



Crown International Corporation Limited 皇冠環球集團有限公司

(Incorporated in Hong Kong with limited liability)
(在香港註冊成立之有限公司)

Stock code 股份代號: 727



Annual Report
2016/2017
年報

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Corporate Information 公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. MENG Jin Long (*Chairman*)
Mr. LIU Hong Shen (*Vice Chairman*)
Mr. YEUNG Man, Simon (*Chief Executive Officer*)
Mr. ZHU Jin Long (*Vice Chairman*)
(*appointed on 7 October 2016 and
resigned on 31 March 2017*)

Independent Non-executive Directors

Mr. LONG Tao
Mr. REN Guo Hua
Mr. CHEN Fang

EXECUTIVE COMMITTEE

Mr. MENG Jin Long (*Chairman*)
Mr. LIU Hong Shen
Mr. YEUNG Man, Simon

AUDIT COMMITTEE

Mr. LONG Tao (*Chairman*)
Mr. REN Guo Hua
Mr. CHEN Fang

REMUNERATION, QUALITY AND NOMINATION COMMITTEE

Mr. REN Guo Hua (*Chairman*)
Mr. MENG Jin Long
Mr. LONG Tao
Mr. CHEN Fang

COMPANY SECRETARY

Mr. YEUNG Man, Simon
(*appointed on 18 March 2017*)

AUTHORISED REPRESENTATIVES

Mr. MENG Jin Long
Mr. YEUNG Man, Simon
(*appointed on 18 March 2017*)

董事會

執行董事

孟金龍先生 (*主席*)
劉紅深先生 (*副主席*)
楊敏先生 (*行政總裁*)
祝金龍先生 (*副主席*)
(*於二零一六年十月七日獲委任
及於二零一七年三月三十一日辭任*)

獨立非執行董事

龍濤先生
任國華先生
陳放先生

執行委員會

孟金龍先生 (*主席*)
劉紅深先生
楊敏先生

審核委員會

龍濤先生 (*主席*)
任國華先生
陳放先生

薪酬、素質及 提名委員會

任國華先生 (*主席*)
孟金龍先生
龍濤先生
陳放先生

公司秘書

楊敏先生
(*於二零一七年三月十八日獲委任*)

授權代表

孟金龍先生
楊敏先生
(*於二零一七年三月十八日獲委任*)

REGISTERED OFFICE

Suite 902, 9th Floor
Central Plaza
18 Harbour Road
Wanchai
Hong Kong

註冊辦事處

香港
灣仔
港灣道18號
中環廣場
9樓902室

SHARE REGISTRARS AND TRANSFER OFFICE

Boardroom Share Registrars (HK) Limited
31/F., 148 Electric Road
North Point, Hong Kong

股份過戶登記處

寶德隆證券登記有限公司
香港北角
電氣道148號31樓

INDEPENDENT AUDITOR

PricewaterhouseCoopers
22/F., Prince's Building
Central, Hong Kong

獨立核數師

羅兵咸永道會計師事務所
香港中環
太子大廈22樓

LEGAL ADVISER

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

法律顧問

李偉斌律師行
香港中環
環球大廈22樓

PRINCIPAL BANKERS

Bank of China Limited
China Construction Bank Corporation
The Hongkong and Shanghai Banking Corporation Limited

主要往來銀行

中國銀行股份有限公司
中國建設銀行股份有限公司
香港上海滙豐銀行有限公司

LISTING INFORMATION

The Stock Exchange of Hong Kong Limited
Ordinary Shares (Stock Code: 727)
Board Lot: 2,000 shares

上市資料

香港聯合交易所有限公司
普通股 (股份代號: 727)
交易單位: 2,000股

WEBSITE

Crown International Corporation Limited
<http://www.crownicorp.com>

網站

皇冠環球集團有限公司
<http://www.crownicorp.com>

Chief Executive Officer's Report

行政總裁報告

On behalf of the board (the “**Board**”) of directors (the “**Directors**”) of Crown International Corporation Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”), I am pleased to present the final results of the Company and the Group for the financial year ended 31 March 2017 (“**Year 2017**” or the “**Year**”). I was redesignated as chief executive officer of the Company (the “**CEO**”) on 7 October 2016 and continued to be an executive director of the Company (the “**Executive Director**”).

The Group is principally engaged in the businesses of property investment, hotel operation and financial advisory service in the People's Republic of China (the “**PRC**”). During the Year, the Group continued its business strategy of further expanding its hotel operation portfolio and polishing up its property investments, and also launched the financial advisory service business in order to foster more high value-added businesses, diversify its operational risks, introduce new sources of income and become less dependent on property investment and hotel operation.

The newly-added financial advisory service business marked a successful start during the Year. The Group expanded into the new line of financial advisory service business by establishing a wholly-owned subsidiary, namely 冠富資產管理有限公司 (“冠富資產”), in the PRC. 冠富資產 engages in the provision of asset and wealth management and financial advisory services, as well as advisory and matching service with financial institutions targeting property developers and other sectors in need of debt financing. This business delivered outstanding results and offered a new income stream for the Group, generating revenue of approximately HK\$8.7 million, which accounted for 72.1% of the total revenue of the Group, with a profit of approximately HK\$4.6 million during the Year. The management will allocate more resources to the financial advisory service segment in the future with the aim of creating another significant profit stream for the Group in the coming year.

本人謹代表皇冠環球集團有限公司（「本公司」）及其附屬公司（統稱「本集團」）之董事（「董事」）會（「董事會」），欣然提呈本公司及本集團截至二零一七年三月三十一日止財政年度（「二零一七年度」或「本年度」）之全年業績。本人於二零一六年十月七日獲調任為本公司行政總裁（「行政總裁」），並同時繼續擔任本公司執行董事（「執行董事」）一職。

本集團主要於中華人民共和國（「中國」）從事物業投資、酒店營運及金融顧問服務業務。於本年度，本集團堅持奉行分散酒店營運組合之商業策略，積極優化物業投資組合，同時開展金融顧問服務業務，繼續推動業務向高增值及多元化轉型，為本集團分散營運風險及擴闊收入來源，減少過度依賴物業投資及酒店營運。

本年度集團在新增加的金融顧問服務業務方面取得了長足的發展，通過本集團在中國成立的一家全資附屬公司（冠富資產管理有限公司「冠富資產」），本年度成功開拓了新的金融顧問服務業務。冠富資產提供資產及財富管理及融資顧問服務，為需要債務融資之物業發展商及其他行業提供顧問及與金融機構配對之服務。該新開拓的金融顧問服務業務板塊為本集團擴闊了新的收入來源，本年度，此新增業務為本集團帶來約8.7百萬港元收益，佔本集團總收益的72.1%，並於本年度實現了盈利約4.6百萬港元，成績令人鼓舞。未來管理層會投放更多資源於該金融顧問服務板塊，期望明年該板塊能夠成為本集團另一個亮麗的盈利增長點。

Chief Executive Officer's Report (Continued)

行政總裁報告 (續)

Looking forward, the Group will actively manage and enlarge its asset mix so as to be prepared for any new opportunities. It will continue to look for potential investment projects in second- and third-tier cities in the PRC while refining its existing assets, including renovating investment properties already held by the Group so they could generate a higher income. On 7 June 2017, the Group entered into a lease over a building in Jinggangshan City in Jiangxi Province with a local lessee, who shall renovate the building and operate a hotel business in the building for 10 years. Costs of the renovation shall be initially borne by the lessee, and reimbursed by the Group over the life of the lease. The management considered this kind of arrangement brought benefit to the Company and its shareholders (the “Shareholders”) in the form of stable rental income plus deferred payment of substantial renovation costs.

Through the concerted efforts of its management and work team, the Group will continue to improve its profitability, asset mix and profit model, and thus lay a stronger groundwork for future development. Notwithstanding its rapid business expansion, the Group has laid a solid foundation for its long-term development by adhering to prudent and sound governance principles, emphasising risk management and ensuring diversified domestic and overseas financing channels and stable financial resources. The Group will carry on steady development strategies and take measures at suitable time to adjust these strategies, realise sustainable growth and achieve continual increase in Shareholders' value.

On behalf of the Board, I would like to take this opportunity to extend our utmost gratitude to our valued clients, Shareholders and business associates for their continued support for and confidence in the Group. I also wish to express our sincere appreciation to our management and employees for their positive efforts over the past years.

YEUNG Man, Simon
Chief Executive Officer

Hong Kong, 30 June 2017

未來本集團將積極管理及擴充資產組合以發掘潛在機遇，繼續在中國的二三線城市尋找具潛質的投資項目，以及檢討現有資產組合，包括翻新本集團現在持有的投資物業，從而提升收入。於二零一七年六月七日，本集團訂立一項租賃，向江西省井岡山市一名承租人出租當地一幢樓宇，承租人須翻新該樓宇並於其內經營酒店業務，為期10年。翻新成本初步由承租人承擔，於租期內由本集團彌償。管理層認為，此類安排帶來穩定租金收入，同時押後支付龐大翻新成本，有利於本公司及其股東（「股東」）。

在本集團管理層及執行團隊之努力下，本集團將繼續改善盈利能力，優化資產組合及盈利模式，奠下更穩健雄厚之發展基礎。在業務快速發展的同時，本集團一直秉持審慎穩健的管治理念，重視風險管理，保持多元化境內外融資渠道，財政資源穩定，為本集團長遠發展奠定堅實的基石。本集團將繼續穩健發展，適時推行措施調整發展策略，實現本集團的可持續增長，以不斷提升本公司股東價值。

本人謹代表董事會在此衷心感謝尊貴客戶，股東及所有商業夥伴對本集團一直鼎力支持及信任，向彼等致以衷心謝意。本人亦謹此感謝全體管理層及僱員於過往年度對本集團所作出之貢獻。

行政總裁
楊敏

香港，二零一七年六月三十日

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

The Group is principally engaged in the business of hotel operations, property investments and financial advisory services in the PRC.

Riding on its successful turnaround from loss to profit since the financial year ended 31 March 2015, for Year 2017, the Group continued its business strategy of further expanding its portfolio in the hotel operations, as well as exploring new opportunities in other sectors considered by the management of the Company (the “**Management**”) to be capable of diversifying operational risks of the Group and/or introducing new sources of income less dependent on the conditions pertaining to the hotel operations and property investments sectors.

In the course of the Group’s exploration in different geographic and business sectors, the Group identified a number of areas of potential growth. One of these was cities in the PRC experiencing rapid economic and/or population growth, particularly those benefiting from governmental policies and/or plans of economic and/or tourist industry development. The Management considered such factors tend to facilitate growth of sectors reliant on increased population and capital flows, such as office rental and commercial property development, the hotel operations, and the financial service sector.

In an attempt to capture such opportunities and bring stable, long term income for the benefit of the Group and its shareholders, the Group on 13 September 2016 entered into a sale and purchase agreement (the “**SP Agreement**”) in relation to the acquisition (the “**Acquisition**”) of 100% equity interest in Jumbo China Investment Group Limited, which in turn owned a property project with development potential in Weihai, the PRC (the “**Weihai Project**”), for a consideration of HK\$500 million. The Acquisition, if completed, would offer the Group with access to a high-end development of three high rise hotel buildings with a total of approximately 195,104 square metres of gross floor area, or over 1,600 hotel suites and 360 carparking spaces. Further information regarding this potential acquisition was published in the Company’s announcement dated 13 September 2016 (the “**Announcement**”).

Apart from identifying expansion opportunities, the Management also regularly reviewed its portfolio of existing assets and sought to utilise the same efficiently in line with the business strategy of the Company. This included renovating old buildings and premises already owned by the Group so they could generate a higher income.

業務回顧

本集團主要於中國從事酒店營運、物業投資及金融顧問服務業務。

自截至二零一五年三月三十一日止財政年度起成功扭虧為盈後，本集團於二零一七年度再接再厲，堅持奉行其分散酒店營運組合之商業策略，同時於其他行業發掘本公司管理層（「管理層」）認為可為本集團分散營運風險及／或擴闊收入來源，減少依賴酒店營運及物業投資板塊市況之新機遇。

在不同地區及行業板塊探索之過程中，本集團物色到若干具增長潛力之範疇。當中之一起即中國經濟高速增長及／或人口急速膨脹之各大城市，尤其是受惠於政府政策及／或經濟規劃及／或旅遊業發展者。管理層認為，該等因素或可推動若干依賴人口增長及資本流動的行業，例如辦公室租賃及商用物業發展、酒店營運及金融服務界別等。

為了把握此等機遇，並為本集團及其股東帶來長期穩定收入，本集團於二零一六年九月十三日訂立買賣協議（「買賣協議」），以代價500,000,000港元收購Jumbo China Investment Group Limited（擁有位於中國威海具發展潛力之物業項目（「威海項目」））之全部股權（「收購事項」）。倘收購事項完成，本集團將可取得三幢多層酒店大樓之高端發展項目，建築面積合共約為195,104平方米，或相當於逾1,600間酒店套房及逾360個停車位。有關此一潛在收購事項之進一步資料，已於本公司日期為二零一六年九月十三日之公告（「該公告」）中發佈。

除物色擴充機會外，管理層亦定期檢討其現有資產組合，務求按照本公司之商業策略有效利用有關組合，包括翻新本集團手頭上之舊樓宇及物業，從而提升收入。

Management Discussion and Analysis (Continued)

管理層討論及分析 (續)

To diversify its sources of income, the Management also developed the Group's presence in the corporate finance sector in certain rapidly developing provinces of the PRC, by consulting and matching property developers and other businesses in need of debt financing on one hand and financial institutions on the other.

On the other hand, the Management had been conscious of the importance of safeguarding the Group's interest by thorough due diligence on, among other things, the business, legal, financial and regulatory aspects of each investment opportunity introduced to the Group from time to time, as well as trying for the best commercial terms achievable under arm's length negotiations. Equally important in the eyes of the Management was to regularly review the suitability of potential investment opportunities, as the risks and prospects could change from time to time.

As a result of the Management's policy of conservative evaluation and ongoing monitor of the Group's intended investments, from time to time the Management would consider changes in circumstances rendered the pursuit of certain proposed acquisitions no longer in the best interests of the Group and its Shareholders, or required additional conditions and/or safeguards to be fulfilled before the Group was comfortable with proceeding to completion. Such instances were from time to time published in various announcements by the Company during Year 2017 to ensure the Shareholders were updated on the latest development of the Group and its businesses.

Principal risks and uncertainties

Save as any adverse change to the hotel operations and property investment environment worldwide and the political risks exposed to any investment in Hong Kong and the Greater China area which together would be regarded as principal risks, other risk issues had been evaluated by the Company as set out in Note 3 to the consolidated financial statements.

Compliance with laws and regulations

During Year 2017, the Company was not aware of any non-compliance with any relevant laws and regulations that had a significant impact on the Company.

為了擴闊收入來源，管理層亦在中國若干發展迅速的省份開拓企業融資業務分部，為需要債務融資之物業發展商及其他行業提供顧問及與金融機構配對之服務。

另一方面，管理層深明對本集團不時發現的各項投資機會進行周詳（其中包括）業務、法律、財務及監管盡職審查，並透過公平磋商爭取最佳商務條款，保障本集團權益，極為重要。管理層亦明白，由於風險和前景瞬息萬變，故定期檢討潛在投資機遇是否仍然合適亦同樣重要。

按照審慎評估及持續監察投資計劃的政策，管理層不時考慮會否出現任何事態發展，導致若干收購建議不再符合本集團及其股東之最佳利益，或需要達成額外條件及／或保證，方能使本集團安心落實完成。本公司已於二零一七年度不時公佈有關事例，確保股東瞭解本集團及其業務之最新發展。

主要風險及不明朗因素

世界各地酒店營運及物業投資環境出現之任何不利變動，以及香港及大中華地區任何投資面對之政治風險，均被視為主要風險；除此之外，本公司所評估之其他風險事宜載於綜合財務報表附註3。

遵守法律及法規

於二零一七年度，就本公司所知，本公司並無不遵守對其有重大影響之任何相關法律及法規之情況。

Management Discussion and Analysis (Continued)

管理層討論及分析 (續)

Relationship with key stakeholders

The Group believes that employees are important assets and provides competitive remuneration packages to attract and retain employees. The Management regularly reviews the Group's remuneration to its employees to ensure that it is up to prevailing market standard. The Group values mutually beneficial long standing relationships with its suppliers and customers. The Group aims at delivering high quality services and products to its customers and developing on mutual trust among its suppliers.

Update on a disclosable transaction

As disclosed in the "Business Review" section above and the Announcement, on 13 September 2016 Crown International Investment Corp. (the "Purchaser"), a direct wholly-owned subsidiary of the Company, as purchaser and Good Wealth Holdings Limited (the "Vendor") as vendor entered into the SP Agreement.

As disclosed in the Announcement, completion of the Acquisition was conditional upon fulfilment and/or waiver of a number of conditions under the SP Agreement before 13 December 2016 (the "Long Stop Date"). As additional time is required for the fulfilment of the aforesaid conditions, the Purchaser and the Vendor have, by entering into supplemental agreements dated 13 December 2016, 13 March 2017, 13 April 2017 and 30 June 2017 respectively, agreed to extend the Long Stop Date to 31 August 2017 (or such later date as the parties may agree in writing). For further information on the aforesaid supplemental agreements, please refer to the Company's announcements dated 13 December 2016, 13 March 2017, 13 April 2017 and 30 June 2017.

Events after the reporting period

On 7 June 2017, the Group as lessor entered into a lease over a building in Jinggangshan City in the Jiangxi Province, with a local lessee who shall renovate the building and operate a hotel business in the building for 10 years. Costs of the renovation shall be initially borne by the lessee, and reimbursed by the Group over the life of the lease. The Management considered this kind of arrangement brought benefit to the Company and its Shareholders, in the form of stable rental income plus deferred payment of substantial renovation costs.

與主要權益人之關係

本集團相信僱員乃寶貴資產，並提供具競爭力之薪酬待遇吸引及挽留僱員。管理層定期檢討本集團僱員之薪酬，確保符合當時市場標準。本集團珍惜與其供應商及客戶之長久互惠關係。本集團矢志為客戶提供優質服務及產品，並與供應商建立互信。

有關一項須予披露交易之最新資料

誠如上文「業務回顧」一節及該公告所披露，於二零一六年九月十三日，Crown International Investment Corp. (「買方」)，乃本公司之直接全資附屬公司，作為買方與 Good Wealth Holdings Limited (「賣方」)，作為賣方訂立買賣協議。

誠如該公告所披露，收購事項須待買賣協議項下若干條件於二零一六年十二月十三日 (「最後截止日期」) 前達成及／或獲豁免後，方可完成。由於需要更多時間達成上述條件，買方與賣方分別於二零一六年十二月十三日、二零一七年三月十三日、二零一七年四月十三日及二零一七年六月三十日訂立多項補充協議，協定將最後截止日期延遲至二零一七年八月三十一日 (或訂約各方可能書面協定之較後日期)。有關上述補充協議之進一步資料，請參閱本公司日期為二零一六年十二月十三日、二零一七年三月十三日、二零一七年四月十三日及二零一七年六月三十日之公告。

報告期後事項

於二零一七年六月七日，本集團 (作為出租人) 訂立一項租賃，向江西省井岡山市一名承租人出租當地一幢樓宇，承租人將翻新該樓宇並於其內經營酒店業務，為期10年。翻新成本初步由承租人承擔，於租期內由本集團彌償。管理層認為，此類安排帶來穩定租金收入，同時押後支付龐大翻新成本，有利於本公司及其股東。

Management Discussion and Analysis (Continued)

管理層討論及分析 (續)

FINANCIAL REVIEW

Revenues

The Group's revenue for Year 2017 increased by 242.2% to approximately HK\$12.0 million (Year 2016: approximately HK\$3.5 million), the increase was mainly attributable to increased revenue generated from the newly added financial advisory service segment.

Revenue from the new financial advisory service segment generated by the Group during Year 2017 was approximately HK\$8.7 million, contributing to 72.1% of the Group's total revenue (Year 2016: N/A).

For Year 2017, the total revenue from property leasing amounted to approximately HK\$3.4 million as compared to that of approximately HK\$3.5 million for Year 2016. Consistent with last year, the revenue from property leasing was solely contributed by the commercial building located in Yingkou, Liaoning Province, the PRC.

Fair value gains on investment properties

For Year 2017, the total revaluation gain of our investment properties portfolio amounted to approximately HK\$160.0 million (Year 2016: approximately HK\$191.3 million). The revaluation of our investment properties was undertaken by an independent property valuer. The Mainland China portfolio had a revaluation gain of approximately HK\$160.0 million (Year 2016: approximately HK\$191.3 million) mainly due to a higher valuation of the investment property located in Zhongshan city, Guangdong Province, the PRC. As at 31 March 2017, the value of the investment properties of the Mainland China portfolio amounted to approximately HK\$1,881.6 million (31 March 2016: approximately HK\$1,828.9 million).

Other operating expenses

Other operating expenses amounted to approximately HK\$30.0 million for Year 2017, representing decrease of approximately HK\$14.3 million or 32.2% as compared to that of approximately HK\$44.3 million for Year 2016. The decrease in other operating expenses was mainly attributable to the decrease of exchange loss amounting to approximately HK\$17.6 million.

財務回顧

收益

本集團於二零一七年度的收益增加242.2%，增至約12.0百萬港元（二零一六年度：約3.5百萬港元），該增加主要來自新增金融顧問服務分部所產生的收益增加。

本集團於二零一七年度新增加的金融顧問服務分部的收益約為8.7百萬港元，佔本集團總收益的72.1%（二零一六年度：不適用）。

於二零一七年度，物業租賃之收益總額約為3.4百萬港元，而二零一六年度則約為3.5百萬港元。與前年度一致，物業租賃之收益僅來自位於中國遼寧省營口市之商業大樓。

投資物業之公平值盈利

於二零一七年度，本集團投資物業組合之重估盈利總額約160.0百萬港元（二零一六年度：約191.3百萬港元）。本集團之投資物業由獨立物業估值師進行估值。中國大陸組合之重估盈利約為160.0百萬港元（二零一六年度：約191.3百萬港元），主要源於位於中國廣東省中山市之投資物業之估值上升。於二零一七年三月三十一日，中國大陸組合內投資物業之價值約為1,881.6百萬港元（二零一六年三月三十一日：約1,828.9百萬港元）。

其他經營開支

於二零一七年度，其他經營開支約為30.0百萬港元，較於二零一六年度約44.3百萬港元減少約14.3百萬港元或32.2%。其他經營開支減少的主要原因是由於減少匯兌虧損約17.6百萬港元。

Management Discussion and Analysis (Continued)

管理層討論及分析 (續)

Finance expenses

Finance expenses amounted to approximately HK\$7.9 million for Year 2017, representing decrease of approximately HK\$23.6 million or approximately 74.9% as compared to that of approximately HK\$31.5 million for Year 2016. The decrease of finance expenses was solely attributable to the decrease in imputed interest expenses amounting to approximately HK\$23.6 million.

Profit attributable to owners of the Company

For Year 2017, the Group recorded a net profit attributable to owners of the Company of approximately HK\$81.2 million (Year 2016: net profit of approximately HK\$172.3 million). Total comprehensive income attributable to owners of the Company was approximately HK\$1.9 million (Year 2016: total comprehensive income of approximately HK\$109.7 million).

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group continued to maintain a strong financial position with a high degree of flexibility to meet its capital commitments. It also established multiple channels to raise debt finance in order to seize investment opportunities and/or cushion itself against unforeseeable circumstances.

The Group generally finances its operations with internally generated cash flows and the bank balances.

As at 31 March 2017, the Group had bank balances and cash of approximately HK\$85.3 million as compared to the bank balances and cash of approximately HK\$74.6 million as at 31 March 2016.

The Group had net current assets amounting to approximately HK\$64.6 million as at 31 March 2017, against approximately HK\$96.8 million as at 31 March 2016. The Group's current ratio (i.e. current assets divided by current liabilities) was approximately 3.0 as at 31 March 2017 as compared with approximately 4.5 as at 31 March 2016.

融資開支

於二零一七年度，融資開支約為7.9百萬港元，較二零一六年度約31.5百萬港元減少約23.6百萬港元或約74.9%，融資開支減少的唯一原因是由於減少應計利息開支約23.6百萬港元。

本公司擁有人應佔溢利

於二零一七年度，本集團錄得本公司擁有人應佔純利約81.2百萬港元（二零一六年度：純利約172.3百萬港元）。本公司擁有人應佔全面收益總額約為1.9百萬港元（二零一六年度：全面收益總額約109.7百萬港元）。

流動資金、財務資源及資本架構

本集團繼續保持雄厚之財務狀況及高度靈活性，以應付其資本承擔。我們亦備有多元化之債務融資渠道，以抓緊投資機遇及／或應對不可預見之情況。

本集團一般以內部產生之現金流以及銀行結餘為其營運提供資金。

於二零一七年三月三十一日，本集團之銀行結餘及現金約為85.3百萬港元，而於二零一六年三月三十一日之銀行結餘及現金則約為74.6百萬港元。

於二零一七年三月三十一日，本集團之流動資產淨值約為64.6百萬港元，而於二零一六年三月三十一日則約為96.8百萬港元。於二零一七年三月三十一日，本集團之流動比率（即流動資產除以流動負債）約為3.0，而於二零一六年三月三十一日則約為4.5。

Management Discussion and Analysis (Continued)

管理層討論及分析 (續)

Gearing Ratio

As at 31 March 2017, the Group's net debt gearing ratio (i.e. net debt divided by the sum of equity and net debt) was at a healthy level of approximately 36.0% (31 March 2016: approximately 35.7%). Net debt comprises total liabilities less cash and cash equivalents. Total equity comprises owners' equity as stated in the consolidated statement of financial position.

CAPITAL EXPENDITURE

Capital expenditure of the Group for Year 2017 included expenditure on fixed assets and investment properties of approximately HK\$0.3 million (Year 2016: approximately HK\$3.3 million) and approximately HK\$7.8 million (Year 2016: approximately HK\$50.8 million) respectively.

CONTINGENT LIABILITIES AND COMMITMENTS

As at 31 March 2017,

- (a) the Group did not have any material contingent liabilities or guarantees (31 March 2016: Nil); and
- (b) the Group had operating lease commitments of approximately HK\$6.2 million (31 March 2016: approximately HK\$12.4 million).

CHARGES ON THE GROUP'S ASSETS

No asset of the Group was subject to any charge as at 31 March 2017 (31 March 2016: Nil).

資產負債比率

於二零一七年三月三十一日，本集團淨債務資產負債比率（即淨債務除以權益與淨債務之和）處於穩健水平，約為36.0%（二零一六年三月三十一日：約35.7%）。淨債務包括所有負債減現金及現金等同項目。權益總額包括綜合財務狀況表所列擁有人之股本。

資本開支

本集團於二零一七年度之資本開支包括固定資產及投資物業開支分別約0.3百萬港元（二零一六年度：約3.3百萬港元）及約7.8百萬港元（二零一六年度：約50.8百萬港元）。

或然負債及承擔

於二零一七年三月三十一日，

- (a) 本集團並無任何重大或然負債或擔保（二零一六年三月三十一日：無）；及
- (b) 本集團有經營租賃承擔約6.2百萬港元（二零一六年三月三十一日：約12.4百萬港元）。

抵押本集團資產

於二零一七年三月三十一日，本集團並無就任何資產設立任何押記（二零一六年三月三十一日：無）。

Management Discussion and Analysis (Continued) 管理層討論及分析 (續)

MATERIAL ACQUISITIONS, DISPOSALS AND SIGNIFICANT INVESTMENTS

No major acquisition or disposal was undertaken by the Group during Year 2017 (Year 2016: Nil).

As at 31 March 2017, the Group did not hold any significant investments (31 March 2016: Nil).

EMPLOYMENT AND REMUNERATION POLICY

As at 31 March 2017, the Group had a total of 33 employees (31 March 2016: 35 employees), including Executive Directors. The remuneration and staff cost for Year 2017 were approximately HK\$13.6 million (Year 2016: approximately HK\$8.7 million). The Group's remuneration policy and packages for the Executive Directors and senior management are determined by the remuneration, quality and nomination committee of the Company (the "RQNC") while those for other employees are reviewed and approved by the CEO. The Group remunerates its employees based on industry practice and the performance of each individual. The Group also offers discretionary bonuses, medical insurance and defined contribution retirement plans, and provides a share option scheme for its employees and Executive Directors.

主要收購、出售及重大投資

本集團於二零一七年度內並無進行主要收購或出售(二零一六年度:無)。

於二零一七年三月三十一日,本集團並無持有任何重大投資(二零一六年三月三十一日:無)。

僱員及薪酬政策

於二零一七年三月三十一日,本集團合共有33名僱員(二零一六年三月三十一日:35名),包括執行董事。二零一七年度之薪酬及僱員成本約為13.6百萬港元(二零一六年度:約8.7百萬港元)。本公司之薪酬、素質及提名委員會(「薪酬、素質及提名委員會」)負責釐定本集團執行董事及高級管理人員之薪酬政策及待遇,而行政總裁則負責檢討及批准其他僱員之薪酬政策及待遇。本集團給予僱員之薪酬乃根據業內慣例及僱員個別表現而定。本集團亦向其僱員及執行董事提供酌情花紅、醫療保險及定額供款退休計劃,並設有購股權計劃。

Management Discussion and Analysis (Continued)

管理層討論及分析 (續)

FUTURE OUTLOOK

Attributable to the successful acquisition of a commercial and residential complex in Zhongshan, the PRC (the “**Zhongshan Project**”) in year 2015, the Group has benefited from the impressive price hike in the property market in Zhongshan. The Zhongshan Project, which is owned by the Group, has recorded an accumulative increase in market value of approximately RMB300 million since its acquisition. The success of the Zhongshan Project speaks volumes for the Group’s operating strategy and philosophy all along. The Management believes that by actively seeking property projects with the potential of creating value for the Company, the Group’s income sources will be broadened and the Group’s property investment portfolio will be diversified. As such, the Group will actively look for property projects (including, amongst others, residential, commercial and hotel projects) which are comparable to the Zhongshan Project in second- and third-tier cities in the PRC so as to exploit their potential value.

Under the above operating strategy and philosophy, the Group identified the Weihai Project during Year 2017. If the Acquisition materialises, the Group plans to develop the Weihai Project into a high-end hotel project, comprising three multi-storey hotel complexes to be developed on the land, and the development project is expected to have an aggregate gross floor area of approximately 195,014 square metres upon completion. The Weihai Project is expected to provide over 1,600 hotel suites and 360 parking spaces upon completion. Situated in the easternmost part of Shandong Province of China, the prefecture-level city of Weihai is a major seaport, receiving more than 35 million tourists yearly from all over the world. It was one of the cities featured in Letter No. 1 (2011) of the PRC State Council titled “The Blue Shandong Peninsula Economic Zone Development Plan” * (山東半島藍色經濟區發展規劃), which was a development plan for the peninsula of the Shandong province with a theme of marine economy promulgated by the PRC State Council in year 2011. The Management is of the view that the tourism industry in Weihai has had a rapid growth in recent years, and such rapid growth would also benefit the hotel industry there.

