見。

年內共舉行2次會議以檢討董事及辭任董事之薪酬。董事薪酬之詳情載於財務報表附註12內。

Corporate Governance Report

企業管治報告

NOMINATION COMMITTEE

The Company has set up a nomination committee with written terms of reference in compliance with the CG Codes as set out in Appendix 14 of the Listing Rules to ensure fair and transparent procedures for appointment, re-election and removal of Directors to the Board. The nomination committee currently comprises Mr. Chee Man Sang Eric, Mr. Chan Wai Man and Mr. Ng Chun Chuen, David.

Ms. Lau Siu Ngor and Mr. Lum Pak Sum resigned as independent non-executive Directors and ceased to be a member and the chairman of this committee on 10 May 2013 and 31 May 2013 respectively. Subsequent to the resignation of Mr. Lum Pak Sum on 31 May 2013, the position of chairman of the nomination committee which is required by CG Codes provision A.5.1 was vacant. Upon the appointment of Mr. Ng Chun Chuen, David on 7 June 2013 as the chairman of the nomination committee, the Company has fully complied with the CG Codes provision A.5.1.

The duties of the nomination committee are as follows:

- (a) to review the structure, size and composition (including the skills, knowledge and experience) of the Board on a regular basis and make recommendations to the Board regarding any proposed changes;
- (b) to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- (c) to assess the independence of independent non-executive Directors; and
- (d) to make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for Directors in particular the chairman of the Board and the chief executive officer.

During the current year, the nomination committee had evaluated nominees to fill up the vacancy resulted from resigned Directors and made recommendation to the Board.

提名委員會

本公司遵照上市規則附錄14所載之企業管治守則成立提名委員會，並訂有書面職權範圍，以確保在委任、重選及罷免董事會董事之事宜上採納公平及透明之程序。提名委員會現時由池民生先生、陳偉民先生及吳振泉先生組成。

劉小娥女士及林柏森先生分別於二零一三年五月十日及二零一三年五月三十一日辭任獨立非執行董事，並不再擔任該委員會成員及主席。在林柏森先生於二零一三年五月三十一日辭任後，企業管治守則條文第A.5.1條須設立之提名委員會主席之職位空缺。於二零一三年六月七日委任吳振泉先生為提名委員會主席後，本公司已完全符合企業管治守則條文第A.5.1條。

提名委員會的職責如下：

- (a) 定期檢討董事會的架構、人數及組成（包括技能、知識及經驗方面），並就任何擬作出的變動向董事會提出建議；
- (b) 物色具備合適資格可擔任董事會成員的人士，並挑選提名有關人士出任董事或就此向董事會提供意見；
- (c) 評核獨立非執行董事的獨立性；及
- (d) 就董事委任或重新委任以及董事（尤其是董事會主席及行政總裁）繼任計劃的有關事宜向董事會提出建議。

本年度內，提名委員會已評估提名人以填補董事辭任後產生之空缺，並向董事會提出建議。

Corporate Governance Report

企業管治報告

AUDIT COMMITTEE

The audit committee currently comprises Mr. Chan Wai Man, Mr. Chee Man Sang, Eric, Mr. Tsui Sai Ming, Steven and Mr. Ng Chun Chuen, David. The audit committee is chaired by Mr. Chan Wai Man. Ms. Lau Siu Ngor and Mr. Au Kwok Yee, Benjamin resigned as independent non-executive Directors and ceased to be the chairman and a member of this committee respectively on 10 May 2013. Mr. Lum Pak Sum resigned as independent non-executive Director and ceased to be a member of this committee on 31 May 2013.

The duties of the audit committee are as follows:

1 Relationships with the Company's auditors

- (a) to be primarily responsible for making recommendation to the Board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and to consider any questions of resignation or dismissal of that auditor;
- (b) to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable accounting standard;
- (c) to discuss with the external auditor before the audit commences, the nature and scope of the audit and reporting obligations;
- (d) to ensure co-ordination where more than one audit firm is involved; and
- (e) to develop and implement policy on the engagement of an external auditor to supply non-audit services. For this purpose, external auditor shall include any entity that is under common control, ownership or management with the audit firm or any entity that a reasonable and informed third party having knowledge of all relevant information would reasonably conclude as part of the audit firm nationally or internationally. The audit committee shall report to the Board, identifying any matters in respect of which it considers that action or improvement is needed and making recommendations as to the steps to be taken.

審核委員會

審核委員會現時由陳偉民先生、池民生先生、徐世明先生及吳振泉先生組成。審核委員會之主席為陳偉民先生。劉小娥女士及歐國義先生分別於二零一三年五月十日辭任獨立非執行董事及不再為該委員會之主席及成員。林柏森先生於二零一三年五月三十一日辭任獨立非執行董事及不再為該委員會之成員。

審核委員會之職責如下：

1 與本公司核數師的關係

- (a) 主要負責就外聘核數師之委任、重新委任及罷免向董事會作出建議、及批准外聘核數師之薪酬及聘用條款，及處理有關其辭任或被罷免之任何問題；
- (b) 根據適用會計標準審閱及監察外聘核數師之獨立性及客觀性以及審核程序之有效性；
- (c) 於審核工作開始之前與外聘核數師討論審核性質及範疇以及申報責任；
- (d) 如有超過一間核數師行參與審核，則確保彼等之協調性；及
- (e) 制定及實行有關委聘外聘核數師提供非審核服務之政策。就此而言，外聘核數師包括與該核數師行處於共同控制、擁有權或管理下之任何實體，或知悉所有相關資料之合理及知情第三方將合理斷定在當地或國際上屬於該核數師行一部份之任何實體。審核委員會應向董事會匯報、識別其認為須採取行動或作出所需改善之任何事宜及就將採取之行動作出建議。

Corporate Governance Report

企業管治報告

AUDIT COMMITTEE (Continued)

2 Review of financial information of the Company

- (a) To monitor integrity of financial statements of the Company and the Company's annual report and accounts, half-year report and, if prepared for publication, quarterly reports, and to review significant financial reporting judgments contained in them. In this regard, in reviewing the Company's annual report and accounts, half-year report and, if prepared for publication, quarterly reports before submission to the Board, the audit committee shall focus particularly on:
- (i) any changes in accounting policies and practices;
 - (ii) major judgmental areas;
 - (iii) significant adjustments resulting from audit;
 - (iv) the going concern assumptions and any qualifications;
 - (v) compliance with accounting standards; and
 - (vi) compliance with the Listing Rules and other legal requirements in relation to financial reporting.
- (b) in regard to 2(a) above:
- (i) members of the audit committee must liaise with the Company's Board, senior management and the person appointed as the Company's qualified accountant; and
 - (ii) the audit committee shall consider any significant or unusual items that are, or may need to be, reflected in such reports and accounts and must give due consideration to any matters that have been raised by the Company's qualified accountant, compliance officer or auditors.

審核委員會 (續)

2 審閱本公司的財務資料

- (a) 監察本公司財務報表及本公司年報及賬目、中期報告及(如編製以供刊發)季度報告所載重大財務申報判斷之完整性。就此而言,於向董事會提交前,檢討本公司年報及賬目、中期報告及(如編製以供刊發)季度報告,並特別針對以下事項:
- (i) 會計政策及實務之任何變更;
 - (ii) 涉及重大判斷之範疇;
 - (iii) 審核產生之重大調整;
 - (iv) 持續經營之假設及任何保留意見;
 - (v) 遵守會計準則;及
 - (vi) 遵守有關財務申報之上市規則及其他法律規定。
- (b) 就上文2(a)段而言:
- (i) 審核委員會成員與本公司董事會、高級管理層及獲委任為及本公司合資格會計師之人士聯絡;及
 - (ii) 審核委員會應考慮該等報告及賬目內所反映或需反映之任何重大或不尋常事項,並適當考慮任何由本公司之合資格會計師、監察主任或核數師提出之事項。

Corporate Governance Report

企業管治報告

AUDIT COMMITTEE (Continued)

3 Oversight of the Company's financial reporting system and internal control procedures

- (a) to review the Company's financial controls, internal control and risk management systems;
- (b) to discuss with the management the system of internal control and ensure that management has discharged its duty to have any effective internal control system;
- (c) to consider any findings of major investigations of internal control matters as delegated by the Board or on its own initiative and management's response;
- (d) where an internal audit function exists, to ensure co-ordination between the internal and external auditors, and to ensure that the internal audit function is adequately resourced and has appropriate standing within the Company, and to review and monitor the effectiveness of the internal audit function;
- (e) to review the group's financial and accounting policies and practices;
- (f) to review the external auditor's management letter, any material queries raised by the auditor to management in respect of the accounting records, financial accounts or systems of control and management's response;

審核委員會 (續)

3 監管本公司財務申報制度及內部監控程序

- (a) 審閱本公司有關財務監控、內部監控及風險管理系統；
- (b) 與管理層討論內部監控系統，並確保管理層已履行其職責設立有效之內部監控系統；
- (c) 應董事會委派或主動對內部監控事宜之任何重要調查結果及管理層之回應進行研究；
- (d) 倘設有內部審計職能，以確保內部及外聘核數師之協調，及確保內部審計職能獲提供足夠資源並於本公司內具有適當地位，以及檢討及監察內部審計職能之有效性；
- (e) 檢討集團之財務及會計政策及實務；
- (f) 審閱外聘核數師之管理層函件、核數師就會計記錄、財務賬目或監控系統向管理層提出之任何重大疑問及管理層作出之回應；

Corporate Governance Report

企業管治報告

AUDIT COMMITTEE (Continued)

3 Oversight of the Company's financial reporting system and internal control procedures (Continued)

- (g) to ensure that the Board will provide a timely response to the issues raised in the external auditor's management letter;
- (h) to report to the Board on the matters set out herein and, in particular, the matters required to be performed by the audit committee under the CG Codes;
- (i) to consider other topics, as defined by the Board;
- (j) to review arrangements by which employees of the Company may, in confidence, raise concerns about possible improprieties in financial reporting, internal control or other matters, and to ensure that proper arrangements are in place for the fair and independent investigation of such matters and for appropriate follow-up action;
- (k) to act as the key representative body for overseeing the Company's relation with the external auditor; and
- (l) to discuss problems and reservations arising from the interim and final audits and any matters the auditor may wish to discuss (in the absence of the management where necessary).

