

15/16 Annual Report
年報



Sustainable Forest Holdings Limited 永保林業控股有限公司*

(Incorporated in Bermuda with limited liability)
(於百慕達註冊成立之有限公司)

Stock Code 股份代號 : 723

*for identification purpose only 僅供識別

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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. YEUNG Sau Chung (appointed on 5 June 2015)
(Chairman)

Mr. LIU Shun Chuen (appointed on 5 June 2015)

Mr. MUNG Wai Ming

Ms. ZHOU Jing (resigned on 17 November 2015)

Independent Non-Executive Directors

Mr. William Keith JACOBSEN

Mr. WU Wang Li

Mr. NG Wai Hung

BOARD COMMITTEES

Executive Committee

Mr. YEUNG Sau Chung (appointed on 5 June 2015)
(Chairman)

Mr. LIU Shun Chuen (appointed on 5 June 2015)

Mr. MUNG Wai Ming

Ms. ZHOU Jing (resigned on 17 November 2015)

Audit Committee

Mr. William Keith JACOBSEN (Chairman)

Mr. WU Wang Li

Mr. NG Wai Hung

Remuneration Committee

Mr. William Keith JACOBSEN (Chairman)

Mr. WU Wang Li

Mr. NG Wai Hung

Nomination Committee

Mr. William Keith JACOBSEN (Chairman)

Mr. WU Wang Li

Mr. NG Wai Hung

COMPANY SECRETARY

Mr. LEE Rabi

AUTHORIZED REPRESENTATIVES

Mr. YEUNG Sau Chung (appointed on 17 November 2015)

Mr. LEE Rabi

Ms. ZHOU Jing (resigned on 17 November 2015)

PRINCIPAL BANKERS

Bank of Communications Co., Ltd. Hong Kong Branch

The Hongkong and Shanghai Banking Corporation Limited

Shanghai Commercial Bank Limited

董事會

執行董事

楊秀中先生 (於二零一五年六月五日獲委任)
(主席)

廖信全先生 (於二零一五年六月五日獲委任)

蒙偉明先生

周靜女士 (於二零一五年十一月十七日辭任)

獨立非執行董事

葉偉其先生

吳弘理先生

吳偉雄先生

董事委員會

執行委員會

楊秀中先生 (於二零一五年六月五日獲委任)
(主席)

廖信全先生 (於二零一五年六月五日獲委任)

蒙偉明先生

周靜女士 (於二零一五年十一月十七日辭任)

審核委員會

葉偉其先生 (主席)

吳弘理先生

吳偉雄先生

薪酬委員會

葉偉其先生 (主席)

吳弘理先生

吳偉雄先生

提名委員會

葉偉其先生 (主席)

吳弘理先生

吳偉雄先生

公司秘書

李揚捷先生

法定代表

楊秀中先生 (於二零一五年十一月十七日獲委任)

李揚捷先生

周靜女士 (於二零一五年十一月十七日辭任)

主要往來銀行

交通銀行股份有限公司香港分行

香港上海滙豐銀行有限公司

上海商業銀行有限公司

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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255-257 Gloucester Road
Causeway Bay, Hong Kong
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**總辦事處及於香港之
主要營業地點**

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告士打道255-257號
信和廣場3樓302-305號室
電話：(852) 3460 6600
圖文傳真：(852) 2838 5366
電子郵件：info@susfor.com

SHARE REGISTRARS

Principal Share Registrar

The Belvedere Building
69 Pitts Bay Road
Pembroke HM08
Bermuda

股份過戶登記處

主要股份過戶登記處

The Belvedere Building
69 Pitts Bay Road
Pembroke HM08
Bermuda

Hong Kong Branch Share Registrar

Tricor Tengis Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

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183號
合和中心22樓

AUDITORS

Crowe Horwath (HK) CPA Limited

核數師

國富浩華(香港)會計師事務所有限公司

WEBSITES ADDRESSES

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

網址

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

HONG KONG STOCK EXCHANGE CODE

723

香港聯交所股份代號

723

Chairman's Statement

主席報告

As benefited from the new money lending business we commenced in 2014, Sustainable Forest Holdings Limited (the "Company") and its subsidiaries (collectively as the "Group") the Group recorded an increase in revenue from HK\$6.6 million for the year ended 31 March 2015 to HK\$11.3 million for the year ended 31 March 2016. However, as influenced by the unfavorable market condition and economic downturn in Brazil and the PRC, the Group recorded a net loss of HK\$33.1 million for the year ended 31 March 2016, which improved approximately HK\$41.5% from the net loss of HK\$56.5 million in the last financial year.

In view of the prolonged unstable global economy and retardation on its recovery, we have been actively exploring new business opportunities and fine tuning our business strategies from time to time so as to increase our revenue stream and maximize our shareholders' value. Near the year end of the current financial year, we disposed our travel agency business as we do not envisage that the business will be able to turn around and contribute meaningfully to the Group in the future. On the other hand, with our sufficient working capital, we are now focusing on expanding our money lending business in Hong Kong. In addition, the Group had entered into two leasing agreements for leasing out approximately 10% (in area) of the entire forest in Brazil, which is expected to generate over HK\$3.0 million revenue to the Group in the coming financial year. We believe our forest in Brazil will be able to contribute positive operating cashflow to the Group in the coming years.

I will like to take this opportunity to thank our staff, shareholders and other stakeholders for their continued support to the Group during this difficult time. We will review on the performance of our business segments from time to time and continue to seek new business opportunities with the view to diversify its business and improving shareholders' value.

受益於二零一四年開始之新放債業務，永保林業控股有限公司（「本公司」）及其附屬公司（統稱「本集團」）錄得之收入由截至二零一五年三月三十一日止年度之港幣6,600,000元增加至截至二零一六年三月三十一日止年度之港幣11,300,000元。然而，受巴西及中國不利市況及經濟下滑影響，本集團截至二零一六年三月三十一日止年度錄得虧損淨額港幣33,100,000元，較上一財政年度之虧損淨額港幣56,500,000元下降約41.5%。

鑑於全球經濟長期動蕩及復甦緩慢，本集團一直積極開拓新商機並不時優化業務策略，以增加收入來源及使股東價值最大化。於本財政年度末，本集團已出售旅遊代理業務，因本集團預見該業務將不會扭虧為盈及於日後不會對本集團帶來實質貢獻。另一方面，由於有充足的營運資金，本集團正專注於擴展於香港之放債業務。此外，本集團已訂立兩份租賃協議以出租於巴西之全部森林之約10%（按面積），預期於下一財政年度其將為本集團帶來超過港幣3,000,000元之收入。本集團相信巴西之森林將能於未來幾年為本集團帶來正面之營運現金流。

本人謹藉此機會感謝員工、股東及其他利益相關者一直支持本集團共度時艱。本集團將不時審閱業務分類表現及持續物色新商機，以使其業務多元化及提高股東價值。

Financial Highlights

財務摘要

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元	Changes 變化幅度
Operating results	經營業績			
Revenue (continuing operations)	收入 (持續經營業務)	11,316	6,596	71.6%
Loss attributable to the owners of the Company	本公司擁有人應佔虧損	(33,077)	(56,508)	(37.5)%
Financial position at year end	於年終之財務狀況			
Property, plant and equipment	物業、廠房及設備	86,578	110,569	(21.7)%
Intangible assets	無形資產	94	94	-
Investment properties	投資物業	24,702	24,778	(0.3)%
Cash and cash equivalents	現金及現金等價物	59,258	50,141	18.2%
Net current assets	流動資產淨值	88,813	112,296	(20.9)%
Total assets	總資產	261,079	305,656	(14.6)%
Total interest bearing borrowings from independent third parties	獨立第三方計息借貸總額	23,344	24,234	(3.7)%
Total borrowings from non-controlling shareholder	非控股股東借貸總額	-	836	(100)%
Total liabilities	總負債	149,248	156,097	(4.4)%
Equity attributable to the owners of the Company	本公司擁有人應佔之權益	111,744	149,480	(25.2)%
Per share information	每股資料			
Basic loss per share (Hong Kong cents)	每股基本虧損 (港仙)	(0.37)	(0.74) cents 仙	(50.0)%
Per share information	每股資料	1.25 cents 仙	1.68 cents 仙	(25.6)%

Management Discussion and Analysis

管理層討論及分析

FINANCIAL PERFORMANCE

The Group's revenue increased from HK\$6.6 million to HK\$11.3 million for the year ended 31 March 2016. The total revenue consisted mainly of sales of forestry and timber products and interest income from money lending business. The Group's net loss after tax decreased from HK\$56.5 million to HK\$33 million for the year ended 31 March 2016. The net loss for the current year was mainly due to the increase in financial liabilities, the impairment loss of the freehold land of the Group and the impairment loss of an other receivable amounted to HK\$11.6 million, HK\$9.7 million and HK\$15.9 million, respectively.

BUSINESS REVIEW

China

The PRC is the world's largest consumer and importer of timber and logs and it continues to be the primary market for our forestry and timber products. Demand for the Group's timber products remains sluggish in light of the continuous economic slowdown in the PRC.

Brazil

Business environment continued to be difficult for the Group in Brazil. On 27 March 2012, the board decided to suspend harvesting operations in the State of Acre, Brazil for one year and until the operating environment for its Brazilian subsidiary improves. For the financial year ended 31 March 2016, Acre's operations remained suspended. On 5 June 2014, the board of directors changed the operation model in the State of Acre, Brazil from own harvesting to leasing out the forest in Brazil so as to enhance the income stream of the Group. In mid-March 2016, the Group, through its wholly owned subsidiary, UTRB, entered into a licence agreement with LaminadosTriunfoLtda ("LT"). LT is the largest harvesting company established in Acre State and it owns processing timber, plywood and sawmill facilities. Pursuant to the terms of the agreement, LT licenced the rights of harvesting 3,000 hectares during the 2016 harvesting season. The agreement will generate BRL 1 million in revenue for UTRB, which will be payable in a 9 months installment.

Subsequent to the balance sheet date, in late April 2016, UTRB entered into another licence Agreement with Amazon Wood Industrial Madeireira Ltda ("AW"). AW is a reputable company and a regional player in the State of Acre, Brazil. The agreement with AW was entered in late April. Pursuant to the terms of the agreement, AW licenced the rights of harvesting the remaining 1,000 hectares during the 2016 harvesting season. The agreement will generate BRL 380,000 in revenue for UTRB, which will be payable in a 9 months installment. Under this agreement, AW will also acquire the existing log stock. The Group will continue to actively identify potential leases relating to the forest in Brazil.

財務表現

截至二零一六年三月三十一日止年度，本集團之收入由港幣6,600,000元增加至港幣11,300,000元。總收入主要來自銷售林業及木材產品及放債業務之利息收入。截至二零一六年三月三十一日止年度，本集團除稅後淨虧損由港幣56,500,000元減至港幣33,000,000元。本年度淨虧損主要由於財務負債增加、本集團永久業權土地之減值虧損及一筆其他應收款項之減值虧損分別為港幣11,600,000元、港幣9,700,000元及港幣15,900,000元所致。

業務回顧

中國

中國為全球最大木材及原木消耗國及進口國，其繼續為本集團林業及木材產品之主要市場。鑑於中國經濟持續下滑，本集團木材產品的需求仍然疲弱。

巴西

本集團於巴西之營商環境仍然嚴峻。於二零一二年三月二十七日，董事會決定暫停巴西亞克里州之伐木業務一年，直至其巴西附屬公司之經營環境有所改善為止。截至二零一六年三月三十一日止財政年度，亞克里之業務仍然暫停。於二零一四年六月五日，董事會將巴西亞克里州的經營模式由自有伐木改為出租巴西的森林，以增加本集團的收入來源。於二零一六年三月中旬，本集團透過其全資附屬公司UTRB與LaminadosTriunfoLtda（「LT」）訂立特許協議。LT為於亞克里州成立之最大的伐木公司，並擁有木材、合板及鋸木加工設施。根據協議之條款，LT有特許權於二零一六年伐木季砍伐3,000公頃。協議將為UTRB產生收入1,000,000雷亞爾，該款項將分九個月支付。

繼結算日後，於二零一六年四月下旬，UTRB與Amazon Wood Industrial Madeireira Ltda（「AW」）訂立另一份特許協議。AW為巴西亞克里州聲譽卓越之公司及區域從業者。與AW之協議於四月下旬訂立。根據協議之條款，AW有特許權於二零一六年伐木季砍伐餘下1,000公頃。協議將為UTRB產生收入380,000雷亞爾，該款項將分九個月支付。根據該協議，AW亦將購入現有木材存貨。本集團將繼續積極就巴西森林物色潛在租賃。

Hong Kong

In view of the poor operating environment of the travel and travel related business, the directors do not envisage the business will contribute meaningfully to the Group in the future, and therefore, the Group entered into a conditional sale and purchase agreement on 23 March 2016 to dispose its entire 95% equity interest in Travel Inn Limited to an independent third party at a cash consideration of HK\$1,800,000. The disposal was completed on 28 April 2016. The directors consider that the disposal would allow the Group to divest part of its investment portfolio so as to apply the proceeds for the purpose of exploring other business opportunities. The Group will review its business portfolio and investment strategy from time to time and take appropriate action to enhance the financial performance and position of the Group.

OUTLOOK

Uncertain market conditions and poor demand for timber products continued to affect the Group's near term outlook. The Group will continue to identify new business opportunities with the view to diversifying its business portfolio and improving Shareholders' value. The Company will give priority to consider any new investment opportunity(ies) that can provide the Group with a stable revenue stream as and when suitable opportunities arise.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2016, the Group had cash and cash equivalents that amounted to HK\$59.3 million (2015: HK\$50.1 million).

The Group's gearing ratio expressed as a percentage of total interest bearing borrowings (including all interest bearing borrowings from shareholders, non-controlling shareholder and related companies), over equity attributable to the owners of the Company, increased from 16.8% as at 31 March 2015 to 20.9% as at 31 March 2016.

As at 31 March 2016, the Group had HK\$23.3 million (2015: HK\$24.2 million) in interest bearing borrowings from independent third parties of which HK\$16.0 million (2015: HK\$5.3 million) were repayable within one year and the remaining HK\$7.3 million (2015: HK\$18.9 million) were repayable after one year. As at 31 March 2016, the interest bearing borrowings of HK\$23.3 million (2015: HK\$24.2 million) from the independent third parties consisted of HK\$11.6 million (2015: HK\$12.8 million) in bank loans and HK\$11.7 million (2015: HK\$11.4 million) in other borrowings. As at 31 March 2016, the Group's had net current assets of HK\$88.8 million (2015: HK\$112.3 million). In addition, borrowings from a non-controlling shareholder amounted to HK\$Nil and HK\$0.8 million as at 31 March 2016 and 2015, respectively.

香港

鑑於旅遊及旅遊相關業務之經營環境惡劣，董事認為該業務日後將不會對本集團作出有意義之貢獻，因此，本集團於二零一六年三月二十三日訂立有條件買賣協議，以現金代價港幣1,800,000元將其於旅遊棧有限公司之95%股權全部出售予獨立第三方。出售事項已於二零一六年四月二十八日完成。董事認為，出售事項將令本集團撤除其部分投資組合，以致利用所得款項探索其他商機。本集團將不時檢討其業務組合及投資策略，並採取適當行動改善本集團之財務表現及狀況。

展望

不明朗市況及對木材產品之需求偏低繼續影響本集團之短期前景。本集團將繼續物色新商機以使其業務組合多元化及改善股東價值。本公司將於合適機會出時優先考慮可為本集團帶來穩定收入來源之任何新投資機會。

流動資金及財務資源

於二零一六年三月三十一日，本集團之現金及現金等價物為港幣59,300,000元（二零一五年：港幣50,100,000元）。

本集團之資本負債比率為計息借貸總額（包括所有來自股東、非控股股東及關連公司之計息借貸）除本公司擁有人應佔權益之百分比，由二零一五年三月三十一日之16.8%增加至二零一六年三月三十一日之20.9%。

於二零一六年三月三十一日，本集團之獨立第三方計息借貸為港幣23,300,000元（二零一五年：港幣24,200,000元），其中港幣16,000,000元（二零一五年：港幣5,300,000元）須於一年內償還，而餘額港幣7,300,000元（二零一五年：港幣18,900,000元）則須於一年後償還。於二零一六年三月三十一日，本集團之獨立第三方計息借貸為港幣23,300,000元（二零一五年：港幣24,200,000元），其中港幣11,600,000元（二零一五年：港幣12,800,000元）為銀行貸款，而港幣11,700,000元（二零一五年：港幣11,400,000元）為其他借貸。於二零一六年三月三十一日，本集團之流動資產淨額為港幣88,800,000元（二零一五年：港幣112,300,000元）。此外，於二零一六年及二零一五年三月三十一日，非控股股東之借貸分別為港幣零元及港幣800,000元。

Management Discussion and Analysis

管理層討論及分析

FUND RAISING EXERCISES

(a) As further detailed in the announcement of the Company dated 27 February 2014 and the prospectus of the Company dated 16 April 2014, the Company proposed an open offer (the “February Open Offer”) to raise i) not less than approximately HK\$44.5 million and not more than approximately HK\$53.0 million before expenses by the issue of not less than 139,173,247 and not more than 165,665,906 new ordinary shares of the Company (“February Offer Shares”) at a subscription price of HK\$0.32 per February Offer Share to qualifying shareholders on the basis of one February Offer Share for every ten existing ordinary shares held on 14 April 2014 with bonus issue of five bonus shares for every February Offer Share; and ii) not more than approximately HK\$1.7 million by the issue of not more than 172,420,129 new convertible preferred shares of the Company (“February Offer CPS Shares”) at a subscription price of HK\$0.01 per February Offer CPS Share to qualifying holders of convertible preferred shares on the basis of five bonus convertible preferred shares for every existing February Offer CPS Share subscribed. The Directors consider that the February Open Offer will strengthen the Company’s capital base and enhance its financial position and believes that the February Open Offer will provide the qualifying shareholders with an opportunity to maintain their respective pro rata shareholdings in the Company and to participate in the future growth and development of the Company. The closing price of the share of the Company was HK\$0.150 on 27 February 2014. The net proceeds were intended to be used as to i) approximately HK\$16.5 million for the repayment of the indebtedness of the Group; ii) approximately HK\$16.5 million for future investments opportunities; and iii) approximately HK\$9.6 million for the general working capital of the Group.

As further detailed in the announcement of the Company dated 12 May 2014, the February Open Offer became unconditional and 139,179,601 February Offer Shares with 695,898,005 bonus shares, 150,867,613 February Offer CPS Shares with 754,338,065 bonus convertible preferred shares were issued on 13 May 2014. Up to 31 March 2015, among the net proceeds of approximately HK\$42.6 million (representing a net price of approximately HK\$0.296 per February Offer Share and approximately HK\$0.0093 per February Offer CPS Share), i) approximately HK\$16.5 million had been utilised for repayment of the indebtedness of the Group; ii) approximately HK\$16.5 million had been utilised for investment in new business; and iii) approximately HK\$9.6 million had been utilised for general working capital of the Group.

集資活動

(a) 誠如本公司日期為二零一四年二月二十七日之公告與本公司日期為二零一四年四月十六日之售股章程進一步所詳述，本公司建議公開發售（「二月份公開發售」）通過發行不少於139,173,247股及不多於165,665,906股本公司之新普通股（「二月份發售股份」）予合資格股東，認購價為每股二月份發售股份港幣0.32元，基準為於二零一四年四月十四日每持有十股現有普通股獲發一股二月份發售股份，連同每一股二月份發售股份獲派五股紅利股份之紅股發行，以集資不少於約港幣44,500,000元及不多於約港幣53,000,000元（扣除開支前）；及ii)通過發行不多於172,420,129股本公司之新可換股優先股（「二月份發售可換股優先股股份」）予合資格可換股優先股持有人，認購價為每股二月份發售可換股優先股股份港幣0.01元，按每認購一股現有二月份發售可換股優先股股份獲派五股紅利可換股優先股之基準，以集資不多於約港幣1,700,000元。董事認為，二月份公開發售將鞏固本公司資本基礎及改善其財務狀況，並相信二月份公開發售將使合資格股東有機會維持其各自於本公司所佔之股權比例，並參與本公司之未來成長和發展。於二零一四年二月二十七日，本公司股份之收市價每股港幣0.150元。所得款項淨額擬將i)約港幣16,500,000元用於償還本集團債務；ii)約港幣16,500,000元用作於未來投資機遇；及iii)約港幣9,600,000元將撥作本集團之一般營運資金。

誠如本公司於二零一四年五月十二日之公告進一步所詳述，二月份公開發售已成為無條件，並於二零一四年五月十三日，本公司已發行139,179,601股二月份發售股份（連同695,898,005股紅股）、150,867,613股二月份發售可換股優先股股份（連同754,338,065股紅利可換股優先股）。截至二零一五年三月三十一日止，所得款項淨額約港幣42,600,000元中（相當於每股二月份發售股份約港幣0.296元及每股二月份發售可換股優先股股份約港幣0.0093元之淨價）：i)約港幣16,500,000元已用於償還本集團之債務；ii)約港幣16,500,000元已用作於投資新業務；及iii)約港幣9,600,000元已撥作於本集團之一般營運資金。

(b) As further detailed in the announcement of the Company dated 9 October 2014 and the prospectus of the Company dated 28 November 2014, the Company proposed an open offer (the “December Open Offer”) to raise i) not less than approximately HK\$118.8 million and not more than HK\$123.7 million before expenses by the issue of not less than 371,147,618 and not more than 386,428,602 new ordinary shares of the Company (“December Offer Shares”) at a subscription price of HK\$0.32 per December Offer Share to qualifying shareholders on the basis of one December Offer Share for every six existing ordinary shares held on 26 November 2014 with bonus issue of seventeen bonus shares for every December Offer Share; and ii) not more than approximately HK\$4.0 million by the issue of not more than 402,313,634 new convertible preferred shares of the Company (“December Offer CPS Shares”) at a subscription price of HK\$0.01 per December Offer CPS Share to qualifying holders of convertible preferred shares on the basis of one December Offer CPS Share for every six existing convertible preferred shares held on 26 November 2014 with bonus issue of convertible preferred shares on the basis of seventeen bonus convertible preferred shares for every existing December Offer CPS Share subscribed. The Directors consider that the December Open Offer will provide the qualifying shareholders with an opportunity to maintain their respective pro rate shareholdings in the Company and to participate in the future growth and development of the Company. The closing price of the share of the Company was HK\$0.133 on 9 October 2014. The net proceeds were intended to be used as to i) approximately HK\$80.0 million for the expansion of money lending business in Hong Kong; ii) approximately HK\$20.0 million for investment(s) in and/or working capital for new business, including but not limited to, catering business in Hong Kong as and when suitable opportunities arise; and iii) approximately HK\$17.9 million for general working capital of the Group.

As further detailed in the announcement of the Company dated 18 December 2014, the December Open Offer became unconditional and 371,150,205 December Offer Shares with 6,309,553,485 bonus shares, 402,313,634 December Offer CPS Shares with 6,839,331,778 bonus convertible preferred shares were issued on 19 December 2014. Up to 31 March 2015, among the net proceeds of approximately HK\$117.9 million (representing a net price of approximately HK\$0.30716 per December Offer Share and approximately HK\$0.0097 per December Offer CPS Share), (i) HK\$80.0 million had been utilised for expansion of money lending business in Hong Kong; (ii) approximately HK\$1.5 million had been utilised for general working capital of the Group; and (iii) the rest of the net proceeds of approximately HK\$36.4 million had been placed in the bank deposits and are intended to be utilised as expansion of money lending business, investment in new business and the general working capital of the Group.

(b) 誠如本公司日期為二零一四年十月九日之公告以及本公司日期為二零一四年十一月二十八日之售股章程所進一步詳述，本公司提呈公開發售（「十二月份公開發售」）以i)按於二零一四年十一月二十六日每持有六股現有普通股獲發一股本公司之新普通股（「十二月份發售股份」）之基準，向合資格股東按認購價每股十二月份發售股份港幣0.32元發行不少於371,147,618股及不超過386,428,602股本公司之十二月份發售股份，連同每股十二月份發售股份獲發十七股紅股之紅股發行以籌集不少於約港幣118,800,000元及不超過港幣123,700,000元（扣除開支前）；及ii)按於二零一四年十一月二十六日每持有六股現有可換股優先股獲發一股本公司之新可換股優先股股份（「十二月份發售可換股優先股股份」）之基準，向可換股優先股之合資格持有人按認購價每股十二月份發售可換股優先股股份港幣0.01元發行不超過402,313,634股十二月份發售可換股優先股股份，另按每認購一股現有十二月份發售可換股優先股股份獲發十七股紅利可換股優先股之基準發行紅利可換股優先股，以籌集不超過約港幣4,000,000元。董事會認為十二月公開發售將為合資格股東提供維持彼等各自於本公司所佔之持股比例及參與本公司之未來成長及發展之機會。於二零一四年十月九日，本公司股份之收市價為港幣0.133元。所得款項淨額擬用作：i)約港幣80,000,000元將作為擴展於香港之放債業務；ii)約港幣20,000,000元將作為於任何合適機遇出現時之新業務投資及／或營運資金，包括但不限於香港飲食業務；及iii)約港幣17,900,000元將撥作本集團之一般營運資金。

誠如本公司日期為二零一四年十二月十八日之公告進一步詳述，十二月份公開發售已成為無條件，而371,150,205股十二月份發售股份連同6,309,553,485股紅股股份、402,313,634股十二月份發售可換股優先股股份連同6,839,331,778股紅利可換股優先股已於二零一四年十二月十九日獲發行。截至二零一五年三月三十一日，於所得款項淨額約港幣117,900,000元（即每股約港幣0.30716元之十二月份發售股份淨價以及每股約港幣0.0097元之十二月份發售可換股優先股股份之淨價）中，(i)港幣80,000,000元已獲動用作擴充於香港之放債業務；(ii)約港幣1,500,000元已獲動用作本集團之一般營運資金；及(iii)餘下之所得款項淨額約港幣36,400,000元已存置作為銀行存款，並擬用作擴充放債業務、投資新業務以及本集團之一般營運資金。

Management Discussion and Analysis

管理層討論及分析

CHARGE ON ASSETS

As at 31 March 2016, property, plant and equipment of HK\$Nil (2015: HK\$3.0 million) and investment properties of HK\$24.7 million (2015: HK\$24.8 million) of the Group were pledged to secure bank mortgages. As at 31 March 2016, certain area of the freehold lands with carrying value of HK\$21.4 million (2015: HK\$23.9 million) was filed with a precautionary injunction by a claimant.

CONTINGENT LIABILITIES AND LITIGATIONS

The Group's contingent liabilities and litigations at 31 March 2016 are disclosed in Notes 16 and 17 to this report.

FOREIGN EXCHANGE RISK

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

During the year ended 31 March 2016, revenue from operations was denominated mainly in Renminbi while its costs and expenses were primarily in Renminbi, Hong Kong dollars and Brazilian Reals where the Group's operations are based. The Group is exposed to potential foreign exchange risk as a result of fluctuations between those currencies that are not pegged.

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

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

HUMAN RESOURCES AND REMUNERATION POLICY

As at 31 March 2016, the Group had approximately 15 employees (2015: 15) mainly in Hong Kong, China and Brazil. The total remuneration paid by the Group to its employees (including directors) for the year was approximately HK\$5.6 million (2015: HK\$5.0 million).

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

資產抵押

於二零一六年三月三十一日，本集團價值港幣零元之物業、廠房及設備（二零一五年：港幣3,000,000元）及港幣24,700,000元之投資物業（二零一五年：港幣24,800,000元）已抵押予銀行，以取得銀行按揭。於二零一六年三月三十一日，賬面值為港幣21,400,000元（二零一五年：港幣23,900,000元）之若干永久業權土地遭申索人入稟申請預防性禁止令。

或然負債及訴訟

本集團於二零一六年三月三十一日之或然負債及訴訟已於本報告附註16及17內披露。

外匯風險

本集團之持續經營業務主要位於巴西、中國及香港。

截至二零一六年三月三十一日止年度內，來自經營業務之收入主要以人民幣計值，其成本及開支主要按本集團經營業務所在地之人民幣、港幣及巴西雷亞爾計值。本集團因該等貨幣彼此並無掛鉤所產生之匯率波動而承受潛在外匯風險。

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

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

人力資源及薪酬政策

於二零一六年三月三十一日，本集團有約15名僱員（二零一五年：15名），主要駐於香港、中國及巴西。本集團於年內支付予僱員（包括董事）之薪酬總額約為港幣5,600,000元（二零一五年：港幣5,000,000元）。

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

The board of directors (“Board”) of Sustainable Forest Holdings Limited (“Company”) has pleasure in presenting to the shareholders of the Company (“Shareholders”) its annual report together with the audited financial statements of the Company and its subsidiaries (collectively “Group”) for the year ended 31 March 2016.

PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The principal activity of the Company is investment holding. The principal activities of the subsidiaries of the Company comprise sustainable forest management; investment and leasing in natural forests; manufacturing and sales of timber products including but not limited to wooden door, furniture and wooden floor panels; leasing of properties; the business of licensed travel agent under the Travel Agents Ordinance (Chapter 218 of the Laws of Hong Kong); and money lending business pursuant to the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong). The activities of its principal subsidiaries are set out in Note 22 to the consolidated financial statements.

An analysis of the Group’s performance for the year ended 31 March 2016 by geographical and business segments is set out in Note 6 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 March 2016 are set out in the consolidated statement of profit or loss and other comprehensive income on pages 40 to 41.

The Board does not recommend any payment of final dividend for the year ended 31 March 2016 (2015: HK\$Nil per ordinary share and HK\$Nil per convertible preferred share).

FIVE-YEAR FINANCIAL SUMMARY

A financial summary of the results and the financial position of the Group for the last five financial years is set out on page 160.

BIOLOGICAL ASSETS, PROPERTY, PLANTS AND EQUIPMENT AND INVESTMENT PROPERTIES

Details of movements in the biological assets, property, plant and equipment and investment properties of the Group during the year are set out in Notes 20, 17 and 19 to the consolidated financial statements respectively.

SHARE CAPITAL

Details of movements in the share capital of the Company during the year are set out in Note 34 to the consolidated financial statements.

永保林業控股有限公司(「本公司」)之董事會(「董事會」)欣然向本公司股東(「股東」)提呈本公司及其附屬公司(統稱「本集團」)截至二零一六年三月三十一日止年度之年報連同經審核財務報表。

主要業務及業務地區分析

本公司之主要業務為投資控股，其附屬公司之主要業務包括可持續森林管理；天然森林投資及租賃；製造及銷售木材產品，包括但不限於木門、傢俱及木地板；物業租賃；根據旅行代理商條例（香港法例第218章）之持牌旅行代理業務；以及根據放債人條例（香港法例第163章）之貸款業務。其主要附屬公司之業務載於綜合財務報表附註22。

本集團截至二零一六年三月三十一日止年度按地區及業務分部分析之表現載於綜合財務報表附註6。

業績及分派

本集團截至二零一六年三月三十一日止年度之業績載於第40至41頁之綜合損益及其他全面收益表。

董事會不建議就截至二零一六年三月三十一日止年度派發任何末期股息（二零一五年：每股普通股港幣零元及每股可換股優先股港幣零元）。

五年財務概要

本集團於過去五個財政年度之業績及財務狀況之財務概要載於第160頁。

生物資產、物業、廠房及設備以及投資物業

本集團之生物資產、物業、廠房及設備以及投資物業於年內之變動詳情分別載於綜合財務報表附註20、17及19。

股本

本公司股本於年內之變動詳情載於綜合財務報表附註34。

Report of Directors

董事會報告

PRE-EMPTIVE RIGHTS

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

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities during the year ended 31 March 2016.

RESERVES

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

DISTRIBUTABLE RESERVES

On 31 March 2016, the aggregate amount of reserves available for the distribution to owner of the Company calculated in accordance with the Bermuda Companies Act 1981 (as amended) was HK\$Nil (2015: HK\$Nil).

DIRECTORS

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

Executive Directors (“Executive Director(s)”)

Mr. YEUNG Sau Chung (*appointed on 5 June 2015*)
(Chairman)
Mr. LIU Shun Chuen (*appointed on 5 June 2015*)
Mr. MUNG Wai Ming
Ms. ZHOU Jing (*resigned on 17 November 2015*)

Independent Non-Executive Directors (“Independent Non-Executive Director(s)”)

Mr. William Keith JACOBSEN
Mr. WU Wang Li
Mr. NG Wai Hung

In accordance with Bye-law 87(2) of the Bye-laws, Mr. MUNG Wai Ming and Mr. WU Wang Li shall retire from office by rotation at the forthcoming annual general meeting (“AGM”) of the Company and, being eligible, will offer themselves for re-election at the forthcoming AGM.

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

優先購買權

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

購回、出售或贖回本公司上市證券

截至二零一六年三月三十一日止年度，本公司或其任何附屬公司概無購回、出售或贖回本公司任何上市證券。

儲備

本集團於本年度之儲備變動詳情分別載於綜合財務報表附註36及綜合權益變動表。

可供分派儲備

於二零一六年三月三十一日，根據百慕達一九八一年公司法(經修訂)計算可供分派予本公司擁有人之儲備總額為港幣零元(二零一五年：港幣零元)。

董事

於年內及直至本報告日期為止之本公司董事(「董事」)如下：

執行董事(「執行董事」)

楊秀中先生(於二零一五年六月五日獲委任)
(主席)
廖信全先生(於二零一五年六月五日獲委任)
蒙偉明先生
周靜女士(於二零一五年十一月十七日辭任)

獨立非執行董事 (「獨立非執行董事」)

葉偉其先生
吳弘理先生
吳偉雄先生

根據公司細則第87(2)條，蒙偉明先生及吳弘理先生將於應屆本公司股東週年大會(「股東週年大會」)輪值退任，並合資格及願意於應屆股東週年大會膺選連任。

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

DIRECTORS' SERVICE CONTRACTS

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

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the Directors and the senior management of the Group are set out on pages 21 to 25.

DIRECTORS' INTEREST IN CONTRACTS OF SIGNIFICANCE

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

DIRECTORS' INTERESTS IN COMPETING BUSINESS

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

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

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

董事之服務合約

除法定賠償外，擬於應屆股東週年大會膺選連任之董事概無與本公司或其任何附屬公司訂立任何本集團於一年內不可在不予賠償情況下終止之服務合約。

董事及高級管理層之履歷

董事及本集團高級管理層之履歷載於第21至25頁。

董事於重大合約中之權益

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

董事於競爭業務之權益

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

董事及最高行政人員於股份及相關股份之權益及淡倉

於本報告日期，董事及本公司最高行政人員於本公司或其任何相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中，擁有根據證券及期貨條例第7及8分部須知會本公司及聯交所，或已記錄於本公司根據證券及期貨條例第352條規定所存置之登記冊，或根據上市規則附錄10所載上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所之權益或淡倉如下：

Name of Directors 董事姓名	Nature of interest 權益性質	Number and class of shares and underlying shares held 所持股份及相關股份之數目及類別	Approximate percentage of issued shares 佔已發行股份概約百分比 (Note 1) (附註1)
Mr. YEUNG Sau Chung (Note 2) 楊秀中先生 (附註 2)	Beneficial owner 實益擁有人	650,901,621	7.31%
Mr. MUNG Wai Ming ("Mr. Mung") (Note 3) 蒙偉明先生 (「蒙先生」) (附註 3)	Beneficial owner 實益擁有人	52,316,838	0.59%

Report of Directors

董事會報告

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

Notes:

1. The percentage figures were calculated based on 8,910,119,449 ordinary shares ("Shares") of the Company having a par value of HK\$0.01 each in issue as of the date of this report.
2. Mr. Yeung was the registered holder of ordinary share warrants with nominal value of HK\$54,754,149.13 and convertible preferred share warrants with nominal value of HK\$2,157,945.67 convertible into 644,166,460 and 6,735,161 underlying Shares respectively. Under Part XV of the SFO, Mr. Yeung was therefore interested and deemed to have interests in 650,901,621 underlying Shares upon exercise of the ordinary share warrants and convertible preferred share warrants.
3. Mr. Mung was entitled to share options to subscribe for a maximum of 52,316,838 Shares upon exercise of the options in full.
4. All interests stated above as at the date of this report represented long positions of Shares or underlying Shares of the Company.

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

董事及最高行政人員於股份及相關股份之權益及淡倉 (續)

附註:

1. 該等百分比數字乃根據本公司於本報告日期已發行8,910,119,449股每股面值港幣0.01元之普通股(「股份」)計算。
2. 楊先生為面值金額為港幣54,754,149.13元的普通股認股權證及面值金額為港幣2,157,945.67元的可換股優先股認股權證之登記持有人，分別可轉換為644,166,460股及6,735,161股相關股份。根據證券及期貨條例第XV部，楊先生因此於在行使普通股認股權證及可換股優先股認股權證所產生之650,901,621股相關股份中擁有及被視為擁有權益。
3. 蒙先生享有可於悉數行使時認購最多52,316,838股股份之購股權。
4. 於本報告日期，上列全部權益均為本公司股份或相關股份的好倉。

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

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

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

主要股東及其他人士於股份及相關股份之權益

於本報告日期，除董事或本公司最高行政人員外，以下人士於本公司股份或相關股份中，擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司披露，或登記在本公司根據證券及期貨條例第336條須存置之登記冊之權益或淡倉如下：

Name of Shareholders 股東姓名／名稱	Nature of interest 權益性質	Number and class of shares and underlying shares held 所持股份及相關股份之數目及類別	Approximate percentage of issued shares 佔已發行股份概約百分比 (Note 1) (附註1)
Ms. Loh Jiah Yee, Katherine ("Ms. Loh") (Note 2) 樂家宜女士(「樂女士」)(附註2)	Interest of controlled corporation 受控制法團之權益	1,294,849,338	14.53%
Mr. Lau Jack ("Mr. Lau") (Note 3) 廖家俊先生(「廖先生」)(附註3)	Interest of spouse 配偶權益	1,294,849,338	14.53%
Assure Gain International Limited ("Assure Gain") (Note 4) Assure Gain International Limited (「Assure Gain」)(附註4)	Beneficial owner/Interest of controlled corporation 實益擁有人／受控制法團之權益	1,256,270,910	14.10%
Ocean Honor Limited ("Ocean Honor") (Note 5) Ocean Honor Limited (「Ocean Honor」)(附註5)	Beneficial owner 實益擁有人	2,274,052,584	25.52%
Ms. Chan Man Ling ("Ms. Chan") (Note 6) 陳敏玲女士(「陳女士」)(附註6)	Interest of controlled corporation 受控制法團之權益	2,274,052,584	25.52%

Report of Directors

董事會報告

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

Notes:

1. The percentage figures were calculated based on 8,910,119,449 Shares in issue as of the date of this report.
2. Ms. Loh was beneficially interested in 100% of the issued share capital of Assure Gain, which held 100% of the issued share capital of Winner Global Holdings Limited ("Winner Global") and Splendid Asset Holdings Limited ("Splendid Asset") respectively. Ms. Loh was also beneficially interested in 50% of the issued share capital of Corp Insights Holdings Inc. ("Corp Insights") held through Corporate Insights Limited. Assure Gain was the registered holder of 744,508,207 Shares and 2,485,386,889 convertible preferred shares ("CPS") of the Company convertible into 77,668,340 underlying Shares; Winner Global was the registered holder of 213,360,741 Shares; Splendid Asset was the registered holder of 220,733,622 Shares; and Corp Insights was the registered holder of 1,234,509,696 CPS convertible into 38,578,428 underlying Shares. Under Part XV of the SFO, Ms. Loh was therefore deemed to have interests in 1,178,602,570 Shares and 116,246,768 underlying Shares upon conversion of the CPS in which Assure Gain, Winner Global, Splendid Asset and Corp Insights were interested.
3. Mr. Lau, being the spouse of Ms. Loh, was deemed to have an interest in the same parcel of the Shares and underlying Shares in which Ms. Loh was interested under Part XV of the SFO.
4. Assure Gain held 100% of the issued share capital of Winner Global and Splendid Asset respectively. Assure Gain was the registered holder of 744,508,207 Shares and 2,485,386,889 CPS convertible into 77,668,340 underlying Shares; Winner Global was the registered holder of 213,360,741 Shares and Splendid Asset was the registered holder of 220,733,622 Shares. Under Part XV of the SFO, Assure Gain was therefore interested and deemed to have interests in 1,178,602,570 Shares and 77,668,340 underlying Shares upon conversion of CPS in which itself, Winner Global and Splendid Asset were interested.
5. Ocean Honor was the registered holder of 2,194,847,088 Shares and 2,534,575,896 CPS convertible into 79,205,496 underlying Shares. Under Part XV of the SFO, Ocean Honor was therefore interested and deemed to have interests in 2,194,847,088 Shares and 79,205,496 underlying Shares upon conversion of the CPS.
6. Ms. Chan was beneficially interested in 100% of the issued share capital of Ocean Honor. Under Part XV of the SFO, Ms. Chan was therefore deemed to have interests in 2,274,052,584 Shares in which Ocean Honor was interested.
7. All interests stated above as at the date of this report represented long positions of Shares or underlying Shares of the Company.

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

主要股東及其他人士於股份及相關股份之權益 (續)

附註:

1. 該等百分比數字乃根據於本報告日期已發行8,910,119,449股股份計算。
2. 樂女士實益擁有Assure Gain已發行股本之全部權益，而Assure Gain分別持有Winner Global Holdings Limited (「Winner Global」)及Splendid Asset Holdings Limited (「Splendid Asset」)已發行股本之全部權益。樂女士亦通過Corporate Insights Limited持有Corp Insights Holdings Inc. (「Corp Insights」)已發行股本之50%實益權益。Assure Gain登記持有744,508,207股股份及可兌換為77,668,340股相關股份之2,485,386,889股本公司可換股優先股(「可換股優先股」)；Winner Global登記持有213,360,741股股份；Splendid Asset登記持有220,733,622股股份；而Corp Insights則登記持有可兌換為38,578,428股相關股份之1,234,509,696股可換股優先股。根據證券及期貨條例第XV部，樂女士因此被視為於Assure Gain、Winner Global、Splendid Asset及Corp Insights所擁有之1,178,602,570股股份及可換股優先股獲兌換而產生之116,246,768股相關股份中擁有權益。
3. 廖先生為樂女士之配偶，根據證券及期貨條例第XV部被視為於樂女士所擁有權益之同一批股份及相關股份中擁有權益。
4. Assure Gain分別擁有Winner Global及Splendid Asset已發行股本之全部權益。Assure Gain登記持有744,508,207股股份及可兌換為77,668,340股相關股份之2,485,386,889股可換股優先股；Winner Global登記持有213,360,741股股份及Splendid Asset登記持有220,733,622股股份。根據證券及期貨條例第XV部，Assure Gain因此自身擁有及被視為於Winner Global及Splendid Asset所擁有的上述1,178,602,570股股份及可換股優先股獲兌換而產生之77,668,340股相關股份中擁有權益。
5. Ocean Honor為2,194,847,088股股份以及2,534,575,896份可換股優先股(可兌換為79,205,496股相關股份)之註冊持有人。根據證券及期貨條例第XV部，Ocean Honor因此於2,194,847,088股股份中及於可換股優先股兌換時之79,205,496股相關股份擁有權益或被視作擁有權益。
6. 陳女士實益擁有Ocean Honor全部已發行股本。根據證券及期貨條例第XV部，陳女士被視為於Ocean Honor擁有權益之2,274,052,584股股份中擁有權益。
7. 於本報告日期，上列全部權益均為本公司股份或相關股份的好倉。

除上文披露者外，於本報告日期，本公司並無獲悉任何其他人士(董事或本公司最高行政人員除外)於本公司之股份或相關股份中，擁有根據證券及期貨條例第XV部第2及3分部之條文須向本公司披露，或記錄於本公司根據證券及期貨條例第336條規定所存置之登記冊之權益或淡倉。

DIRECTORS' RIGHT TO ACQUIRE SECURITIES

Save as disclosed in the paragraph headed "Directors' and Chief Executive's Interests and Short Positions in Shares and Underlying Shares" above, during the year ended 31 March 2016, none of the Director nor the chief executive of the Company had been granted any right to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporation and none of the Directors, their respective spouses nor their respective children under the age of 18 had any right to subscribe for the securities of the Company or had exercised any such rights.