* For identification purpose only

未來展望

至二零一五年度成功收購了一項位於中國中山市的綜合商住項目(「中山項目」),受惠於中山市房地產市場價格大幅上升。本集團擁有的中山項目之市場價值,從收購至今已累積升值了約三億人民幣。中山項目的成功案例,引證了管理層一直以來之經營策略及理念。管理層認為積極物色可為股東提升價值的潛在房地產項目,可以擴大集團的收入來源及使集團的房地產投資組合更多元化。因此,本集團將積極在中國的二三線城市尋找類似中山項目的房地產項目(包括住宅項目、商業項目及酒店項目等),以發掘該等項目本身的潛藏價值。

基於上述經營策略及理念,本集團於二零一七年度覓得威海項目。倘收購事項落實,本集團計劃將威海項目發展成為一個高端酒店項目,包括三幢將於該幅土地上發展的多層酒店大樓,預期發展項目落成後之建築面積合共約為195,014平方米。於竣工後,威海項目預期將提供逾一千六百間酒店套房及逾三百六十個停車位。威海市位於中國山東省最東端之地級市,屬主要海港,每年來自世界各地之旅客人數超過三千五百萬人。於二零一一年,中國國務院頒佈中國國務院國函(2011)1號文件《山東半島藍色經濟區發展規劃》,以海洋經濟為主題發展山東半島,而威海市乃規劃主體區範圍內其中一個城市。管理層認為,威海市旅遊業近年急速增長,當地酒店業一定受惠。

* 僅供識別

Management Discussion and Analysis (Continued) 管理層討論及分析 (續)

Looking forward, the Group will continue its strategy which emphasises business diversification and high value-added operations, further promote business restructuring and improve its business and financial performance by implementing prudent financial management and giving priority to Shareholders' interest. As stated in the Management's future outlook in the Year 2016, several new business models, such as asset management, internet-plus property operation as well as restructuring and reselling property projects, were being scrutinised. Some of the goals set in Year 2016 were realised during Year 2017 as the Group expanded into the new line of financial service business by establishing a wholly-owned subsidiary, namely 冠富資產, in the PRC. 冠富資產 engages in the provision of asset and wealth management and finance advisory services, as well as advisory and matching service with financial institutions targeting property developers and other sectors in need of debt financing. The new business segment has offered a new income stream for the Group, and generated revenue of approximately HK\$8.7 million, which accounted for 72.1% of the total revenue of the Group, during Year 2017. The success of 冠富資產 has driven the Group to make an effort to enhance its capacity of offering integrated financial services. With the Group's solid strength and extensive network in both the PRC and Hong Kong, as well as the pool of talent of the subsidiary who are experienced in the operation of financial markets, the newly-established segment of financial services will likely be an important drive for growth in the Group's future business development.

The Group has laid a solid foundation for its long-term development by adhering to prudent and sound governance principles, emphasising risk management and ensuring asset quality and stable financial resources. Building on its effective risk control, the Group is also carefully planning for its future, actively expanding its operation and striving for new business opportunities. Measures will be taken by the Group at suitable time to adjust its development strategies, realise sustainable growth and achieve continual increase in Shareholders' value.

另外展望未來，發展多元化、高增值業務繼續是本集團的策略重點，本集團將繼續努力推進業務轉型，採取審慎的財務管理方針及以股東利益為先，持續改善業務及財務表現。誠如二零一六年度管理層對未來業務展望時指出，本集團正積極致力研究新業務模式，例如資產管理業務模式、結合房地產和互聯網的經營業務模式及房地產項目之重組及出售的經營業務模式等。二零一六年度部份展望於二零一七年度成功實現，通過本集團在中國成立的一家全資附屬公司（冠富資產），本年度成功開拓了新的金融服務業務。冠富資產提供資產及財富管理及融資顧問服務，為需要債務融資之物業發展商及其他行業提供顧問及與金融機構配對之服務。該新開拓的金融服務業務板塊為集團擴闊了新的收入來源，二零一七年度，此新增業務為本集團帶來約8.7百萬港元收益，佔本集團總收益的72.1%。本集團銳意透過冠富資產，全力提升綜合金融服務的能力。憑藉本集團在中港兩地的穩固實力及廣闊的經營網絡，結合子公司的人才資源及豐富的金融市場運作經驗，新開拓的金融服務業務板塊必將成為本集團未來業務發展的重要增長點。

本集團一直秉持審慎穩健的管治理念，重視風險管理，注意保持資產質量的優良和財政資源的穩定，為集團長遠發展奠定堅實的基石。同時，在有效控制風險的基礎上，慎密部署發展步伐，積極開拓業務，努力發掘新商機。本集團將適時推行措施調整發展策略，實現集團的可持續增長，以不斷提升股東價值。

Executive Directors

Mr. MENG Jin Long (“Mr. Meng”), Chairman of the Board, Chairman of the Executive Committee and Member of the RQNC

Aged 32, Mr. Meng was appointed as a non-executive Director of the Company (a “**Non-executive Director**”) on 27 May 2014. He was re-designated as an Executive Director on 19 September 2014 and is a member of each of the executive committee of the Company (the “**Executive Committee**”) and the RQNC. Mr. Meng was further appointed as the Chairman of the Board (the “**Chairman**”) and the chairman of the Executive Committee on 31 March 2015. He was the CEO during the period from 31 March 2015 to 6 October 2016. He obtained a bachelor’s degree in Business Administration from Jing Qiao University in China.

Mr. Meng joined the Crown Group in May 2012. Before joining the Crown Group, he was a sales manager at a real estate investment company in Beijing. Mr. Meng assisted in land and property development, shopping mall leasing and management and managed the sale and lease of several real estate projects.

Mr. LIU Hong Shen (“Mr. Liu”), Vice Chairman of the Board and Member of the Executive Committee

Aged 57, Mr. Liu was appointed as a Non-executive Director on 27 May 2014 and also appointed as the vice Chairman of the Board on 2 July 2014. He was re-designated as an Executive Director on 1 November 2015 and is a member of the Executive Committee. He obtained a bachelor’s degree in Chinese Literature from Yunnan University in China.

As an entrepreneur, Mr. Liu has many years of experience in commerce, especially in real estate development in both residential and commercial properties. He and his business partners have invested in and developed both residential and commercial properties.

執行董事

孟金龍先生（「孟先生」），董事會主席、執行委員會主席及薪酬、素質及提名委員會成員。孟先生於二零一四年五月二十七日獲委任為本公司非執行董事（「非執行董事」）。彼於二零一四年九月十九日被調任為執行董事並為本公司執行委員會（「執行委員會」），以及薪酬、素質及提名委員會之成員。孟先生於二零一五年三月三十一日進一步獲委任為董事會主席（「主席」）及執行委員會主席。彼於二零一五年三月三十一日至二零一六年十月六日期間曾為行政總裁。彼獲得中國京橋大學工商管理學士學位。

孟先生於二零一二年五月加入皇冠集團。彼於加入皇冠集團前，於北京一間房地產投資公司擔任銷售經理。孟先生協助土地及物業開發、商場租賃及管理，以及管理數項房地產項目之銷售及租賃。

劉紅深先生（「劉先生」），董事會副主席及執行委員會成員

57歲，劉先生於二零一四年五月二十七日獲委任為非執行董事，亦於二零一四年七月二日獲委任為董事會副主席。彼於二零一五年十一月一日被調任為執行董事，並為執行委員會之成員。彼獲得中國雲南大學漢語文學學士學位。

劉先生作為一名企業家於商業尤其是住宅及商業物業之房地產開發方面擁有多年經驗。彼及其業務夥伴一直投資及開發住宅及商業物業。

Directors' Biographies (Continued) 董事簡介 (續)

Mr. YEUNG Man, Simon (“Mr. Yeung”), CEO, Company Secretary and Member of the Executive Committee

Aged 45, Mr. Yeung was appointed as an Executive Director and the chief financial officer on 18 August 2015, and is also a member of the Executive Committee. He was re-designed as CEO on 7 October 2016 and appointed as company secretary of the Company (the “**Company Secretary**”) on 18 March 2017. He graduated from the University of Georgia, the United States of America with a bachelor's degree in Accounting and a bachelor's degree in Finance and Banking.

Mr. Yeung joined the Group in May 2015 as the group vice president to business development, corporate finance, financial management and control. He is an associate member of the Hong Kong Institute of Certified Public Accountants and a member of the American Institute of Certified Public Accountants. Mr. Yeung has over 18 years of experience in corporate finance and financial management and control and has considerable experience in initial public offering, reverse takeover, financial management, corporate finance and auditing. Prior to joining the Company, Mr. Yeung held senior financial management positions in several Hong Kong Main Board listed companies and a PRC private enterprise.

Independent Non-executive Directors

Mr. LONG Tao (“Mr. Long”), Chairman of the Audit Committee and Member of the RQNC

Aged 64, Mr. Long was appointed as an independent Non-executive Director of the Company (an “**Independent Non-executive Director**”) on 27 May 2014 and is the chairman of the audit committee of the Company (the “**Audit Committee**”) and a member of the RQNC. He graduated from Research Institute for Fiscal Science, the Ministry of Finance, majoring in accounting. He holds a master's degree in Economics.

楊敏先生(「楊先生」)，行政總裁、公司秘書及執行委員會成員

45歲，楊先生於二零一五年八月十八日獲委任為執行董事及首席財務官，並為執行委員會之成員。彼於二零一六年十月七日獲調任為行政總裁，並於二零一七年三月十八日獲委任為本公司的公司秘書(「公司秘書」)。彼畢業於美國喬治亞州大學，獲得會計學學士學位以及財務及銀行業學士學位。

楊先生於二零一五年五月加入本集團，擔任本集團業務發展、企業融資、財務管理及監控之副總裁。彼為香港會計師公會會員及美國會計師公會會員。楊先生於企業融資及財務管理及監控擁有逾18年經驗，在首次公開招股上市、反向收購、財務管理、企業融資和審計方面擁有豐富經驗。於加入本公司前，楊先生曾於多間香港主板上市公司及於一間中國民營企業擔任高級財務管理層職位。

獨立非執行董事

龍濤先生(「龍先生」)，審核委員會主席及薪酬、素質及提名委員會成員

64歲，龍先生於二零一四年五月二十七日獲委任為本公司獨立非執行董事(「獨立非執行董事」)，並為本公司審核委員會(「審核委員會」)之主席，以及薪酬、素質及提名委員會之成員。彼畢業於財政部財政科學研究所西方會計專業。彼持有經濟學碩士學位。

Directors' Biographies (Continued) 董事簡介 (續)

Mr. Long is currently the chairman of Beijing Investment Consultants Inc., an independent non-executive director of each of Qingling Motors Co. Ltd., a company whose shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (stock code: 1122), UBS SDIC Fund Management Company Limited, Beijing Whoswho Culture and Media Co., Ltd., Beijing Wangfujing Department Store (Group) Co., Ltd.* (北京王府井百貨(集團)股份有限公司), a company whose shares are listed on the Shanghai Stock Exchange (stock code: 600859) and Aimer Co., Ltd.* (愛慕股份有限公司). In the past three years, Mr. Long has been an independent non-executive director of Beijing North Star Company Limited, a company whose shares are listed on the Main Board of the Stock Exchange (stock code: 588), until retired on 28 May 2015.

He has extensive knowledge and experience in corporate finance, accounting, audit, asset appraisal, enterprise restructuring and listing. Mr. Long had served at the Accountancy Division of Central University of Finance and Economics, and the New York office of KPMG Peat Marwick. He had acted as a member of the Securities Issue and Approval Committee of the China Securities Regulatory Commission and a member of the Chinese Accounting Expert Panel for China-Hong Kong Securities Team.

Mr. REN Guo Hua (“Mr. Ren”), Chairman of the RQNC and Member of the Audit Committee

Aged 59, Mr. Ren was appointed as an Independent Non-executive Director on 27 May 2014 and is the chairman of the RQNC and a member of the Audit Committee. He obtained a bachelor's degree in English and American literature from East China Normal University.

龍先生現任北京海問諮詢有限公司董事長、慶鈴汽車股份有限公司(一間股份於香港聯合交易所有限公司(「聯交所」)主板上市之公司,股份代號:1122)、國投瑞銀基金管理有限公司、中外名人文化傳媒股份有限公司、北京王府井百貨(集團)股份有限公司(一間股份於上海證券交易所上市之公司,股份代號:600859)及愛慕股份有限公司之獨立非執行董事。於過去三年,龍先生曾任北京北辰實業股份有限公司(一間股份於聯交所主板上市之公司,股份代號:588)之獨立非執行董事,直至二零一五年五月二十八日退任為止。

彼於企業融資、會計、審計、資產評估、企業重組及上市方面擁有豐富知識及經驗。龍先生先後任職於中央財經大學會計系及畢馬威會計公司紐約分部。彼曾任中國證券監督管理委員會之股票發行審核委員會委員及中國會計專家組中國與香港證券團隊成員。

任國華先生(「任先生」), 薪酬、素質及提名委員會主席及審核委員會成員

59歲,任先生於二零一四年五月二十七日獲委任為獨立非執行董事,並為薪酬、素質及提名委員會主席,以及審核委員會成員。彼獲得華東師範大學英國及美國文學學士學位。

* For identification purpose only

* 僅供識別

Directors' Biographies (Continued) 董事簡介 (續)

Mr. Ren is currently the senior advisor of StormHarbour Securities (Hong Kong) Limited. He has many years of experience in financial investment products. Mr. Ren served in various global financial institutions and has many years of experience in international banking and investment market. He was a managing director of Greater China Origination in StormHarbour Securities (Hong Kong) Limited and the general manager of Sinolink Financial Leasing Co., Ltd. Before that, Mr. Ren was a managing director and head of capital markets of China region in Standard Chartered Bank Hong Kong and had made valuable contributions to the Debt and Fixed Income business for the bank. In his earlier career, he also served in Commonwealth Bank of Australia Hong Kong, Fleet National Bank Shanghai Representative Office, True Stand Investments Limited (Hong Kong), Bear Stearns and Bank of China.

Mr. CHEN Fang (“Mr. Chen”), Member of the Audit Committee and Member of the RQNC

Aged 57, Mr. Chen was appointed as an Independent Non-executive Director on 27 May 2014 and is a member of each of the Audit Committee and the RQNC. He obtained a graduate degree in Technical Economy from Harbin Institute of Technology in China.

Mr. Chen is currently the president of Beijing GZT Network Technology Inc. He has many years of experience in corporate governance as well as enterprise development and restructuring. Mr. Chen has also established a valuable network in the business communities. He was the Dean of the Institute of IT and Social Development Research of the Chongqing Technology and Business University.

任先生現任思博資本(香港)有限公司高級顧問。彼於金融投資產品方面擁有多年經驗。任先生曾任職於多間全球金融機構，並於國際銀行及投資市場擁有多年經驗。彼曾任思博資本(香港)有限公司之大中華區董事總經理及中達融資租賃有限公司總經理。於此之前，任先生曾擔任渣打銀行香港分行之資本市場部董事總經理及中國區主管，為渣打銀行之債務及固定收益業務作出寶貴貢獻。彼於其早期職業生涯亦曾任職於澳洲聯邦銀行香港分行、富利波士頓銀行上海代表處、True Stand Investments Limited (Hong Kong)、貝爾斯登投資銀行以及中國銀行。

陳放先生(「陳先生」)，審核委員會成員及薪酬、素質及提名委員會成員

57歲，陳先生於二零一四年五月二十七日獲委任為獨立非執行董事，並為審核委員會，以及薪酬、素質及提名委員會之成員。彼獲得中國哈爾濱工業大學技術經濟專業研究生學歷。

陳先生現任北京國政通網路科技有限公司董事長。彼於企業管治、企業發展與重組方面擁有多年經驗。陳先生亦於商界建立寶貴網絡。彼曾擔任重慶工商大學資訊技術與社會發展研究院院長。

CORPORATE GOVERNANCE PRINCIPLES

The Board presents this corporate governance report for inclusion in the Company's annual report for the Year and up to the date of this annual report.

While focusing on its business development with full force, the Company places great effort in upholding its corporate governance standards as we believe good corporate governance is an important component in striving for the highest returns to the Shareholders.

The Company's principles of corporate governance emphasize on a quality Board, sound internal controls, independence, transparency of information and accountability to all stakeholders. Both the Board and the Management are committed to continuously improving corporate governance practices and an ethical corporate culture as the intrinsic value of the Company.

The Company is maintaining a high standard of corporate governance with a view to enhancing the management of the Company as well as preserving the interest of its Shareholders as a whole. The Company has complied with the applicable code provisions set out in the Corporate Governance Code (the "CG Code") and Corporate Governance Report contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), save for the following deviation:

- Pursuant to code provision A.2.1 of the CG Code, the roles of the chairman and the chief executive should be separate and should not be performed by the same individual.

The roles of both the Chairman and CEO were performed by Mr. MENG Jin Long for reasons disclosed in the Company's interim report 2016/2017. In order to satisfy the requirement under code provision A.2.1 of the CG Code, Mr. YEUNG Man, Simon, an Executive Director and the then chief financial officer, was re-designated as the CEO with effect from 7 October 2016 and Mr. MENG Jin Long ceased to act as the CEO from the same date but remains as the Chairman.

企業管治原則

董事會提呈本企業管治報告，以供載入本公司本年度及截至本年報日期之年報內。

在全力發展業務的同時，本公司亦投入大量資源維持其企業管治水平，因為我們相信，良好的企業管治乃為股東爭取最高回報之重要因素。

本公司之企業管治原則強調高素質之董事會、健全之內部監控、獨立性、對所有利益相關人士的資訊透明度及責任承擔。董事會及管理層均承諾持續改善企業管治常規及企業道德文化以成為本公司之內在價值。

本公司維持高標準之企業管治，以提高本公司之管理以及保障股東之整體利益。本公司已遵守聯交所證券上市規則（「上市規則」）附錄十四所載之企業管治守則（「企業管治守則」）及企業管治報告所載之適用守則條文，惟有以下稍有偏離之情況：

- 根據企業管治守則之守則條文A.2.1，主席與行政總裁的角色應有區分，並不應由一人同時兼任。

基於本公司二零一六／二零一七年度中期報告所披露之理由，主席與行政總裁的角色均由孟金龍先生擔任。為滿足企業管治守則之守則條文A.2.1之規定，執行董事兼時任首席財務官楊敏先生已調任為行政總裁，自二零一六年十月七日起生效，而孟金龍先生由同日起不再擔任行政總裁，但仍為主席。

Corporate Governance Report (Continued)

企業管治報告 (續)

THE BOARD

Board Composition

The Board currently comprises a total of six Directors, being three Executive Directors and three Independent Non-executive Directors. The list of Directors is set out in the section headed “Report of the Directors” of this annual report. The Company has also maintained on its website and on the Stock Exchange’s website an updated list of the Directors identifying their role and function and whether they are Independent Non-executive Directors.

The Board is committed to maintaining a balanced composition in terms of its diversity of experience, expertise and independence. The Directors’ biographical information is set out in the section headed “Directors’ Biographies” on pages 15 to 18 of this annual report.

Each Director gives sufficient time and attention to the affairs of the Group. All Directors are required to disclose to the Company at the time of their appointment and annually the number and the nature of offices held in public companies or organizations and other significant commitments with an indication of the time involved.

Save for those as disclosed in the section headed “Directors’ Biographies” of this annual report, the Board members do not have any other financial, business, family or other material/relevant relationships with each other.

Directors’ Continuing Professional Development

Pursuant to code provision A.6.5 of the CG Code, the Directors should participate in continuous professional development to develop and refresh their knowledge and skills. The purpose of the code provision is to get the Directors involved in the Board with an awareness of contribution thereto. Directors are continually updated on the latest development of the Listing Rules, legal and other regulatory requirements to ensure compliance and upkeep of good corporate governance practice. During the Year, all Directors, namely Mr. MENG Jin Long, Mr. LIU Hong Shen, Mr. YEUNG Man, Simon, Mr. LONG Tao, Mr. REN Guo Hua and Mr. CHEN Fang, have participated in appropriate continuous professional development activities by ways of reading materials relevant to the Company’s business or to the Directors’ duties and responsibilities. All Directors have been required to provide the Company their records of training received for the Year.

董事會

董事會組成

董事會現時共有六名董事，由三名執行董事及三名獨立非執行董事組成。董事名單載列於本年報「董事報告」一節。本公司於其網站及聯交所網站登載一份最新董事名單，識別彼等的角色及職能以及彼等是否獨立非執行董事。

董事會承諾在成員中的多元化經驗、專長及獨立性之間，致力維持一個均衡的組合。董事的履歷載列於本年報第15至第18頁之「董事簡介」一節。

各董事付出足夠時間及精神來處理本集團的事務。所有董事須於接受委任時及每年向本公司披露彼等於公眾公司或組織擔任職位的數目及性質，以及其他重大承擔，並提供擔任有關職務所涉及的時間。

除本年報「董事簡介」一節所披露者外，董事會成員之間概無其他財務、業務、家族或其他重大／相關關係。

董事持續專業發展

根據企業管治守則之守則條文A.6.5，董事須參加持續專業培訓，以增進及重溫彼等的知識及技能。守則條文旨在促進董事參與董事會事務，並對董事會作出貢獻。董事持續地獲得上市規則、法律及其他監管規定最新發展的更新資料，以確保彼等遵守及維持良好的企業管治常規。於本年度內，所有董事（即孟金龍先生、劉紅深先生、楊敏先生、龍濤先生、任國華先生及陳放先生）透過閱讀與本公司業務或董事職務及職責相關的資料，參與持續專業發展。所有董事均須向本公司提供彼等於本年度接受培訓的紀錄。

Board Diversity Policy

The Board adopted the board diversity policy on 4 September 2013 which sets out the approaches to achieve diversity on the Board. The Company recognises and embraces the benefits of having a diverse Board to enhance the quality of its performance. Further, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and sustainable development. In designing the Board's composition, board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills and knowledge. All the Directors' appointments will be based on meritocracy, and candidates will be considered against the objective criteria, having due regard to the benefits of diversity on the Board.

Currently, the Board comprises six members coming from various professional backgrounds including property development, accounting and corporate governance, etc. The Board is of the view that the current Board has provided a good balance of skills and experience to the Company and will continue to review its composition from time to time.

The board diversity policy is posted on the website of the Company.

Directors' Nomination and Appointment

Since April 2006, the Company has adopted the "Procedures on Directors' Nomination, Appointment and Re-appointment" which sets out the procedures, processes and criteria to select and recommend candidates for directorship.

Pursuant to the articles of association of the Company (the "**Articles of Association**"), the Board is empowered to appoint a Director to fill a casual vacancy or as an addition to the Board. Shareholders (being two or more Shareholders together holding not less than ten per cent. of the entire issued shares of the Company) are empowered to nominate candidates for directorship and subject to Shareholders' approval at the general meeting of the Company. The RQNC can also nominate candidates for directorship for appointment by the Board. Any Director appointed by the Board during the year shall hold office until the next annual general meeting of the Company (the "**AGM**") and be eligible for re-election.

董事會多元化政策

董事會於二零一三年九月四日採納董事會多元化政策，該政策列明董事會為達致成員多元化所採取之方針。本公司明白並深信董事會成員多元化對提升公司的表現質素裨益良多。此外，本公司視董事會成員日益多元化為支持其達致戰略目標及維持可持續發展之要素。本公司在設定董事會成員組合時，已從多個方面考慮董事會成員多元化，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能及知識。所有董事任命均以用人唯才為原則，並以客觀條件考慮人選，同時會充分顧及董事會成員多元化之裨益。

目前，董事會由六名來自不同專業背景（包括物業發展、會計及企業管治等）之成員組成。董事會認為，現行董事會為本公司提供了均衡技能和經驗，並會繼續不時檢討其成員組合。

董事會成員多元化政策登載於本公司網站上。

董事之提名及委任

自二零零六年四月起，本公司採納《董事提名、委任及重新委任程序》，當中列明篩選及推薦董事人選之程序、過程及標準。

根據本公司之組織章程細則（「組織章程細則」），董事會有權委任董事以填補臨時空缺或增添董事會成員。股東（即共同持有本公司全部已發行股份不少於百分之十之兩名或以上股東）有權提名董事人選，惟須經股東於本公司之股東大會上批准。薪酬、素質及提名委員會亦可提名董事人選供董事會考慮委任。董事會於年內委任之任何董事任職至下屆本公司股東周年大會（「股東周年大會」）並符合資格接受重選。

Corporate Governance Report (Continued)

企業管治報告 (續)

The determination of the emoluments of Directors is based on the duties and responsibilities of the individual Director by reference to the prevailing market conditions.

The Company has purchased directors' and officers' liability insurance for all Directors.

Remuneration of Directors

Particulars of the Directors' remuneration for the Year are set out in Note 14 to the consolidated financial statements.

Board Practices

The Board holds meetings regularly at least four times a year. Additional meetings will be arranged, if and when required. All Directors are given opportunities to include matters in the meeting agenda. Generally, notice of at least 14 days is given for a regular Board meeting. Reasonable notice will be given for all other Board meetings. Minutes are kept by the Company Secretary and available for inspection by the Directors. Directors have separate and independent access to the Company's senior management, and full and unrestricted access to relevant information in a timely manner with appropriate information in such form and of such quality as will enable them to make an informed decision and discharge their duties and responsibilities. The Board has adopted procedures to enable the Directors to seek independent professional advice in appropriate circumstances at the Company's expense, to assist them in performing their duties, as provided in the Company's "Guideline on Independent Professional Advice".

釐定董事酬金之基準以個別董事之職務及職責為基礎，並以當前市況作參考。

本公司已為全體董事購買董事及高級職員責任保險。

董事之薪酬

本年度之董事薪酬詳情載於綜合財務報表附註14。

董事會常規

董事會每年最少舉行四次定期會議，亦會於有需要時安排額外會議。全體董事均有機會在會議議程中加入討論事項。董事會定期會議一般發出至少十四日通知。所有其他董事會會議之通知均於合理時間發出。會議紀錄由公司秘書存置且可供董事查閱。董事可個別及獨立地接觸本公司之高級管理層，亦可全面無限制地適時取得所有合適資料，而資料之形式及質量足以使彼等作出知情決定及履行彼等之職責。董事會已採納多項可使董事於適當情況下尋求獨立專業意見（費用由本公司支付）之程序，以協助彼等履行職務，有關程序載於本公司之《獨立專業意見指引》內。

Corporate Governance Report (Continued) 企業管治報告 (續)

During the Year, ten physical Board meetings were held and the attendance record is set out below:

董事會於本年度內曾舉行十次董事會議，出席紀錄載列如下：

| Directors 董事 | Eligible to Attend 合資格出席次數 | No. of Attendance 出席次數 | Attendance Rate (%) 出席率(%) |
|------------------------------------|----------------------------------|------------------------------|----------------------------------|
| Mr. MENG Jin Long | 10 | 10 | 100 |
| Mr. LIU Hong Shen | 10 | 10 | 100 |
| Mr. YEUNG Man, Simon | 10 | 10 | 100 |
| Mr. LONG Tao | 10 | 9 | 90 |
| Mr. REN Guo Hua | 10 | 9 | 90 |
| Mr. CHEN Fang | 10 | 10 | 100 |
| Mr. ZHU Jin Long ^{Note 1} | 3 | 2 | 67 |

During the Year, the Directors' attendance record at the AGM held on 28 September 2016 (the "2016 AGM") is set out below:

於本年度內，董事出席於二零一六年九月二十八日舉行之股東周年大會（「二零一六年股東周年大會」）之紀錄載列如下：

| Directors 董事 | Eligible to Attend 合資格出席次數 | No. of Attendance 出席次數 | Attendance Rate (%) 出席率(%) |
|------------------------------------|----------------------------------|------------------------------|----------------------------------|
| Mr. MENG Jin Long | 1 | 1 | 100 |
| Mr. LIU Hong Shen | 1 | 1 ^{Note 2 附註2} | 100 |
| Mr. YEUNG Man, Simon | 1 | 1 | 100 |
| Mr. LONG Tao | 1 | 1 ^{Note 2 附註2} | 100 |
| Mr. REN Guo Hua | 1 | 1 | 100 |
| Mr. CHEN Fang | 1 | 1 ^{Note 2 附註2} | 100 |
| Mr. ZHU Jin Long ^{Note 1} | 0 | 0 | N/A 不適用 |

Note:

- Mr. ZHU Jin Long was appointed as an Executive Director and vice Chairman on 7 October 2016 and resigned as an Executive Director and vice Chairman on 31 March 2017.
- Directors attended the 2016 AGM by way of a conference telephone.

附註：

- 祝金龍先生於二零一六年十月七日獲委任為執行董事及副主席，並於二零一七年三月三十一日辭任執行董事及副主席。
- 董事透過會議電話出席二零一六年股東周年大會。

Corporate Governance Report (Continued)

企業管治報告 (續)

Independence

The Company believes that independence brings unbiased judgment and conscience in decision making. The Board currently comprises three Independent Non-executive Directors. One of the Independent Non-executive Directors possesses accounting expertise as required under Rule 3.10(2) of the Listing Rules. The Board received from each Independent Non-executive Director a written confirmation of his independence and was satisfied with his independence as required by the Listing Rules.

According to article 133 of the Articles of Association, one-third of the Directors who served longest on the Board since they were last elected, shall retire but shall be eligible for re-election at the AGM. Pursuant to code provision A.4.2 of the CG Code, every Director shall retire by rotation at least once every three years. The Board will ensure that each Director shall retire by rotation in the above manner in order to comply with the code provisions of the CG Code.

According to article 110 of the Articles of Association, a Director appointed to fill a casual vacancy or as an addition to the Board is subject to re-election by Shareholders at the first AGM after his/her appointment.

Any re-election of an Independent Non-executive Director who has served the Board for more than nine years, should be subject to a separate resolution to be approved by Shareholders.

Relationship

All the Directors do not have any financial, business, family or other material/relevant relationship with one another.

獨立性

本公司相信獨立性可使作出決策時保持中立判斷及良知。董事會現包括三名獨立非執行董事；其中一名具有上市規則第3.10(2)條規定之會計專業知識。董事會已接獲各獨立非執行董事之獨立性確認書，並信納彼等具備上市規則所規定之獨立性。

根據組織章程細則第133條，董事會內三分之一自上次獲選後任職時間最長之董事須於股東周年大會上退任並合資格接受重選。根據企業管治守則之守則條文A.4.2，每名董事須最少每三年輪值退任一次。為遵守企業管治守則內之守則條文，董事會將確保每名董事按上述方式輪值退任。

根據組織章程細則第110條，為填補臨時空缺或增添董事會成員而委任之董事須在彼獲委任後之首次股東周年大會上接受股東重選。

凡服務董事會超過九年之獨立非執行董事，須獲股東以獨立決議案批准方可續任。

關係

全體董事之間不存在任何財務、業務、親屬或其他重大／相關關係。

Corporate Governance Report (Continued)

企業管治報告 (續)

Chairman and CEO

Mr. MENG Jin Long is the Chairman and Mr. YEUNG Man, Simon serves as the CEO. Mr. MENG Jin Long provides leadership for the Board and ensures that the Board worked effectively and all the key and appropriate issues are discussed in a timely manner. Mr. YEUNG Man, Simon is responsible for the Group's business development and day-to-day management generally.

The Chairman also, by attendance to the meetings of the RQNC, met with the Independent Non-executive Directors without the Executive Directors present in the Year.

The responsibilities of the Chairman and the CEO have been clearly defined in the Company's "Guideline on Division of Roles of Chairman and Chief Executive Officer".

Independent Non-executive Directors

Each of the Independent Non-executive Directors has entered into a service agreement with the Company for a term of three years. The term of office is subject to retirement by rotation and re-election in accordance with the Articles of Association and the CG Code.

As equal Board members, the Independent Non-executive Directors give the Board and the Board committees on which they serve the benefit of their skills, expertise and various backgrounds and qualifications through regular attendance and active participation. They make positive contributions to the development of the Company's strategy and policies through independent, constructive and informed comments.

Their attendance to Board, Board committee and general meetings are disclosed in other parts of this Corporate Governance Report.

The Independent Non-executive Directors are identified in all corporate communications that disclose the names of Directors.