審核委員會 (續)

3 監管本公司財務申報制度及內部監控程序 (續)

- (g) 確保董事會及時回應外聘核數師之管理層函件所提出之事宜；
- (h) 向董事會匯報本職權範圍內之事宜，尤其企業管治守則要求審核委員會履行之事宜；
- (i) 考慮其他董事會界定之課題；
- (j) 審閱本公司的僱員可保密地使用以提出有關財務匯報、內部監控或其他事項之可能失當之安排，並確保已備有恰當安排供該等事項的公平及獨立調查及作適當的跟進行動；
- (k) 作為主要代表實體以監督本公司與外聘核數師之關係；及
- (l) 討論中期及全年審核所產生之問題及保留意見，以及核數師可能希望討論之任何事宜（如有必要，可在管理層避席之情況下進行）。

Corporate Governance Report

企業管治報告

AUDIT COMMITTEE (Continued)

4 Independence of external auditors

- (a) to consider all relationships between the Company and the audit firm (including the provision of non-audit services);
- (b) to seek from the audit firm, on an annual basis, information about policies and processes for maintaining independence and monitoring compliance with relevant requirements, including current requirements regarding rotation of audit partners and staff;
- (c) to meet with the auditor, at least annually, in the absence of management, to discuss matters relating to its audit fees, any issues arising from the audit and any other matters the auditor may wish to raise;
- (d) to agree with the Board the Company's policies relating to the hiring of employees or former employees of the external auditor and monitor the application of such policies. The audit committee shall then be in a position to consider whether in the light of this there has been any impairment or appearance of impairment, of the auditor's judgment or independence in respect of the audit; and
- (e) to ensure that the provision by an external auditor of non-audit services does not impair the external auditor's independence or objectivity. When assessing the external auditor's independence or objectivity in relation to the provision of non-audit services, the audit committee may wish to consider:
 - (i) whether the skills and experience of the audit firm make it a suitable supplier of the non-audit services;

審核委員會 (續)

4 外聘核數師之獨立性

- (a) 考慮本集團與核數公司之間的所有關係(包括提供非核數服務)；
- (b) 每年向核數公司索取資料，了解核數公司就保持其獨立性以及監察有關規定執行方面的政策和程序，包括就輪換核數合夥人及職員的現時規定；
- (c) 至少每年在管理層不在場的情況下會見核數師一次，以討論與核數費用有關的事宜、任何因核數工作產生的事宜及核數師想提出的任何其他事項；
- (d) 與董事會協定本公司有關招聘外聘核數師的僱員或前僱員的政策，並監察有關政策的應用。審核委員會應考慮有關招聘是否會削弱或應會削弱核數師進行審核時的判斷或獨立性；及
- (e) 確保外聘核數師提供非核數服務時不會損害其獨立性或客觀性。當評估外聘核數師在提供非核數服務方面的獨立性或客觀性時，審核委員會或可考慮以下事項：
 - (i) 就核數公司的技能和經驗而言，其是否適合為本公司提供該等非核數服務；

Corporate Governance Report

企業管治報告

AUDIT COMMITTEE (Continued)

4 Independence of external auditors (Continued)

(e) (Continued)

- (ii) whether there are safeguards in place to ensure that there is no threat to objectivity and independence in the conduct of the audit resulting from the provision of such services by the external auditor;
- (iii) the nature of the non-audit services, the related fee levels and the fee levels individually and in aggregate relative to the audit firm; and
- (iv) the criteria which govern the compensation of the individuals performing the audit.

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

During the year, the audit committee has reviewed the financial results and reports as well as the Company's internal control review report. The audit committee also met the external auditors and monitored the appointment of external auditors.

There is no disagreement between the Board and the audit committee.

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the Corporate Governance functions set out in the CG Codes D.3.1. as below:

- (a) to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- (b) to review and monitor the training and continuous professional development of Directors and senior management;

審核委員會 (續)

4 外聘核數師之獨立性 (續)

(e) (續)

- (ii) 是否設有預防措施，以確保外聘核數師的核數工作的客觀性及獨立性不會因其提供該等服務而受到影響；
- (iii) 該等非核數服務的性質、有關費用的水平，以及就該核數公司而言，個別服務費用和合計服務費用的水平；及
- (iv) 監管個別核數職員的酬金標準。

參照上市規則第3.13條，審核委員會全體委員已確認為獨立。

年內，審核委員會已審閱財務業績及報告以及本公司之內部監控審查報告。審核委員會亦已與外聘核數師會面及監察外聘核數師之委任。

董事會與審核委員會間概無意見分歧。

企業管治職能

董事會負責履行企業管治守則第D.3.1.條之企業管治職能，其載列如下：

- (a) 制定及檢討本公司的企業管治政策及常規，並向董事局提出建議；
- (b) 檢討及監察董事及高級管理人員的培訓及持續專業發展；

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE FUNCTIONS

(Continued)

- (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- (e) to review the Company's compliance with the CG Codes and disclosure in the Corporate Governance Report.

MODEL CODE FOR SECURITIES TRANSACTIONS

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

Specific enquiry has been made of all the Directors and the Directors have confirmed that they have complied with the Model Code throughout the year ended 31 March 2013.

RESPONSIBILITIES, ACCOUNTABILITIES AND CONTRIBUTIONS OF THE BOARD AND MANAGEMENT

The Board assumes responsibility for leadership and control of the Company and is collectively responsible for promoting the success of the Company by directing and supervising its affairs. All Directors should take decisions objectively in the interests of the Company. The Board reserves for its decision on all major matters relating to policy matters, strategies and budgets, internal control and risk management, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant operational matters of the Company. Responsibilities relating to implementing decisions of the Board, directing, and coordinating the daily operation of the Company are delegated to the management.

企業管治職能 (續)

- (c) 檢討及監察本公司在遵守法律及監管規則方面的政策及常規；
- (d) 制定、檢討及監察僱員及董事的操守準則及合規手冊(如有)；及
- (e) 檢討本公司遵守企業管治守則的情況及於企業管治報告內的披露。

證券交易之標準守則

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

經向全體董事作出特定查詢後，董事確認彼等於截至二零一三年三月三十一日止年度內一直遵守標準守則所載規定。

董事會及管理層之職責、問責及貢獻

董事會負責領導及控制本公司，並透過指導及監督本公司事務，共同負責促進本公司邁向成功。全體董事應客觀作出符合本公司利益之決定。董事會負責決定一切主要事宜，當中涉及政策事宜、策略及預算、內部監控及風險管理、重大交易(特別是或會涉及利益衝突者)、財務資料、委任董事及本公司其他重大營運事宜。有關執行董事會決策、指導及協調本公司日常營運之職責轉授予管理層。

Corporate Governance Report

企業管治報告

DIRECTORS' AND AUDITOR'S RESPONSIBILITIES FOR ACCOUNTS

The Directors acknowledge their responsibilities for the preparation of financial statements of the Company for the year ended 31 March 2013. In preparing the financial statement, the Directors have selected suitable accounting policies and applied them consistently, made judgments and estimates that are prudent and reasonable, and have prepared the accounts on the going concern basis. Respective responsibilities of the Directors and the external auditors to the Shareholders are set out in the "Independent Auditor's Report" on pages 47 to 49 of this annual report.

AUDITOR'S REMUNERATION

During the year, Morison Heng was appointed as the external auditors of the Company. Morison Heng has provided audit services to the Group in respect of the financial statements of the Company and its subsidiaries for the year ended 31 March 2013 at the fee of HK\$630,000. No non-auditing service has been rendered to the Group during the year ended 31 March 2013.

CONSTITUTIONAL DOCUMENTS

There were no changes in the Company's constitutional documents during the year ended 31 March 2013.

INTERNAL CONTROL

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

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

董事及核數師對賬目之責任

董事知悉彼等編製本公司截至二零一三年三月三十一日止年度財務報表之責任。董事於編製財務報表時已揀選及貫徹應用合適之會計政策，並作出審慎及合理之判斷及估計，並採納持續經營基準編製有關賬目。董事及外聘核數師各自向股東所負之責任載列於本年報第47至49頁之「獨立核數師報告書」。

核數師酬金

年內，華利信獲委任為本公司外聘核數師。華利信已就本公司及其附屬公司於截至二零一三年三月三十一日止年度之財務報表提供核數服務，費用為630,000港元。於截至二零一三年三月三十一日止年度，並無為本集團提供非核數服務。

憲章文件

於截至二零一三年三月三十一日止年度，本公司之憲章文件並無變動。

內部監控

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

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

Corporate Governance Report

企業管治報告

COMPANY SECRETARY

The Company Secretary for the period from 1 April 2012 to 10 January 2013, Mr. Law Fei Shing, have taken no less than 15 hours of relevant professional training.

The company secretary, Ms. Lee Yuen Ting (“**Ms. Lee**”), is engaged through an external service provider. She has been the company secretary of the Company since 10 January 2013. The company secretary reports to the Executive Directors and is responsible for advising the Board on corporate governance matters and ensuring board procedures are followed and board activities are efficiently and effectively conducted. Ms. Lee completed not less than 15 hours of relevant professional training.