SHARE OPTION SCHEME

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

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

Name 姓名	Nature of interest 權益性質	Number of share options 購股權數目						Date of grant 授出日期	Exercise period 行使期	Exercise price per share 每股行使價
		Outstanding at 1 April 2015 於二零一五年 四月一日 尚未行使	Granted 已授出	Exercised 已行使	Lapsed 已失效	Outstanding at 31 March 2016 於二零一六年 三月三十一日 尚未行使				
Directors 董事										
Ms. ZHOU Jing 周靜女士	Personal 個人	52,316,838	-	-	(52,316,838)	-	30 August 2013 二零一三年八月三十日	30 August 2013 to 29 August 2023 二零一三年八月三十日至 二零二三年八月二十九日	HK\$0.085 港幣 0.085元	
Mr. MUNG Wai Ming 蒙偉明先生	Personal 個人	52,316,838	-	-	-	52,316,838	30 August 2013 二零一三年八月三十日	30 August 2013 to 29 August 2023 二零一三年八月三十日至 二零二三年八月二十九日	HK\$0.085 港幣 0.085元	
Sub-total 小計		104,633,676	-	-	-	52,316,838				

董事購買證券之權利

除上文「董事及最高行政人員於股份及相關股份之權益及淡倉」一段所披露者外，於截至二零一六年三月三十一日止年度，董事及本公司最高行政人員並無獲授予任何權利可藉收購本公司或任何其他法團之股份或債券而獲益，且董事或彼等各自之配偶或彼等各自未滿18歲之子女概無擁有任何認購本公司證券之權利，亦無行使任何該等權利。

購股權計劃

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

於年內，根據購股權計劃之購股權變動如下：

Report of Directors

董事會報告

SHARE OPTION SCHEME (Continued)

購股權計劃 (續)

Name 姓名	Nature of interest 權益性質	Number of share options 購股權數目				Outstanding at 31 March 2016 於二零一六年三月三十一日 尚未行使	Date of grant 授出日期	Exercise period 行使期	Exercise price per share 每股行使價
		Outstanding at 1 April 2015 於二零一五年四月一日 尚未行使	Granted 已授出	Exercised 已行使	Lapsed 已失效				
Employees and other participants 僱員及其他參與者		117,731	-	-	-	117,731	13 January 2010 二零一零年一月十三日	13 January 2011 to 12 January 2020 二零一一年一月十三日至 二零二零年一月十二日	HK\$1.497 港幣 1.497元
		117,731	-	-	-	117,731	13 January 2010 二零一零年一月十三日	13 January 2011 to 12 January 2020 二零一一年一月十三日至 二零二零年一月十二日	HK\$1.497 港幣 1.497元
		117,731	-	-	-	117,731	13 January 2010 二零一零年一月十三日	13 January 2013 to 12 January 2020 二零一三年一月十三日至 二零二零年一月十二日	HK\$1.497 港幣 1.497元
		176,331	-	-	-	176,331	7 May 2010 二零一零年五月七日	13 January 2011 to 6 May 2020 二零一一年一月十三日至 二零二零年五月六日	HK\$1.131 港幣 1.131元
		176,331	-	-	-	176,331	7 May 2010 二零一零年五月七日	13 January 2013 to 6 May 2020 二零一三年一月十三日至 二零二零年五月六日	HK\$1.131 港幣 1.131元
		176,333	-	-	-	176,333	7 May 2010 二零一零年五月七日	13 January 2013 to 6 May 2020 二零一三年一月十三日至 二零二零年五月六日	HK\$1.131 港幣 1.131元
		125,565	-	-	-	125,565	14 September 2010 二零一零年九月十四日	14 September 2010 to 27 November 2019 二零一零年九月十四日至 二零一九年十一月二十七日	HK\$0.597 港幣 0.597元
Sub-total 小計		1,007,753	-	-	-	1,007,753			
Total 總計		105,641,429	-	-	(52,316,838)	53,324,591			

Notes:

- The closing price of the Shares immediately before the date on which the options were granted on 13 January 2010 was HK\$0.950.
- The closing price of the Shares immediately before the date on which the options were granted on 7 May 2010 was HK\$0.700.
- The closing price of the Shares immediately before the date on which the options were granted on 14 September 2010 was HK\$0.385.
- The closing price of the Shares immediately before the date on which the options were granted on 18 February 2011 was HK\$0.415.
- The closing price of the Share immediately before the date on which the options were granted on 30 August 2013 was HK\$0.034.

附註:

- 股份於緊接購股權於二零一零年一月十三日授出當日之收市價為港幣0.950元。
- 股份於緊接購股權於二零一零年五月七日授出當日之收市價為港幣0.700元。
- 股份於緊接購股權於二零一零年九月十四日授出當日之收市價為港幣0.385元。
- 股份於緊接購股權於二零一一年二月十八日授出當日之收市價為港幣0.415元。
- 股份於緊接購股權於二零一三年八月三十日授出當日之收市價為港幣0.034元。

SHARE OPTION SCHEME (Continued)

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

(a) Purposes

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

(b) Eligible Participants

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

(c) Maximum number of shares

The maximum number of Shares which may be issued upon exercise of all options granted and to be granted under the Share Option Scheme must not exceed 10% of the total number of issued Shares as at the date of passing the ordinary resolution on 11 April 2012 (being the date on which the mandate limit of the Share Option Scheme was refreshed). The total number of Shares which may be issued upon exercise of all options granted is 53,324,591, which represented approximately 0.60% of the total number of issued ordinary Shares of the Company as at the date of this report for the year ended 31 March 2015.

(d) Maximum entitlement of each Eligible Participant

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

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

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

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

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

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

購股權計劃 (續)

購股權計劃條款概要如下：

(a) 目的

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

(b) 合資格參與者

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

(c) 股份數目上限

因購股權計劃項下已授出及將授出購股權獲悉數行使而可予發行之股份數目上限不得超過普通決議案於二零一二年四月十一日（即購股權計劃之授權限額獲更新當日）獲通過當日已發行股份總數之10%。已授出購股權獲悉數行使而可予發行之股份總數為53,324,591股，佔截至二零一五年三月三十一日止年度之本報告日期本公司已發行之普通股總數約0.60%。

(d) 各合資格參與者之權益上限

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

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

(e) 必須根據購股權承購股份之期間

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

(f) 必須持有購股權之最短期間（如有）

購股權計劃中概無指定行使前須持有購股權之最短期間。

Report of Directors

董事會報告

SHARE OPTION SCHEME (Continued)

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

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

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

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

(i) Validity of the Share Option Scheme

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

MANAGEMENT CONTRACT

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

MAJOR CUSTOMERS AND SUPPLIERS

During the year, sales to the Group's five largest customers accounted for approximately 92.6% of the total sales for the year and sales to the largest customer included therein amounted to 42.2%. The Group had only one supplier which accounted for 100% of the total purchases for the year.

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

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this report, there is sufficient public float of more than 25% of the Company's issued shares as required under the Listing Rules.

AUDITOR

The consolidated financial statements for the year ended 31 March 2016 were audited by Crowe Horwath (HK) CPA Limited ("Crowe Horwath") who retire and, being eligible, offer itself for reappointment at the forthcoming AGM of the Company.

On Behalf of the Board

YEUNG Sau Chung
Chairman

Hong Kong, 30 June 2016

購股權計劃 (續)

(g) 購股權可供接納期間及於接納時應付之款項

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

(h) 釐定購股權認購價之基準

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

(i) 購股權計劃之有效期

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

管理合約

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

主要客戶及供應商

於年內，本集團五大客戶之銷售額佔年內總銷售額約92.6%，其中最大客戶之銷售額佔年內總銷售額42.2%。本集團之唯一供應商佔年內總採購額之100%。

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

足夠之公眾持股量

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

核數師

截至二零一六年三月三十一日止年度之綜合財務報表由國富浩華(香港)會計師事務所有限公司(「國富浩華」)審核，其將任滿告退，惟符合資格並表示願意於應屆本公司股東週年大會接受續聘。

代表董事會

主席
楊秀中

香港，二零一六年六月三十日

Biographical Details of Directors and Senior Management

董事及高級管理層履歷

DIRECTORS

Executive Directors

Mr. YEUNG Sau Chung

Mr. YEUNG Sau Chung, aged 50, joined the Group in June 2015 as an Executive Director and a member of the Executive Committee. He has more than 20 years experience in research and analysis of investment portfolios and in risk management. He holds a Bachelor of Arts degree in Accountancy from City University of Hong Kong. Mr. Yeung will be responsible for the overall management of the Company. Mr. Yeung was an executive director of Qingdao Holdings International Limited (formerly known as HyComm Wireless Limited, Stock Code: 499) and resigned on 20 November 2014.

Mr. LIU Shun Chuen

Mr. LIU Shun Chuen, aged 52, joined the Group in June 2015 as an Executive Director and a member of the Executive Committee. He holds a Bachelor of Science degree in Business Administration from San Francisco State University, United States of America, and a Bachelor degree in Estate Management from University of Reading, United Kingdom. He has more than 15 years experience in property development and investment in Hong Kong and the PRC. Mr. Liu will be responsible for the overall corporate strategy of the Company. Mr. Liu was an executive director of Qingdao Holdings International Limited (formerly known as HyComm Wireless Limited, Stock Code: 499) and resigned on 27 September 2014.

Mr. MUNG Wai Ming

Mr. MUNG Wai Ming, aged 53, joined the Group in January 2013 as an Executive Director and a member of the Executive Committee. Mr. Mung has more than 20 years' experience in property and car park management. He has accumulated extensive concept in the operation management from his operation in different industries. Mr. Mung worked in various industries including property trading, financing, wedding witnesses, club management, car park operation and foot massage etc. Mr. Mung is the chairman of Eli Car Park Ltd. and director of Pure Massage Group Ltd. He was an executive director of Perception Digital Holdings Limited (currently known as Hongda Financial Holdings Limited, stock code: 1822) and resigned in August 2014. He devotes himself in charity and was elected as the member of the sixth standing committee of the Overseas Congress of Yue Xiu District of Guangzhou, member of the forth standing committee of the Overseas Congress of Qingxin District of Qingyuan, member of Friends of Qing Yuan Association (H.K.) Ltd. and founding chairman of International Industry and Commerce Experts Association Ltd. Save as disclosed above, Mr. Mung did not hold any other directorships in any other publicly listed companies in the last three years and does not have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company. Mr. Mung is not a director or employee of a company which has an interest in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

董事

執行董事

楊秀中先生

楊秀中先生，50歲，於二零一五年六月加入本集團，出任執行董事及執行委員會成員。彼具有逾二十年投資組合及風險管理研究及分析經驗。彼持有香港城市大學會計學文學士學位。楊先生將負責本公司之整體管理。楊先生曾任青島控股國際有限公司（前稱華脈無線通信有限公司，股份代號：499）的執行董事，並已於二零一四年十一月二十日辭任。

廖信全先生

廖信全先生，52歲，於二零一五年六月加入本集團，出任執行董事及執行委員會成員。彼持有美國三藩市州立大學工商管理學士學位及英國University of Reading物業管理學士學位。彼具有逾十五年香港及中國物業發展和投資經驗。廖先生將負責本公司之整體公司策略。廖先生曾任青島控股國際有限公司（前稱華脈無線通信有限公司，股份代號：499）的執行董事，並已於二零一四年九月二十七日辭任。

蒙偉明先生

蒙偉明先生，53歲，於二零一三年一月加入本集團，出任執行董事及執行委員會成員。蒙先生於地產及停車場管理方面擁有超過二十年經驗，同時在經營不同行業過程中，也累積豐富的營運管理概念。曾從事之行業包括物業買賣、財務融資、婚禮證婚、會所管理、停車場營運及足浴按摩等。蒙先生任職伊利停車場有限公司董事長及足君好集團有限公司董事。彼曾任幻音數碼控股有限公司（現稱弘達金融控股有限公司，股份代號：1822）之執行董事，並已於二零一四年八月辭任。蒙先生熱心公益，當選為廣州越秀海外聯誼會第六屆理事會常務理事、清遠清新縣海外聯誼會第四屆理事會常務理事、香港清遠友好協進會成員及香港國際工商業精英聯合會創會主席。除上文披露者外，蒙先生於過去三年並無於任何其他上市公司出任任何其他董事職位，且與本公司任何其他董事、高級管理層或主要或控股股東概無任何關係。蒙先生並非一間於本公司股份及相關股份中，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權益之公司之董事或員工。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷

DIRECTORS (Continued)

Independent Non-Executive Directors

Mr. William Keith JACOBSEN

Mr. William Keith JACOBSEN, aged 50, joined the Group in January 2013 as an Independent Non-Executive Director. He is also the chairman and a member of each of the audit committee ("Audit Committee"), the remuneration committee ("Remuneration Committee") and the nomination committee ("Nomination Committee") of the Board of the Company. Mr. Jacobsen is the managing director of a licensed corporation to advise on corporate finance matters. He has more than 20 years of experience in corporate finance and business development. Mr. Jacobsen is an independent non-executive director of abc Multiactive Limited (stock code: 8131). He was the executive director of Auto Italia Holdings Limited (formerly known as Wo Kee Hong (Holdings) Limited, stock code: 720) and resigned in October 2015. He was the independent non-executive director of Perception Digital Holdings Limited (currently known as Hongda Financial Holdings Limited, stock code: 1822) and resigned in August 2014, and of HyComm Wireless Limited (currently known as Qingdao Holdings International Limited, stock code: 499) and resigned in September 2014, and of China Financial Leasing Group Limited (stock code: 2312) and resigned in April 2015. He was also an independent non-executive director of King Stone Energy Group Limited (stock code: 663) for the period from 26 September 2008 to 30 September 2011. Save as disclosed above, Mr. Jacobsen did not hold any other directorships in any other publicly listed companies in the last three years and does not have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company. Mr. Jacobsen is not a director or employee of a company which has an interest in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

董事 (續)

獨立非執行董事

葉偉其先生

葉偉其先生，50歲，於二零一三年一月加入本集團，出任獨立非執行董事。彼亦分別為本公司董事會之審核委員會（「審核委員會」）、薪酬委員會（「薪酬委員會」）及提名委員會（「提名委員會」）之主席及成員。葉先生於為機構融資事項提供意見之持牌法團出任常務董事。彼於企業財務及業務擴展方面具有超過20年經驗。葉先生為辰罡科技有限公司（股份代號：8131）之獨立非執行董事。彼曾任意達利控股有限公司（前稱和記行（集團）有限公司，股份代號：720）之執行董事，並於二零一五年十月辭任。彼曾任幻音數碼控股有限公司（現稱弘達金融控股有限公司，股份代號1822）及華脈無線通信有限公司（現稱青島控股國際有限公司，股份代號：499）及中國金融租賃集團有限公司（股份代號：2312）之獨立非執行董事，並分別於二零一四年八月、二零一四年九月及二零一五年四月辭任。由二零零八年九月二十六日至二零一一年九月三十日止期間，葉先生亦曾任金山能源集團有限公司（股份代號：663）之獨立非執行董事。除上文披露者外，葉先生於過去三年並無於任何其他上市公司出任任何其他董事職位，且與本公司任何其他董事、高級管理層或主要或控股股東概無任何關係。葉先生並非一間於本公司股份及相關股份中，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權益之公司之董事或員工。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷

DIRECTORS (Continued)

Independent Non-Executive Directors (Continued)

Mr. WU Wang Li

Mr. WU Wang Li, aged 42, joined the Group in January 2013 as an Independent Non-Executive Director. He is also a member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee. He obtained his bachelor of commerce degree from Deakin University, and has over 14 years of experience in auditing and accounting profession and consulting services. Mr. Wu is a director of Skywise Consultants Limited and is admitted to the status of Certified Practising Accountant of CPA Australia. Currently, Mr. Wu is the director of Skywise Consultants Limited. He was appointed as an independent non-executive director on several listed companies in main board and growth enterprise market in Hong Kong. He has appropriate accounting and related financial management expertise as required under Rule 3.10(2) of the Listing Rules by virtue of his experience in accounting and financial consulting services. Mr. Wu was the independent non-executive director of Hao Wen Holdings Limited (formerly known as Everpride Biopharmaceutical Company Limited) (stock code: 8019), King Stone Energy Group Limited (formerly known as Yun Sky Chemical (International) Holdings Limited) (stock code: 663), Talent Property Group Limited (formerly known as Tomorrow International Holdings Limited) (stock code: 760) and Qingdao Holdings International Limited (formerly known as HyComm Wireless Limited, stock code: 499) and resigned in July 2009, January 2010, January 2011 and September 2014 respectively. Save as disclosed above, Mr. Wu did not hold any other directorships in any other publicly listed companies in the last three years and does not have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company. Mr. Wu is not a director or employee of a company which has an interest in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

董事(續)

獨立非執行董事(續)

吳弘理先生

吳弘理先生，42歲，於二零一三年一月加入本集團，出任獨立非執行董事。彼亦分別為審核委員會、薪酬委員會及提名委員會之成員。彼獲Deakin University頒授商學士學位，於核數與會計專業及顧問服務方面積逾14年經驗。吳先生為Skywise Consultants Limited之董事，並已取得澳洲執業會計師資格。現時，吳先生為Skywise Consultants Limited之董事。彼獲委任為多家香港主板及創業板上市公司之獨立非執行董事，並基於彼在會計及財務顧問服務方面之經驗而符合上市規則第3.10(2)條所規定適當會計及相關財務管理專業人士之資格。吳先生曾任皓文控股有限公司（前稱中遠威生物製藥有限公司，股份代號：8019）、金山能源集團有限公司（前稱南嶺化工（國際）控股有限公司，股份代號：663）、新天地產集團有限公司（前稱明日國際集團有限公司，股份代號：760）及青島控股國際有限公司（前稱華脈無線通信有限公司，股份代號：499）之獨立非執行董事，並分別於二零零九年七月、二零一零年一月、二零一一年一月及二零一四年九月辭任。除上文披露者外，吳先生於過去三年並無於任何其他上市公司出任任何其他董事職位，且與本公司任何其他董事、高級管理層或主要或控股股東概無任何關係。吳先生並非一間於本公司股份及相關股份中，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權益之公司之董事或員工。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷

DIRECTORS (Continued)

Independent Non-Executive Directors (Continued)

Mr. NG Wai Hung

Mr. NG Wai Hung, aged 53, joined the Group in February 2013 as an Independent Non-Executive Director. He is also a member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee. He is a practising solicitor and a partner in lu, Lai & Li, a Hong Kong firm of solicitors. Mr. Ng practises in the areas of securities law, corporate law and commercial law in Hong Kong. Mr. Ng is also an independent non-executive director of four companies listed on Stock Exchange, namely Fortune Sun (China) Holdings Limited (stock code: 352), Gome Electrical Appliances Holding Limited (stock code: 493), Trigiant Group Limited (stock code: 1300) and Tech Pro Technology Development Limited (stock code: 3823). Mr. Ng was also an independent non-executive director of Yun Sky Chemical (International) Holdings Limited (currently known as King Stone Energy Group Limited, stock code: 663), KTP Holdings Limited (currently known as Ares Asia Limited, stock code: 645), Tomorrow International Holdings Limited (currently known as Talent Property Group Limited, stock code: 760), Perception Digital Holdings Limited (currently known as Hongda Financial Holdings Limited, stock code: 1822) and HyComm Wireless Limited (currently known as Qingdao Holdings International Limited, stock code: 499) and resigned in February 2010, February 2011, January 2012, August 2014 and September 2014, respectively. Save as disclosed above, Mr. Ng did not hold any other directorships in any other publicly listed companies in the last three years and does not have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company. Mr. Ng is not a director or employee of a company which has an interest in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

SENIOR MANAGEMENT

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

Mr. Jairo Alfonso RAMOS SUAREZ, aged 45, is the vice president of field operations of the Group. He joined the Group in November 2009. Mr. Ramos Suarez is a trained mechanical engineer, has more than 16 years of experience in production, maintenance programming, quality control, mechanical design, marketing and procurement in tropical timber products and other materials. Mr. Ramos Suarez was in charge of trading of forest products for a private Colombian company in Shanghai, China from 2006 to 2008. Mr. Ramos Suarez is responsible for the field operations in Acre. Save as disclosed above, Mr. Ramos Suarez did not hold any other directorships in any other publicly listed companies in the last three years and does not have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company. Mr. Ramos Suarez is not a director or employee of a company which has an interest in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

董事 (續)

獨立非執行董事 (續)

吳偉雄先生

吳偉雄先生，53歲，於二零一三年二月加入本集團，出任獨立非執行董事。彼亦分別為審核委員會、薪酬委員會及提名委員會之成員。彼為一名執業律師，並為香港姚黎李律師行之合夥人。吳先生提供之服務範圍包括香港之證券法、公司法及商業法。吳先生亦為四家聯交所上市公司之獨立非執行董事，該六家公司分別為富陽（中國）控股有限公司（股份代號：352）、國美電器控股有限公司（股份代號：493）、俊知集團有限公司（股份代號：1300）及德普科技發展有限公司（股份代號：3823）。吳先生亦曾任南嶺化工（國際）控股有限公司（現稱金山能源集團有限公司，股份代號：663）、港台集團有限公司（現稱安域亞洲有限公司，股份代號：645）、明日國際集團有限公司（現稱新天地產集團有限公司，股份代號：760）、幻音數碼控股有限公司（現稱弘達金融控股有限公司，股份代號：1822）及華脈無線通信有限公司（現稱青島控股國際有限公司，股份代號：499）之獨立非執行董事，並已分別於二零一零年二月、二零一一年二月、二零一二年一月、二零一四年八月及二零一四年九月辭任。除上文披露者外，吳先生於過去三年並無於任何其他上市公司出任任何其他董事職位，且與本公司任何其他董事、高級管理層或主要或控股股東概無任何關係。吳先生並非一間於本公司股份及相關股份中，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權益之公司之董事或員工。

高級管理層

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

Jairo Alfonso RAMOS SUAREZ先生，45歲，本集團現場作業副總裁，於二零零九年十一月加入本集團。Ramos Suarez先生為曾接受訓練之機械工程師，於生產、維修規劃、質量控制、機械設計、營銷及採購熱帶木材產品和其他材料具備逾16年經驗。自二零零六年至二零零八年，Ramos Suarez先生於中國上海主管一家哥倫比亞私人公司之森林產品貿易業務。彼負責阿克里州之現場作業。除上文披露者外，Ramos Suarez先生於過去三年並無於任何其他上市公司出任任何其他董事職位，且與本公司任何其他董事、高級管理層或主要或控股股東概無任何關係。Ramos Suarez先生並非一間於本公司股份及相關股份中，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權益之公司之董事或員工。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷

SENIOR MANAGEMENT (Continued)

Mr. Fabio Levi VIDIGAL

Mr. Fabio Levi VIDIGAL, aged 35, joined the Group in March 2011 as accounting and tax manager in Brazil. Since March 2012, Mr. Vidigal has been serving as the legal representative of the Group's subsidiary in Brazil. He also proactively participated in the Group's forestry operation in Acre, Rondonia and Para, running corporate and tax matters from Brazil headquarters in São Paulo. Mr. Vidigal has graduated with an international trade diploma and he holds a MBA in Tax Law from Fundação Getulio Vargas and is also a chartered accountant affiliated to the CRC São Paulo Chapter. He has experience in working for multinational companies, having a managerial role at Lufthansa tax department in Brazil. Save as disclosed above, Mr. Vidigal did not hold any directorships in any other publicly listed companies in the last three years and does not have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company. Mr. Vidigal is not a director or employee of a company which has an interest in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Mr. Bruno DI GIULIO

Mr. Bruno DI GIULIO, aged 40, was the Group's Legal Counsel (Brazil affairs) and rejoined the Group in September 2014 as the Group's Head of Brazil. He sits in our Hong Kong headquarters overseeing all subjects related to our Brazil operation. Mr. Di Giulio is a Brazilian qualified Lawyer with more than 10 years of experience in corporate and litigation matters. He has more than 5 years experience in the forestry sector alone and in investments in Asia-Brazil market. Prior to rejoining our Group, Mr. Di Giulio headed the Brazil Desk at a leading Law firm in Hong Kong. Save as disclosed above, Mr. Di Giulio did not hold any directorships in any other publicly listed companies in the last three years and does not have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company. Mr. Di Giulio is not a director or employee of a company which has an interest in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

高級管理層 (續)

Fabio Levi VIDIGAL先生

Fabio Levi VIDIGAL先生，35歲，於二零一一年三月加盟本集團並於巴西擔任會計及稅務經理之職。自二零一二年三月起，Vidigal先生一直作為本集團於巴西之附屬公司之法定代表。彼亦積極參與本集團於巴西阿克里州、朗多尼亞州及帕拉州之林業經營、巴西聖保羅總部之企業運作以及稅務事務。業並取得國際貿易高級文憑，彼持有Fundação Getulio Vargas稅法工商管理碩士學位，彼亦為CRC São Paulo Chapter之特許會計師。彼曾於多家跨國公司工作，亦於巴西Lufthansa稅務部門擔任管理職務。除上文披露者外，Vidigal先生於過去三年並無於任何其他上市公司出任任何其他董事職位，且與本公司任何其他董事、高層管理人員或主要或控股股東概無任何關係。Vidigal先生並非任何於本公司股份及相關股份擁有權益而須根據證券及期貨條例第XV部第2及3分部之條文向本公司作出披露之公司董事或僱員。

Bruno DI GIULIO先生

Bruno DI GIULIO先生，40歲，曾為本集團之法律顧問（巴西事務）並於二零一四年九月重新加盟本集團，擔任本集團之巴西總監。彼常駐於本集團香港總部，監察有關本集團巴西經營之所有事務。Di Giulio先生為一名巴西合資格律師，積逾10年企業及訴訟經驗。彼於林業業務以及巴西亞洲市場投資積逾5年經驗。於重新加盟本集團前，Di Giulio先生於一間香港律師行領導巴西部。除上文披露者外，Di Giulio先生於過去三年並無於任何其他上市公司出任任何其他董事職位，且與本公司任何其他董事、高層管理人員或主要或控股股東概無任何關係。Di Giulio先生並非任何於本公司股份及相關股份擁有權益而須根據證券及期貨條例第XV部第2及3分部之條文向本公司作出披露之公司董事或僱員。

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE PRACTICES

During the year ended 31 March 2016, the Company has applied the principles of, and complied with, the applicable code provisions of the Corporate Governance Code (“the CG Code”) as set out in Appendix 14 to the Listing Rules, except for the deviations mentioned below:

Code Provision A.2.1

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

On 6 April 2011, Mr. LEUNG Chau Ping, Paul was re-designated from the position as an executive director of the Company to a non-executive director and resigned as the CE. Since then and to up the date of this report, the position of the CE has not been appointed. During the current financial year and up to 17 November 2015, Ms. ZHOU Jing acted as the Chairman. After the resignation of Ms. ZHOU on 17 November 2015, the Chairman was acted by Mr. YEUNG Sau Chung. During the current financial year when no CE was appointed, the functions of the CE have been performed by the Executive Directors with the assistance of the management of the Company. The Board considers that such structure does not impair the balance of power and authority between the Board and the management of the Company. The Board will however regularly review the effectiveness of this structure to ensure that such structure is appropriate in view of the Group’s prevailing circumstances.

Code Provision A.6.7

Under Code Provision A.6.7, independent non-executive directors and non-executive directors should attend general meetings. However, Mr. WU Wang Li was unable to attend the annual general meeting held on 1 September 2015 in Hong Kong as he had another business engagement.

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

企業管治常規

本公司於截至二零一六年三月三十一日止年度已應用並一直遵守上市規則附錄十四企業管治守則（「企業管治守則」）所載之適用守則條文，惟下文所述偏離情況除外：

守則條文A.2.1

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

於二零一一年四月六日，梁秋平先生由本公司執行董事調任為非執行董事，並辭任行政總裁職務。自截至本報告日期，行政總裁一職尚未委任。於本財政年度及直至二零一五年十一月十七日，周靜女士擔任主席。自周女士於二零一五年十一月十七日辭任後，主席職位由楊秀中先生擔任。於本財政年度行政總裁職位懸空期間，行政總裁之職務於本公司管理層之協助下由執行董事履行。董事會認為，此架構並不影響董事會與本公司管理層之權力及授權平衡。然而，董事會將定期檢討此架構之成效，以確保此架構適用於本集團當前情況。

守則條文A.6.7

根據守則條文A.6.7，獨立非執行董事及非執行董事須出席股東大會。然而，由於須處理其他事務，吳弘理先生無法出席於二零一五年九月一日在香港舉行之股東週年大會。

本公司定期檢討其企業管治常規，確保其繼續符合守則條文之規定。

THE BOARD OF DIRECTORS

Board Composition

As at 31 March 2016, the Board comprised six Directors in total, with three Executive Directors and three Independent Non-Executive Directors.

Executive Directors:

Mr. YEUNG Sau Chung (*Chairman*)
Mr. LIU Shun Chuen
Mr. MUNG Wai Ming

Independent Non-Executive Directors:

Mr. William Keith JACOBSEN
Mr. WU Wang Li
Mr. NG Wai Hung

There is no family or other material relationship (including financial and business) among members of the Board. Composition of the Board including the names and categories of Directors, is set out on page 2. The brief biographical details of each Director are set out in the section headed “Biographical Details of Directors and Senior Management” on pages 21 to 25. Each Director possesses the necessary expertise and experience and provides checks and balances for safeguarding the interests of the Group and the Shareholders as a whole. The Company has during the year ended 31 March 2016 maintained a balanced board composition.

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

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

董事會

董事會架構

於二零一六年三月三十一日，董事會共有六名董事，包括三名執行董事及三名獨立非執行董事。

執行董事：

楊秀中先生 (主席)
廖信全先生
蒙偉明先生

獨立非執行董事：

葉偉其先生
吳弘理先生
吳偉雄先生

董事會成員彼此之間概無家族或其他重大關係 (包括財務與業務)。董事會之架構 (包括董事姓名及類別) 載於第2頁。各董事之履歷載於第21頁至25頁「董事及高級管理層履歷」一節。各董事均擁有所需專業知識及經驗，可收互相制衡之效，以保障本集團及股東整體利益。本公司於截至二零一六年三月三十一日止年度維持權力均衡之董事會。

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

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

Corporate Governance Report

企業管治報告

Board Meetings

The Board conducts meetings on a regular basis and on an ad hoc basis of at least four times a year to discuss the overall strategy as well as the operation and financial performance of the Group, and to review and approve the Group's annual and interim results. Board members are provided with all agendas and adequate information for their review at least 3 days before the meetings. After the meeting, draft minutes are circulated to all Directors for comments before confirmation and sign-off. Minutes of board meetings and meetings of board committees are kept by the company secretary of the Company ("Company Secretary") and are available for inspection by any Director at any reasonable time on reasonable notice. Each Director is entitled to seek independent professional advice under appropriate circumstances at the expense of the Company. During the year, 5 physical board meetings were held by way of telephone conference. Attendance of each Director at the board meetings is set out in the paragraph headed "Board Committees" below.

Responsibilities of the Board and Delegation of Work

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

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

Directors' and Officers' Liability Insurance

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

Continuous Professional Development of Directors

All members of the Board have participated in continuous professional development through internal training provided by the Company on various areas including, but not limited to, the connected transaction, the Model Code and the duties and responsibilities of Directors, so as to ensure that they have appropriate understanding of the business and operations of the Group as well as fully aware of the responsibilities and obligations under the Listing Rules and the relevant regulatory requirements.

董事會會議

董事會每年舉行不少於四次的定期會議及特別會議，以商討整體策略以及本集團之營運及財務表現，並審閱及批准本集團全年及中期業績。董事會成員將於會議舉行時間至少三日前獲得提供全部議程及充足資料，以供彼等審閱。會議結束後，會議記錄初稿於落實及簽核前將發送予全體董事傳閱及提出意見。董事會會議記錄及董事委員會會議記錄均由本公司之公司秘書（「公司秘書」）保管，可供任何董事在提出合理通知後於任何合理時間內查閱。各董事有權於適當情況下尋求獨立專業意見，費用由本公司支付。於本年度，董事會曾以電話會議方式舉行五次會議。各董事出席董事會會議之情況載於下文「董事委員會」一段。

董事會之職責及指派工作

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

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

董事及高級人員責任保險

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

董事之持續專業發展

董事會所有成員均已透過本公司所提供內部培訓參與各方面之持續專業發展，當中包括但不限於關連交易、標準守則以及董事之職責及責任，以確保其充分瞭解本集團之業務及運作並保證彼等完全知悉於上市規則及相關監管要求項下之責任及義務。

The Directors are regularly briefed on the amendments to or updates on the relevant laws, rules and regulations. In addition, the Company has been encouraging the Directors and senior executives to enroll in a wide range of professional development courses and seminars relating to the Listing Rules, companies ordinance/act and corporate governance practices organised by professional bodies, independent auditors and/or chambers in Hong Kong so that they can continuously update and further improve their relevant knowledge and skills. From time to time, Directors are provided with written training materials to develop and refresh their professional skills.

Appointment and Re-election of Directors

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

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

The procedures for Shareholders to propose a person for election as a Director are available and accessible on the Company's website at <http://www.susfor.com>.

BOARD DIVERSITY POLICY

The Company adopted a board diversity policy during the financial year ended 31 March 2016. The board diversity policy sets out that the Company should endeavour to ensure that its Board members have the appropriate balance of skills, experience and diversity of perspectives that are required to support the execution of its business strategy and in order for the Board to be effective.

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, educational background, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

董事亦定期獲簡介相關法例、規則及規例的修訂或最新版本。此外，本公司一直鼓勵董事及高級行政人員報讀由香港專業團體、獨立核數師及／或商會舉辦有關上市規則、公司條例／法例及企業管治常規的全面專業發展課程及講座，使彼等可持續更新及進一步提升相關知識和技能。董事亦不時獲提供書面培訓材料以發展及重溫其專業技能。

董事之委任及重選

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

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

股東提名他人參選董事之程序刊載於本公司網站 <http://www.susfor.com> 以供查閱。

董事會成員多元化政策

於截至二零一六年三月三十一日止財政年度，本公司採納董事會成員多元化政策，當中列明本公司應盡力確保董事會成員之技能、經驗及多元化觀點能達致適宜之平衡，以支援業務策略的執行，並使董事會有效運作。

遴選時將以一系列多元化觀點為據，包括但不限於性別、年齡、教育背景、專業經驗、技能、知識及服務年期。最終決定將以獲選定候任人之長處及其將能對董事會作出的貢獻而定。

Corporate Governance Report

企業管治報告

BOARD COMMITTEES

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

Executive Committee

As at 31 March 2016 and the date of this report, the Executive Committee comprised Mr. YEUNG Sau Chung (chairman of the Executive Committee), Mr. LIU Shun Chuen and Mr. MUNG Wai Ming. The Executive Committee was established with specific written terms of reference to, among other duties, implement, review and give recommendations to the Board on the daily operation of the Group from the time to time. The Executive Committee held 1 meeting during the year. The attendance records of each member are set out on page 32.

Audit Committee

As at 31 March 2016 and the date of this report, the Audit Committee comprised three members, namely Mr. William Keith JACOBSEN (chairman of the Audit Committee), Mr. WU Wang Li and Mr. NG Wai Hung and all of them are Independent Non- Executive Directors. The primary responsibilities of the Audit Committee include making recommendation to the Board on the appointment, reappointment and removal of the external auditors, approving the remuneration and terms of engagement of the external auditors, reviewing and monitoring the external auditors' independence and objectivity and the effectiveness of the audit process in accordance with applicable standard, developing and implementing policy on the engagement of external auditors to provide non-audit services, monitoring the integrity of the financial statements and the reports of the Company, overseeing the Company's financial reporting system and internal control systems and developing and reviewing policies and practices or corporate governance.

During the year, the Audit Committee held 2 physical meetings by way of telephone conference. Two of the physical meetings were held together with management and the external auditors. The attendance records of each member are set out on page 32. The Audit Committee has reviewed the accounting principles and practices adopted by the Group, reviewed the financial statements for the interim and final results for the year ended 31 March 2016 and discussed the internal controls together with the management.

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

董事委員會

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

執行委員會

於二零一六年三月三十一日及本報告日期，執行委員會成員包括楊秀中先生（執行委員會主席）、廖信全先生及蒙偉明先生。本公司已成立執行委員會，並以書面訂明其職權範圍（其中包括其他職能），以不時執行、檢討本集團之日常運作，並就此向董事會提供推薦意見。執行委員會於年內共舉行一次會議。各成員之出席記錄載於第32頁。

審核委員會

於二零一六年三月三十一日及本報告日期，審核委員會由三名成員葉偉其先生（審核委員會主席）、吳弘理先生及吳偉雄先生組成，彼等均為獨立非執行董事。審核委員會之主要職責包括就外部核數師之委任、重新委任及撤換向董事會提供建議、批准外部核數師之薪酬及聘用條款、按適用之標準檢討及監察外部核數師是否獨立、客觀及審核程序是否有效、就聘用外部核數師提供非審核服務制定政策並加以執行、監察本公司之財務報表及報告之完整性、以及監管本公司財務申報制度及內部監控系統以及制定及檢討企業管治政策及常規。

於年內，審核委員會曾以電話會議方式舉行兩次會議，其中兩次聯同管理層及外聘核數師舉行。各成員之出席記錄載於第32頁。審核委員會已審閱本集團所採納之會計原則及慣例、審閱截至二零一六年三月三十一日止年度中期及全年業績之財務報表，以及與管理層討論內部監控。

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

Corporate Governance Function

To comply with the requirements under the CG Code in respect of responsibilities for performing the corporate governance duties, the Board delegated its responsibilities to the Audit Committee to develop and review the Company's policy and practices on corporate governance and make recommendations to the Board; to review and monitor the training and continuous professional development of Directors and senior management; to review and monitor the Company's policy and practices on compliance with legal and regulatory requirements; to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and to review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

The corporate governance policy is formulated with an emphasis on the Board's quality, effective internal control, stringent disclosure practices and transparency and accountability to all shareholders of the Company. The Board strives to comply with the code provisions and reviews its corporate governance policy regularly in order to maintain high standards of business ethics and corporate governance, and to ensure the full compliance of our operations with applicable laws and regulations.

During the year under review, members of the Board have reviewed and discussed, among other things, the Company's policies and practices on corporate governance. They have also reviewed and monitored the training and continuous professional development of directors, and the Company's policies and practices on compliance with legal and regulatory requirements as well as its disclosure in the Corporate Governance Report.

Remuneration Committee

As at 31 March 2016 and the date of this report, the Remuneration Committee comprised Mr. William Keith JACOBSEN (chairman of the Remuneration Committee), Mr. WU Wang Li and Mr. NG Wai Hung. The Remuneration Committee was established with specific written terms of reference to, among other duties, review and give recommendations to the Board on the remuneration policy of the Directors and senior management. The terms of reference of the Remuneration Committee is available on the websites of the Stock Exchange and the Company. The remuneration of all the Directors and senior management is monitored by the Remuneration Committee. To determine the emoluments of Directors, the Remuneration Committee takes into consideration factors such as salaries of directors paid by comparable companies, time commitment and responsibilities of the Directors. The Remuneration Committee ensures that no Director is involved in deciding his/her own remuneration. During the year, the Remuneration Committee held 1 physical meeting by way of telephone conference. The attendance records of each member are set out on page 32. During the year under review, the Remuneration Committee reviewed the existing remuneration policy and packages of all existing Directors. Details of the Directors' remuneration for the year under review are set out in Note 13 to the consolidated financial statements.

企業管治職能

為遵守企業管治守則項下就履行企業管治職責之規定，董事會已授權審核委員會制定及檢討本公司之企業管治政策及常規，並向董事會提供推薦建議；檢討及監察董事及高級管理層的培訓及持續專業發展；檢討及監察本公司在遵守法律及監管規定方面的政策及常規；制定、檢討及監察僱員及董事之操守準則及合規手冊（如有）；以及檢討本公司遵守企業管治守則情況及在企業管治報告內披露。

制定企業管治政策的重點在於董事會的質素，有效的內部監控，嚴格的披露常規及對本公司全體股東的透明度及責任。董事會致力遵守守則條文並定期檢討其企業管治政策以維持高標準的商業道德及企業管治，以及確保本公司的營運全面遵守適用的法律及條例。

於回顧年度，董事會成員已檢討及討論（其中包括）本公司的企業管治政策及常規。彼等亦已檢討及監察董事的培訓及持續專業發展，及本公司在遵守法律及監管規定方面的政策及常規，以及其於企業管治報告中的披露。

薪酬委員會

於二零一六年三月三十一日及本報告日期，薪酬委員會由葉偉其先生（薪酬委員會主席）、吳弘理先生及吳偉雄先生組成。本公司已成立薪酬委員會，並以書面訂明其職權範圍（其中包括其他職能），以檢討董事及高級管理層之薪酬政策及就此向董事會提供推薦意見。薪酬委員會之職權範圍載於聯交所及本公司網站。全體董事及高級管理人員之薪酬須經薪酬委員會監察。於釐定董事之薪酬時，薪酬委員會考慮多項因素，例如可作比較公司之董事薪酬水平、董事所貢獻時間及其責任。薪酬委員會確保概無董事參與決定本身之薪酬。於年內，薪酬委員會曾以電話會議方式舉行一次會議。各成員之出席記錄載於第32頁。於回顧年度，薪酬委員會檢討全體現任董事之現有薪酬政策及待遇。董事於回顧年度之酬金詳情載於綜合財務報表附註13。

Corporate Governance Report

企業管治報告

Nomination Committee

As at 31 March 2016 and the date of this report, the member of Nomination Committee comprised Mr. William Keith JACOBSEN (chairman of the Nomination Committee), Mr. WU Wang Li and Mr. NG Wai Hung. The Nomination Committee was established with specific written terms of reference to, among other duties, give recommendations to the Board on relevant matters relating to the appointment, re-appointment and succession planning for the Board members. The terms of reference of the Nomination Committee is available on the websites of the Stock Exchange and the Company. The Nomination Committee has the responsibility to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and to identify individuals suitably qualified to become members of the Board in accordance with the board diversity policy. It is also responsible for assessing the independence of independent non-executive directors and making recommendations to the Board on relevant matters relating to the appointment or re-appointment of directors and succession planning for directors. During the year, the Nomination Committee held 2 physical meetings by way of telephone conference. The attendance records of each member are set out on below. During the year under review, the Nomination Committee reviewed the structure, size and composition of the Board and reviewed the objectives set for implementing the board diversity policy.

The individual attendance records of each Director at the physical meetings of the Board, Executive Committee, Audit Committee, Remuneration Committee and Nomination Committee and at the general meeting of the Company during the year ended 31 March 2016 are set out below:

提名委員會

於二零一六年三月三十一日及本報告日期，提名委員會成員由葉偉其先生（提名委員會主席）、吳弘理先生及吳偉雄先生組成。本公司已成立提名委員會，並以書面訂明其職權範圍（其中包括其他職能），就此向董事會建議董事會成員委任、重選及連任計劃之相關事宜。提名委員會之職權範圍刊載於聯交所及本公司網站。提名委員會負責至少每年檢討董事會架構、人數及組成（包括技能、知識及經驗）及根據董事會成員多元化政策物色出任董事會成員之合適人選。委員會亦負責評估獨立非執行董事之獨立性，並向董事會建議董事委任或重選及連任計劃之相關事宜。年內，提名委員會透過電話會議舉行兩次會議。各成員出席會議之記錄載於下文。於回顧年度，提名委員會已檢討董事會架構、人數及組成，並檢討實行董事會成員多元化政策的目標進度。

截至二零一六年三月三十一日止年度，各董事出席董事會、執行委員會、審核委員會、薪酬委員會及提名委員會會議以及本公司股東大會之個別出席記錄載列如下：

Number of physical meetings attended/held during his/her tenure
於其任期內出席／舉行之會議數目

Name of Directors 董事姓名		Board 董事會	Executive Committee 執行委員會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	General Meeting 股東大會
Mr. YEUNG Sau Chung 楊秀中先生		3/3	1/1	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Mr. LIU Shun Chuen 廖信全先生		3/3	1/1	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Mr. MUNG Wai Ming 蒙偉明先生		5/5	1/1	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Ms. ZHOU Jing 周靜女士		2/2	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Mr. William Keith JACOBSEN 葉偉其先生		5/5	N/A 不適用	2/2	1/1	2/2	1/1
Mr. WU Wang Li 吳弘理先生		5/5	N/A 不適用	2/2	1/1	2/2	0/1
Mr. NG Wai Hung 吳偉雄先生		5/5	N/A 不適用	2/2	1/1	2/2	1/1

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its own code of conduct for dealing in securities of the Company by the Directors. Having made specific enquiries of all Directors, all Directors confirmed that they have complied with the required standards set out in the Model Code during the year ended 31 March 2016.

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Directors acknowledge their responsibility for the preparation and the true and fair presentation of the consolidated financial statements of the Group for the year ended 31 March 2016, in accordance with International Financial Reporting Standards ("IFRSs") and the applicable disclosure requirements of the Listing Rules. In preparing the financial statements, the Directors have adopted IFRSs and suitable accounting policies and applied them consistently, made judgments and estimates that are prudent, fair and reasonable and prepared the financial statements on a going concern basis. No material uncertainties relating to any events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern were identified by the Directors during the course of preparing and reviewing the financial statements for the year under review.

The reporting responsibility of the external auditors of the Company on the consolidated financial statements of the Group are set out in the Independent Auditor's Report on pages 36 to 39.

External Auditors' Remuneration

For the year ended 31 March 2016, the fees in respect of audit and non-audit services provided to the Group by the external auditors amounted to approximately HK\$910,000 (2015: HK\$1,143,000) and HK\$50,000 (2015: HK\$462,000), respectively. The non-audit service fees for the year 2015 mainly consisted of fees in relation to open offers.

INTERNAL CONTROL

The Board, recognising its overall responsibility in ensuring the system of internal controls of the Group and for reviewing its effectiveness, is committed to implementing an effective and sound internal control system to safeguard the interests of shareholders and the assets of the Group. Procedures have been designed to safeguard assets against unauthorised used or disposition, to ensure the sufficient allocation of resources and manpower and the maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication, and to ensure compliance with applicable law, rules and regulations. The procedures provide a reasonable but not absolute assurance and prevention of material untrue statements or losses, as well as management on the interruption of the Group's management system and risks existing in the course of arriving at the Group's objectives.