主席及行政總裁

孟金龍先生擔任主席，而楊敏先生則為行政總裁。孟金龍先生負責領導董事會，確保董事會有效地運作及適時討論所有重要之適當議題。楊敏先生負責本集團整體之業務發展及日常管理。

於本年度，主席亦藉出席薪酬、素質及提名委員會會議，在並無執行董事列席之情況下與獨立非執行董事會面。

主席及行政總裁之職責範疇已於本公司之《主席及行政總裁角色分工指引》中明確界定。

獨立非執行董事

每名獨立非執行董事已與本公司訂立服務協議，為期三年。彼等於任期內須按照組織章程細則及企業管治守則輪值告退及接受重選。

作為地位平等之董事會成員，獨立非執行董事透過定期出席會議及積極參與事務，以彼等的技能、專長、背景及資歷為董事會及彼等服務的董事委員會帶來裨益。彼等提供獨立、具建設性及知情之評價，對本公司策略及政策發展作出正面貢獻。

彼等出席董事會會議、董事委員會會議及股東大會之紀錄於本企業管治報告其他部分披露。

獨立非執行董事會於所有披露董事姓名之企業通訊中作出識別。

Corporate Governance Report (Continued)

企業管治報告 (續)

Matters Reserved for the Board

The Company's "Guideline on Division of the Roles of the Board and the Management" has set out clearly the roles of the Board and the Management.

Matters reserved for the Board include long term objectives and commercial strategies, corporate and capital structures, financial reporting and controls, internal controls, material contracts, communications, Board memberships, remuneration, delegation of authority, corporate governance matters and policy setting.

The Management is mainly responsible for the execution of the business plans, strategies and policies adopted by the Board and assigned to it from time to time.

BOARD COMMITTEES

The Board has established various committees, including the Executive Committee, the Audit Committee and the RQNC and delegated authority to them for overseeing certain aspects of the Company's affairs. There are clear written terms of reference for the Board committees. Reports of the Board committee meetings are presented to the Board regularly.

Executive Committee

The Executive Committee comprises all the Executive Directors. Currently, the Executive Committee is chaired by Mr. MENG Jin Long and the members are Mr. LIU Hong Shen and Mr. YEUNG Man, Simon.

The Executive Committee is delegated to be responsible for the day-to-day management, administration and operation of the Company and its principal duties are clearly set out in its terms of reference. The delegated functions and work tasks are periodically reviewed.

Audit Committee

The Audit Committee comprises all the Independent Non-executive Directors who possess appropriate business, legal, engineering and financial experience and skills to undertake the review of financial statements in accordance with good practice of financial reporting. Currently, the Audit Committee is chaired by Mr. LONG Tao and the members are Mr. REN Guo Hua and Mr. CHEN Fang.

保留以待董事會處理之事宜

本公司之《董事會及管理層角色分工指引》清晰列明董事會與管理層之角色。

保留以待董事會處理之事宜包括長期目標及商業策略、企業及資本結構、財務匯報及監控、內部監控、重大合約、傳訊、董事會成員、薪酬、授權、企業管治事宜及政策制訂。

管理層主要負責執行董事會採納之商業計劃、策略及政策以及董事會不時指派之工作。

董事委員會

董事會已成立多個委員會，包括執行委員會、審核委員會及薪酬、素質及提名委員會，並賦予各委員會權力以監督本公司若干範疇之事務。各董事委員會均訂有明確書面職權範圍。董事委員會會議之報告會定期提交予董事會。

執行委員會

執行委員會成員包括所有執行董事。目前，執行委員會由孟金龍先生出任主席，成員為劉紅深先生及楊敏先生。

執行委員會獲授權負責本公司日常管理、行政及營運，而其主要職務明確載於其職權範圍。其獲授權能及工作目標將定期檢討。

審核委員會

審核委員會成員包括所有獨立非執行董事，彼等均具備合適的商業、法律、工程及財務經驗與技能，以根據財務匯報良規審閱財務報表。目前，審核委員會由龍濤先生出任主席，成員為任國華先生及陳放先生。

Corporate Governance Report (Continued) 企業管治報告 (續)

The terms of reference of the Audit Committee were revised on 31 March 2016 to reflect the additional responsibility of the Audit Committee arising from the Stock Exchange's amendments to risk management and internal control under the CG Code applicable to listed companies with an accounting period beginning on or after 1 January 2016.

The Audit Committee's main duties, among others, are as follows:

- (1) to recommend to the Board the appointment, re-appointment and removal of the independent auditor of the Company (the "Independent Auditor"), and to approve the remuneration and terms of engagement of the Independent Auditor, and deal with any questions of its resignation or dismissal;
- (2) to review and monitor the Independent Auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards;
- (3) to discuss with the Independent Auditor on the nature and scope of the audit and reporting obligations before the audit commences;
- (4) to develop and implement a policy on engaging Independent Auditor for the provision of non-audit services;
- (5) to monitor the integrity of financial statements and to review the annual report, interim report and financial statements and to review significant financial reporting judgments contained therein, before submission to the Board;
- (6) to review financial control, risk management and internal control systems;
- (7) to discuss the internal control system with the Management to ensure that the Management has performed its duty to have an effective control system, including the adequacy of the resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function;
- (8) to ensure co-ordination between the internal auditors and the Independent Auditors;

審核委員會之職權範圍已於二零一六年三月三十一日修訂，以反映根據會計期間於二零一六年一月一日或之後開始之上市公司適用之企業管治守則，聯交所對風險管理及內部監控之修訂所引致審核委員會須承擔之額外責任。

審核委員會之主要職務 (其中包括) 如下：

- (1) 就本公司獨立核數師 (「獨立核數師」) 之委任、重新委任及撤換向董事會提供推薦建議、批准獨立核數師之酬金及聘用條款，以及處理任何有關其辭任或辭退之問題；
- (2) 按照適用準則審閱及監察獨立核數師是否獨立及客觀，以及審核過程之成效；
- (3) 於審核工作開展前與獨立核數師討論審核性質及範圍以及申報責任；
- (4) 就聘用獨立核數師提供非審核服務制訂政策，並予以執行；
- (5) 於年報、中期報告及財務報表提交予董事會前監察該等報告及報表是否完整，審閱該等報告及財務報表，以及審閱該等報告及報表所載之重大財務申報判斷；
- (6) 檢討財務監控、風險管理及內部監控系統；
- (7) 與管理層討論內部監控系統，確保管理層已履行維持有效監控系統之職務，範圍涵蓋本公司會計和財務申報職能之資源、員工資歷與經驗、培訓計劃及預算是否足夠；
- (8) 確保內部核數師與獨立核數師之間的協調；

Corporate Governance Report (Continued) 企業管治報告 (續)

- (9) to ensure that the internal audit function is adequately resourced and has appropriate standing within the Company, and to review and monitor its effectiveness;
- (10) to review the Independent Auditor's management letters, any material queries raised by the Independent Auditor to Management about accounting records, financial accounts or systems of control and the Management's response; and
- (11) to report to the Board on the matters in code provision C.3.3 of the CG Code.
- (9) 確保內部審核職能的資源充足及於本公司內有適當地位，並檢討及監察其成效；
- (10) 審閱獨立核數師之管理函件、獨立核數師向管理層提出有關會計紀錄、財務賬目或監控系統之任何重大查詢以及管理層回應；及
- (11) 向董事會匯報企業管治守則守則條文C.3.3之事宜。

The Audit Committee held two meetings during the Year and the attendance record is set out below:

審核委員會於本年度舉行了兩次會議，出席紀錄載列如下：

| Directors 董事 | | Eligible to Attend 合資格出席次數 | No. of Attendance 出席次數 | Attendance Rate (%) 出席率(%) |
|-----------------|-------|----------------------------------|------------------------------|----------------------------------|
| Mr. LONG Tao | 龍濤先生 | 2 | 2 | 100 |
| Mr. REN Guo Hua | 任國華先生 | 2 | 2 | 100 |
| Mr. CHEN Fang | 陳放先生 | 2 | 2 | 100 |

Representatives of the Independent Auditor attended both meetings

獨立核數師之代表已出席兩次會議

The main works performed by the Audit Committee during the Year included the review of the Independent Auditor's audit plan, the review of the annual financial statements for the year ended 31 March 2016 and interim financial statements for the six months ended 30 September 2016 with recommendation to the Board for approval. It has also reviewed the adequacy and effectiveness of internal control system, approved the internal audit report and reviewed and recommended the appointment and re-appointment of the Independent Auditor.

於本年度，審核委員會進行之主要工作包括審閱獨立核數師之核數方案、審閱截至二零一六年三月三十一日止年度之年度財務報表及截至二零一六年九月三十日止六個月之中期財務報表，並建議董事會批准。審核委員會亦已檢討內部監控制度是否充足及有效、批准內部核數報告並檢討及建議委任及重新委任獨立核數師。

The Audit Committee has reviewed the Company's audited consolidated results for the Year, including the accounting principles and practice adopted by the Group and recommended to the Board for consideration. The Audit Committee has also recommended the re-appointment of PricewaterhouseCoopers ("PwC"), Certified Public Accountants as the Independent Auditor at the forthcoming AGM.

審核委員會已審閱本公司本年度之經審核綜合業績（包括本集團採納之會計原則及慣例），並向董事會建議以供考慮。審核委員會亦建議於應屆股東周年大會上重新委任羅兵咸永道會計師事務所（「羅兵咸」，執業會計師）為獨立核數師。

RQNC

The RQNC comprises all the Independent Non-executive Directors and one Executive Director. Currently, the RQNC is chaired by Mr. REN Guo Hua and the members are Mr. MENG Jin Long, Mr. LONG Tao and Mr. CHEN Fang.

The RQNC has adopted clear terms of reference which are available on the Company's website and the Stock Exchange's website. Its principal duties are to make recommendations to the Board on the Company's remuneration policy and structure for all Directors and senior management, and to draw up procedures for formulating an incentive-based remuneration policy. The RQNC is authorised by the Board to determine, with delegated responsibility, the remuneration packages of individual Executive Directors and senior management, and is responsible for making recommendations to the Board on remuneration of Non-executive Directors. No Director or any of his associates will be involved in deciding his own remuneration.

The RQNC is also responsible for reviewing the structure, size and composition of the Board at least annually, assessing the performance of the Executive Directors, assessing the independence of Independent Non-executive Directors, identifying individuals suitably qualified to become Board members, determining the policy for the nomination of the Directors, and make recommendations to the Board on the appointment or re-appointment of Directors.

In determining the Company's remuneration policy, the RQNC considers, among other things, salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group.

The RQNC also reviews and approves compensation payable to Executive Directors and senior management for any loss or termination of office or appointment to ensure it is consistent with contractual terms or is otherwise fair and not excessive.

The Company provides the RQNC with sufficient resources to perform its duties. Where necessary, the RQNC will engage independent professional advice at the Company's expense.

薪酬、素質及提名委員會

薪酬、素質及提名委員會由全體獨立非執行董事及一名執行董事組成。目前，薪酬、素質及提名委員會由任國華先生出任主席，成員為孟金龍先生、龍濤先生及陳放先生。

薪酬、素質及提名委員會有明確職權範圍，有關職權範圍可於本公司網站及聯交所網站查閱。薪酬、素質及提名委員會之主要職務為就本公司所有董事及高級管理人員之薪酬政策及架構向董事會提供推薦建議，並就制定以獎勵為基礎之薪酬政策設立程序。薪酬、素質及提名委員會獲董事會授予職權，專責釐定個別執行董事及高級管理人員之薪酬待遇，同時負責就非執行董事之薪酬向董事會提供推薦建議。董事或其聯繫人不得參與釐定本身之薪酬。

薪酬、素質及提名委員會亦負責最少每年檢討董事會架構、規模及成員組合，評估執行董事之表現，評估獨立非執行董事之獨立性，物色具備適當資格之人士擔任董事會成員，釐定董事提名政策，並就委任或重新委任董事向董事會提供推薦建議。

於釐定本公司之薪酬政策時，薪酬、素質及提名委員會考慮之因素包括可資比較公司支付之薪金、所投放之時間及職責以及本集團其他職能之僱傭條件。

薪酬、素質及提名委員會亦會審閱及批准就執行董事及高級管理人員離職或終止職務或任命而應付予彼等之補償，確保補償符合合約條款，屬公平且金額不會過高。

本公司向薪酬、素質及提名委員會提供充足資源以履行其職務。如有需要，薪酬、素質及提名委員會將徵詢獨立專業意見，費用由本公司承擔。

Corporate Governance Report (Continued)

企業管治報告 (續)

During the Year, the RQNC held two meetings and the attendance record is set out below:

| Directors | | Eligible to Attend | No. of Attendance | Attendance Rate (%) |
|-------------------|-------|--------------------|-------------------|---------------------|
| 董事 | | 合資格出席次數 | 出席次數 | 出席率(%) |
| Mr. REN Guo Hua | 任國華先生 | 2 | 2 | 100 |
| Mr. MENG Jin Long | 孟金龍先生 | 2 | 2 | 100 |
| Mr. LONG Tao | 龍濤先生 | 2 | 2 | 100 |
| Mr. CHEN Fang | 陳放先生 | 2 | 2 | 100 |

於本年度，薪酬、素質及提名委員會舉行了兩次會議，出席紀錄載列如下：

The main works performed by the RQNC during the Year included review of the structure, size and composition of the Board, making recommendations on the appointment and re-appointment of Directors and the assessment of the independence of Independent Non-executive Directors.

於本年度，薪酬、素質及提名委員會進行之主要工作包括檢討董事會架構、規模及成員組合、就委任及重新委任董事提出推薦建議，以及評估獨立非執行董事之獨立性。

CORPORATE GOVERNANCE

The Board is entrusted with the overall responsibility to maintain a good standard of corporate governance practices and business ethics within the Group under the terms of reference of the corporate governance function.

企業管治

董事會獲委以整體責任，根據企業管治職能之職權範圍在本集團內維持良好企業管治常規及業務操守水平。

Corporate Governance Functions

The Board is responsible for determining the policy for the corporate governance of the Company, and performing the corporate governance duties including:

企業管治職能

董事會負責釐定本公司之企業管治政策及履行企業管治職務，包括：

- | | |
|--|--------------------------------|
| (1) to develop and review the Company's policies and practices on corporate governance; | (1) 制訂及檢討本公司之企業管治政策及常規； |
| (2) to review and monitor the training and continuous professional development of the Directors and senior management; | (2) 檢討及監察董事及高級管理人員之培訓及持續專業發展； |
| (3) to review and monitor the Company's policies and practices in compliance with legal and regulatory requirements; | (3) 檢討及監察本公司符合法律及監管規定方面之政策及慣例； |

Corporate Governance Report (Continued)

企業管治報告 (續)

- (4) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and the Directors; and
- (5) to review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report as required under the Listing Rules.
- (4) 制訂、檢討及監察適用於僱員及董事之操守準則及合規手冊(如有);及
- (5) 檢討本公司遵守企業管治守則之情況及上市規則規定之企業管治報告之披露事項。

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Board has adopted its own code of conduct regarding securities transactions by Directors (the “**Securities Code**”) on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) contained in Appendix 10 to the Listing Rules. Having been made specific enquiries by the Company, the Directors have confirmed compliance with the Securities Code in their securities transactions during the Year.

INDEPENDENT AUDITOR

The audited consolidated financial statements of the Group for the Year were audited by PwC whose term of office will expire at the conclusion of the forthcoming AGM. The Audit Committee has recommended to the Board that PwC be nominated for re-appointment as the Independent Auditor at the forthcoming AGM.

PwC provides an annual audit assurance on the Company's financial statements. It is the responsibility of the Independent Auditor to form an independent opinion, based on its audit, on the financial statements and to report its opinion solely to the Shareholders, as a body, in accordance with section 405 to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the “**Companies Ordinance**”). The Audit Committee is obliged to ensure continuing Independent Auditor's objectivity and safeguard independence.

For the Year, audit services fee amounted to approximately HK\$1,250,000.

董事進行證券交易之標準守則

董事會已就董事進行證券交易採納自身之行為守則(「證券守則」),其條款不遜於上市規則附錄十所載之上市發行人董事進行證券交易的標準守則(「標準守則」)規定之標準。根據本公司作出之特定查詢,董事已確認彼等於本年度內進行證券交易時已遵守證券守則。

獨立核數師

本集團本年度之經審核綜合財務報表已由羅兵咸審核,其任期將於應屆股東周年大會結束時屆滿。審核委員會建議董事會提名羅兵咸於應屆股東周年大會上獲重新委任為獨立核數師。

羅兵咸為本公司之財務報表提供年度審核保證。獨立核數師之責任是根據審核之結果,對財務報表提出獨立意見,並按照公司條例(香港法例第622章)(「公司條例」)第405條僅向整體股東報告其意見。審核委員會負責確保獨立核數師持續客觀及保證獨立。

於本年度,審核服務費用約為1,250,000港元。

Corporate Governance Report (Continued)

企業管治報告 (續)

DIRECTORS' AND INDEPENDENT AUDITOR'S RESPONSIBILITIES

The Directors are responsible for overseeing the preparation of financial statements for each financial period to ensure that such financial statements give a true and fair view of the state of affairs of the Group and of the results and cash flows for that period. The Company's financial statements are prepared in accordance with all relevant statutory requirements and applicable accounting standards. The Directors are responsible for ensuring that appropriate accounting policies are selected and applied consistently; and that judgment and estimates made are prudent and reasonable.

There are no material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

PwC, the Independent Auditor, has presented its responsibilities in the Independent Auditor's Report in respect of the Company's consolidated financial statement for the Year as set out on pages 62 to 69 of this annual report.

INTERNAL CONTROLS AND RISK MANAGEMENT

The Board has overall responsibility for internal controls and reviewing its effectiveness. Policies and procedures are in place to ensure that assets are adequately protected against unauthorised use or disposal and that the interests of Shareholders are safeguarded. The systems in place are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable but not absolute assurance against material misstatement or loss.

The Board maintains an organizational structure with clearly defined levels of responsibility and authority and appropriate reporting procedures. The Board meets regularly and has a schedule of matters that are brought to it for decision in order that effective control over strategic, financial, operational and compliance issues can be maintained.

董事及獨立核數師之責任

董事負責監察各財政期間財務報表之編製工作，以確保該等財務報表可真實公正地反映本集團於該期間之事務狀況、業績及現金流量。本公司財務報表乃根據所有相關法定要求及適用會計準則編製。董事負責確保選用及貫徹應用適當之會計政策，以及所作判斷及估計均屬審慎及合理。

概無存在任何涉及可能對本公司持續經營能力產生重大疑問之事件或情況之重大不明朗因素。

獨立核數師羅兵咸於本年報第62至69頁所載有關本公司本年度之綜合財務報表之獨立核數師報告內列述彼等之責任。

內部監控及風險管理

董事會全權負責內部監控及檢討其效益。本公司設有一套政策及程序確保資產獲得充份保障，防止未經授權使用或出售資產，並確保股東利益獲得保障。本公司實施了專門用以管理（而非消除）未能達成業務目標風險之制度，該制度只能為防止出現重大錯誤陳述或虧損提供合理（而非絕對）之保證。

董事會維持組織架構，明確界定職責及職權程度及合適之報告程序。董事會定期舉行會議並訂明提交其決定之事宜之時間表，以保持有效監控策略、財務、營運及遵守法規事宜。

Corporate Governance Report (Continued)

企業管治報告 (續)

To enable the Company to discharge its annual review responsibilities pursuant to code provision C.2.1 of the CG Code, the Company has reviewed the need for an internal audit function since April 2006 and considered it appropriate to continue with the practice of outsourcing the internal audit functions. Accordingly, the Company has engaged an external professional internal control consultant firm (the “**Internal Control Consultant**”) to provide internal audit services to the Group on an annual basis.

The Internal Control Consultant has conducted evaluation and tests in connection with the following management’s assertions for the Year:

- (1) the system of internal control of the Group is effective;
- (2) the risk management process of the Group is effective; and
- (3) effective internal controls are maintained to safeguard the Group’s assets.

The Internal Control Consultant also formulates the annual internal audit plan and procedures, conducts periodic independent reviews on the operations of each division to identify any irregularities and risks, develops action plans and makes recommendations to address the identified risks, and report to the Audit Committee on any key findings and progress of the internal audit process. The Audit Committee, in turn, reports to the Board on any material issues and makes recommendations to the Board.

In strict compliance with the requirements of code provision C.2.1 of the CG Code, the Directors keep reviewing the internal control system of the Group and further improve the system with respect to financial control, operational control, compliance control and risk management on top of the comprehensive review of the internal control system conducted under the guidance of the Board. In addition, this review also considers the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company’s accounting and financial reporting function.

The Company will continue, where necessary, to improve its internal control system and strengthen its risk management capability.

為確保本公司能履行根據企業管治守則之守則條文C.2.1所規定之年度審閱責任，本公司自二零零六年四月起檢討內部審核職能需求，認為繼續外聘進行內部審核職能之常規屬適當。因此，本公司已委聘一家外聘專業內部監控顧問公司（「內部監控顧問」），每年向本集團提供內部核數服務。

於本年度，內部監控顧問已進行有關下列管理層聲明之評估及測試：

- (1) 本集團之內部監控制度為有效；
- (2) 本集團之風險管理程序為有效；及
- (3) 已為保障本集團資產維持有效之內部監控。

內部監控顧問亦制訂年度內部審核計劃及程序，定期獨立檢討每個部門之營運，以識別任何違規活動及風險，發展行動計劃及提出推薦建議，以應對所識別之風險，並向審核委員會報告任何關鍵發現及內部審核過程之進度。審核委員會向董事會報告任何重大事項並向董事會提出推薦建議。

為嚴格遵守企業管治守則之守則條文C.2.1規定，在董事會指引下，董事在全面檢討內部監控制度之基礎上，繼續審閱本集團內部監控制度，進一步完善有關財務監控、營運監控、合規監控及風險管理之制度。此外，董事之審閱亦會考慮本公司會計及財務匯報職能方面的資源、員工資歷及經驗是否足夠，以及培訓課程及有關預算是否充足。

本公司將持續於必要時改善其內部監控制度及強化風險管理功能。

Corporate Governance Report (Continued)

企業管治報告 (續)

COMPANY SECRETARY

Mr. YEUNG Man, Simon was appointed by the Board as the Company Secretary with effect from 18 March 2017 in place of Mr. KWOK Siu Man (“Mr. Kwok”). Mr. Kwok was the Company Secretary during the period from 13 November 2013 to 17 March 2017. Mr. Kwok was nominated by Boardroom Corporate Services (HK) Limited (“Boardroom”) and approved by the Board to assume such office and Boardroom had been providing certain corporate secretarial services to the Company pursuant to an engagement letter entered into between the Company and Boardroom. The primary person at the Company with whom Mr. Kwok had been contacting in respect of company secretarial matters was Mr. YEUNG Man, Simon (an Executive Director and the CEO).

The Company Secretary is responsible to the Board, and all Directors have access to the Company Secretary, for ensuring that the Board procedures, applicable laws, rules and regulations are followed. The Company Secretary is also responsible for ensuring that the Board is fully apprised of the relevant corporate governance developments relating to the Group.

Both Company Secretaries complied with the professional training requirement under Rule 3.29 of the Listing Rules during the Year.

SHAREHOLDERS’ RIGHTS AND INVESTOR RELATIONS

The general meetings shall be convened by the Directors on the requisition of Shareholders pursuant to section 566 of the Companies Ordinance.

The Directors are required to call a general meeting if the Company has received requests to do so from Shareholders representing at least 5% of the total voting rights of all the Shareholders having a right to vote at general meetings. A request must state the general nature of the business to be dealt with at the meeting, and may include the text of a resolution that may properly be moved and is intended to be moved at the meeting. Requests may consist of several documents in like form. A request may be sent to the Company in hard copy form or in electronic form, and must be authenticated by the person or persons making it.

公司秘書

楊敏先生獲董事會委任為公司秘書，自二零一七年三月十八日起生效，以接替郭兆文先生（「郭先生」）。郭先生於二零一三年十一月十三日至二零一七年三月十七日期間為公司秘書。郭先生獲寶德隆企業服務（香港）有限公司（「寶德隆」）提名並獲董事會批准擔任該職務，而寶德隆一直根據本公司與寶德隆訂立之委聘函向本公司提供若干企業秘書服務。郭先生就公司秘書事宜而聯絡之本公司主要人員為楊敏先生（執行董事兼行政總裁）。

公司秘書對董事會負責，而全體董事均可接觸公司秘書，確保遵守董事會程序、適用法例、規則及法規。公司秘書亦負責確保董事會已充分掌握有關本集團之企業管治發展。

兩名公司秘書於本年度已遵守上市規則第3.29條之專業培訓規定。

股東權利及投資者關係

根據公司條例第566條，董事須應股東要求召開股東大會。

倘本公司接獲股東要求召開股東大會，而該等股東之投票權佔有權於股東大會上投票之全體股東之總投票權最少5%，則董事須召開股東大會。有關要求必須列明於會上處理之一般事務性質，並可包含於會上可能正式動議及擬動議之決議案全文。要求可由形式類似之多份文件組成。要求可以實體或電子形式寄發予本公司，且必須由發出人認證。

Corporate Governance Report (Continued) 企業管治報告 (續)

The Company arranges for the notice to Shareholders to be sent for annual general meetings at least 20 clear business days before the meeting and to be sent at least 10 clear business days for all other general meetings.

For putting forward proposals at any general meeting or enquiries to the Board, Shareholders shall do so in writing to the Company Secretary. The letter shall state clearly the identity of the Shareholder, the amount of shareholding, correspondence address and telephone number, and the related suggestions and enquiries. The Company shall, in a reasonable and practicable manner, pass the said matter to the Board and respond according to the situation.

In addition, the Company may receive letters or phone enquiries from Shareholders from time to time, and the Company will, in a reasonable and practicable manner, respond as quickly as possible. For matters concerning the Company's shares and basic information of announcements, enquiries shall be put forward to the Company whose contact particulars are as follows:

Address: Suite 902, 9th Floor, Central Plaza, 18 Harbour Road,
Wanchai, Hong Kong
Tel: (852) 3168 2588
Fax: (852) 3168 2599
Office Hours: 9:00 a.m. to 6:00 p.m.
Monday to Friday (except public holidays)

The rights of Shareholders and the procedures for demanding a poll on resolutions at general meetings are contained in the Articles of Association. Details of such rights to demand a poll procedure are included in all relevant circulars to Shareholders and will be explained during the proceedings of meetings.

Poll results will be posted on the respective websites of the Stock Exchange and the Company following each general meeting.

本公司安排於股東周年大會舉行前最少20個完整營業日向股東發送大會通告，而所有其他股東大會的通知期則為大會舉行前最少10個完整營業日。

為於股東大會上提呈建議或向董事會提出查詢，股東可以書面向公司秘書作出。函件須清楚列明股東身份、持股量、通訊地址、電話號碼以及相關建議及查詢。本公司將以合理及實際可行方式將所述事宜轉交董事會，並視情況作出回應。

此外，本公司可能不時接獲股東以函件或電話作出之查詢，而本公司將以合理及實際可行方式儘快回應。至於有關本公司股份及公佈基本資料之事宜，則須將有關查詢寄發至本公司，其聯絡資料如下：

地址：香港灣仔港灣道18號
中環廣場9樓902室
電話：(852) 3168 2588
傳真：(852) 3168 2599
辦公時間：星期一至星期五
(公眾假期除外)
上午九時正至下午六時正

組織章程細則載有股東要求於股東大會上就決議案投票表決之權利及程序。要求投票表決之權利之程序詳情載於每份致股東之通函，並在大會進行期間加以解釋。

投票表決之結果將會在各股東大會舉行後登載於聯交所及本公司各自之網站。

Corporate Governance Report (Continued) 企業管治報告 (續)

The general meetings of the Company provide a forum for communication between the Shareholders and the Board. Mr. MENG Jin Long, an Executive Director who is also the Chairman, attended the 2016 AGM. The chairmen of the Audit Committee, the RQNC and the Independent Board Committee (where applicable), or in their absence, other members of the respective committees, are available to answer questions at the Shareholders' meetings.

The Company continues to enhance communications and relationship with its investors. Designated senior management maintains regular dialogues with institutional investors and analysts to keep them abreast of the Company's developments. Enquiries from investors are dealt with in an informative and a timely manner.

Currently, investors can assess the Company's information through the respective websites of the Stock Exchange and the Company (<http://www.crownicorp.com>).

The Board reviews the above Shareholders' communication policy on a regular basis to ensure its effectiveness.

CONSTITUTIONAL DOCUMENTS

Pursuant to Rule 13.90 of the Listing Rules, the Company has posted its Articles of Association on the respective websites of the Stock Exchange and the Company. During the Year, there was no change in the constitutional documents of the Company.

本公司股東大會為股東與董事會提供一個溝通平台。執行董事孟金龍先生(兼任主席)已出席二零一六年股東周年大會。審核委員會主席、薪酬、素質及提名委員會主席及獨立董事委員會主席(如適用)(如彼等無暇出席,則由個別委員會之其他成員出席)亦會出席股東大會以解答提問。

本公司繼續加強與投資者間之溝通及關係,指派高級管理人員定期與機構投資者及分析員對話,使彼等得悉本公司之最新發展,亦會適時及充份解答投資者之查詢。

目前,投資者可透過聯交所及本公司(<http://www.crownicorp.com>)各自之網站閱覽本公司資料。

董事會定期檢討上述股東通訊政策,以確保其成效。

憲章文件

根據上市規則第13.90條,本公司已於聯交所及本公司各自之網站登載其組織章程細則。於本年度,本公司之憲章文件未有任何修訂。

Environmental, Social and Governance Report

環境、社會及管治報告

ABOUT THIS REPORT

This is the first annual Environmental, Social and Governance report (the “ESG Report”) of the Group in accordance with the ESG reporting guidelines issued by the Stock Exchange (“ESG Reporting Guidelines”). Its purpose is to report the Group’s policies and performance regarding the environment and the society during the Year, and to deepen the communication with the stakeholders.

The ESG Report covers the Group’s environmental and social performance during the Year. The data in the ESG Report are obtained from the relevant departments of the Group and its stakeholders. We welcome and value each of your feedback. If you have any questions or suggestions regarding this ESG Report, please feel free to contact us at:–

Address: Suite 902, 9th Floor, Central Plaza, 18 Harbour Road,
Wanchai, Hong Kong

Telephone: +852 3168 2588

E-mail: info@crownicorp.com

OUR PHILOSOPHY IN ESG

The Group fully understands the importance of protecting the earth, our precious planet, and prioritizing environmental and social responsibilities. As a result, in formulating our business strategies, identifying different potential acquisitions and investments, and fulfilling our business objectives, one of our major criteria is to integrate our considerations in ESG into our day-to-day operations, in order to operate the Group in a sustainable and accountable way.

關於本報告

此乃本集團根據聯交所發出之環境、社會及管治報告指引（「ESG報告指引」）編製之首份年度環境、社會及管治報告（「ESG報告」）。本公司旨在報告於本年度本集團有關環境及社會之政策及表現，以及加深與權益人之溝通。

ESG報告涵蓋本集團於本年度之環境及社會表現。ESG報告中之資料乃從本集團相關部門及其權益人取得。我們歡迎並重視閣下回應之各項意見。如對本ESG報告有任何疑問或建議，請循以下途徑與我們聯絡：

地址：香港灣仔港灣道18號中環廣場
9樓902室

電話：+852 3168 2588

電郵：info@crownicorp.com

我們的ESG理念

本集團深明愛護我們珍貴的地球以及以環境及社會責任為先之重要性。因此，我們於制訂業務策略、物色不同潛在收購及投資項目以及追求業務目標時，將我們在ESG方面之考慮因素融入日常營運之中為一大準則，從而讓本集團以可持續及負責任之方式經營。

Environmental, Social and Governance Report (Continued)

環境、社會及管治報告 (續)

ABOUT THE COMPANY

The principal activities of the Group are (i) property investments, (ii) hotel operations and (iii) financial advisory services.

Property investments and hotel operations segments

During the Year, the Group managed a property portfolio with three properties. The senior management and the investment and strategic development department of the Group has also been actively looking for potential investment projects in the PRC to act for the best interest of the Company and the Shareholders as a whole.