COMMUNICATION WITH SHAREHOLDERS

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

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

The Company endeavor to maintain two way communications with the Shareholders through various channels. All the enquiries are dealt with in timely manner. The shareholders are encouraged to attend the AGM and special general meetings (the “**SGM**”) of the Company. The shareholders are also encouraged to put their enquiries about the Group by mail to the principle address of the Company at Room 1102C, 11th Floor, Tower 1, Admiralty Centre, 18 Harcourt Road, Hong Kong (for the attention of company secretary).

公司秘書

公司秘書羅輝城先生於二零一二年四月一日至二零一三年一月十日期間已進行不少於15個小時之相關專業培訓。

公司秘書李琬婷女士（「**李女士**」）乃透過外部服務供應商聘任。彼自二零一三年一月十日起擔任本公司之公司秘書。公司秘書向執行董事作報告，及負責就企業管治事宜向董事會提出建議並確保董事會程序獲遵循以及董事會活動高效及有效進行。李女士已完成不少於15小時之有關專業培訓。

與股東溝通

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

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

本公司致力透過不同渠道與股東維持雙向溝通。所有查詢將會盡快處理。歡迎股東出席本公司股東週年大會及股東特別大會（「**股東特別大會**」）。本公司亦歡迎股東郵寄至本公司主要地點（香港夏慤道18號海富中心1座11樓1102C室），並註明公司秘書收，查詢有關本集團之事項。

Corporate Governance Report

企業管治報告

COMMUNICATION WITH SHAREHOLDERS

(Continued)

Constructive use of Annual General Meeting

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

SHAREHOLDERS' RIGHTS

Procedures for the Shareholders to Convene a Special General Meeting

Pursuant to clause 58 of the Company's Bye-Laws, members holding at the date of deposit of the requisition not less than one-tenth (10%) of the paid up capital of the Company carrying the right of voting at general meetings of the company shall at all times have the right, by written requisition to the Board or the company secretary of the Company to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition.

與股東溝通 (續)

積極運用股東週年大會

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

股東權利

股東召開股東特別大會之程序

根據本公司之公司細則第58條，於遞呈要求當日持有不少於有權於本公司股東大會上投票之本公司繳足股本十分之一（10%）之股東，有權隨時透過向董事會或本公司之公司秘書發出書面要求，要求董事會召開股東特別大會，以處理相關要求中列明之任何事宜，而有關會議須於相關要求遞呈後21日內舉行。

Corporate Governance Report

企業管治報告

SHAREHOLDERS' RIGHTS (Continued)

Procedures for the Shareholders to Convene a Special General Meeting (Continued)

The requisition must state the purposes of the meeting, and must be signed by the requisitionists and deposited at the registered office of the Company at Room 1102C, 11th Floor, Tower 1, Admiralty Centre, 18 Harcourt Road, Hong Kong (for the attention of company secretary), and may consist of several documents in like form each signed by one or more requisitionists.

If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting, the requisitionists, or any of them representing more than one half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three months from the said date.

A meeting convened by the requisitionists shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by the Directors.

Any reasonable expenses incurred by the requisitionists by reason of the failure of the Directors duly to convene a meeting shall be repaid to the requisitionists by the Company, and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration in respect of their services to such Directors as were in default.

Procedures for the Shareholders to Put forwards Proposals at General Meetings

- (1) Proposals at shareholders' meetings can be put forward by the members of the Company holding at the date of the submission of the proposals not less than one-tenth (10%) of the paid-up capital of the Company as at the date of the submission carries the right of voting at general meetings of the Company.

股東權利 (續)

股東召開股東特別大會之程序 (續)

請求必須列明大會目的，且必須由提出請求者簽署，並遞交至本公司之註冊辦事處（地址為香港夏慤道18號海富中心1座11樓1102C室，並註明公司秘書收），而其可由各自由一名或多名請求者簽署之一式多份文件組成。

倘於有關遞交請求日期起計21日內，董事會未能召開有關大會，則提出請求者或持有所有提出請求者之過半數總投票權之任何提出請求者，可自行召開大會，惟任何如此召開之大會不可於該日期起計三個月屆滿後舉行。

提出請求者須盡可能以董事召開大會之相同方式召開會議。

提出請求者因董事未有正式召開會議而招致的任何合理費用，須由本公司償還提出請求者，而任何如此償還之款項，須由本公司從到期或即將到期就失責董事之服務而應向其支付之費用或其他酬金中扣留。

於股東大會動議之程序

- (1) 於動議日期持有於本公司股東大會表決的本公司實繳股本不少於十分一(10%)附有權利之本公司股東，可於股東大會動議。

Corporate Governance Report

企業管治報告

SHAREHOLDERS' RIGHTS (Continued)

Procedures for the Shareholders to Put forwards Proposals at General Meetings (Continued)

- (2) The submission of the proposals must be made within 3 business days after a notice of the shareholders' meeting have been served to all registered shareholders by the Board. The proposals must be written and must state the objects of the proposals, and must be signed by the proposers, and mailed and deposited at Room 1102C, 11th Floor, Tower 1, Admiralty Centre, 18 Harcourt Road, Hong Kong (for the attention of company secretary); and may consist of several documents in like form, each signed by one or more proposers.
- (3) The proposals will be verified with the Company's share registrar and upon its confirmation that the proposals are proper and in order, the company secretary will ask the Board to update the resolutions by serving sufficient notice in accordance with the statutory requirements to all registered shareholders, provided that the proposers have deposited a sum of money reasonably sufficient to meet the Company's expenses involved in publishing supplementary circular and updating related resolutions. On the contrary, if the requisition has been verified as not in order, the proposer will be advised of this outcome and accordingly, no resolution will be updated as requested.

股東權利 (續)

於股東大會動議之程序 (續)

- (2) 動議須於董事會向全體登記股東發出股東大會通告後3個營業日內提交，動議必須以書面作出，並註明動議目的，經由動議人簽署，郵寄及送達香港夏慤道18號海富中心1座11樓1102C室（公司秘書收）；並可包括多份各自經由一名或多名動議人簽署之類似格式文件。
- (3) 動議將由本公司股份過戶登記處核實，經其確認動議恰當及符合程序後，公司秘書將要求董事會根據法定規定，向全體登記股東發出充份通知，更新決議案，惟動議人須提交合理相信足以應付本公司刊發補充通函及更新相關決議案所需開支的款項。相反，倘若動議經核證為不符程序，動議人將獲知會有關結果，亦不會按要求更新決議案。

Independent Auditor's Report

獨立核數師報告書



**TO THE SHAREHOLDERS OF
BESTWAY INTERNATIONAL HOLDINGS LIMITED**
百威國際控股有限公司
(Incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Bestway International Holdings Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 50 to 96, which comprise the consolidated statement of financial position as at 31 March 2013, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

致百威國際控股有限公司
(於百慕達註冊成立之有限公司)
各股東

本核數師(以下簡稱「我們」)已審核載列於第50至96頁之百威國際控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表,當中包括於二零一三年三月三十一日之綜合財務狀況報表與截至該日止年度之綜合全面收入報表、綜合權益變動表及綜合現金流量表,以及主要會計政策概要及其他附註資料。

董事就綜合財務報表須承擔之責任

貴公司董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港《公司條例》之披露規定編製綜合財務報表,以令綜合財務報表作出真實而公平之反映,及落實董事認為編製綜合財務報表所必要之內部控制,以使綜合財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述。

核數師之責任

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

Independent Auditor's Report

獨立核數師報告書

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31 March 2013, and of the Group's loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

EMPHASIS OF MATTER

Without qualifying our opinion, we draw attention to note 17 to the consolidated financial statements of the Group. As disclosed therein, the Group entered into a memorandum of understanding with a contractor pursuant to which the Group agreed to engage the contractor to conduct mining activities, including development and exploitation, of all of its Mongolian tungsten mines. The Group and the contractor will negotiate the relevant mining terms and consideration for incorporation into a formal cooperation agreement which, however, is not yet concluded and entered up to our reporting date.

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

我們相信，我們所獲得之審核憑證充足及適當地為我們之審核意見提供基礎。

意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映 貴集團於二零一三年三月三十一日之事務狀況及 貴集團截至該日止年度之虧損及現金流量，並已按照香港《公司條例》之披露規定妥為編製。

強調事項

在不發出保留意見之情況下，我們提請 閣下注意 貴集團綜合財務報表附註17。誠如本報告所披露， 貴集團與承包商訂立一份諒解備忘錄。據此， 貴集團已同意委聘承包商進行採礦活動，包括開發及開採其所有蒙古鎢礦。 貴集團及承包商將磋商將相關開採條款及代價載入正式合作協議。然而，截至本報告日，正式合作協議尚未達成結論及訂立。

Independent Auditor's Report

獨立核數師報告書

The carrying value of the mining rights of the Group was HK\$735,657,000 as at 31 March 2013, with impairment assessment using discounted cash flow method based on the existing exploitation plan. Should there be any reach an agreement on the relevant mining terms and consideration with the contractor, the value of the mining rights of the Group may possibly be affected.

In addition, we draw attention to note 2 to the consolidated financial statements which indicates that as of 31 March 2013, the Group's current liabilities exceeded its current assets by approximately HK\$4,391,000. This condition indicates the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern.