董事之證券交易

本公司已採納標準守則，作為其本身董事買賣本公司證券之操守守則。經向全體董事作出特定查詢後，全體董事確認於截至二零一六年三月三十一日止年度一直遵守標準守則所載規定準則。

問責及審核

財務報告

董事確認彼等須負責根據國際財務報告準則（「國際財務報告準則」）及上市規則之適用披露規定編製及真實公平地呈列本集團截至二零一六年三月三十一日止年度之綜合財務報表。編製財務報表時，董事已採納並持續應用國際財務報告準則及適當之會計政策，作出審慎、公平及合理之判斷及評估，並按持續經營基準編製財務報表。於編製及審閱回顧年度之財務報表時，董事並無識別任何足以令人對本公司能否持續經營產生重大疑問之重大不明朗事件或狀況。

本公司外聘核數師就本集團綜合財務報表之申報責任載於第36至39頁之獨立核數師報告。

外聘核數師酬金

截至二零一六年三月三十一日止年度，外聘核數師就向本集團提供核數及非核數服務所收取之費用分別約為港幣910,000元（二零一五年：港幣1,143,000元）及港幣50,000元（二零一五年：港幣462,000元）。二零一五年之非核數服務費主要包括公開發售之費用。

內部監控

董事會知悉其就確保本集團內部監控制度及檢討其有效性之全面責任，承諾貫徹執行有效及合理之內部監控制度，以保障股東權益及本集團資產。本集團已制定程序，以防止資產遭未經授權使用或出售，確保足夠資源及人力分配以及存有適當會計記錄以提供可靠財務資料作內部使用或刊發，以及確保遵守適用法律、法規及規定。該等程序可合理（但並非絕對）保證及避免不會出現重大不實陳述或損失，及管理本集團之管理系統遭受干擾之情況以及達成本集團目標過程中所存在之風險。

Corporate Governance Report

企業管治報告

The audit committee reviewed the overall effectiveness of the internal control system and reported its findings and made recommendations to the Board. The Directors have conducted a review of the effectiveness of the Group's internal control system for the year ended 31 March 2016. The Board will continue to assess the effectiveness of internal controls by considering reviews performed by the audit committee and executive management.

COMMUNICATION WITH SHAREHOLDERS

The Company endeavors to provide its Shareholders accurate, clear, comprehensive and timely information of the Group via the publication of annual reports, announcements and circulars as well as through the Company's website. The Board resolved to adopt a Shareholders' communication policy. The policy aims to set out the provisions with the objective of ensuring that the company's Shareholders, both individual and institutional Shareholders, and, in appropriate circumstances, the investment community at large, are provided with ready, equal and timely access to balanced and understandable information about the Company and its subsidiaries (including its financial performance, strategic goals and plans and governance, etc.), in order to enable the Shareholders to exercise their rights in an informed manner, and to allow the Shareholders and the investment community to engage actively with the Company.

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

SHAREHOLDERS' RIGHTS

Procedure for Shareholders to convene a special general meeting

Shareholders can submit a requisition to convene a special general meeting pursuant to Section 74 of the Companies Act 1981 of Bermuda (the "Act"). The number of Shareholders necessary for a requisition shall be representing not less than one-tenth of the Company's paid-up capital as at the date of requisition having the right to vote at the general meeting.

The written requisition must:

- state the purposes of the special general meeting;
- be signed by all the requisitionists (may consist of one or several documents in like form each signed by one or more requisitionists); and
- be deposited at the Company's office in Hong Kong for the attention of the Company Secretary.

If the Directors do not within twenty-one days from the date of the deposit of the requisition proceed duly to convene a special general meeting, the requisitionists, or any of them representing more than one-half of the total voting rights of all of them, any themselves convene a special general meeting, but any meeting so convened shall not be held after the expiration of three months from the said date.

審核委員會檢討了內部監控系統的整體效能並且將其發現和建議向董事會匯報。董事已檢討本集團截至二零一六年三月三十一日止年度內部監控系統的效能。董事會將透過考慮由審核委員會及行政管理階層所進行的檢討，繼續評估內部監控的效能。

與股東之溝通

本公司透過刊發年報、公佈及通函，以及透過本公司網站，致力向其股東提供準確、清晰、全面與適時之本集團資訊。董事會議決採納股東溝通政策。本政策載列條文旨在確保本公司股東（包括個人及機構股東，及在適當情況下包括一般投資人士）均可適時取得全面、相同及容易理解的本公司及其附屬公司資料（包括其財務表現、戰略目標及計劃以及管治等），一方面使股東可在知情情況下行使權利，另一方面可讓股東及投資人士與本公司加強溝通。

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

股東權利

股東召開股東特別大會之程序

股東可根據百慕達一九八一年公司法（「法例」）第74條，呈交書面請求召開股東特別大會。提出請求之股東須佔於請求日期持有股東大會投票權不少於十分之一之本公司之繳足股本。

書面請求必須：

- 列明股東特別大會之目的；
- 經所有請求人士簽署（由一名或多名請求人士於一份或數份同樣格式的文件內簽署）；及
- 寄送至本公司香港辦事處，收件人為公司秘書。

倘董事並未於該請求書送交日期起計二十一日內召開股東特別大會，則請求人或佔彼等總投票權超過一半之任何股東可自行召開股東特別大會，惟召開之任何大會不得於上述日期三個月期滿後舉行。

Procedure for Shareholders to put forward proposals at general meetings

Shareholders can submit a requisition to move a resolution at an annual general meeting pursuant to Section 79 of the Act. The number of Shareholders necessary for a requisition shall be:

- representing not less than one-twentieth of the total voting rights of all Shareholders having at the date of requisition a right to vote at the meeting to which the requisition relates; or
- not less than 100 Shareholders.

The written requisition must:

- state the resolution, with a statement not more than 1,000 words with respect to the matter referred to in the proposed resolution or the business to be dealt with at the meeting;
- be signed by all the requisitionists (may consist of one or several documents in like form each signed by one or more requisitionists);
- be deposited at the Company's office in Hong Kong for the attention of the Company Secretary not less than six weeks before the meeting in case of a requisition requiring notice of a resolution and not less than one week before the meeting in case of any other requisition; and
- be deposited with a sum reasonably sufficient to meet the Company's expenses in giving notice of the resolution and circulating the statements of the proposed resolution to all Shareholders in accordance with the requirements under the applicable laws and rules.

Enquiries to the Board

The Company's website provides email address and telephone to enable the Shareholders to make any enquiries and concerns to the Board. Shareholders may send their enquiries by post or by email to the attention of the Company Secretary who will direct the enquiries to the Board for handling.

CONSTITUTIONAL DOCUMENTS

There are no changes in the Company's constitutional documents during the year ended 31 March 2016.

On Behalf of the Board

YEUNG Sau Chung
Chairman

Hong Kong, 30 June 2016

股東於股東大會提出動議之程序

根據法例第79條，股東可提出書面請求於股東週年大會上提呈決議案。請求所需之股東數目應：

- 佔該請求書提出日期有權在該會議上表決的所有股東的總表決權不少於二十分之一；或
- 不少於100名股東。

書面請求必須：

- 列明決議案，連同一份不多於1,000字，有關建議決議案之事項或擬於會上處理之事務之陳述書；
- 經所有請求人士簽署（由一名或多名請求人士簽署於一份或數份同樣格式的文件內）；
- 如屬發出決議案通知的情況，不少於大會前六個星期送達，如屬其他情況，則不少於一個星期前送達到本公司香港辦事處，收件人為公司秘書；及
- 存放合理足夠金額，以應付本公司根據適用法律及規定要求向所有股東發出決議案通知及傳閱請求人士提交的陳述書所需的開支。

向董事會提出查詢

本公司網站載有電郵地址及電話以供股東向董事會提出任何查詢及關注。股東可以郵寄或電郵方式向公司秘書發送查詢，公司秘書將直接向董事會提交查詢以供處理。

憲章文件

截至二零一六年三月三十一日止年度，本公司之憲章文件並無任何改動。

代表董事會

主席
楊秀中

香港，二零一六年六月三十日

Independent Auditor's Report

獨立核數師報告



國富浩華 (香港) 會計師事務所有限公司
Crowe Horwath (HK) CPA Limited
Member Crowe Horwath International

香港 銅鑼灣 禮頓道77號 禮頓中心9樓
9/F Leighton Centre,
77 Leighton Road,
Causeway Bay, Hong Kong

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

(Incorporated in Bermuda with limited liability)

We were engaged to audit the consolidated financial statements of Sustainable Forest Holdings Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 40 to 160, which comprise the consolidated statement of financial position as at 31 March 2016, and the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the consolidated financial statements

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

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. This report is made solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Except for the inability to obtain sufficient appropriate audit evidence as explained below, 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 as to whether the consolidated financial statements are free from material misstatement. Because of the matters described in the basis for disclaimer of opinion paragraphs, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

獨立核數師報告 致永保林業控股有限公司列位股東

(於百慕達註冊成立之有限公司)

本核數師(以下簡稱「吾等」)獲委聘審核第40至160頁所載永保林業控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表,包括於二零一六年三月三十一日之綜合財務狀況表,及截至該日止年度之綜合損益表、綜合損益及其他全面收益表、綜合權益變動表及綜合現金流轉表,以及主要會計政策概要及其他說明資料。

董事編製綜合財務報表之責任

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

核數師之責任

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

除如下文所述吾等未能取得充份適當之審核憑證外,吾等之審核工作乃按照香港會計師公會頒佈之香港核數準則進行。該等準則要求吾等遵守操守規定,並計劃及進行審核,以合理保證綜合財務報表是否不存在重大錯誤陳述。然而,由於「不發表意見之基準」一段所述之事項,吾等未能取得充份適當之審核憑證,為審核意見提供基準。

Basis for disclaimer of opinion**i) Scope limitation – fair value of biological assets and change in fair value of biological assets**

Our audit opinion dated 29 June 2015 on the Group's financial statements for the last year ended 31 March 2015 was disclaimed because we were unable to obtain sufficient information to verify the reasonableness of the assumptions and the feasibility of the business plan based on which the valuations for the biological assets and goodwill at 31 March 2015 were performed. Accordingly, the carrying amount of biological assets of HK\$Nil, goodwill of HK\$Nil and interest in subsidiaries of HK\$118,592,000 in the company level statement of financial position as at 31 March 2015, and the change in fair value of biological assets of HK\$16,197,000, recognized in the profit or loss for the year ended 31 March 2015, and impairment of amount due from subsidiaries of HK\$41,644,000 recognized in the company level profit or loss for the year ended 31 March 2015 were qualified in the 2015 audit opinion. Any adjustments that might have been found to be necessary in respect of these matters would have material consequential effects on the net assets of the Group and the Company brought forward from 31 March 2015 and the Group's loss for the current year ended 31 March 2016 and the related disclosures in the consolidated financial statements.

As set out in notes 21 and 22 to the consolidated financial statements, the directors of the Company engaged an independent valuer to perform the valuation of fair value of the biological assets and valuation of the fair value of the business value for sustainable forest management as a cash generating unit.

We were unable to obtain sufficient evidence to satisfy ourselves as to whether the assumptions adopted by the valuer in these valuations were appropriate. Whether the cash generating unit ("CGU") of the sustainable forest management is able to generate future economic benefits to the Group is dependent on the feasibility of the future business plan provided by the Company. We were unable to obtain sufficient information to verify the reasonableness of the assumptions and the feasibility of the business plan based on which the valuations were performed, and accordingly, we were unable to satisfy ourselves as to whether the fair value of the biological assets of approximately HK\$Nil, the carrying amount of goodwill HK\$Nil and interest in subsidiaries of approximately HK\$122,308,000 as at 31 March 2016, and whether the impairment of amount due from subsidiaries of approximately HK\$6,024,000 recognized in the company level profit or loss for the year ended 31 March 2016 were free from material misstatement.

不表示意見之基準**i) 範圍限制－生物資產公平值及生物資產公平值變動**

就吾等日期為二零一五年六月二十九日之審核意見，吾等對 貴集團截至二零一五年三月三十一日止去年年度之財務報表不負有任何責任，原因為吾等無法根據對二零一五年三月三十一日生物資產及商譽進行之估值取得足夠資料核實假設之合理性及業務計劃之可行性。因此，於二零一五年三月三十一日金額為港幣零元之生物資產、金額為港幣零元之商譽及金額為港幣118,592,000元之公司級別財務狀況表之附屬公司之權益之賬面值、金額為港幣16,197,000元之生物資產公平值變動（於截至二零一五年三月三十一日止年度之損益中確認）及金額為港幣41,644,000元之應收附屬公司款項減值（於截至二零一五年三月三十一日止年度公司層面損益確認）乃於二零一五年之審核意見中保留意見。就該等事宜可能發現之任何須作出之調整將對 貴集團及 貴公司二零一五年三月三十一日其後之資產淨值及 貴集團截至二零一六年三月三十一日止本年度之虧損以及綜合財務報表之相關披露產生後續重大影響。

誠如綜合財務報表附註21及22所載，貴公司董事已委聘獨立估值師，以對生物資產之公平值及作為現金產生單位之可持續森林管理業務價值之公平值進行估值。

吾等未能獲取充足證據，以信納估值師在估值時採納之假設屬適當。可持續森林管理現金產生單位（「現金產生單位」）能否為 貴集團產生未來經濟利益視乎貴公司所提供未來業務計劃之可行性。吾等未能取得足夠資料，以核實估值所依據之假設之合理性及業務計劃之可行性，因此，吾等未能信納，於二零一六年三月三十一日，生物資產之公平值約港幣零元、商譽之賬面值港幣零元及於附屬公司之權益約港幣122,308,000元及於截至二零一六年三月三十一日止年度公司層面之損益確認之應收附屬公司款項之減值約港幣6,024,000元，是否並無重大錯誤陳述。

Independent Auditor's Report

獨立核數師報告

Furthermore, due to the outbreak of Zika virus in Brazil and heavy rains in the region where the Group's biological assets are located, as referred to note 21 to the consolidated financial statements, no physical count was performed for the biological assets as at year ended 31 March 2016. There were no other alternative audit procedures that we could adopt to obtain sufficient appropriate audit evidence regarding the existence, quantities and conditions of the biological assets as at 31 March 2016.

Any adjustments that might have been found to be necessary in respect of the above matters would have material consequential effects on the net assets of the Group and the Company as at 31 March 2016, and the Group's loss and cash flows for the year then ended and the related disclosures in the consolidated financial statements.

Our opinion on the current year's consolidated financial statements is also modified because of the possible effect of the above matters on comparability of the current year's figures and the corresponding figures.

ii) Scope limitation – recoverability of the freehold land and interest in subsidiaries

Included in the property, plant and equipment of approximately HK\$86,578,000 in the consolidated statements of financial position as at 31 March 2016 were three parcels of freehold land of approximately HK\$85,508,000, which are held by a subsidiary and located in Amazon regions of Brazil. As set out in note 18 to the consolidated financial statements, the directors of the Company engaged an independent valuer to perform the valuation of the freehold land for assessing the recoverability of the freehold land, on which the Group's biological assets are located, and the interest in subsidiaries of HK\$122,308,000 as at 31 March 2016.

The valuation method used was the direct comparison method, based on which, the fair value of the freehold land at 31 March 2016 was estimated to be approximately HK\$85,508,000 (equivalent to BRL39,985,000). However, there were no comparable transactions of freehold land in the similar locations in Brazil, where the Group's three parcels of freehold land are situated, after June 2014 and the downturn of the Brazil's economy and the subsequent significant decline in the selling price of timber might have affected the fair value of the freehold land. The valuer has exercised significant subjective judgement in deriving the estimated fair value of the freehold land as at 31 March 2016. We were unable to obtain sufficient information to verify the basis of assumptions adopted for the valuation of the freehold land at 31 March 2016 and accordingly, we were unable to satisfy ourselves as to whether the carrying amount of the freehold land of approximately HK\$85,508,000, deferred tax liabilities of approximately HK\$29,025,000 arising from the freehold land, and the interest in subsidiaries of HK\$122,308,000 as at 31 March 2016 and the impairment amount of HK\$9,700,000 freehold land and reversal of deferred tax liabilities of approximately HK\$5,545,000 recognised in the profit or loss for the year ended 31 March 2016 were free from material misstatement.

此外，誠如綜合財務報表附註21所述，由於巴西寨卡病毒爆發及貴集團生物資產所處區域地區出現大雨，截至二零一六年三月三十一日止年度概無生物資產實際盤點。於二零一六年三月三十一日，吾等無法就生物資產之現況、數目及情況進行其他審核程序以取得足夠合適之審核證據。

就上述事項發現可能必須作出之任何調整，可能對貴集團及貴公司於二零一六年三月三十一日之資產淨值及貴集團截至該日止年度之虧損及現金流轉及於綜合財務報表作出之相關披露，構成重大相應影響。

吾等認為，本年度之綜合財務報表亦須作出修改，原因為上述事宜對本年度之數字及相關數字之比較能力產生潛在影響。

ii) 範圍限制—永久業權土地之可恢復性及於附屬公司中權益

於二零一六年三月三十一日之綜合財務狀況表中包括物業、廠房及設備之約港幣86,578,000元中約港幣85,508,000元為位於巴西亞馬遜地區之三幅永久業權土地，其由一間附屬公司所持有。誠如綜合財務報表附註18所載，貴公司董事已聘請一名獨立估值師對永久業權土地進行估值，以評估二零一六年三月三十一日貴集團生物資產所在之永久業權土地之可恢復性及於附屬公司中權益港幣122,308,000元。

所用之估值方法為直接比較法，據此，於二零一六年三月三十一日之永久業權土地之公平值約估計為港幣85,508,000元（相等於39,985,000雷亞爾）。然而，位於巴西（本集團三幅永久業權土地所在地）類似位置之永久業權土地於二零一四年六月之後概無可資比較交易，巴西之經濟低靡以及其後木材售價之大幅下降或可影響永久業權土地之公平值。估值師於釐定二零一六年三月三十一日永久業權土地之估計公平值時行使重要主觀判斷。吾等未能獲取充足資料以核實於二零一六年三月三十一日有關永久業權土地之估值採納之假設基礎，因此，吾等未能信納於二零一六年三月三十一日永久業權土地約港幣85,508,000元之賬面值、永久業權土地產生之約港幣29,025,000元之遞延稅項負債及港幣122,308,000元之附屬公司權益以及於截至二零一六年三月三十一日止年度之損益確認之港幣9,700,000元永久業權土地減值及約港幣5,545,000元遞延稅項負債撥回並無重大錯誤陳述。

Our audit opinion dated 29 June 2015 on the Group's financial statements for the last year ended 31 March 2015 was also qualified on the same scope limitation. Any adjustments that might have been found to be necessary in respect of the above matters would have material consequential effects on the net assets of the Group and the Company as at 31 March 2016 and 2015, and the Group's loss for the two years then ended 2016 and 2015 and the related disclosures in the consolidated financial statements.

iii) Scope limitation – trade and other payables

Included in the trade and other payables of approximately HK\$24,003,000 in the consolidated statement of financial position as at 31 March 2016 was trade payable of approximately HK\$22,410,000 (equivalent to BRL10,478,000) which was subject to an interest for overdue payment at the rate of 1% per month. During the audit of the consolidated financial statements for the year ended 31 March 2011, the related trade creditor confirmed that no interest was billed to the Group. Therefore, the Group has not accrued interest for overdue payment. However, due to the non-reply to our confirmation request, absence of new information of the trade creditor, and no other sufficient appropriate documentary evidence to prove that no interest shall be required to be accrued on the overdue trade payable, there were no other alternative audit procedures that we could adopt to obtain sufficient appropriate audit evidence to verify the existence, completeness and accuracy of the trade payable as at 31 March 2016. Accordingly, we were unable to satisfy ourselves as to whether these amounts were fairly stated in the financial statements as at 31 March 2016.

Our audit opinion dated 29 June 2015 on the Group's financial statements for the last year ended 31 March 2015 was also qualified on the same scope limitation. Any adjustments that might have been found to be necessary in respect of the above would have material consequential effects on the net assets of the Group at 31 March 2016 and 2015 and the Group's loss and cash flows for the two years then ended 31 March 2016 and 2015, and the related disclosures in the consolidated financial statements.

Disclaimer of opinion

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraphs, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the consolidated financial statements. In all other respects, the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Crowe Horwath (HK) CPA Limited
Certified Public Accountants
Hong Kong, 30 June 2016

Leung Chun Wa
Practising Certificate Number P04963

吾等對 貴集團截至二零一五年三月三十一日止去年年度之財務報表之日期為二零一五年六月二十九日之審核意見亦按相同範圍限制保留意見。任何有關上述事項而作出之必要調整均對貴集團及 貴公司於二零一六年及二零一五年三月三十一日之資產淨值及 貴集團截至二零一六年及二零一五年該日止兩個年度之虧損及於綜合財務報表之相關披露產生重大相應影響。

iii) 範圍限制－應付貿易款項及其他應付款項

於二零一六年三月三十一日之綜合財務狀況表之貿易應付款項及其他應付款項約港幣24,003,000元為貿易應付款項約港幣22,410,000元(相等於10,478,000雷亞爾),須就逾期付款而按每月1%之利率計息。於審核截至二零一一年三月三十一日止年度之綜合財務報表時,相關貿易債權人確認並無向 貴集團計算利息。因此, 貴集團概無就逾期付款累計利息。然而,由於對吾等的確認要求並無回覆、缺乏貿易債權人之新資料,以及並無其他充份適當審核憑證證明毋須於逾期貿易應付款項累計利息,故此並無其他可選審核程序供吾等執行,以取得充份適當審核憑證,核實應付貿易款項於二零一六年三月三十一日是否存在、完整及準確。據此,吾等未能信納該等金額是否公正地在二零一六年三月三十一日之財務報表中呈報。

吾等對 貴集團截至二零一五年三月三十一日止去年年度之財務報表之日期為二零一五年六月二十九日之審核意見亦按相同範圍限制保留意見。倘就上述事項發現可能必須作出之任何調整,將對 貴集團於二零一六年及二零一五年三月三十一日之資產淨值,以及 貴集團截至二零一六年及二零一五年三月三十一日止兩個年度之虧損及現金流轉及於綜合財務報表作出之相關披露資料,構成重大後續相應影響。

不表示意見

由於不表示意見之基準各段所述之事項之重要性,吾等未能取得充分適當審核憑證,為審核意見提供基準。因此,吾等對綜合財務報表不發表意見。於所有其他方面,綜合財務報表已按照香港公司條例之披露規定妥善編製。

國富浩華(香港)會計師事務所有限公司
執業會計師
香港,二零一六年六月三十日

梁振華
執業證書號碼:P04963

Consolidated Statement of Profit or Loss

綜合損益表

截至二零一六年三月三十一日止年度 For the year ended 31 March 2016 (以港幣呈列) (Expressed in Hong Kong dollars)

		Notes 附註	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Continuing operations	持續經營業務			
REVENUE	收入	7	11,316	6,596
Cost of sales	銷售成本		(1,820)	(2,957)
Change in fair value of investment properties	投資物業公平值變動	20	(76)	1,079
Other income	其他收入	8	79	8,430
Other net loss	其他虧損淨額	8	(11,598)	(38,722)
Selling and distribution costs	銷售及分銷成本		(6)	(89)
Administrative expenses	行政支出		(10,579)	(13,556)
Impairment of assets	資產減值	9	(25,571)	-
Change in fair value of biological assets less costs to sell	生物資產公平值變動減銷售成本	21	-	(16,197)
LOSS FROM OPERATIONS	經營虧損		(38,255)	(55,416)
Finance income	融資收入		203	366
Finance costs	融資費用		(564)	(1,304)
Net finance costs	融資費用淨額	10(a)	(361)	(938)
LOSS BEFORE TAXATION	除稅前虧損	10	(38,616)	(56,354)
Income tax	所得稅	15(a)	5,545	(53)
Loss for the year from continuing operations	來自持續經營業務之年度虧損		(33,071)	(56,407)
Discontinuing operations Profit/(loss) for the year from discontinuing operations	已終止經營業務 來自已終止經營業務之年度溢利/(虧損)	11	2	(97)
LOSS FOR THE YEAR	年度虧損		(33,069)	(56,504)
ATTRIBUTABLE TO:	應佔:			
Owners of the Company	本公司擁有人		(33,077)	(56,508)
Non-controlling interests	非控股權益		8	4
			(33,069)	(56,504)
Loss attributable to owners of the Company arises from:	本公司擁有人應佔虧損源自:			
Continuing operations	持續經營業務		(33,079)	(56,411)
Discontinued operations	已終止經營業務		2	(97)
			(33,077)	(56,508)
Loss per share	每股虧損	17		
From continuing and discontinued operations	來自持續及已終止經營業務			
- Basic	- 基本		(0.37) cents 仙	(0.74) cents 仙
- Diluted	- 攤薄		(0.37) cents 仙	(0.74) cents 仙
From continuing operations	來自持續經營業務			
- Basic	- 基本		(0.37) cents 仙	(0.74) cents 仙
- Diluted	- 攤薄		(0.37) cents 仙	(0.74) cents 仙

The notes on pages 47 to 159 form part of these consolidated financial statements.

第47頁至第159頁之附註構成此等綜合財務報表之一部分。

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

截至二零一六年三月三十一日止年度 For the year ended 31 March 2016 (以港幣呈列) (Expressed in Hong Kong dollars)

		Notes 附註	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Loss for the year	年度虧損		(33,069)	(56,504)
Other comprehensive loss for the year	年內其他全面虧損			
<i>Items that may be reclassified subsequently to profit or loss</i>	其後可能重新分類至損益之項目			
<i>Exchange differences on translation of financial statements of overseas subsidiaries</i>	換算海外附屬公司財務報告產生之匯兌差額	15(c)	(5,026)	(15,921)
Other comprehensive loss for the year, net of income tax	年內其他全面虧損，扣除所得稅		(5,026)	(15,921)
Total comprehensive loss for the year	年內全面虧損總額		(38,095)	(72,425)
Total comprehensive loss attributable to:	以下人士應佔全面虧損總額：			
to:				
Owners of the Company	本公司擁有人		(38,103)	(72,429)
Non-controlling interests	非控股權益		8	4
			(38,095)	(72,425)
Total comprehensive income attributable to owners of the Company arises from:	本公司擁有人應佔全面收益總額源自：			
Continuing operations	持續經營業務		(38,105)	(72,332)
Discontinued operations	已終止經營業務		2	(97)
			(38,103)	(72,429)

The notes on pages 47 to 159 form part of these consolidated financial statements.

第47頁至第159頁之附註構成此等綜合財務報表之一部分。

Consolidated Statement of Financial Position

綜合財務狀況表

截至二零一六年三月三十一日止年度 For the year ended 31 March 2016 (以港幣呈列) (Expressed in Hong Kong dollars)

		Notes 附註	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	18	86,578	110,569
Intangible assets	無形資產	19	94	94
Investment properties	投資物業	20	24,702	24,778
Biological assets	生物資產	21	-	-
Goodwill	商譽	22	-	-
			111,374	135,441
CURRENT ASSETS	流動資產			
Inventories	存貨	24	73	806
Loan receivables	應收貸款	25	82,338	93,612
Trade and other receivables	應收貿易款項及其他應收款項	26	4,339	25,656
Cash and cash equivalents	現金及現金等價物	27	59,258	50,141
			146,008	170,215
Assets of disposal group classified as held for sale	分類為持作待售之出售組別資產	12	3,697	-
			149,705	170,215
CURRENT LIABILITIES	流動負債			
Trade and other payables	應付貿易款項及其他應付款項	28	40,749	49,580
Loans and borrowings	貸款及借貸	29	16,042	5,283
Provision for taxation	稅項撥備	31(a)	2,145	2,220
Amount due to non-controlling shareholder	應付非控股股東款項	41(b)	-	836
			58,936	57,919
Liabilities of disposal group classified as held for sale	分類為持作待售之出售組別資產	12	1,956	-
			60,892	57,919
NET CURRENT ASSETS	流動資產淨值		88,813	112,296
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		200,187	247,737

Consolidated Statement of Financial Position

綜合財務狀況表

截至二零一六年三月三十一日止年度 For the year ended 31 March 2016 (以港幣呈列) (Expressed in Hong Kong dollars)

		Notes 附註	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
NON-CURRENT LIABILITIES	非流動負債			
Loans and borrowings	貸款及借貸	29	7,302	18,951
Financial liabilities	財務負債	32	52,029	40,595
Deferred tax liabilities	遞延稅項負債	31(b)	29,025	38,632
			88,356	98,178
NET ASSETS	資產淨值		111,831	149,559
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	33	185,656	185,631
Reserves	儲備	35(a)	(73,912)	(36,151)
Total equity attributable to the owners of the Company	本公司擁有人應佔總權益		111,744	149,480
Non-controlling interests	非控股權益	35(a)	87	79
TOTAL EQUITY	總權益		111,831	149,559

Approved and authorised for issue by the board of directors on 30 June 2016.

由董事會於二零一六年六月三十日批准及授權刊行。

On Behalf of the Board

代表董事會

YEUNG Sau Chung

楊秀中
Director
董事

LIU Shun Chuen

廖信全
Director
董事

The notes on pages 47 to 159 form part of these consolidated financial statements.

第47頁至第159頁之附註構成此等綜合財務報表之一部分。

Consolidated Statement of Changes in Equity

綜合權益變動表

截至二零一六年三月三十一日止年度 For the year ended 31 March 2016 (以港幣呈列) (Expressed in Hong Kong dollars)

		Attributable to the owners of the Company 本公司擁有人應佔											
		Share capital	Share premium	Shares held by the Company for settlement of acquisition consideration 本公司就償付收購代價所持股份	Contributed surplus	Distributable reserve	Capital redemption reserve	Exchange fluctuation reserve	Share option reserve	Accumulated losses	Sub-total	Non-controlling interests	Total equity
Notes		股本 HK\$'000 港幣千元	股份溢價 HK\$'000 港幣千元	代價所持股份 HK\$'000 港幣千元	實繳盈餘 HK\$'000 港幣千元	可供分派儲備 HK\$'000 港幣千元	股本贖回儲備 HK\$'000 港幣千元	匯兌波動儲備 HK\$'000 港幣千元	購股權儲備 HK\$'000 港幣千元	累計虧損 HK\$'000 港幣千元	小計 HK\$'000 港幣千元	非控股權益 HK\$'000 港幣千元	總權益 HK\$'000 港幣千元
At 1 April 2014	於二零一四年四月一日	29,005	34	(115,920)	2,885,431	2,216	8,000	(49,776)	1,660	(2,701,927)	58,723	75	58,798
Change in equity for 2015 Loss for the year	二零一五年權益變動 年度虧損	-	-	-	-	-	-	-	-	(56,508)	(56,508)	4	(56,504)
Exchange differences on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報表之匯兌差額	-	-	-	-	-	-	(15,921)	-	-	(15,921)	-	(15,921)
Total other comprehensive income	其他全面收入總額	-	-	-	-	-	-	(15,921)	-	-	(15,921)	-	(15,921)
Total comprehensive loss for the year	本年度全面虧損總額	-	-	-	-	-	-	(15,921)	-	(56,508)	(72,429)	4	(72,425)
Transaction with owners	與擁有人進行之交易												
Issue of new shares in connection with the February Open Offer	有關二月份公開發售之新股份發行	33(g)	17,403	28,643	-	-	-	-	-	-	46,046	-	46,046
Shares issue upon exercise of ordinary share warrants	於行使普通股認股權證時發行股份	33(b)	-	6	-	-	-	-	-	-	6	-	6
Issue of new shares in connection with the December Open Offer	有關十二月份公開發售之新股份發行		139,223	(16,432)	-	-	-	-	-	-	122,791	-	122,791
Share issue expenses	發行股份開支		-	(5,657)	-	-	-	-	-	-	(5,657)	-	(5,657)
Forfeiture of share option	沒收購股權		-	-	-	-	-	-	(475)	475	-	-	-
Total transactions with owners	與擁有人進行之交易總額		156,626	6,560	-	-	-	-	(475)	475	163,186	-	163,186
At 31 March 2015	於二零一五年三月三十一日	185,631	6,594	(115,920)	2,885,431	2,216	8,000	(65,697)	1,185	(2,757,960)	149,480	79	149,559
		Attributable to the owners of the Company 本公司擁有人應佔											
		Share capital	Share premium	Shares held by the Company for settlement of acquisition consideration 本公司就償付收購代價所持股份	Contributed surplus	Distributable reserve	Capital redemption reserve	Exchange fluctuation reserve	Share option reserve	Accumulated losses	Sub-total	Non-controlling interests	Total equity
Notes		股本 HK\$'000 港幣千元	股份溢價 HK\$'000 港幣千元	代價所持股份 HK\$'000 港幣千元	實繳盈餘 HK\$'000 港幣千元	可供分派儲備 HK\$'000 港幣千元	股本贖回儲備 HK\$'000 港幣千元	匯兌波動儲備 HK\$'000 港幣千元	購股權儲備 HK\$'000 港幣千元	累計虧損 HK\$'000 港幣千元	小計 HK\$'000 港幣千元	非控股權益 HK\$'000 港幣千元	總權益 HK\$'000 港幣千元
At 1 April 2015	於二零一五年四月一日	185,631	6,594	(115,920)	2,885,431	2,216	8,000	(65,697)	1,185	(2,757,960)	149,480	79	149,559
Change in equity for 2016 Loss for the year	二零一六年權益變動 年度虧損	-	-	-	-	-	-	-	-	(33,077)	(33,077)	8	(33,069)
Exchange differences on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報表之匯兌差額	-	-	-	-	-	-	(5,026)	-	-	(5,026)	-	(5,026)
Total other comprehensive income	其他全面收入總額	-	-	-	-	-	-	(5,026)	-	-	(5,026)	-	(5,026)
Total comprehensive loss for the year	本年度全面虧損總額	-	-	-	-	-	-	(5,026)	-	(33,077)	(38,103)	8	(38,095)
Transaction with owners	與擁有人進行之交易												
Shares issue upon exercise of ordinary share warrants	於行使普通股認股權證時發行股份	33(g)	25	342	-	-	-	-	-	-	367	-	367
Forfeiture of share option	沒收購股權		-	-	-	-	-	-	(316)	316	-	-	-
Total transactions with owners	與擁有人進行之交易總額		25	342	-	-	-	-	(316)	316	367	-	367
At 31 March 2016	於二零一六年三月三十一日	185,656	6,936	(115,920)	2,885,431	2,216	8,000	(70,723)	869	(2,790,721)	111,744	87	111,831

Consolidated Statement of Cash Flows

綜合現金流轉表

截至二零一六年三月三十一日止年度 For the year ended 31 March 2016 (以港幣呈列) (Expressed in Hong Kong dollars)

	Notes 附註	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
CASH FLOWS FROM OPERATING ACTIVITIES	經營業務現金流轉		
Loss before taxation	除稅前虧損		
Continuing operations	持續經營業務	(38,616)	(56,354)
Discontinued operations	已終止經營業務	2	9
Adjustments for:	經下列調整：		
Change in fair value of investment properties	投資物業公平值變動		
	20	76	(1,079)
Finance costs	融資費用	10(a) 564	1,329
Finance income	融資收入	10(a) (203)	(366)
Impairment of property, plant and equipment	物業、廠房及設備之減值	9	9,700
Impairment loss on other receivables	其他應收款項之減值虧損	9	15,871
Depreciation	折舊	18	421
Change in fair value of financial liabilities	財務負債公平值變動	32	11,587
Reversal of write down of inventories, net	撥回存貨撇減淨額		-
			(58)
Waiver of loan interest	豁免貸款利息	8	-
Exchange difference, net	匯兌差額淨額		(900)
Gain on disposal of subsidiaries	出售附屬公司之收益	8	-
Change in fair value of biological assets less costs to sell	生物資產公平值變動減銷售成本		-
			16,197
Operating loss before changes in working capital	未計營運資金變動前之經營虧損	(1,498)	(9,379)
Decrease in inventories	存貨減少	733	2,994
Decrease in trade and other receivables	應收貿易款項及其他應收款項減少	3,914	12,628
Decrease in amount due to non-controlling shareholder	應付非控股股東款項減少	-	(399)
Decrease/(increase) in loan receivables	應收貸款減少/(增加)	11,273	(93,612)
Decrease in trade and other payables	應付貿易款項及其他應付款項減少	(4,340)	(12,865)
Cash generated from/(used in) operations	經營業務流入/(流出)現金	10,082	(100,633)
Income tax paid	已付所得稅		
- Hong Kong Profits Tax paid	- 已付香港利得稅	-	(75)
- PRC Enterprise income tax paid	- 已付中國企業所得稅	-	-
		-	(75)
NET CASH GENERATED FROM/ (USED IN) OPERATING ACTIVITIES	經營業務現金流入/(流出)淨額	10,082	(100,708)

Consolidated Statement of Cash Flows

綜合現金流轉表

截至二零一六年三月三十一日止年度 For the year ended 31 March 2016 (以港幣呈列) (Expressed in Hong Kong dollars)

		Notes 附註	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動現金流轉			
Payment to acquire property, plant and equipment	收購物業、廠房及設備之付款		(48)	(4)
Net cash outflow from acquisition of subsidiaries	收購附屬公司之現金流出淨額	36(a)	-	(9)
Net cash outflow from disposal of subsidiaries	出售附屬公司現金流出淨額	36(b)	-	(4)
Interest received	已收利息	10(a)	203	366
NET CASH GENERATED FROM INVESTING ACTIVITIES	投資活動現金流入淨額		155	349
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動現金流轉			
Repayment of loans and borrowings	償還貸款及借貸		(429)	(422)
Repayment of amounts due to shareholders	償還應付股東款項		-	(13,410)
Repayment of promissory note	償還承付票據		-	(6,782)
Interest paid	已付利息		(240)	(931)
Proceeds from share issue upon exercise of share warrant	行使認股權證時發行股份之所得款項		214	7
Proceeds from share issue	發行股份之所得款項		-	168,837
Share issue expense	發行股份之開支		-	(5,657)
NET CASH (USED IN)/ GENERATED FROM FINANCING ACTIVITIES	融資活動現金(流出)/流入淨額		(455)	141,642
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加淨額		9,782	41,283
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	年初現金及現金等價物		50,141	8,965
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	匯率變動之影響		(5)	(107)
CASH AND CASH EQUIVALENTS AT END OF YEAR	年終現金及現金等價物	27	59,918	50,141
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等價物結存分析			
Cash and cash equivalents	現金及現金等價物	27	59,918	50,141

The notes on pages 47 to 159 form part of these consolidated financial statements.

第47頁至第159頁之附註構成此等綜合財務報表之一部分。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

1. CORPORATE INFORMATION

Sustainable Forest Holdings Limited (the “Company”) was incorporated in Bermuda as an exempted company with limited liability under the Companies Act 1981 of Bermuda and its ordinary shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The address of its registered office and the principal place of business is Suites No. 302-305, 3rd Floor, Sino Plaza, 255-257 Gloucester Road, Causeway Bay, Hong Kong.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries of the Company comprise sustainable forest management; investment and leasing in natural forests; manufacturing and sales of timber products including but not limited to wooden door, furniture and wooden floor panels; leasing of properties; the business of licensed travel agent under the Travel Agents Ordinance (Chapter 218 of the Laws of Hong Kong); and money lending business pursuant to the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong).

2. STATEMENT OF COMPLIANCE

These consolidated financial statements had been prepared in accordance with all applicable International Financial Reporting Standards (“IFRSs”), which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards (“IASs”) and Interpretations issued by the International Accounting Standards Board (“IASB”), and the disclosure requirements of the Hong Kong Companies Ordinance. These accounts also comply with the applicable disclosure provisions of the Listing Rules.

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

1. 公司資料

永保林業控股有限公司(「本公司」)根據一九八一年百慕達公司法在百慕達註冊成立為獲豁免有限公司。本公司之普通股在香港聯合交易所有限公司(「聯交所」)主板上市。其註冊辦事處及主要營業地點之地址為香港銅鑼灣告士打道255-257號信和廣場3樓302-305室。

本公司之主要業務為投資控股，其附屬公司之主要業務包括可持續森林管理；天然森林投資及租賃；製造及銷售木材產品，包括但不限於木門、傢俱及木地板；物業租賃；根據旅行代理商條例(香港法例第218章)之持牌旅行代理業務；以及根據香港法律放債人條例(香港法例第163章)之貸款業務。

2. 合規聲明

該等綜合財務報表乃根據國際會計準則委員會(「國際會計準則委員會」)頒佈之所有適用國際財務報告準則(「國際財務報告準則」)編製，包括所有適用之個別國際財務報告準則、國際會計準則(「國際會計準則」)及詮釋以及香港公司條例之披露規定。該等賬目亦遵守上市規則之適用披露條文。

國際會計準則委員會已頒佈若干新訂及經修訂國際財務報告準則，其於本集團及本公司之當期會計期間首次生效並可提早應用。附註4提供來自首次應用該等發展所帶來會計政策任何變動之資料，該等資料與該等財務報表所反映本集團當期及先前會計期間有關。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 March 2016 comprise the Group.

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). These financial statements are presented in Hong Kong dollars (“HK\$”), rounded to the nearest thousand except for per share data. Hong Kong dollar is the Company’s functional and the Group’s presentation currency.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the biological assets, the warrants and investment properties are stated at their fair value as explained in the accounting policies set out in Notes 3(g), 3(y) and 3(z) respectively.

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

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

Judgements made by management in the application of IFRSs that have significant effect on the financial statements and major source of estimation uncertainty are discussed in Note 5.

3. 主要會計政策概要

(a) 財務報告編製基準

截至二零一六年三月三十一日止年度之綜合財務報告涵蓋本集團。

本集團旗下各實體之財務報表所列項目，乃以實體經營所在主要經濟環境之貨幣（「功能貨幣」）計量。該等財務報表以港幣（「港幣」）呈列，並已按四捨五入原則調整至最接近之千位，惟每股數據除外。港幣乃本公司之功能貨幣及本集團之呈列貨幣。

編製財務報表所用計量基準為歷史成本基準，惟生物資產、認股權證及投資物業則按公平值列賬，詳情分別見附註3(g)、3(y)及3(z)所載之會計政策。

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

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

管理層在應用國際財務報告準則過程中所作出對財務報表具有重大影響之判斷及估計不明朗因素之主要來源在附註5討論。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

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

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability.

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

3. 主要會計政策概要 (續)

(b) 附屬公司及非控股權益

附屬公司為本集團控制之實體。當本集團因參與實體的經營而承受可變回報之風險或有權享有有關回報，並有能力透過行使對實體之權力影響該等回報，則本集團控制實體。評估本集團是否有權力時，僅考慮實際權力（由本集團及其他方持有）。

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

非控股權益指並非由本公司直接或間接應佔附屬公司之權益，而本集團並無與該等權益持有人協定任何額外條款，以致本集團整體須就有關權益承擔財務負債所界定合約責任。

非控股權益於綜合財務狀況表內權益一項呈列，且獨立於本公司擁有人應佔權益。於本集團業績內之非控股權益在綜合損益表及綜合損益及其他全面收益表內以非控股權益及本公司擁有人應佔年內損益總額及全面收益總額分配之形式列報。倘若附屬公司之全面收益總額歸屬本公司擁有人及非控股權益會導致非控股權益產生虧絀餘額，全面收益總額仍然必須歸屬於本公司擁有人及非控股權益。來自非控股權益持有人之貸款及須向該等持有人償還之其他合約債務於綜合財務狀況表列作財務負債。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Subsidiaries and non-controlling interests (Continued) *Changes in the Group's ownership interests in existing subsidiaries*

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

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

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

(c) Business combinations

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

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

- a deferred tax asset or liability and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 Share-based Payment at the acquisition date; and

3. 主要會計政策概要 (續)

(b) 附屬公司及非控股權益 (續) *本集團於現有附屬公司所佔擁有權益變動*

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

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

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

(c) 業務合併

收購業務採用收購法入賬。業務合併之已轉讓代價按公平值計量，即於收購日期本集團所轉讓資產之公平值、本集團向被收購公司之前度擁有人所承擔負債以及由本集團發行以交換該被收購公司控制權之股本權益之總和。收購相關的成本一般於產生時在損益確認。

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

- 遞延稅項資產或負債及與僱員福利安排有關之資產或負債，乃分別根據國際會計準則第12號所得稅及國際會計準則第19號僱員福利確認及計量；
- 與被收購公司之以股份付款安排或與以本集團之以股份付款安排取代被收購公司之以股份付款安排相關之負債或股本工具乃於收購日期根據國際財務報告準則第2號以股份付款計量；及

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Business combinations (Continued)

- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

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

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

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

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

3. 主要會計政策概要 (續)

(c) 業務合併 (續)

- 根據國際財務報告準則第5號持作待售非流動資產及已終止業務被分類為持作待售之資產(或出售組別)乃根據該準則計量。

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

屬現有擁有權權益及賦予其持有人權利於清盤時按比例分佔實體淨資產之非控股權益可初步按公平值或非控股權益分佔被收購方可識別淨資產已確認金額之比例計量。計量基準視乎每項交易而作出選擇。其他類型之非控股權益則按公平值或按其他國際財務報告準則訂明之基準(如適用)計量。

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

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

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Business combinations (Continued)

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

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

(d) Goodwill

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

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

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

3. 主要會計政策概要 (續)

(c) 業務合併 (續)

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

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

(d) 商譽

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

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

出售相關現金產生單位時，商譽之應佔金額於釐定出售損益時計入。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Property, plant and equipment

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

Freehold land and construction in progress are not depreciated.