During the Year and as at 31 March 2017, the Group held three properties in its portfolio, which includes a commercial and residential complex in Zhongshan (“**Zhongshan Property**”), a hotel property in Jinggangshan City (“**Jinggangshan Hotel**”), and a commercial building in Yingkou, Liaoning Province (“**Yingkou Building**”). While the Group earned rental income from the Yingkou Building during the Year, the leasing of Yingkou Building is an office-based operation. Meanwhile, both Zhongshan Property and Jinggangshan Hotel were not in operation during the Year, and there were only minor refurbishment and site cleaning for preparation of the rental of Zhongshan Property. As a result, there was no significant environmental impact generated, and we focused our efforts on controlling resource consumption and general waste disposal in the offices located in Yingkou and also in Hong Kong, and also the refurbishment and site cleaning of Zhongshan Property.

Financial advisory services segment

The Group commenced its financial advisory services segment during the Year through its wholly owned subsidiary named 冠富資產. It provides financial advisory services in certain rapidly developing provinces in the PRC by consulting and matching property developers and other businesses in need of debt financing on one hand and financial institutions on the other. As this segment is new to the Group, and is also an office-based operation, similar to the property investments and hotel operations segments, our senior management focuses in environmental protection in our office.

關於本公司

本集團之主要業務為(i)物業投資；(ii)酒店營運；及(iii)金融顧問服務。

物業投資及酒店營運分部

於本年度，本集團管理一個由三項物業組成之物業組合。本集團之高級管理層與投資及策略制訂部門亦一直積極搜尋於中國之潛在投資項目，為本公司及股東之整體最佳利益而努力。

於本年度及於二零一七年三月三十一日，本集團之組合持有三項物業，包括中山市一個綜合商住項目（「中山物業」）、井岡山市一項酒店物業（「井岡山酒店」）及遼寧省營口市一幢商業大樓（「營口大樓」）。於本年度，儘管本集團從營口大樓賺取租金收入，惟出租營口大樓為以辦公室為主之業務營運。與此同時，中山物業及井岡山酒店於本年度並無營運，僅為預備出租中山物業而稍事翻新及場地清掃，因此並無對環境造成重大影響。我們努力專注為營口及香港之辦公室控制資源消耗及一般廢棄物處理，同時為中山物業進行翻新及場地清掃。

金融顧問服務分部

本集團於本年度透過其全資附屬公司冠富資產開展金融顧問服務。冠富資產於中國若干發展迅速之省份提供金融顧問服務，為需要債務融資之物業發展商及其他行業提供顧問及與金融機構配對之服務。由於此分部為本集團所新設，並與物業投資及酒店經營分部相近，屬於以辦公室為主之業務營運，因此，我們的高級管理層專注於辦公室內之環保工作。

Environmental, Social and Governance Report (Continued)

環境、社會及管治報告 (續)

ENVIRONMENTAL PROTECTION

Office resources management

Living in the earth, our precious planet, we are accountable to build a sustainable future for our generations and their generations. The Group believes that everybody, including its employees, should play an important role to protect the earth and its resources, and is committed to upholding high environmental standards to fulfil relevant requirements under applicable laws or ordinances during the operation of the business, including all necessary requirements under the Environmental Protection Law of the People's Republic of China and any environmental legislation in Hong Kong. The main influences on environment in the process of our daily normal operation in our offices are consumption of paper, power and water.

Electricity Consumption

Electricity consumption is the major source of indirect greenhouse gas emission at our offices. During the Year, the Group consumed approximately 219,000 kWh of electricity. The Group sets out several comprehensive guidelines and measures in relation to energy saving to its employees with an aim to minimise the greenhouse gas emissions from purchased electricity. A summary of the guidelines are listed as follows.

In the offices of the Group, we maintain an indoor temperature at an optimal level of 25°C. We clean the air conditioner and ventilation system regularly to reduce unnecessary electricity usage. We install LED lighting system in the offices, and we also encourage the use of natural light. We encourage our employees to turn off all equipment when not in use, especially during lunch hours and after office hours. We highly encourage our employees to make use of modern telecommunication systems, such as telephone or video conferencing system, to minimise travel arrangements. We put notices and signs emphasizing the importance of energy saving in the offices.

保護環境

辦公室資源管理

我們生活在珍貴的地球上，有責任為我們的子孫和後代創建可持續的未來。本集團相信，每個人（包括旗下僱員）均應肩負保護地球及其資源的重任，而本集團致力秉持高水平之環境標準，於經營業務過程中符合適用法例或條例之相關規定，包括中華人民共和國環境保護法及香港所有環境法例下所有必要規定。我們辦公室在日常營運過程中對環境造成之影響主要為耗用紙張、能源及水。

電力消耗

電力消耗為我們的辦公室間接排放溫室氣體之主要來源。於本年度，本集團耗用約219,000千瓦時電力。本集團訂出不同全面節能指引及措施供僱員遵行，旨在盡量減少購電造成之溫室氣體排放量。該等指引概列於下文。

本集團旗下辦公室將室內溫度維持於攝氏25度之理想水平。我們定期清洗空調及抽風系統，從而減少非必要用電。我們在辦公室內裝設LED照明系統，亦鼓勵使用自然光。我們鼓勵僱員關掉所有無人使用之設備，尤其是在午膳時間及辦公時間後。我們大力鼓勵僱員使用現代電子通訊系統，如電話或視像會議系統，藉以盡量減少差旅安排。辦公室內亦張貼強調節能重要性之通告及標誌。

Environmental, Social and Governance Report (Continued)

環境、社會及管治報告 (續)

Non-Hazardous Waste Management

The main wastes are the domestic waste from daily operations, and the domestic sewage generated from staff's daily usage. The Group promotes different environmental friendly measures to reduce disposal of non-hazardous waste (such as used paper) in the Group's offices. We encourage our employees to reduce unnecessary printing and photocopying by using double-sided copying. We also suggest the use of electronic information systems for material sharing or internal administrative documents. We encourage employees to treasure and conserve resources by keeping records of the quantity of stationery and equipment and maintaining a formal purchase requisition system. We also encourage our employees to use proper domestic waste treatment methods, and require employees to dispose of domestic waste to the designated collection containers or places in accordance with the specified location and time. In offices where sorting waste is implemented, we encourage our employees to categorise domestic waste. Employees are prohibited from dumping or stacking domestic waste arbitrarily.

Refurbishment in Zhongshan Property

During the Year, the Group engaged an independent contractor to provide refurbishment and site preparation services in Zhongshan Property. The scope of such services includes cleaning and decoration services such as removal of debris, cleaning of exterior walls and floors, refurbishment of lobbies and other facilities, and decoration and setting of sample rooms. In selecting a third party contractor to perform such duties, the Group took serious consideration in the background, experience and also the environmental protection perspective of the contractor. The contractor selected by us has experiences in handling refurbishment projects in large residential communities in Shenzhen, and the Group was not aware of any material non-compliance with the relevant laws and regulations that has a significant impact relating to air and greenhouse gas emissions, discharges into water and land, generation of hazardous and non-hazardous waste in the past three years. Please refer to the section "Supply Chain Management" below for details of our selection of suppliers.

無害廢棄物管理

主要廢棄物為日常營運中產生之生活廢棄物及員工日常用水產生之生活污水。本集團於辦公室推行不同環保措施，以減少棄置無害廢棄物（如已使用紙張）。我們鼓勵僱員使用雙面打印，減少不必要打印及複印。我們亦建議使用電子資訊系統共用材料及分發內部行政文件。我們鼓勵僱員珍惜及節約資源，記錄文具及設備數量，實行正式採購請求制度。我們亦鼓勵僱員使用恰當生活廢棄物處理方法，並要求僱員按照特定位置及時間將生活廢棄物棄置於指定收集箱或地點。於實行廢棄物分類之辦公室中，我們鼓勵僱員將生活廢棄物分門別類。我們禁止僱員隨意傾倒或堆放生活廢棄物。

翻新中山物業

於本年度，本集團委聘獨立承辦商為中山物業提供翻新及場地準備服務。該等服務之範圍包括清掃及裝修服務，如清除瓦礫、清洗外牆及地板、翻新大堂及其他設施以及裝修及佈置示範單位。於挑選第三方承辦商進行有關工作時，本集團認真考慮承辦商之背景、經驗以及環保方面。我們挑選之承辦商擁有於深圳大型住宅社區處理翻新項目之經驗，而本集團並無發現於過往三年嚴重違反相關法律及法規之情況，而造成涉及排放廢氣及溫室氣體、向水及土地排污、產生有害及無害廢棄物之重大影響。有關我們挑選供應商之詳情，請參閱下文「供應鏈管理」一節。

Environmental, Social and Governance Report (Continued) 環境、社會及管治報告 (續)

During the refurbishment of Zhongshan Property, our site supervisor regularly monitors the progress of the refurbishment conducted by the contractor, and check if there were any toxic and harmful materials used and any contamination of materials. We also checked if the contractors use the necessary equipment in an energy efficient way. We also emphasised the importance of avoidance, reduction, reuse and recycling over disposal when managing wastes during the refurbishment.

中山物業翻新期間，我們的場地監督定期監察承辦商之翻新進度，並查察有否使用任何有毒及有害材料以及任何受污染材料。我們亦已查察承辦商有否以具能源效益之方式使用必要設備。我們在翻新期間管理廢棄物時，亦強調避免棄置、減廢、重用及循環再用之重要性。

CARING FOR EMPLOYEES

The Group considers our employees are the most important asset for our operations and development. We aim to provide a workplace with equal opportunity, harmony, continuous training and prospective career opportunities for each of our employees so as to drive every one of us to work hard and achieve our business objectives and goals.

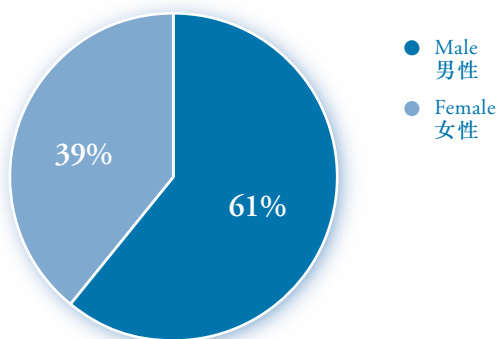
關愛僱員

本集團視僱員為對我們營運及發展最重要的資產。我們務求為每位僱員提供理想工作環境，可享有平等機會、融洽關係、持續培訓及前途得到保證之事業機會，從而推動各位勤奮工作，達成我們之短期及長期業務目標。

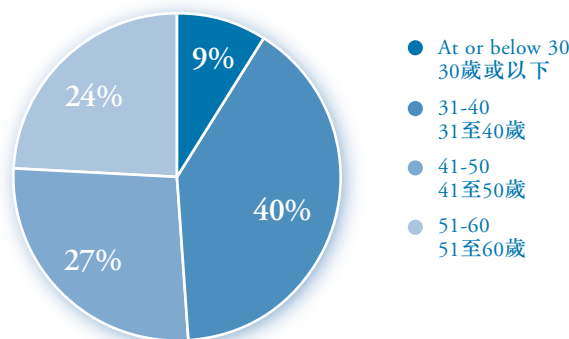
As at 31 March 2017, the Group had a total of 33 employees, including the Executive Directors. The analysis on the Group's employees by gender, age groups, education levels and geographical regions is set out below:-

於二零一七年三月三十一日，本集團共有33名僱員，包括執行董事。本集團按性別、年齡組別、教育水平及地區劃分之僱員分析載列如下：

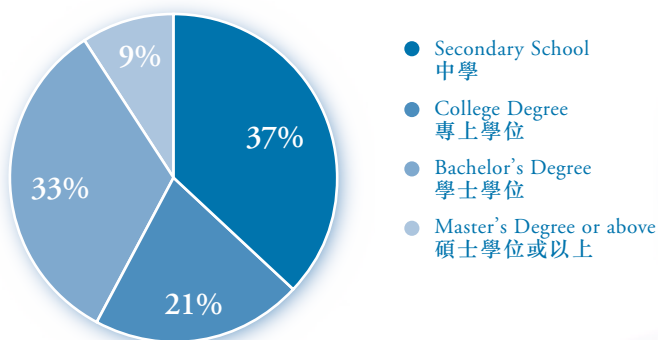
Employees by Gender
按僱員性別劃分



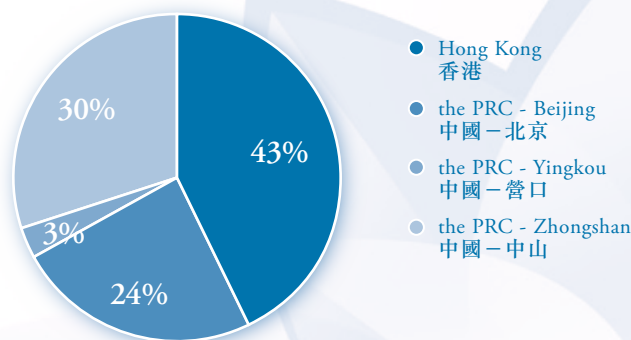
Employees by Age Groups
按僱員年齡組別劃分



Employees by Education Levels
按僱員教育水平劃分



Employees by Geographical Regions
按僱員所在地區劃分



Environmental, Social and Governance Report (Continued) 環境、社會及管治報告 (續)

Our employees are located in Hong Kong and the PRC. The Group complies with labour laws and regulations in Hong Kong and the PRC. The Group respects human rights and discriminations on sex, race, ethnicity, age and religion are strictly prohibited. The Group adopts a non-discriminatory policy in its dismissal, recruitment and promotion of staffs, and focuses only on the applicants' and staffs' qualifications, experience and merits. To ensure fairness, our recruitment process includes centralizing the candidate selection process by the human resources department for Hong Kong recruitment and the general manager for the PRC recruitment, standardizing the interview assessments, and undergoing a strict vetting process for the positions offered. We attach great importance to equal opportunity and transparent promotions. During the Year, there were no cases of child labour or forced labour occurred in the Group, and there were no incidents of discrimination in the Group.

Our compensation, working hours and rest periods are determined by reference to our employees' respective responsibilities, experience, qualifications and performance. Working hours and holiday arrangements strictly comply with the relevant labour laws and regulations.

We place strong emphasis on employee welfare and comply with the relevant provisions of the laws in China and in Hong Kong. We also aim to retain our talents and minimize staff turnover rates. Our remuneration package includes allowances, benefits-in-kind, medical insurance, contributions to pension funds, discretionary bonus, as well as participation in a share option scheme to eligible employees. Packages of each employee are reviewed and adjusted regularly to ensure that they are up to prevailing market standard. The Group remunerates its employees based on industry practice and the performance of each individual. In China, the Group purchases social insurance and housing provident funds for employees and distributes corresponding holiday benefits during holidays such as the Chinese New Year.

We cultivate an atmosphere promoting excellence in the Group. Employees with outstanding performance and capabilities are rewarded with financial incentives such as bonuses and allowances, and/or attractive promotion packages.

我們的僱員位於香港及中國。本集團遵守香港及中國之勞工法律及法規。本集團尊重人權，嚴禁性別、膚色、種族、年齡及宗教歧視。本集團採納之員工解僱、招聘及晉升政策不存在歧視成份，僅着重申請人及員工之資格、經驗及功績。為確保公平，招聘程序包括由人力資源部（就香港招聘而言）及總經理（就中國招聘而言）集中處理挑選程序，以劃一標準評核面試表現，以及為不同職位進行嚴格審查程序。我們極為重視平等機會及晉升透明度。於本年度，本集團並無出現童工或強制勞工情況，亦無發生歧視事件。

我們之補償、工作時數及假期均參考僱員各自之責任、經驗、資格及表現釐定。工作時數及假日安排嚴格遵守相關勞工法律及法規。

我們十分重視僱員福利，遵守中國及香港相關法律條文；同時致力挽留人才，減少員工流失。我們之薪酬待遇包括津貼、實物利益、醫療保險、退休基金供款、酌情花紅及讓合資格僱員參與購股權計劃。各僱員之待遇會定期檢討及調整，以確保符合當前市場標準。本集團按照行業慣例及僱員個人表現釐定僱員薪酬。在中國，本集團為僱員投購社會保險及住房公積金，並於農曆新年等節假日提供相應假日福利。

我們於本集團營造追求卓越之氛圍。僱員如有優異表現及超卓才能，可享有財務獎勵，如花紅、津貼及／或具吸引力之晉升方案。

Environmental, Social and Governance Report (Continued)

環境、社會及管治報告 (續)

Training and Development

The Group believes that the more the development of the potentials of the employees, the more prosperous the Company could grow. As a result, it is one of the Company's missions to place strong emphasis on career development of its employees and provide them with extensive trainings. Based on employees' career development plans and needs, the Group strongly encourages employees to attend any necessary external training courses, workshops and seminars, include job-related skills training, professional skills training and managerial training. We encourage our employees to attend external training courses and participate in professional lectures by providing substantial support to them, such as providing financial support and encouraging employees to take any necessary leave for studying. We also provide continuous professional development trainings to the Directors to enable them to develop and update their knowledge and skills, and monitor the latest information concerning the industry and its development.

Occupational Health and Safety

The Group puts the safety and health of employees as our top priority. Even though the occupational safety and health risks of our Group's office staffs are relatively low, we take safety education and training seriously, and we aim to raise employees' awareness of safety and to prevent accidents especially fire. The Group was not aware of any material non-compliance with the relevant laws and regulations that has a significant impact on the Group relating to providing a safe working environment and protecting employees from occupational hazards during the Year.

發展及培訓

本集團相信，僱員之潛能越能發揮，本公司之發展越見殷實。因此，本公司其中一項使命在於大力扶助僱員事業發展，為彼等提供充實培訓。因應僱員事業發展計劃及需要，本集團極為鼓勵僱員出席必要外部培訓課程、工作坊及研討會，包括職業相關技能培訓、專業技能培訓及管理培訓。我們為僱員提供實質支持，鼓勵僱員出席外部培訓課程及參與專業講座，如提供財務支援，鼓勵僱員享用必要研修假。我們亦為董事提供持續專業發展培訓，讓彼等發展及更新知識及技能，以及緊貼有關行業及其發展之最新資訊。

職業健康與安全

本集團將僱員安全及健康置於首位。儘管本集團辦公室員工面對之職業安全及健康風險偏低，惟我們在安全教育及培訓方面一絲不苟，力求提升僱員安全意識，慎防意外發生，尤其是火災。於本年度，本集團並不知悉曾於提供安全工作環境及保障僱員避免職業性危害方面嚴重違反相關法律及法規，而對本集團造成重大影響。

Environmental, Social and Governance Report (Continued)

環境、社會及管治報告 (續)

SUPPLY CHAIN MANAGEMENT

Suppliers are crucial to our businesses and operations. The Group aims at developing on mutual trust among its suppliers. The Group adheres to international best practices and conducts fair and unbiased tender processes when dealing with suppliers. Our supply chain management includes a supplier selection mechanism with a number of stringent selection criteria subject to the core principles of honesty, integrity, fairness, justice and transparency. Supplier selection is performed by the corresponding operation and office managers, and the Group sets out procurement procedures when dealing with suppliers of goods and services. In supplier selection, the Group conducts thorough due diligence and vetting process by taking into account of a number of selection criteria including pricing, quality of products, company background, past experience and reputation, supply capacity, any non-compliance of local law and regulations on existing business, qualifications attained and financial status. Besides, the Group also expects our major suppliers to understand the importance of environmental protection and social responsibility and put health and safety as one of their core principles in doing businesses. Proper internal control measures are also in place in our procurement system to ensure each supplier engagement is approved by the appropriate level of management.

The Group also monitors the quality of products and services provided by its suppliers on a regular basis. Where the Group discovers that the quality of products and services did not meet our standard, or their services provided was environmental unfriendly and energy inefficient compared to their peers in the market, they will be required to make corrective actions in a timely manner. Otherwise, they may be suspended from any business relationships with us.

供應鏈管理

供應商對我們的業務及營運至為重要。本集團力求與供應商建立互信。本集團與供應商進行業務往還時，緊守國際最佳常規，進行招標程序時亦公平且不偏不倚。我們的供應鏈管理包括供應商挑選機制，設有多項嚴格挑選準則，並謹遵誠信、廉正、公平、公正及透明等核心原則。供應商挑選由相關營運及辦公室經理進行，而本集團亦訂有採購程序，處理向供應商採購貨品及服務之事宜。挑選供應商時，本集團會進行完善盡職調查及審核程序，考慮多項挑選準則，包括定價、產品品質、公司背景、過往經驗及聲譽、供應能力、現有業務有否違反當地法律及法規、所得資格及財務狀況。此外，本集團亦期望主要供應商了解環保及社會責任之重要性，將健康與安全視作營商核心原則之一。我們的採購制度亦已納入妥善內部監控措施，確保每名供應商均經適當級別之管理層批准後委聘。

本集團亦定期監察供應商提供之貨品及服務之質素。倘本集團發現產品及服務質素未能符合標準，或所提供之服務在環保及能源效益方面不及市場上其他同業，則會要求彼等及時作出糾正行動，否則，我們或會暫停與彼等之業務關係。

Environmental, Social and Governance Report (Continued)

環境、社會及管治報告 (續)

PRODUCT RESPONSIBILITY

During the Year, the Group's customers are from our financial advisory services segment, and our Yingkou Building leasing operations. Although there were less than five customers during the Year, our Group values mutually beneficial long standing relationships with them, and we aim at delivering high quality services and products to our customers. Besides, our Group is committed to protecting the information of our tenants. Our employees are strictly prohibited to disclose the Company's information without authorization, including the identity and background and the contract terms with the tenants. We also make timely response to any inquiries and renewal quotations from our tenants.

ANTI-CORRUPTION

To maintain a fair, ethical and efficient business and working environment, the Group stresses great importance to anti-corruption measures to every stakeholder including our employees, suppliers, customers and bankers. Any form of corruption, especially bribery and money laundering is strictly prohibited. We regularly remind our employees not to accept gifts or rebates from suppliers or other stakeholders under any circumstances, and not to receive or accept any gratification from any persons, companies or institutions whom the Group has business dealings with. To our external stakeholders such as suppliers, customers, professional parties and bankers, we are committed to individual and business integrity, adhering to the business ethics of honesty, integrity, fairness, mutual benefit, and customer first. During the Year, there was no non-compliance case noted in relation to bribery and corruption related laws and regulations.

COMMUNITY INVESTMENT

The Group adheres to the belief of "taking from society, and giving back to society". Apart from maintaining sound business development, the Group also actively takes initiatives in community investments by actively involved in the nurturing of talents in both the PRC and Hong Kong. Besides, the Group encourages employees to take part in work-life balance activities and community services, including various culture events, community volunteering, employee outings, and supporting charitable organisations.

產品責任

於本年度，本集團客戶來自旗下金融顧問服務分部及營口大樓租賃業務。雖然本年度客戶不足五名，但是本集團珍視與彼等之長期互惠關係，矢志為客戶提供優質服務及產品。此外，本集團致力保護租戶資料。我們嚴禁僱員在未經授權下披露本公司之資料，包括租戶身份、背景及合約條款。我們亦會迅速回應租戶之查詢及續租報價。

反貪污

為使營商及工作環境維持公平且符合道德及效益，本集團向各位權益人（包括僱員、供應商、客戶及往來銀行）強調防止貪污措施之重要性。一切形式之貪污（尤其是賄賂及洗黑錢）均在嚴禁之列。我們定期提醒僱員無論任何情況均不得接受供應商或其他權益人之餽贈或回扣，亦不得收受與本集團有業務往來之任何人士、公司或機構給予之報酬。對於我們外部之權益人，如供應商、客戶、專業人士及往來銀行，我們承諾在個人及商業方面均以誠相待，恪守誠信、廉正、公平、互惠及以客為先之商業道德。於本年度，我們並無發現任何違反賄賂及貪污相關法律及法規之情況。

社區投資

本集團奉行「取之於社會，用之於社會」理念。除維持完善業務發展外，本集團亦積極參與社區投資，於中國及香港積極培育人才。此外，本集團鼓勵僱員參與工餘活動及社區服務，包括各類文化活動、社區義務工作、僱員聚會及支持慈善團體。

Environmental, Social and Governance Report (Continued)

環境、社會及管治報告 (續)

THE STOCK EXCHANGE ESG CONTENT INDEX

聯交所ESG內容索引

| Index 索引 | The Stock Exchange ESG Reporting Guidelines Index requirements 聯交所ESG報告指引索引規定 | Chapter 章節 |
|---|--|----------------------------------|
| A. Environmental A. 環境 | | |
| A1 Emissions A1 排放物 | | |
| General disclosure 一般披露 | Information on: 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) The policies; and (a) 政策；及 (b) Compliance with relevant laws and regulations that have a significant impact on the issuer, relating to air and greenhouse emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. (b) 遵守對發行人有重大影響的相關法律及規例的資料。 | Environmental Protection 保護環境 |
| KPI A1.5 關鍵績效指標A1.5 | Description of measures to mitigate emissions and results achieved. 描述減低排放量的措施及所得成果。 | |
| A2 Use of Resources A2 資源使用 | | |
| General Disclosure 一般披露 | Policies on the efficient use of resources, including energy, water and other raw materials. 有效使用資源（包括能源、水及其他原材料）的政策。 | Environmental Protection 保護環境 |
| KPI A2.1 關鍵績效指標A2.1 | Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility) 按類型劃分的直接及／或間接能源（如電、氣或油）總耗量（以千個千瓦時計算）及密度（如以每產量單位、每項設施計算）。 – electricity consumption only – 僅耗電 | |
| KPI A2.3 關鍵績效指標A2.3 | Description of energy use efficiency initiatives and results achieved. 描述能源使用效益計劃及所得成果。 | |

Environmental, Social and Governance Report (Continued)

環境、社會及管治報告 (續)

| Index 索引 | The Stock Exchange ESG Reporting Guidelines Index requirements 聯交所ESG報告指引索引規定 | Chapter 章節 |
|--|--|----------------------------------|
| A3 The Environment and Natural Resources A3 環境及天然資源 | | |
| General Disclosure 一般披露 | Policies on minimizing the issuer's significant impact on the environment and natural resources. 減低發行人對環境及天然資源造成重大影響的政策。 | Environmental Protection 保護環境 |
| B. Social B. 社會 | | |
| B1 Employment B1 僱傭 | | |
| General Disclosure 一般披露 | Information on: 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： (a) The policies; and (a) 政策；及 (b) Compliance with relevant laws and regulations that have a significant impact on the issuer, relating to compensation and dismissal, recruitment and promotion, working hours, rest periods equal opportunity, diversity, anti-discrimination and other benefits and welfare. (b) 遵守對發行人有重大影響的相關法律及規例的資料。 | Caring for Employees 關愛僱員 |
| KPI B1.1 關鍵績效指標B1.1 | Total workforce by gender, employment type, age group and geographical region. 按性別、僱傭類型、年齡組別及地區劃分的僱員總數。 | |
| B2 Health and Safety B2 健康與安全 | | |
| General Disclosure 一般披露 | Information on: 有關提供安全工作環境及保障僱員避免職業性危害的： (a) The policies; and (a) 政策；及 (b) Compliance with relevant laws and regulations that have a significant impact on the issuer, relating to providing a safe working environment and protecting employees from occupational hazards. (b) 遵守對發行人有重大影響的相關法律及規例的資料。 | Caring for Employees 關愛僱員 |

Environmental, Social and Governance Report (Continued)

環境、社會及管治報告 (續)

| Index 索引 | The Stock Exchange ESG Reporting Guidelines Index requirements 聯交所ESG報告指引索引規定 | Chapter 章節 |
|---|---|----------------------------------|
| B3 Development and Training B3 發展及培訓 | | |
| General Disclosure 一般披露 | Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。 | Caring for Employees 關愛僱員 |
| B4 Labor Standards B4 勞工準則 | | |
| General Disclosure 一般披露 | Information on: 有關防止童工或強制勞工的： (a) The policies; and (a) 政策；及 (b) Compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor. (b) 遵守對發行人有重大影響的相關法律及規例的資料。 | Caring for Employees 關愛僱員 |
| B5 Supply Chain Management B5 供應鏈管理 | | |
| General Disclosure 一般披露 | Policies on managing environmental and social risks of the supply chain. 管理供應鏈的環境及社會風險政策。 | Supply Chain Management 供應鏈管理 |
| B6 Product Responsibility B6 產品責任 | | |
| General Disclosure 一般披露 | Information on: 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： (a) The policies; and (a) 政策；及 (b) Compliance with relevant laws and regulations that have a significant impact on the issuer, relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress. (b) 遵守對發行人有重大影響的相關法律及規例的資料。 | Product Responsibility 產品責任 |

Environmental, Social and Governance Report (Continued)

環境、社會及管治報告 (續)

| Index 索引 | The Stock Exchange ESG Reporting Guidelines Index requirements 聯交所ESG報告指引索引規定 | Chapter 章節 |
|---|---|------------------------------|
| B7 Anti-Corruption/Bribery B7 反貪污／賄賂 | | |
| General Disclosure 一般披露 | Information on: 有關防止賄賂、勒索、欺詐及洗黑錢的： <ul style="list-style-type: none"> (a) The policies; and (a) 政策；及 (b) Compliance with relevant laws and regulations that have a significant impact on the issuer, relating to bribery, extortion, fraud and money laundering. (b) 遵守對發行人有重大影響的相關法律及規例的資料。 | Anti-Corruption 反貪污 |
| B8 Community Investment B8 社區投資 | | |
| General Disclosure 一般披露 | Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 有關以社區參與來了解營運所在社區需要和確保其業務活動會考慮社區利益的政策。 | Community Investment 社區投資 |

Report of the Directors

董事報告

The Directors submit their report together with the audited financial statements of the Group for the Year.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and provision of management services to subsidiaries. The Group is principally engaged in the business of hotel operation, property investments and provision of financial advisory service in the PRC. The principal activities of the principal subsidiaries of the Company are set out in Note 17 to the consolidated financial statements.

SEGMENT INFORMATION

An analysis by operating segments of the Group's performance, assets and liabilities for the Year is set out in Note 5 to the consolidated financial statements.

RESULTS AND APPROPRIATION

The results of the Group for the Year are set out in the consolidated statement of comprehensive income on page 70 of this annual report.

The Directors do not recommend the payment of a final dividend for the Year (Year 2016: Nil).

MAJOR CUSTOMERS AND SUPPLIERS

For the Year, the turnover attributable to the Group's largest customer was approximately 72% of the Group's total turnover and the aggregate turnover attributable to the Group's five largest customers accounted for approximately 100% of the Group's total turnover.

The Group did not have any purchase recorded for the Year.

None of the Directors, their close associates (as defined in the Listing Rules) or any Shareholder (which to the knowledge of the Directors owns more than 5% of the Company's issued share capital) had any interest in any of the Group's five largest customers or suppliers noted above.

董事提呈本集團本年度之董事報告連同經審核財務報表。

主要業務

本公司之主要業務為投資控股及向附屬公司提供管理服務。本集團主要於中國從事酒店營運、物業投資及提供金融顧問服務之業務。本公司主要附屬公司之主要業務載於綜合財務報表附註17。

分部資料

本集團於本年度按營運分部劃分之業績、資產及負債分析載於綜合財務報表附註5。

業績及分派

本集團於本年度之業績載於本年報第70頁之綜合全面收益表。

董事不建議派發本年度末期股息（二零一六年度：無）。

主要客戶及供應商

於本年度，本集團最大客戶所佔之營業額佔本集團總營業額約72%，而本集團五大客戶所佔之總營業額佔本集團總營業額約100%。

本集團於本年度並無錄得任何採購。

董事、彼等之緊密聯繫人（定義見上市規則）或任何據董事所知擁有本公司已發行股本5%以上之股東概無於上文所述之本集團五大客戶及供應商中擁有任何權益。

Report of the Directors (Continued)

董事報告(續)

DONATIONS

The Group made no charitable donation during the Year (Year 2016: Nil).