Morison Heng

Certified Public Accountants

Hong Kong: 28 June 2013

於二零一三年三月三十一日，根據現有開採計劃以現金流量貼現法計算作為減值評估，貴集團之採礦權之賬面值為735,657,000港元。倘與承包商就有關開採條款及代價達成任何協議，則貴集團之採礦權之價值將可能受到影響。

此外，我們提請閣下注意綜合財務報表附註2。該附註表明，於二零一三年三月三十一日，貴集團之流動負債超過其流動資產約4,391,000港元。該情況顯示存在重大不明朗因素，而可能導致貴集團持續經營能力構成重大疑問。

華利信會計師事務所

執業會計師

香港，二零一三年六月二十八日

Consolidated Statement of Comprehensive Income

綜合全面收入報表

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

		Notes 附註	2013 HK\$'000 二零一三年 千港元	2012 HK\$'000 二零一二年 千港元
Revenue	收益	7	524	1,384
Cost of sales	銷售成本		(500)	(1,313)
Gross profit	毛利		24	71
Other income	其他收入	8	1	1
Administrative expenses	行政開支		(8,837)	(4,155)
Other operating expenses, net	其他經營開支淨額		(1)	(3)
Finance costs	財務成本	9	(144)	(786)
Loss before taxation	除稅前虧損		(8,957)	(4,872)
Taxation	稅項	10	-	-
Loss for the year	年度虧損	11	(8,957)	(4,872)
Other comprehensive expense	其他全面開支			
Exchange difference arising on translation	換算產生之匯兌差額		(108)	(122)
Total comprehensive expenses for the year	年度全面開支總額		(9,065)	(4,994)
Loss per share	每股虧損	14		
Basic	基本		(0.24 HK cent港仙)	(0.17 HK cent港仙)
Diluted	攤薄		N/A不適用	N/A不適用

Consolidated Statement of Financial Position

綜合財務狀況報表

At 31 March 2013 於二零一三年三月三十一日

		Notes 附註	2013 HK\$'000 二零一三年 千港元	2012 HK\$'000 二零一二年 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	15	127	208
Exploration and evaluation assets	勘探及評估資產	16	2,409	2,546
Mining rights	採礦權	17	735,657	735,657
			738,193	738,411
Current assets	流動資產			
Trade receivables	應收貿易賬款	18	–	878
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項		875	858
Bank balances and cash	銀行結餘及現金	19	444	1,792
			1,319	3,528
Current liabilities	流動負債			
Trade and bills payables	應付貿易賬款及票據	20	–	832
Other payables and accruals	其他應付賬款及應計款項		2,710	3,240
Promissory notes	承兌票據	21	–	20,000
Loans from shareholders	股東借款	22	3,000	–
			5,710	24,072
Net current liabilities	流動負債淨額		(4,391)	(20,544)
Total assets less current liabilities	總資產減流動負債		733,802	717,867
Non-current liability	非流動負債			
Deferred tax liabilities	遞延稅項負債	23	163,913	163,913
Net assets	資產淨值		569,889	553,954
Capital and reserves	資本及儲備			
Share capital	股本	24	37,336	32,336
Reserves	儲備	27	532,553	521,618
Total equity	權益總額		569,889	553,954

The consolidated financial statements on pages 50 to 96 were approved and authorised for issue by the Board of Directors on 28 June 2013 and are signed on its behalf by:

ZHANG Qianjin
DIRECTOR
董事
張前進

HA Wing Ho, Peter
DIRECTOR
董事
哈永豪

第50至96頁之綜合財務報表已於二零一三年六月二十八日獲董事會批准及授權刊發，並由下列董事代表簽署：

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

		Share capital	Share premium	Contributed surplus	Exchange fluctuation reserve	Accumulated losses	Total equity
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		股本	股份溢價	實繳盈餘	匯率波動儲備	累積虧損	權益總額
		千港元	千港元	千港元	千港元	千港元	千港元
At 1 April 2011	於二零一一年四月一日	323,357	423,048	52,743	275	(240,475)	558,948
Loss for the year	年度虧損	-	-	-	-	(4,872)	(4,872)
Exchange difference arising on translation	換算產生之匯兌差額	-	-	-	(122)	-	(122)
Total comprehensive expenses for the year	年度全面開支總額	-	-	-	(122)	(4,872)	(4,994)
Capital reduction	股本削減	(291,021)	291,021	-	-	-	-
At 31 March 2012	於二零一二年三月三十一日	32,336	714,069	52,743	153	(245,347)	553,954
Loss for the year	年度虧損	-	-	-	-	(8,957)	(8,957)
Exchange difference arising on translation	換算產生之匯兌差額	-	-	-	(108)	-	(108)
Total comprehensive expenses for the year	年度全面開支總額	-	-	-	(108)	(8,957)	(9,065)
Issue of new shares (note 24c)	發行新股份(附註24c)	5,000	20,000	-	-	-	25,000
At 31 March 2013	於二零一三年三月三十一日	37,336	734,069	52,743	45	(254,304)	569,889

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

		2013 HK\$'000 二零一三年 千港元	2012 HK\$'000 二零一二年 千港元
Cash flows from operating activities	經營業務之現金流量		
Loss for the year	年度虧損	(8,957)	(4,872)
Adjustments for:	經調整下列各項：		
Depreciation	折舊	72	76
Finance costs	財務成本	144	786
Interest income	利息收入	(1)	(1)
		(8,742)	(4,011)
Movements in working capital	營運資金變動		
Decrease in trade receivables	應收貿易賬款減少	878	445
Increase in deposits, prepayments and other receivables	按金、預付款項及其他應收款項增加	(17)	(463)
Decrease in trade and bills payables	應付貿易賬款及票據減少	(832)	(430)
Decrease in other payables and accruals	其他應付賬款及應計款項減少	(530)	(280)
		(9,243)	(4,739)
Cash used in operations	經營所用之現金	(9,243)	(4,739)
Interest received	已收利息	1	1
Interest paid	已付利息	(144)	-
		(9,386)	(4,738)
Net cash used in operating activities	經營業務所用之現金淨額	(9,386)	(4,738)
Cash flows from financing activities	融資活動之現金流量		
Proceeds from issue of new shares	發行新股份之所得款項	25,000	-
Repayment of promissory notes	償還承兌票據	(20,000)	-
Increase in loans from shareholders	股東借款增加	3,000	-
		8,000	-
Net cash from financing activities	融資活動所得之現金淨額	8,000	-
Net decrease in cash and cash equivalents	現金及等同現金項目減少淨額	(1,386)	(4,738)
Cash and cash equivalents at beginning of the year	年初之現金及等同現金項目	1,792	6,331
Effect of foreign exchange rate changes	外幣匯率變動之影響	38	199
Cash and cash equivalents at end of the year, represented by bank balances and cash	年終之現金及等同現金項目，指銀行結餘及現金	444	1,792

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

1. GENERAL

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

The Company is engaged in investment holding and trading of cotton yarn. The principal activities of its subsidiaries are set out in note 31.

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

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

In preparing these consolidated financial statements, the directors of the Company (the “Directors”) have given careful consideration to the future liquidity of the Group in light of the fact that as at 31 March 2013, the Group’s current liabilities exceeded its current assets by approximately HK\$4,391,000. The Directors have reviewed the Group’s financial and liquidity position, and taken into consideration the followings:

- ongoing financial support by a substantial shareholder of the Company to enable the Group to continue as a going concern and to settle its liabilities as and when they fall due in the foreseeable future;
- implementing cost control measures to improve the Group’s financial performance and cash flows; and
- exploring the availability of external funding.

The Directors believe that, taking into account the above factors, the Group will be able to meet in full its financial obligations as and when they fall due for the foreseeable future, and accordingly, have prepared the consolidated financial statements on a going concern basis.

1. 一般資料

百威國際控股有限公司(「本公司»)為一間於百慕達註冊成立之有限公司。本公司股份於香港聯合交易所有限公司(「聯交所»)上市。本公司之註冊辦事處地址為Clarendon House, 2 Church Street, Hamilton HM11, Bermuda, 而其主要營業地點位於香港夏慤道18號海富中心1座11樓1102C室。

本公司從事投資控股及棉紗買賣。其附屬公司之主要業務載於附註31。

此等綜合財務報表乃以港元呈列,此與本公司之功能貨幣相同。

2. 綜合財務報表編製基準

鑑於本集團於二零一三年三月三十一日之流動負債超過其流動資產約4,391,000港元,於編製該等綜合財務報表時,本公司董事(「董事»)已審慎考慮本集團之未來資金流動性。董事已審閱本集團之財務及流動資金狀況,並已考慮下列因素:

- 獲得本公司一名主要股東之持續財務支持以令本集團持續經營及償付其於可見將來到期之負債;
- 實施成本控制措施以改善本集團之財務表現及現金流量;及
- 物色可能取得之外來資金。

董事相信,經考慮上述因素後,本集團將有能力於可見將來履行其財務責任並於到期時償還全數款項,因此,綜合財務報表乃根據持續經營基準編製。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

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

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

Amendments to HKFRS 7	Disclosures – Transfers of Financial Assets
Amendments to HKAS 12	Deferred Tax – Recovery of Underlying Assets

The application of the new and revised HKFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or the disclosures set out in these consolidated financial statements.