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

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

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

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

Property	Over the lease term
Furniture and fixtures	5-10 years
Machinery, engineering and other equipment	5-10 years
Motor vehicles	10 years

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

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

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

3. 主要會計政策概要 (續)

(e) 物業、廠房及設備

永久業權土地於初步確認時按成本計量。於業務合併中收購之永久業權土地之成本為收購日期之公平值。

永久業權土地及在建工程並不會進行計算折舊。

以下物業、廠房及設備項目於綜合財務狀況表按成本值減累計折舊及累計減值虧損列賬 (請參閱附註 3(i)):

- 物業、傢俬及裝置、機器、工程及其他設備及汽車

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

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

物業	於租賃年期內
傢俬及裝置	5-10 年
機器、工程及其他設備	5-10 年
汽車	10 年

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

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

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

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Property, plant and equipment (Continued)

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

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

Properties, plant and equipment in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties, plant and equipment are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

(f) Intangible assets (other than goodwill)

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

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

Amortisation of patent with finite useful lives is charged to profit or loss on a straight-line basis over its useful lives of 6 years. Amortisation of outstanding sales contract with finite useful life is charged to profit or loss based on the percentage of revenue recognised on the contract.

Trademark has an indefinite useful life.

Money lending license will not be amortised until its useful life is determined to be finite, but subject to impairment test annually.

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

3. 主要會計政策概要 (續)

(e) 物業、廠房及設備 (續)

倘資產之賬面值超出其估計可收回值，則即時撇減至其可收回值。

報廢或出售物業、廠房及設備項目所產生盈虧按出售所得款項淨額與項目賬面值間之差額釐定，並於報廢或出售當日於損益確認。

用於生產、提供貨物或行政用途之在建物業、廠房及設備以成本減已確認減值虧損列賬。成本包括為專業費用及(就合資格資產而言)根據本集團會計政策資本化之借貸成本。該物業、廠房及設備完工後並達至擬定用途時被劃分為物業、廠房及設備之合適類別。與其他物業資產之基準一樣，該等資產達至擬定用途時開始折舊。

(f) 無形資產 (不包括商譽)

於業務合併時識別之無形資產(不包括商譽)按其公平值撥作資本。

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

具有限使用年期之專利權攤銷是根據直線法以6年計算，直接於損益中扣除。具有限使用年期之未完成銷售合約之攤銷根據合約所確認之收入百分比直接於損益中列賬。

商標具有無限之可使用年期。

放債人牌照於可使用年期獲釐定為有限前無須進行攤銷，惟須每年進行減值測試。

取消確認無形資產所產生之盈虧乃按出售資產所得款項淨額與該資產之賬面值兩者間之差額計量，並於取消確認該項資產時，於損益中列賬。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Biological assets

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

(h) Leased assets

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

(i) Classification of assets leased to the Group

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

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

(ii) Operating lease charges

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

3. 主要會計政策概要 (續)

(g) 生物資產

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

(h) 租賃資產

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

(i) 本集團承租資產之分類

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

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

(ii) 經營租約費用

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

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Impairment of assets

(i) Impairment of receivables

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

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

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

- For trade receivables and other current receivables, loan receivables and other financial assets carried at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. This assessment is made collectively where financial assets carried at amortised cost share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

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

3. 主要會計政策概要 (續)

(i) 資產之減值

(i) 應收款項之減值

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

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

如存在該等證據，減值虧損將按下列方式釐定及確認：

- 就以攤銷成本列賬之應收貿易款項及其他流動應收款項、應收貸款以及其他財務資產而言，減值虧損乃根據資產之賬面值與按財務資產原實際利率（即該等資產於首次確認時計算之實際利率）折現預期未來現金流轉現值（當折現之影響為重大時）之差額計算。倘按攤銷成本列賬之財務資產具備類似之風險特徵（例如類似之逾期情況及並未單獨被評估為出現減值），則此等資產會進行集體評估。集體評估減值之財務資產之未來現金流轉以信貸風險特徵與本集團類似之資產過往之損失情況為依據。

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Impairment of assets (Continued)

(i) Impairment of receivables (Continued)

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

(ii) Impairment of other assets

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

- property, plant and equipment;
- intangible assets;
- goodwill; and
- investments in subsidiaries in the Company's statement of financial position.
- *Calculation of recoverable amount*
The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash generating unit).

3. 主要會計政策概要 (續)

(i) 資產之減值 (續)

(i) 應收款項之減值 (續)

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

(ii) 其他資產之減值

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

- 物業、廠房及設備；
- 無形資產；
- 商譽；及
- 本公司財務狀況表中於附屬公司之投資。
- *計算可收回金額*
資產之可收回金額為其公平值減出售成本與使用價值兩者間之較高者。於評估使用價值時，估計未來現金流轉乃使用反映貨幣之時間價值及資產特定風險之現時市場評估稅前貼現率貼現至其現值。倘資產產生之現金流入並非大致上獨立於來自其他資產之現金流入，則為獨立產生現金流入之最小一組資產（即現金產生單位）釐定可收回金額。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Impairment of assets (Continued)

(ii) Impairment of other assets (Continued)

– Recognition of impairment losses

An impairment loss is recognised in profit or loss whenever the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying amount of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

– Reversals of impairment losses

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

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

(iii) Interim financial reporting and impairment

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

Impairment losses recognised in an interim period in respect of goodwill, available-for-sale equity securities and unquoted equity securities carried at cost are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognised had the impairment been assessed only at the end of the financial year to which the interim period relates. Consequently, if the fair value of an available-for-sale equity security increases in the remainder of the annual period, or in any other period subsequently, the increase is recognised in other comprehensive income and not profit or loss.

3. 主要會計政策概要 (續)

(i) 資產之減值 (續)

(ii) 其他資產之減值 (續)

– 確認減值虧損

當資產或資產所屬之現金產生單位之賬面值超過其可收回金額，則減值虧損於損益內確認。就現金產生單位確認之減值虧損予以分配，首先扣減現金產生單位（或一組單位）獲分配之任何商譽賬面值，然後，按比例扣除單位（或一組單位）之其他資產賬面值，惟資產之賬面值不會扣減至低於其個別公平值減出售成本（倘可計量），或使用價值（倘可釐定）。

– 撥回減值虧損

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

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

(iii) 中期財務報告及減值

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

於中期內就商譽、可供出售股本證券及按成本列賬之未報價股本證券所確認減值虧損不可在其後期間撥回。假設在中期相關財政年度完結時才評估該等減值，即使毋需確認虧損或確認較少虧損，亦不可撥回減值虧損。因此，若可供出售股本證券之公平值於年度餘下期間或任何其他隨後期間增加，該增加將於其他全面收入確認，而非於損益確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Inventories

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

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

(k) Trade and other receivables

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

(l) Interest-bearing borrowings

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

(m) Preferred share capital

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

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

3. 主要會計政策概要 (續)

(j) 存貨

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

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

(k) 應收貿易款項及其他應收款項

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

(l) 附息借貸

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

(m) 優先股股本

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

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

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For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Trade and other payables

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

(o) Cash and cash equivalents

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

(p) Employee benefits

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

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

(ii) The Group operates a Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, for all of its employees in Hong Kong. Under the rule of the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at rates specified in the rules. The only obligation of the Group with respect to the MPF Scheme is to make the required contributions under the scheme. The employees of the Group's subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. The subsidiaries are required to contribute a percentage of their payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with rules of the central pension scheme.

3. 主要會計政策概要 (續)

(n) 應付貿易款項及其他應付款項

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

(o) 現金及現金等價物

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

(p) 僱員福利

(i) 短期僱員福利及向定額退休供款計劃供款

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

(ii) 本集團根據強制性公積金計劃條例為其所有香港僱員設有強積金退休福利計劃（「強積金計劃」）。根據強積金計劃之規則，僱主及其僱員各自須根據規則指定之比率就計劃作出供款。本集團於強積金計劃之唯一責任為根據計劃作出規定之供款。本集團於中國大陸經營業務之附屬公司僱員須參加當地市政府管理之中央退休金計劃。附屬公司須按其工資成本若干百分比向中央退休金計劃作出供款。供款於根據中央退休金計劃之規則到期應付時在損益扣除。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Employee benefits (Continued)

(iii) Share-based payments

Share options granted to employees

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

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

Share options granted to consultants

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

(iv) Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when it recognises restructuring costs involving the payment of termination benefits.

3. 主要會計政策概要 (續)

(p) 僱員福利 (續)

(iii) 以股份支付

授予僱員之購股權

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

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

授予顧問之購股權

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

(iv) 終止福利

終止福利於本集團不再提供該等福利當日或其確認包括支付終止福利付款之重組成本之較早日獲確認。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(q) Income tax

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

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

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

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

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

3. 主要會計政策概要 (續)

(q) 所得稅

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

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

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

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

確認遞延稅項資產及負債之有限例外情況包括來自商譽之不可扣稅暫時差額、初步確認不影響會計或應課稅溢利之資產或負債（前提為該等資產或負債並非業務合併之一部份），以及與於附屬公司投資有關之暫時差額，如為應課稅差額，只限於本集團控制撥回時間而不大可能在可預見將來撥回之差額；或如屬可扣稅差額，則只限於可在將來撥回之差額。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(q) Income tax (Continued)

Where investment properties are carried at their fair value in accordance with the accounting policy set out in Note 3(z), the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

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

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

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

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

3. 主要會計政策概要 (續)

(q) 所得稅 (續)

當投資物業根據附註3(z)所載會計政策按公平價值列賬，除該物業是需折舊的及以一商業模式持有，而其目的是要透過時間使用而並非出售該物業以獲取隱含於該物業之重大經濟利益外，確認遞延稅項的金額按該物業於呈報日期假設以賬面值出售的稅率計算。在所有其他情況下，所確認之遞延稅項金額，乃按照各資產及負債預期之賬面值變現或償還方式，以及於報告期末所通行或大致通行之稅率所計算。遞延稅項資產及負債不予折現。

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

分派股息產生之額外所得稅乃於確認支付有關股息之責任時確認。

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

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

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綜合財務報表附註

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) Financial guarantees issued, provisions and contingent liabilities

(i) Financial guarantees issued

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

Where the Group issues a financial guarantee, the fair value of the guarantee is initially recognised as deferred income within trade and other payables. The fair value of financial guarantees issued at the time of issuance is determined by reference to fees charged in an arm's length transaction for similar services, when such information is obtainable, or is otherwise estimated by reference to interest rate differentials, by comparing the actual rates charged by lenders when the guarantee is made available with the estimated rates that lenders would have charged, had the guarantee not been available, where reliable estimates of such information can be made. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss on initial recognition of any deferred income.

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

(ii) Contingent liabilities assumed in business combinations

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

3. 主要會計政策概要 (續)

(r) 已發出之財務擔保、撥備及或然負債

(i) 已發出之財務擔保

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

當本集團作出財務擔保時，擔保之公平值於初步確認時列為應付貿易款項及其他應付款項中的遞延收入。已作出財務擔保的公平值於作出時乃參照類似服務於公平磋商交易的過程中所收取的費用（如可獲得該等資料）而釐定，或參照息差作出估計，方法為以放款人在獲提供擔保之情況下實際收取之利率與在不獲提供擔保之情況下放款人將會收取之估計利率作比較（如該等資料能可靠地估計）。當作出擔保收到或可收取代價時，代價將根據本集團此類資產適用之政策確認。當沒有收到或應收代價時，則即時於損益就初步確認任何遞延收入確認開支。

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

(ii) 於業務合併中承擔之或然負債

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**(r) Financial guarantees issued, provisions and contingent liabilities** (Continued)**(iii) Other provisions and contingent liabilities**

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

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

(s) Revenue recognition

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

(i) Sale of goods

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

(ii) Interest income

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 the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(iii) Rental income from investment property

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

3. 主要會計政策概要 (續)**(r) 已發出之財務擔保、撥備及或然負債 (續)****(iii) 其他撥備及或然負債**

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

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

(s) 收入確認

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

(i) 銷售貨品

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

(ii) 利息收入

來自金融資產之利息收入於經濟利益可流入本集團而收入金額可以可靠計量時確認。利息收入乃參考尚未償還本金並按適用實際利率且按時間基準累計；實際利率為通過金融資產之預計年期將估計未來現金收入初步確認時準確貼現至資產之賬面淨值。

(iii) 投資物業之租金收入

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

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Revenue recognition (Continued)

(iv) Service income

Service income is recognised upon services in respect of the sales of air tickets, hotel accommodation and other travel related products are provided.

Commission income, handling charge and late charge revenues are recognised when earned.

(t) Translation of foreign currencies

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

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

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

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

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

3. 主要會計政策概要 (續)

(s) 收入確認 (續)

(iv) 服務收入

服務收入於提供有關銷售機票、酒店住宿及其他旅遊相關產品之服務後確認。

佣金收入、手續費及逾期收費收入於賺取時確認。

(t) 外幣換算

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

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

海外業務之業績乃按與交易日期適用匯率相若之匯率換算為港幣。財務狀況表項目（包括因合併於二零零五年四月一日或以後收購之海外業務而產生之商譽）則按報告期末之收市外幣匯率換算為港幣。所得出匯兌差額於其他全面收益確認，並分開於匯兌波動儲備中之權益中累計。合併於二零零五年四月一日前購入之海外業務產生之商譽，按於收購該海外業務當日適用之匯率換算。

於出售一項海外業務（即出售本集團於一項海外業務所佔全部權益或出售涉及失去於一家包括海外業務在內之附屬公司之控制權或出售於聯營公司部分涉及海外業務之權益，其中保留權益成為金融資產）時，所有就該項業務於權益中累計之本公司擁有人應佔匯兌差額均重新分類為損益。

此外，就出售附屬公司部分涉及海外業務之權益而並未導致本集團失去該附屬公司之控制權而言，按比例應佔之累計匯兌差額須重新歸屬於非控股權益而不在損益中確認。至於一切其他局部出售（即局部出售不會致使本集團失去重大影響力之聯營公司），按比例應佔之累計匯兌差額重新分類為損益。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Borrowing costs

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

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

(v) Related parties

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

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

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

- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.

3. 主要會計政策概要 (續)

(u) 借貸成本

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

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

(v) 關連人士

(a) 倘屬以下人士，該人士或該人士之近親即與本集團有關聯：

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

(b) 倘符合下列任何條件，實體即與本集團有關聯：

- (i) 該實體與本集團屬同一集團之成員公司（即各母公司、附屬公司及同系附屬公司彼此間有關聯）。
- (ii) 一家實體為另一實體之聯營公司或合營企業（或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業）。
- (iii) 兩家實體均為同一第三方之合營企業。
- (iv) 一家實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司。
- (v) 該實體為就本集團或與本集團有關聯之實體之僱員利益設立之離職後福利計劃。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(v) Related parties (Continued)

(b) (Continued)

- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

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

(w) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the board of directors of the Company (the chief operating decision maker) for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

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

3. 主要會計政策概要 (續)

(v) 關連人士 (續)

(b) (續)

- (vi) 該實體受(a)所識別之人士控制或共同控制。
- (vii) 於(a)(i)所識別之人士對該實體有重大影響力或屬該實體(或該實體之母公司)主要管理人員。
- (viii) 該實體或其所屬集團之任何成員公司向本集團或本集團之母公司提供主要管理人員服務。

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

(w) 分部報告

經營分部及財務報告所呈報各分部項目之金額，乃取材自定期向本公司董事會(主要經營決策人)提供之財務資料，該等財務資料旨在考慮分配資源至本集團不同業務範疇及地區，以及評估其表現而編製。

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The Company issued shares and held them on behalf of the vendor for the settlement of acquisition consideration payable to the vendor in future years upon meeting of net profit guarantee by the vendor in connection with acquisition of its Originate Tech Global Investments Limited and its subsidiaries. The shares, valued at HK\$0.414 per share, before share consolidation effective from 2 October 2013, including any directly attributable incremental costs, are presented as "Shares held by the Company for settlement of acquisition consideration" and deducted from total equity. As a result of the failure to meet net profit guarantee by the vendor as per the acquisition agreement, these shares are held by the Company awaiting disposal by the Company. Proceeds recovered from the disposal of these shares shall be returned to the Company.

(y) Warrants

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

(z) Investment properties

Investment property is property held either to earn rentals or for capital appreciation or for both, but not held for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured at cost on initial recognition and subsequently at fair value with any change therein recognised in profit or loss.

(aa) Non-current assets held for sale and discontinued operations

(i) Non-current assets held for sale

A non-current asset (or disposal group) is classified as held for sale if it is highly probable that its carrying amount will be recovered through a sale transaction rather than through continuing use and the asset (or disposal group) is available for sale in its present condition. A disposal group is a group of assets to be disposed of together as a group in a single transaction, and liabilities directly associated with those assets that will be transferred in the transaction.

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

3. 主要會計政策概要 (續)

(x) 本公司就償付收購代價所持股份

在賣方達成有關收購創科環球投資有限公司及其附屬公司之純利保證後，本公司就償付未來數年應付賣方之收購代價發行並代表賣方持有股份。每股估值港幣0.414元之股份（二零一三年十月二日生效之股份合併前）包括任何直接應佔增加成本，呈列為「就償付收購代價由本公司持有之股份」並從總權益中扣除。由於賣方未能達致收購協議規定之純利保證，該等股份由本公司持有以待出售。出售該等股份所收回之所得款項將歸還本公司。

(y) 認股權證

並非以定額現金就一定數目之本公司股本工具結算之本公司所發行認股權證為衍生財務工具。分類為衍生財務工具之認股權證按發行日期之公平值確認。於其後期間之公平值變動於損益確認。

(z) 投資物業

投資物業為持有作賺取租金或資本升值或作該兩種用途而非在日常業務過程中持作出售、用作生產或供應貨品或服務或作行政用途之物業。投資物業於初步確認時按成本計量及其後按公平值計量，而其任何變動會於損益內確認。

(aa) 持作待售之非流動資產及已終止經營業務

(i) 持作待售之非流動資產

倘非流動資產（或出售組別）極有可能透過銷售交易（而非透過持續使用）收回其賬面值，且該資產（或出售組別）在現況下可供出售，則分類為持作待售。出售組別指一組資產於單一交易中一併出售，而與該等資產直接相關之負債將會於交易中轉移。

倘本集團所進行之銷售計劃涉及失去一間附屬公司之控制權，則該附屬公司之所有資產及負債於符合上述分類為持作待售之條件時分類為持作待售，而不論本集團會否於銷售後保留於該附屬公司之非控股權益。

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For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(aa) Non-current assets held for sale and discontinued operations (Continued)

(i) Non-current assets held for sale (Continued)

Immediately before classification as held for sale, the measurement of the non-current assets (and all individual assets and liabilities in a disposal group) is brought up-to-date in accordance with the accounting policies before the classification. Then, on initial classification as held for sale and until disposal, the non-current assets (except for certain assets as explained below), or disposal groups, are recognised at the lower of their carrying amount and fair value less costs to sell. The principal exceptions to this measurement policy so far as the financial statements of the Group and the Company are concerned are deferred tax assets, assets arising from employee benefits, financial assets (other than investments in subsidiaries, associates and joint ventures) and investment properties. These assets, even if held for sale, would continue to be measured in accordance with the policies set out elsewhere in note 1.

Impairment losses on initial classification as held for sale, and on subsequent remeasurement while held for sale, are recognised in profit or loss. As long as a non-current asset is classified as held for sale, or is included in a disposal group that is classified as held for sale, the non-current asset is not depreciated or amortised.

(ii) Discontinued operations

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

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

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

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

3. 主要會計政策概要 (續)

(aa) 持作待售之非流動資產及已終止經營業務 (續)

(i) 持作待售之非流動資產 (續)

緊接分類為持作待售前，非流動資產（及出售組別之所有個別資產及負債）之計量根據分類前之會計政策更新。其後，於初始分類為持作待售及直至出售時，非流動資產（以下所述之若干資產除外），或出售組別以其賬面值及公平值扣除銷售成本之較低者確認。就本集團及本公司之財務報表而言，有關此計量政策之主要例外情況包括遞延稅項資產、僱員福利產生之資產、財務資產（於附屬公司、聯營公司及合營企業之投資除外）及投資物業。該等資產儘管持作待售，仍會繼續按附註1所載之政策計量。

於初始分類為持作待售，及其後持作待售之重新計量而產生之減值虧損，將於損益表內確認。只要非流動資產被分類為持作待售，或被列入分類為持作待售之出售組別，該非流動資產即不予折舊或攤銷。

(ii) 已終止經營業務

已終止業務為本集團業務之組成部分，而其營運及現金流轉可與本集團其他業務清楚區分。已終止經營業務指一項按業務或營運地區劃分之獨立主要業務，或作為出售一項按業務或營運地區劃分之獨立主要業務之單一統籌計劃之一部分，或為一間專為轉售而收購之附屬公司。

倘業務被出售或符合分類為持作待售之標準（見上文(i)）（如較早），則分類為已終止經營業務。撇除業務時，有關業務亦會分類為已終止經營業務。

倘業務分類為已終止經營，則於損益表內按單一數額呈列，其中包括：

- 已終止經營業務之除稅後溢利或虧損；及
- 就構成已終止經營業務之資產或出售組別，計量公平值減銷售成本或於出售時確認之除稅後損益。

4. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

In the current year, the Group has applied the following new and revised IFRSs issued by the ISA.

Amendments to IAS 19	Defined Benefit Plans: Employee Contributions
Amendments to IFRSs	Annual Improvements to IFRSs 2010-2012 Cycle
Amendments to IFRSs	Annual Improvements to IFRSs 2011-2013 Cycle

The application of the amendments to IFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

5. ACCOUNTING ESTIMATES AND JUDGEMENTS

Key Sources of Estimation Uncertainty

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

(a) Property, plant and equipment and depreciation

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

4. 應用新訂及經修訂國際財務報告準則

於本年度，本集團已應用下列國際會計準則理事會頒佈之新訂及經修訂國際財務報告準則。

國際會計準則第19號之修訂本	國際財務報告準則之修訂本	界定福利計劃：僱員供款	國際財務報告準則二零一零年至二零一二年週期年度改進
國際財務報告準則之修訂本	國際財務報告準則之修訂本	國際財務報告準則二零一一年至二零一三年週期年度改進	國際財務報告準則二零一一年至二零一三年週期年度改進

於本年度應用國際財務報告準則之修訂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並無重大影響。

5. 會計估計及判斷

估計不明朗因素之主要來源

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

(a) 物業、廠房及設備以及折舊

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

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綜合財務報表附註

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5. ACCOUNTING ESTIMATES AND JUDGEMENTS

(Continued)

Key Sources of Estimation Uncertainty (Continued)

(b) Impairment of freehold land

Determining whether the freehold land (Note 18) is impaired requires an estimation of their recoverable amount at the reporting period end. As own harvesting operation for the forest on the freehold land had been suspended since March 2014, the independent professional valuer cannot validate the feasibility of the leasing for the forest on the freehold land (Note 21), in light of the lapsed memorandum of understanding for leasing out certain small portion of the forest in the past. The independent professional valuer considered and adopted the direct comparison method under the market approach to be appropriate in determining the fair value for the freehold land of the Group, with reference to the expert opinion of its Brazilian forest engineer on the naked farm land. However, based on the available information, there have been no comparable transactions for the freehold land of the Group since June 2014. The Brazilian forest engineer used some past historic price data and the asking prices in certain sampled advertisements for the naked farm land summarized below:

- Historic price data maintained at certain institutions with price ranges from BRL50 to BRL1,200/hectare, which were largely not updated since 2014; and
- Asking price per hectares in certain sampled advertisements ranging from BRL150 to BRL650 per hectare around the reporting period end.

The independent professional valuer and its Brazilian engineer determined the average naked land to be BRL489.60 per hectare based on which they had exercised significant judgement by making an adjustment factor in arriving at the average unit fair value for the Group's freehold land at BRL866.25 per hectare or a total fair value for the freehold land of the Group at BRL39,985,000 (equivalent to approximately HK\$85,508,000) at 31 March 2016 (Note 18) and accordingly, the Group recognized an impairment for the freehold land amounting to approximately HK\$9,700,000 to the consolidated income statement for the year ended 31 March 2016.

If the estimation for the fair value of the freehold land were different from the market value, the actual impairment would be significantly higher than the estimate.

5. 會計估計及判斷 (續)

估計不明朗因素之主要來源 (續)

(b) 永久業權土地減值

釐定永久業權土地(附註18)是否減值須估計其於報告期末之可收回金額。由於永久業權土地之自有森林伐木業務已自二零一四年三月起暫停,考慮到過往租賃若干部分森林之諒解備忘錄已失效,獨立專業估值師未能核實於永久業權土地租賃森林(附註21)之可行性。獨立專業估值師於釐定本集團永久業權土地之公平值時考慮及採用市場法項下之直接比較法,並參考巴西森林工程師就農場空地作出之專家意見。然而,根據現有資料,本集團自二零一四年六月起並無永久業權土地可資比較交易。巴西森林工程師使用有關農場空地若干過往歷史價格數據及若干廣告實例之報價概述如下:

- 若干機構保留之歷史價格數據之範圍介乎50雷亞爾至1,200雷亞爾/公頃,自二零一四年起基本上並無更新;及
- 於報告期末前後,若干廣告實例中每公頃之報價介乎150雷亞爾至650雷亞爾/公頃。

獨立專業估值師及其巴西工程師釐定空地均價為489.60雷亞爾/公頃,據此,彼等已通過於計算本集團於二零一六年三月三十一日之永久業權土地之平均單位公平值866.25雷亞爾/公頃或本集團之永久業權土地之公平值總額39,985,000雷亞爾(相等於約港幣85,508,000元)時作出重大調整因素行使重大判斷(附註18),因此,本集團於截至二零一六年三月三十一日止年度之綜合收益表確認永久業權土地減值約港幣9,700,000元。

倘永久業權土地之估計公平值與市值有差異,則實際減值將遠高於估計。

5. ACCOUNTING ESTIMATES AND JUDGEMENTS

(Continued)

Key Sources of Estimation Uncertainty (Continued)**(c) Impairment of trade and other receivables**

The Group estimates impairment losses on trade and other receivables resulting from inability of the customers or debtors to make the required payments. The Group bases the estimates on the ageing of the trade and other receivables, customer or debtor credit-worthiness, and historical write off experience. If the financial condition of the customers or debtors were to deteriorate, actual write off would be higher than estimates.

(d) Impairment allowances on loan receivables

The Group has established impairment allowances in respect of estimated incurred loss in loan receivables. The allowances on loan receivables are set out in Note 25 to the consolidated financial statements, respectively.

In determining individual impairment allowances, management considers objective evidence of impairment. When a loan is impaired, an individual impairment allowance is assessed by a discounted cash flow method, measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate. The quantum of the allowance is also impacted by the collateral value and this, in turn, may be discounted in certain circumstances to take into account the impact of forced sale or quick liquidation.

In determining collective impairment allowances, management uses estimates based on historical experience for assets with credit risk characteristics and objective evidence of impairment similar to those in the portfolio adjusted for current conditions.

The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

(e) Write down of inventories

Inventories are written down to net realisable value based on an assessment of the realisability of inventories. Write down of inventories are recorded where events or changes in circumstances indicate that the balances may not be realised. The identification of write downs requires the use of judgements and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying amount of inventories and write down of inventories in the periods in which such estimate has been changed.

5. 會計估計及判斷 (續)

估計不明朗因素之主要來源 (續)

(c) 應收貿易款項及其他應收款項減值

本集團估計因客戶或債務人無力支付所需款項而導致應收貿易款項及其他應收款項出現之減值虧損。本集團乃按應收貿易款項及其他應收款項之賬齡、客戶或債務人之信譽及過往之撇賬記錄進行估計。倘客戶或債務人之財政狀況轉壞，實際之撇賬額將高於估計數字。

(d) 應收貸款之減值撥備

本集團就應收貸款估計產生之虧損作出減值撥備。應收貸款撥備分別載於綜合財務報表附註25。

於釐定個別減值撥備時，管理層考慮減值之客觀證據。當貸款出現減值時，會使用折算現金流轉法評估個別減值撥備，以資產之賬面值及按原實際利率折算估計未來現金流轉之現值之差額計量。撥備之數額亦受抵押品之價值所影響，而在若干情況下，抵押品價值可能需予以折讓，以計及強制出售或迅速套現之影響。

於釐定整體減值撥備時，管理層使用根據具備相近信貸風險特性以及與組合相似之客觀減值證據之資產之過往經驗作出之估計再就現行情況作出調整。

估計未來現金流轉金額及時間之方法及假設須予定期評估，以削減虧損估計與實際虧損經驗之任何差額。

(e) 存貨之撇減

存貨乃根據存貨之可變現能力之評估而撇減至可變現淨值。倘發生事件或情況有變而顯示結餘可能無法變現時，則會撇減存貨。撇減之識別需要使用判斷及估計。倘預期與原先估計有別，將影響改變有關估計期間存貨之賬面值及存貨之撇減。

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5. ACCOUNTING ESTIMATES AND JUDGEMENTS

(Continued)

Key Sources of Estimation Uncertainty (Continued)

(f) Impairment of goodwill

The Group performs annual tests on whether there has been impairment of goodwill in accordance with the accounting policy stated in Note 3(i). The recoverable amounts of cash-generating units are determined based on fair value less costs of disposal calculations. These calculations require the use of estimates and assumptions made by management on the future operation of the business, and other assumptions underlying the fair value less costs of disposal calculations.

(g) Impairment loss of intangible assets

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

(h) Income tax

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

5. 會計估計及判斷 (續)

估計不明朗因素之主要來源 (續)

(f) 商譽減值

本集團每年根據附註3(i)所載會計政策進行檢測，以判斷商譽有否減值。現金產生單位之可收回金額乃根據公平值減銷售成本計算法釐定。計算時，管理層需要對業務之未來營運情況作出估計及假設，並使用有關公平值減銷售成本計算法之其他假設。

(g) 無形資產之減值虧損

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

(h) 所得稅

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

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For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

5. ACCOUNTING ESTIMATES AND JUDGEMENTS

(Continued)

Key Sources of Estimation Uncertainty (Continued)

(i) Fair values of biological assets

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

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

Any material change in cost of revenue, log price, discount rate, quality conditions and quantity of trees, and the harvesting year, will affect the fair value of biological assets.

5. 會計估計及判斷 (續)

估計不明朗因素之主要來源 (續)

(i) 生物資產公平值

管理層於報告期末參考市價及專業估值估計生物資產之公平值減銷售成本。相關農產品市價出現之意外波動變化，可能會對該等生物資產之公平值產生重大影響，並導致未來會計期間出現公平值重新計量。

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

收益成本、原木價格、貼現率、樹木質量狀況及數目以及收成年數之任何重大變動將影響生物資產之公平值。

Description	Fair value at 31 March 2016 於二零一六年 三月三十一日之 公平值	Valuation technique	Unobservable inputs	Relationship of unobservable inputs to fair value
說明		估值技術	不可觀察輸入數據	不可觀察輸入數據與公平值之關係
Biological assets	HK\$Nil	Discounted cash flows	Cost of revenue	The higher the cost of revenue, the lower the fair value 收入成本越高，公平值則越低
生物資產	港幣零元	貼現現金流量	Log price	The higher the log price, the higher the fair value 木材價格越高，公平值則越高
			Discount rate	The higher the discount rate, the lower the fair value 貼現率越高，公平值則越低
			Harvesting year	The longer the harvesting period, the lower the fair value 收成年數越長，公平值則越低
			Quality condition and quantity of trees	The higher the quality conditions and quantity of trees, the higher the fair value 樹木質量狀況越高及數量越多，公平值則越高
			樹木質量狀況及數量	

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5. ACCOUNTING ESTIMATES AND JUDGEMENTS

(Continued)

Key Sources of Estimation Uncertainty (Continued)

(i) Fair values of biological assets (Continued)

Description	Fair value at 31 March 2015 於二零一五年 三月三十一日之 公平值	Valuation technique	Unobservable inputs	Relationship of unobservable inputs to fair value
說明	公平值	估值技術	不可觀察輸入數據	不可觀察輸入數據與公平值之關係
Biological assets	HK\$Nil	Discounted cash flows	Cost of revenue	The higher the cost of revenue, the lower the fair value
生物資產	港幣零元	貼現現金流量	收入成本	收入成本越高，公平值則越低
			Log price	The higher the log price, the higher the fair value
			木材價格	木材價格越高，公平值則越高
			Discount rate	The higher the discount rate, the lower the fair value
			貼現率	貼現率越高，公平值則越低
			Harvesting year	The longer the harvesting period, the lower the fair value
			貼現率	收成年數越長，公平值則越低
			Quality conditions and quantity of trees	The higher the quality conditions and quantity of trees, the higher the fair value
			樹木質量狀況及數量	樹木質量狀況越高及數量越多，公平值則越高

(j) Revenue recognition

The Group assesses its business relationships with customers and determines that it is acting as an agent in the majority of transactions relating to the sales of air-tickets, hotel accommodation and other travel related products, and accordingly report those revenue on a net basis.

(k) Estimates of fair value of investment properties

The Group's investment properties were revalued at the end of the reporting period by an independent professional valuer. Such valuations were based on certain assumptions which are subject to uncertainty and might materially differ from the actual results. In making the judgement, the Group considers information from current prices in an active market for similar properties and uses assumptions that are mainly based on market conditions existing at the end of the reporting period.

5. 會計估計及判斷 (續)

估計不明朗因素之主要來源 (續)

(i) 生物資產公平值 (續)

(j) 收益確認

本集團評估其與客戶之間的業務關係，並確定其在大多數有關銷售機票、酒店住宿及其他旅遊相關產品的交易中擔任代理，因此將該等收益按淨額基準列報。

(k) 估計投資物業公平值

本集團的投資物業由獨立專業估值師於報告期末重新估值。有關估值乃基於若干假設，該等假設受不確定因素影響，並可能與實際結果有重大差異。於作出判斷時，本集團考慮同類物業於活躍市場之現價資料，並使用主要根據於報告期末之現行市況而作出之假設。

5. ACCOUNTING ESTIMATES AND JUDGEMENTS

(Continued)

Key Sources of Estimation Uncertainty (Continued)**(i) Fair value of warrants**

The directors of the Company use their judgement in selecting an appropriate valuation technique to determine fair value of the warrants which are not quoted in an active market. Valuation techniques commonly used by market practitioners are applied. The fair values of these warrants are determined at the end of the reporting period with movement in fair value recognised in profit or loss. In estimating the fair value of these warrants, the Group uses independent valuation which is based on various inputs and estimates. If the inputs and estimates applied in the model are different, the carrying amount of these warrants will change. The carrying value of the warrants at 31 March 2016 was HK\$52,029,000 (2015: HK\$40,595,000).

6. SEGMENT REPORTING

The Group manages its businesses by divisions, which are organised by a mixture of both business lines (products and services) and geography. In a manner consistent with the way in which information is reported internally to the board of directors ("Board") (the chief operating decision maker) of the Company for the purposes of resource allocation and performance assessment, the Group has presented the following reportable segments. In 2015, the Group commenced a new segment, i.e. money lending, as a result of the acquisition of subsidiaries as disclosed in Note 36(a), to diversify its business and to broaden the base of revenue. No operating segments have been aggregated to form the following reportable segments.

Continuing Operations

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

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

Leasing of properties: lease of premises to generate rental income and to gain from the appreciation in the property values in the long term.

Money lending business: earn interest income from financial assets through the money lending licence.

Discontinuing Operations

Travel and travel related business: provision of travel agency services such as booking of air-tickets, hotel accommodation and other travel related products.

5. 會計估計及判斷 (續)

估計不明朗因素之主要來源 (續)

(i) 認股權證之公平值

本公司董事於選擇適當之估值方法以釐定於活躍市場上並無報價之認股權證之公平值時須運用其判斷力。本公司應用獲市場從業者普遍使用之估值方法。此等認股權證之公平值於報告期末釐定，而公平值之變動於損益賬確認。於估計此等認股權證之公平值時，本集團使用以多項輸入值及估計之獨立估值。倘用於該模式之輸入值及估計不同，此等認股權證之賬面值將會改變。於二零一六年三月三十一日，認股權證之賬面值為港幣52,029,000元（二零一五年：港幣40,595,000元）。

6. 分部報告

本集團按分部管理其業務，分部按業務線（產品及服務）及地理位置兩方面劃分。透過向本公司董事會（「董事會」，主要經營決策人）內部報告該等資料之一致方式以分配資源及評核表現，本集團已呈列下列可報告分部。誠如附註36(a)所披露，於二零一五年，本集團於收購附屬公司後開展一項新分部（即貸款）以令其業務更多元化，並擴闊收入基礎。概無合併經營分部以組成下列可報告分部。

持續經營業務

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

製造及銷售木材產品：製造及銷售木材產品，包括但不限於木門、傢俱及木地板。

物業租賃：出租物業以產生租金收入，及藉以於長遠物業升值中賺取收益。

放債業務：透過放債牌照之金融資產賺取利息收入。

已終止經營業務

旅遊及旅遊相關業務：提供旅行代理服务，如機票、酒店住宿及其他旅遊相關產品之預約。

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6. SEGMENT REPORTING (Continued)

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

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

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

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

Segment profit/(loss) represents the profit earned by/(loss) from each segment without allocation of central administration cost such as director's salaries and other head office or corporate administration costs, change in fair value of financial liabilities, unallocated corporate income and unallocated interest expense.

In addition to receiving segment information concerning the profit earned by/(loss) from each segment, the Board is provided with segment information concerning revenue (including intersegment sales), interest income and expense from cash balances and borrowings managed directly by the segments, depreciation, amortisation and impairment losses and additions to non-current segment assets used by the segments in their operations.

6. 分部報告 (續)

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

分部資產包括獨立可報告分部應佔之所有非流動資產及流動資產，而若干未分配企業資產（包括未分配現金及現金等價物）則屬例外。

所有負債乃分配至可報告分部，惟即期稅項負債、遞延稅項負債、財務負債、承付票據及其他未分配企業負債除外。

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

分部溢利／（虧損）指各分部所產生溢利／（虧損），惟未分配包括董事薪酬及其他總辦事處或企業行政成本之中央行政成本、財務負債公平值變動、未分配企業收入及未分配利息開支則除外。

除收到有關各分部所產生溢利／（虧損）之分部資料外，董事會獲提供有關收益（包括分部間銷售）、來自直接由分部管理之現金結餘及借貸之利息收入及開支、折舊、攤銷及減值虧損以及分部於彼等營運中使用之非流動分部資產添置之分部資料。

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6. SEGMENT REPORTING (Continued)

(a) Segment results, assets and liabilities

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

6. 分部報告 (續)

(a) 分部業績、資產及負債

本集團所呈報可報告分部之分析如下：

		2016 二零一六年						
		Continuing Operations 持續經營業務				Discontinuing Operations 已終止經營業務		
		Sustainable forest management 可持續森林管理 HK\$'000 港幣千元	Manufacturing and sale of timber products 製造及銷售木材產品 HK\$'000 港幣千元	Money lending 放債 HK\$'000 港幣千元	Leasing of properties 物業租賃 HK\$'000 港幣千元	Sub-total 小計 HK\$'000 港幣千元	Travel and travel related business 旅遊及旅遊相關業務 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Revenue from external customers	來自外界客戶之收入	-	2,134	8,492	690	11,316	1,080	12,396
Reportable segment revenue	可報告分部收益	-	2,134	8,492	690	11,316	1,080	12,396
Reportable segment (loss)/profit before taxation	可報告分部除稅前(虧損)/溢利	(9,921)	(16,194)	7,258	(57)	(18,914)	2	(18,912)
Interest income	利息收入	9	-	9	-	18	-	18
Impairment loss of property, plant and equipment	物業、廠房及設備之減值虧損	(9,700)	-	-	-	(9,700)	-	(9,700)
Impairment loss on other receivables	其他應收款項之減值虧損	-	(15,871)	-	-	(15,871)	-	(15,871)
Depreciation	折舊	-	(253)	-	-	(253)	(168)	(421)
Interest expense	利息開支	(31)	-	-	(533)	(564)	(25)	(589)
Reportable segment assets	可報告分部資產	87,138	3,076	103,898	24,867	218,979	3,697	222,676
Additions to non-current segment assets	非流動分部資產添置	-	-	-	37	37	11	48
Reportable segment liabilities	可報告分部負債	(32,133)	(6,927)	(53)	(23,674)	(62,787)	(1,956)	(64,743)

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6. SEGMENT REPORTING (Continued)

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

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

6. 分部報告 (續)

(a) 分部業績、資產及負債 (續)

本集團所呈報可報告分部之分析如下：(續)

		2015 二零一五年						
		Continuing Operations 持續經營業務				Discontinuing Operations 已終止經營業務		
		Sustainable forest management 可持續森林管理 HK\$'000 港幣千元	Manufacturing and sale of timber products 製造及銷售木材產品 HK\$'000 港幣千元	Money lending 放債 HK\$'000 港幣千元	Leasing of properties 物業租賃 HK\$'000 港幣千元	Sub-total 小計 HK\$'000 港幣千元	Travel and travel related business 旅遊及旅遊相關業務 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Revenue from external customers	來自外界客戶之收入	-	3,053	2,898	645	6,596	1,226	7,822
Reportable segment revenue	可報告分部收益	-	3,053	2,898	645	6,596	1,226	7,822
Reportable segment (loss)/profit before taxation	可報告分部除稅前(虧損)/溢利	(12,709)	(1,071)	1,991	940	(10,849)	9	(10,840)
Interest income	利息收入	2	-	-	-	2	-	2
Impairment loss of property, plant and equipment	物業、廠房及設備之減值虧損	-	-	-	-	-	-	-
Change in fair value of biological assets less costs to sell	生物資產公平值變動減銷售成本	(16,197)	-	-	-	(16,197)	-	(16,197)
Depreciation	折舊	(21)	(276)	-	(13)	(310)	(192)	(502)
Reversal of write down of inventories, net	撥回存貨撇減淨值	-	58	-	-	58	-	58
Interest expense	利息開支	(642)	-	-	(598)	(1,240)	(25)	(1,265)
Reportable segment assets	可報告分部資產	107,835	25,331	96,783	24,905	254,854	3,373	258,227
Additions to non-current segment assets	非流動分部資產添置	-	-	94	-	94	4	98
Reportable segment liabilities	可報告分部負債	(35,793)	(11,688)	(106)	(23,654)	(71,241)	(2,009)	(73,250)

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6. SEGMENT REPORTING (Continued)

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

(i) Revenue

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Reportable segment revenue (continuing operations)	可報告分部收入 (持續經營業務)	11,316	6,596
Elimination of inter-segment revenue	對銷分部間收入	-	-
Consolidated revenue (continuing operations)	綜合收入 (持續經營業務)	11,316	6,596

(ii) Loss

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Reportable segment loss before taxation (continuing operations)	可報告分部除稅前虧損 (持續經營業務)	(18,914)	(10,849)
Unallocated corporate income	未分配企業收入	185	364
Change in fair value of financial liabilities	財務負債之公平值變動	(11,587)	(38,612)
Depreciation	折舊	-	(2)
Unallocated corporate expenses	未分配企業開支	(8,300)	(7,191)
Unallocated interest expense	未分配利息開支	-	(64)
Loss before taxation (continuing operations)	除稅前虧損 (持續經營業務)	(38,616)	(56,354)

6. 分部報告 (續)

(b) 可報告分部收入、損益、資產及負債之對賬：

(i) 收入

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Reportable segment revenue (continuing operations)	可報告分部收入 (持續經營業務)	11,316	6,596
Elimination of inter-segment revenue	對銷分部間收入	-	-
Consolidated revenue (continuing operations)	綜合收入 (持續經營業務)	11,316	6,596

(ii) 虧損

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Reportable segment loss before taxation (continuing operations)	可報告分部除稅前虧損 (持續經營業務)	(18,914)	(10,849)
Unallocated corporate income	未分配企業收入	185	364
Change in fair value of financial liabilities	財務負債之公平值變動	(11,587)	(38,612)
Depreciation	折舊	-	(2)
Unallocated corporate expenses	未分配企業開支	(8,300)	(7,191)
Unallocated interest expense	未分配利息開支	-	(64)
Loss before taxation (continuing operations)	除稅前虧損 (持續經營業務)	(38,616)	(56,354)

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綜合財務報表附註

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

6. SEGMENT REPORTING (Continued)

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

(iii) Assets

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Segment assets for reportable segments from continuing operations	來自持續經營業務之可報告分部資產	218,979	254,854
Segment assets for reportable segment from discontinuing operations	來自已終止經營業務之可報告分部資產	3,697	3,373
Reportable segment assets	可報告分部資產	222,676	258,227
Unallocated:	未分配:		
– Unallocated cash and cash equivalents	– 未分配現金及現金等價物	37,542	46,254
– Other unallocated corporate assets	– 其他未分配企業資產	861	1,175
Total assets per consolidated statement of financial position	綜合財務狀況表所呈列資產總值	261,079	305,656

(iv) Liabilities

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Segment liabilities for reportable segments from continuing operations	來自持續經營業務之可報告分部負債	62,787	71,241
Segment liabilities for reportable segment from discontinuing operations	來自已終止經營業務之可報告分部負債	1,956	2,009
Reportable segment liabilities	可報告分部負債	64,743	73,250
Unallocated:	未分配:		
– Financial liabilities	– 財務負債	52,029	40,595
– Provision for taxation	– 稅項撥備	–	2,220
– Deferred tax liabilities	– 遞延稅項負債	29,025	38,632
– Other unallocated corporate liabilities	– 其他未分配企業負債	3,451	1,400
Total liabilities per consolidated statement of financial position	綜合財務狀況表所呈列負債總額	149,248	156,097

6. 分部報告 (續)

(b) 可報告分部收入、損益、資產及負債之對賬：(續)

(iii) 資產

	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Segment assets for reportable segments from continuing operations	218,979	254,854
Segment assets for reportable segment from discontinuing operations	3,697	3,373
Reportable segment assets	222,676	258,227
Unallocated:		
– Unallocated cash and cash equivalents	37,542	46,254
– Other unallocated corporate assets	861	1,175
Total assets per consolidated statement of financial position	261,079	305,656

(iv) 負債

	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Segment liabilities for reportable segments from continuing operations	62,787	71,241
Segment liabilities for reportable segment from discontinuing operations	1,956	2,009
Reportable segment liabilities	64,743	73,250
Unallocated:		
– Financial liabilities	52,029	40,595
– Provision for taxation	–	2,220
– Deferred tax liabilities	29,025	38,632
– Other unallocated corporate liabilities	3,451	1,400
Total liabilities per consolidated statement of financial position	149,248	156,097

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For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

6. SEGMENT REPORTING (Continued)

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

6. 分部報告 (續)

(b) 可報告分部收入、損益、資產及負債之對賬：(續) (v) 其他項目

		2016 二零一六年					Discontinuing Operations 已終止經營業務		
		Continuing Operations 持續經營業務							
		Sustainable forest management 可持續 森林管理	Manufacturing and sale of timber products 製造及 銷售木材產品	Money lending 放債	Leasing of properties 物業租賃	Unallocated 未分配	Sub-total 小計	Travel and travel related business 旅遊及旅遊 相關業務	Total 總計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Depreciation	折舊	-	(253)	-	-	-	(253)	(168)	(421)
Interest expense	利息開支	(31)	-	-	(533)	-	(564)	(25)	(589)
2015 二零一五年									
		Continuing Operations 持續經營業務					Discontinuing Operations 已終止經營業務		
		Sustainable forest management 可持續 森林管理	Manufacturing and sale of timber products 製造及 銷售木材產品	Money lending 放債	Leasing of properties 物業租賃	Unallocated 未分配	Sub-total 小計	Travel and travel related business 旅遊及旅遊 相關業務	Total 總計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Depreciation	折舊	(21)	(276)	-	(13)	(2)	(312)	(192)	(504)
Interest expense	利息開支	(642)	-	-	(598)	(64)	(1,304)	(25)	(1,329)

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For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

6. SEGMENT REPORTING (Continued)

(c) Revenue from major products and services:

	Continuing Operations 持續經營業務		Discontinuing Operations 已終止經營業務		Consolidated 綜合	
	2016	2015	2016	2015	2016	2015
	二零一六年 HK\$'000 港幣千元	二零一五年 HK\$'000 港幣千元	二零一六年 HK\$'000 港幣千元	二零一五年 HK\$'000 港幣千元	二零一六年 HK\$'000 港幣千元	二零一五年 HK\$'000 港幣千元
Manufacturing and sales of timber products 製造及銷售木材產品	2,134	3,053	-	-	2,134	3,053
Interest income from money lending business 放債業務之利息收入	8,492	2,898	-	-	8,492	2,898
Travel and travel related business 旅遊及旅遊相關業務	-	-	1,080	1,226	1,080	1,226
Leasing of properties 物業租賃	690	645	-	-	690	645
	11,316	6,596	1,080	1,226	12,396	7,822

Geographical information

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

地區資料

以下為(i)本集團來自外界客戶之收入；及(ii)本集團物業、廠房及設備、無形資產及投資物業之地區分析。客戶地區指客戶所在之地區。物業、廠房及設備以及投資物業之地區為所考慮之資產本身位處之地點。無形資產按所屬營運地點分配。

	Revenue from external customers 來自外界客戶之收入		Non-current assets 非流動資產		
	2016	2015	2016	2015	
	二零一六年 HK\$'000 港幣千元	二零一五年 HK\$'000 港幣千元	二零一六年 HK\$'000 港幣千元	二零一五年 HK\$'000 港幣千元	
Continuing operations South America Asia Pacific (other than Hong Kong) Hong Kong (place of domicile)	持續經營業務 南美洲 亞太區(不包括香港) 香港(居籍地點)	- 2,134 9,182	- 3,053 3,543	85,508 1,042 24,824	106,108 1,357 25,309
		11,316	6,596	111,374	132,774
Discontinuing operations Hong Kong (place of domicile)	已終止經營業務 香港(居籍地點)	1,080	1,226	2,934	2,667
		12,396	7,822	114,308	135,441

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綜合財務報表附註

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

6. SEGMENT REPORTING (Continued)

Information about major customer

Revenue from customer contributing 10% or more of the total revenue of the Group is as follows:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Continuing operations	持續經營業務		
Customer A – revenue from money lending	客戶A – 來自放債之收入	4,778	1,553
Customer B – revenue from manufacturing and sales of timber	客戶B – 來自製造及銷售木材之收入	–	933
Customer C – revenue from manufacturing and sales of timber	客戶C – 來自製造及銷售木材產品之收入	2,114	–
Customer D – revenue from money lending	客戶D – 來自放債之收入	1,667	–
Customer E – revenue from money lending	客戶E – 來自放債之收入	1,447	–

6. 分部報告 (續)

有關主要客戶之資料

來自佔本集團總收入10%或以上之客戶之收入如下:

7. REVENUE

Revenue represents the net invoiced value of goods sold, (after allowances for returns and trade discounts) and revenue from manufacturing and sales of timber products; lease of premises to generate rental income; and interest income from financial assets.