PRINCIPAL PROPERTIES

Details of the principal properties for investment purposes are set out in Note 16 to the consolidated financial statements.

RESERVES

Details of movements in the reserves of the Company and the Group during the Year are set out in Note 29 to the consolidated financial statements and in the consolidated statement of changes in equity on page 73 of this annual report, respectively.

The distributable reserves of the Company as at 31 March 2017, calculated under sections 291, 297 and 299 of the Companies Ordinance, amounted to Nil (31 March 2016: Nil).

SHARES ISSUED

Details of the shares issued in the Year are set out in Note 25 to the consolidated financial statements.

DEBENTURES ISSUED IN THE YEAR

No debentures were issued by the Group during the Year.

FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the last five financial years is set out on page 152 of this annual report.

捐款

本集團於本年度並無作出慈善捐款(二零一六年度:無)。

主要物業

作投資用途之主要物業詳情載於綜合財務報表附註16。

儲備

於本年度,本公司及本集團儲備變動之詳情分別載於綜合財務報表附註29及本年報第73頁之綜合權益變動表。

於二零一七年三月三十一日,本公司可供分派儲備按公司條例第291、297及299條計算為零(二零一六年三月三十一日:零)。

已發行股份

本年度之已發行股份詳情載於綜合財務報表附註25。

年內已發行債權證

於本年度,本集團並無發行債權證。

財務摘要

本集團過去五個財政年度之業績及資產與負債摘要載於本年報第152頁。

Report of the Directors (Continued)

董事報告 (續)

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

The Company did not redeem any of the shares of the Company (the “Shares”) listed on the Stock Exchange, nor did the Company or any of its subsidiaries purchase or sell any of the Shares during the Year.

SHARE OPTIONS

The Company adopted a share option scheme on 5 June 2005, which expired on 4 June 2015 (the “Expired Scheme”) and no further options could be granted pursuant to the Expired Scheme.

The Company adopted a new share option scheme (the “New Scheme”) at the AGM held on 25 September 2015, for the purpose of providing incentives or rewards to eligible participants who contribute to the success of the Group's operations. A summary of the principal terms of the New Scheme is set out below:

- (i) Eligible participants of the New Scheme include the Directors, including the Independent Non-executive Directors, other employees of the Group, suppliers of goods or services to the Group, customers of the Group, any consultant, advisor, any person or entity that provides research, development, other technological support or services to the Group, the Shareholders, and any non-controlling shareholder of the Company's subsidiaries.
- (ii) The New Scheme became effective on 25 September 2015 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.
- (iii) The maximum number of Shares which may be allotted and issued upon the exercise of the share options to be granted under the New Scheme is 260,000,000 Shares, representing 10% of the shares in issue of the Company as at the date of approval of the New Scheme.

購買、出售或贖回本公司之上市證券

於本年度，本公司並無贖回任何於聯交所上市之本公司股份（「股份」），而本公司或其任何附屬公司概無購買或出售任何股份。

購股權

本公司於二零零五年六月五日採納之一項購股權計劃已於二零一五年六月四日屆滿（「已屆滿計劃」），並無根據已屆滿計劃進一步授出購股權。

本公司於二零一五年九月二十五日舉行之股東周年大會上採納一項新購股權計劃（「新計劃」），旨在向為本集團業務成功作出貢獻之合資格參與者提供獎勵或回報。新計劃之主要條款概述如下：

- (i) 新計劃之合資格參與者包括董事（包括獨立非執行董事）、本集團其他僱員、本集團之貨品或服務供應商、本集團之客戶、任何向本集團提供研究、開發、其他技術支援或服務之諮詢人、顧問、任何人士或實體、股東及本公司附屬公司之任何非控股股東。
- (ii) 新計劃由二零一五年九月二十五日起生效，除非另行取消或修訂，否則由該日期起之有效期為10年。
- (iii) 根據新計劃將予授出之購股權於獲行使時可能配發及發行之最高股份數目為260,000,000股，佔本公司於批准新計劃當日已發行股份之10%。

Report of the Directors (Continued) 董事報告 (續)

- (iv) The total number of Shares issued and which may fall to be issued upon the exercise of the share options granted under the New Scheme (including both exercised or outstanding share options) to each grantee in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being (the “**Individual Limit**”). Any further grant of share options in excess of the Individual Limit in any 12-month period up to and including the date of such further grant must be separately approved by the Shareholders in general meeting of the Company with such grantee and his/her close associates abstaining from voting.
- (v) The option period during which an option may be exercised in accordance with the terms of the New Scheme at any time shall be a period to be determined and notified by the Directors to each grantee, which period may commence from the offer date, but shall end in any event not later than 10 years from the date of grant of the option subject to the provisions for early termination thereof.
- (vi) Unless otherwise determined by the Directors and stated in the offer to a grantee, there is no minimum period required under the New Scheme for the holding of an option before it can be exercised.
- (vii) A nominal consideration of HK\$1 is payable on acceptance of the grant of an option.
- (viii) The subscription price for the Shares under the New Scheme shall be a price determined by the Directors, but shall not be less than the higher of (a) the closing price of the Shares as stated in the Stock Exchange’s daily quotations sheet for trade in one or more board lots of the Shares on the offer date, which must be a business day; and (b) the average of the closing prices of Shares as stated in the Stock Exchange’s daily quotations for the five business days immediately preceding the offer date.
- (iv) 於任何12個月期間，因根據新計劃向每名承授人授出之購股權（包括已行使或尚未行使之購股權）獲行使而已發行及可予發行之股份總數，不得超過本公司當時已發行股本之1%（「個人限額」）。於截至及包括進一步授出日期止任何12個月期間進一步授出超過個人限額之購股權，必須另行於本公司股東大會上取得股東批准，而有關承授人及其緊密聯繫人須放棄表決權。
- (v) 購股權可根據新計劃之條款於董事決定及知會各承授人之購股權期限內隨時行使。有關期間可由要約日期起開始，惟最遲必須於由授出購股權日期起計10年內終止，且受提早終止條文規限。
- (vi) 除非董事另行決定，並於向承授人提呈之要約註明，否則根據新計劃，並無於行使前須持有購股權之最短期間規定。
- (vii) 接納所授出購股權時須支付1港元象徵式代價。
- (viii) 新計劃所涉股份之認購價由董事釐定，惟不得低於下列較高者：(a) 股份於要約日期（必須為營業日）在聯交所每日報價表所報按一手或多手買賣單位交易之收市價；及(b) 股份於緊接要約日期前五個營業日在聯交所每日報價表所示之平均收市價。

Report of the Directors (Continued) 董事報告 (續)

(ix) The life of the New Scheme is until the tenth anniversary of the adoption date of the New Scheme or the date on which the New Scheme is terminated by resolution of the Shareholders in general meeting, whichever is earlier.

During the Year, no share options were granted, exercised or cancelled or lapsed under the Expired Scheme or the New Scheme and no share options were outstanding as at 31 March 2017.

DIRECTORS

The Directors during the Year and up to the date of this annual report were as follows:

Executive Directors:

Mr. MENG Jin Long

Mr. LIU Hong Shen

Mr. YEUNG Man, Simon

Mr. ZHU Jin Long

(appointed on 7 October 2016 and resigned on 31 March 2017)

Independent non-executive Directors:

Mr. LONG Tao

Mr. REN Guo Hua

Mr. CHEN Fang

Pursuant to article 133 of the Articles of Association, at each AGM one third of the Directors (the number nearest to and less than one-third) who have been longest in office since they were last elected or appointed by the Shareholders shall retire but shall be eligible for re-election.

Accordingly, Mr. LONG Tao and Mr. REN Guo Hua shall retire and, being eligible, offer themselves for re-election at the forthcoming AGM.

(ix) 新計劃之有效期直至採納新計劃當日起計第十周年止，或直至股東於股東大會上以決議案方式終止新計劃當日止（以較早者為準）。

於本年度，概無購股權根據已屆滿計劃或新計劃授出、行使、註銷或失效，而於二零一七年三月三十一日並無尚未行使之購股權。

董事

於本年度及截至本年報日期止之董事如下：

執行董事：

孟金龍先生

劉紅深先生

楊敏先生

祝金龍先生

(於二零一六年十月七日獲委任及於二零一七年三月三十一日辭任)

獨立非執行董事：

龍濤先生

任國華先生

陳放先生

根據組織章程細則第133條，於每屆股東周年大會上，自上次獲選或獲股東委任後任期最長之在任三分之一（最接近並少於三分之一）的董事須退任，惟符合資格重選。

因此，龍濤先生及任國華先生將於應屆股東周年大會上告退，而彼等均符合資格並願意接受重選。

DIRECTORS OF SUBSIDIARIES

The names of all directors who have served on the boards of the subsidiaries of the Company during the Year or during the period from 1 April 2017 to the date of this annual report are available on the website of the Company.

CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of the Independent Non-executive Directors, namely Mr. LONG Tao, Mr. REN Guo Hua and Mr. CHEN Fang, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. At the date of this annual report, the Company considers all of them to be independent.

BIOGRAPHICAL DETAILS OF DIRECTORS

Brief biographical details of the Directors are set out on pages 15 to 18 of this annual report.

DIRECTORS' SERVICE CONTRACTS

The emoluments payable to Directors (including Executive Directors and Independent Non-executive Directors) were determined with reference to their respective job responsibilities and the prevailing market rate for their respective positions in the Group.

None of the Directors proposed for re-election at the forthcoming annual general meeting has a service contract with the Company, which is not determinable by the Company within one year without payment of compensation other than statutory compensation.

PERMITTED INDEMNITY PROVISIONS

The Company has arranged for appropriate insurance cover for Directors' and officers' liabilities in respect of legal actions against its Directors and senior management arising out of corporate activities. The permitted indemnity provision is in force for the benefit of the Directors as required by section 470 of the Companies Ordinance when this report prepared by the Directors is approved in accordance with section 391(1)(a) of the Companies Ordinance.

附屬公司之董事

於本年度內或於二零一七年四月一日至本年報日期期間曾任職本公司附屬公司董事會之全部董事之姓名載於本公司網站。

獨立非執行董事之獨立確認書

本公司已收到各獨立非執行董事龍濤先生、任國華先生及陳放先生根據上市規則第3.13條所發出有關其獨立地位之年度確認函。於本年報日期，本公司認為彼等全部具獨立地位。

董事簡歷

董事簡歷載列於本年報第15至18頁。

董事之服務合約

應付董事（包括執行董事及獨立非執行董事）之酬金乃經參考彼等各自之職責及彼等各自於本集團之職位之當前市場水平後釐定。

擬於應屆股東周年大會上接受重選之董事，概無與本公司訂立任何不得由本公司於一年內不支付賠償（法定賠償除外）而終止之服務合約。

獲准許的彌償條文

本公司已為董事及高級職員安排適當保險，涵蓋董事及高級管理人員因企業活動而招致之法律行動產生之責任。當由董事編製之本報告按照公司條例第391(1)(a)條獲批准時，以董事為受益人獲准許之彌償條文已按照公司條例第470條之規定生效。

Report of the Directors (Continued)

董事報告 (續)

EQUITY-LINKED AGREEMENTS

The Group has not entered into any equity-linked agreements during the Year.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at 31 March 2017 and up to the date of this annual report, none of the Directors, the controlling shareholders or substantial shareholders (as defined in the Listing Rules) of the Company or their respective close associate (as defined in the Listing Rules) was interested in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS

Save as the transactions disclosed in "Related Party Transactions" as set out in Note 27 to the consolidated financial statements, no transactions, arrangements or contracts of significance in relation to the Group's business 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 end of the year or at any time during the Year.

股票掛鈎協議

於本年度內，本集團並無訂立任何股票掛鈎協議。

董事於競爭業務之權益

於二零一七年三月三十一日及截至本年報日期，董事、本公司控股股東或主要股東（定義見上市規則）或彼等各自之緊密聯繫人（定義見上市規則）並無於與本集團業務構成或可能構成直接或間接競爭之任何業務中擁有權益。

董事於交易、安排及合約之利益

除綜合財務報表附註27所載「關聯方交易」所披露之交易外，本公司或其任何附屬公司概無訂立對本集團業務有重大關係之交易、安排或合約，而董事直接或間接於其中擁有重大利益，並且於年終或年內任何時間存續。

MANAGEMENT CONTRACTS

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

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 March 2017, none of the Directors or the chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong (the "SFO")) which were required: (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO; or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code as set out in the Listing Rules.

管理合約

於本年度內，本公司並無訂立或存在有關管理及經營本公司全部或任何主要部分業務之合約。

董事及最高行政人員於本公司及其相聯法團之股份、相關股份及債權證之權益及淡倉

於二零一七年三月三十一日，概無本公司董事或最高行政人員於本公司或其相聯法團（按香港法例第571章證券及期貨條例第XV部所賦予之涵義）之股份、相關股份及債權證中：(a)擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之任何權益或淡倉（包括按證券及期貨條例相關條文彼等被當作或視為擁有之權益及淡倉）；或 (b)根據證券及期貨條例第352條規定須記入該條所述之登記冊之任何權益或淡倉；或 (c)根據上市規則所載之標準守則須知會本公司及聯交所之任何權益或淡倉。

Report of the Directors (Continued) 董事報告 (續)

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 March 2017, the interests or short positions of the corporations or persons, other than the Directors and chief executives of the Company, in the Shares and underlying Shares, as recorded in the register maintained by the Company under section 336 of the SFO were as follows:

主要股東及其他人士於股份及相關股份之權益及淡倉

於二零一七年三月三十一日，按照本公司根據證券及期貨條例第336條存置之登記冊所記錄，除本公司董事及最高行政人員外之公司或人士於股份及相關股份中擁有之權益或淡倉如下：

| Name of Shareholders | Nature of Interests | Notes | Shares/ underlying Shares | Approx. % of total number of issued Shares 佔已發行 股份總數之 概約百分比(%) |
|--|--|-------|---------------------------------|---|
| 股東名稱 | 權益性質 | 附註 | 股份/ 相關股份 | |
| Crown International Corp. Limited ("CIC") 皇冠國際集團有限公司 (「皇冠國際」) | Beneficial owner 實益擁有人 | 1 & 3 | 748,700,000 | 26.17% |
| Crown Landmark Corporation ("CLC") 皇冠置地集團有限公司 (「皇冠置地」) | Beneficial owner 實益擁有人 | 1 & 3 | 1,300,000,000 | 45.45% |
| Crown Landmark Fund L.P. ("CLF") Crown Landmark Fund L.P. (「CLF」) | Interests in a controlled corporation 受控法團之權益 | 1 & 3 | 1,300,000,000 | 45.45% |
| Crown International Fund Corporation ("CIF") Crown International Fund Corporation (「CIF」) | Interests in controlled corporations 受控法團之權益 | 1 & 3 | 1,300,000,000 | 45.45% |

Report of the Directors (Continued) 董事報告 (續)

| Name of Shareholders | Nature of Interests | Notes | Shares/ underlying Shares | Approx. % of total number of issued Shares 佔已發行 股份總數之 概約百分比(%) |
|--|---------------------------------------|-------|---------------------------------|---|
| 股東名稱 | 權益性質 | 附註 | 股份/ 相關股份 | |
| Redstone Capital Corporation ("Redstone") | Interests in controlled corporations | 1 & 3 | 2,048,700,000 | 71.63% |
| Redstone Capital Corporation ("Redstone") | 受控法團之權益 | | | |
| Hung Man (formerly known as Xiong Shu Min) ("Ms. Hung") 熊敏 (前稱熊淑敏) ("熊女士") | Interests in controlled corporations | 1 & 3 | 2,048,700,000 | 71.63% |
| | 受控法團之權益 | | | |
| Good Wealth Holdings Limited ("Good Wealth") | Beneficial owner | 2 & 3 | 260,000,000 | 9.09% |
| Good Wealth Holdings Limited ("Good Wealth") | 實益擁有人 | | | |
| Chai Shanshan ("Ms. Chai") 柴珊珊 ("柴女士") | Interests in a controlled corporation | 2 & 3 | 260,000,000 | 9.09% |
| | 受控法團之權益 | | | |
| Lan Tianfeng ("Ms. Lan") 蘭天鳳 ("蘭女士") | Interests in a controlled corporation | 2 & 3 | 260,000,000 | 9.09% |
| | 受控法團之權益 | | | |

Notes:

附註:

1. 1,300,000,000 Shares were beneficially owned by CLC, which was 100% owned by CLF which in turn was 100% owned by CIF, a wholly-owned subsidiary of Redstone. 748,700,000 Shares were beneficially owned by CIC which in turn was held as to 100% by Redstone. Redstone is solely owned by Ms. Hung. Therefore, by virtue of the SFO, Redstone was deemed or taken to be interested in all the Shares beneficially owned by CLC and CIC and Ms. Hung was deemed or taken to be interested in all the Shares interested or deemed to be interested by Redstone.

1. 該1,300,000,000股股份由皇冠置地實益擁有，而皇冠置地由CLF擁有100%權益。CLF由Redstone之全資附屬公司CIF擁有100%權益。該748,700,000股股份由皇冠國際實益擁有，而皇冠國際由Redstone擁有100%權益。Redstone由熊女士單獨擁有。因此，憑藉證券及期貨條例，Redstone被視為或當作於皇冠置地及皇冠國際實益擁有之全部股份中擁有權益，而熊女士被視為或當作於Redstone擁有或被視為擁有權益之全部股份中擁有權益。

Report of the Directors (Continued)

董事報告 (續)

2. The interests in 260,000,000 Shares were derivative interests which were beneficially owned by Good Wealth which in turn was 62% and 38% owned by Ms. Chai and Ms. Lan, respectively. Therefore, by virtue of the SFO, Ms. Chai and Ms. Lan were deemed or taken to be interested in all the Shares beneficially owned by Good Wealth.
3. All the interests disclosed above represent long position in the Shares and underlying Shares.

CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance practices. Information on the principal corporate governance practices adopted by the Company is set out on pages 19 to 36 in the section headed “Corporate Governance Report” of this annual report.

ENVIRONMENTAL AND SOCIAL MATTERS

The Company’s compliance with the relevant provisions set out in the Environmental, Social and Governance Reporting Guide in Appendix 27 of the Listing Rules for the Year are set out in the section headed “Environmental, Social and Governance Report” on pages 37 to 49 of this annual report.

EVENTS AFTER THE REPORTING PERIOD

Details of significant events after the reporting period are provided in Note 28 to the consolidated financial statements.

BUSINESS REVIEW AND PERFORMANCE

A discussion and analysis of the Group’s performance during the Year, the key factors affecting its results and financial position, the principal risks and uncertainties facing the Company and compliance with laws and regulations are set out in the section headed “Management Discussion and Analysis” of this annual report.

Information about a fair review of, and an indication of likely future development in, the Group’s business is set out in the sections headed “Chief Executive Officer’s Report” and “Management Discussion and Analysis” of this annual report.

In addition, discussion on the Group’s stakeholders’ relationship is set out in the section headed “Management Discussion and Analysis” of this annual report.

2. 該260,000,000股股份之權益為衍生權益，由 Good Wealth 實益擁有，而 Good Wealth 由柴女士及蘭女士分別擁有62%及38%權益。因此，憑藉證券及期貨條例，柴女士及蘭女士被視為或當作於 Good Wealth 實益擁有之全部股份中擁有權益。
3. 上文所披露之所有權益均指股份及相關股份之好倉。

企業管治

本公司致力維持高水平之企業管治常規。本公司採納之主要企業管治常規資料載於本年報之「企業管治報告」一節第19至36頁。

環境及社會事宜

本公司於本年度遵守上市規則附錄二十七所載《環境、社會及管治報告指引》相關條文之情況載於本年報第37至49頁之「環境、社會及管治報告」一節。

報告期後事項

於報告期後發生之重大事項詳情載於綜合財務報表附註28。

業務審視及表現

於本年度，本集團表現之討論及分析、影響本集團業績及財務表現之主要因素、本公司面對之主要風險及不明朗因素以及遵守法律及法規之情況載於本年報「管理層討論及分析」一節。

關於本集團業務之業務審視及相當可能有的未來發展之揭示之資料載於本年報「行政總裁報告」及「管理層討論及分析」各節。

此外，本集團之權益人關係討論載於本年報「管理層討論及分析」一節。

Report of the Directors (Continued)

董事報告 (續)

PARTICULARS OF IMPORTANT EVENTS

Save as disclosed in this annual report, the Board has not identified any important events affecting the Group that have occurred since the end of the Year.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to and within the knowledge of the Directors, there is sufficient public float of more than 25% of the Company's issued shares during the Year and up to the date of this annual report.

INDEPENDENT AUDITOR

The audited consolidated financial statements of the Group for the Year have been audited by PwC who will retire and, being eligible, will offer itself for re-appointment at the forthcoming AGM.

On behalf of the Board

MENG Jin Long

Chairman

Hong Kong, 30 June 2017

重大事件之詳情

除本年報所披露者外，董事會並無發現對本集團有任何重大影響之事件在本年度終結後發生。

公眾持股量充足程度

根據董事從公開途徑所得資料及就彼等所知，於本年度內及直至本年報日期之公眾持股量充足，佔本公司已發行股份25%以上。

獨立核數師

羅兵咸已審核本集團本年度之經審核綜合財務報表。羅兵咸將於應屆股東周年大會上退任，並符合資格且願意獲續聘。

代表董事會

主席

孟金龍

香港，二零一七年六月三十日

Independent Auditor's Report 獨立核數師報告



pwc

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CROWN INTERNATIONAL CORPORATION LIMITED

(incorporated in Hong Kong with limited liability)

OPINION

What we have audited

The consolidated financial statements of Crown International Corporation Limited (the “Company”) and its subsidiaries (the “Group”) set out on pages 70 to 151, which comprise:

- the consolidated statement of financial position as at 31 March 2017;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2017, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

羅兵咸永道

致皇冠環球集團有限公司
(於香港註冊成立之有限公司)
全體股東之獨立核數師報告

意見

我們已審計的內容

皇冠環球集團有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第70至151頁的綜合財務報表,包括:

- 於二零一七年三月三十一日的綜合財務狀況表;
- 截至該日止年度的綜合全面收益表;
- 截至該日止年度的綜合權益變動表;
- 截至該日止年度的綜合現金流量表;及
- 綜合財務報表附註,包括主要會計政策概要。

我們的意見

我們認為,該等綜合財務報表已根據香港會計師公會頒佈的香港財務報告準則真實而中肯地反映了貴集團於二零一七年三月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流動,並已遵照香港公司條例妥為擬備。

Independent Auditor's Report (Continued)

獨立核數師報告(續)

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSAs”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

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

Independence

We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (“the Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

意見的基礎

我們已根據香港會計師公會頒佈的香港審計準則進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

獨立性

根據香港會計師公會頒佈的專業會計師道德守則（以下簡稱「守則」），我們獨立於貴集團，並已履行守則中的其他專業道德責任。

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

Independent Auditor's Report (Continued)

獨立核數師報告(續)

Key Audit Matter

關鍵審計事項

Valuation of investment properties

投資物業的估值

Refer to notes 2.8 and 16 to the consolidated financial statements.

請參閱綜合財務報表附註2.8及16。

The fair values of the investment properties held by the Group were approximately HK\$1,881,563,000 as at 31 March 2017, with a revaluation gain for the year ended 31 March 2017 recorded in fair value adjustments on investment properties of approximately HK\$160,008,000.

於二零一七年三月三十一日，貴集團所持投資物業的公平值約為1,881,563,000港元，截至二零一七年三月三十一日止財政年度投資物業公平值調整錄得的重估盈利約為160,008,000港元。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

Our procedures in relation to the management's assessment of the fair value of the investment properties included:

我們就管理層對投資物業公平值所作評估進行的程序包括：

- Evaluation of the independent external valuer's competence, capabilities and objectivity; and
評價獨立外部估值師的資格、能力及客觀性；

Independent Auditor's Report (Continued)

獨立核數師報告 (續)

Key Audit Matter

關鍵審計事項

Valuation of investment properties (Continued)

投資物業的估值 (續)

Valuations performed by the independent external valuer appointed by management were obtained for all the investment properties to support management's estimated fair values, which were derived using the direct comparison method. The valuations were dependent on certain key assumptions that require significant judgement, including fair market prices of the completed investment properties and construction cost estimates for renovation of one of the investment properties.

管理層已就所有投資物業委任獨立外部估值師並取得估值，以支持管理層使用直接比較法對公平值所作估算。估值取決於若干關鍵假設，需要作出重要判斷，包括在已落成投資物業的公平市價以及翻新其中一項投資物業的估計建築成本。

We focused on this area due to the significance of the investment properties balances and the significant judgement involved in making the key assumptions in determining the valuation.

我們重點關注此領域，是基於投資物業結餘龐大，且於釐定估值時所作關鍵假設涉及重要判斷。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

- Involved our internal valuation expert to discuss with the independent external valuer and assessed the methodologies used and the key assumptions used, including fair market price of the completed investment properties and construction costs estimates. We compared:

安排我們的內部估值專家與獨立外部估值師討論，並評估所用方法及關鍵假設，包括已落成投資物業的現行市價以及估計建築成本。我們已比較：

- (a) the current market price to the publicly available market data of comparable properties in the same location; and

同一地區的可比較物業的現行市價與可得市場數據；及

- (b) the construction costs estimates to the construction contract signed with the contractor by the Group.

估計建築成本與本集團和承建商簽訂的建築合約。

- Checked, on a sample basis, the published external market data for the accuracy of the input data used by the independent external valuer.

抽樣查核已發佈外部市場數據，確保獨立外部估值師所用的輸入數據的準確性。

Based on the procedures performed above, we found the key assumptions used in the management's assessment of the fair value of the investment properties were supported by the available evidence.

基於上述已進行的程序，我們發現管理層對投資物業公平值作出評估時使用的主要假設獲得上述證據支持。

Independent Auditor's Report (Continued)

獨立核數師報告 (續)

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and 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.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee are responsible for overseeing the Group's financial reporting process.

其他信息

貴公司董事須對其他信息負責。其他信息包括年報內的所有信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事及審核委員會就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，董事負責評估 貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將 貴集團清盤或停止經營，或別無其他實際的替代方案。

審核委員會須負責監督 貴集團的財務報告過程。

Independent Auditor's Report (Continued) 獨立核數師報告 (續)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 405 of the Hong Kong Companies Ordinance and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

核數師就審計綜合財務報表 承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向閣下（作為整體）按照香港公司條例第405條報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照香港審計準則進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據香港審計準則進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

Independent Auditor's Report (Continued) 獨立核數師報告 (續)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提醒使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就 貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

除其他事項外，我們與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

Independent Auditor's Report (Continued) 獨立核數師報告 (續)

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Chan Hin Gay, Gabriel.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 30 June 2017

從與審核委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是陳顯基。

羅兵咸永道會計師事務所
執業會計師

香港，二零一七年六月三十日

Consolidated Statement of Comprehensive Income

綜合全面收益表

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

| | | Note 附註 | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|---|--------------------------------------|------------|----------------------------------|----------------------------------|
| Revenue | 收益 | 5 | 12,024 | 3,514 |
| Other gains, net | 其他盈利淨額 | 6 | 272 | 13,595 |
| Waiver of other payables | 豁免其他應付款項 | 7 | 728 | 103,211 |
| Fair value gains on investment properties | 投資物業之公平值盈利 | 16 | 160,008 | 191,330 |
| Reversal of provision for doubtful debts | 呆賬撥備撥回 | 8 | – | 57,221 |
| Staff costs | 僱員成本 | 9 | (13,571) | (8,696) |
| Depreciation | 折舊 | 15 | (1,389) | (1,258) |
| Impairment of goodwill | 商譽減值 | 19 | – | (65,496) |
| Other operating expenses | 其他經營開支 | 10 | (30,012) | (44,287) |
| Operating profit | 經營溢利 | | 128,060 | 249,134 |
| Finance income | 財務收入 | 11 | 3,155 | 1,132 |
| Finance costs | 融資成本 | 11 | (7,915) | (31,502) |
| Finance costs, net | 融資成本淨額 | | (4,760) | (30,370) |
| Profit before income tax | 除所得稅前溢利 | | 123,300 | 218,764 |
| Income tax expense | 所得稅開支 | 12 | (41,960) | (46,498) |
| Profit for the year | 年內溢利 | | 81,340 | 172,266 |
| Other comprehensive loss: | 其他全面虧損： | | | |
| Items that may be subsequently reclassified to profit or loss: | 其後可能重新分類至損益之項目： | | | |
| Currency translation differences | 貨幣換算差額 | | (79,268) | (62,574) |
| Total other comprehensive loss for the year | 年內其他全面虧損總額 | | (79,268) | (62,574) |
| Total comprehensive income for the year | 年內全面收入總額 | | 2,072 | 109,692 |
| Profit attributable to: | 以下各方應佔溢利： | | | |
| Owners of the Company | 本公司擁有人 | | 81,179 | 172,266 |
| Non-controlling interests | 非控股權益 | | 161 | – |
| | | | 81,340 | 172,266 |
| Total comprehensive income attributable to: | 以下各方應佔全面收入總額： | | | |
| Owners of the Company | 本公司擁有人 | | 1,919 | 109,692 |
| Non-controlling interests | 非控股權益 | | 153 | – |
| | | | 2,072 | 109,692 |
| Basic and diluted earnings per share attributable to owners of the Company for the year (expressed in HK cent per share) | 本公司擁有人應佔年內每股基本及攤薄盈利 (以每股港仙呈列) | 13 | 2.84cents 仙 | 6.35cents 仙 |
| Dividends | 股息 | | – | – |

The notes on pages 76 to 151 are an integral part of these consolidated financial statements.

第76至151頁之附註屬本綜合財務報表之一部分。

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 March 2017 於二零一七年三月三十一日

| | | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|--|--------------------|------------|----------------------------------|----------------------------------|
| | | Note 附註 | | |
| ASSETS | 資產 | | | |
| Non-current assets | 非流動資產 | | | |
| Property, plant and equipment | 物業、廠房及設備 | 15 | 4,862 | 8,026 |
| Investment properties | 投資物業 | 16 | 1,881,563 | 1,828,920 |
| Available-for-sale financial assets | 可供出售財務資產 | 18 | 700 | 1,128 |
| Goodwill | 商譽 | 19 | – | – |
| | | | 1,887,125 | 1,838,074 |
| Current assets | 流動資產 | | | |
| Trade receivables | 貿易應收款項 | 20 | 8,475 | – |
| Other receivables, prepayments and deposits | 其他應收款項、 預付款項及按金 | 21 | 3,530 | 49,815 |
| Cash and cash equivalents | 現金及現金等價物 | 22 | 85,289 | 74,563 |
| | | | 97,294 | 124,378 |
| | | | 1,984,419 | 1,962,452 |
| LIABILITIES | 負債 | | | |
| Current liabilities | 流動負債 | | | |
| Other payables and accruals | 其他應付款項及應計負債 | 23 | 30,655 | 27,612 |
| Income tax payable | 應付所得稅 | | 2,082 | – |
| | | | 32,737 | 27,612 |
| Net current assets | 流動資產淨值 | | 64,557 | 96,766 |
| Total assets less current liabilities | 總資產減流動負債 | | 1,951,682 | 1,934,840 |
| Non-current liabilities | 非流動負債 | | | |
| Other payables | 其他應付款項 | 23 | 356,240 | 358,040 |
| Deferred income tax liabilities | 遞延所得稅負債 | 24 | 379,859 | 363,289 |
| | | | 736,099 | 721,329 |
| Net assets | 資產淨值 | | 1,215,583 | 1,213,511 |

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 March 2017 於二零一七年三月三十一日

| | | Note 附註 | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|-----------------------------|--------------|------------|----------------------------------|----------------------------------|
| EQUITY | 權益 | | | |
| Capital and reserves | 資本及儲備 | | | |
| Share capital | 股本 | 25 | 1,309,124 | 1,309,124 |
| Other reserves | 其他儲備 | | (93,694) | (95,613) |
| | | | 1,215,430 | 1,213,511 |
| Non-controlling interests | 非控股權益 | | 153 | – |
| Total equity | 權益總額 | | 1,215,583 | 1,213,511 |

The financial statements on page 70 to 151 were approved by the Board of Directors on 30 June 2017 and were signed on its behalf

第70至151頁之財務報表於二零一七年六月三十日獲董事會批准，並由以下人士代表董事會簽署：

Mr. MENG Jin Long

孟金龍先生

Chairman

主席

Mr. YEUNG Man, Simon

楊敏先生

Chief Executive Officer

行政總裁

The notes on pages 76 to 151 are an integral part of these consolidated financial statements.