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

HKFRS 9	Financial Instruments ⁴
HKFRS 10	Consolidated Financial Statements ²
HKFRS 11	Joint Arrangements ²
HKFRS 12	Disclosure of Interests in Other Entities ²
HKFRS 13	Fair Value Measurement ²
Amendments to HKFRSs	Annual Improvements to HKFRSs 2009-2011 Cycle ²
Amendments to HKFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities ²
Amendments to HKFRS 9 and HKFRS 7	Mandatory Effective Date of HKFRS 9 and Transition Disclosures ⁴
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance ²

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

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

香港財務報告準則第7號（修訂本）	披露－財務資產之轉讓
香港會計準則第12號（修訂本）	遞延稅項－收回相關資產

於本年度應用新訂及經修訂香港財務報告準則並無對本集團於本年度及過往年度之財務表現及狀況及／或該等綜合財務報表所載之披露造成重大影響。

本集團並未提早應用下列已頒佈但尚未生效之新訂及經修訂香港財務報告準則：

香港財務報告準則第9號	財務工具 ⁴
香港財務報告準則第10號	綜合財務報表 ²
香港財務報告準則第11號	共同安排 ²
香港財務報告準則第12號	披露於其他實體之權益 ²
香港財務報告準則第13號	公平值計量 ²
香港財務報告準則（修訂本）	香港財務報告準則二零零九年至二零一一年週期之年度改進 ²
香港財務報告準則第7號（修訂本）	披露－抵銷財務資產及財務負債 ²
香港財務報告準則第9號及香港財務報告準則第7號（修訂本）	香港財務報告準則第9號之強制生效日期及過渡披露 ⁴
香港財務報告準則第10號、香港財務報告準則第11號及香港財務報告準則第12號（修訂本）	綜合財務報表、共同安排及披露於其他實體之權益：過渡指引 ²

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

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

Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment Entities ³
HKAS 19 (as revised in 2011)	Employee Benefits ²
HKAS 27 (as revised in 2011)	Separate Financial Statements ²
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures ²
Amendments to HKAS 1	Presentation of Items of Other Comprehensive Income ¹
Amendments to HKAS 32	Presentation – Offsetting Financial Assets and Financial Liabilities ³
HK(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 2012

² Effective for annual periods beginning on or after 1 January 2013

³ Effective for annual periods beginning on or after 1 January 2014

⁴ Effective for annual periods beginning on or after 1 January 2015

The Directors anticipate that the application of these new and revised HKFRSs will have no material impact on the financial performance and positions of the Group.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第27號（修訂本）	投資實體 ³
香港會計準則第19號（二零一一年經修訂）	僱員福利 ²
香港會計準則第27號（二零一一年經修訂）	獨立財務報表 ²
香港會計準則第28號（二零一一年經修訂）	於聯營公司及合營公司之投資 ²
香港會計準則第1號（修訂本）	其他全面收益項目之呈列 ¹
香港會計準則第32號（修訂本）	呈列－抵銷財務資產及財務負債 ³
香港（國際財務報告詮釋委員會）－詮釋第20號	露天礦場生產期之剝採成本 ²

¹ 於二零一二年七月一日或之後開始的年度期間生效

² 於二零一三年一月一日或之後開始的年度期間生效

³ 於二零一四年一月一日或之後開始的年度期間生效

⁴ 於二零一五年一月一日或之後開始的年度期間生效

董事預期應用該等新訂及經修訂香港財務報告準則將不會對本集團之財務表現及狀況造成重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

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

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

The principal accounting policies are set out below.

Basis of consolidation

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

Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

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

4. 重大會計政策

本綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則編製。此外，本綜合財務報表包括香港聯合交易所有限公司證券上市規則及香港《公司條例》規定之適用披露資料。

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

主要會計政策載列如下。

綜合賬目基準

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

年內購入或售出之附屬公司之收入及開支按自收購生效日期起計及截至出售生效日期止（視適用情況而定）計入綜合全面收入報表內。即使附屬公司之全面收益總額歸屬於本公司擁有人及非控股權益會產生虧絀結餘，但附屬公司之全面收益總額仍須歸屬於本公司擁有人及非控股權益。

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

所有集團內公司間之交易、結餘、收入及支出已於綜合賬目時悉數抵銷。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition

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

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

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

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

4. 重大會計政策 (續)

收益確認

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

銷售貨品之收益於貨品交付及其擁有權轉移後確認，惟屆時須達成以下全部條件：

- 本集團已將貨品擁有權之主要風險及回報轉讓予買方；
- 本集團並無保留一般與擁有權有關之銷售貨品持續管理權或實際控制權；
- 收入金額能夠可靠地計量；
- 與交易相關之經濟利益很可能流入本集團；及
- 有關交易產生或將產生之成本能夠可靠地計量。

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

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leasing

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

The Group as lessee

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

Foreign currencies

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

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

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

4. 重大會計政策 (續)

租約

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

本集團作為承租人

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

外幣

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

於貨幣項目之匯兌差額均於產生期間內於損益內確認。

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

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Borrowing costs

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

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

Retirement benefits costs

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

Taxation

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

Current tax

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

4. 重大會計政策 (續)

借貸成本

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

所有其他借貸成本於產生期間於損益內確認。

退休福利成本

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

稅項

所得稅開支指即期應付稅項及遞延稅項之總和。

即期稅項

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

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

Deferred tax

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

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

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

4. 重大會計政策 (續)

稅項 (續)

遞延稅項

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

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

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

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Taxation *(Continued)*

Deferred tax (Continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

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

Property, plant and equipment

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

4. 重大會計政策 (續)

稅項 (續)

遞延稅項 (續)

遞延稅項資產及負債乃按於償還負債或變現資產期間預期適用之稅率(以於報告期末前已制定或實際制定之稅率(及稅法)為基準)計量。

遞延稅項負債及資產之計量反映本集團預期於報告期末內收回或償還資產及負債之賬面值之方式所導致之稅項後果。

年內即期及遞延稅項

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

物業、廠房及設備

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

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment (Continued)

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

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

Exploration and evaluation assets

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

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

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

4. 重大會計政策 (續)

物業、廠房及設備 (續)

資產之折舊乃按可使用年期以直線法確認以撇銷其成本減其剩餘價值。所採用之年率如下。估計使用年期、剩餘價值及撇銷法均於報告期末進行檢討，而任何估計變動之影響乃按前瞻基準入賬。

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

勘探及評估資產

勘探及評估資產按成本減任何累計減值虧損列賬。

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

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

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Mining rights

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

Impairment on tangible and intangible assets

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

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

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

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

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

4. 重大會計政策 (續)

採礦權

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

有形及無形資產之減值

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

具無限可使用年期之無形資產及尚不可供使用之無形資產須最少每年進行減值測試，及倘出現資產可能減值之跡象，亦須進行減值測試。

可收回金額乃公平值減銷售成本與使用價值之較高者。於評估使用價值時，會按反映當時市場對貨幣時間價值及資產之特定風險（未針對該風險調整估計未來現金流量）而評估之稅前折現率，將估計未來現金流量折現至其現值。

倘一項資產之可收回金額估計低於其賬面值，則該資產之賬面值將調低至其可收回金額。減值虧損即時於損益內確認。

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

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments

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

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

Financial assets

Financial assets are classified as “loans and receivables”. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

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

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

4. 重大會計政策 (續)

財務工具

當集團實體成為工具合約條文之訂約方時，確認財務資產及財務負債。

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

財務資產

財務資產分類為「貸款及應收款項」。分類根據財務資產之性質及目的並於初步確認時釐定。所有日常買賣之財務資產於交易日確認及終止確認。日常買賣指須於根據規則或市場慣例訂立之時間內交收資產之財務資產買賣。

實際利率法

實際利率法乃一種計算相關期間債務工具之攤銷成本以及分配利息收入之方法。實際利率乃按債務工具之預計年期或較短期間（如適用）內準確貼現估計未來現金收款（包括構成實際利率組成部分之所有已付或已收費用及利差、交易成本及其他溢價或折讓）至初步確認之賬面淨額之利率。

債務工具之收入乃按實際利率基準確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Loans and receivables

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

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

Impairment of financial assets

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

Objective evidence of impairment could include:

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

4. 重大會計政策 (續)

財務工具 (續)

財務資產 (續)

貸款及應收款項

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

利息收入透過使用實際利率確認，惟於確認利息並不重大之短期應收款項除外。

財務資產減值

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

減值之客觀證據包括：

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

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

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

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

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

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

4. 重大會計政策 (續)

財務工具 (續)

財務資產 (續)

財務資產減值 (續)

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

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

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

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

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

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

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

Financial liabilities

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

4. 重大會計政策 (續)

財務工具 (續)

財務資產 (續)

財務資產減值 (續)

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

財務負債及權益工具

分類為債務或權益

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

權益工具

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

財務負債

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

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Effective interest method

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

Interest expense is recognised on an effective interest basis.

Derecognition

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

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

4. 重大會計政策 (續)

財務工具 (續)

財務負債及權益工具 (續)

實際利率法

實際利率法乃一種計算相關期間財務負債攤銷成本及分配利息開支之方法。實際利率為於財務負債之預計年期或較短期間(如適用)內,將其估計未來現金付款(包括構成實際利率組成部份之所有已付或已收費用及利差、交易成本以及其他溢價或折讓)準確貼現至初步確認之賬面淨額所使用之利率。

利息開支以實際利率基準確認。

終止確認

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

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

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Derecognition (Continued)

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

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

4. 重大會計政策 (續)

財務工具 (續)

終止確認 (續)

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

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

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 4, management has made various estimates about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The key source of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Estimated impairment on mining rights and exploration and evaluation assets

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

Useful lives of mining rights

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

5. 估計不明朗因素之主要來源

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

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

採礦權及勘探及評估資產之估計減值

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

採礦權可用年期

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

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

5. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Useful lives of mining rights (Continued)

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

6. SEGMENT INFORMATION

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

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

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

For the year ended 31 March 2013, revenue from a customer of the Group amounting to HK\$524,000 (2012: HK\$1,384,000) had accounted for over 10% of the Group's total revenue.

5. 估計不明朗因素之主要來源 (續)

採礦權可用年期 (續)

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

6. 分部資料

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

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

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

截至二零一三年三月三十一日止年度，來自本集團一名客戶之收益為524,000港元（二零一二年：1,384,000港元），佔本集團總收益10%以上。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

7. REVENUE

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

		2013 HK\$'000 二零一三年 千港元	2012 HK\$'000 二零一二年 千港元
Sales of goods	銷售貨品	524	1,384

8. OTHER INCOME

Bank interest income

銀行利息收入

		2013 HK\$'000 二零一三年 千港元	2012 HK\$'000 二零一二年 千港元
Bank interest income	銀行利息收入	1	1

9. FINANCE COSTS

Interest on promissory notes (note 21)

承兌票據之利息(附註21)

Interest on other borrowings

其他借貸利息

		2013 HK\$'000 二零一三年 千港元	2012 HK\$'000 二零一二年 千港元
Interest on promissory notes (note 21)	承兌票據之利息(附註21)	-	786
Interest on other borrowings	其他借貸利息	144	-
		144	786

7. 收益

收益指扣除退貨及貿易折扣撥備後之所售貨品發票淨值。於年內確認之收益如下：

8. 其他收入

9. 財務成本

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

10. TAXATION

No Hong Kong Profits Tax has been provided as the Group had no assessable profit for the year (2012: Nil).