An analysis of revenue is as follows:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Continuing operations	持續經營業務		
Manufacturing and sales of timber products	製造及銷售木材產品	2,134	3,053
Interest income from money lending business	貸款業務之利息收入	8,492	2,898
Leasing of properties	物業租賃	690	645
		11,316	6,596

7. 收入

收入指經扣除退貨及商業折扣備抵後出售貨品之發票淨值以及製造及銷售木材產品; 租賃物業以產生租金收入; 以及財務資產之利息收入之收入。

收入分析如下:

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8. OTHER INCOME AND OTHER NET LOSS

8. 其他收入及其他虧損淨額

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Continuing operations	持續經營業務		
Other income	其他收入		
Waiver of loan interest	豁免貸款利息	-	4,046
Net gain on disposal of a wholly-owned subsidiary	出售一間全資附屬公司之收益淨額	-	4,234
Reversal of write down of inventories, net	撥回存貨撇減淨額	-	58
Others	其他	79	92
		79	8,430
Other net loss	其他虧損淨額		
Net exchange loss	匯兌虧損淨額	(11)	(110)
Change in fair value of financial liabilities	財務負債公平值變動	(11,587)	(38,612)
		(11,598)	(38,722)

9. IMPAIRMENT OF ASSETS

9. 資產減值

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Continuing operations	持續經營業務		
Impairment of property, plant and equipment (Note 18)	物業、廠房及設備之減值 (附註18)	9,700	-
Impairment on other receivables (Note i)	其他應收款項減值 (附註i)	15,871	-
		25,571	-

Notes:

- (i) Impairment on other receivables for the year ended 31 March 2016 represented the unsecured amounts due from independent third parties, which were past due and had been long outstanding. Based on the latest available information available to management, the independent third party debtors had financial difficulties for the year ended 31 March 2016. Accordingly, impairment were recognised during the year.

附註:

- (i) 截至二零一六年三月三十一日止年度其他應收款項減值指應收獨立第三方之無抵押款項，該款項屬逾期及長期未償還。根據管理層獲得之最新公開資料，截至二零一六年三月三十一日止年度，獨立第三方債務人面臨財務困難。因此，已於年內確認減值。

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For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

10. LOSS BEFORE TAXATION

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

10. 除稅前虧損

本集團除稅前虧損乃經扣除／(計入)下列各項後得出：

	<i>Notes 附註</i>	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Continuing operations:	持續經營業務		
(a) Net finance costs	(a) 融資費用淨額		
Interest income from bank deposits	銀行存款之利息收入	(203)	(366)
Total interest income on financial assets not at fair value through profit or loss	並非按公平值計入損益賬之財務資產之利息收入總額	(203)	(366)
Finance costs	融資費用		
Interest on loans and other borrowings	貸款及其他借貸之利息	564	1,240
Interest on promissory notes	承付票據之利息	-	64
Total interest expenses on financial liabilities not at fair value through profit or loss	並非按公平值計入損益賬之財務負債之利息開支總額	564	1,304
		361	938

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10. LOSS BEFORE TAXATION (Continued)

10. 除稅前虧損 (續)

	Notes 附註	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
(b) Staff costs (including directors' remuneration)	(b) 員工成本 (包括董事酬金)		
Salaries, wages and other benefits	薪金、工資及其他福利	5,385	4,823
Contributions to defined contribution retirement plans	定額供款退休計劃供款	237	212
		5,622	5,035
(c) Other items	(c) 其他項目		
Cost of inventories	存貨成本	1,820	2,860
Depreciation	折舊	253	312
Minimum lease payments under operating leases for land and buildings (including directors' quarters)	土地及樓宇(包括董事宿舍)經營租約之最低租金付款	543	592
Auditor's remuneration	核數師酬金		
– audit services	– 審核服務	910	1,143
– other services	– 其他服務	50	462
		960	1,605
Gross rental income from investment properties less direct outgoings of approximately HK\$105,700 (2015: HK\$111,000)	投資物業租金收入總額減直接支出約港幣105,700元(二零一五年: 港幣111,000元)	585	534

11. DISCONTINUED OPERATION

Disposal of travel agent business

On 23 March 2016, the Group entered into the disposal Agreement with the independent third party, pursuant to which, the Group had conditionally agreed to sell and the independent third party had conditionally agreed to purchase the Group's 95% of the issued share capital of Travel Inn Limited for the consideration of HK\$1,800,000. The disposal was completed on 28 April 2016 when control of the subsidiary was passed to the acquirer. Details of the assets and liabilities disposed of, and the result on disposal, are disclosed in note 12 and note 44(a) respectively.

11. 已終止經營業務

出售旅行代理業務

於二零一六年三月二十三日，本集團與獨立第三方訂立出售協議，據此，本集團已有條件同意出售而獨立第三方已有條件同意購買本集團於旅遊棧有限公司已發行股本之95%，代價為港幣1,800,000元。出售事項於二零一六年四月二十八日(附屬公司之控制權移交收購方當日)完成。有關出售資產及負債，以及出售結果之詳情分別披露於附註12及附註44(a)。

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綜合財務報表附註

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

11. DISCONTINUED OPERATION (Continued)

Analysis of profit for the year from discontinued operation

The results of the discontinued operation included in the profit for the year are set out below. The comparative profit and cash flows from the discontinued operation have been re-presented to include the operation classified as discontinued in the current year. The comparative consolidated statement of profit or loss has been restated to show the discontinued operation separately from continuing operations.

11. 已終止經營業務 (續)

來自已終止經營業務之年度溢利分析

以下載列計入年度溢利之已終止經營業務。來自已終止經營業務之可資比較溢利及現金流轉已重列，以包括本年度分類為已終止經營之業務。可資比較綜合損益表已重列，以分開顯示已終止經營業務及持續經營業務。

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Profit for the year from discontinued operation	來自已終止經營業務之年度溢利		
Revenue	收入	1,080	1,226
Cost of sales	銷售成本	-	-
Gross profit	毛利	1,080	1,226
Distribution costs	分銷成本	-	-
Administrative expenses	行政支出	(1,053)	(1,192)
Finance costs	融資費用	(25)	(25)
Profit before taxation	除稅前溢利	2	9
Attributable income tax expense	應佔所得稅開支	-	(106)
Profit/(loss) for the year from discontinued operation	來自已終止經營業務之年度溢利／(虧損)	2	(97)
Profit/(loss) for the year from discontinued operation attributable to:	應佔已終止經營業務之年度溢利／(虧損)：		
Owners of the company	本公司擁有人	2	(97)
Non-controlling interests	非控股權益	-	-
Profit/(loss) for the year from discontinued operation	來自已終止經營業務之年度溢利／(虧損)	2	(97)

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For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

11. DISCONTINUED OPERATION (Continued)

Analysis of profit for the year from discontinued operation (Continued)

11. 已終止經營業務 (續)

來自已終止經營業務之年度溢利分析 (續)

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Loss for the year from discontinued operation include the following:	來自已終止經營業務之年度虧損包括下列各項：		
Depreciation and amortisation	折舊及攤銷	168	192
Auditor's remuneration	核數師酬金	-	-
Cash flows from discontinued operation	來自已終止經營業務之現金流轉		
Net cash inflows from operating activities	經營業務現金流入淨額	101	181
Net cash inflows from investing activities	投資活動現金流入淨額	(12)	(4)
Net cash outflows from financing activities	融資活動現金流出淨額	(83)	(82)
Net cash inflows	現金流入淨額	6	95
Earnings per share	每股盈利		
Basic, from discontinued operation (HK cents per share)	來自已終止經營業務之基本 (每股港仙)	-	-
Diluted, from discontinued operation (HK cents per share)	來自已終止經營業務之攤薄 (每股港仙)	-	-

Basic earnings per share and diluted earnings per share for the discontinued operation are based on the profit attributable to owners of the Company from the discontinued operation of \$2,000 (2015: loss of \$97,000) and the denominators detailed in note 17 for both basic and diluted earnings per share.

已終止經營業務每股基本盈利及每股攤薄盈利乃根據本公司擁有人應佔已終止經營業務之溢利2,000元(二零一五年：虧損97,000元)及附註17詳述用於計算每股基本及攤薄盈利之分母計算。

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綜合財務報表附註

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

12. DISPOSAL GROUP HELD FOR SALE

In March 2016, the Group's management committed to a plan to sell its subsidiary – Travel Inn Limited – Travel Agent segment. Accordingly, this part is presented as a disposal group held for sale. Efforts to sell the disposal group have commenced since March 2016 and the sale has been subsequently completed on 28 April 2016.

At 31 March 2016, the disposal group comprised the following assets and liabilities.

12. 持作待售之出售組別

於二零一六年三月，本集團管理層執行出售其附屬公司—旅遊棧有限公司—旅行代理分部之計劃。因此，此部分呈列為持作待售之出售組別。出售組別之出售工作已自二零一六年三月起開始，且出售隨後已於二零一六年四月二十八日完成。

於二零一六年三月三十一日，出售組別包括以下資產及負債。

		2016 二零一六年 \$'000 千元
Property, plant and equipment	物業、廠房及設備	2,934
Trade and other receivables	應收貿易款項及其他應收款項	92
Cash and cash equivalents	現金及現金等價物	660
Deferred tax assets	遞延稅項資產	11
Assets of disposal group held for sale	持作待售之出售組別之資產	3,697
Amount due to non-controlling shareholder	應付非控股股東款項	834
Trade and other payables	應付貿易款項及其他應付款項	263
Loans and borrowings	貸款及借貸	785
Deferred tax liabilities	遞延稅項負債	74
Liabilities of disposal group held for sale	持作待售之出售組別之負債	1,956

Cumulative income or expenses included in other comprehensive income

There are no cumulative income or expenses included in other comprehensive income relating to the disposal group.

The assets and liabilities of the disposal group at the completion date on 28 April 2016 were not materially different from the above values at 31 March 2016.

計入其他全面收入之累計收入或開支

概無有關出售組別之計入其他全面收入之累計收入或開支。

出售組別於完成日期(二零一六年四月二十八日)之資產及負債與於二零一六年三月三十一日之上述價值並無重大差異。

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13. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

Directors' emoluments disclosed pursuant to Section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation and the chief executive's emoluments are as follows:

13. 董事及最高行政人員之酬金

根據香港公司條例第383(1)條及公司(有關董事福利資料的披露)規例第2部所披露之董事酬金及最高行政人員之酬金如下:

		2016 二零一六年				
		Salaries and other benefits	Retirement scheme contributions	Share-based payment	Total	
		薪金及其他福利	退休計劃供款	以股份支付	總計	
		袍金	其他福利	計劃供款	以股份支付	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Executive Directors	執行董事					
YEUNG Sau Chung (Appointed on 5 June 2015)	楊秀中 (於二零一五年六月五日獲委任)	890	-	36	-	926
Liu Shun Chuen (Appointed on 5 June 2015)	廖信全 (於二零一五年六月五日獲委任)	517	-	21	-	538
MUNG Wai Ming	蒙偉明	120	-	-	-	120
ZHOU Jing (Resigned on 17 November 2015)	周靜 (於二零一五年十一月十七日辭任)	86	-	6	-	92
		1,613	-	63	-	1,676
Independent Non-Executive Directors	獨立非執行董事					
William Keith JACOBSEN	葉偉其	120	-	-	-	120
WU Wang Li	吳弘理	120	-	-	-	120
NG Wai Hung	吳偉雄	240	-	-	-	240
		480	-	-	-	480
		2,093	-	63	-	2,156

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13. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Continued)

13. 董事及最高行政人員之酬金(續)

		2015 二零一五年				
		Fees	Salaries and other benefits	Retirement scheme contributions	Share-based payment	Total
		袍金	薪金及其他福利	退休計劃供款	以股份支付	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Executive Directors	執行董事					
ZHOU Jing	周靜	120	-	12	-	132
MUNG Wai Ming	蒙偉明	220	-	10	-	230
		340	-	22	-	362
Independent Non-Executive Directors	獨立非執行董事					
William Keith JACOBSEN	葉偉其	120	-	-	-	120
WU Wang Li	吳弘理	120	-	-	-	120
NG Wai Hung	吳偉雄	240	-	-	-	240
		480	-	-	-	480
		820	-	22	-	842

On 6 April 2011, Mr. LEUNG Chau Ping, Paul was re-designated from the position as an executive director of the Company to a non-executive director and resigned as chief executive. Since then and up to the date of approval of financial statements, the position of chief executive has not been appointed. During the current financial year when no chief executive was appointed, the functions of chief executive have been performed by the executive directors with the assistance of the management of the Company

於二零一一年四月六日，梁秋平先生由本公司執行董事調任為非執行董事，並辭任行政總裁職務。自此至批准財務報表日期，行政總裁一職尚未委任。於本財政年度行政總裁職位懸空期間，行政總裁之職務於本公司管理層之協助下由執行董事履行。

Therefore, the executive directors together act as the chief executive of the Company and are responsible for the Company's day to day management and overall activities. The remuneration of executive directors for 2015 and 2016 are disclosed above.

因此，執行董事同時擔任本公司最高行政人員，負責本公司日常管理及整體業務。執行董事於二零一五年及二零一六年之薪酬於上文披露。

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

概無董事放棄或同意放棄任何酬金之安排。

During the year ended 31 March 2015 and 2016, no emolument was paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office.

截至二零一五年及二零一六年三月三十一日止年度內，本集團並無向董事支付酬金，以作為彼等加入或於加入本集團時之獎勵或離職補償。

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14. INDIVIDUALS WITH HIGHEST EMOLUMENTS

The five highest paid individuals during the year included two (2015: one) directors, details of whose emoluments are set out in Note 13 above. The aggregate of the emoluments of the remaining three (2015: four) non-directors and non-chief executive, highest paid individuals were as follows:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Salaries and other emoluments	薪金及其他酬金	1,962	2,015
Retirement scheme contributions	退休計劃供款	88	65
Share-based payment	以股份支付	-	-
		2,050	2,080

The emoluments of the non-director and non-chief executive, highest paid individuals fell within the following bands:

		Number of individuals 僱員數目	
		2016 二零一六年	2015 二零一五年
HK\$Nil to HK\$1,000,000	港幣零元至港幣1,000,000元	2	4
HK\$1,000,001 to HK\$1,500,000	港幣1,000,001元至 港幣1,500,000元	1	-
HK\$1,500,001 to HK\$2,000,000	港幣1,500,001元至 港幣2,000,000元	-	-
HK\$2,000,001 to HK\$2,500,000	港幣2,000,001元至 港幣2,500,000元	-	-
		3	4

During the years ended 31 March 2016 and 31 March 2015, no emolument was paid by the Group to such individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

14. 最高薪人士

年內五名最高薪人士包括兩名(二零一五年:一名)董事,有關彼等之酬金詳情載於上文附註13。餘下三名(二零一五年:四名)最高薪非董事及非行政總裁人士之酬金總額如下:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Salaries and other emoluments	薪金及其他酬金	1,962	2,015
Retirement scheme contributions	退休計劃供款	88	65
Share-based payment	以股份支付	-	-
		2,050	2,080

最高薪非董事及非行政總裁人士之酬金介乎以下範圍:

		Number of individuals 僱員數目	
		2016 二零一六年	2015 二零一五年
HK\$Nil to HK\$1,000,000	港幣零元至港幣1,000,000元	2	4
HK\$1,000,001 to HK\$1,500,000	港幣1,000,001元至 港幣1,500,000元	1	-
HK\$1,500,001 to HK\$2,000,000	港幣1,500,001元至 港幣2,000,000元	-	-
HK\$2,000,001 to HK\$2,500,000	港幣2,000,001元至 港幣2,500,000元	-	-
		3	4

截至二零一六年三月三十一日及二零一五年三月三十一日止年度內,本集團並無向有關人士支付酬金,以作為彼等加入或於加入本集團時之獎勵或離職補償。

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15. INCOME TAX EXPENSES (RELATING TO CONTINUING OPERATIONS)

(a) Income tax in the consolidated statement of profit or loss represents:

15. 所得稅開支（有關持續經營業務）

(a) 綜合損益表之所得稅代表：

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Current tax	即期稅項		
– Hong Kong Profits Tax	– 香港利得稅		
– Current year	– 本年度	–	53
Current tax	即期稅項		
– PRC Enterprise Income Tax	– 中國企業所得稅		
– Current year	– 本年度	–	–
Deferred tax	遞延稅項		
– Origination and reversal of temporary differences	– 產生及撥回暫時差額	(5,545)	–
Tax charge/(credit)	稅項收取／（抵免）	(5,545)	53

i) Hong Kong Profits Tax has been provided at the rate of 16.5% of the estimated assessable profits arising in Hong Kong for the year ended 31 March 2016 and 2015.

i) 截至二零一六年及二零一五年三月三十一日止年度，香港利得稅根據於香港產生之估計應課稅溢利按稅率16.5%計提撥備。

ii) Brazil income tax rate is 34% (2015: 34%) of the estimated assessable profits arising in Brazil. No Brazil income tax has been provided for in the financial statements as the Brazil's subsidiary has no assessable profit for both years.

ii) 巴西所得稅根據於巴西產生之估計應課稅溢利之稅率為34%（二零一五年：34%）。由於巴西附屬公司於兩個年度均無應課稅溢利，故並無就巴西所得稅於財務報表計提撥備。

PRC subsidiaries are subject to PRC Enterprise Income Tax at 25% (2015: 25%).

中國附屬公司須按照中國企業所得稅率25%繳稅（二零一五年：25%）。

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

於其他司法權區產生之稅項按相關司法權區之適用稅率計算。

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15. INCOME TAX EXPENSES (RELATING TO CONTINUING OPERATIONS) (Continued)

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

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Loss before taxation	除稅前虧損	(38,616)	(56,354)
Notional tax on loss before taxation, calculated at the rates applicable to loss in the countries concerned	按有關國家適用於虧損之稅率計算之除稅前虧損之名義稅項	(11,664)	(13,044)
Tax effect of non-taxable income	毋須課稅收入之稅務影響	(205)	(1,250)
Tax effect of non-deductible expenses	不可扣稅開支之稅務影響	12,106	13,815
Tax effect of unused tax losses not recognised	未確認未動用稅項虧損之稅務影響	65	532
Tax effect arising from reversal of temporary differences recognised	撥回已確認暫時差額之稅務影響	(5,545)	-
Tax effect of temporary differences not recognised	尚未確認之暫時差額稅務影響	(100)	-
Utilisation of previously unrecognised tax losses	動用過往未確認稅項虧損	(202)	-
Tax (credit)/charge	稅項(抵免)/收取	(5,545)	53

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

		2016 二零一六年			2015 二零一五年		
		Before tax amount	Tax (expenses)/benefit	Net-of-tax amount	Before tax amount	Tax (expenses)/benefit	Net-of-tax amount
		除稅前數額 HK\$'000 港幣千元	稅項(開支)/優惠 HK\$'000 港幣千元	扣除稅項後數額 HK\$'000 港幣千元	除稅前數額 HK\$'000 港幣千元	稅項(開支)/優惠 HK\$'000 港幣千元	扣除稅項後數額 HK\$'000 港幣千元
Exchange differences on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報表所產生匯兌差額	(5,026)	-	(5,026)	(15,921)	-	(15,921)
		(5,026)	-	(5,026)	(15,921)	-	(15,921)

16. DIVIDENDS

The directors of the Company do not propose the payment of any dividend for the year ended 31 March 2016 (2015: HK\$Nil).

15. 所得稅開支(有關持續經營業務)(續)

(b) 採用適用稅率計算之稅項開支與會計虧損之對賬:

(c) 其他全面虧損各組成部分之稅務影響

16. 股息

本公司董事並不建議派付截至二零一六年三月三十一日止年度之任何股息(二零一五年:港幣零元)。

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17. LOSS PER SHARE

(a) For continuing and discontinuing operations

The calculation of basic and diluted loss per share is based on the loss attributable to the owners of the Company as follows and the reconciliation of the weighted average number of shares as shown in Note (d):

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Loss	虧損		
Loss for the purpose of basic and diluted loss per share	用以計算每股基本及攤薄虧損之虧損	(33,077)	(56,508)

Diluted loss per share equals to the basic loss per share for the years ended 31 March 2016 and 2015 because the outstanding convertible preferred shares, share options, warrants and other potential ordinary shares in issue had an anti-dilutive effect on the basic loss per share.

17. 每股虧損

(a) 持續及已終止經營業務

每股基本及攤薄虧損乃根據以下本公司擁有人應佔虧損及附註(d)所示之股份加權平均數對賬計算：

由於尚未行使之可換股優先股、購股權、認股權證以及其他已發行潛在普通股之每股基本虧損具反攤薄影響，故截至二零一六年及二零一五年三月三十一日止年度之每股攤薄虧損相等於每股基本虧損。

(b) For continuing operations

The calculation of basic and diluted loss per share from continuing operations is based on the loss attributable to the owners of the Company as follow and the reconciliation of the weighted average number of shares as shown in Note (d):

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Loss	虧損		
Loss for the purpose of basic and diluted loss per share	用以計算每股基本及攤薄虧損之虧損	(33,079)	(56,411)

Diluted loss per share equals to the basic loss per share for the years 31 March 2016 and 2015 because the outstanding convertible preferred shares, share options, warrants and other potential ordinary shares in issue had an anti-dilutive effect on the basic loss per share.

(b) 持續經營業務

持續經營業務之每股基本及攤薄虧損乃根據以下本公司擁有人應佔虧損及附註(b)所示之股份加權平均數對賬計算：

由於尚未行使之可換股優先股、購股權、認股權證以及其他已發行潛在普通股之每股基本虧損具反攤薄影響，故截至二零一六年及二零一五年三月三十一日止年度之每股攤薄虧損相等於每股基本虧損。

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17. LOSS PER SHARE (Continued)

(c) For discontinuing operations

Basic earning/(loss) per share

Basic earning per share for the discontinuing operations is HK\$0.00002 cent (2015: loss per share of HK\$0.001 cent) per share which is based on the profit from the discontinuing operations of HK\$2,000 (2015: loss of HK\$97,000) and the denominators used as shown in Note (d).

Diluted earning/(loss) per share equals to the basic loss per share for the years 31 March 2016 and 2015 because the outstanding convertible preferred shares, share options, warrants and other potential ordinary shares in issue had an anti-dilutive effect on the basic loss per share.

(d) Weighted average number of shares

Number of Shares

Weighted average number of ordinary shares for the purpose of basic and diluted loss per share

股份數目

用以計算每股基本及攤薄虧損之普通股加權平均數

2016 二零一六年 '000 千	2015 二零一五年 '000 千
8,909,619	7,595,743

17. 每股虧損 (續)

(c) 已終止經營業務

每股基本盈利/(虧損)

已終止經營業務之每股基本盈利為每股港幣0.00002仙(二零一五年:每股虧損港幣0.001仙),乃根據已終止經營業務之溢利港幣2,000元(二零一五年:虧損港幣97,000元)及附註(d)所示所用之分母計算。

由於尚未行使之可換股優先股、購股權、認股權證以及其他已發行潛在普通股之每股基本虧損具反攤薄影響,故截至二零一六年及二零一五年三月三十一日止年度之每股攤薄盈利/(虧損)相等於每股基本虧損。

(d) 股份加權平均數

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18. PROPERTY, PLANT AND EQUIPMENT

18. 物業、廠房及設備

		Freehold Land 永久 業權土地 (Note a) (附註a)	Property 物業	Furniture and fixtures 傢俬及裝置	Machinery, engineering and other equipment 機器、工程及 其他設備	Motor vehicles 汽車	Total 總計
	Notes 附註	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Cost	成本						
At 1 April 2014	於二零一四年 四月一日	163,728	3,220	4,674	4,138	1,740	177,500
Additions	添置	-	-	4	-	-	4
Disposals of subsidiaries	出售附屬公司	-	-	(32)	(299)	-	(331)
Exchange movement	匯兌變動	(49,995)	-	32	12	-	(49,951)
At 31 March 2015	於二零一五年 三月三十一日	113,733	3,220	4,678	3,851	1,740	127,222
At 1 April 2015	於二零一五年 四月一日	113,733	3,220	4,678	3,851	1,740	127,222
Additions	添置	-	-	48	-	-	48
Reclassified as held for sale	重新分類為持作 待售	-	(3,220)	(186)	-	-	(3,406)
Exchange movement	匯兌變動	(11,904)	-	(217)	(83)	-	(12,204)
At 31 March 2016	於二零一六年 三月三十一日	101,829	-	4,323	3,768	1,740	111,660

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18. PROPERTY, PLANT AND EQUIPMENT (Continued)

18. 物業、廠房及設備 (續)

		Freehold Land 永久 業權土地 (Note a) (附註a)	Property 物業	Furniture and fixtures 傢俬及裝置	Machinery, engineering and other equipment 機器、工程及 其他設備	Motor vehicles 汽車	Total 總計
	Notes 附註	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Accumulated depreciation and impairment losses	累計折舊及減值虧損						
At 1 April 2014	於二零一四年 四月一日	11,009	2	4,179	2,801	1,740	19,731
Charge for the year	本年度扣除	-	168	176	160	-	504
Written back on disposals of subsidiaries	出售附屬公司時 撥回	-	-	(12)	(219)	-	(231)
Exchange movement	匯兌變動	(3,384)	-	30	3	-	(3,351)
At 31 March 2015	於二零一五年 三月三十一日	7,625	170	4,373	2,745	1,740	16,653
At 1 April 2015	於二零一五年 四月一日	7,625	170	4,373	2,745	1,740	16,653
Charge for the year	本年度扣除	-	168	135	118	-	421
Impairment	減值	9,700	-	-	-	-	9,700
Reclassified as held for sale	重新分類為持作 待售	-	(338)	(134)	-	-	(472)
Exchange movement	匯兌變動	(1,004)	-	(199)	(17)	-	(1,220)
At 31 March 2016	於二零一六年 三月三十一日	16,321	-	4,175	2,846	1,740	25,082
Carrying amounts	賬面值						
At 31 March 2016	於二零一六年 三月三十一日	85,508	-	148	922	-	86,578
At 31 March 2015	於二零一五年 三月三十一日	106,108	3,050	305	1,106	-	110,569

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18. PROPERTY, PLANT AND EQUIPMENT (Continued)

Notes:

- (a) The freehold land is held in Amazon Region, Brazil where the 44,500-hectare natural forest is located (Note 21). As mentioned in Note 40, UTRB had litigations with third parties, and they filed a precautionary injunction to prevent UTRB of selling its freehold land without properly paying possible claim to them.
- (b) At 31 March 2016, the Group's property in Hong Kong with the carrying amount of approximately HK\$2,882,000 (2015: HK\$3,050,000) were pledged to secure the bank loans granted to the Group (Note 29). The property was reclassified as held for sale as at 31 March 2016, details of which are set out in notes 11 and 12. At 31 March 2016, the property reclassified as held for sale had an estimated recoverable value over the carrying amount and no impairment was considered necessary.
- (c) Since 31 March 2014, the harvesting operation in Brazil Forest (Note 21) has been suspended. As the business environment continued to be difficult for the Group in Brazil. At 31 March 2016, the board of directors impaired the freehold land in Brazil's subsidiary with an amount of HK\$9,700,000 in sustainable forest management segment which was charged to the profit or loss for the year ended 31 March 2016 by writing down the carrying amount to the estimated recoverable amount of the freehold land of HK\$85,956,000 at 31 March 2016. The estimate of recoverable amount was based on the freehold land fair values less costs of disposal, using direct comparison method under market approach, performed by the professional valuer, Greater China Appraisal Limited ("GCA") who has amongst its staff fellow members of chartered surveyors with qualifications and experiences in valuing similar assets. The fair value on which the recoverable amount based on is categorized as a level 3 fair value measurement.

The estimation uncertainties in determining the fair value of freehold land of the Group are disclosed in note 5(b).

At 31 March 2015, the recoverable amount of the freehold land had been reassessed based on the estimated fair value less costs of disposal, using the direct comparison method under market approach, by the professional valuer, GCA who has amongst its staff fellow members of chartered surveyors with qualifications and experiences in valuing similar assets. Based on the assessment, the directors of the Company considered that no impairment was required as at 31 March 2015.

- (d) The analysis of carrying amounts of property is as follows:

In Hong Kong:
- medium-term leases

香港:
- 中期租賃

18. 物業、廠房及設備 (續)

附註:

- (a) 永久業權土地為位於巴西亞馬遜地區44,500公頃天然森林(附註21)所在地。誠如附註40所述,UTRB與第三方有訴訟,而對方已申請預防性禁止令,以防UTRB在向其適當支付可能之索償前出售其永久業權土地。
- (b) 於二零一六年三月三十一日,本集團位於香港之賬面值約港幣2,882,000元(二零一五年:港幣3,050,000元)之物業已作為本集團獲授銀行貸款之抵押(附註29)。該物業於二零一六年三月三十一日重新分類為持作待售,有關詳情載於附註11及12。於二零一六年三月三十一日,重新分類為持作待售之物業估計可收回值高於賬面值,且被認為無需作出減值。
- (c) 自二零一四年三月三十一日起,巴西森林(附註21)之砍伐業務已暫停。由於本集團在巴西繼續面對艱難經營環境,於二零一六年三月三十一日,董事會對巴西附屬公司可持續森林管理分部之永久業權土地作出減值港幣9,700,000元,有關減值透過撇減賬面值至永久業權土地於二零一六年三月三十一日之估計可收回金額港幣85,956,000元,於截至二零一六年三月三十一日止年度之損益內扣除。可收回金額乃由專業估值師漢華評估有限公司(「漢華評估」)使用市場法項下之直接比較法根據永久業權土地之公平值減出售成本估計,漢華評估擁有合乎資格估值類似資產且富有經驗之特許測量師。可收回金額所依據之公平值被分類為第三級公平值計量。

釐定本集團之永久業權土地之公平值之估計不明朗因素於附註5(b)披露。

二零一五年三月三十一日,永久業權土地之可收回金額已由專業估值師漢華評估根據估計公平值減出售成本使用市場法項下之直接比較法重新估值。漢華評估擁有合乎資格估值類似資產且富有經驗之特許測量師。根據估值,本公司董事認為於二零一五年三月三十一日無需進行減值。

- (d) 物業之賬面值分析如下:

	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
	-	3,050

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19. INTANGIBLE ASSETS

19. 無形資產

		Patent 專利權 HK\$'000 港幣千元	Sales contracts 銷售合約 HK\$'000 港幣千元	Trademark 商標 HK\$'000 港幣千元	Money Lending Licence 放債人牌照 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Cost	成本					
At 1 April 2014	於二零一四年四月一日	4,419	17,251	25,924	-	47,594
Acquisition of subsidiary (note 36(a))	收購附屬公司 (附註36(a))	-	-	-	94	94
At 31 March 2015 and 31 March 2016	於二零一五年 三月三十一日及 二零一六年三月三十一日	4,419	17,251	25,924	94	47,688
Accumulated amortisation and impairment losses	累計攤銷及減值虧損					
At 1 April 2014,	於二零一四年四月一日、	4,419	17,251	25,924	94	47,688
31 March 2015 and 31 March 2016	二零一五年三月三十一日及 二零一六年三月三十一日	4,419	17,251	25,924	-	47,594
Carrying amount	賬面值					
At 31 March 2016	於二零一六年三月三十一日	-	-	-	94	94
At 31 March 2015	於二零一五年三月三十一日	-	-	-	94	94

The Group acquired the patent for the “curved floor panels”, outstanding sales contracts and the registered trademark “新綠洲” through the acquisition of Originate Tech Global Investments Limited and its subsidiaries on 2 August 2011. These intangible assets were valued by an independent valuer as at the date of acquisition at HK\$48 million.

於二零一一年八月二日，本集團透過收購創科環球投資有限公司及其附屬公司取得「曲線地板」之專利權、未完成銷售合約及註冊商標「新綠洲」。獨立估值師就該等無形資產於收購日期所作估值為港幣48,000,000元。

In previous years, the results of manufacturing and sale of timber products incurred loss. The net loss was primarily attributable to the rapid slow down of the property market and falling property prices in the PRC. As a result of the uncertainties in the PRC economy and continued depressed timber demand and prices, the Group impaired the value of the intangible assets related to manufacturing and sale of timber products.

於過往年度，製造及銷售木材產品業績錄得虧損。虧損淨額主要來自中國物業市場於短時間內放緩及中國物業價格下跌。由於中國經濟不明朗以及木材需求及價格持續受壓，本集團將對與製造及銷售木材產品有關之無形資產之價值作出減值。

The Group acquired the money-lending licence through the acquisition of Asset Bridge Development Limited.

本集團透過收購資財發展有限公司獲得放債人牌照。

As there is no change for the recoverable amount of the intangible assets, no reversal of impairment is provided for the years ended 31 March 2016 and 2015.

由於無形資產之可收回金額並無變動，故並無於截至二零一六年及二零一五年三月三十一日止年度計提減值撥回。

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20. INVESTMENT PROPERTIES

The Group's property interests held to earn rentals are measured using the fair value model and are classified and accounted for as investment properties.

At fair value	按公平值
At 1 April	於四月一日
Changes in fair value	公平值變動
At 31 March	於三月三十一日

All of the Group's investment properties are situated in Hong Kong and are held under medium-term leases.

The investment properties are leased to third parties under operating leases, further details of which are included in Note 38(b) to the consolidated financial statements.

All of the Group's investment properties were pledged to secure bank loans granted to the Group (Note 29).

a) Fair value measurement of investment properties

i) Fair value hierarchy

The following table presents the fair value of the Group's investment properties measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13 Fair Value Measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs

20. 投資物業

本集團持有物業權益以賺取租金，有關權益按公平值模型計量，並分類及入賬為投資物業。

	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
At fair value		
At 1 April	24,778	23,699
Changes in fair value	(76)	1,079
At 31 March	24,702	24,778

本集團所有投資物業均位於香港，按中期租賃持有。

該等投資物業按經營租賃出租予第三方，進一步詳情載於綜合財務報表附註38(b)。

本集團所有投資物業均已抵押，作為本集團獲授貸款之擔保（附註29）。

a) 投資物業公平值計量

i) 公平值等級

下表列示本集團投資物業之公平值，其按經常基準於報告期末計量，分為三個公平值等級（定義見國際財務報告準則第13號公平值計量）。釐定公平值計量分類層級時，乃參照估值技術所用輸入數據是否屬可觀察及其重要性：

- 第一級估值：僅使用第一級輸入數據（即於計量日同類資產或負債於活躍市場之未經調整報價）計量之公平值
- 第二級估值：使用第二級輸入數據（即未能符合第一級之可觀察輸入數據而並不使用重大不可觀察輸入數據計量之公平值。不可觀察輸入數據為無法取得市場數據之輸入數據）。
- 第三級估值：使用重大不可觀察輸入數據計量之公平值

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20. INVESTMENT PROPERTIES (Continued)

a) Fair value measurement of investment properties

(Continued)

i) Fair value hierarchy (Continued)

		Fair value measurements as at 31 March 2016 categorised into 於二零一六年三月三十一日分類為以下等級之 公平值計量			
		Fair value at 31 March 2016 於二零一六年 三月三十一日 之公平值 HK\$'000 港幣千元	Level 1 第一級 HK\$'000 港幣千元	Level 2 第二級 HK\$'000 港幣千元	Level 3 第三級 HK\$'000 港幣千元
Group	本集團				
Recurring fair value measurement	經常性公平值計量				
Investment properties in Hong Kong	香港投資物業	24,702	-	24,702	-

		Fair value measurements as at 31 March 2015 categorised into 於二零一五年三月三十一日分類為以下等級之 公平值計量			
		Fair value at 31 March 2015 於二零一五年 三月三十一日 之公平值 HK\$'000 港幣千元	Level 1 第一級 HK\$'000 港幣千元	Level 2 第二級 HK\$'000 港幣千元	Level 3 第三級 HK\$'000 港幣千元
Group	本集團				
Recurring fair value measurement	經常性公平值計量				
Investment properties in Hong Kong	香港投資物業	24,778	-	24,778	-

During the year ended 31 March 2016, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3 (2015: nil). The Group's policy is to recognise transfers between levels of the fair value hierarchy as at the end of the reporting period in which they occur.

於截至二零一六年三月三十一日止年度，第一級與第二級之間概無轉移，亦無轉出或轉入第三級（二零一五：無）。本集團之政策為於公平值等級間發生轉移之報告期末確認有關轉移。

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20. INVESTMENT PROPERTIES (Continued)

a) Fair value measurement of investment properties

(Continued)

ii) Valuation techniques and inputs used in Level 2 fair value measurements

All of the Group's investment properties were revalued as at 31 March 2016 on market comparison approach by reference to recent sales price of comparable properties on a price per square foot basis using market data which is publicly available. The investment properties were revalued by Peak Vision Appraisals Limited, an independent professional valuer, who has a recognised and relevant professional qualification and recent experience in the location and category of properties being revalued. The directors of the Company have discussion with the surveyors on the valuation assumptions and valuation results when the valuation is performed at annual reporting date.

21. BIOLOGICAL ASSETS

The Group

	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
At beginning of the year	於年初	17,538
Changes in fair value less costs to sell	公平值變動減銷售成本	(16,197)
Exchange movement	匯兌變動	(1,341)
At end of the year	於年終	-

The Group's forest assets, acquired through the business combination of Amplewell Holdings Limited ("Amplewell") and its subsidiaries ("Amplewell Group"), are located in the Northwest of Brazil, the State of Acre, Amazon Region (the "Brazil Forest"). At 31 March 2016 and 2015, the biological assets represent natural tropical forests. The total area of the Brazil Forest is approximately 44,500 hectares. Under the environmental laws in Brazil, 20% (2015: 20%) or 8,939 hectares (2015: 8,939 hectares) of the Brazil Forest area is the permanent preservation area and therefore is restricted from logging. At least 80% of the remaining area is designated as the sustainable forest management area and the balance is the permissible clear cut area that has no restriction on felling under the environmental laws of Brazil. In the sustainable forest management area, minimum impact logging techniques are used and forests are managed in a sustainable manner which means that the harvesting rate is below the overall natural growth of the forest. The main objective in sustainable forest management program is to ensure the substance of the forests be preserved. The maximum logging rate allowed under relevant regulations governing sustainable forest management is 30 cubic meters per hectare, an average, over a 25 to 30 year harvesting cycle.