第76至151頁之附註屬本綜合財務報表之一部分。

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

| | | Attributable to owners of the Company 本公司擁有人應佔 | | | | | | | |
|---|------------------------------|---|-------------------------|-------------------------|-------------------------|---|-----------------------|---------------------------|-------------------------|
| | | Share capital | Capital reserve | Exchange reserve | Revaluation reserve | (Accumulated losses)/ retained earnings (累計虧損)/ 保留盈利 | Total | Non-controlling interests | Total equity |
| | | 股本 HK\$'000 千港元 | 資本儲備 HK\$'000 千港元 | 匯兌儲備 HK\$'000 千港元 | 重估儲備 HK\$'000 千港元 | 保留盈利 HK\$'000 千港元 | 總額 HK\$'000 千港元 | 非控股權益 HK\$'000 千港元 | 權益總額 HK\$'000 千港元 |
| Balance at 1 April 2016 | 於二零一六年四月一日之結餘 | 1,309,124 | 7,915 | (50,598) | 12,025 | (64,955) | 1,213,511 | - | 1,213,511 |
| Comprehensive income: | 全面收入: | | | | | | | | |
| - Profit for the year | - 一年內溢利 | - | - | - | - | 81,179 | 81,179 | 161 | 81,340 |
| Other comprehensive loss: | 其他全面虧損: | | | | | | | | |
| - Currency translation differences | - 貨幣換算差額 | - | - | (79,260) | - | - | (79,260) | (8) | (79,268) |
| Total comprehensive income | 全面收入總額 | - | - | (79,260) | - | 81,179 | 1,919 | 153 | 2,072 |
| Balance at 31 March 2017 | 於二零一七年三月三十一日之結餘 | 1,309,124 | 7,915 | (129,858) | 12,025 | 16,224 | 1,215,430 | 153 | 1,215,583 |
| Balance at 1 April 2015 | 於二零一五年四月一日之結餘 | 971,402 | 7,915 | 11,976 | 12,025 | (237,221) | 766,097 | - | 766,097 |
| Comprehensive income: | 全面收入: | | | | | | | | |
| - Profit for the year | - 一年內溢利 | - | - | - | - | 172,266 | 172,266 | - | 172,266 |
| Other comprehensive loss: | 其他全面虧損: | | | | | | | | |
| - Currency translation differences | - 貨幣換算差額 | - | - | (62,574) | - | - | (62,574) | - | (62,574) |
| Total comprehensive income | 全面收入總額 | - | - | (62,574) | - | 172,266 | 109,692 | - | 109,692 |
| Transactions with owners in their capacity as owners: | 與擁有人(以其擁有人之身份)進行之交易: | | | | | | | | |
| - Issuance of shares (Note 25) | - 發行股份(附註25) | 337,722 | - | - | - | - | 337,722 | - | 337,722 |
| Total transactions with owners in their capacity as owners | 與擁有人(以其擁有人之身份)進行之交易總額 | 337,722 | - | - | - | - | 337,722 | - | 337,722 |
| Balance at 31 March 2016 | 於二零一六年三月三十一日之結餘 | 1,309,124 | 7,915 | (50,598) | 12,025 | (64,955) | 1,213,511 | - | 1,213,511 |

The notes on pages 76 to 151 are an integral part of these consolidated financial statements.

第76至151頁之附註屬本綜合財務報表之一部分。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

| | Note | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|--|------|----------------------------------|----------------------------------|
| | 附註 | | |
| Cash flows from operating activities | | | |
| Profit before income tax | | 123,300 | 218,764 |
| Adjustments for: | | | |
| Finance costs | 11 | 7,915 | 31,502 |
| Finance income | 11 | (3,155) | (1,132) |
| Depreciation | 15 | 1,389 | 1,258 |
| (Gain)/loss on disposal of property, plant and equipment | 6 | (167) | 310 |
| Gain on de-registration of subsidiaries | 6 | (546) | – |
| Exchange losses | 10 | 9,159 | 26,740 |
| Gain on disposal of subsidiaries | 6 | – | (840) |
| Impairment loss on available-for-sale financial asset | 6 | 441 | – |
| Fair value gains on investment properties | 16 | (160,008) | (191,330) |
| Provision of impairment of goodwill | | – | 65,496 |
| Reversal of provision for impairment of other receivables | 8 | – | (57,221) |
| Recovery of an amount due from VXL Management Services Limited (“VSLMSL”) previously written off | 6 | – | (12,890) |
| Waiver of other payables | 7 | (728) | (103,211) |
| Changes in working capital | | | |
| Changes in trade receivables | | (8,475) | – |
| Change in other receivables, prepayments and deposits | | (167) | 500,015 |
| Change in other payables and accruals | | (3,633) | (22,226) |
| Net cash (used in)/generated from operations | | (34,675) | 455,235 |
| Income tax paid | | – | – |
| Net cash (used in)/generated from operating activities | | (34,675) | 455,235 |

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

| | Note 附註 | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|--|------------|----------------------------------|----------------------------------|
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | | (262) | (3,262) |
| Cash acquired in acquisition of a subsidiary, net of consideration paid | | – | 129 |
| Proceed from disposal of property, plant and equipment | | 2,000 | 250 |
| Repayment of consideration payable | | – | (312,200) |
| Repayment of a loan receivable | | 46,440 | – |
| Proceeds from disposal of subsidiaries | | – | 125,003 |
| Interest received | | 3,155 | 1,132 |
| Net cash generated from/(used in) investing activities | | 51,333 | (188,948) |
| Cash flows from financing activities | | | |
| Transaction cost in relation to issuance of new shares | | – | (278) |
| Repayment of promissory notes | | – | (162,000) |
| Repayment of amount due from VXLMSL | 6 | – | 12,890 |
| Advances made to independent third parties | | – | (83,221) |
| Repayment from independent third parties | | – | 36,801 |
| Interest paid | | – | (7,260) |
| Net cash used in financing activities | | – | (203,068) |
| Net increase in cash and cash equivalents | | 16,658 | 63,219 |
| Cash and cash equivalents at beginning of year | | 74,563 | 34,630 |
| Exchange losses on cash and cash equivalents | | (5,932) | (23,286) |
| Cash and cash equivalents at end of year | 22 | 85,289 | 74,563 |

The notes on pages 76 to 151 are an integral part of these consolidated financial statements.

第76至151頁之附註屬本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 2017 截至二零一七年三月三十一日止年度

1 GENERAL INFORMATION

The principal activities of Crown International Corporation Limited (the “Company”) and its subsidiaries (together with the Company are collectively referred to as the “Group”) are (i) property investment, (ii) hotel operations and (iii) provision of financial advisory service, whilst those of its principal subsidiaries are set out in Note 17 to the consolidated financial statements.

The Company is a limited liability company incorporated in Hong Kong. The address of its registered office is Suite 902, 9th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong.

The Company has its shares traded on the Main Board of The Stock Exchange of Hong Kong Limited. The Directors consider the ultimate holding company to be Redstone Capital Corporation, incorporated in the Samoa.

These consolidated financial statements are presented in Hong Kong Dollar (“HK\$”), unless otherwise stated.

These consolidated financial statements have been approved for issue by the Board of Directors on 30 June 2017.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of preparation

These consolidated financial statements of Crown International Corporation Limited have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties and available-for-sale financial assets.

1 一般資料

皇冠環球集團有限公司(「本公司」)及其附屬公司(連同本公司統稱為「本集團」)之主要業務為(i)物業投資、(ii)酒店營運及(iii)提供金融顧問服務，其主要附屬公司之主要業務乃載於綜合財務報表附註17。

本公司為於香港註冊成立之有限公司，其註冊辦事處地址為香港灣仔港灣道18號中環廣場9樓902室。

本公司股份於香港聯合交易所有限公司主板買賣。董事認為最終控股公司為Redstone Capital Corporation，於薩摩亞註冊成立。

除另有指明者外，本綜合財務報表以港元呈列。

本綜合財務報表經董事會於二零一七年六月三十日批准刊發。

2 主要會計政策概要

下文載列編製本綜合財務報表所應用之主要會計政策。除另有指明者外，此等政策已於所有呈列年度貫徹應用。

2.1 編製基準

皇冠環球集團有限公司之本綜合財務報表乃根據《香港財務報告準則》編製。綜合財務報表乃根據歷史成本法編製，並就重估投資物業及可供出售財務資產作出修訂。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

(a) Effect of adopting new standard and amendments to existing standards

The following new standard and amendments to existing standards are mandatory for the Group's financial year beginning on or after 1 April 2016:

| | |
|---|---|
| HKAS 1 (Amendment) | Disclosure Initiative |
| HKAS 16 and HKAS 38 (Amendment) | Clarification of Acceptable Methods of Depreciation and Amortisation |
| HKAS 16 and HKAS 41 (Amendment) | Agriculture: Bearer Plants |
| HKAS 27 (Amendment) | Equity Method in Separate Financial Statements |
| HKFRS 10, HKFRS 12 and HKAS 28 (Amendment) | Investment Entities: Applying the Consolidation Exception |
| HKFRS 11 (Amendment) | Accounting for Acquisitions of Interests in Joint Operations |
| HKFRS 14 | Regulatory Deferral Accounts |
| HKFRSs (Amendment) | Improvements to HKFRSs (2012-2014) |

The adoption of these new standard and amendments to existing standards did not result in a significant impact on the results and financial position of the Group.

2 主要會計政策概要 (續)

2.1 編製基準 (續)

編製符合香港財務報告準則之財務報表需要使用若干關鍵會計估計，亦要求管理層於應用本集團會計政策時作出判斷。綜合財務報表附註4披露涉及高度判斷或複雜性，或有關假設及估計對綜合財務報表而言屬重大之範疇。

(a) 採納新準則及現行準則修訂本之影響

以下新準則及現行準則修訂本對於二零一六年四月一日或之後開始之本集團財政年度強制生效：

| | |
|---|----------------------------------|
| 香港會計準則第1號 (修訂本) | 披露計劃 |
| 香港會計準則第16號及 香港會計準則第38號 (修訂本) | 澄清折舊及攤銷之 可接受方法 |
| 香港會計準則第16號及 香港會計準則第41號 (修訂本) | 農業：生產性植物 |
| 香港會計準則第27號 (修訂本) | 獨立財務報表中之權益法 |
| 香港財務報告準則 第10號、香港財務報告 準則第12號及香港 會計準則第28號 (修訂本) | 投資實體： 應用綜合賬目之 例外情況 |
| 香港財務報告準則 第11號 (修訂本) | 收購合營業務權益之 會計方法 |
| 香港財務報告準則 第14號 | 監管遞延賬目 |
| 香港財務報告準則 (修訂本) | 香港財務報告準則之 改進(二零一二年至 二零一四年) |

採納該等新準則及現行準則修訂本對本集團之業績及財務狀況並無重大影響。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

- (b) *New standards and amendments to existing standards that have been issued but are not yet effective*

The following new standards and amendments to existing standards have been issued, but are not effective for the Group's financial year beginning on or after 1 April 2016 and have not been early adopted:

| | |
|----------------------------------|--|
| HKAS 7 (Amendment) | Disclosure Initiative ¹ |
| HKAS 12 (Amendment) | Recognition of Deferred Tax Assets for Unrealised Losses ¹ |
| HKFRS 2 (Amendment) | Classification and Measurement of Share-based Payment Transactions ² |
| HKFRS 9 | Financial Instruments ² |
| HKFRS 10 and HKAS 28 (Amendment) | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴ |
| HKFRS 15 | Revenue from Contracts with Customers ² |
| HKFRS 15 (Amendment) | Clarifications to HKFRS 15 ² |
| HKFRS 16 | Leases ³ |

¹ Effective for the Group for annual period beginning on or after 1 January 2017

² Effective for the Group for annual period beginning on or after 1 January 2018

³ Effective for the Group for annual period beginning on or after 1 January 2019

⁴ Effective date to be determined

2 主要會計政策概要 (續)

2.1 編製基準 (續)

- (b) *已頒佈但尚未生效之新訂準則及現行準則修訂本*

下列新訂準則及現行準則修訂本已頒佈，但於二零一六年四月一日或之後開始之本集團財政年度尚未生效，亦未提早採納：

| | |
|-------------------------------|--------------------------------------|
| 香港會計準則第7號 (修訂本) | 披露計劃 ¹ |
| 香港會計準則第12號 (修訂本) | 就未變現虧損確認遞延稅項資產 ¹ |
| 香港財務報告準則第2號 (修訂本) | 股份付款交易之分類及計量 ² |
| 香港財務報告準則第9號 | 財務工具 ² |
| 香港財務報告準則第10號及香港會計準則第28號 (修訂本) | 投資者與其聯營公司或合營公司之間銷售或注入資產 ⁴ |
| 香港財務報告準則第15號 | 客戶合約收益 ² |
| 香港財務報告準則第15號 (修訂本) | 釐清香港財務報告準則第15號 ² |
| 香港財務報告準則第16號 | 租賃 ³ |

¹ 於本集團二零一七年一月一日或之後開始之年度期間生效

² 於本集團二零一八年一月一日或之後開始之年度期間生效

³ 於本集團二零一九年一月一日或之後開始之年度期間生效

⁴ 生效日期待定

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

- (b) *New standards and amendments to existing standards that have been issued but are not yet effective (Continued)*

The Group has commenced an assessment of the impact of these new standards and amendments to existing standards and set out below are those that are expected to have material impact on the Group's accounting policies.

HKFRS 9 "Financial instrument" addresses the classification, measurement and recognition of financial assets and liabilities. It replaces the guidance in HKAS 39 that relates to the classification and measurement of financial instruments. HKFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value with the irrevocable option at inception to present changes in fair value in other comprehensive income not recycling, provided the instrument is not held for trading. If the equity instrument is held for trading, changes in fair value are presented in profit or loss. For financial liabilities there are two classification categories: amortised cost and fair value through profit or loss. Where non derivative financial liabilities are designated at fair value through profit or loss, the changes in the fair value due to changes in the liability's own credit risk are recognised in other comprehensive income, unless such changes in fair value would create an accounting mismatch in profit or loss, in which case, all fair value movements are recognised in profit or loss.

2 主要會計政策概要 (續)

2.1 編製基準 (續)

- (b) *已頒佈但尚未生效之新訂準則及現行準則修訂本 (續)*

本集團已開始評估該等新訂準則及現行準則修訂本之影響，下文所載者預期對本集團之會計政策有重大影響。

香港財務報告準則第9號「財務工具」處理財務資產及負債之分類、計量及確認。其取代香港會計準則第39號中有關財務工具分類及計量之指引。香港財務報告準則第9號保留但簡化混合計量模式，並確立財務資產之三個主要計量類別：攤銷成本、按公平值透過其他全面收入列賬及按公平值透過損益列賬。分類基準視乎實體之業務模式及財務資產之合約現金流特性而定。股本工具投資須按公平值計量，初始確認時有不可撤銷之選項，可選擇於其他全面收入內呈列非循環之公平值變動，前提是該工具並非持作買賣。倘股本工具持作買賣，則公平值變動於損益內呈列。就財務負債而言，其有兩個劃分類別：攤銷成本及按公平值透過損益列賬。倘非衍生財務負債指定為按公平值透過損益列賬，則負債本身之信貸風險變動所導致之公平值變動於其他全面收入內確認，除非該等公平值變動會在損益造成會計錯配，在此情況下，所有公平值變動於損益內確認。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

- (b) *New standards and amendments to existing standards that have been issued but are not yet effective (Continued)*

The new impairment model requires the recognition of impairment provisions based on expected credit losses (“ECL”) rather than only incurred credit losses as is the case under HKAS 39.

The new standard also introduces expanded disclosure requirements and changes in presentation. These are expected to change the nature and extent of the Group’s disclosures about its financial instruments particularly in the year of the adoption of the new standard.

HKFRS 9 must be applied for financial years commencing on or after 1 January 2018. Based on the transitional provisions in the completed HKFRS 9, early adoption in phases was only permitted for annual reporting periods beginning before 1 February 2015. After that date, the new rules must be adopted in their entirety. The Group plans to adopt the standard when it becomes effective in 2018 without restating comparative information; and is gathering information to quantify the potential impact arising from the adoption.

2 主要會計政策概要 (續)

2.1 編製基準 (續)

- (b) *已頒佈但尚未生效之新訂準則及現行準則修訂本 (續)*

新減值模式要求根據預期信貸虧損(「預期信貸虧損」)確認減值撥備，而非僅根據香港會計準則第39號已產生之信貸虧損。

新準則亦引入延伸之披露要求及呈列方式之變動。預期該等要求及變動將改變本集團有關其財務工具披露之性質及程度，尤其是於採納新訂準則之年度。

香港財務報告準則第9號必須於二零一八年一月一日或之後開始之財政年度應用。根據已完成之香港財務報告準則第9號之過渡條文，僅可就二零一五年二月一日前開始之年度報告期分階段提早採納。於該日後，新規則必須全數採納。本集團計劃於二零一八年該準則生效時予以採納，當中不會重列可比較資料；本集團現正收集資料，以量化採納該準則可能產生之影響。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

(b) *New standards and amendments to existing standards that have been issued but are not yet effective (Continued)*

HKFRS 15 “Revenue from Contracts with Customers” – This new standard replaces the previous revenue standards: HKAS 18 “Revenue” and HKAS 11 “Construction Contracts”, and the related Interpretations on revenue recognition. HKFRS 15 establishes a comprehensive framework for determining when to recognise revenue and how much revenue to recognise through a 5-step approach: (1) Identify the contract(s) with customer; (2) Identify separate performance obligations in a contract; (3) Determine the transaction price; (4) Allocate transaction price to performance obligations; and (5) Recognise revenue when performance obligation is satisfied. The core principle is that a company should recognise revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. Revenue recognition model under the new standard moves away from risks and rewards approach to transfer of control approach. HKFRS 15 provides specific guidance on capitalisation of contract cost, license arrangements and principal versus agent considerations. It also includes a cohesive set of disclosure requirements about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity’s contracts with customers.

2 主要會計政策概要 (續)

2.1 編製基準 (續)

(b) *已頒佈但尚未生效之新訂準則及現行準則修訂本 (續)*

香港財務報告準則第15號「客戶合約收益」－該項新準則取代過往收益準則：香港會計準則第18號「收益」及香港會計準則第11號「建築合約」以及相關收益確認詮釋。香港財務報告準則第15號確立以五個步驟釐定收益確認時間及金額之全面框架：(1)識別客戶合約；(2)識別合約內之個別履約責任；(3)釐定交易價；(4)將交易價分配至履約責任；及(5)於達成履約責任時確認收益。核心原則為公司就描述向客戶轉移承諾貨品或服務而確認之收益金額，應反映公司預期就該等貨品或服務有權換取之代價。該項新準則下之收益確認模型從風險與回報方針轉移至轉移控制權方針。香港財務報告準則第15號為合約成本資本化、特許安排及主事人與代理人代價提供具體指引。該準則亦涵蓋有關源自實體客戶合約之收益及現金流量之性質、金額、時間及不確定因素之一致披露規定。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

- (b) *New standards and amendments to existing standards that have been issued but are not yet effective (Continued)*

The Group is in the process of assessing the impact of the application of HKFRS 15 and based on its preliminary assessment, the Group does not expect the adoption would have a material impact to the Group's results of operations and financial position.

HKFRS 16 will result in operating leases being recognised on the balance sheet, and the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not significantly change.

The standard will affect primarily the accounting for Group's operating leases. As at the reporting date, the Group has non-cancellable operating lease commitments of approximately HK\$6,161,000, see note 26(a). The new standard will therefore result in an increase in assets and financial liabilities in the consolidated statement of financial position. As for the financial performance impact in the consolidated statement of comprehensive income, the operating lease expense will decrease, while depreciation and amortisation and the interest expense will increase.

Some of the commitments may be covered by the exception for short-term and low value leases and some commitments may relate to arrangements that will not qualify as leases under HKFRS 16.

The new standard is mandatory for financial years commencing on or after 1 January 2019. At this stage, the Group does not intend to adopt the standard before its effective date.

2 主要會計政策概要 (續)

2.1 編製基準 (續)

- (b) *已頒佈但尚未生效之新訂準則及現行準則修訂本 (續)*

本集團正在評估應用香港財務報告準則第15號之影響，而按照初步評估，本集團預期採納該準則不會對本集團之經營業績及財務狀況造成重大影響。

香港財務報告準則第16號將導致於資產負債表確認經營租賃，並移除經營租賃與融資租賃之區別。根據該項新準則，須確認資產（使用租賃項目之權利）及支付租金之財務負債。唯一例外情況為短期及低價值租賃。出租人之會計處理不會出現重大變動。

該準則將主要影響本集團經營租賃之會計處理。於報告日期，本集團之不可撤銷經營租賃承擔約為6,161,000港元（見附註26(a)）。因此，該項新準則將導致綜合財務狀況表內的資產及財務負債增加。至於綜合全面收益表內之財務表現影響，經營租賃開支將會減少，而折舊及攤銷和利息開支將會增加。

部分承擔可能在短期及低價值租賃例外情況之涵蓋範圍內，而部分承擔則可能與根據香港財務報告準則第16號不合資格成為租賃之安排有關。

該項新準則於二零一九年一月一日或之後開始之財政年度強制生效。本集團現階段並無計劃於生效日期前採納該準則。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Subsidiaries

2.2.1 Consolidation

Subsidiaries are all entities (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, 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. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

(a) Business combination

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis. Non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are measured at either fair value or the present ownership interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by HKFRSs.

2 主要會計政策概要 (續)

2.2 附屬公司

2.2.1 綜合賬目

附屬公司乃本集團所控制之所有實體(包括結構性實體)。當本集團招致或有權獲得參與某一實體之可變回報,且有能力藉其對該實體之權力影響該等回報,即擁有該實體之控制權。附屬公司自控制權轉移至本集團之日起綜合入賬,並於控制權終止當日停止綜合入賬。

(a) 業務合併

本集團應用收購法將業務合併入賬。就收購一間附屬公司而轉讓之代價乃所轉讓資產、對被收購方前擁有人產生之負債及本集團所發行之股權之公平值。所轉讓代價包括因或然代價安排而產生之任何資產或負債的公平值。於業務合併中收購之可識別資產以及承擔之可識別負債及或然負債,初步按於收購日期之公平值計量。

本集團按逐項收購基準確認於被收購方之非控股權益。於被收購方之非控股權益如屬當前所有權權益,並賦予其持有人權利,於清盤時按比例攤分實體之淨資產,則按公平值或當前所有權權益應佔被收購方可識別淨資產已確認金額之比例計量。除非香港財務報告準則規定使用另一計量基準,否則所有其他非控股權益成份按於收購日期之公平值計量。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Subsidiaries (Continued)

2.2.1 Consolidation (Continued)

(a) Business combination (Continued)

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with HKAS 39 in profit or loss. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the consolidated statement of comprehensive income (Note 2.9).

2 主要會計政策概要 (續)

2.2 附屬公司 (續)

2.2.1 綜合賬目 (續)

(a) 業務合併 (續)

與收購相關之成本於產生時支銷。

倘業務合併分階段完成，則收購方以往所持被收購方股權於收購日期之賬面值按其於收購日期之公平值重新計量；重新計量所產生之任何盈虧於損益內確認。

本集團將轉讓之任何或然代價乃於收購日期按公平值確認。被視為資產或負債的或然代價之其後公平值變動乃按照香港會計準則第39號於損益內確認。分類為權益之或然代價不會重新計量，並於其後結算時在權益內入賬。

所轉讓代價、於被收購方之任何非控股權益金額及以往於被收購方之任何股權於收購日期之公平值超過所收購可識別淨資產公平值之差額，乃確認為商譽。倘屬議價購買（即所轉讓代價、已確認非控股權益及已計量以往所持權益之總額少於所收購附屬公司淨資產之公平值），則差額直接於綜合全面收益表內確認（附註2.9）。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Subsidiaries (Continued)

2.2.1 Consolidation (Continued)

(a) Business combination (Continued)

Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

(b) Changes in ownership interest in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners of the subsidiary in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying amount of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

2 主要會計政策概要 (續)

2.2 附屬公司 (續)

2.2.1 綜合賬目 (續)

(a) 業務合併 (續)

集團旗下公司間之交易及結餘以及交易之未變現盈利互相對銷。未變現虧損亦互相對銷，除非該交易證明所轉讓資產出現減值則作別論。附屬公司所呈報金額已按需要作出調整，以符合本集團之會計政策。

(b) 並無導致失去控制權之附屬公司所有者權益變動

並無導致失去控制權之非控股權益交易入賬列作股權交易—即與附屬公司擁有人(以其擁有人身份)進行交易。任何已付代價之公平值與所購入相關應佔附屬公司淨資產賬面值兩者間之差額列作權益。向非控股權益出售之盈虧亦列作權益。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Subsidiaries (Continued)

2.2.1 Consolidation (Continued)

(c) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in the consolidated statement of comprehensive income. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to the profit or loss.

2.3 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investees net assets including goodwill.

2 主要會計政策概要 (續)

2.2 附屬公司 (續)

2.2.1 綜合賬目 (續)

(c) 出售附屬公司

本集團失去控制權時，於實體之任何保留權益按失去控制權當日之公平值重新計量，而賬面值變動在綜合全面收益表內確認。公平值指其後入賬列作聯營公司、合營公司或財務資產之保留權益之初始賬面值。此外，先前於其他全面收入就該實體確認之任何金額按猶如本集團已直接出售有關資產或負債之方式入賬。此可能意味着先前在其他全面收入內確認之金額重新分類至損益。

2.3 獨立財務報表

於附屬公司之投資按成本扣除減值入賬。成本包括投資之直接應佔成本。附屬公司業績由本公司按已收及應收股息入賬。

倘於附屬公司投資之股息超過宣派股息期內附屬公司之全面收入總額，或倘該投資於獨立財務報表內之賬面值超過投資對象淨資產（包括商譽）於綜合財務報表內之賬面值，則須於收到股息時對附屬公司投資作減值測試。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 Segment reporting

Operating segments are reported in a manner consistent with internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors that makes strategic decisions.

2.5 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong Dollar ("HK\$"), which is the Company's functional and the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where item are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of comprehensive income, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges.

2 主要會計政策概要 (續)

2.4 分部報告

營運分部乃以與向主要營運決策人提供內部報告時所採用者一致之方式呈列。負責分配資源及評估營運分部表現之主要營運決策人為作出策略性決定之執行董事。

2.5 外幣換算

(a) 功能及呈報貨幣

本集團每個實體之財務報表所列項目均以有關實體經營業務所在地之主要經濟環境所用貨幣（「功能貨幣」）計算。綜合財務報表以港元呈報，其為本公司之功能貨幣及本集團之呈報貨幣。

(b) 交易及結餘

外幣交易按交易日期或項目重新計量之估值日期之匯率換算為功能貨幣。結算該等交易及按年結時匯率換算以外幣呈列貨幣資產及負債所產生匯兌盈虧，均於綜合全面收益表內確認，除非作為合資格現金流量對沖及合資格淨投資對沖而於其他全面收入內遞延。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.5 Foreign currency translation (Continued)

(b) Transactions and balances (Continued)

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as available for sale, are included in other comprehensive income.

(c) Group companies

The results and financial position of all the Group's entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

2 主要會計政策概要 (續)

2.5 外幣換算 (續)

(b) 交易及結餘 (續)

按公平值透過損益列賬之權益等非貨幣財務資產與負債之換算差額，乃於損益內確認為公平值盈虧之一部分。分類為可供出售之權益等非貨幣財務資產之換算差額，乃計入其他全面收入。

(c) 集團公司

本集團旗下所有功能貨幣與呈報貨幣不同之實體（概無持有通脹嚴重之經濟體系之貨幣）之業績及財務狀況，按以下方式換算為呈報貨幣：

- (i) 各資產負債表之資產及負債，按結算日之收市匯率換算；
- (ii) 各全面收益表之收入及支出按平均匯率換算，惟倘此平均值並非該等交易日期通行匯率具累積效果之合理約數時除外。在此情況下，收入及支出於各自之交易日期換算；及

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.5 Foreign currency translation (Continued)

(c) Group companies (Continued)

- (iii) all resulting currency translation differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Currency translation differences arising are recognised in other comprehensive income.

(d) Disposal of foreign operation

On the disposal of a foreign operation (that is, 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, a disposal involving loss of joint control over a joint venture that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the currency translation differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

2 主要會計政策概要 (續)

2.5 外幣換算 (續)

(c) 集團公司 (續)

- (iii) 所有因此產生之外幣換算差額於其他全面收入內確認。

因收購海外實體而產生之商譽及公平值調整作為該海外實體之資產負債處理，並按收市匯率換算。因此產生之外幣換算差額於其他全面收入內確認。

(d) 出售海外業務

出售海外業務時（即出售本集團於海外業務之全部權益，或出售牽涉失去包含對海外業務之附屬公司之控制權，或出售牽涉失去對包含海外業務之合營公司之共同控制權，或出售牽涉失去對包含海外業務之聯營公司之重大影響力），於權益內就本公司擁有人應佔該業務部分累計之所有外幣換算差額重新分類至損益。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.6 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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. All other repairs and maintenance costs are charged in the consolidated statement of comprehensive income during the period in which they are incurred.

Depreciation of property, furniture and equipment is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives, as follows:

| | |
|--|---------------|
| Furniture and fixtures | 3 to 5 years |
| Computer, office equipment and machinery | 3 to 20 years |
| Motor vehicles | 5 years |

Improvements are capitalised and depreciated over their expected useful lives to the Group.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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 (Note 2.9).

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are recognised within "other gains-net" in the consolidated statement of comprehensive income.

2 主要會計政策概要 (續)

2.6 物業、廠房及設備

物業、廠房及設備按歷史成本減累計折舊及累計減值虧損列賬。歷史成本包括直接源自收購有關項目之開支。

其後成本僅於與有關項目相關之日後經濟利益將流入本集團且該項目之成本能可靠地計量時，方計入資產賬面值或確認為獨立資產（視適用而定）。所有其他維修及保養成本於產生之期間在綜合全面收益表內扣除。

物業、傢俬及設備之折舊乃以直線法按下列估計可使用年期就其剩餘價值分配其成本計算：

| | |
|-----------------|-------|
| 傢俬及裝置 | 三至五年 |
| 電腦、辦公室 設備及機器 | 三至二十年 |
| 汽車 | 五年 |

裝修乃予以資本化並按彼等於本集團之預計可使用年期計算折舊。

資產之剩餘價值及可使用年期於各報告期末檢討，並在適當時作出調整。

倘一項資產之賬面值高於其估計可收回金額，則即時撇減該資產賬面值至其可收回金額（附註2.9）。

出售盈虧乃透過比較所得款項與賬面值之差額而釐定，並於綜合全面收益表之「其他盈利淨額」內確認。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value at the identified net assets acquired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units (“CGUs”), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the brand level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

2.8 Investment properties

Investment property, principally comprising leasehold land and buildings, is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group. It also includes properties that are being constructed or developed for future use as investment properties. Land held under operating leases are accounted for as investment properties when the rest of the definition of an investment property is met. In such cases, the operating leases concerned are accounted for as if they were finance leases.