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

		2013 HK\$'000 二零一三年 千港元	2012 HK\$'000 二零一二年 千港元
Loss before taxation	除稅前虧損	(8,957)	(4,872)
Tax at the applicable income tax rate	按適用所得稅率計算之稅項	(1,478)	(804)
Tax effect of expenses not deductible for tax purpose	不可扣稅開支之稅務影響	745	281
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	733	523
Taxation	稅項	-	-

11. LOSS FOR THE YEAR

Loss for the year has been arrived at after charging:

		2013 HK\$'000 二零一三年 千港元	2012 HK\$'000 二零一二年 千港元
Auditor's remuneration	核數師酬金	630	580
Cost of inventories sold	已售存貨成本	500	1,313
Depreciation (note 15)	折舊(附註15)	72	76
Rental paid under operating lease	已付經營租賃租金	914	422
Employee benefits expense (excluding directors' emoluments – note 12):	僱員福利開支(不包括董事酬金—附註12):		
Wages and salaries	工資及薪金	466	457
Pension scheme contributions	退休金計劃供款	48	54

10. 稅項

由於本集團年內並無應課稅溢利，故並無就香港利得稅作出撥備(二零一二年：無)。

年度稅項與根據綜合全面收入報表之虧損之對賬如下：

11. 年度虧損

年度虧損已扣除下列各項後達致：

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

12. DIRECTORS' EMOLUMENTS

The emoluments paid or payable to each of the twelve (2012: five) directors were as follows:

2013

		Fees HK\$'000	Salaries, allowances and benefits in kind HK\$'000 薪金、津貼 及實物福利 千港元	Pension scheme contributions HK\$'000 退休金計劃供款 千港元	Total emoluments HK\$'000 酬金總額 千港元
Executive directors:	執行董事：				
Mr. Chim Kim Lun, Ricky ⁵	詹劍崙先生 ⁵	120	–	6	126
Mr. Law Fei Shing ⁶	羅輝城先生 ⁶	360	–	15	375
Mr. Ha Wing Ho, Peter ²	哈永豪先生 ²	–	–	–	–
Mr. Zhang Qianjin ²	張前進先生 ²	–	–	–	–
		480	–	21	501
Non-executive directors:	非執行董事：				
Mr. Chee Man Sang, Eric ¹	池民生先生 ¹	14	–	–	14
Mr. Tang Shu Pui, Simon ¹	鄧澍培先生 ¹	14	–	–	14
		28	–	–	28
Independent non-executive directors:	獨立非執行董事：				
Mr. Au Kwok Yee, Benjamin ⁶	歐國義先生 ⁶	80	–	–	80
Ms. Lau Siu Ngor ⁶	劉小娥女士 ⁶	80	–	–	80
Mr. Lum Pak Sum ⁷	林柏森先生 ⁷	80	–	–	80
Mr. Chan Wai Man ³	陳偉民先生 ³	–	–	–	–
Mr. Tsui Sai Ming, Steven ³	徐世明先生 ³	–	–	–	–
Mr. Ng Chun Chuen, David ⁴	吳振泉先生 ⁴	–	–	–	–
		240	–	–	240
Total	總計	748	–	21	769

12. 董事酬金

已付或應付十二位(二零一二年:五位)董事之各自酬金如下:

二零一三年

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

12. DIRECTORS' EMOLUMENTS (Continued)

2012

	Fees HK\$'000 袍金 千港元	Salaries, allowances and benefits in kind HK\$'000 薪金、津貼 及實物福利 千港元	Pension scheme contributions HK\$'000 退休金計劃 供款 千港元	Total emoluments HK\$'000 酬金總額 千港元
Executive directors:	執行董事：			
Mr. Chim Kim Lun, Ricky ⁵	120	–	6	126
Mr. Law Fei Shing ⁶	360	–	12	372
	480	–	18	498
Independent non-executive directors:	獨立非執行董事：			
Mr. Au Kwok Yee, Benjamin ⁶	80	–	–	80
Ms. Lau Siu Ngor ⁶	80	–	–	80
Mr. Lum Pak Sum ⁷	80	–	–	80
	240	–	–	240
Total	720	–	18	738

- ¹ Appointed on 10 January 2013
² Appointed on 23 April 2013
³ Appointed on 10 May 2013
⁴ Appointed on 7 June 2013
⁵ Resigned on 23 April 2013
⁶ Resigned on 10 May 2013
⁷ Resigned on 31 May 2013

- ¹ 於二零一三年一月十日獲委任
² 於二零一三年四月二十三日獲委任
³ 於二零一三年五月十日獲委任
⁴ 於二零一三年六月七日獲委任
⁵ 於二零一三年四月二十三日辭任
⁶ 於二零一三年五月十日辭任
⁷ 於二零一三年五月三十一日辭任

There was no arrangement under which a director waived or agreed to waive any emoluments during the year (2012: Nil).

年內並無董事放棄或同意放棄任何酬金之安排 (二零一二年：無)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

13. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included three (2012: four) directors, details of whose emoluments are set out in note 12 above. Details of the emoluments of the remaining two (2012: one) non-directors, highest paid employees for the year are as follows:

Salaries, allowances and benefits in kind	薪金、津貼及實物福利
Pension scheme contributions	退休金計劃供款

The emoluments of the two (2012: one) non-directors, highest paid employees fell within the band of nil to HK\$1,000,000.

During the year, no emoluments were paid by the Group to the directors of the Company or any of the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office (2012: Nil).

13. 五位最高薪酬僱員

年內，五位最高薪酬僱員包括三位（二零一二年：四位）董事，彼等之酬金詳情載於上文附註12。餘下兩位（二零一二年：一位）非董事最高薪酬僱員於年內之酬金詳情如下：

	2013 HK\$'000 二零一三年 千港元	2012 HK\$'000 二零一二年 千港元
Salaries, allowances and benefits in kind	384	285
Pension scheme contributions	18	12
	402	297

兩位（二零一二年：一位）非董事最高薪酬僱員之酬金屬於零至1,000,000港元之酬金範圍。

年內，本集團概無為吸引本公司董事或任何五位最高薪酬人士加入本集團或作為離職之補償而向彼等支付任何酬金（二零一二年：無）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

14. LOSS PER SHARE

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

		2013 HK\$'000 二零一三年 千港元	2012 HK\$'000 二零一二年 千港元
Loss	虧損		
Loss for the year attributable to the owners of the Company for the purpose of basic loss per share	用以計算每股基本虧損之 本公司擁有人應佔年度虧損	(8,957)	(4,872)
		2013 '000 二零一三年 千股	2012 '000 二零一二年 千股
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic loss per share	用以計算每股基本虧損之 普通股加權平均股數	3,713,014	2,922,283

No diluted loss per share for the year ended 31 March 2013 and 2012 has been presented as there were no diluted potential shares.

14. 每股虧損

本公司擁有人應佔每股基本虧損乃按以下數據計算：

由於並無潛在攤薄股份，故截至二零一三年及二零一二年三月三十一日止年度並無呈列每股攤薄虧損。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

		Furniture, fixture, equipment and motor vehicles HK\$'000 傢俬、固定裝置、 設備及汽車 千港元
COST	成本	
At 1 April 2011	於二零一一年四月一日	411
Exchange realignment	匯兌調整	(42)
		<hr/>
At 31 March 2012	於二零一二年三月三十一日	369
Exchange realignment	匯兌調整	(20)
		<hr/>
At 31 March 2013	於二零一三年三月三十一日	349
		<hr/>
DEPRECIATION	折舊	
At 1 April 2011	於二零一一年四月一日	97
Charge for the year	年度開支	76
Exchange realignment	匯兌調整	(12)
		<hr/>
At 31 March 2012	於二零一二年三月三十一日	161
Charge for the year	年度開支	72
Exchange realignment	匯兌調整	(11)
		<hr/>
At 31 March 2013	於二零一三年三月三十一日	222
		<hr/>
CARRYING VALUES	賬面值	
At 31 March 2013	於二零一三年三月三十一日	127
		<hr/>
At 31 March 2012	於二零一二年三月三十一日	208
		<hr/>

16. EXPLORATION AND EVALUATION ASSETS

16. 勘探及評估資產

		HK\$'000 千港元
COST	成本	
At 1 April 2011	於二零一一年四月一日	2,837
Exchange realignment	匯兌調整	(291)
		<hr/>
At 31 March 2012	於二零一二年三月三十一日	2,546
Exchange realignment	匯兌調整	(137)
		<hr/>
At 31 March 2013	於二零一三年三月三十一日	2,409
		<hr/>

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

17. MINING RIGHTS

17. 採礦權

		HK\$'000 千港元
Cost	成本	
At 1 April 2011, 31 March 2012 and 31 March 2013	於二零一一年四月一日、二零一二年三月三十一日及二零一三年三月三十一日	1,001,130
Impairment	減值	
At 1 April 2011, 31 March 2012 and 31 March 2013	於二零一一年四月一日、二零一二年三月三十一日及二零一三年三月三十一日	265,473
Carrying value	賬面值	
At 31 March 2013	於二零一三年三月三十一日	735,657
At 31 March 2012	於二零一二年三月三十一日	735,657

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

採礦權指可於蒙古巴彥烏列蓋省瑙貢諾爾市及臣格勒市進行採礦活動之權利，法定年期分別為二十一年至二十六年，分別於二零一一年七月、二零一三年三月、二零一五年十二月及二零一六年七月屆滿。礦產開採執照乃由蒙古礦產資源及石油管理局發出，可連續續期兩次，每次20年。董事認為，申請續期僅須完成相關程序，故本集團應可續期礦產開採執照而毋須重大成本，直至所有探明及估計之礦藏已獲開採為止。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

17. MINING RIGHTS (Continued)

The Group has appointed a qualified mineral technical adviser to prepare a resource estimation based on the international standards. The Group has also engaged a Mongolian professional firm to update the feasibility study report and the environmental impact assessment report on above tungsten mines. No active mining operation of the Group has taken place yet.