20. 投資物業 (續)

a) 投資物業公平值計量 (續)

ii) 第二級公平值計量所用估值技術及輸入數據

本集團所有投資物業已於二零一六年三月三十一日按市場比較法重新估值，當中參考可資比較物業按每平方呎價格基準之近期售價，並採用可得之市場數據。投資物業由獨立專業估值師滄鋒評估有限公司進行重估，其持有獲認可及相關專業資格，並擁有對物業地點及類別進行重新估值之最新經驗。於年度報告日期進行估值時，本公司董事與測量師相討估值假設及估值結果。

21. 生物資產

本集團

	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
At beginning of the year	於年初	17,538
Changes in fair value less costs to sell	公平值變動減銷售成本	(16,197)
Exchange movement	匯兌變動	(1,341)
At end of the year	於年終	-

本集團透過合併沛源控股有限公司（「沛源」）及其附屬公司（「沛源集團」）之業務取得之森林資產位於巴西西北部之亞克里州亞馬遜叢林區（「巴西森林」）。於二零一六年及二零一五年三月三十一日，生物資產指天然熱帶森林。巴西森林之總面積約為44,500公頃。根據巴西之環保法律，巴西森林面積之20%（二零一五年：20%）或8,939公頃（二零一五年：8,939公頃）為永久保護區，故嚴禁在此範圍內進行砍伐。餘下範圍最少80%指定作為可持續森林管理區，根據巴西環保法，其餘範圍屬並無砍伐限制之砍伐區。在可持續森林管理範圍內，已採用構成最低影響之砍伐技術，而森林乃以可持續之方式管理，保持砍伐比率低於森林整體天然生長速度。可持續森林管理計劃之主要目的為確保森林內之林木得到保護。可持續森林管理之相關監管規例容許之最大砍伐率為於二十五至三十年之砍伐周期內平均每公頃30立方米。

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21. BIOLOGICAL ASSETS (Continued)

On 27 March 2012, the board decided to suspend harvesting operations in Acre for 1 year until the operating environment for Universal Timber Resources do Brasil Ltda. ("UTRB"), a subsidiary within the Group, is improved. UTRB and its staff had been harassed by the alleged agent ("Alleged Agent") of a main contractor ("Main Contractor") in the tree felling service project in Rondonia. Not only was the tree felling service project adversely affected by the Alleged Agent, he also created a difficult and hostile environment for UTRB and its staff in Brazil. Since the harassments began in February 2011, the Alleged Agent harassed UTRB's staff and their family with death threats in numerous instances. The Group's employees especially in Brazil were scared and UTRB had experienced high turnover of personnel. As such, it was decided to suspend harvesting operations in Acre to address the concerns of its staff.

For the year ended 2015, the Group recorded a revaluation loss on biological assets of approximately HK\$16,197,000 primarily attributable to the decrease in log prices of which decreased with a range of 3% to 6% during the year.

As at 31 March 2016, the fair value of the biological assets was zero (2015: zero) and there were no revaluation gain or loss on biological assets for the year.

21. 生物資產 (續)

於二零一二年三月二十七日，董事會決定暫停亞克里州之伐木業務一年，直至 Universal Timber Resources do Brasil Ltda. (「UTRB」，本集團之附屬公司) 之經營環境有所改善為止。UTRB及其員工在朗多尼亞州之伐木服務項目上被主承包商(「主承包商」)之指稱代理(「指稱代理」)騷擾。指稱代理不單為伐木服務項目帶來不利影響，彼亦令UTRB及其員工在巴西面對艱鉅及敵對局面。自騷擾事件於二零一一年二月開始發生以來，指稱代理多次以死亡威脅騷擾UTRB員工及彼等之家人。本集團之僱員，特別於巴西之僱員深感恐懼，導致UTRB之員工流失率高企。因此，亞克里州之伐木業務決定暫停，以表示對其員工之關注。

截至二零一五年止年度，本集團錄得生物資產之重估虧損約港幣16,197,000元，主要由於原木價格下降(年內下降幅度介乎3%至6%)所致。

於二零一六年，生物資產之公平值為零(二零一五年：零)，且年內概無生物資產之重估損益。

21. BIOLOGICAL ASSETS (Continued)

The forest engineer adopted the following methodology in determining the harvestable area of the Brazil forests in the technical report used for the 2014 valuation. This methodology or standard (Modeflora – Digital Model of Forest Exploration) was developed locally in Brazil by Embrapa (Brazilian Enterprise for Agricultural Research). Adoption is not mandatory by the state but recommended to the forest engineer professionals.

During the valuation process, Greater China Appraisal Limited (“GCA”) referenced to a technical report on estimation of quality and quantity of commercial and potentially commercial wood species and residues resulting from the forest exploitation issued by CAAP FORESTAL (“CAAP”). CAAP performs only once diagnostic sampling for the whole farm area under current State regulation. 100% census of the inventory will be performed inside each unit of production area in order to obtain new operating license for each unit of production area. In general, it is common practice by forest engineers to assume there is no change in the forest inventory as the tropical natural forestry asset is very stable within five to ten years, so there is not necessary to perform detailed sampling every year. Rain forest is a long lasting asset if without human intervention (Amazon forest is estimated to have existed for some 10 million years). Temporary hostile climate, e.g. strong wind, heavy rain and flooding do not change the natural habitat of the forest. Disease and fire might affect the forestry assets, but to the best knowledge of the Company, no known fire and abnormal wood disease were reported during the periods covered under the valuation. Temperature might affect the quality/volume of the forestry asset, but in a long term prospective (which usually over decades) instead of affecting within a short period of time.

Notwithstanding the above, CAAP obtains satellite image of the farms in August every year with spatial resolution of 15 m (49 ft). This is to recognize if there is any abnormal situation (e.g. sudden large scale clearing/disappearing of trees) in the farms. It indicated that any object or abnormality with 15 m in size will be shown on the satellite image. CAAP also monitors the daily updates on burns and fires in Brazil forest area: <http://www.inpe.br/queimadas/>.

The Brazil Forest was independently valued by GCA, an independent qualified professional valuer not connected with the Group. GCA has experience in valuing similar forestry assets. The key consultant involved in this valuation being a Certified Valuation Analyst of the International Association of Consultants, Valuators and Analysts, and has no present or prospective interest in the Group’s biological assets and no personal interest or bias with respect to the Group. In the opinion of the directors of the Company, GCA is independent and competent to determine the fair value of the Group’s biological assets. As the value of the biological asset is determined by the ability to generate a stream of benefits in future, GCA has adopted a discounted cash flow methodology in valuing the Brazil Forest. The following are the major assumptions used in the valuation:

21. 生物資產 (續)

森林工程師於技術報告中採用以下方法就二零一四年之估值釐定巴西森林之可供砍伐範圍。該方法或準則(Modeflora – Digital Model of Forest Exploration)由Embrapa (Brazilian Enterprise for Agricultural Research)於巴西當地研發。國家並無強制要求採用該方法，惟已向專業森林工程師推薦。

於估值過程中，漢華評估有限公司(「漢華評估」)參考由CAAP FORESTAL(「CAAP」)所發表就森林開發而估計商業及潛在商業木材種類及木渣質量及數量的技術報告。CAAP根據現時國家規例僅就整個農場範圍作一次抽樣檢查。為使產區每個單位均取得新營運牌照，將於產區每個單位內對所有存貨進行統計調查。一般而言，由於五至十年內的熱帶天然森林資產相當穩定，森林工程師普遍會假設森林存貨概無變動，故毋須每年作出詳細抽樣檢查。在不受人為干擾的情況下，雨林應為長久的資產(估計亞馬遜森林已有約一千萬年歷史)。短暫不利氣候，如強風、暴雨及水災不會改變森林的自然生態。疾病及火災或會影響森林資產，惟就本公司所深知，估值所涵蓋期間並無獲得有關火災及異常病木之報告。氣溫亦可能影響森林資產的質量/數量，但並非在短期內有所影響，通常在幾十年後較長期間方受影響。

除上文所述者外，CAAP於每年八月取得農場的衛星圖像，其空間解像為15米(49呎)，以確認農場是否有任何異常情況(如樹木突然大規模遭清除/消失)。衛星圖像會顯示任何大小為15米的物體或異常物體。CAAP亦每日於<http://www.inpe.br/queimadas/>上監察巴西森林面積是否遭受燒毀及發生火災。

巴西森林由與本集團並無關連之獨立合資格專業估值師漢華評估獨立評估。漢華評估具備評估類似森林資產之經驗。參與是次估值之主要顧問為國際顧問、評價師及分析師協會的認可企業價值評估分析師，於本集團之生物資產並無現有或未來權益，亦無涉及本集團之個人利益或偏袒。本公司董事認為，漢華評估屬獨立且有能釐定本集團生物資產之公平值。由於釐定生物資產價值時，乃視乎其於未來產生利益來源之能力，漢華評估就評估巴西森林採用貼現現金流轉法。以下為評估所用主要假設：

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For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

21. BIOLOGICAL ASSETS (Continued)

- a logging volume of 21.5 m³ (2015: 21.5 m³) per hectare in the sustainable forest management program area.
- a pre-tax discount rate of 16.61% (2015: 17.26%) based on the data and factors relevant to the economy of Brazil, the industry of forest business and the harvestable resources in the Brazil Forest, and the weighted average cost of capital.
- harvesting activities for the first 30-year cycle will resume from the calendar year of 2016 and complete in 8 years (2015: 8 years). Revenue or costs from subsequent harvesting cycle are not taken into account.
- average logs price growth at a rate of 3% per annum (2015: 3% per annum) in the next 8 years (2015: 8 years) which is the expected long term growth rate estimated by reference to the Consumer Price Index in USA.
- the cost of revenue mainly includes forest planning and management, staffing costs, felling and skidding costs, loading and transportation costs, tallying and pointing costs, harvesting overhead costs, issue of forest origin document costs, annual operating license fees and cost of harvesting residues. The cost of revenue is assumed to increase in-line with the long term growth rate of 3%, which is based on the long term inflation rate. The market price is based on the market quotations of log sale prices provided by the management.
- Forest Stewardship Council (the “FSC”) certification demonstrates fulfillment of social and ecological criteria, while increasing the prices achievable for timber products. As the directors changed the operation model, the Group will not obtain the FSC certification in 2015 and 2016, and the Group cannot enjoy a price premium of 15%.

For the year ended 31 March 2016, the harvesting operation in the Brazil Forest remained suspended. As the business environment continued to be difficult for the Group in Brazil, the board of directors of the Company changed the operation model in the Brazil Forest from own harvesting to leasing out the forest in Brazil so as to enhance the income stream of the Group in 2016. The valuer considered that the valuation for the biological assets should be prepared from the perspective of market participants and the valuer cannot validate the feasibility of leasing of the forest which might have been affected by the Group’s own business strategy, and accordingly, disregarded the leasing of the Brazil Forest in conducting the valuation for the biological assets.

21. 生物資產 (續)

- 可持續森林管理計劃範圍之砍伐量為每公頃21.5立方米(二零一五年: 21.5立方米)。
- 稅前折現率16.61%(二零一五年: 17.26%)乃按照與巴西經濟環境有關之數據及因素、林業業務行業概況、於巴西森林之可供砍伐資源以及加權平均資本成本釐定。
- 首三十年周期之砍伐活動將自二零一六曆年起恢復,並於八年(二零一五年: 八年)內完成。並無計及往後砍伐周期之收入或成本。
- 未來八年(二零一五年: 八年)之平均原木價格增幅為每年3%(二零一五年: 每年3%),與經參考美國消費物價指數估計之預期長期增長率一致。
- 收入成本主要包括森林規劃及管理、員工成本、砍伐及集運成本、裝載及運輸成本、理貨及點算成本、伐木經常性成本、出具森林來源地文件成本、年度營運牌照費及砍伐木渣成本。已假定收益成本按照長期增長率3%上升,此乃基於長期資料所示之通脹率。市價乃基於管理層所提供之原木售價市場報價。
- 森林管理委員會(「FSC」)認證顯示本集團符合社會及生態標準,同時可提高木材產品售價。由於董事已改變營運模式,本集團將不會於二零一五年及二零一六年取得FSC認證,亦無法享有15%之價格溢價。

截至二零一六年三月三十一日止年度,巴西森林之伐木業務仍然暫停。由於本集團於巴西的業務情況依然艱困,董事會將巴西森林之營運模式由自有伐木改為出租本集團於巴西之森林,藉以改善本集團於二零一六年的收入來源。估值師認為生物資產之估值應從市場參與者之角度編製,且估值師未能證實森林租賃之可行性,而這可能受本集團之自有業務策略影響,故於進行生物資產估值時已忽略巴西森林租賃。

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21. BIOLOGICAL ASSETS (Continued)

Fair value hierarchy

The following table illustrates the fair value measurement hierarchy of the Group's biological assets which are categorised as a Level 3 of fair value measurement hierarchy:

	Quoted prices in active markets (Level 1) 活躍市場報價 (第一級) HK\$'000 港幣千元	Fair value measurement using 使用下列數據之公平值計量		Total 總計 HK\$'000 港幣千元
		Significant observable inputs (Level 2) 重大可觀察輸入數據 (第二級) HK\$'000 港幣千元	Significant unobservable inputs (Level 3) 重大不可觀察輸入數據 (第三級) HK\$'000 港幣千元	
As at 31 March 2016 Recurring fair value measurement for: Biological assets	於二零一六年三月三十一日 經常性公平值計量：生物資產	-	-	-
As at 31 March 2015 Recurring fair value measurement for: Biological assets	於二零一五年三月三十一日 經常性公平值計量：生物資產	-	-	-

During the year ended 31 March 2015 and 2016, there were no transfers between Level 1 and Level 2 and no transfers into or out of Level 3. The Group's policy is to recognise transfer between levels of fair value hierarchy at the end of the reporting period in which they occur.

於截至二零一五年及二零一六年三月三十一日止年度，第一級與第二級之間並無轉撥，亦無第三級轉入或轉出。本集團之政策是於公平值等級之間發生轉移之報告期末確認有關轉移。

Reconciliation of fair value measurements categorized within Level 3 of the fair value hierarchy:

分類為公平值等級第三級之公平值計量對賬：

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Net carrying amount at 1 April	於四月一日之賬面淨值	-	17,538
Exchange movement	匯兌變動	-	(1,341)
Changes in fair value less costs to sell	公平值變動減出售成本	-	(16,197)
Net carrying amount at 31 March	於三月三十一日之賬面淨值	-	-
Fair value change relating to assets held at the end of period	於期末有關持有資產之公平值變動	-	16,197

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21. BIOLOGICAL ASSETS (Continued)

Fair value hierarchy (Continued)

Exchange movement of biological assets is recognized in other comprehensive income in “exchange fluctuation reserve”.

Under the discounted cash flow method, fair value is estimated using assumptions regarding the benefits and liabilities of ownership over the asset's life. This method involves the projection of a series of cash flows on an asset interest. A market-derived discount rate is applied to the projected cash flow in order to establish the present value of the income stream associated with the asset.

The directors of the Company have discussion with the valuer on the valuation assumptions and valuation results when the valuation is performed at annual reporting date.

The Group is exposed to a number of risks related to its natural forest.

(i) Regulatory and environmental risks

The Group is subject to laws and regulations in Brazil in which it operates. The Group has established environmental policies and procedures aimed at compliance with local environmental and other laws. Management performs regular reviews to identify environmental risks and to ensure that the systems in place are adequate to manage those risks. The Directors are not aware of any environmental liabilities as at 31 March 2015 and 2016.

(ii) Supply and demand risk

The Group is exposed to risks arising from fluctuations in the price and sales volume of logs. When possible the Group manages this risk by controlling its harvest volume, according to market conditions. Management performs regular industry trend analysis to ensure the Group's pricing policy is comparable to the market and the projected harvesting volumes are consistent with the expected demand.

21. 生物資產 (續)

公平值等級 (續)

生物資產之匯兌變動於其他全面收入內之「匯兌波動儲備」確認。

根據貼現現金流轉法，公平值乃採用假設有所有權的權益及負債超過資產之壽命進行估計。該方法涉及對資產權益之一連串現金流轉之預測。市場衍生之貼現率適用於預測現金流轉，以便確立與資產有關之收入來源之現值。

於年度報告日期進行估值時，本公司董事已與估值師就估值假設及估值結果進行磋商。

本集團面對多項與天然森林有關之風險。

(i) 監管及環境風險

本集團受其業務所在之巴西法例及規例規管。本集團已制訂環境政策及程序，旨在遵守當地之環保及其他法例。管理層定期進行檢討，以確定環境風險及確保現行制度足以管理有關風險。於二零一五年及二零一六年三月三十一日，董事並不知悉任何環保責任。

(ii) 供求風險

本集團面對原木價格及銷售量波動產生之風險。在可能情況下，本集團根據市況控制其砍伐量以管理此項風險。管理層定期進行行業趨勢分析，以確保本集團定價政策貼近市場水平及預計砍伐量與預期需求一致。

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22. GOODWILL

22. 商譽

		Sustainable forest management (Note i) 可持續森林 管理業務 (附註 i) HK\$'000 港幣千元	Manufacturing and sale of timber products (Note ii) 製造及銷售 木材產品 (附註 ii) HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Cost	成本			
At 1 April 2014, 31 March 2015 and 31 March 2016	於二零一四年四月一日、 二零一五年三月三十一日及 二零一六年三月三十一日	1,686,883	77,353	1,764,236
Accumulated impairment	累計減值			
At 1 April 2014, 31 March 2014 and 31 March 2015	於二零一四年四月一日、 二零一四年三月三十一日及 二零一五年三月三十一日	1,686,883	77,353	1,764,236
Carrying amounts	賬面值			
At 31 March 2016	於二零一六年三月三十一日	-	-	-
At 31 March 2015	於二零一五年三月三十一日	-	-	-

Notes:

(i) **Sustainable forest management**

The goodwill arising from the acquisition of the sustainable forest management cash generating unit in the prior years represented its expected future profitability.

As at 31 March 2014, goodwill relating to sustainable forest management segment had been fully impaired as detailed below.

附註:

(i) **可持續森林管理**

過往年度因收購可持續森林管理業務所產生之商譽現金產生單位指其估計未來盈利能力。

於二零一四年三月三十一日，有關可持續森林管理之商譽分部已悉數減值，詳情如下。

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For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

22. GOODWILL (Continued)

Notes: (Continued)

(i) Sustainable forest management (Continued) Recoverability assessment at 31 March 2014

On 27 March 2012, the board of directors of the Company decided to suspend harvesting operations in Acre, Brazil until the operating environment for its Brazilian subsidiary improves. Up to the date of approval of financial statements, the harvesting operation in Acre, Brazil remained suspended. As the business environment continued to be difficult for the Group in Brazil, the board of directors changed the operation model in Acre from own harvesting to leasing out of the forest in Brazil so as to enhance the income stream of the Group.

No lease relating to the Group's forest in Brazil had been entered into by the Group. The directors of the Company considered the economic value of the future income stream from leasing out the Group's forest cannot be reasonably assessed at the date of approval of financial statements 2014. The Group had to preclude the economic value of the future income stream from leasing out of the Group's forest from measurement of the fair value of the CGU for prudence.

The Group engaged an independent professional valuer to perform the valuation for the fair value of the CGU. The original business plan regarding the operation was assumed to be changed. The valuer cannot validate the feasibility of leasing business. There was no reliable projection for the business and income approach of the valuation methodology of the business value cannot be used.

In assessing the valuation of the CGU, the valuer adopted the asset approach, which was breaking the CGU into pieces, i.e. the freehold land (included the naked land, pastures and betterments) and the biological assets, so the business value was the sum of them. The valuer adopted the market approach for the freehold land and adopted the income approach based on the projection developed based on the market participant's point of view for the biological assets.

The fair value less cost of disposal of the CGU valuation was approximately HK\$169,076,000 which included the fair value of the biological assets and the fair value of freehold land at 31 March 2014. During the year ended 31 March 2014, an impairment loss of goodwill of approximately HK\$302,118,000 had been recognized in the profit or loss and the goodwill had been fully impaired. The fair value on which the recoverable amount based on was categorised as a Level 3 fair value measurement.

(ii) Manufacturing and sale of timber products

The goodwill of approximately HK\$77,353,000 arising from the acquisition of Originate Tech Global Investments Limited and its subsidiaries represented the future economic benefits from the synergy effect of the business combination.

The entire value of manufacturing and sale of timber products as a cash generating unit was considered impaired as of 31 March 2012, and an impairment loss on goodwill of approximately HK\$77 million was recorded.

22. 商譽 (續)

附註: (續)

(i) 可持續森林管理 (續) 於二零一四年三月三十一日之可收回性評估

於二零一二年三月二十七日，本公司董事會決定暫停巴西亞克里州之伐木業務直至其巴西附屬公司之經營環境改善。截至財務報表獲批准日期，於巴西亞克里州之伐木業務仍然暫停。由於本集團於巴西之業務環境持續困難，董事會將其於亞克里州之營運模式由自有伐木改為出租巴西的森林，藉以改善集團的收入來源。

本集團概無訂立有關本集團巴西森林之租賃。本公司董事認為，於二零一四年財務報表獲批准日期尚未能合理評估出租本集團森林之未來收入來源之經濟價值。為審慎起見，本集團於計量現金產生單位之公平值時，須撇除出租本集團森林之未來收入來源之經濟價值。

本集團已委聘獨立專業估值師估算現金產生單位之公平值。關於營運之原有業務計劃被假設為已改變，估值師未能核實租賃業務之可行性。該業務並無進行可靠預測，亦不可使用收入法作為該業務價值之估值法。

於評估現金產生單位之估值，估值師採取資產法，即將現金產生單位分為不同成份，即永久業權土地（包括空地、草地及增值地）及生物資產，而業務價值為兩者之總和。估值師就永久業權土地採取市場法，以及就生物資產採取收入法，參考市場參與者之看法，根據已發展的計劃作出。

於二零一四年三月三十一日，現金產生單位估值之公平值減出售成本約為港幣169,076,000元，包括生物資產之公平值及永久業權土地之公平值。截至二零一四年三月三十一日止年度，金額約為港幣302,118,000元之商譽減值虧損已於損益中確認，而商譽已全數作出減值。可收回金額所依據之公平值被分類為第三級公平值計量。

(ii) 製造及銷售木材產品

收購創科環球投資有限公司及其附屬公司產生商譽約港幣77,353,000元代表業務合併所帶來協同效應之未來經濟利益。

於二零一二年三月三十一日，作為現金產生單位之製造及銷售木材產品之全部價值被視為減值，而商譽則錄得減值虧損約港幣77,000,000元。

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23. INTEREST IN SUBSIDIARIES

Particulars of the subsidiaries are as follows:

23. 附屬公司權益

附屬公司詳情如下：

Name 名稱	Place of incorporation/ registration and business 成立/註冊及 營業地點	Form of legal entity 法定實體之形式	Particulars of issued and paid up capital 已發行及 繳足股本詳情	Proportion of ownership interest 擁有權益 比例			Principal activities 主要業務
				Group's effective interest 本集團 實際權益	Held by the Company 本公司持有	Held by a subsidiary 一間附屬 公司持有	
Amano Holdings Limited (Note (i)) (附註(i))	Cyprus 塞浦路斯	Limited liability company 有限公司	1,000 ordinary shares of Euro1 each 1,000股普通股每股面值1歐元	100%	-	100%	Inactive 暫無營業
Amplewell Holdings Limited 沛源控股有限公司	British Virgin Islands 英屬處女群島	Limited liability company 有限公司	1 ordinary share of US\$1 each 1股普通股每股面值1美元	100%	-	100%	Investment holding 投資控股
Anex International Management Limited 安歷士國際管理有限公司	Hong Kong 香港	Limited liability company 有限公司	1 ordinary share 1股普通股	100%	100%	-	Human resources management 人力資源管理
Great Path Limited 宏通有限公司	British Virgin Islands 英屬處女群島	Limited liability company 有限公司	1 ordinary share of US\$1 each 1股普通股每股面值1美元	100%	100%	-	Investment holding 投資控股
New On Creation Limited 新安創建有限公司	Hong Kong 香港	Limited liability company 有限公司	10,000 ordinary shares 10,000股普通股	100%	-	100%	Investment holding 投資控股
Originate Tech Global Investments Limited 創科環球投資有限公司	British Virgin Islands 英屬處女群島	Limited liability company 有限公司	1 ordinary share of US\$1 each 1股普通股每股面值1美元	100%	-	100%	Investment holding 投資控股
Susfor-Oasis Timber (Zhongshan) Co. Ltd.** 中山市永保新綠洲木業有限公司**	China 中國	Limited liabilities company 有限公司	Paid up registered capital of RMB5,091,000 已繳足註冊資本 人民幣5,091,000元	100%	-	100%	Timber and wood products trading 木材及木料產品買賣
Universal Timber Resources do Brasil Ltda. ("UTRB") ("UTRB")	Brazil 巴西	Limited liability company 有限公司	BRL12,646,996 12,646,996雷亞爾	100%	-	100%	Sustainable management of and investment in natural forests, timber and wood processing, timber trading and timber sales, marketing and tree felling services 天然森木可持續管理及投資、木 材及木料加工、木材買賣、木 材銷售及市場推廣以及伐木 服務
Applause Global Limited	British Virgin Islands 英屬處女群島	Limited liability company 有限公司	1 ordinary share of US\$1 each 1股普通股每股面值1美元	100%	100%	-	Investment holding 投資控股
Good Magic Limited	British Virgin Islands 英屬處女群島	Limited liability company 有限公司	1 ordinary share of US\$1 each 1股普通股每股面值1美元	100%	-	100%	Investment holding 投資控股
View Concord Holdings Limited 景捷集團有限公司	Hong Kong 香港	Limited liability company 有限公司	1 ordinary share 1股普通股	100%	100%	-	Investment holding 投資控股

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23. INTEREST IN SUBSIDIARIES (Continued)

Particulars of the subsidiaries are as follows: (Continued)

Name 名稱	Place of incorporation/ registration and business 成立/註冊及 營業地點	Form of legal entity 法定實體之形式	Particulars of issued and paid up capital 已發行及 繳足股本詳情	Proportion of ownership interest 擁有權益 比例			Principal activities 主要業務
				Group's effective interest 本集團 實際權益	Held by the Company 本公司持有	Held by a subsidiary 一間附屬 公司持有	
Elite Sign Investments Limited 賢誌投資有限公司	Hong Kong 香港	Limited liability company 有限公司	1 ordinary share 1股普通股	100%	-	100%	Investment holding 投資控股
Champ Country Limited 國采有限公司	Hong Kong 香港	Limited liability company 有限公司	10,000 ordinary shares 10,000股普通股	100%	-	100%	Leasing of properties 物業租賃
Bluestone Investment Limited 藍石投資有限公司	Hong Kong 香港	Limited liability company 有限公司	10,000 ordinary shares 10,000股普通股	100%	-	100%	Leasing of properties 物業租賃
Travel Inn Limited 旅遊棧有限公司	Hong Kong 香港	Limited liability company 有限公司	500,000 ordinary shares 500,000股普通股	95%	-	95%	Travel and travel related business 旅遊及旅遊相關業務
Asset Bridge Development Limited 資財發展有限公司	Hong Kong 香港	Limited liability company 有限公司	1 ordinary share 1股普通股	100%	-	100%	Money lending business 貸款業務
Metro Charm Holdings Limited 建豐集團有限公司	British Virgin Islands 英屬處女群島	Limited liability company 有限公司	1 ordinary share of US\$1 each 1股普通股每股面值1美元	100%	-	100%	Investment holding 投資控股
Righteous Arena Limited	British Virgin Islands 英屬處女群島	Limited liability company 有限公司	1 ordinary share of US\$1 each 1股普通股每股面值1美元	100%	-	100%	Dormant 無經營活動

* The English translation of Chinese name is for identification purpose only.

** Wholly-foreign owned enterprise registered in China.

Note:

(i) The subsidiary is applying for deregistration.

23. 附屬公司權益 (續)

附屬公司詳情如下: (續)

* 中文名稱之英文翻譯僅供識別用途。

** 於中國註冊之外資全資企業。

附註:

(i) 該附屬公司正在申請取消註冊。

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24. INVENTORIES

24. 存貨

		Notes 附註	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Sawn timber	鋸材	(a)	-	489
Finished goods	製成品	(b)	73	317
			73	806

Notes:

- (a) The sawn timber was purchased for trading purpose.
- (b) These inventories were held for further processing or sale.
- (c) The analysis of the amount of inventories recognised as an expense is as follows:

附註:

- (a) 鋸材乃就買賣用途而購入。
- (b) 該等存貨持有作進一步加工或銷售用途。
- (c) 已確認為開支之存貨金額分析如下:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Write down of inventories (Note (i))	撇減存貨 (附註(i))	-	1,047
Reversal of write down of inventories (Note (ii))	撥回撇減存貨 (附註(ii))	-	(1,105)
			(58)
Carrying amount of inventories sold	已售存貨賬面值	1,820	2,860

- (i) During the year ended 31 March 2016, obsolete and slow-moving inventories approximately HK\$Nil (2015: HK\$1,047,000) were identified and written down to their net realisable value.
- (ii) The reversal of write down of inventories made in prior years arose due to an increase in the net realisable value as a result of the sales occurred during the year.

- (i) 截至二零一六年三月三十一日止年度，已識別金額約港幣零元（二零一五年：港幣1,047,000元）之陳舊及滯銷存貨，並撇減至其可變現淨值。
- (ii) 由於年內出現因銷售產生之變現淨值增加，因此於過往年度作出之存貨撇減獲撥回。

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For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

25. LOAN RECEIVABLES

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Loans to customers	應收客戶貸款	82,000	92,800
Accrued interest receivables	應計利息應收款項	338	812
		82,338	93,612
Less: impairment loss recognised	減：已確認減值虧損	-	-
		82,338	93,612

All loans are denominated in Hong Kong Dollars. The loan receivables carry effective interests ranging approximately from 6.5% to 10.5% (2015: 6.65% to 11%) per annum. A maturity profile of the loans receivables (net of impairment loss recognised, if any) at 31 March 2016 and 2015, based on the maturity date is as follow:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Current assets	流動資產		
Within one year	一年內	82,338	93,612
Non-current assets	非流動資產		
Over one year but within two year	超過一年但於兩年內	-	-
		82,338	93,612

At 31 March 2016 and 31 March 2015, the loans together with the accrued interest are secured by personal/corporate guarantees, and/or the pledge of customers' properties and/or their specific investments and loans receivable.

The directors of the Company considered that the estimated fair value of the collaterals and guarantees exceeded the carrying amounts of the respective loans and the accrued interest receivables at 31 March 2016 and no impairment on the loan receivables and accrued interest receivables were considered necessary.

25. 應收貸款

	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Loans to customers	82,000	92,800
Accrued interest receivables	338	812
	82,338	93,612
Less: impairment loss recognised	-	-
	82,338	93,612

所有貸款均由港幣計值。應收貸款按實際利率計息，年利率幅度約由6.5厘至10.5厘（二零一五年：6.65厘至11厘）。於二零一六年及二零一五年三月三十一日，應收貸款（扣除已確認減值虧損，如有）之到期組合乃根據如下到期日：

	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Current assets		
Within one year	82,338	93,612
Non-current assets		
Over one year but within two year	-	-
	82,338	93,612

於二零一六年三月三十一日及二零一五年三月三十一日，貸款及應計利息乃由私人／公司擔保、及／或客戶物業及／或其特定投資及應收貸款抵押。

於二零一六年三月三十一日，本公司董事認為抵押品及擔保之估計公平值超過有關貸款及應計利息應收款項之賬面值且被認為無需就應收貸款及應計利息應收款項作出減值。

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For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

25. LOAN RECEIVABLES (Continued)

(a) Loan receivables that are not impaired

The aging analysis of loan receivables that are neither individually nor collectively considered to be impaired are as follows:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Neither past due nor impaired	並無逾期亦無減值	82,338	83,375
Past due but not impaired	逾期但並無減值		
Less than 1 month past due	逾期少於一個月	-	-
1 to 3 months past due	逾期一至三個月	-	10,237
Over 3 months past due	逾期超過三個月	-	-
		-	10,237
		82,338	93,612

Receivables that were neither past due nor impaired relate to customers for whom there was no recent history of default. At 31 March 2015, loan receivables of HK\$10,237,000 that were past due but not impaired relate to an independent customer with the pledge of customer's property. At both reporting period ends, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

25. 應收貸款 (續)

(a) 未能減值之應收貸款

應收貸款之賬齡分析既無個別亦無集體考慮作出減值如下：

並無逾期亦無減值之應收款項乃與並無近期違約記錄之客戶有關。於二零一五年三月三十一日，已逾期但並無減值之應收貸款港幣10,237,000元與一名獨立客戶有關，並以客戶之物業作為抵押。於兩個報告期結束時，由於信貸質素並無重大變動，該等結餘仍被視為可以全數收回，故管理層相信毋須就該等結餘作出減值撥備。

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26. TRADE AND OTHER RECEIVABLES

	2016 二零一六年 HK\$'000 港幣千元
Trade receivables	應收貿易款項
Other receivables (Note i)	其他應收款項 (附註i)
Prepayments and deposits	預付款項及按金

Note:

- (i) The other receivables as at 31 March 2016 mainly represented the money advance to independent third parties. The amounts were unsecured, interest free and repayment on demand. Other receivables that were neither past due nor impaired relate to other debtors for whom there was no recent history of default. The Group does not hold any collateral over these balances.

All of the trade and other receivables are expected to be recovered within one year.

(a) Trade receivables

The aging analysis of the trade receivables as of the reporting date, based on invoice date, which approximates the respective revenue recognition dates was as follows:

	2016 二零一六年 HK\$'000 港幣千元
0 to 30 days	0至30日
31 to 60 days	31至60日
61 to 90 days	61至90日
Over 90 days	90日以上

The Group's trading terms with its customers are mainly on credit and letters of credit, except for new customers where payment in advance and cash on delivery are normally required. Invoices are normally payable between 30 and 180 days after issuance. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management.

26. 應收貿易款項及其他應收款項

	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Trade receivables	448	3,001
Other receivables (Note i)	3,011	21,828
Prepayments and deposits	880	827
	4,339	25,656

附註:

- (i) 於二零一六年三月三十一日之其他應收款項主要指應付為獨立第三方墊付之款項。該等金額為無擔保、不計息並須按要求償還。並無逾期亦無減值之其他應收款項乃與其他借款人有關，其並無任何違約歷史記錄。本集團並無就該等結餘持有任何抵押品。

所有應收貿易款項及其他應收款項預期於一年內收回。

(a) 應收貿易款項

於呈報日期，按發票日期（約為各個收益確認日期）計算之應收貿易款項之賬齡分析如下：

	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
0 to 30 days	-	11
31 to 60 days	-	27
61 to 90 days	-	10
Over 90 days	448	2,953
	448	3,001

除新客戶一般須預付款項及貨到支付現金外，本集團大多會給予客戶信貸期及以信用證交易。發票一般須於發出後30至180日內支付。每名客戶均設有最高信貸額。本集團對未收回之應收款項實施嚴格控制，並已設立信貸控制部進行管理，以求降低信貸風險。高級管理層定期審閱逾期結餘。

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26. TRADE AND OTHER RECEIVABLES (Continued)

(b) Impairment of trade receivables

Impairment losses in respect of trade receivables are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade receivables directly.

(c) Trade receivables that are not impaired

The aging analysis of trade receivables that are neither individually nor collectively considered to be impaired are as follows:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Neither past due nor impaired	並無逾期亦無減值	-	11
Past due but not impaired	逾期但未減值		
Less than 1 month past due	逾期少於一個月	-	27
1 to 3 months past due	逾期一至三個月	-	10
Over 3 months past due	逾期三個月以上	448	2,953
		448	2,990
		448	3,001

Receivables that were neither past due nor impaired relate to a customer for whom there was no recent history of default. Receivables that were past due but not impaired relate to independent customer that have a good track record with the Group for whom there was no recent history of default. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

26. 應收貿易款項及其他應收款項 (續)

(b) 應收貿易款項之減值

有關應收貿易款項之減值虧損乃使用備抵賬記錄，惟倘本集團認為收回款項之機會甚微，則減值虧損會直接與應收貿易款項撇銷。

(c) 並無減值之應收貿易款項

並無被視為出現個別或集體減值之應收貿易款項之賬齡分析如下：

並無逾期亦無減值之應收款項乃與並無近期違約記錄之客戶有關。已逾期但並無減值之應收款項與獨立客戶有關，彼等於本集團有良好業務往來記錄，近期亦無欠款記錄。根據以往經驗，由於信貸質素並無重大變動，該等結餘仍被視為可以全數收回，故管理層相信毋須就該等結餘作出減值撥備。本集團並無就該等結餘持有任何抵押品。

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27. CASH AND CASH EQUIVALENTS

27. 現金及現金等價物

		The Group 本集團	
		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Cash at bank and on hand, and cash and cash equivalents in the statement of financial position	銀行及手頭現金以及於財務狀況表之現金及現金等價物	59,258	50,141
Reconciliation of the cash and cash equivalents at the end of the year in the consolidated statement of cash flows is set out as below:	年末綜合現金流轉表之現金及現金等價物之對賬載列如下：		
Cash and cash equivalents included in the consolidated statement of financial position	計入綜合財務狀況表之現金及現金等價物	59,258	50,141
Cash and cash equivalents included in the assets of a disposal group (Note 12)	計入出售組別之資產之現金及現金等價物(附註12)	660	-
		59,918	50,141
Cash and bank balances denominated in Renminbi	以人民幣列值之現金及銀行結餘	10	11

Renminbi is not freely convertible into other currencies. However, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange Renminbi for other currencies through banks authorised to conduct foreign exchange business.

The interest rates on the cash at bank and deposits with banks ranged from 0.01% to 3.5% (2015: 0.01% to 3.5%) per annum.

人民幣不可自由兌換為其他貨幣。然而，根據中國大陸之外匯管理條例以及結匯、售匯及付匯管理規定，本集團獲准透過獲授權進行外匯業務之銀行將人民幣兌換為其他貨幣。

銀行現金及銀行存款之年利率介乎0.01厘至3.5厘(二零一五年：0.01厘至3.5厘)。

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28. TRADE AND OTHER PAYABLES

28. 應付貿易款項及其他應付款項

		The Group 本集團	
		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
		Notes 附註	
Trade payables	應付貿易款項	(a)	24,003
Other payables and accruals	其他應付款項及應計費用		16,746
Financial liabilities measured at amortised costs		按攤銷成本計量之財務負債	40,749
			49,580

All of the trade and other payables are expected to be repaid or recognised as income within one year or had no fixed terms of repayment.

所有應付貿易款項及其他應付款項預期將於一年內償還或確認為收入，或無固定還款期。

(a) Trade payables

An aging analysis of the Group's trade payables as at the end of the reporting period, based on invoice date, was as follows:

(a) 應付貿易款項

於報告期末，按發票日期計算之本集團應付貿易款項之賬齡分析如下：

		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
0 to 30 days	0至30日	-	290
31 to 60 days	31至60日	-	8
61 to 90 days	61至90日	-	-
Over 90 days (Note (i))	90日以上 (附註(i))	24,003	31,044
		24,003	31,342

Note:

- (i) Trade payables also included approximately BRL10 million (equivalent to approximately HK\$22 million at 31 March 2016 and approximately HK\$25 million at 31 March 2015). This sum represented service fees payable to a subcontractor for a tree felling service project in Rondonia, Brazil. UTRB had disputes with the subcontractor and it abandoned the site. No further work was subcontracted to them after the year ended 31 March 2011 as UTRB was not assigned any area for clearing by the hydropower plant of this project in the financial years ended 31 March 2015 and 2016, and no amount was paid by UTRB either. UTRB is not aware of any claims or lawsuits filed by the subcontractor at the relevant courts.

附註：

- (i) 應付貿易款項亦包括約10,000,000雷亞爾（相當於二零一六年三月三十一日之約港幣22,000,000元及於二零一五年三月三十一日之約港幣25,000,000元）。有關金額指就位於巴西朗多尼亞州之伐木服務項目應付分包商之服務費。UTRB與分包商發生爭議，彼已放棄該場地。由於UTRB於截至二零一五年及二零一六年三月三十一日止財政年度未就該項目之水力發電廠獲分配任何區域之清理工作，故於截至二零一一年三月三十一日止年度後概無向彼等進一步分包工作，而UTRB亦並無支付任何款項。UTRB並不知悉由分包商於相關法院提出之任何申索或訴訟。

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綜合財務報表附註

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

29. LOANS AND BORROWINGS

29. 貸款及借貸

		Notes 附註	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Secured bank loans	有抵押銀行貸款	(a)	11,601	12,815
Unsecured interest bearing loan from an independent third party	來自獨立第三方之無抵押計息貸款	(b)	11,743	11,419
			23,344	24,234

The analysis of the carrying amount of loans and borrowings is as follows:

貸款及借款之賬面值分析如下：

			2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Current liabilities	流動負債			
Portion of secured interest-bearing loan from an independent third party	來自獨立第三方之有抵押計息貸款部份		-	-
Portion of term loans from banks due for repayment within 1 year	須於一年內償還之銀行有期貸款部份		230	428
Portion of term loans from banks due for repayment after 1 year which contain a repayment on demand clause	須於一年後償還之銀行有期貸款部份(設有按要求償還條款)		4,069	4,855
Unsecured interest bearing loan from an independent third party	來自獨立第三方之無抵押計息貸款		11,743	-
			16,042	5,283
Non-current liabilities	非流動負債			
Secured bank loans	有抵押銀行貸款		7,302	7,532
Unsecured interest bearing loan from an independent third party	來自獨立第三方之無抵押計息貸款		-	11,419
			7,302	18,951
Total	總計		23,344	24,234

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綜合財務報表附註

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

29. LOANS AND BORROWINGS (Continued)

At 31 March 2015, loans and borrowings were due for repayment as follows:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Secured bank loans	有抵押銀行貸款		
Portion of term loans from banks due for repayment within 1 year	須於一年內償還之有期銀行貸款部分	377	429
Term loans from banks due for repayment after 1 year	須於一年後償還之有期銀行貸款		
After 1 year but within 2 years	一年後但兩年內	383	437
After 2 years but within 5 years	兩年後但五年內	1,189	1,361
More than 5 years	超過五年	9,652	10,588
		11,224	12,386
		11,601	12,815
Other borrowings	其他借貸		
Portion of borrowings due for repayment within 1 year	須於一年內償還之借貸部分	11,743	-
Borrowings due for repayment after 1 year	須於一年後償還之借貸		
After 1 year but within 2 years	一年後但兩年內	-	11,419
After 2 years but within 5 years	兩年後但五年內	-	-
		11,743	11,419
		23,344	24,234

The amounts due are based on the scheduled repayment dates as stipulated in the respective loan agreements

All of the banking facilities are subject to the fulfilment of covenants. If the Group were in breach of the covenants, the drawn down facilities would become repayable on demand. In addition, certain of the Group's bank loan agreements contain clauses which give the lender the right at its sole discretion to demand immediate repayment at any time irrespective of whether the Group has complied with the covenants and met the scheduled repayment obligations.

29. 貸款及借貸 (續)

於二零一五年三月三十一日，貸款及借貸須按以下日期償還：

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Secured bank loans	有抵押銀行貸款		
Portion of term loans from banks due for repayment within 1 year	須於一年內償還之有期銀行貸款部分	377	429
Term loans from banks due for repayment after 1 year	須於一年後償還之有期銀行貸款		
After 1 year but within 2 years	一年後但兩年內	383	437
After 2 years but within 5 years	兩年後但五年內	1,189	1,361
More than 5 years	超過五年	9,652	10,588
		11,224	12,386
		11,601	12,815
Other borrowings	其他借貸		
Portion of borrowings due for repayment within 1 year	須於一年內償還之借貸部分	11,743	-
Borrowings due for repayment after 1 year	須於一年後償還之借貸		
After 1 year but within 2 years	一年後但兩年內	-	11,419
After 2 years but within 5 years	兩年後但五年內	-	-
		11,743	11,419
		23,344	24,234

該款項乃根據相關貸款協議規定之預期還款日期到期償還。

所有銀行融資受相關契諾所規限。倘本集團違反契諾，已動用的信貸額須按要求償還。此外，本集團的若干銀行貸款協議包含的條款給予貸方自主權，可隨時要求立即償還（無論本集團是否遵守契諾及履行預定的償還義務）。

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綜合財務報表附註

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

29. LOANS AND BORROWINGS (Continued)

The Group regularly monitors its compliance with these covenants, is up to date with the scheduled repayments of the term loans and does not consider it is probable that the bank will exercise its discretion to demand repayment so long as the Group continues to meet these requirements. Further details of the Group's management of liquidity risk are set out in Note 37(b). As at 31 March 2016 none of the covenants relating to drawn down facilities had been breached (2015: Nil).

All of the secured bank loans, loans and borrowings including amounts repayable on demand, and unsecured interest bearing loan from an independent third party are carried at amortised cost.

None of the portion of bank loans due for repayment after one year which contain a repayment on demand clause and that is classified as a current liability is expected to be settled within one year.

(a) The Group's bank borrowings were secured by mortgage over the Group's property of approximately HK\$2,882,000 (2015: HK\$3,050,000) (Note 18) and investment properties of approximately HK\$24,702,000 (Note 20) in Hong Kong (2015: HK\$24,778,000).

(b) The interest expenses charged on unsecured interest bearing loan from third party was calculated at 3% per annum. The outstanding balances is repayable on 15 January 2017.