2 主要會計政策概要 (續)

2.7 商譽

商譽因收購附屬公司而產生，指所轉讓代價、於被收購方之任何非控股權益金額及以往於被收購方之任何股權於收購日期之公平值超過所收購可識別淨資產公平值之差額。

就減值測試而言，於業務合併中收購之商譽分配至預期受惠於合併協同效應之各個或各組現金產生單位。獲分配商譽之各個或各組單位代表實體內就內部管理目的監察商譽之最低層面。商譽按品牌層面監察。

本集團每年均進行一次商譽減值檢討，或於出現事件或環境出現變化顯示可能出現減值時，更頻密地進行商譽減值檢討。包含商譽之現金產生單位之賬面值與可收回金額（使用價值與公平值減出售成本兩者間之較高者）會作比較。任何減值即時予以支銷，其後不會撥回。

2.8 投資物業

投資物業（主要包括租賃土地及樓宇）乃持作賺取長期租金或資本增值或為上述兩者而持有，而非由本集團佔用。投資物業亦包括為日後作投資物業用途而興建或發展之物業。如符合投資物業其餘定義，根據經營租賃持有之土地入賬列作投資物業。在此情況下，有關經營租賃按猶如其為融資租賃之方式入賬。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.8 Investment properties (Continued)

Investment property is initially measured at cost, including related transaction costs and where applicable borrowing costs. After initial recognition, investment properties are carried at fair value, representing open market value determined at each of the end of reporting period by external valuers. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If the information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. Changes in fair values are recorded in the consolidated statement of comprehensive income.

If the use of a property changes from owner-occupied to being held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, it is reclassified as an investment property, measured at fair value at the date of reclassification and the difference between the fair value and the net book value of the investment property is recognised in the other comprehensive income.

2.9 Impairment of non-financial assets

Assets that have an indefinite useful life – for example, goodwill or intangible assets not ready to use – are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2 主要會計政策概要 (續)

2.8 投資物業 (續)

投資物業初始按成本(包括相關交易成本及(如適用)借貸成本)計量。於初始確認後,投資物業按公平值(即外部估值師於各報告期末釐定之公開市值)列賬。公平值乃按活躍市價得出,當中已就特定資產之性質、地點或狀況之任何差異作出調整(如有必要)。倘並無有關資料,則本集團會使用其他估值法,如活躍程度較低市場之近期價格或貼現現金流量預測。公平值變動乃於綜合全面收益表內入賬。

倘物業用途由業主自用更改成為賺取長期租金或資本增值或為上述兩者而持有,且該物業並非由本集團佔用,則該物業會重新分類為投資物業,會按於重新分類當日之公平值計量,而投資物業之公平值與賬面淨值兩者間之差額會於其他全面收入內確認。

2.9 非財務資產減值

具有無限可使用年期之資產(如商譽或未可使用之無形資產)毋須攤銷,惟每年測試減值。須攤銷之資產於出現事件或環境出現變化,顯示賬面值可能無法收回時進行減值檢討。資產賬面值超過可收回金額之差額確認為減值虧損。可收回金額為資產公平值減出售成本與使用價值兩者間之較高者。就評估減值而言,資產按可獨立識別現金流量之最低層面(現金產生單位)分組。商譽以外之非財務資產如蒙受減值,會於各報告日期檢討減值可否撥回。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.10 Financial assets

2.10.1 Classification

The Group classifies its financial assets in the following categories: loans and receivables and available-for-sale financial assets. The classification depends on the purposes for which the financial assets were acquired. The Group determines the classification of its financial assets at initial recognition.

(a) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for the amounts that are settled or expected to be settled more than 12 months after the end of reporting period. These are classified as non-current assets. Loans and receivables are classified as 'Trade receivables', 'Other receivables, prepayments and deposits' and 'Cash and cash equivalents' in the consolidated statement of financial position.

(b) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or the Group intends to dispose of the investment within 12 months of the end of reporting period.

2 主要會計政策概要 (續)

2.10 財務資產

2.10.1 分類

本集團將其財務資產分為下列各項：貸款及應收款項，以及可供出售財務資產。財務資產之分類取決於收購該等財務資產之目的。本集團於初步確認時釐定財務資產之歸類。

(a) 貸款及應收款項

貸款及應收款項為沒有在活躍市場報價之非衍生財務資產，附帶固定或可釐定付款，其計入流動資產，惟遲於或預期遲於報告期末後十二個月清償之款項則分類為非流動資產。貸款及應收款項於綜合財務狀況表內分類為「貿易應收款項」、「其他應收款項、預付款項及按金」及「現金及現金等價物」。

(b) 可供出售財務資產

可供出售財務資產為指定為此類別或不歸入任何其他類別之非衍生工具，其計入非流動資產，除非投資已到期，或本集團擬於報告期末後十二個月內出售投資。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.10 Financial assets (Continued)

2.10.2 Recognition and measurement

Regular way purchases and sales of financial assets are recognised on the trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the consolidated statement of comprehensive income as “other gains, net”.

Interest on available-for-sale securities calculated using the effective interest method is recognised in the consolidated statement of comprehensive income as part of other income. Dividends on available-for-sale equity instruments are recognised in the consolidated statement of comprehensive income as part of other income when the Group’s right to receive payments is established.

2 主要會計政策概要 (續)

2.10 財務資產 (續)

2.10.2 確認及計量

財務資產之常規買賣於交易日確認，而交易日乃本集團承諾購買或出售資產之日。就並非按公平值透過損益列賬之所有財務資產而言，投資初步按公平值加交易成本確認。當從投資收取現金流之權利屆滿或已轉讓，且本集團已轉移所有權之絕大部分風險及回報時，本集團會終止確認財務資產。可供出售財務資產其後按公平值列賬。貸款及應收款項其後使用實際利息法按攤銷成本列賬。

當分類為可供出售之證券被出售或減值時，於權益內確認之累計公平值調整會計入綜合全面收益表作為「其他盈利淨額」。

使用實際利息法計算之可供出售證券利息於綜合全面收益表內確認為其他收入之一部分。當本集團收款之權利確立時，可供出售股本工具之股息會於綜合全面收益表內確認為其他收入之一部分。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

2.12 Impairment of financial assets

(a) *Assets carried at amortised cost*

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

2 主要會計政策概要 (續)

2.11 財務工具抵銷

當有法律上可強制執行權利抵銷已確認金額，且有意按淨額基準進行結算，或同時變現資產及清償負債時，財務資產及負債會予以抵銷，並於資產負債表內列報淨額。法律上可強制執行權利不得為取決於未來事件之或然性質，其必須可於正常業務過程中在公司或對方違約、無力償還或破產時執行。

2.12 財務資產減值

(a) *按攤銷成本列賬之資產*

本集團於各報告期末評估有否客觀憑證顯示一項或一組財務資產出現減值。只有當在初步確認資產後發生一項或多項事件（「虧損事件」），而該項（或該等）虧損事件對能可靠地估計之一項或一組財務資產之估計未來現金流構成影響，則存在減值之客觀憑證，致使該項或該組財務資產出現減值並產生減值虧損。

減值憑證可包括有跡象顯示債務人或一組債務人正面對嚴重財政困難、違約或拖欠利息或本金付款、彼等將有可能破產或進行其他財務重組，且有可觀察數據顯示估計未來現金流出現可計量下跌，例如與違約有關之拖欠款項或經濟狀況變動。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Impairment of financial assets (Continued)

(a) Assets carried at amortised cost (Continued)

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated statement of comprehensive income. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated income statement.

2 主要會計政策概要 (續)

2.12 財務資產減值 (續)

(a) 按攤銷成本列賬之資產 (續)

就貸款及應收款項類別而言，虧損金額乃按資產賬面值與按財務資產原實際利率貼現之估計未來現金流（不包括尚未產生之未來信貸虧損）現值之差額計量。資產之賬面值會作扣減，而虧損金額於綜合全面收益表內確認。倘貸款或持有至到期日之投資具有可變利率，則計量任何減值虧損時採用之貼現率乃根據合約釐定之現有實際利率。作為實際權宜之舉，本集團可按工具之公平值使用可觀測市價計量減值。

倘減值虧損金額於其後期間減少，而有關減少可客觀地與確認減值後發生之事件構成關連（例如債務人之信貸評級改善），則過往確認減值虧損之撥回於綜合收益表內確認。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Impairment of financial assets (Continued)

(b) Assets classified as available for sale

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired.

For debt securities, if any such evidence exists the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in profit or loss. If, in a subsequent period, the fair value of a debt instrument classified as available for sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the consolidated statement of comprehensive income.

For equity investments, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in consolidated statement of comprehensive income – is removed from equity and recognised in consolidated statement of comprehensive income. Impairment losses recognised in the consolidated statement of comprehensive income on equity instruments are not reversed through the consolidated income statement.

2 主要會計政策概要 (續)

2.12 財務資產減值 (續)

(b) 分類為可供出售資產

本集團於各報告期末評估有否客觀憑證顯示一項或一組財務資產出現減值。

就債務證券而言，倘存在任何有關憑證，則累計虧損（按收購成本與現有公平值之差額扣減過往已於損益內確認之財務資產之任何減值虧損計量）從權益移除並於損益內確認。倘分類為可供出售之債務工具之公平值於其後期間增加，而有關增加可客觀地與於損益內確認減值虧損後發生之事件構成關連，則減值虧損透過綜合全面收益表撥回。

就股本工具而言，倘證券之公平值大幅或長期下跌至低於其成本，亦為資產減值之憑證。倘存在任何有關憑證，則累計虧損（按收購成本與現有公平值之差額扣減過往已於綜合全面收益表內確認之財務資產之任何減值虧損計量）從權益移除並於綜合全面收益表內確認。於綜合全面收益表內就股本工具確認之減值虧損不會透過綜合收益表撥回。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.13 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents includes cash in hand and deposits held at call with banks.

2.14 Current and deferred income tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the consolidated statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2 主要會計政策概要 (續)

2.13 現金及現金等價物

就綜合現金流量表而言，現金及現金等價物包括手頭現金及銀行通知存款。

2.14 即期及遞延所得稅

本年度之稅項開支包括即期及遞延稅項。稅項於綜合全面收益表內確認，惟與於其他全面收入或直接於權益內確認之項目有關者除外。在此情況下，稅項亦分別於其他全面收入或直接於權益內確認。

(a) 即期所得稅

即期所得稅支出乃根據本公司附屬公司經營及賺取應課稅收入之國家於結算日已訂定或大致訂定之稅法計算。倘適用稅務條例受詮釋所限，則管理層會定期評估報稅表之狀況。管理層於適當時候就預期支付予稅務機關之金額作出撥備。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.14 Current and deferred income tax (Continued)

(b) Deferred income tax

Inside basis differences

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2 主要會計政策概要 (續)

2.14 即期及遞延所得稅 (續)

(b) 遞延所得稅

內部基準差異

遞延所得稅乃採用負債法，就資產及負債稅基與其於綜合財務報表之賬面值間產生之暫時差額確認。然而，自初步確認商譽產生之遞延稅項負債不予確認；倘因初步確認於進行交易（企業合併除外）時不會影響會計或應課稅溢利或虧損之資產或負債而產生遞延所得稅，則不予入賬。遞延所得稅使用於結算日前已實施或大致實施，且預期於相關遞延所得稅資產變現或遞延所得稅負債清償時適用之稅率（及稅法）釐定。

遞延所得稅資產僅會於日後很可能獲得應課稅溢利以對銷暫時差額時確認。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.14 Current and deferred income tax (Continued)

(b) *Deferred income tax (Continued)*

Outside basis differences

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, associates and joint arrangements, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally the Group is unable to control the reversal of the temporary difference for associates. Only when there is an agreement in place that gives the Group the ability to control the reversal of the temporary difference in the foreseeable future, deferred tax liability in relation to taxable temporary differences arising from the associate's undistributed profits is not recognised.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries, associates and joint arrangements only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

(c) *Offsetting*

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2 主要會計政策概要 (續)

2.14 即期及遞延所得稅 (續)

(b) *遞延所得稅 (續)*

外部基準差異

遞延所得稅負債就於附屬公司、聯營公司及合營安排之投資產生之應課稅暫時差額計提撥備，惟暫時差額撥回時間由本集團控制，且暫時差額有可能不會於可見將來撥回之遞延所得稅負債則作別論。一般而言，本集團無法控制聯營公司之暫時差額撥回。除非訂有協議賦予本集團權利於可見將來控制暫時差額撥回，否則不會就聯營公司未分配溢利產生之應課稅暫時差額確認遞延稅項負債。

遞延所得稅資產就於附屬公司、聯營公司及合營安排之投資產生之可扣稅暫時差額確認，惟僅以暫時差額有可能於未來撥回，且具有足夠可供抵銷暫時差額之應課稅溢利為限。

(c) *抵銷*

當有合法可強制執行權利以即期稅項資產抵銷即期稅項負債，以及當遞延所得稅資產與負債涉及之所得稅由同一稅務機關向同一應課稅實體或不同應課稅實體徵收，而有意按淨額基準結算結餘，遞延所得稅資產與負債互相抵銷。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.15 Provisions

Provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlements is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax interest rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.16 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.17 Employee benefits

(a) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

2 主要會計政策概要 (續)

2.15 撥備

倘本集團因過往發生之事件須承擔現有法定或推定責任而極有可能須動用資源解決責任，則在已可靠估算金額之情況下確認撥備。本集團不會就未來經營虧損確認撥備。

倘若有多項同類責任，須撥出資源解決責任之可能性將在整體考慮責任類別後決定。即使就同類責任包含之任何單一項目撥出資源之可能性不大，亦須確認撥備。

撥備按解決責任預期所需之支出之現值使用除稅前利率計算，而該利率反映當時市場對金錢之時間價值之評估及該項責任之特有風險。撥備隨時間過去而增加之數額確認為利息開支。

2.16 股本

普通股被列為權益。直接歸屬於發行新股或購股權之新增成本（除稅後）在權益內列為所得款項之扣減。

2.17 僱員福利

(a) 僱員可享有之假期

僱員享有之年假於彼等應享時確認。本集團會對直至結算日僱員提供服務而應享有之年假所產生之估計負債計提撥備。

僱員可享有之病假及產假於享有時方予確認。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.17 Employee benefits (Continued)

(b) Pension obligations

The Group contributes to a mandatory provident fund scheme (“MPF Scheme”) under the requirements of the Mandatory Provident Fund Schemes Ordinance. The assets of the scheme are generally held in separate trustee-administered funds. Contributions to the MPF Scheme by the Group and employees are calculated as a percentage of the employees’ basic salaries.

The Company’s subsidiaries in the People’s Republic of China (“PRC”) are members of the state-managed retirement benefits scheme operated by the government of the PRC. The retirement scheme contributions are based on a certain percentage of the salaries of the subsidiaries’ employees.

The contributions are charged to the consolidated statement of comprehensive income in the period in which they relate.

(c) Bonus plan

The Group recognises a liability and an expense for bonuses, based on a formula that takes into consideration the profit attributable to the Company’s owners after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2 主要會計政策概要 (續)

2.17 僱員福利 (續)

(b) 退休金承擔

本集團根據《強制性公積金計劃條例》之規定向強制性公積金計劃(「強積金計劃」)供款。該計劃之資產一般由獨立受託管理基金持有。本集團及僱員向強積金計劃之供款按僱員基本薪金之某一百分比計算。

本公司於中華人民共和國(「中國」)之附屬公司為中國政府營辦之國家管理退休福利計劃之成員。退休計劃供款根據該等附屬公司僱員薪金之若干百分比作出計算。

供款於彼等有關之期間於綜合全面收益表內扣除。

(c) 花紅計劃

本集團根據計及本公司擁有人應佔溢利之公式，經若干調整後就花紅確認負債及開支。當產生合約責任或存在已確立推定責任之以往慣例時，本集團會確認撥備。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.17 Employee benefits (Continued)

(d) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date. The Group recognises termination benefits when it is demonstrably committed to a termination when the entity has a detailed formal plan to terminate the employment of current employees without possibility of withdrawal. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

2.18 Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

2.19 Leases

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

The Group as lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Group as lessee

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated statement of comprehensive income on a straight-line basis over the period of the lease.

2 主要會計政策概要 (續)

2.17 僱員福利 (續)

(d) 終止僱傭福利

終止僱傭福利於本集團在正常退休日期前終止僱用時應付。當實體有詳細正式計劃終止現有僱員之僱用，且並無撤回之可能時，本集團會於有證據承諾進行終止時確認終止僱傭福利。於報告期末後超過十二個月到期之福利會貼現至其現值。

2.18 利息收入

利息收入乃利用實際利息法按時間比例基準確認。

2.19 租賃

倘租賃之條款將所有權之絕大部分風險及回報轉讓予承租人，則該等租賃分類為融資租賃。所有其他租賃分類為經營租賃。

本集團作為出租人

經營租賃之租金收入於租期內以直線法確認。磋商及安排一項經營租賃產生之初步直接成本加入租賃資產之賬面值，以及於租期內以直線法確認。

本集團作為承租人

凡所有權之絕大部分風險及回報由出租人保留之租賃均列為經營租賃。根據經營租賃支付之租金（在扣除自出租人收取之任何優惠後）於租期內按直線法在綜合全面收益表內扣除。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.20 Revenue recognition

Revenue is measured at fair value of the consideration received or receivable, and represents amounts receivable for services provided. The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for the Group's activities, as described below. The Group bases its estimates of return on historical results, taking into consideration the type of customers, the type of transactions and the specifics of each arrangement.

(a) Sales of service

The Group provides financial advisory service to customers. Financial advisory service income is recognised in the accounting period in which the service is rendered.

2.21 Contingent liabilities and contingent assets

A contingent asset or liability is a possible asset or obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the Group.

A contingent liability is not recognised but is disclosed in the notes to the consolidated financial statements. When a change in the probability of an outflow of economic resources occurs so that the outflow is probable, it will then be recognised as a provision.

A contingent asset is not recognised but is disclosed in the notes to the consolidated financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

2 主要會計政策概要 (續)

2.20 收益確認

收益按已收或應收代價之公平值計量，即提供服務所應收之款項。本集團於收入金額能可靠地計量；未來經濟利益很可能流入有關實體；及已如下文所述符合本集團各業務之特定條件時確認收益。本集團按過往業績，經考慮客戶類別、交易類別及各項安排之特點後估計回報。

(a) 銷售服務

本集團向客戶提供金融顧問服務。金融顧問服務收入於提供服務之會計期間確認。

2.21 或然負債及或然資產

或然資產或負債指因已發生之事件而可能引起之資產或負債，此等資產或負債需就某一宗或多宗不確定事件會否發生才能確認，而本集團並不能完全控制該等事件會否發生。

或然負債不會被確認，但會在綜合財務報表附註內披露。假若消耗經濟資源之可能性改變導致可能出現經濟資源消耗，則會確認為撥備。

或然資產不會被確認，但會於可能收到經濟利益時在綜合財務報表附註內披露。假若實質確定將收到經濟利益時，則會確認為資產。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group has not used any derivative financial instruments to hedge its risk exposures.

Risk management for the Company and its subsidiaries is carried out by the Executive Committee ("Excom"). Excom identifies, evaluates and monitors financial risk in close co-operation with the Group's operating units. The Group monitors the financial risk continuously to minimise the risk, such as foreign exchange risk, price risk, credit risk, liquidity risk, interest rate risk and cash management.

(a) Foreign exchange risk

The Group's monetary assets, liabilities and transactions are principally denominated in HK dollars and Renminbi ("RMB"). The Group is exposed to foreign exchange risk arising from its investments which are located in the PRC.

As at 31 March 2017, if RMB had strengthened/weakened by 5% against HK dollars, with all other variables held constant, post-tax profit for the year would have been approximately HK\$5,932,000 higher/lower (2016: approximately HK\$6,551,000 higher/lower) respectively. The movement in the profit or loss relates mainly as a result of foreign exchange gains/losses on translation of RMB denominated other receivables and other payables.

3 財務風險管理

3.1 財務風險因素

本集團經營活動面對各種財務風險：市場風險（包括外幣風險、公平值利率風險、現金流利率風險及價格風險）、信貸風險以及流動資金風險。本集團之整體風險管理計劃專注於金融市場不可預測之特性，務求將對本集團財務表現帶來之潛在負面影響盡量減低。本集團並無使用任何衍生財務工具對沖其風險。

本公司及其附屬公司之風險管理由執行委員會負責。執行委員會與本集團營運單位緊密合作，識別、評估及監察財務風險。本集團持續監察財務風險，以將各種風險盡量減低，例如外匯風險、價格風險、信貸風險、流動資金風險、利率風險及現金管理。

(a) 外匯風險

本集團貨幣資產、負債及交易主要以港元及人民幣計值。本集團承受位於中國之投資所產生之外匯風險。

於二零一七年三月三十一日，倘人民幣兌港元升值／貶值5%，而所有其他變數保持不變，則年內除稅後溢利將分別增加／減少約5,932,000港元（二零一六年：增加／減少約6,551,000港元）。損益之變動主要與換算以人民幣計值之其他應收款項及其他應付款項所產生之匯兌盈利／虧損有關。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk

The Group's credit risk is primarily attributable to receivables and bank deposits. The exposures to these credit risks are monitored on an ongoing basis.

In respect of receivables, the Group closely monitors the credit performances and prompt repayments from the counterparties. The Group has policies in place to review the recoverability of other receivables on an ongoing basis and assess the adequacy of provision for impairment.

In respect of bank deposits, the Group has diversified its exposures into different financial institutions. It has policies in place to assess the credit standing of the counterparties and financial institutions before the Group invests its assets.

(c) Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of the Group's available cash and other interest-bearing loans that the Group considers appropriate. Equity and other long term financing including strategic partnerships, or strategic joint ventures are also considered by the Group in its capital structuring.

The Group monitors rolling forecasts of its liquidity reserve which comprises borrowing facilities and cash and cash equivalents on the basis of expected cash flow.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(b) 信貸風險

本集團信貸風險主要來自應收款項及銀行存款。所承受之信貸風險已受到持續監察。

就應收款項而言，本集團密切監控信貸表現並及時要求對方還款。本集團設有政策持續檢討其他應收款項之可收回程度，並評估減值撥備是否充足。

就銀行存款而言，本集團已將其風險分散至不同之財務機構。本集團訂有相應政策，據此，在投資其資產前，將會對對方及財務機構之信貸狀況進行評估。

(c) 流動資金風險

本集團之目標為透過使用本集團認為合適之可動用現金及其他計息貸款，在資金延續性與靈活性之間維持平衡。本集團於進行股本重組時亦會同時考慮股權及其他長期融資（包括策略性夥伴關係或策略性合營公司）。

本集團根據預期現金流量，監控其流動資金儲備之滾存預測，流動資金儲備包括借款融資以及現金及現金等價物。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

3 FINANCIAL RISK MANAGEMENT (Continued)

3 財務風險管理 (續)

3.1 Financial risk factors (Continued)

3.1 財務風險因素 (續)

(c) Liquidity risk (Continued)

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the date of the consolidated statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months approximate their carrying balances, as the impact of discounting is not significant.

(c) 流動資金風險 (續)

下表乃本集團之財務負債到期日之剩餘期間按相關到期組別進行之分析。表內所披露之金額為合約性未貼現現金流量。由於貼現影響並不重大，於十二個月內到期之結餘與其賬面結餘相若。

| | | Within 1 year 一年內 HK\$'000 千港元 | Between 1 and 2 years 一至兩年 HK\$'000 千港元 | Between 2 and 5 years 兩至五年 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|-----------------------------|--------------------------|--|---|---|--------------------------------|
| As at 31 March 2017 | 於二零一七年 三月三十一日 | | | | |
| Other payables and accruals | 其他應付款項及 應計負債 | 30,655 | 358,200 | – | 388,855 |
| As at 31 March 2016 | 於二零一六年三月 三十一日 | | | | |
| Other payables and accruals | 其他應付款項及 應計負債 | 27,612 | 368,000 | – | 395,612 |

(d) Interest rate risk

The Group's interest rate risk arises from bank deposits. The Group monitors and limits its interest rate risk exposure through management of maturity profile and choice of fixed and floating interest rates.

The Group does not have significant cash flow interest rate risk as the interest-bearing assets have no significant impact to the Group. The Group does not have any interest bearing liabilities.

The Group currently does not use any interest rate derivative contracts or other financial instruments to hedge against its interest rate risk exposure.

(d) 利率風險

本集團利率風險來自銀行存款。本集團透過管理還款期及選擇固定及浮動息率，監察及限制其利率風險。

由於附息資產對本集團並無重大影響，故本集團並無重大現金流利率風險。本集團並無任何附息負債。

本集團目前並無使用任何利率衍生合約或其他財務工具對沖其所承受之利率風險。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

3 FINANCIAL RISK MANAGEMENT (Continued)

3.2 Capital risk management

The capital structure of the Group consists of owner's equity, which include cash and cash equivalents and equity attributable to equity holders of the Company which comprises the issued share capital and accumulated losses.

The Group's objectives when managing capital are to safeguard the Group's ability to continue to provide returns for shareholders and to support the Group's stability and growth. The Group regularly reviews and manages its capital structure to ensure optimal capital structure to maintain a balance between higher shareholders' returns that might be possible with higher levels 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 capital on the basis of the net debt to total capital ratio. Management considered that the Group's capital risk is minimal, as there no borrowing as at 31 March 2017 and 31 March 2016.

3.3 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

3 財務風險管理 (續)

3.2 資本風險管理

本集團之資本架構包括擁有人應佔權益，其中包括現金及現金等價物以及本公司權益持有人應佔權益，而本公司權益持有人應佔權益包括已發行股本及累計虧損。

本集團管理資本之目標為保障本集團有能力持續為股東提供回報及支持本集團之穩定及增長。本集團定期檢討及管理其資本架構，以確保取得最佳資本架構，在較高股東回報（可能伴隨較高借款水平）與穩健之資本狀況帶來之利益及保障之間取得平衡，並因應經濟情況變動而調整資本結構。

本集團根據債務淨額對資本總額之比率監控資本。由於本集團於二零一七年三月三十一日及二零一六年三月三十一日並無借款，故管理層認為本集團之資本風險微不足道。

3.3 公平值之估計

下表乃按公平值列賬之財務工具按估值方法進行之分析。不同層級界定如下：

- 相同資產或負債於活躍市場之報價（未經調整）（第一級）。
- 除第一級所計及之報價外，有關資產或負債之輸入變數可直接（即作為價格）或間接（即衍生自價格）觀測而得（第二級）。
- 有關資產或負債之輸入變數並非基於可觀測市場數據（即不可觀測輸入變數）（第三級）。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

The following table presents the Group's financial instruments that are measured at fair value at 31 March:

| | | Level 2 第二級 HK\$'000 千港元 | Total 總額 HK\$'000 千港元 |
|--|---------------|-----------------------------------|--------------------------------|
| As at 31 March 2017 | 於二零一七年三月三十一日 | | |
| Assets | 資產 | | |
| Available-for-sale financial assets club debenture | 可供出售財務資產：會所債券 | 700 | 700 |
| As at 31 March 2016 | 於二零一六年三月三十一日 | | |
| Assets | 資產 | | |
| Available-for-sale financial assets club debenture | 可供出售財務資產：會所債券 | 1,128 | 1,128 |

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

3 財務風險管理 (續)

3.3 公平值之估計 (續)

下表載列於三月三十一日本集團按公平值計量之財務工具：

於活躍市場買賣之財務工具之公平值乃按於報告期末之市場報價釐定。倘交易所、交易商、經紀、行業組織、報價公司或監管當局可隨時及定時報價，而有關價格反映按公平基準實際及經常進行之市場交易，則有關市場被視為活躍。

並無於活躍市場買賣之財務工具公平值乃使用估值方法釐定。該等估值方法儘量利用於可觀測市場取得之數據，並儘量減少依賴實體獨有估計。倘釐定工具公平值之所有重大輸入變數均可觀測，則該工具歸入第二級。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

The following table presents the Group's assets and liabilities that are measured at fair value at 31 March: (Continued)

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments;
- Other techniques, such as inputs from recent arm's length transaction or discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

There were no transfers between Levels 1, 2 and 3 for both years.

3 財務風險管理 (續)

3.3 公平值之估計 (續)

下表載列於三月三十一日本集團按公平值計量之資產及負債：(續)

倘一項或多項重大輸入變數並非基於可觀測市場數據，則該工具歸入第三級。

財務工具估值所使用之特定估值方法包括：

- 類似工具之市場報價或交易商報價；
- 使用其他方法（包括近期公平交易之輸入變數或現金流量貼現分析）釐定其餘財務工具之公平值。

第一級、第二級及第三級之間於兩個年度間並無轉撥。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the process of applying the accounting policies described in Note 2 above, the Group has made the following judgments that have the most significant effect on the amounts recognised in the consolidated financial statements. The key assumptions concerning the future, and other key sources of estimation uncertainty at the financial position date, that have a significant risk of causing a material adjustment to the carrying amounts of the Group's assets and liabilities within the next financial year are disclosed below.

4.1 Critical accounting estimates

(a) Income taxes

The Group is subject to income taxes in several jurisdictions. Significant judgement is required in determining the provision for income taxes. There are certain transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the year in which such determination is made. It is the Group's policy to recognise deferred tax assets for unused tax losses carried forward to the extent that it is probable that future taxable profits will be available against which the unused tax losses can be utilised, based on all available evidence. Recognition primarily depends on the Group's expectation of future taxable profit that will be available against which tax losses can be utilised. The Group has measured the deferred tax relating to the temporary differences of their investment properties using tax rates and the tax bases that are consistent with the expected manner of recovery of their investment properties. The details of the assessment are disclosed in Note 24.

4 重大會計估計及判斷

在應用上文附註2所述會計政策之過程中，本集團已作出下列對綜合財務報表所確認金額造成最重大影響之判斷。對未來之重大假設及於結算日造成估計不確定性之其他重大原因(有重大風險會導致需於下一財政年度內對本集團之資產及負債賬面值作出重大調整)於下文披露。

4.1 重大會計估計

(a) 所得稅

本集團須在多個司法權區繳納所得稅，於釐定所得稅撥備時須作出重大判斷。日常業務過程中存在若干無法確定最終稅項金額之交易及計算。本集團根據其會否需要繳付額外稅款之估計確認預計稅項審計事宜所產生之負債。倘該等事宜之最終稅務結果有別於初步記錄之金額，則有關差額將影響作出上述釐定之年度之所得稅及遞延稅項撥備。根據本集團政策，倘若根據所有可知證據，日後很可能獲得足夠應課稅溢利以抵銷未動用稅項虧損，則就經結轉之未動用稅項虧損確認遞延稅項資產。該等確認主要以本集團預期日後會產生可抵銷稅項虧損之應課稅溢利為依據。本集團已使用預期與收回該等投資物業之方式一致之稅率及稅基，計量與該等投資物業之暫時性差額相關之遞延稅項。評估詳情於附註24披露。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

4.1 Critical accounting estimates (Continued)

(b) Investment properties

The fair value of each investment property is individually determined at each reporting date by independent valuer based on a market value assessment. The valuers have relied on direct comparison method as its primary methods. Details of the valuation techniques and assumptions have been disclosed in Note 16.

4.2 Critical accounting judgement

(a) Impairment of assets

The Group tests at least annually whether goodwill or assets that have indefinite useful lives have suffered any impairment. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of an asset or a cash-generating unit has been determined based on value-in-use calculations. These calculations require the use of estimates, such as discount rates, future profitability and growth rates.

5 REVENUE AND SEGMENT INFORMATION

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the chief operating decision-maker, namely the executive directors, for their decisions about resources allocation to the Group's business component and for their review of the performance of that component. The business components in the internal financial information reported to the executive directors are principally engaged in property investment, hotel operations and provision of financial advisory service.