Subsequent to the year ended 31 March 2013, the Group received a letter issued by a Mongolian Province Governor which required the Group to submit the time of commencing mining operations or otherwise certain mining licenses might be revoked. On 22 May 2013, the Group entered into a memorandum of understanding (the "MOU") with China Metallurgical Geology Bureau of Shandong (the "Contractor"), pursuant to which the Group agreed to engage the Contractor to conduct mining activities, including development and exploitation of all of its Mongolian tungsten mines. The Group and the Contractor will negotiate the relevant mining terms and consideration for incorporation into a formal cooperation agreement which, however, is not yet concluded and entered into up to the reporting date. Once the Group has reached an agreement with the Contractor on all mining terms and consideration, the Contractor will commence exploitation of the mines, which the Directors believe, would not be later than the end of December 2013. Based on the cooperation plan by entering into of MOU and the advices from the Group's Mongolian legal adviser, the Directors are of the opinion that the Group can continue to extract the resources covered by its mining operating licenses.

The Directors reassessed the recoverable amount of the mining rights with reference to the valuation performed by Messers. Peak Vision Appraisals Limited, an independent qualified professional valuer and determined that no impairment loss in respect of mining rights was identified for the year ended 31 March 2013. The recoverable amount of the mining rights was based on value-in-use calculations and key assumptions adopted include estimated mine reserve based on technical assessment reports and the expectation for market development.

17. 採礦權 (續)

本集團已委聘一名合資格礦產技術顧問根據國際準則編製資源評估。本集團亦已委聘一間蒙古專業公司更新有關上述錳礦之可行性研究報告及環境影響評估報告。本集團尚未進行活躍採礦業務。

於截至二零一三年三月三十一日止年度後，本集團收到一名蒙古省長發出之要求本集團提交開展採礦業務時間，否則可能會撤回若干採礦許可證之函件。於二零一三年五月二十二日，本集團與中國冶金地質總局山東局（「承包商」）訂立一份諒解備忘錄（「諒解備忘錄」），據此，本集團已同意委聘承包商進行採礦活動，包括開發及開採其全部蒙古錳礦。本集團將與承包商磋商將予載入正式合作協議之有關採礦條款及代價，惟於截至報告日期止尚未完成及訂立正式合作協議。一旦本集團與承包商就所有採礦條款及代價達成協議，承包商將隨即開始開採礦山，董事相信將不遲於二零一三年十二月底開始開採。根據通過訂立諒解備忘錄進行之合作計劃及本集團之蒙古法律顧問之意見，董事認為本集團可繼續開採其礦產開採執照覆蓋之資源。

董事參考獨立合資格專業估值師滌鋒評估有限公司所作之估值，重估採礦權之可收回金額，並釐定於截至二零一三年三月三十一日止年度並未識別任何採礦權之減值虧損。採礦權之可收回金額乃按使用值之計算方法釐定，而採納之主要假設包括以技術評估報告為基準之估計礦產儲量及對市場發展之預期。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

18. TRADE RECEIVABLES

Trade receivables 應收貿易賬款

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

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

Within 30 days 30日內

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

19. BANK BALANCES AND CASH

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

Included in bank balances and cash are pledged bank deposits of HK\$869,000 at 31 March 2012 (2013: Nil) which are pledged to a bank to secure short-term banking facilities of the Group.

18. 應收貿易賬款

2013 HK\$'000 二零一三年 千港元	2012 HK\$'000 二零一二年 千港元
–	878

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

於報告期末，應收貿易賬款減呆賬撥備後之賬齡分析如下：

2013 HK\$'000 二零一三年 千港元	2012 HK\$'000 二零一二年 千港元
–	878

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

19. 銀行結餘及現金

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

於二零一二年三月三十一日，銀行結餘及現金包括已抵押予銀行以取得本集團之短期銀行信貸之已抵押銀行存款869,000港元（二零一三年：無）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

20. TRADE AND BILLS PAYABLES

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

		2013 HK\$'000 二零一三年 千港元	2012 HK\$'000 二零一二年 千港元
31 to 60 days	31日至60日	-	832

21. PROMISSORY NOTES

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

		HK\$'000 千港元
At 1 April 2011	於二零一一年四月一日	19,214
Interest charge	利息費用	786
At 31 March 2012	於二零一二年三月三十一日	20,000
Early repayment	提前償還	(20,000)
At 31 March 2013	於二零一三年三月三十一日	-

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

20. 應付貿易賬款及票據

於報告期末，按發票日期呈列之應付貿易賬款及票據之賬齡分析如下：

21. 承兌票據

承兌票據之變動載列如下：

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

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

22. LOANS FROM SHAREHOLDERS

The loans due are unsecured, interest free and will be matured in November 2013 and January 2014. Subsequent to the year ended 31 March 2013, the Company entered into supplemental loan agreements in which the repayment dates are both extended to 30 June 2014.

23. DEFERRED TAX LIABILITIES

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

At 1 April 2011, 31 March 2012 and 31 March 2013

於二零一一年四月一日、二零一二年三月三十一日及二零一三年三月三十一日

Fair value
adjustment on
mining rights
採礦權之
公平值調整
HK\$'000
千港元

163,913

At the end of the reporting period, the Group had estimated unused tax losses of approximately HK\$43,585,000 (2012: HK\$39,143,000) available for offset against future profits. No deferred tax asset has been recognised in respect of such tax losses due to the unpredictability of future profit streams. The estimated tax losses may be carried forward indefinitely.

於報告期末，本集團之估計未動用稅項虧損約為43,585,000港元（二零一二年：39,143,000港元）可用以抵銷未來溢利。由於未來溢利來源之不可預測性，並無就該等稅項虧損確認遞延稅項資產。估計之稅項虧損可無限期結轉。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

24. SHARE CAPITAL

24. 股本

		Notes	Number of shares '000 股份數目 千股	Amount HK\$'000 金額 千港元
		附註		
Authorised:	法定：			
<u>Ordinary shares</u>	<u>普通股</u>			
Ordinary shares of HK\$0.1 each at 1 April 2011	於二零一一年四月一日之每股面值0.1港元之普通股		17,283,333	1,728,333
Capital reorganisation	股本重組	(a)	155,550,000	–
Ordinary shares of HK\$0.01 each at 31 March 2012 and 31 March 2013	於二零一二年三月三十一日及二零一三年三月三十一日之每股面值0.01港元之普通股		172,833,333	1,728,333
<u>Preference shares</u>	<u>優先股</u>			
Preference shares of HK\$0.1 each at 1 April 2011	於二零一一年四月一日之每股面值0.1港元之優先股		2,716,667	271,667
Capital reorganisation	股本重組	(a)	24,450,000	–
Preference shares of HK\$0.01 each at 31 March 2012 and 31 March 2013	於二零一二年三月三十一日及二零一三年三月三十一日之每股面值0.01港元之優先股		27,166,667	271,667
Issued and fully paid:	已發行及繳足：			
<u>Ordinary shares</u>	<u>普通股</u>			
Ordinary shares of HK\$0.1 each at 1 April 2011	於二零一一年四月一日之每股面值0.1港元之普通股		2,669,563	266,957
Conversion of convertible preference shares	轉換可換股優先股	(b)	564,000	56,400
Capital reduction	股本削減	(a)	–	(291,021)
Ordinary shares of HK\$0.01 each at 31 March 2012	於二零一二年三月三十一日之每股面值0.01港元之普通股		3,233,563	32,336
Issue of new shares	發行新股份	(c)	500,000	5,000
Ordinary shares of HK\$0.01 each at 31 March 2013	於二零一三年三月三十一日之每股面值0.01港元之普通股		3,733,563	37,336

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

24. SHARE CAPITAL (Continued)

24. 股本 (續)

		Number of shares	Amount
	Notes	'000	HK\$'000
		股份數目	金額
	附註	千股	千港元
<u>Preference shares</u>	<u>優先股</u>		
Preference shares of HK\$0.1 each at 1 April 2011	於二零一一年四月一日之每股面值0.1港元之優先股	564,000	56,400
Conversion of convertible preference shares	轉換可換股優先股	(b) (564,000)	(56,400)
Preference shares of HK\$0.01 each at 31 March 2012 and 31 March 2013	於二零一二年三月三十一日及二零一三年三月三十一日之每股面值0.01港元之優先股	-	-
Total	總計	3,733,563	37,336

Notes:

- (a) Pursuant to a special resolution passed by the shareholders of the Company at a special general meeting held on 8 December 2011, each authorised ordinary share and preference share of HK\$0.1 were subdivided into 10 ordinary shares and 10 preference shares of HK\$0.01 each, respectively. Furthermore, the issued share capital was reduced by canceling paid up capital to the extent of HK\$0.09 on each ordinary share of HK\$0.1. The credit arising from capital reduction was transferred to share premium account.
- (b) During the year ended 31 March 2012, 564,000,000 ordinary shares of HK\$0.1 each were issued pursuant to the exercise of the convertible preference shares at a conversion price of HK\$0.3 per share.
- (c) On 16 April 2012, the Company completed a placing of 500,000,000 new ordinary shares of the Company with par value of HK\$0.01 at a price of HK\$0.05 per placing share.