29. 貸款及借貸 (續)

本集團定期監察是否遵守該等契諾，及時按預定的期限償還定期貸款，並認為在本集團持續遵守該等規定的情況下銀行不大可能行使自主權要求償還。本集團管理流動資金風險的進一步詳情載於附註37(b)。於二零一六年三月三十一日，本集團並無違反有關動用信貸額的契諾（二零一五年：無）。

所有有抵押銀行貸款、貸款及借貸（包括須按要求償還之款額）及獨立第三方無抵押計息貸款乃按攤銷成本入賬。

預期須於一年後償還之銀行貸款部分（設有按要求償還條款及分類為流動負債）概不會於一年內結付。

(a) 本集團之銀行借貸透過抵押本集團於香港價值約港幣2,882,000元之物業（二零一五年：港幣3,050,000元）（附註18）及價值約港幣24,702,000元之投資物業（附註20）作擔保（二零一五年：港幣24,778,000元）。

(b) 來自第三方之無抵押計息貸款收取之利息開支按年利率3厘計算。未償還結餘將於二零一七年一月十五日償還。

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綜合財務報表附註

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

30. SEASONALITY OF OPERATIONS

The Group's forest operations in Brazil is located in the Amazon and is subject to weather conditions during the rainy season ranging roughly from December to April each year. Forest logging activities in the Amazon are substantially scaled down or stopped completely in some areas. Log prices usually increase during the rainy season due to diminished supplies. This affects many sawmill operators that have to stock up logs and tie up significant working capital, but benefit forest owners who can plan ahead to reserve stock pile prior to the start of the rainy season. The Group incorporates this seasonality in its forest management plan to avoid supply shortage as well as to take advantage of seasonal price differentials in logs.

31. INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(a) Current taxation in the consolidated statement of financial position represents:

30. 業務之季節性因素

本集團於巴西之林業業務位於亞馬遜，於雨季受天氣狀況所限制，而雨季一般為每年十二月至四月。亞馬遜森林砍伐活動規模大幅減少，或於若干地區完全停止。原木價格一般於雨季上升，乃由於供應減少所致。此影響多間鋸木廠營運商，令該等營運商須儲起原木及凍結大量營運資金，但此情況將為森林擁有人帶來好處，彼等可計劃於雨季前儲備充足存貨。本集團將此季節性因素加入森林管理計劃，以避免供應短缺，並可受惠於原木季節性價格變動。

31. 綜合財務狀況表之所得稅

(a) 綜合財務狀況表之即期稅項代表：

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Provision for Hong Kong Profits Tax for the year	本年度香港利得稅撥備	-	53
Provision for PRC Enterprise Income Tax for the year	本年度就中國企業所得稅撥備	-	-
Balance of Profits Tax provision relating to prior years	過往年度利得稅撥備結餘	2,220	2,158
Exchange adjustment	匯兌調整	(75)	9
		2,145	2,220

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

31. INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

(b) Deferred tax liabilities recognised:

The components of deferred tax liabilities recognised in the consolidated statement of financial position and the movement during the year is as follows:

31. 綜合財務狀況表之所得稅 (續)

(b) 已確認遞延稅項負債：

於綜合財務狀況表確認之遞延稅項負債之組成部分及其年內變動如下：

		Consolidated statement of financial position 綜合財務狀況表		
		Property, plant and equipment 物業·廠房 及設備 HK\$'000 港幣千元	Biological assets 生物資產 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At 1 April 2014	於二零一四年四月一日	55,605	-	55,605
Charge to profit or loss	扣除損益	31	-	31
Exchange movement	匯兌變動	(17,004)	-	(17,004)
At 31 March 2015	於二零一五年三月三十一日	38,632	-	38,632
At 1 April 2015	於二零一五年四月一日	38,632	-	38,632
Credit to profit or loss	計入損益	(5,545)	-	(5,545)
Reclassified as liabilities of disposal group held for sale	重新分類為持作待售之出售組別之負債	(63)	-	(63)
Exchange movement	匯兌變動	(3,999)	-	(3,999)
At 31 March 2016	於二零一六年三月三十一日	29,025	-	29,025

At 31 March 2016, the Group has tax losses of approximately HK\$68,817,000 (2015: HK\$69,395,000) that are available for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised as it is not probable that future taxable profits against which the losses can be utilised will be available for the companies in which losses arose. The Group has tax losses of approximately HK\$17,549,000 (2015: HK\$17,293,000) available for offsetting against future profits that may be carried forward for up to five years, for PRC enterprise income tax purpose. The remaining tax losses do not expire under current tax legislation.

Save as disclosed above, there was no other significant deferred tax liabilities that is required to be provided for in the consolidated financial statements for the years ended 31 March 2016 and 2015.

於二零一六年三月三十一日，本集團產生之稅項虧損約為港幣68,817,000元（二零一五年：港幣69,395,000元），可與產生虧損之公司日後應課稅溢利抵銷。由於用作抵銷日後應課稅溢利之虧損不可能供產生虧損公司動用，故並無確認遞延稅項資產。就中國企業所得稅而言，本集團約有港幣17,549,000元（二零一五年：港幣17,293,000元）之稅項虧損，可與未來溢利抵銷，稅項虧損最多可結轉五年。根據現行稅法，餘下稅項虧損不會到期。

除上文披露者外，概無其他重大遞延稅項負債須於截至二零一六年及二零一五年三月三十一日止年度之綜合財務報表中撥備。

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綜合財務報表附註

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

32. FINANCIAL LIABILITIES The Group and the Company

32. 財務負債 本集團及本公司

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
At beginning of the year	於年初	40,595	1,984
Exercise of warrants	行使認購權證	(153)	(1)
Change in fair value	公平值變動	11,587	38,612
At end of the year	於年終	52,029	40,595

Notes:

- (i) The warrants, classified as derivative financial liabilities as not settled by a fixed amount of cash for fixed number of the Company's own equity instruments, were measured at fair value at each exercise date and the end of the reporting period. The valuation was carried out by independent valuer based on Black Scholes Option Pricing Model. The warrants will expire on 6 May 2018.
- (ii) Fair value of share warrants and assumptions
- The estimate of the fair value of the share warrants granted is measured based on the Black Scholes Option Pricing Model.

附註:

- (i) 認購權證乃分類為衍生性金融負債(並未以固定現金數額償付本公司擁有之固定數目股本工具),乃按各行使日期及報告期末之公平值計量。估值由獨立估值師按柏力克舒爾斯期權定價模式進行。認購權證已於二零一八年五月六日屆滿。
- (ii) 股份認股權證之公平值及假設
- 所授予股份認股權證之公平值之估計乃根據柏力克-舒爾斯期權定價模式計量。

		31/3/2016 二零一六年 三月三十一日	31/3/2015 二零一五年 三月三十一日	7/5/2013 二零一三年 五月七日 (Date of grant) (授予日期)
Fair value of share warrants at measurement date	於計量日期股份認股權證之公平值	HK\$0.0754 港幣0.0754元	HK\$0.0587 港幣0.0587元	HK\$0.0194 港幣0.0194元
Share price	股價	HK\$0.119 港幣0.119元	HK\$0.062 港幣0.062元	HK\$0.054 港幣0.054元
Exercise price	行使價	HK\$0.085 港幣0.085元	HK\$0.085 港幣0.085元	HK\$0.0534 港幣0.0534元
Expected volatility	預期波幅	106.355%	225.99%	39.71%
Warrant life 認股權證年期	認股權證年期	2.1 years 2.1年	3.1 years 3.1年	5 years 5年
Risk-free interest rate (based on the approximate interest rates with similar life of the Foreign Exchange Notes)	無風險利率(根據具有類似期限之外匯債券之概約利率)	0.61%	0.77%	0.81%

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綜合財務報表附註

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

32. FINANCIAL LIABILITIES (Continued)

The expected volatility is based on the historic volatility (calculated based on the weighted average remaining life of the share warrants), adjusted for any expected changes to future volatility based on publicly available information. Changes in the subjective input assumptions could materially affect the fair value estimate.

32. 財務負債 (續)

預期波幅乃以歷史波幅為基準(按股份認股權證之加權平均剩餘年期所計算), 並就按公開可得資料計算之任何預期未來波幅變動作出調整。主觀輸入數據假設之變動可重大影響公平值之估計。

33. SHARE CAPITAL

33. 股本

		Number of ordinary shares of HK\$0.01 per share Note (i) 每股面值 港幣0.01元之 普通股數目 附註(i)		Number of convertible preferred shares of HK\$0.01 per share Note (ii) 每股面值 港幣0.01元之 可換股 優先股數目 附註(ii)		Total
	Notes 附註	'000 千股	HK\$'000 港幣千元	'000 千股	HK\$'000 港幣千元	總計 HK\$'000 港幣千元
Authorised:	法定:					
As at 1 April 2014, 31 March 2015, 1 April 2015 and 31 March 2016	於二零一四年四月一日、 二零一五年 三月三十一日、 二零一五年四月一日及 二零一六年 三月三十一日	30,000,000	300,000	27,534,000	275,340	575,340
Issued and fully paid:	已發行及繳足:					
As at 1 April 2014	於二零一四年四月一日	1,391,796	13,918	1,508,676	15,087	29,005
Issue of new shares in connection with the February Open Offer	發行有關二月份 公開發售之新股份	(a) 835,078	8,351	905,206	9,052	17,403
Shares issue upon exercise of ordinary share warrants	於行使普通股認股權證時 發行股份	(b) 27	-	-	-	-
Issue of new shares in connection with the December Open Offer	發行有關十二月份 公開發售之新股份	(c) 6,680,704	66,807	7,241,645	72,416	139,223
As at 31 March 2015 and 1 April 2015	於二零一五年 三月三十一日及 二零一五年四月一日	8,907,605	89,076	9,655,527	96,555	185,631
Shares issue upon exercise of ordinary share warrants	於行使普通股認股權證時 發行股份	(d) 2,514	25	-	-	25
As at 31 March 2016	於二零一六年 三月三十一日	8,910,119	89,101	9,655,527	96,555	185,656

33. SHARE CAPITAL (Continued)

Notes:

i) Ordinary Shares

The owners of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

(ii) Convertible Preferred Shares

The non-voting convertible Preferred Shares (the "Convertible Preferred Shares") can be converted into ordinary shares without maturity date. The Convertible Preferred Shares shall at all times rank equally among themselves and shall upon exercise of the conversion right attaching to the Convertible Preferred Shares *pari passu* with all other shares of the Company in issue with respect of the right to any dividends or distributions declared.

The following are the other major terms of the Convertible Preferred Shares:

In the event of liquidation, dissolution or winding up, or merger, or reorganisation that will result in any distribution of assets of the Company to the existing shareholders of the Company, the holders of the Convertible Preferred Shares will receive an amount equal to 100% of the face value of the Convertible Preferred Shares. In addition, the ranking of the Convertible Preferred Shares is higher than ordinary shares, but lower than creditor in the case of liquidation.

The holder of each Convertible Preferred Shares shall not have any voting rights save where the Company proposes to pass a resolution to vary the rights attached to the Convertible Preferred Shares or for the winding up or dissolution of the Company. The Convertible Preferred Shares shall be non-redeemable and will not be listed on any stock exchange.

Each Convertible Preferred Share shall be convertible at the option of the holders at any time after issue, provided that (i) any conversion of the Convertible Preferred Shares shall not result in the aggregate voting rights in the Company held by the relevant holder of the Convertible Preferred Shares who exercises the conversion rights and parties acting in concert with it exceeding 29.9%, or such other percentage as may then be the maximum percentage (to one decimal place) of issued Shares it could then acquire without being required to make a mandatory general offer for the shares of the Company under the Takeovers Code or (ii) any conversion of the Convertible Preferred Shares shall not result in the public float of the Shares falling below the minimum requirements of the Listing Rules.

33. 股本 (續)

附註:

i) 普通股

普通股擁有人有權收取不時宣派之股息，且可於本公司之會議上就每股股份享有一票表決權。所有普通股就本公司之剩餘資產享有同等地位。

(ii) 可換股優先股份

無投票權可換股優先股份(「可換股優先股份」)可轉換為普通股，而並無設定到期日。可換股優先股份於任何時候就所宣派之任何股息或分派方面之權利而言將於彼此之間及在行使可換股優先股份附帶之換股權時與本公司所有其他已發行股份享有同等地位。

以下為可換股優先股份之其他主要條款：

倘發生清盤、解散或結束業務，或合併、重組而致使任何本公司資產被分派予本公司現有股東，則可換股優先股份持有人將收取相等於可換股優先股份面值100%之數額。此外，倘發生清盤，可換股優先股份之地位高於普通股，但低於債權人。

除在本公司建議通過決議案改動可換股優先股份所附權利或在本公司清盤或解散之情況下，每股可換股優先股份之持有人將無任何投票權。可換股優先股份為不可贖回，且不會於任何證券交易所上市。

每股可換股優先股份之持有人可於其發行後隨時選擇兌換，惟(i)可換股優先股份之任何兌換將不會導致行使兌換權之可換股優先股份相關持有人及其一致行動人士於本公司持有之總投票權超過29.9%，或其當時可購買而毋須根據收購守則就本公司股份提出強制性全面收購建議之已發行股份最高百分比(調整至小數後一個位)或(ii)可換股優先股份之任何兌換不會導致股份之公眾持股量低於上市規則之最低規定。

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33. SHARE CAPITAL (Continued)

Notes: (Continued)

- (a) On 16 April 2014, the Company issued a prospectus (the "February Prospectus") pursuant to which the Company proposed an open offer (the "February Open Offer") to issue i) not less than 139,173,247 and not more than 165,665,906 new ordinary shares of the Company (the "February Offer Shares") at a subscription price of HK\$0.32 per February Offer Share to qualifying shareholders on a basis of one February Offer Share for every ten existing ordinary shares held on 14 April 2014 with bonus issue of five bonus shares for every February Offer Share; and ii) not more than 172,420,129 new convertible preferred shares of the Company (the "February Offer CPS Shares") at a subscription price of HK\$0.01 per February Offer CPS Share to qualifying holders of convertible preferred shares on the basis of one February Offer CPS Share for every five existing convertible preferred shares held on 14 April 2014 with bonus issue of convertible preferred shares on the basis of five bonus convertible preferred shares for every existing February Offer CPS Share subscribed. Pursuant to the announcement of the Company dated 12 May 2014 (the "May Announcement"), the February Open Offer became unconditional and 139,179,601 February Offer Shares with 695,898,005 bonus shares, 150,867,613 February Offer CPS Shares with 754,338,065 bonus convertible preferred shares were issued on 13 May 2014. The dealing of the February Offer Shares was commenced on the Stock Exchange on 14 May 2014. Further details of the February Open Offer were disclosed in the February Prospectus and the February Announcement.
- (b) During the year ended 31 March 2015 and after the February Open Offer, 125,625 ordinary share warrants were exercised to subscribe for 27,616 new ordinary shares of HK\$0.01 each of the Company at a consideration of approximately HK\$6,708 of which approximately HK\$276 was credited to Share Capital and the balance of approximately HK\$6,432 was credited to share premium account.
- (c) On 28 November 2014, the Company issued a prospectus (the "December Prospectus") pursuant to which the Company proposed an open offer (the "December Open Offer") to issue i) not less than 371,150,205 and not more than 386,428,602 new ordinary shares of the Company (the "December Offer Shares") at a subscription price of HK\$0.32 per December Offer Share to qualifying shareholders on a basis of one December Offer Share for every six existing ordinary shares held on 26 November 2014 with bonus issue of seventeen bonus shares for every December Offer Share; and ii) not more than 402,313,634 new convertible preferred shares of the Company (the "December Offer CPS Shares") at a subscription price of HK\$0.01 per December Offer CPS Share to qualifying holders of convertible preferred shares on the basis of one December Offer CPS Share for every six existing convertible preferred shares held on 26 November 2014 with bonus issue of convertible preferred shares on the basis of seventeen bonus convertible preferred shares for every existing December Offer CPS Share subscribed. Pursuant to the announcement of the Company dated 18 December 2014 (the "December Announcement"), the December Open Offer became unconditional and 371,150,205 December Offer Shares with 6,309,553,485 bonus shares, 402,313,634 December Offer CPS Shares with 6,839,331,778 bonus convertible preferred shares were issued on 19 December 2014. The dealing of the December Offer Shares was commenced on the Stock Exchange on 22 December 2014. Further details of the December Open Offer were disclosed in the December Prospectus and the December Announcement.
- (d) During the current financial year, 4,002,531 ordinary share warrants were exercised to subscribe for 2,514,524 new ordinary shares of HK\$0.01 of the Company at an aggregate consideration of approximately HK\$213,735 of which approximately HK\$25,000 was credited to Share Capital and the balance of approximately HK\$189,000 was credited to share premium account.

33. 股本 (續)

附註: (續)

- (a) 於二零一四年四月十六日，本公司刊發一份售股章程（「二月份售股章程」），據此，本公司提呈公開發售（「二月份公開發售」）以i)按於二零一四年四月十四日每持有十股現有普通股獲發發一股本公司之新普通股（「二月份發售股份」）之基準，向合資格股東按認購價每股二月份發售股份港幣0.32元發行不少於139,173,247股及不超過165,665,906股本公司之二月份發售股份，連同每股二月份發售股份獲發五股紅股之紅股發行；及ii)按於二零一四年四月十四日每持有五股現有可換股優先股獲發一股本公司之新可換股優先股股份（「二月份發售可換股優先股股份」）之基準，向可換股優先股之合資格持有人按認購價每股二月份發售可換股優先股股份港幣0.01元發行不超過172,420,129股本公司之新可換股優先股，另按每認購一股現有二月份發售可換股優先股股份獲發五股紅利可換股優先股之發行紅利可換股優先股之基準發行紅股。根據本公司日期為二零一四年五月十二日之公告（「五月份公告」），二月份公開發售已成為無條件，而139,179,601股二月份發售股份連同695,898,005股紅股，以及150,867,613股二月份發售可換股優先股股份連同754,338,065股紅利可換股優先股已於二零一四年五月十三日發行。二月份發售股份已於二零一四年五月十四日在聯交所開始買賣。二月份公開發售之進一步詳情已於二月份售股章程及二月份公告中披露。
- (b) 截至二零一五年三月三十一日止年度及於二月份公開發售後，125,625份普通股認股權證獲行使以認購27,616股每股面值港幣0.01元之本公司新普通股，代價約為港幣6,708元，其中約港幣276元已計入股本，而結餘約為港幣6,432元已計入股份溢價賬。
- (c) 於二零一四年十一月二十八日，本公司刊發一份售股章程（「十二月份售股章程」），據此，本公司提呈公開發售（「十二月份公開發售」）以i)按於二零一四年十一月二十六日每持有六股現有普通股獲發一股本公司之新普通股（「十二月份發售股份」）之基準，向合資格股東按認購價每股十二月份發售股份港幣0.32元發行不少於371,150,205股及不超過386,428,602股十二月份發售股份，連同每股十二月份發售股份獲發十七股紅股之紅股發行；及ii)按於二零一四年十一月二十六日每持有六股現有可換股優先股獲發一股本公司之新可換股優先股股份（「十二月份發售可換股優先股股份」）之基準，向可換股優先股之合資格持有人按認購價每股十二月份發售可換股優先股股份港幣0.01元發行不超過402,313,634股十二月份發售可換股優先股股份，另按每認購一股現有十二月份發售可換股優先股股份獲發十七股紅利可換股優先股之發行紅利可換股優先股之基準發行紅股。根據本公司日期為二零一四年十二月十八日之公告（「十二月份公告」），十二月份公開發售已成為無條件，而371,150,205股十二月份發售股份連同6,309,553,485股紅股，以及402,313,634股十二月份發售可換股優先股股份連同6,839,331,778股紅利可換股優先股已於二零一四年十二月十九日發行。十二月份發售股份已於二零一四年十二月二十二日在聯交所開始買賣。十二月份公開發售之進一步詳情已於十二月份售股章程及十二月份公告中披露。
- (d) 於本財政年度，4,002,531份普通股認股權證獲行使以認購2,514,524股每股面值港幣0.01元之本公司新普通股，總代價約為港幣213,735元，其中約港幣25,000元已計入股本，而結餘約港幣189,000元已計入股份溢價賬。

34. SHARE OPTION SCHEME

The Company terminated the share option scheme adopted by the Company on 9 September 2002 (“Old Scheme”) and adopted a new share option scheme (“New Scheme”) pursuant to an ordinary resolution passed by the shareholders of the Company at the special general meeting held on 27 November 2009. There was no share option granted under the Old Scheme. The principal terms of the New Scheme are as follows:

(a) Purpose

The purpose of the New Scheme is to provide incentives and rewards to eligible participants who contribute to the success of the Group’s operation and to recruit and retain high caliber employees and attract human resources that are valuable to the Group and any entity which any member of the Group holds any equity interest (“Invested Entity”).

(b) Eligible participants

Eligible participants of the New Scheme include the Company’s directors and other employees of the Group or Invested Entity, any customers, supplier of goods or services to any member of the Group or any Invested Entity who, in the sole discretion of the Board have contributed or will contribute to the growth and development of the Group or any Invested Entity.

(c) Maximum number of shares

The maximum number of shares which may be issued upon exercise of all options granted and to be granted under the New Scheme must not exceed 10% of the total number of issued ordinary shares of the Company as at the date of passing the ordinary resolution on 11 April 2012 (being the date on which the mandate limit of the New Scheme was refreshed). The total number of shares which may be issued upon exercise of all options granted is 53,324,591 ordinary shares, represented approximately 0.60% of the total number of issued ordinary shares of the Company as at the date of this report for the year ended 31 March 2016.

(d) Maximum entitlement of each eligible participant

The maximum number of shares issuable under the New Scheme to each eligible participant within any 12-month period, is limited to 1% of the total number of ordinary shares of the Company in issue at any time.

34. 購股權計劃

本公司終止本公司於二零零二年九月九日採納之購股權計劃（「舊計劃」），並根據於二零零九年十一月二十七日舉行之股東特別大會獲本公司股東通過之普通決議案採納新購股權計劃（「新計劃」）。並無根據舊計劃授出任何購股權。新計劃之主要條款如下：

(a) 目的

新計劃之目的為向為本集團之成功營運作出貢獻之合資格參與者給予鼓勵及回報，並為本集團或本集團任何成員公司持有其股本權益之實體（「投資實體」）招聘及留聘優秀僱員以及吸引寶貴人力資源。

(b) 合資格參與者

新計劃之合資格參與者包括董事會全權酌情認為已經或將會對本集團或投資實體之增長及發展作出貢獻之本公司董事、本集團或投資實體之其他僱員、本集團任何成員公司之任何客戶、貨品或服務供應商或任何投資實體。

(c) 股份數目上限

因新計劃項下已授出及將授出購股權獲悉數行使而可予發行之股份數目上限不得超過普通決議案於二零一二年四月十一日（即新計劃之授權限額獲更新當日）獲通過當日本公司已發行普通股總數之10%。已授出購股權獲悉數行使而可予發行之普通股總數為53,324,591股，佔截至二零一六年三月三十一日止年度之本報告日期本公司已發行之普通股總數約0.60%。

(d) 每名合資格參與者之權益上限

於任何十二個月期內向新計劃項下每名合資格參與者授出之購股權可發行之股份總數，最多不得超過本公司於任何時間已發行普通股總數之1%。

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34. SHARE OPTION SCHEME (Continued)

(d) Maximum entitlement of each eligible participant (Continued)

Any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their respective associates, which would result in the ordinary shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in excess of 0.1% of the ordinary shares of the Company in issue at any time and with an aggregate value (based on the price of the Company's shares at the date of the grant) in excess of HK\$5,000,000 within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

(e) Option period

An option shall be exercised within 10 years from the date of grant or such shorter period as the directors may specify at the time of grant.

(f) Acceptance of offer

The offer of a grant of share options may be accepted within 28 days from the date of the offer, upon payment of a nominal consideration of HK\$1 in total by the grantee.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

(g) Exercise price

The exercise price of the share options is determinable by the directors, but shall not be less than the highest of (i) the closing price of the Company's shares as stated in the Stock Exchange's daily quotation sheet on the date of offer of the share options; and (ii) the average closing prices of the Company's shares as stated in the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the date of the offer; and (iii) the nominal value of the Company's shares.

(h) The validity of the New Scheme

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

34. 購股權計劃 (續)

(d) 每名合資格參與者之權益上限 (續)

倘於任何十二個月期內授予本公司主要股東或獨立非執行董事或彼等各自之任何聯繫人士之任何購股權而將導致向該名人士已授出及將予授出之所有購股權(包括已行使、已註銷及尚未行使之購股權)獲行使時已發行及將予發行之普通股, 超過本公司任何時間已發行普通股之0.1%, 及其總值(根據本公司股份於授出當日之價格計算)超過港幣5,000,000元, 則須事先經股東於股東大會批准。

(e) 購股權期限

購股權須自授出日期起十年內或董事會於授出時可能訂明之較短期間行使。

(f) 接納要約

承授人可於授出購股權之要約日期起計二十八日內通過支付象徵式代價合共港幣1元而接納購股權。

購股權並無賦予持有人獲發股息或於股東大會投票之權利。

(g) 行使價

購股權之行使價由董事釐定, 惟不得低於(i)本公司股份於授出購股權之要約日期在聯交所每日報價表所列之收市價; 及(ii)緊接要約日期前五個交易日本公司股份在聯交所每日報價表所列之平均收市價; 及(iii)本公司股份之面值(以最高者為準)。

(h) 新計劃之有效期

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

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34. SHARE OPTION SCHEME (Continued)

(a) Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

Date of Grant 授出日期	Exercise period 行使期	Outstanding at 1 April 2014 於二零一四年 四月一日 尚未行使	Granted 已授出	Exercised 已行使	Lapsed 已失效	Adjusted upon open offers 於公開發售後 調整	Outstanding as at 31 March 2015 and 1 April 2015 於二零一五年 三月三十一日 及二零一五年 四月一日 尚未行使	Granted 已授出	Exercised 已行使	Lapsed 已失效	Outstanding as at 31 March 2016 於二零一六年 三月三十一日 尚未行使		Exercisable at 31 March 2016 於二零一六年 三月三十一日 可行使	Exercise price per share 每股行使價
											於二零一六年 三月三十一日 尚未行使	於二零一六年 三月三十一日 可行使		
13 January 2010 二零一零年一月十三日	13 January 2011 to 12 January 2020 二零一一年一月十三日至 二零二零年一月十二日	86,810	-	-	(209,265)	240,186	117,731	-	-	-	117,731	117,731	HK\$1.497 港幣1.497元	
13 January 2010 二零一零年一月十三日	13 January 2012 to 12 January 2020 二零一二年一月十三日至 二零二零年一月十二日	86,810	-	-	(209,265)	240,186	117,731	-	-	-	117,731	117,731	HK\$1.497 港幣1.497元	
13 January 2010 二零一零年一月十三日	13 January 2013 to 12 January 2020 二零一三年一月十三日至 二零二零年一月十二日	86,811	-	-	(209,266)	240,186	117,731	-	-	-	117,731	117,731	HK\$1.497 港幣1.497元	
7 May 2010 二零一零年五月七日	13 January 2011 to 6 May 2020 二零一一年一月十三日至 二零二零年五月六日	46,810	-	-	-	129,521	176,331	-	-	-	176,331	176,331	HK\$1.131 港幣1.131元	
7 May 2010 二零一零年五月七日	13 January 2012 to 6 May 2020 二零一二年一月十三日至 二零二零年五月六日	46,810	-	-	-	129,521	176,331	-	-	-	176,331	176,331	HK\$1.131 港幣1.131元	
7 May 2010 二零一零年五月七日	13 January 2013 to 6 May 2020 二零一三年一月十三日至 二零二零年五月六日	46,811	-	-	-	129,522	176,333	-	-	-	176,333	176,333	HK\$1.131 港幣1.131元	
14 September 2010 二零一零年九月十四日	14 September 2010 to 27 November 2019 二零一零年九月十四日至 二零一九年十一月二十七日	33,333	-	-	-	92,232	125,565	-	-	-	125,565	125,565	HK\$0.597 港幣0.597元	
30 August 2013 二零一三年八月三十日	30 August 2013 to 29 August 2023 二零一三年八月三十日至 二零二三年八月二十九日	27,758,622	-	-	-	76,875,054	104,633,676	-	-	(52,316,838)	52,316,838	52,316,838	HK\$0.085 港幣0.085元	
		28,192,817	-	-	(627,796)	78,076,408	105,641,429	-	-	(52,316,838)	53,324,591	53,324,591		
Weighted average exercise price:	加權平均行使價	HK\$0.3914 港幣0.3914元	-	-	-	HK\$0.0956 港幣0.0956元	-	-	-	HK\$0.1059 港幣0.1059元	HK\$0.1059 港幣0.1059元			

The number of share options exercisable at 31 March 2016 was 53,324,591 (2015: 105,641,429) and its weighted average exercise price was HK\$0.1059 (2015: HK\$0.0956).

34. 購股權計劃 (續)

(a) 尚未行使購股權數目及其相關加權平均行使價之變動如下：

於二零一六年三月三十一日可行使之購股權數目為53,324,591份(二零一五年：105,641,429份)，其加權平均行使價為港幣0.1059元(二零一五年：港幣0.0956元)。

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34. SHARE OPTION SCHEME (Continued)

(b) The vesting period for the share options is as below.

Date of grant 授出日期	No. of share options granted 已授出 購股權數目	Vesting conditions 歸屬條件		
		No. of shares options vested 已歸屬購股權 數目	Vesting date 歸屬日期	
13 January 2010 二零一零年一月十三日	10,210,855	5,105,428	15 July 2010 二零一零年七月十五日	
		5,105,427	15 July 2011 二零一一年七月十五日	
	45,040,069	18,398,633	13 January 2011 二零一一年一月十三日	
		13,320,716	13 January 2012 二零一二年一月十三日	
		13,320,720	13 January 2013 二零一三年一月十三日	
7 May 2010 二零一零年五月七日	10,210,855	5,105,427	15 July 2010 二零一零年七月十五日	
		5,105,428	15 July 2011 二零一一年七月十五日	
	14,488,035	2,000,000	7 November 2010 二零一零年十一月七日	
		4,162,677	7 May 2011 二零一一年五月七日	
		4,162,678	7 May 2012 二零一二年五月七日	
		4,162,680	7 May 2013 二零一三年五月七日	
		28,144,944	9,381,644	13 January 2011 二零一一年一月十三日
			9,381,646	13 January 2012 二零一二年一月十三日
			9,381,654	13 January 2013 二零一三年一月十三日
14 September 2010 二零一零年九月十四日	79,350,000	79,350,00	14 September 2010 二零一零年九月十四日	
18 February 2011 二零一一年二月十八日	5,105,428	1,701,809	30 June 2011 二零一一年六月三十日	
		1,701,809	30 June 2012 二零一二年六月三十日	
		1,701,810	30 June 2013 二零一三年六月三十日	
		820,588	273,529	31 July 2011 二零一一年七月三十一日
			273,529	31 July 2011 二零一一年七月三十一日
			273,530	31 July 2011 二零一一年七月三十一日
		1,000,000	333,333	6 September 2011 二零一一年九月六日
			333,333	6 September 2011 二零一一年九月六日
			333,334	6 September 2011 二零一一年九月六日
		800,000	266,666	5 December 2011 二零一一年十二月五日
			266,667	5 December 2011 二零一一年十二月五日
			266,667	5 December 2011 二零一一年十二月五日
		4,300,000	1,433,333	16 December 2011 二零一一年十二月十六日
			1,433,333	16 December 2011 二零一一年十二月十六日
		1,433,334	16 December 2011 二零一一年十二月十六日	
	1,000,000	333,333	2 January 2012 二零一二年一月二日	
		333,333	2 January 2012 二零一二年一月二日	
		333,334	2 January 2012 二零一二年一月二日	
	1,300,000	433,333	9 January 2012 二零一二年一月九日	
		433,333	9 January 2012 二零一二年一月九日	
		433,334	9 January 2012 二零一二年一月九日	
30 August 2013 二零一三年八月三十日	166,551,732	166,551,732	30 August 2013 二零一三年八月三十日	
Total share option granted 已授出購股權總數	368,322,506			
Less: Lapsed 減：已失效	(243,012,714)			
Exercised 已行使	(9,097,500)			
Adjustment upon share consolidation effective on 2 October 2013 於二零一三年十月二日股份合併生效後調整	(140,964,109)			
Adjustment upon open offers effective on 14 May 2014 and 22 December 2014 自二零一四年五月十四日及二零一四年 十二月二十二日於公開發售生效後調整	78,076,408			
Outstanding at 31 March 2016 於二零一六年三月三十一日尚未行使	53,324,591			

34. 購股權計劃 (續)

(b) 購股權之歸屬期如下。

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34. SHARE OPTION SCHEME (Continued)

(b) (Continued)

The option outstanding as at 31 March 2016 have a weighted average remaining contractual life of 7.35 years (2015: 8.36 years).

There was no exercise for share options for the years ended 31 March 2015 and 31 March 2016.

No other share options granted under the New Scheme were cancelled during the years ended 31 March 2015 and 2016. The Group had no legal or constructive obligation to repurchase or settle the options in cash.

(c) The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The estimate of the fair value of the share options granted is measured based on binomial option pricing model. The contractual life of the share option is used as an input into this model. Expectations of early exercise are incorporated into the binomial option pricing model.

34. 購股權計劃 (續)

(b) (續)

於二零一六年三月三十一日尚未行使購股權之加權平均餘下合約年期為7.35年(二零一五年:8.36年)。

截至二零一五年及二零一六年三月三十一日止年度概無購股權獲行使。

截至二零一五年及二零一六年三月三十一日止年度,概無其他根據新計劃授出之購股權獲註銷。本集團並無法律或推定責任須以現金購回或償付購股權。

(c) 以授出購股權換取之服務公平值乃參考已授出購股權之公平值計量。已授出購股權之估計公平值按二項式期權定價模式計量。購股權之合約年期作為輸入該模式之數據,而預期提早行使已計入二項式期權定價模式之中。

Fair value of share options and assumptions		Date of grant 授出日期 30/8/2013 二零一三年 八月三十日
購股權之公平值及假設		
Fair value at measurement date	於計量日期之公平值	HK\$0.0038 港幣0.0038元
Share price	股價	HK\$0.033 港幣0.033元
Exercise price	行使價	HK\$0.0534 港幣0.0534元
Expected volatility (expressed as weighted average volatility used in the modeling under binomial option pricing model)	預期波幅(根據二項式期權定價模式模擬時所用加權平均波幅)	35.28%
Option life (expressed as weighted average life used in the modeling under binomial option pricing model)	購股權年期(根據二項式期權定價模式模擬時所使用加權平均年期)	10 years 10年
Expected dividends	預期股息	HK\$Nil 港幣零元
Risk-free interest rate (based on 10-year Hong Kong Exchange Fund Notes)	無風險利率(以十年期香港外匯基金票據為準)	2.335%

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34. SHARE OPTION SCHEME (Continued)

(c) (Continued)

The expected volatility is based on annualized standard deviations of the continuously compounded rates of return on the share prices of five comparable companies in Hong Kong and Brazil Exchange with similar business operations. No dividends are expected as the Company had no history of payment of dividends.

The share options granted during the year ended 31 March 2014 were immediately vested. There were no market conditions associated with the share option grants.

35. RESERVES

(a) The Group

34. 購股權計劃 (續)

(c) (續)

預期波幅乃以於香港及巴西證券交易所從事同類業務營運之五間可資比較公司之股價回報持續複合比率之年度標準差為基準。由於本公司過往並無派付股息記錄，故預期不會派付任何股息。

於截至二零一四年三月三十一日止年度授出之購股權已即時歸屬。授出購股權並無附隨任何市場條件。

35. 儲備

(a) 本集團

		Attributable to the owners of the Company 本公司擁有人應佔										
		Share premium	Shares held by the Company for settlement of acquisition consideration	Contributed surplus	Distributable reserve	Capital redemption reserve	Exchange fluctuation reserve	Share option reserve	Accumulated losses	Sub-total	Non-controlling interests	Total equity
		股份溢價	購代價所持股份	實繳盈餘	可供分派儲備	股本贖回儲備	匯兌波動儲備	購股權儲備	累計虧損	小計	非控股權益	總權益
Notes		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
附註		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 1 April 2014	於二零一四年四月一日	34	(115,920)	2,885,431	2,216	8,000	(49,776)	1,660	(2,701,927)	29,718	75	29,793
Change in equity for 2015	二零一五年權益變動	-	-	-	-	-	-	-	(66,508)	(66,508)	4	(66,504)
Loss for the year	年度虧損	-	-	-	-	-	-	-	(66,508)	(66,508)	4	(66,504)
Exchange differences on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報表之匯兌差額	-	-	-	-	-	(15,921)	-	-	(15,921)	-	(15,921)
Total other comprehensive income	其他全面收入總額	-	-	-	-	-	(15,921)	-	-	(15,921)	-	(15,921)
Total comprehensive loss for the year	本年度全面虧損總額	-	-	-	-	-	(15,921)	-	(66,508)	(72,429)	4	(72,425)
Transaction with owners	與擁有人進行之交易	-	-	-	-	-	-	-	-	-	-	-
Issue of new shares in connection with the February Open Offer	有關二月份公開發售之新股份發行	33(a)	28,643	-	-	-	-	-	-	28,643	-	28,643
Shares issue upon exercise of ordinary share warrants	於行使普通股認股權證時發行股份	33(b)	6	-	-	-	-	-	-	6	-	6
Issue of new shares in connection with the December Open Offer	有關十二月份公開發售之新股份發行	-	(16,432)	-	-	-	-	-	-	(16,432)	-	(16,432)
Share issue expenses	股份發行開支	-	(5,657)	-	-	-	-	-	-	(5,657)	-	(5,657)
Forfeiture of share option	沒收購股權	-	-	-	-	-	-	(475)	475	-	-	-
Total transactions with owners	與擁有人進行之交易總額	-	6,560	-	-	-	-	(475)	475	6,560	-	6,560
At 31 March 2015	於二零一五年三月三十一日	6,594	(115,920)	2,885,431	2,216	8,000	(65,697)	1,185	(2,757,960)	(36,151)	79	(36,072)

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For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

35. RESERVES (Continued) (a) The Group (Continued)

35. 儲備 (續) (a) 本集團 (續)

		Shares held by the Company for settlement of										Total
		Share premium	acquisition consideration	Contributed surplus	Distributable reserve	Capital redemption reserve	Exchange fluctuation reserve	Share option reserve	Accumulated losses	Sub-total	Non-controlling interests	
		Notes	股份溢價	購代價所持股份	實繳盈餘	可供分派儲備	股本贖回儲備	匯兌波動儲備	購股權儲備	累計虧損	小計	
附註	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
At 1 April 2015	於二零一五年四月一日	6,594	(115,920)	2,885,431	2,216	8,000	(65,697)	1,185	(2,757,960)	(36,151)	79	(36,072)
Change in equity for 2016	二零一六年權益變動	-	-	-	-	-	-	-	(33,077)	(33,077)	8	(33,069)
Loss for the year	年度虧損	-	-	-	-	-	-	-	-	-	-	-
Exchange differences on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報告之匯兌差額	-	-	-	-	-	(5,026)	-	-	(5,026)	-	(5,026)
Total other comprehensive income	其他全面收入總額	-	-	-	-	-	(5,026)	-	-	(5,026)	-	(5,026)
Total comprehensive loss for the year	年度全面虧損總額	-	-	-	-	-	(5,026)	-	(33,077)	(38,103)	8	(38,095)
Transactions with owners	與擁有人進行之交易											
Share issue upon exercise of ordinary share warrants	行使普通認股權證時發行股份	33(a)	342	-	-	-	-	-	-	342	-	342
Forfeiture of share options	沒收購股權		-	-	-	-	-	(316)	316	-	-	-
Total transactions with owners	與擁有人進行之交易總額		342	-	-	-	-	(316)	316	342	-	342
At 31 March 2016	於二零一六年三月三十一日	6,936	(115,920)	2,885,431	2,216	8,000	(70,723)	869	(2,790,721)	(73,912)	87	(73,825)

(b) The Company

(b) 本公司

		Shares held by the Company for settlement of								Total
		Share premium	acquisition consideration	Contributed surplus	Distributable reserve	Capital redemption reserve	Share option reserve	Accumulated losses		
		Notes	股份溢價	所持股份	實繳盈餘	可供分派儲備	股本贖回儲備	購股權儲備	累計虧損	
附註	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000		
At 1 April 2014	於二零一四年四月一日		34	(115,920)	2,938,375	2,216	8,000	1,660	(2,848,621)	(14,256)
Loss for the year	年度虧損		-	-	-	-	-	-	(56,631)	(56,631)
Issue of new shares in connection with the February open offer	有關二月份公開發售之新股份發行	33(a)	28,643	-	-	-	-	-	-	28,643
Share issue upon exercise of ordinary share warrants	行使普通認股權證時發行股份	33(b)	6	-	-	-	-	-	-	6
Issue of new shares in connection with the December open offer	有關十二月份公開發售之新股份發行		(16,432)	-	-	-	-	-	-	(16,432)
Share issue expenses	股份發行開支		(5,657)	-	-	-	-	-	-	(5,657)
Forfeiture of share option	沒收購股權		-	-	-	-	-	(475)	475	-
At 31 March 2015	於二零一五年三月三十一日		6,594	(115,920)	2,938,375	2,216	8,000	1,185	(2,904,777)	(64,327)
At 1 April 2015	於二零一五年四月一日		6,594	(115,920)	2,938,375	2,216	8,000	1,185	(2,904,777)	(64,327)
Loss for the year	年度虧損		-	-	-	-	-	-	(16,559)	(16,559)
Share issue upon exercise of ordinary share warrants	行使普通認股權證時發行股份	33(a)	342	-	-	-	-	-	-	342
Forfeiture of share options	沒收購股權		-	-	-	-	-	(316)	316	-
At 31 March 2016	於二零一六年三月三十一日		6,936	(115,920)	2,938,375	2,216	8,000	869	(2,921,020)	(80,544)

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35. RESERVES (Continued)

(c) Nature of purposes of the reserves

(i) Share premium

The application of the share premium account is governed by Section 40 of the Bermuda Companies Act 1981. The share premium account of the Company is distributable to the owners of the Company in the form of fully paid bonus shares.

(ii) Contributed surplus

The contributed surplus of the Company represents the excess of the fair value of the shares of the subsidiaries acquired pursuant to the Group reorganisation in June 1991, over the nominal value of the Company's shares issued in exchange thereof, and the capital reorganisation during the year ended 31 March 2014. Under the Bermuda Companies Act 1981 (as amended), the contributed surplus is distributable to shareholders in certain circumstances.

(iii) Distributable reserve

Pursuant to a special resolution passed on 15 July 2003, the share premium account of the Company was reduced by an amount of HK\$103,948,000 to HK\$Nil and of which HK\$98,953,000 was applied towards the elimination of the accumulated losses of the Company as at 31 March 2003, with the remaining balance of HK\$4,995,000 being credited to a distributable reserve of the Company. The reduction of share premium account was effective on 6 October 2003.

(iv) Capital redemption reserve

The capital redemption reserve represents the amount paid by which the Company's issued share capital has been diminished on the cancellation of the shares repurchased.

(v) Exchange fluctuation reserve

The exchange fluctuation reserve comprises all foreign exchange differences arising from the translation of the financial statements of the overseas subsidiaries. The reserve is dealt with in accordance with the accounting policy set out in Note 3(t).

35. 儲備 (續)

(c) 儲備之性質及目的

(i) 股份溢價

股份溢價賬之應用受百慕達一九八一年公司法第40條管轄。本公司股份溢價賬以繳足紅股方式分派予本公司擁有人。

(ii) 實繳盈餘

本公司之實繳盈餘為按本集團於一九九一年六月進行集團重組所收購附屬公司股份之公平值超過本公司為交換該等股份而發行之股份面值之差額及截至二零一四年三月三十一日止年度之股本重組。根據百慕達一九八一年公司法(修訂本)，實繳盈餘可於若干情況下分派予股東。

(iii) 可供分派儲備

根據於二零零三年七月十五日通過之特別決議案，本公司之股份溢價賬已削減港幣103,948,000元至港幣零元，當中港幣98,953,000元已用作撇銷本公司於二零零三年三月三十一日之累計虧損，而餘額港幣4,995,000元則計入本公司之可供分派儲備。削減股份溢價賬於二零零三年十月六日生效。

(iv) 股本贖回儲備

股本贖回儲備指本公司已發行股本削減至所購回股份被註銷所支付金額。

(v) 匯兌波動儲備

匯兌波動儲備包括換算海外附屬公司財務報表產生之一切匯兌差額。該儲備乃根據附註3(t)所載會計政策處理。

35. RESERVES (Continued)**(c) Nature of purposes of the reserves** (Continued)**(vi) Share option reserve**

Share option reserve represents the portion of the grant date fair value of unexercised share options granted to directors and employees of the Group that has been recognized in accordance with the accounting policy adopted for share-based payments in Note 3(p)(iii).

(vii) Shares held by Company for settlement of acquisition consideration

The Company issued shares for acquisitions of Originate Tech during the year ended 31 March 2012. At the end of the reporting period, 280,000,000 shares, valued at HK\$0.414 (the issue price) per share amounting to HK\$115,920,000 were held by the Company awaiting disposal. Proceeds from the disposal of these shares shall be returned to the Company in accordance with the terms of the acquisition agreement.

(d) Distributability of reserves

At 31 March 2015 and 2016, the aggregate amount of reserves available for the distribution to the owners of the Company calculated in accordance with the Bermuda Companies Act 1981 (as amended) was HK\$Nil.

(e) Capital risk management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher level of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors its capital structure on the basis of a net debt-to-adjusted capital ratio. For this purpose the Group defines net debt as total debt (which includes loan notes and other financial liabilities) plus unaccrued proposed dividends, less bank deposits and cash. Adjusted capital comprises all components of equity less unaccrued proposed dividends plus net debt.