附註：

- (a) 根據本公司股東於二零一一年十二月八日舉行之股東特別大會上通過之特別決議案，每股面值0.1港元之法定普通股及優先股已分別拆細為每股面值0.01港元之10股普通股及10股優先股。此外，已發行股本已透過註銷每股面值0.1港元之普通股之0.09港元繳足股本而予以削減。股本削減所產生之進賬已轉撥至股份溢價賬。
- (b) 於截至二零一二年三月三十一日止年度，根據可換股優先股按每股0.3港元之換股價獲行使，已發行564,000,000股每股面值0.1港元之普通股。
- (c) 於二零一二年四月十六日，本公司按每股配售股份0.05港元之價格完成配售500,000,000股面值為0.01港元之本公司新普通股。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

25. SHARE OPTION SCHEME

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

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

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

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

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

All the share options granted were expired and no outstanding share options remained for the years ended 31 March 2013 and 31 March 2012.

25. 購股權計劃

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

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

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

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

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

於截至二零一三年三月三十一日及二零一二年三月三十一日止年度，所有已授出購股權已屆滿，且並無尚未行使購股權。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

26. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

26. 本公司之財務狀況報表

		Notes	2013 HK\$'000 二零一三年 千港元	2012 HK\$'000 二零一二年 千港元
		附註		
Non-current asset	非流動資產			
Investments in subsidiaries	於附屬公司之投資		–	–
Current assets	流動資產			
Trade receivables	應收貿易賬款		–	878
Deposits and prepayments	按金及預付款項		861	843
Amounts due from subsidiaries	應收附屬公司之款項		758,540	736,180
Bank balances and cash	銀行結餘及現金		439	1,237
			759,840	739,138
Current liabilities	流動負債			
Trade and bills payables	應付貿易賬款及票據		–	832
Other payables and accruals	其他應付賬款及 應計款項		837	1,711
Amount due to a subsidiary	應付一間附屬公司之 款項		3,857	3,308
Loans from shareholders	股東借款		3,000	–
			7,694	5,851
Net current assets	流動資產淨值		752,146	733,287
Net assets	資產淨值		752,146	733,287
Capital and reserves	資本及儲備			
Share capital	股本	24	37,336	32,336
Reserves	儲備	27	714,810	700,951
Total equity	權益總額		752,146	733,287

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

27. RESERVES

(a) The Group

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

Contributed surplus

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

(b) The Company

27. 儲備

(a) 本集團

本集團之儲備金額及其於本年度及過往年度之變動已於綜合權益變動表內呈列。

實繳盈餘

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

(b) 本公司

		Share premium	Contributed surplus	Accumulated losses	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		股份溢價	實繳盈餘	累計虧損	總計
		千港元	千港元	千港元	千港元
At 1 April 2011	於二零一一年四月一日	423,048	159,393	(168,836)	413,605
Loss for the year	年內虧損	-	-	(3,675)	(3,675)
Capital reduction (note 24a)	股本削減(附註24a)	291,021	-	-	291,021
At 31 March 2012	於二零一二年三月三十一日	714,069	159,393	(172,511)	700,951
Loss for the year	年內虧損	-	-	(6,141)	(6,141)
Issue of new shares (note 24c)	發行新股份(附註24c)	20,000	-	-	20,000
At 31 March 2013	於二零一三年三月三十一日	734,069	159,393	(178,652)	714,810

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

28. CAPITAL MANAGEMENT

The Group manages its capital to ensure that the entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of equity attributable to owners of the Company, comprising issued share capital and reserves.

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

29. FINANCIAL INSTRUMENTS

(i) Categories of financial instruments

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

28. 資本管理

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

本集團之資本架構包括本公司擁有人應佔權益（包括已發行股本及儲備）。

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

29. 財務工具

(i) 財務工具分類

	2013 HK\$'000 二零一三年 千港元	2012 HK\$'000 二零一二年 千港元
Financial assets:		
Loans and receivables	1,319	3,528
Financial liabilities:		
Amortised cost	5,710	24,072

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

29. FINANCIAL INSTRUMENTS (Continued)

(ii) Financial risk management objectives and policies

The Group's major financial instruments include trade receivables, deposits and other receivables, bank balances and cash, trade and bills payables, other payables and accruals, promissory notes and loans from shareholders. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

Currency risk management

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

Interest rate risk management

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

29. 財務工具 (續)

(ii) 財務風險管理目標及政策

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

市場風險

貨幣風險管理

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

利率風險管理

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

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

29. FINANCIAL INSTRUMENTS (Continued)

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

Credit risk management

The Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the statements of financial position.

In order to minimise the credit risk, the Group reviews the recoverable amount of each individual debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors consider that the Group's credit risk is significantly reduced.

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

Liquidity risk management

The Group is exposed to liquidity risk. As at 31 March 2013, the current liabilities of the Group exceeded its current assets by HK\$4,391,000. The maintenance of the Group as going concern depends on the ongoing support from its shareholder.

29. 財務工具 (續)

(ii) 財務風險管理目標及政策 (續)

信貸風險管理

本集團須承受之將導致本集團因對手方未能履行責任而產生財務虧損之最大信貸風險乃來自於財務狀況報表所列之各項已確認財務資產之賬面值。

為盡量減低信貸風險，本集團於報告期末檢討各項應收賬款之可收回數額，以確保就無法收回之數額作出足夠之減值虧損。就此而言，董事認為本集團之信貸風險大為降低。

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

流動資金風險管理

本集團面臨流動資金風險。於二零一三年三月三十一日，本集團之流動負債超過其流動資產4,391,000港元。本集團維持按持續基準經營取決於其股東之繼續支持。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

29. FINANCIAL INSTRUMENTS (Continued)

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

Liquidity risk management (Continued)

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

		Weighted average interest rate %	On demand or less than 1 year HK\$'000	Total undiscounted cash flows HK\$'000	Carrying amount HK\$'000
		加權平均 利率 %	按要求或 少於一年 千港元	未貼現現金 流量總額 千港元	賬面值 千港元
2013	二零一三年				
Other payables and accruals	其他應付賬款及 應計款項	–	2,710	2,710	2,710
Loans from shareholders	股東借款	–	3,000	3,000	3,000
			5,710	5,710	5,710

		Weighted average interest rate %	On demand or less than 1 year HK\$'000	Total undiscounted cash flows HK\$'000	Carrying amount HK\$'000
		加權平均 利率 %	按要求或 少於一年 千港元	未貼現現金 流量總額 千港元	賬面值 千港元
2012	二零一二年				
Trade and bills payables	應付貿易賬款及票據	–	832	832	832
Other payables and accruals	其他應付賬款及 應計款項	–	3,240	3,240	3,240
Promissory notes	承兌票據	8.45	20,000	20,000	20,000
			24,072	24,072	24,072

29. 財務工具 (續)

(ii) 財務風險管理目標及政策 (續)

流動資金風險管理 (續)

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

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

29. FINANCIAL INSTRUMENTS (Continued)

(iii) Fair value

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

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

30. OPERATING LEASES COMMITMENTS

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

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

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

29. 財務工具 (續)

(iii) 公平值

財務資產及財務負債之公平值乃根據公認定價模式，按照折現現金流量分析釐定。

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

30. 經營租約承擔

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

	2013 HK\$'000 二零一三年 千港元	2012 HK\$'000 二零一二年 千港元
Within one year	490	912
In the second to fifth years inclusive	-	490
	490	1,402

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

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

31. PARTICULARS OF PRINCIPAL SUBSIDIARIES

Details of the Company's principal subsidiaries as at 31 March 2013 and 31 March 2012 are as follows:

31. 主要附屬公司之詳情

本公司於二零一三年三月三十一日及二零一二年三月三十一日之主要附屬公司之詳情如下：

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

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2013 截至二零一三年三月三十一日止年度

31. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

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

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

32. EVENT AFTER THE REPORTING PERIOD

On 22 May 2013, the Group entered into the MOU with the Contractor pursuant to which the Group agreed to engage the Contractor to conduct mining activities of all of its Mongolian tungsten mines. Details of which are disclosed in note 17 and the Company's announcement dated 23 May 2013.

On 13 June 2013, the Group and the vendor entered into a supplemental agreement to the share purchase agreement dated 17 August 2012 (the "Supplemental Agreement") in relation to an acquisition of a group of companies which is principally engaged in the business of exploitation and sale of iron ore in the PRC (the "Agreement"). Pursuant to the Supplemental Agreement, the Group and the vendor agreed to extend the long stop date under the Agreement from 28 February 2013 to 31 December 2013. Details of which were disclosed in the Company's announcements dated 7 January 2013 and 13 June 2013.

31. 主要附屬公司之詳情 (續)

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

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

32. 報告期後事項

於二零一三年五月二十二日, 本集團與承包商訂立諒解備忘錄, 據此, 本集團已同意委聘承包商進行其所有蒙古鎢礦之採礦活動。其有關詳情於附註17及本公司日期為二零一三年五月二十三日之公告內披露。

於二零一三年六月十三日, 本集團與賣方就日期為二零一二年八月十七日有關收購主要於中國從事開採及銷售鐵礦業務之一組公司之股份收購協議 (「協議」) 訂立補充協議 (「補充協議」)。根據補充協議, 本集團與賣方協定將協議項下之最後截止日期由二零一三年二月二十八日延長至二零一三年十二月三十一日。其有關詳情於本公司日期為二零一三年一月七日及二零一三年六月十三日之公告內披露。