35. 儲備 (續)**(c) 儲備之性質及目的** (續)**(vi) 購股權儲備**

購股權儲備指根據附註3(p)(iii)就以股份支付所採納會計政策已確認之授予本集團董事及僱員未行使購股權公平值之授出日期部份。

(vii) 本公司就償付收購代價所持股份

本公司於截至二零一二年三月三十一日止年度已就收購創科已發行股份。於報告期末，本公司持有每股價格港幣0.414元（發行價）之280,000,000股股份合共港幣115,920,000元以待出售。出售有關股份之所得款項將根據收購協議之條款退還本公司。

(d) 儲備是否可予分派

於二零一五年及二零一六年三月三十一日，根據百慕達一九八一年公司法（經修訂）計算可供分派予本公司擁有人之儲備總額為港幣零元。

(e) 資本風險管理

本集團管理資本主要旨在保障本集團的持續經營能力，從而能夠繼續為股東帶來回報並且令其他利益相關者受惠，以及保持最佳資本架構以減輕資金成本。

本集團積極及定期檢討及管理其資本架構，以在較高借貸水平可能帶來較高股東回報與維持穩健資金狀況所帶來的裨益及保障之間取得平衡，並因應經濟環境的轉變調整資本架構。

本集團按債務淨額對經調整資本比率之基準監察其資本結構。為此，本集團界定債務淨額為債務總額（包括貸款票據及其他財務負債）加非累計擬派股息，減銀行存款及現金。經調整資本包括權益之所有組成部分減去非累計擬派股息加債務淨額。

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35. RESERVES (Continued)

(e) Capital risk management (Continued)

During the year ended 31 March 2016, the Group's strategy, which unchanged from 2015, was to maintain the net debt-to-adjusted capital ratio as low as feasible. In order to maintain or adjust the ratio, the Group may adjust the amount of dividends paid to the owners, return capital to the owners, issue new shares or sell assets to reduce debt. The net debt-to-adjusted capital ratio at 31 March 2016 and 2015 were as follows:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Trade and other payables	應付貿易款項及其他應付款項	40,749	49,580
Loans and borrowings	貸款及借貸	23,344	24,234
Amount due to non-controlling shareholder	應付非控股股東款項	-	836
Financial liabilities	財務負債	52,029	40,595
Total debt	債務總額	116,122	115,245
Less: cash and cash equivalents	減：現金及現金等價物	(59,258)	(50,141)
Net debt	債務淨額	56,864	65,104
Total equity	權益總額	111,744	149,559
Total capital	資本總額	168,608	214,663
Net debt-to-adjusted capital ratio	債務淨額對經調整資本比率	34%	30%

The Group is not subject to any externally imposed capital requirements.

35. 儲備 (續)

(e) 資本風險管理 (續)

截至二零一六年三月三十一日止年度，本集團採取與二零一五年度相同的策略，盡可能將債務淨額對經調整資本比率維持在低水平。為維持或調整該比率，本集團可調整向擁有人支付之股息金額、向擁有人退還資本、發行新股份或出售資產減輕債務。於二零一六年及二零一五年三月三十一日，淨債務對經調整資本比率如下：

本集團並無受任何外界施加的資本規定所規限。

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36. ACQUISITION AND DISPOSAL OF SUBSIDIARIES

a) Purchase of assets and liabilities through acquisition of a subsidiary

On 25 September 2014, the Group obtained control of Asset Bridge Development Limited ("Asset Bridge") through the acquisition of 100% equity interest in Asset Bridge, a company engaged in a money lending business, for a consideration of HK\$10,000. At the date of acquisition, Asset Bridge only holds a money lending licence and had no operation at the completion date of the acquisition. The Group accounted for the acquisition of the subsidiary as an asset acquisition. The acquisition was aimed at diversifying the Group's business and to broaden the Group's revenue base.

36. 收購及出售附屬公司

a) 通過收購附屬公司收購資產及負債

於二零一四年九月二十五日，本集團通過收購資財發展有限公司（「資財」，為一間從事貸款業務之公司）全部股本權益取得資財之控制權，代價為港幣10,000元。於收購日期，資財僅持有放債人牌照，於收購完成日期並無經營。本集團將收購附屬公司視為資產收購。收購旨在使本集團業務多元化並擴闊本集團之收入基礎。

		Allocation of acquisition consideration 分配收購代價 HK\$'000 港幣千元
Intangible asset	無形資產	94
Cash and cash equivalents	現金及現金等價物	1
Other payable	其他應付款項	(85)
		<hr/>
Total consideration	總代價	10
		<hr/>
An analysis of the net outflow of cash and cash equivalents in respect of the acquisition of Asset Bridge is as follows:	有關收購資財之現金及現金等價物流出淨額分析如下：	
Consideration, satisfied in cash	代價，以現金償付	(10)
Cash and cash equivalent balances acquired	所收購現金及現金等價物結餘	1
		<hr/>
Net Cash outflow on acquisition	收購之現金流出淨額	(9)
		<hr/>
No significant acquisition-related costs were incurred.	並無產生重大收購相關成本。	

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36. ACQUISITION AND DISPOSAL OF SUBSIDIARIES

(Continued)

b) Disposal of a subsidiary

On 18 August 2014, the Group disposed of SFH Trading Limited to an independent third party at the consideration of HK\$1.

36. 收購及出售附屬公司 (續)

b) 出售一間附屬公司

於二零一四年八月十八日，本集團以代價港幣1元出售永保貿易有限公司予一名獨立第三方。

2015
二零一五年
HK\$'000
港幣千元

Consideration received in cash and cash equivalents (note i)	以現金及現金等價物之已收代價 (附註i)	-
Analysis of assets and liabilities over which control was lost 失去控制權之資產及負債分析		
Current assets	流動資產	
Cash and cash equivalents	現金及現金等價物	4
Trade and other receivables	應收貿易款項及其他應收款項	363
Non-current assets	非流動資產	
Property, plant and equipment	物業、廠房及設備	100
Current liabilities	流動負債	
Trade and other payables	應付貿易款項及其他應付款項	(4,701)
Net liabilities disposed of	出售負債淨值	(4,234)
Consideration received	已收代價	-
Gain on disposal	出售收益	4,234
An analysis of the net outflow of cash and cash equivalents in respect of the disposal of the subsidiary is as follows:		
Consideration received in cash and cash equivalents	以現金及現金等價物之已收代價	-
Less: Cash and cash equivalents disposed of	減：出售之現金及現金等價物	(4)
Net cash outflow on disposal of a subsidiary	出售一間附屬公司之現金流出淨額	(4)

i) The consideration is satisfied by HK\$1.

i) 代價以港幣1元償付。

37. FINANCIAL RISK MANAGEMENT

The Group's major financial instruments include loan receivables, trade and other receivables, cash and cash equivalents, loans and borrowings, trade and other payables, financial liabilities, promissory notes, amounts due to shareholders, amount due to related companies and amount due to non-controlling shareholder.

Details of these financial instruments are disclosed in respective notes. The risk associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(a) Credit risk

The Group's credit risk is primarily attributable to bank deposits, loan receivables and trade and other receivables.

For trade and other receivables, management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis. In respect of trade and other receivables, credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within 30 – 180 days from the date of billing.

Debtors with balances that are more than 6 months past due are requested to settle all outstanding balances before any further credit is granted.

Loan receivables are secured by personal/corporate guarantees and/or the pledge of customers' properties and/or the borrowers' specific investments and loans receivable.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer and debtor rather than the industry or country in which the customers and debtors operate and therefore significant concentration of credit risk primarily arisen when the Group has significant exposure to individual customers.

37. 財務風險管理

本集團之主要財務工具包括應收貸款、應收貿易款項及其他應收款項、現金及現金等價物、貸款及借貸、應付貿易款項及其他應付款項、財務負債、承付票據、應付股東及關連公司款項及應付非控股股東款項。

該等財務工具之詳情於有關附註披露。與該等財務工具相關之風險及如何降低該等風險之政策載於下文。管理層管理及監控該等風險，確保能適時及有效地採取適當措施。

(a) 信貸風險

本集團之信貸風險主要與銀行存款、應收貸款及應收貿易款項及其他應收款項有關。

管理層就應收貿易款項及其他應收款項採用信貸政策，並以持續基準監察該等信貸風險。就應收貿易款項及其他應收款項而言，信貸評估會向所有要求除賬超過若干金額之客戶進行，從而集中評估客戶之過往到期付款記錄及目前付款能力，並會考慮客戶之特定資料及其營運地區之經濟環境。應收貿易款項於開單日期起計30至180日內到期。

結餘逾期六個月以上之債務人須清償所有未償還之結餘後方會獲授任何進一步之信貸額。

應收貸款由個人／公司擔保及／或客戶物業抵押及／或借款人特定投資及應收貸款作出抵押。

本集團之信貸風險主要受客戶及債務人各自之個別特點影響，而非客戶及債務人營運所在行業或國家，因此，重大信貸集中風險主要於本集團因個別客戶而面臨重大風險時產生。

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37. FINANCIAL RISK MANAGEMENT (Continued)

(a) Credit risk (Continued)

The Group had concentration of credit risk by customers and debtors as for 100% (2015: 97%) and 55% (2015: 47%) of the total trade and loan receivables were due from the Group's five largest customers and the largest customer respectively as at 31 March 2016. The Group had concentration of credit risk by other receivables as for 52% (2015: 88%) of total other receivables were due from two largest parties as at 31 March 2016.

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group.

In order to minimise the credit risk, the executive directors of the Company are responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual debt at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

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

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade and other receivables are set out in Note 26.

(b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the raising of loans to cover expected cash demands, subject to parent company's board approval. The Group's policy is to regularly monitor current and expected liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from an independent third party to meet its liquidity requirements in the short and longer term.

37. 財務風險管理 (續)

(a) 信貸風險 (續)

於二零一六年三月三十一日，本集團之客戶及債務人信貸風險集中來自本集團五大客戶及最大客戶，彼等各佔應收貿易款項及應收貸款總額之100% (二零一五年：97%) 及55% (二零一五年：47%)。於二零一六年三月三十一日，本集團就其他應收款項面臨信貸風險集中，因其他應收款項總額之52% (二零一五年：88%) 為來自兩名最大客戶。

信貸風險指交易對手合約責任違約所產生之本集團財務虧損。

為盡量減低信貸風險，本公司執行董事負責釐定信貸限額、信貸審批及其他監督程序，確保已採取跟進行動收回逾期債務。此外，本集團於各報告期末檢討各個別債務之可收回金額，確保已對不可收回金額計提充分減值虧損。就此而言，本公司董事認為本集團之信貸風險已大幅減低。

由於對手方均為獲國際信貸評級機構給予高信貸評級之銀行，因此流動資金之信貸風險有限。

有關本集團因應收貿易款項及其他應收款項而面對之信貸風險，其進一步量化披露載於附註26。

(b) 流動資金風險

本集團內的個別經營實體須自行負責其現金管理事宜，包括籌措貸款以應付預期現金需求，惟須待母公司之董事會批准，方可作實。本集團之政策為定期監控現時及預期流動資金需求以及是否遵守借貸契約，確保維持足夠現金儲備及從一名獨立第三方獲取充裕信貸額度，以應付其短期及較長期之流動資金需求。

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37. FINANCIAL RISK MANAGEMENT (Continued)

(b) Liquidity risk (Continued)

The table that follows summarises the maturity analysis of term loans with a repayment on demand clause based on agreed scheduled repayments set out in the loan agreements. The amounts include interest payments computed using contractual rates. Taking into account of the Group's financial position, the directors of the Company do not consider it probable that the bank will exercise its discretion to demand immediate repayment. The directors of the Company believe that such term loans will be repaid in accordance with the scheduled repayment dates set out in the loan agreements.

Maturity Analysis – Term Loans subject to a repayment on demand clause based on scheduled repayments The Group

	Within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total contractual undiscounted cash outflows 合約未貼現 現金流出總額	Carrying amount 賬面值
	一年內 HK\$'000 港幣千元	一年後但兩年內 HK\$'000 港幣千元	兩年後但五年內 HK\$'000 港幣千元	五年後 HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
31 March 2016 二零一六年三月三十一日	184	184	554	3,824	4,746	4,069
31 March 2015 二零一五年三月三十一日	267	267	802	4,416	5,752	4,855

(c) Foreign currency risk

The Group's exposure to foreign currency risk related primarily to cash and cash equivalents, trade and other receivables and trade and other payables that are denominated in currencies other than the functional currency of the relevant group entities.

37. 財務風險管理 (續)

(b) 流動資金風險 (續)

下表概述附有按要求償還之有期貨款根據貸款協議所載之協定價還條款作出之到期日分析。有關金額包括以合約利率計算之利息付款。經考慮本集團之財務狀況，本公司董事認為銀行不大可能會行使要求即時還款之酌情權。本公司董事相信，有關有期貨款將會根據貸款協議所載之計劃還款日期償還。

到期日分析 – 按要求償還條款之有期貨款 (按計劃還款) 本集團

(c) 外匯風險

本集團之外匯風險主要與以相關集團實體之功能貨幣以外貨幣結算之現金及現金等價物、應收貿易款項及其他應收款項，以及應付貿易款項及其他應付款項有關。

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37. FINANCIAL RISK MANAGEMENT (Continued)

(c) Foreign currency risk (Continued)

(i) Exposure to currency risk

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. Differences resulting from the translation of the financial statements of the entities within the Group into the Group's presentation currency are excluded.

The Group

Exposure to foreign currencies (expressed in Hong Kong dollars)

		2016 二零一六年		2015 二零一五年	
		United States Dollars 美元 HK\$'000 港幣千元	Renminbi 人民幣 HK\$'000 港幣千元	United States Dollars 美元 HK\$'000 港幣千元	Renminbi 人民幣 HK\$'000 港幣千元
Trade and other receivables	應收貿易款項及 其他應收款項	-	-	-	-
Cash and cash equivalents	現金及現金等價物	-	-	-	2
Trade and other payables	應付貿易款項及 其他應付款項	-	-	-	-
Gross exposure arising from recognised assets and liabilities	產生自己確認資產及 負債之整體風險	-	-	-	2

37. 財務風險管理 (續)

(c) 外匯風險 (續)

(i) 貨幣風險

下表詳列本集團於報告期末就來自以與實體有關之功能貨幣以外貨幣計值之已確認資產或負債所承受貨幣風險，當中不包括將本集團內實體之財務報表換算為本集團呈列貨幣所產生之差異。

本集團

外幣風險 (以港幣列示)

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For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

37. FINANCIAL RISK MANAGEMENT (Continued)

(c) Foreign currency risk (Continued)

(ii) Sensitivity analysis

The following table indicates the instantaneous change in the Group's loss for the year and accumulated losses that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant. In this respect, it is assumed that the pegged rate between the Hong Kong dollar and the United States Dollars would be materially unaffected by any changes in movement in value of the United States Dollars against other currencies.

		2016 二零一六年		2015 二零一五年	
		Increase/ (decrease) in foreign exchange rates 外幣匯率 上升/(下降)	Effect on loss after tax and accumulated losses 對除稅後虧損及 累計虧損之影響 HK\$'000 港幣千元	Increase/ (decrease) in foreign exchange rates 外幣匯率 上升/(下降)	Effect on loss after tax and accumulated losses 對除稅後虧損及 累計虧損之影響 HK\$'000 港幣千元
Renminbi	人民幣	5%	-	5%	-
		5%	-	5%	-

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the Group's entities' loss and equity measured in the respective functional currencies, translated into Hong Kong dollars at the exchange rate ruling at the end of the reporting period for presentation purposes.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period. The analysis excludes differences that would result from the translation of the financial statements of the entities within the Group into the Group's presentation currency. The analysis is performed on the same basis for the year ended 31 March 2015.

37. 財務風險管理 (續)

(c) 外匯風險 (續)

(ii) 敏感度分析

下表列出在報告期末對本集團有重大影響之外幣匯率出現變化時，假設所有其他風險變數維持不變，本集團本年度虧損及累計虧損將會產生之即時變動。就此而言，已假設港幣與美元間之聯繫匯率將不會受到美元兌其他貨幣價值走勢之任何變動之嚴重影響。

上表所呈列分析結果代表對本集團旗下各實體按各自之功能貨幣計算並按報告期末之匯率換算為港幣以供呈列之用之虧損及權益之即時影響總額。

上述敏感度分析乃假設外幣匯率已應用重新計量於報告期末本集團所持該等財務工具而令本集團所承受外匯風險。有關分析不包括將本集團內實體之財務報表換算為本集團呈列貨幣所產生之差異。上述分析乃以與截至二零一五年三月三十一日止年度相同之基準進行。

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37. FINANCIAL RISK MANAGEMENT (Continued)

(d) Interest rate risk

The Group's interest rate risk arises primarily from financial liabilities issued at a variable rates and fixed rates that expose the Group to cash flow interest rate risk and fair value interest rate risk respectively. The Group's interest rate profile as monitored by management is set out below. The Group does not expect any changes on interest rate which might materially affect the Group's result of operations.

During the year, the Group and the Company had not entered into any interest rate swap contracts.

(i) Interest rate profile

		2016 二零一六年		2015 二零一五年	
		Effective interest rate 實際利率 %	HK\$'000 港幣千元	Effective interest rate 實際利率 %	Renminbi 人民幣 HK\$'000 港幣千元
Fixed rate receivables: Loan receivables	應收定息款項 應收貸款	6.5-10.5%	82,338	16.65-11%	93,612
Fixed rate borrowings: Loans and borrowings	定息借貸: 貸款及借貸	3%	11,743	3%	11,419
Variable rate borrowings: Loans and borrowings	浮息借貸: 貸款及借貸	0.94-2.27%	11,601	0.94-2.78%	12,815

37. 財務風險管理 (續)

(d) 利率風險

本集團之利率風險主要來自按浮動利率及固定利率發行並導致本集團須分別面對現金流轉利率風險及公平值利率風險之財務負債。管理層所監控之本集團利率詳情載於下文。本集團預期不會出現任何可能對本集團經營業績構成重大影響之利率變動。

年內，本集團及本公司概無訂立任何利率掉期合約。

(i) 利率詳情

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37. FINANCIAL RISK MANAGEMENT (Continued)

(d) Interest rate risk (Continued)

(ii) Sensitivity analysis

The Group

At 31 March 2016, it is estimated that a general increase/decrease of 1% in interest rate, with all other variables held constant, would have increase/decrease the Group's loss for the year and accumulated losses by approximately HK\$117,000 (2015: HK\$128,000).

The sensitivity analysis has been determined assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to the exposure to interest rate risk for the non-derivative financial liabilities in existence at that date. The 1% increase or decrease represents management's assessment of a reasonably possible change in interest rates over the period until the end of the next reporting period. The analysis was performed on the same basis for year 2015.

(e) Price risk

The Group's warrants exposed the Group to equity price risk. Management has closely monitored the relevant risk and will consider hedging the risk exposure should the need arise.

Sensitivity analysis

The sensitivity analysis includes the outstanding number of warrants as at the end of the reporting period and adjusts as at the year end for a higher/lower in share price, holding other variables constant.

At 31 March 2016, if the input of share price to the valuation model of the warrants had been 5% higher/lower while all other variables were held constant, the Group's loss for the year would increase/decrease by HK\$3,490,000 (2015: HK\$2,077,000) as a result of the changes in fair value of the warrants.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent market risk as the multiple variables involved in the valuation model used in the fair value valuation of the derivatives are interdependent.

37. 財務風險管理 (續)

(d) 利率風險 (續)

(ii) 敏感度分析

本集團

於二零一六年三月三十一日，倘利率整體上升/下跌1厘，而其他所有變數維持不變，則估計本集團之年度虧損及累計虧損會增加/減少約港幣117,000元（二零一五年：港幣128,000元）。

釐定敏感度分析時已假設利率變動於報告期末發生，並應用至於當日存在之非衍生財務負債所承受之利率風險。利率升跌一厘代表管理層對於直至下個報告期間完結前之期間內對利率合理可能變動的評估。進行分析的基準與二零一五年相同。

(e) 價格風險

本集團之認股權證令本集團面對股票價格風險。管理層密切監察相關風險並將於需要時考慮對沖相關風險。

敏感度分析

敏感度分析包括於報告期末之認股權證之未行使數目，並於年末就股價升/跌作出調整，而其他變數均為不變。

於二零一六年三月三十一日，倘認股權證估值模式之股價輸入值上升/下跌5%，而所有其他變數均為不變，本集團之年內虧損將因為認股權證之公平值變動而增加/減少港幣3,490,000元（二零一五年：港幣2,077,000元）。

管理層認為，敏感度分析不足以代表內在市場風險，原因為衍生工具公平值估值所用之估值模型中之多項變數為相互影響。

37. FINANCIAL RISK MANAGEMENT (Continued)**(f) Natural risk**

The ability to harvest wood and the growth of the trees in the forests may be affected by unfavourable local weather conditions and natural disasters. Weather conditions such as floods, droughts, cyclones and windstorms and natural disasters such as earthquakes, fire, disease, insect infestation and pests are examples of such events. The occurrence of severe weather conditions or natural disasters may diminish the supply of trees available for harvesting, or otherwise impede the Group's logging operations or the growth of the trees in the forests, which in turn may have an adverse effect on the Group's ability to produce the products in a timely manner and maintain sufficient operations.

(g) Fair value measurements recognised in the statement of financial position***Fair value hierarchy***

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13 Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
- Level 3 valuations: Fair value measured using significant unobservable inputs

37. 財務風險管理 (續)**(f) 自然風險**

在森林內砍伐木材的能力及林木生長可能受到地方氣候及自然災害之不利影響。氣候狀況如洪水、乾旱、颶風、風暴和自然災害如地震、火災、疾病、蟲禍及害蟲都是該等事件之例子。出現惡劣天氣狀況或發生自然災害可能導致可供砍伐之樹木減少，或妨礙本集團伐木業務或影響森林內林木之生長，繼而可能對本集團按時生產及供貨能力造成不利影響。

(g) 於財務狀況表內確認之公平值計量***公平值等級***

下表列示本集團財務工具之公平值，其按經常基準於報告期末計量，分為三個公平值等級（定義見國際財務報告準則第13號公平值計量）。釐定公平值計量分類等級時，乃參照估值技術所用輸入數據是否屬可觀察及其重要性：

- 第一級估值：僅使用第一級輸入數據（即於計量日同類資產或負債於活躍市場之未經調整報價）計量之公平值
- 第二級估值：使用第二級輸入數據（即未能達到第一級之可觀察輸入數據）且並未使用重大不可觀察輸入數據計量之公平值。不可觀察輸入數據為無市場數據之輸入數據
- 第三級估值：使用重大不可觀察輸入數據計量之公平值

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37. FINANCIAL RISK MANAGEMENT (Continued)

(g) Fair value measurements recognised in the statement of financial position (Continued)

		2016 二零一六年				2015 二零一五年			
		Level 1 第一級	Level 2 第二級	Level 3 第三級	Total 總計	Level 1 第一級	Level 2 第二級	Level 3 第三級	Total 總計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Recurring fair value measurements	經常性公平值計量								
Financial liabilities	財務負債	-	52,029	-	52,029	-	40,595	-	40,595

There were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur during the years 2015 and 2016.

Valuation techniques and inputs used in Level 2 fair value measurements

The fair value of financial liabilities in Level 2 is calculated by the Black-Scholes model. The Black-Scholes model is implemented by applying computational method. Details of the input refer to note 32.

(h) Fair value of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's and the Company's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 31 March 2016 and 2015.

38. COMMITMENTS

(a) Commitments in respect of capital expenditure

At the end of the reporting period, the Group had no material capital commitments (2015: HK\$Nil).

37. 財務風險管理 (續)

(g) 於財務狀況表內確認之公平值計量 (續)

第一級及第二級之間並無轉撥，亦無轉入或轉出第三級。本集團之政策為於二零一五年及二零一六年產生之報告期間末確認公平值不同等級間之轉撥。

第二級公平值計量採納之估值技術及輸入數據

第二級之金融負債之公平值乃採用柏力克-舒爾斯模式計算。柏力克-舒爾斯模式乃藉應用計算方法執行。輸入數據詳情見附註32。

(h) 並非按公平值列賬之財務資產及負債之公平值

於二零一六年及二零一五年三月三十一日，本集團及本公司按成本或攤銷成本列賬之財務工具之賬面值與其公平值並無重大差異。

38. 承擔

(a) 有關資本開支之承擔

於報告期末，本集團並無重大資本承擔 (二零一五年：港幣零元)。

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38. COMMITMENTS (Continued)

(b) Operating lease commitments

The Group as lessee:

The Group and the Company leases certain of its office premises under operating leases. Leases for these properties are negotiated for terms ranging from one to two years.

At the end of the reporting period, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Within one year	一年內	600	502
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)	-	-
		600	502

The Group as lessor:

The Group leases its investment properties under operating lease arrangements to tenants, with leases negotiated for terms ranging from one to two years. The terms of the leases generally require the tenants to pay security deposits. At the end of the reporting period, the Group had total future minimum lease payments receivables under non-cancellable operating leases with its tenants falling due as follow:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Within one year	一年內	162	54
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)	-	-
		162	54

In mid-March 2016, the Group, through its wholly owned subsidiary, UTRB, entered into a licence agreement with LaminadosTriunfoLtda ("LT"). LT is the largest harvesting company established in Acre State and it owns processing timber, plywood and sawmill facilities. Pursuant to the terms of the agreement, LT licenced the rights of harvesting 3,000 hectares during the 2016 harvesting season. The agreement will generate BRL 1 million in revenue for UTRB, which will be payable in a 9 months installment.

38. 承擔 (續)

(b) 經營租賃承擔

本集團為承租人：

本集團及本公司根據經營租賃租用若干辦公室物業。該等物業之租賃經磋商後為期一至兩年。

於報告期末，根據不可撤銷經營租賃應付之未來最低租金總額如下：

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Within one year	一年內	600	502
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)	-	-
		600	502

本集團為出租人：

本集團根據經營租賃安排出租投資物業予租戶，經磋商租賃年期介乎一至兩年。租賃條款一般要求租戶支付抵押按金。於報告期末，本集團根據其與租戶訂立之不可撤銷經營租賃，有於以下時限到期之應收最低未來租賃付款總額：

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Within one year	一年內	162	54
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)	-	-
		162	54

於二零一六年三月中旬，本集團透過其全資附屬公司UTRB與LaminadosTriunfoLtda (「LT」) 訂立特許協議。LT為於亞克里州成立之最大的伐木公司，並擁有木材、合板及鋸木加工設施。根據協議之條款，LT有特許權於二零一六年伐木季砍伐3,000公頃。協議將為UTRB產生收入1,000,000雷亞爾，該款項將分九個月支付。

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39. CONTINGENT LIABILITIES

Partnership harvesting agreement

On 18 July 2011, UTRB entered into an agreement (the “Partnership Harvesting Agreement” or the “Agreement”) with R2R Indústria e Comércio de Produtos Florestais Ltda. (“R2R”). Under the Agreement, UTRB will harvest logs on forest area supposedly owned by R2R under a Sustainable Forest Management Plan and pay R2R Florestal a total of BRL9,602,000 (or approximately HK\$41 million) by installments. R2R was responsible to obtain the necessary harvesting permit (“AUTEF”) within 30 days of the Agreement. R2R was late in presenting the AUTEF to UTRB and failed to produce documentations that support its ownership of the subject forest area. In addition, UTRB’s harvesting team discovered various environmental crimes in the subject forest area during its preparatory inspection. A total sum of BRL840,000 (or approximately HK\$3,869,000) was paid by UTRB under the Agreement while the remaining balance was withheld due to the above breach and irregularities. In the meantime, R2R sent various notices demanding for performance under the Agreement. On 17 January 2012, UTRB served a termination notice to R2R and demanded for the return of the deposits paid. On 23 February 2012, R2R sent UTRB an amicable settlement offer where reducing the outstanding balance to BRL1,621,000 (or approximately HK\$6,910,000) as final settlement for the immediate termination of the Agreement. According to the opinion of external legal counsels, UTRB has adequate legal ground to terminate the Agreement, demand for the return of the deposit and ask for penalties.

40. LITIGATIONS

Service agreement

On 30 May 2010, UTRB entered into a service agreement (“Service Agreement”) with F Um Terraplanagem (“Terraplanagem”). Under the Service Agreement, Terraplanagem would carry out earthwork service in the hydropower plant in Rondonia, Brazil for a service fee of BRL892,500 (or approximately HK\$2,132,000). After signing the agreement, Terraplanagem did not provide any earthwork service and UTRB had to hire another company to complete the earthworks. However, in the land search of the freehold land of UTRB, it revealed that Terraplanagem submitted a claim to a court against UTRB to pay for alleged outstanding service fee of approximately BRL1,291,000 (or approximately HK\$3,084,000) and filed a precautionary injunction to prevent UTRB of selling certain area of its freehold land with carrying value of approximately BRL10,019,000 (or approximately HK\$21,428,000). Such injunction was awarded by the court during the year ended 31 March 2015. The first witness hearing was held in May 2016. Up to the date of this report, the second hearing has not yet been scheduled by the court. UTRB will investigate the issue and defend itself vigorously in coming legal proceeding. To the best understanding of the Company, the claim was at a preliminary stage. The Company will inform its shareholders in due course. The claims of approximately BRL1,291,000 (or approximately HK\$2,761,000) has been included in other payables.

39. 或然負債

夥伴伐木協議

於二零一一年七月十八日，UTRB與R2R Indústria e Comércio de Produtos Florestais Ltda. (「R2R」)訂立協議(「夥伴伐木協議」或「協議」)。根據協議，UTRB將於據稱由R2R根據可持續森林管理計劃擁有之森林地區砍伐原木，並分期向R2R Florestal支付合共9,602,000雷亞爾(或約港幣41,000,000元)。R2R負責於協議日期起計30日內取得所需伐木許可證(「伐木許可證」)。R2R未能及時向UTRB交付伐木許可證及不能出示能證明其擁有所述森林地區之文據。此外，UTRB之伐木團隊在進行籌備檢查時於所述森林地區發現多項環保罪行。UTRB已根據協議支付合共840,000雷亞爾(或約港幣3,869,000元)，而餘額因上述違約及違規行為而扣留。於此期間內，R2R發出多項通知要求履行協議。於二零一二年一月十七日，UTRB向R2R送達終止通知並要求退還已付訂金。於二零一二年二月二十三日，R2R向UTRB發出和解提議，將未償還餘額減至1,621,000雷亞爾(或約港幣6,910,000元)以作為立即終止協議之最終款項。根據外聘法律顧問之意見，UTRB有足夠法律理據終止協議、要求退還訂金及追討罰金。

40. 訴訟

服務協議

於二零一零年五月三十日，UTRB與F Um Terraplanagem (「Terraplanagem」)訂立服務協議(「服務協議」)。根據服務協議，Terraplanagem將於巴西朗多尼亞之水力發電廠從事土方工程服務，服務費為892,500雷亞爾(或約港幣2,132,000元)。於簽訂協議後，Terraplanagem並未提供任何土方工程服務，而UTRB不得不僱用另一間公司以完成土方工程。然而，於對UTRB之永久業權工地進行土地查冊時，其發現Terraplanagem向法院遞交針對UTRB之索償，要求支付指稱尚未償付之服務費約1,291,000雷亞爾(或約港幣3,084,000元)並已申請預防性禁止令，以防UTRB出售賬面值約為10,019,000雷亞爾(或約港幣21,428,000元)之若干永久業權土地。截至二零一五年三月三十一日止年度，該禁止令已獲法院頒發。第一次證人聆訊於二零一六年五月舉行。截至本報告日期，法院尚未就第二次聆訊作出安排。UTRB將調查此事並將於即將展開之法律訴訟中進行強烈抗辯。就本公司所盡知，索償尚處於初步階段。本公司將適時知會其股東。索償約1,291,000雷亞爾(或約港幣2,761,000元)已計入其他應付款項內。

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40. LITIGATIONS (Continued)

Labour claim

During the financial year ended 31 March 2014, the Company revealed that a labour claim against UTRB for US\$600,000 was filed by Leandro Dos Martires Guerra ("Leandro"), a former director of the Company. Without receiving any writ from the court by UTRB, the court made an order to UTRB for paying Leandro the claim of US\$600,000 in August 2013. In April 2014, UTRB filed a legal appeal to the Northern Region Labour High Court after consulting legal counsels. During the year ended 31 March 2015, the Northern Region Labour High Court had given a favorable ruling on UTRB's appeal, determining the annulment of Leandro's claim due to irregularities in the writ of summons served to UTRB. As a result, the case has returned to its original court so the claimant could properly serve the writ of summons to UTRB. In March, 2015, UTRB has presented its defense and a witness hearing was held in October 2015, and on 17 November 2015, the Original Labour Court had ruled the case in favour of UTRB by way of dismissing Leandro's entire claim. The court has awarded, however, Leandro in approximately BRL60,000 (approximately HK\$128,000) regarding an undue reduction made in Leandro's termination fees. In or about late November 2015, Leandro had petitioned to the court raising questions about certain topics in the said decision and requesting the court to clarify such points. Up to the date of this report, the Company has not received any response from the court in relation to the raised questions. The Company will inform its shareholders in due course. The claim of US\$600,000 (or approximately HK\$4,652,000 or approximately BRL2,175,000) has been included in other payables.

41. MATERIAL RELATED PARTY TRANSACTIONS

The Group had the following transactions with related parties during the year.

(a) Key management personnel remuneration

The key management personnel of the Group included the directors, as disclosed in Note 13, and those individuals (other than directors) with highest emoluments, as disclosed in Note 14. Details of their emoluments are set out in Note 13 and Note 14 and summarized below.

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	4,055	2,835
Post-employment benefits	離職福利	151	87
Share-based payment	以股份支付	-	-
		4,206	2,922

40. 訴訟(續)

勞動索償

於截至二零一四年三月三十一日止財政年度，本公司發現本公司前董事Leandro Dos Martires Guerra (「Leandro」)向UTRB提出勞動索償600,000美元。UTRB並未接獲來自法院之任何令狀，法院於二零一三年八月命令UTRB向Leandro支付索償金額600,000美元。於二零一四年四月，UTRB於徵詢法律顧問後向Northern Region Labour High Court作出上訴。截至二零一五年三月三十一日止年度，Northern Region Labour High Court對UTRB之上訴作出有利裁定，決定取消Leandro之索償，此乃由於向UTRB發出之令狀中有不合適之事宜。因此，案件退回原法院，申索人需要正式向UTRB送達傳訊令狀。於二零一五年三月，UTRB作出抗辯，並將於二零一五年十月傳召證人進行聆訊，且於二零一五年十一月十七日，原勞動法院已就該案件作出有利於UTRB的判決，駁回Leandro之所有索償。然而，該法院就Leandro終止費作出的不適當削減已判予Leandro約60,000雷亞爾(約港幣128,000元)。於二零一五年十一月底或前後，Leandro入稟法院，對上述判決之若干標題提出疑問並要求法院就有關論點作出澄清。直至本報告日期，本公司尚未收到法院就有關問題的任何回復。本公司將於適當時候知會其股東。本公司已對約600,000美元(或約港幣4,652,000元或約2,175,000雷亞爾)之索償計入其他應付款項內。

41. 重大關連人士交易

本集團於本年度曾與關連人士進行以下交易。

(a) 主要管理人員之薪酬

本集團之主要管理人員包括附註13所披露之董事及附註14所披露之最高薪人士(董事除外)。彼等酬金詳情載於附註13及附註14並概述如下。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

41. MATERIAL RELATED PARTY TRANSACTIONS

(Continued)

(b) Financing arrangement

	Notes 附註	Amounts due to related parties 應付關連人士款項		Related interest expense 相關利息開支	
		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
		Amount due to non-controlling shareholder 應付非控股股東款項	(i)	-	836
		-	836	-	-

Notes:

(i) The amounts were unsecured, interest free and no fixed terms of repayment.

(c) Other related party transactions

	Notes 附註	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Interest on promissory notes 承付票據之利息	(i)	-	64

Notes:

(i) This represents interest on promissory notes issued to Winner Global and was calculated at a coupon rate of 2% per annum (effective interest rate: 15.74%).

In the opinion of the Company's directors, the above transactions were conducted on terms mutually agreed by the Group and the related parties.

41. 重大關連人士交易 (續)

(b) 融資安排

附註:

(i) 該款項為無抵押、免息及無固定還款期。

(c) 其他關連人士交易

附註:

(i) 此乃發行予Winner Global之承付票據按票面息率每年2厘(實際利率:15.74厘)計算之利息。

本公司董事認為,上述交易乃按本集團與關連人士相互協定之條款進行。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

42. STATEMENT OF FINANCIAL POSITION

For the year ended 31 March 2016
(Expressed in Hong Kong dollars)

42. 財務狀況表

截至二零一六年三月三十一日止年度
(以港幣呈列)

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
NON-CURRENT ASSETS	非流動資產		
Property, plant and equipment	物業、廠房及設備	-	-
Interest in subsidiaries	附屬公司權益	122,308	118,592
		122,308	118,592
CURRENT ASSETS	流動資產		
Other receivables	其他應收款項	806	751
Cash and cash equivalents	現金及現金等價物	37,459	46,156
		38,265	46,907
CURRENT LIABILITIES	流動負債		
Other payables	其他應付款項	3,432	3,600
		3,432	3,600
NET CURRENT ASSETS	流動資產淨值	34,833	43,307
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債	157,141	161,899
NON-CURRENT LIABILITIES	非流動負債		
Financial liabilities	財務負債	52,029	40,595
NET ASSETS	資產淨值	105,112	121,304
CAPITAL AND RESERVES	資本及儲備		
Share capital	股本	185,656	185,631
Reserves	儲備	(80,544)	(64,327)
TOTAL EQUITY	總權益	105,112	121,304

Approved and authorised for issue by the board of directors on 30 June 2016.

On Behalf of the Board

YEUNG Sau Chung

楊秀中
Director
董事

The notes on pages 47 to 159 form part of these consolidated financial statements.

由董事會於二零一六年六月三十日批准及授權刊行。

代表董事會

LIU Shun Chuen

廖信全
Director
董事

第47頁至第159頁之附註構成此等綜合財務報表之一部分。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

43. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2016

Up to the date of issue of these financial statements, the IASB has issued a few amendments and new standards which are not yet effective for the year ended 31 December 2015 and which have not been adopted in these financial statements. These include the following which may be relevant to the Group.

IFRS 9	Financial Instruments ¹		
IFRS 15	Revenue from Contracts with Customers ¹		
IFRS 16	Leases ⁴		
Amendments to IFRS 11	Accounting for Acquisitions of Interests in Joint Operations ²		
Amendments to IAS 1	Disclosure Initiative ²		
Amendments to IAS 16 and IAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation ²		
Amendments to IAS 16 and IAS 41	Agriculture: Bearer Plants ²		
Amendments to IAS 27	Equity Method in Separate Financial Statements ²		
Amendments to IFRS 10, IFRS 12 and IAS 28	Investment Entities: Applying the Consolidation Exception ²		
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³		
Amendments to IAS 7	Disclosure Initiative ⁵		
Amendments to IAS 12	Recognition of Deferred Tax Assets for unrealised losses ⁵		
Amendments to IFRSs	Annual Improvements to HKFRSs 2012-2014 Cycle ²		

¹ Effective for annual periods beginning on or after 1 January 2018

² Effective for annual periods beginning on or after 1 January 2016

³ Effective for annual periods beginning on or after a date to be determined

⁴ Effective for annual periods beginning on or after 1 January 2019

⁵ Effective for annual periods beginning on or after 1 January 2017

43. 截至二零一六年三月三十一日止年度已頒佈但尚未生效之修訂、新訂準則及詮釋之可能影響

截至該等財務報表刊發日期，國際會計師準則理事會已頒佈若干修訂及新訂準則，該等修訂及準則於截至二零一五年十二月三十一日止年度尚未生效，亦未於該等財務報表中採納。該等修訂及準則包括可能與本集團有關之下列各項。

國際財務報告準則第9號	金融工具 ¹
國際財務報告準則第15號	來自客戶合約之收益 ¹
國際財務報告準則第16號	租賃 ⁴
國際財務報告準則第11號之修訂本	收購合營業務權益之會計法 ²
國際會計準則第1號之修訂本	披露計劃 ²
國際會計準則第16號及國際會計準則第38號之修訂本	澄清可接受之折舊及攤銷方法 ²
國際會計準則第16號及國際會計準則第41號之修訂本	農業：產花果植物 ²
國際會計準則第27號之修訂本	獨立財務報表之權益法 ²
國際財務報告準則第10號、國際財務報告準則第12號及國際會計準則第28號之修訂本	投資實體：應用綜合賬目之例外情況 ²
國際財務報告準則第10號及國際會計準則第28號之修訂本	投資者與其聯營公司或合營企業間之資產出售或注資 ³
國際會計準則第7號之修訂本	披露計劃 ⁵
國際會計準則第12號之修訂本	就未變現虧損確認遞延稅項資產 ⁵
國際財務報告準則之修訂本	國際財務報告準則二零一二年至二零一四年週期年度改進 ²

¹ 於二零一八年一月一日開始或以後之年度期間生效

² 於二零一六年一月一日開始或以後之年度期間生效

³ 於待定期限開始或以後之年度期間生效

⁴ 於二零一九年一月一日開始或以後之年度期間生效

⁵ 於二零一七年一月一日開始或以後之年度期間生效

43. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2016 (Continued)

The Group is in the process of making an assessment of what the impact of these amendments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

44. EVENTS AFTER THE REPORTING PERIOD

- a) The Group entered into a conditional sale and purchase agreement on 23 March 2016 to dispose its entire 95% equity interest in Travel Inn Limited to an independent third party at a cash consideration of HK\$1,800,000. The disposal was completed on 28 April 2016. The details of assets and liabilities of the disposal group are disclosed in Note 12. The expected gain on disposal would be immaterial.
- b) Subsequent to the balance sheet date, in late April 2016, UTRB entered into another licence agreement with Amazon Wood Industrial Madeireira Ltda, ("AW"). AW is a reputable company and a regional player in the State of Acre, Brazil. Pursuant to the terms of the agreement, AW licenced the rights of licenced the remaining 1,000 hectares during the 2016 harvesting season. The agreement will generate BRL 380,000 in revenue for UTRB, which will be payable in a 9 months installment. Under this agreement, AW will also acquire the existing log stock. The Group will continue to actively identify potential leases relating to the forest in Brazil.

45. COMPARATIVE FIGURES

As a result of the discontinued operation, certain comparative figures have been reclassified to conform with the current year's presentation.

43. 截至二零一六年三月三十一日止年度已頒佈但尚未生效之修訂、新訂準則及詮釋之可能影響(續)

本集團正在評估該等修訂於首次採納期間之預期影響，至今已斷定採納該等準則不大可能對綜合財務報表造成重大影響。

44. 報告期後事項

- a) 本集團於二零一六年三月二十三日訂立有條件買賣協議，以現金代價港幣1,800,000元將其於旅遊棧有限公司之95%股權全部出售予獨立第三方。出售事項已於二零一六年四月二十八日完成。出售組別之資產及負債詳情披露於附註12。出售事項之預期收益將微乎其微。
- b) 繼結算日後，於二零一六年四月下旬，UTRB與Amazon Wood Industrial Madeireira Ltda (「AW」)訂立另一份特許協議。AW為巴西亞克里州聲譽卓越之公司及區域從業者。根據協議之條款，AW有特許權於二零一六年伐木季砍伐餘下1,000公頃。協議將為UTRB產生收入380,000雷亞爾，該款項將分九個月支付。根據該協議，AW亦將購入現有木材存貨。本集團將繼續積極就巴西森林物色潛在租賃。

45. 比較數字

由於已終止經營業務，若干比較數字已重新分類，以符合本年度之呈報方式。

Five Years Financial Summary

五年財務摘要

截至二零一六年三月三十一日止年度 For the year ended 31 March 2016 (以港幣呈列) (Expressed in Hong Kong dollars)

RESULTS

業績

		Year ended 31 March 截至三月三十一日止年度				
		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元	2014 二零一四年 HK\$'000 港幣千元	2013 二零一三年 HK\$'000 港幣千元	2012 二零一二年 HK\$'000 港幣千元
Revenue	收入	11,316	7,822	63,946	76,550	115,616
(Loss)/profit attributable to the owners of the Company	本公司擁有人應佔(虧損)/溢利	(33,077)	(56,508)	(490,133)	(326,601)	(2,327,909)

ASSETS AND LIABILITIES

資產及負債

		As at 31 March 於三月三十一日				
		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元	2014 二零一四年 HK\$'000 港幣千元	2013 二零一三年 HK\$'000 港幣千元	2012 二零一二年 HK\$'000 港幣千元
Total assets	總資產	261,079	305,656	251,052	1,068,024	1,727,833
Total liabilities	總負債	149,248	156,097	192,254	551,017	852,438
Net assets	淨資產	111,331	149,559	58,798	517,007	875,395
EQUITY		權益				
Equity attributable to the owners of the Company	本公司擁有人應佔權益	111,744	149,480	58,723	517,000	875,309
Non-controlling interests	非控股權益	87	79	75	7	86
Total equity	總權益	111,831	149,559	58,798	517,007	875,395

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