4 重大會計估計及判斷 (續)

4.1 重大會計估計 (續)

(b) 投資物業

每項投資物業之公平值於每個報告日期由獨立估值師按其市值評估獨立釐定。估值師一直採用直接比較法作為其主要估值方法。估值方法及假設之詳情於附註16披露。

4.2 重大會計判斷

(a) 資產減值

本集團最少每年測試商譽或無固定使用年期之資產是否已出現減值。其他資產則於出現事件或環境出現變化，顯示資產之賬面值超過其可收回金額時，進行減值檢討。資產或現金產生單位之可收回金額乃根據使用價值計算。該等計算需要使用之估計包括貼現率、未來盈利能力及增長率等。

5 收益及分部資料

本集團基於定期向主要營運決策人（即執行董事）報告之內部財務資料識別營運分部及編製分部資料，而該等內部財務資料乃供執行董事就本集團業務組成部分之資源分配作出決策，並供彼等審閱該組成部分之表現。向執行董事報告之內部財務資料所載之業務組成部分主要為物業投資、酒店營運及提供金融顧問服務。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

5 REVENUE AND SEGMENT INFORMATION (Continued)

5 收益及分部資料 (續)

(a) Analysis of revenue by category

(a) 按類別分析之收益

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|-----------------------------------|----------|----------------------------------|----------------------------------|
| Rental income | 租金收入 | 3,359 | 3,514 |
| Financial advisory service income | 金融顧問服務收入 | 8,665 | – |
| Revenue | 收益 | 12,024 | 3,514 |

(b) Segment information

The Group's operating businesses are structured and managed separately, according to the nature of their operations and the services they provide. Each of the Group's business segments represents a strategic business unit which is subject to risks and returns that are different from those of other business segments. Pursuant to an announcement made by the Group on 27 September 2016, it has adopted financial advisory service as a new business segment as a result of a change in the Group's strategy. Revenue in relation to the financial advisory service provided has been recognised in this business segment for the year ended 31 March 2017. The Group has adopted the new organisation structure as the reporting format effective for the year ended 31 March 2017. Summarised details of the business segments are as follows:

- i) the property investment segment engages in investment of properties in cities of Yingkou, Jinggangshan and Zhongshan of the People's Republic of China (the "PRC"), the Group aim to use these properties for properties rental or capital appreciation purposes;

(b) 分部資料

本集團之營運業務乃根據經營性質及所提供服務而分開籌劃及管理。本集團之業務分部各自為一個策略性業務單位，其所承受風險及所得回報有別於其他業務分部。根據本集團於二零一六年九月二十七日發表之公告，由於本集團策略有變，故已採納金融顧問服務為新業務分部。與提供金融顧問服務有關之收益已於截至二零一七年三月三十一日止年度在本業務分部中確認。本集團已採納新組織架構作為報告形式，由截至二零一七年三月三十一日止年度生效。業務分部之詳情概述如下：

- i) 物業投資分部於中華人民共和國（「中國」）營口市、井岡山市及中山市從事物業投資，本集團計劃利用該等物業作物業出租或資本增值用途；

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

5 REVENUE AND SEGMENT INFORMATION (Continued)

(b) Segment information (Continued)

- ii) the hotel operations segment engages in hotel rental and food and beverage business. The executive directors are actively pursuing new opportunities for investment in hotel operations. As at 31 March 2017, certain opportunity has been identified and is currently under the consideration by the executive Directors;
- iii) the financial advisory service segment engages in the provision of financial advisory service to assist customers to obtain financing. This new business segment was commenced in September 2016; and
- iv) the unallocated segment comprises operations other than those specified in (i), (ii) and (iii) above and includes that of the corporate office.

The investment properties in the cities of Zhongshan and Jinggangshan of the PRC were under refurbishment and had not yet started to operate as at 31 March 2017.

Capital expenditure comprise additions to investment properties and property, plant and equipment. Segment assets consist primarily of property, plant and equipment and receivables. Segment liabilities comprise deferred tax liabilities and operating liabilities. Unallocated assets and liabilities mainly represent assets and liabilities used by the corporate office, which cannot be allocated on a reasonable basis to any segment. They include items such as corporate borrowings.

5 收益及分部資料 (續)

(b) 分部資料 (續)

- ii) 酒店營運分部從事酒店出租及餐飲業務。執行董事積極尋求酒店營運之新投資機會。於二零一七年三月三十一日，執行董事已識別多個機會，現正予以考慮；
- iii) 金融顧問服務分部從事提供金融顧問服務，以協助客戶取得融資。此新業務分部於二零一六年九月開展；及
- iv) 未分配項目分部為上文(i)、(ii)及(iii)項所述者以外之業務，包括本集團辦事處業務。

位於中國中山市及井岡山市之投資物業於二零一七年三月三十一日正在翻新，尚未開業。

資本開支包括投資物業以及物業、廠房及設備之添置。分部資產主要由物業、廠房及設備以及應收款項組成。分部負債包括遞延稅項負債及經營負債。未分配資產及負債主要指由本集團辦事處使用且難以按合理基準分配到任何分部之資產及負債，包括企業借款等項目。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

5 REVENUE AND SEGMENT INFORMATION (Continued)

5 收益及分部資料 (續)

(b) Segment information (Continued)

The Directors assess the performance of the operating segments based on a measure of segment results, which represent, operating profit less central administrative costs. The segment results, depreciation, and capital expenditure based on reportable segments for the years ended 31 March 2017 and 2016 are as follows:

(b) 分部資料 (續)

董事藉計量分部業績(即經營溢利減中央行政成本)評估營運分部表現。截至二零一七年及二零一六年三月三十一日止年度,按可報告分部劃分之分部業績、折舊及資本開支如下:

| | | Property investment 物業投資 HK\$'000 千港元 | Hotel operations 酒店營運 HK\$'000 千港元 | Financial advisory service 金融顧問服務 HK\$'000 千港元 | Unallocated 未分配項目 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|-------------------------|--|---|---|---|--------------------------------|
| For the year ended 31 March 2017 | 截至二零一七年三月三十一日止年度 | | | | | |
| Segment revenue: | 分部收益: | | | | | |
| Revenue from external customers | 來自外部客戶之收益 | 3,359 | - | 8,665 | - | 12,024 |
| Segment results | 分部業績 | 156,835 | (459) | 6,097 | (34,413) | 128,060 |
| Finance income | 財務收入 | | | | | 3,155 |
| Finance costs | 融資成本 | | | | | (7,915) |
| Profit before income tax | 除所得稅前溢利 | | | | | 123,300 |
| Income tax expense | 所得稅開支 | | | | | (41,960) |
| Profit for the year | 年內溢利 | | | | | 81,340 |
| Other segment information | 其他分部資料 | | | | | |
| Depreciation | 折舊 | (211) | - | (44) | (1,134) | (1,389) |
| Fair value gains on investment properties | 投資物業之公平值盈利 | 160,008 | - | - | - | 160,008 |
| Additions to | 添置 | | | | | |
| - Property, plant and equipment | - 物業、廠房及設備 | - | - | 249 | 13 | 262 |
| - Investment properties | - 投資物業 | 7,782 | - | - | - | 7,782 |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

5 REVENUE AND SEGMENT INFORMATION (Continued)

(b) Segment information (Continued)

5 收益及分部資料 (續)

(b) 分部資料 (續)

| | | Property investment | Hotel operations | Financial advisory service | Unallocated | Total |
|---|------------|---------------------|------------------|----------------------------|-------------|----------|
| | | 物業投資 | 酒店營運 | 金融顧問服務 | 未分配項目 | 總計 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| For the year ended 31 March 2016 截至二零一六年三月三十一日止年度 | | | | | | |
| Segment revenue: | 分部收益: | | | | | |
| Revenue from external customers | 來自外部客戶之收益 | 3,514 | - | - | - | 3,514 |
| Segment results | 分部業績 | 251,150 | (113) | - | (1,903) | 249,134 |
| Finance income | 財務收入 | | | | | 1,132 |
| Finance costs | 融資成本 | | | | | (31,502) |
| Profit before income tax | 除所得稅前溢利 | | | | | 218,764 |
| Income tax expense | 所得稅開支 | | | | | (46,498) |
| Profit for the year | 年內溢利 | | | | | 172,266 |
| Other segment information | 其他分部資料 | | | | | |
| Depreciation | 折舊 | (216) | - | - | (1,042) | (1,258) |
| Fair value gains on investment properties | 投資物業之公平值盈利 | 191,330 | - | - | - | 191,330 |
| Impairment of goodwill | 商譽減值 | (65,240) | - | - | (256) | (65,496) |
| Additions to | 添置 | | | | | |
| - Property, plant and equipment | - 物業、廠房及設備 | - | - | - | 3,262 | 3,262 |
| - Investment properties | - 投資物業 | 50,758 | - | - | - | 50,758 |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

5 REVENUE AND SEGMENT INFORMATION (Continued)

(b) Segment information (Continued)

Information about major customers

Revenue of approximately HK\$1,999,000 and HK\$1,360,000 (2016: HK\$2,050,000 and HK\$1,464,000) were derived from Customer A and Customer B in the property investment segment respectively. Revenue of approximately HK\$8,665,000 (2016: Nil) was derived from Customer C in the financial advisory service segments. No other single customer contributed 10% or more to the Group's revenue for both the years ended 31 March 2017 and 2016.

The segment assets and liabilities based on reportable segments as at 31 March 2017 and 2016 are as follows:

5 收益及分部資料 (續)

(b) 分部資料 (續)

有關主要客戶之資料

約1,999,000港元及1,360,000港元 (二零一六年: 2,050,000港元及1,464,000港元) 之收益分別來自物業投資分部之客戶甲及客戶乙。約8,665,000港元 (二零一六年: 無) 之收益來自金融顧問服務分部之客戶丙。概無其他單一客戶為本集團截至二零一七年及二零一六年三月三十一日止兩個年度貢獻10%或以上收益。

於二零一七年及二零一六年三月三十一日，按可報告分部劃分之分部資產及負債如下：

| | | Property investment 物業投資 HK\$'000 千港元 | Hotel operations 酒店營運 HK\$'000 千港元 | Financial advisory service 金融顧問服務 HK\$'000 千港元 | Unallocated 未分配項目 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---------------------------|---------------------|--|---|---|---|--------------------------------|
| At 31 March 2017 | 於二零一七年三月三十一日 | | | | | |
| Segment assets | 分部資產 | 1,886,443 | – | 8,989 | 3,698 | 1,899,130 |
| Cash and cash equivalents | 現金及現金等價物 | 957 | – | 3,796 | 80,536 | 85,289 |
| Total assets | 資產總值 | 1,887,400 | – | 12,785 | 84,234 | 1,984,419 |
| Segment liabilities | 分部負債 | (745,687) | – | (2,118) | (21,031) | (768,836) |
| Total liabilities | 負債總額 | (745,687) | – | (2,118) | (21,031) | (768,836) |
| At 31 March 2016 | 於二零一六年三月三十一日 | | | | | |
| Segment assets | 分部資產 | 1,834,394 | – | – | 53,495 | 1,887,889 |
| Cash and cash equivalents | 現金及現金等價物 | 704 | – | – | 73,859 | 74,563 |
| Total assets | 資產總值 | 1,835,098 | – | – | 127,354 | 1,962,452 |
| Segment liabilities | 分部負債 | (737,697) | – | – | (11,244) | (748,941) |
| Total liabilities | 負債總額 | (737,697) | – | – | (11,244) | (748,941) |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

5 REVENUE AND SEGMENT INFORMATION (Continued)

(b) Segment information (Continued)

The Group's businesses operate in Hong Kong and the PRC. The Group's revenue for the years ended 31 March 2017 and 2016 and non-current assets as at 31 March 2017 and 2016 based on geographical area are as follows:

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|---------------------------|--------------|----------------------------------|----------------------------------|
| Revenue | 收益 | | |
| PRC | 中國 | 12,024 | 3,514 |
| Non-current assets | 非流動資產 | | |
| Hong Kong | 香港 | 2,059 | 5,441 |
| PRC | 中國 | 1,885,066 | 1,832,633 |
| | | 1,887,125 | 1,838,074 |

Revenue is categorised based on the jurisdiction in which the customers are located. Non-current assets are categorised based on where the assets are located.

5 收益及分部資料 (續)

(b) 分部資料 (續)

本集團於香港及中國經營業務。本集團截至二零一七年及二零一六年三月三十一日止年度按地區劃分之收益以及於二零一七年及二零一六年三月三十一日按地區劃分之非流動資產如下：

收益按客戶所在司法權區進行分類，非流動資產按資產所在地進行分類。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

6 OTHER GAINS, NET

6 其他盈利淨額

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|---|-----------------------|----------------------------------|----------------------------------|
| Impairment loss on available-for-sale financial assets (Note 18) | 可供出售財務資產之減值虧損 (附註18) | (441) | - |
| Gain on disposal of subsidiaries | 出售附屬公司之盈利 | - | 840 |
| Gain/(loss) on disposal of property, plant and equipment | 出售物業、廠房及設備之盈利 / (虧損) | 167 | (310) |
| Recovery of an amount due from VXLMSL previously written off (Note) | 收回過往已撇銷之應收卓越管理款項 (附註) | - | 12,890 |
| Others | 其他 | 546 | 175 |
| | | 272 | 13,595 |

Note:

VXLMSL was formerly a wholly owned subsidiary of the Company and the entire equity interest of VXLMSL was disposed of by the Company pursuant to an agreement dated 29 November 2014 between the Company and Big Country Investment Limited ("Big Country"), an independent third party. VXLMSL and the Company did not fully reconcile their intercompany accounts before the disposal was completed and Big Country agreed to settle such accounts after completion of the disposal. As a result of the full reconciliation of the intercompany accounts in August 2015, it was noted that there was an amount due from VXLMSL to the Group amounted to HK\$12,890,000 and an amount due by the Group to VXLMSL amounted to HK\$5,917,000. Pursuant to the Deed of Confirmation and the Deed of Waiver of Debt dated on 20 August 2015, Big Country agreed to repay the amount due by VXLMSL to the Group amounted to HK\$12,890,000 and also waived the amount due by the Group to VXLMSL amounted to HK\$5,917,000 (Note 7). The amount due by VXLMSL to the Group was fully settled by VXLMSL on 9 March 2016.

附註：

卓越管理為本公司之前全資附屬公司，其全部股權已由本公司根據其與獨立第三方 Big Country Investment Limited (「Big Country」) 所訂立日期為二零一四年十一月二十九日之協議出售。卓越管理及本公司未能於出售完成前將公司間賬目全面對賬，而 Big Country 同意於出售完成後結算有關賬款。公司間賬目於二零一五年八月全面對賬後，發現卓越管理應付本集團 12,890,000 港元，而本集團則應付卓越管理 5,917,000 港元。根據於二零一五年八月二十日訂立之確認契據及債務豁免契據，Big Country 同意償還卓越管理應付本集團之款項 12,890,000 港元，同時豁免本集團應付卓越管理之款項 5,917,000 港元 (附註 7)。卓越管理已於二零一六年三月九日全數清償其應付本集團之款項。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

7 WAIVER OF OTHER PAYABLES

7 豁免其他應付款項

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|---|-------------------------|----------------------------------|----------------------------------|
| Waiver of an amount due to VXLMSL (Note (6)) | 豁免應付卓越管理款項 (附註(6)) | - | 5,917 |
| Waiver of part of the consideration payable due to early repayment (Note i) | 因提早還款而豁免部分 應付代價(附註i) | - | 97,294 |
| Waiver of director's fee payable (Note ii) | 豁免應付董事袍金(附註ii) | 728 | - |
| | | 728 | 103,211 |

i) Crown International Resort Limited ("Crown Resort"), an indirect wholly owned subsidiary of the Company acquired the entire equity interest of Zhongshan Hualian Industrial Development Corporation Limited from Sino Oasis Oversea Limited ("Sino Oasis") for a total consideration of HK\$1,008,000,000 of which HK\$700,000,000 had to be satisfied by cash. Without considering the discounting effect, the consideration payable was HK\$624,400,000 as at 31 March 2015. On 31 March 2016, Sino Oasis and Crown Resort entered into an agreement, pursuant to which Sino Oasis has agreed to waive part of the outstanding consideration payable amounted to HK\$100,000,000 in return for an early repayment of the consideration amounted to HK\$300,000,000. The repayment of HK\$300,000,000 was made on 11 March 2016. The present value of the amount waived during the year ended 31 March 2016 is HK\$97,294,000.

ii) As at 31 March 2017, Mr. Zhu Jin Long was resigned as the executive director of the Company and waived the director fee for the year due to his early resignation.

i) 享天地集團有限公司(「享天地」,本公司之間接全資附屬公司)向Sino Oasis Oversea Limited(「Sino Oasis」)收購中山市華聯實業開發有限公司之全部股權,總代價為1,008,000,000港元,其中700,000,000港元須以現金支付。如不計及貼現影響,則於二零一五年三月三十一日應付之代價為624,400,000港元。於二零一六年三月三十一日,Sino Oasis與享天地訂立協議,據此,Sino Oasis同意豁免100,000,000港元之部分未償還應付代價,以換取提早償還300,000,000港元之代價。該300,000,000港元已於二零一六年三月十一日償還。於截至二零一六年三月三十一日止年度獲豁免款項之現值為97,294,000港元。

ii) 於二零一七年三月三十一日,祝金龍先生辭任本公司執行董事,彼因提早呈辭而放棄收取本年度之董事袍金。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

8 REVERSAL OF PROVISION FOR DOUBTFUL DEBTS

8 呆賬撥備撥回

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|---|---------------|----------------------------------|----------------------------------|
| Reversal of provision for consideration receivable (Note) | 應收代價撥備撥回 (附註) | – | 57,221 |

Note:

On 5 June 2014, “U” Inns & Hotels Investment Limited, a wholly owned subsidiary of the Company, entered into a sale and purchase agreement with Mr Liu Xiong (“Liu”) to dispose its entire equity interest in “U” Inns & Hotel (Jinggangshan) Limited (“U Inns Jinggangshan”) for a consideration of approximately RMB50,000,000 (equivalent to approximately HK\$63,092,000). Taking into account a deposit paid by Liu in January 2014, upon completion of the disposal, consideration receivable amounted to approximately RMB48,000,000 (equivalent to approximately HK\$60,548,000) remained outstanding. Since the completion of the disposal, the Group’s management has attempted to recover the receivable but without success. In November 2014, the Group has commenced legal action to try and recover the outstanding balance from Liu. Considering the uncertainty surrounding the outcome of the planned legal action, management has made a full provision against the outstanding balance during the year ended 31 March 2015. “U” Inns & Hotels Investment Limited was disposed to an independent third party on 8 January 2016 and the receivable and its related provision was transferred to Crown Tianhe Resources Limited prior to the disposal.

In January 2016, a settlement arrangement was reached between Crown Tianhe Resources Limited and Liu, pursuant to which Liu has agreed to return the entire equity interest in U Inns Jinggangshan to Crown Tianhe Resources Limited, as a settlement of the outstanding balance amounted to RMB48,000,000 (equivalent to approximately HK\$57,221,000). As a result of the settlement arrangement, the provision for consideration receivable amounted to RMB48,000,000 (equivalent to approximately HK\$57,221,000) was reversed during the year ended 31 March 2016. The abovementioned acquisition of U Inns Jinggangshan was accounted for as an asset acquisition.

附註：

於二零一四年六月五日，你的客棧酒店有限公司（本公司之全資附屬公司）與劉雄先生（「劉先生」）訂立買賣協議，出售其於你的客棧酒店（井岡山市）有限公司（「你的客棧井岡山市」）全部股權，代價約為人民幣50,000,000元（相等於約63,092,000港元）。經考慮劉先生於二零一四年一月已支付按金，於出售完成時，應收代價約人民幣48,000,000元（相等於約60,548,000港元）仍未收回。自出售完成後，本集團管理層嘗試收回應收款項但並未成功。於二零一四年十一月，本集團開展法律行動，以嘗試向劉先生收回未收回結餘。鑑於待決法律行動之結果存在不明朗因素，管理層已於截至二零一五年三月三十一日止年度就未收回結餘作出全數撥備。你的客棧酒店有限公司已於二零一六年一月八日出售予一名獨立第三方，而該應收款項及其相關撥備於出售前已轉讓予皇冠天和資源有限公司。

於二零一六年一月，皇冠天和資源有限公司與劉先生達成和解安排，據此，劉先生同意向皇冠天和資源有限公司退回你的客棧井岡山市之全部股權，以清償未收回結餘人民幣48,000,000元（相等於約57,221,000港元）。基於和解安排，應收代價撥備人民幣48,000,000元（相等於約57,221,000港元）已於截至二零一六年三月三十一日止年度撥回。上述你的客棧井岡山市之收購入賬列作資產收購。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

9 STAFF COSTS

The staff costs disclosed below are for all employees and include all Directors' emoluments (Note 14(a)).

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|---|--------------|----------------------------------|----------------------------------|
| Directors' fees | 董事袍金 | 5,720 | 3,065 |
| Salaries and other short-term employee benefits | 薪金及其他短期僱員福利 | 7,088 | 5,380 |
| Provision of unutilised annual leave | 未動用年假撥備 | - | 5 |
| Mandatory provident fund | 強制性公積金 | 230 | 156 |
| Social security costs (Note i) | 社會保障成本 (附註i) | 533 | 90 |
| | | 13,571 | 8,696 |

Notes:

- i) All employees of the subsidiaries of the Company in the PRC who are PRC citizens participate in employee social security plans enacted in the PRC, including pension, medical and other welfare benefits, which are organised and administrated by the government authorities. According to the relevant regulations, the Group contributes on a monthly basis based on certain percentages of the salaries of the employees, subject to a certain ceiling, and are paid to the labor and social welfare authorities. Contributions to the plans are expensed as incurred.

9 僱員成本

下文披露全體僱員之僱員成本，包括全體董事之酬金（附註14(a)）。

附註：

- i) 本公司之中國附屬公司內所有屬中國公民之僱員均參與於中國推行之僱員社會保障計劃。該等計劃由政府機關營辦及管理，內容包括退休金、醫療及其他福利。按照相關規例，本集團每月根據僱員薪金之若干百分比向勞工及社會福利機關作出供款（惟設有若干上限）。向計劃作出之供款於產生時支銷。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

10 OTHER OPERATING EXPENSES

10 其他經營開支

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|-----------------------------------|--------|----------------------------------|----------------------------------|
| Legal and professional fee | 法律及專業費 | 1,942 | 2,541 |
| Consultancy fee | 顧問費 | 6,224 | 70 |
| Auditor's remuneration | 核數師酬金 | 1,297 | 1,230 |
| Exchange losses | 匯兌虧損 | 9,159 | 26,740 |
| Office rental | 辦公室租金 | 6,038 | 7,410 |
| Business travel expenses | 商務差旅開支 | 654 | 348 |
| Property tax | 物業稅 | 747 | 366 |
| Business entertainment | 商務娛樂 | 801 | 365 |
| Motor vehicle expenses | 汽車開支 | 546 | 486 |
| Registration and announcement fee | 登記及公告費 | 510 | 551 |
| Others | 其他 | 2,094 | 4,180 |
| | | 30,012 | 44,287 |

11 FINANCE COSTS – NET

11 融資成本淨額

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|--|---------------------------|----------------------------------|----------------------------------|
| Interest expense: | 利息開支: | | |
| Accretion of consideration and other payables (Note 23) | 代價及其他應付款項之 應計費用 (附註23) | (7,915) | (24,995) |
| Interest on notes payable | 應付票據之利息 | - | (6,507) |
| Finance costs | 融資成本 | (7,915) | (31,502) |
| Finance income: | 財務收入: | | |
| Interest income from other receivables | 其他應收款項之利息收入 | 595 | 207 |
| Bank interest income | 銀行利息收入 | 2,560 | 925 |
| Finance income | 財務收入 | 3,155 | 1,132 |
| Net finance costs | 融資成本淨額 | (4,760) | (30,370) |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

12 INCOME TAX EXPENSE

The amount of taxation charged to the consolidated statement of comprehensive income represents:

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|--------------------------------------|-----------|----------------------------------|----------------------------------|
| Current tax – PRC | 即期稅項 – 中國 | 2,193 | – |
| Adjustment in respect of prior years | 就過往年度所作調整 | – | (2,807) |
| Deferred taxation | 遞延稅項 | 39,767 | 49,305 |
| | | 41,960 | 46,498 |

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to the results of the consolidated companies as follows:

12 所得稅開支

綜合全面收益表內已扣除之稅項金額指：

本集團除所得稅前溢利之稅項與按適用於綜合公司業績之加權平均稅率計算之理論稅額之差額如下：

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|--|-----------------------|----------------------------------|----------------------------------|
| Profit before income tax | 除所得稅前溢利 | 123,300 | 218,764 |
| Tax calculated at domestic tax rates applicable to profits in the respective jurisdictions | 按適用於各司法權區溢利之當地稅率計算之稅項 | 37,953 | 44,060 |
| Tax effect of non-deductible expenses | 不可扣稅開支之稅項影響 | 7,022 | 27,678 |
| Tax effect of non-taxable revenue | 免稅收益之稅項影響 | (7,751) | (29,375) |
| Deferred tax assets not recognised | 未確認之遞延稅項資產 | 4,736 | 6,942 |
| Adjustment in respect of prior years | 就過往年度所作調整 | – | (2,807) |
| Income tax expense | 所得稅開支 | 41,960 | 46,498 |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

12 INCOME TAX EXPENSE (Continued)

The weighted average applicable tax rate was 30.8% (2016: 20.1%). The increase is caused by a change in the profitability of the Group's subsidiaries in the respective places.

The applicable rate of Hong Kong profits tax is 16.5% (2016: 16.5%). No provision for Hong Kong profits tax (2016: Nil) has been made for the year as the Group has no assessable profit for the year (2016: Nil). Provision for China corporate income tax is calculated based on the statutory tax rate of 25% (2016: 25%) on the assessable income of each of the Group's PRC entities.

13 EARNINGS PER SHARE

- (a) Basic earnings per ordinary share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

| | | 2017 二零一七年 | 2016 二零一六年 |
|--|------------------|---------------|---------------|
| Profit for the year attributable to owner of the Company, HK\$'000 | 本公司擁有人應佔年內溢利，千港元 | 81,179 | 172,266 |
| Weighted average number of ordinary shares in issue | 已發行普通股之加權平均數 | 2,860,000,000 | 2,713,661,202 |
| Basic earnings per ordinary share, HK cents | 每股普通股基本盈利，港仙 | 2.84 | 6.35 |

- (b) The calculation of diluted earnings per ordinary share is based on the profit for the year attributable to owners of the Company and the weighted average number of ordinary shares used, which is the same for calculating basic earnings per ordinary share above, as the Company did not have any dilutive potential ordinary shares arising from share options for the two years ended 31 March 2017 and 31 March 2016.

12 所得稅開支 (續)

加權平均適用稅率為30.8% (二零一六年：20.1%)。稅率增加乃由於本集團各地附屬公司之盈利能力出現變動所致。

香港利得稅之適用稅率為16.5% (二零一六年：16.5%)。由於本集團年內並無應課稅溢利 (二零一六年：無)，故於本年度並無就香港利得稅作出撥備 (二零一六年：無)。中國企業所得稅撥備乃根據本集團各中國實體之應課稅收入按法定稅率25% (二零一六年：25%) 計算。

13 每股盈利

- (a) 每股普通股之基本盈利乃以年內本公司權益持有人應佔溢利除以已發行普通股之加權平均數計算。

- (b) 每股普通股之攤薄盈利之計算乃以本公司擁有人應佔年內溢利及計算上文每股普通股之基本盈利時所用之相同普通股加權平均數為依據，原因在於本公司在截至二零一七年三月三十一日及二零一六年三月三十一日止兩個年度並無源於購股權之任何攤薄潛在普通股。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

14 BENEFITS AND INTERESTS OF DIRECTORS

(a) Directors' and chief executive's emoluments

The remuneration of every director and the chief executive is set out below:

For the year ended 31 March 2017:

14 董事之福利及利益

(a) 董事及最高行政人員之酬金

每名董事及最高行政人員之薪酬如下：

截至二零一七年三月三十一日止年度：

| | | Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking 就一名人士以董事(不論屬本公司或其附屬企業)身份提供服務而已付或應收之酬金 | | | | |
|-------------------------------------|---------|--|-----------------------|---|---|-----------------------|
| | | | | Employer's contribution to retirement benefit scheme 退休福利計劃之僱主供款 | Emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the Company or its subsidiary undertaking 就董事提供有關管理本公司或其附屬企業事務之其他服務而已付或應收之酬金 | Total |
| Name | | Fees | Salaries | | | |
| 姓名 | | 袍金 HK\$'000 千港元 | 薪金 HK\$'000 千港元 | 退休福利計劃之僱主供款 HK\$'000 千港元 | 服務而已付或應收之酬金 HK\$'000 千港元 | 總額 HK\$'000 千港元 |
| Executive directors | 執行董事 | | | | | |
| Meng Jin Long | 孟金龍 | 1,500 | - | - | - | 1,500 |
| Liu Hong Shen | 劉紅深 | 1,500 | - | - | - | 1,500 |
| Yeung Man, Simon (a) | 楊敏(a) | 1,392 | - | 18 | - | 1,410 |
| Zhu Jin Long (b) | 祝金龍(b) | 728 | - | - | - | 728 |
| Independent non-executive directors | 獨立非執行董事 | | | | | |
| Long Tao | 龍濤 | 200 | - | - | - | 200 |
| Ren Guo Hua | 任國華 | 200 | - | - | - | 200 |
| Chen Fang | 陳放 | 200 | - | - | - | 200 |
| | | 5,720 | - | 18 | - | 5,738 |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

14 BENEFITS AND INTERESTS OF DIRECTORS (Continued)

14 董事之福利及利益 (續)

(a) Directors' and chief executive's emoluments (Continued)

For the year ended 31 March 2016:

(a) 董事及最高行政人員之酬金 (續)

截至二零一六年三月三十一日止年度：

| | | Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking 就一名人士以董事(不論屬本公司或其附屬企業)身份提供服務而已付或應收之酬金 | | | | |
|-------------------------------------|---------|--|-----------------------|--|---|-----------------------|
| Name | | Fees | Salaries | Employer's contribution to retirement benefit scheme | Emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the Company or its subsidiary undertaking | Total |
| 姓名 | | 袍金 HK\$'000 千港元 | 薪金 HK\$'000 千港元 | 退休福利計劃之僱主供款 HK\$'000 千港元 | 有關管理本公司或其附屬企業事務之其他服務而已付或應收之酬金 HK\$'000 千港元 | 總額 HK\$'000 千港元 |
| Executive directors | 執行董事 | | | | | |
| Meng Jin Long | 孟金龍 | 800 | - | - | - | 800 |
| Liu Hong Shen | 劉紅深 | 800 | - | - | - | 800 |
| Yeung Man, Simon | 楊敏 | 865 | - | 17 | 258 | 1,140 |
| Independent non-executive directors | 獨立非執行董事 | | | | | |
| Long Tao | 龍濤 | 200 | - | - | - | 200 |
| Ren Guo Hua | 任國華 | 200 | - | - | - | 200 |
| Chen Fang | 陳放 | 200 | - | - | - | 200 |
| | | 3,065 | - | 17 | 258 | 3,340 |

Notes:

- (a) Mr. Yeung Man, Simon was appointed as the chief executive officer of the Company on 7 October 2016.
- (b) Appointed on 7 October 2016 and resigned on 31 March 2017. Mr. Zhu waived his director's fee of HK\$728,000 during the year due to his early resignation.

附註：

- (a) 楊敏先生於二零一六年十月七日獲委任為本公司行政總裁。
- (b) 於二零一六年十月七日獲委任及於二零一七年三月三十一日辭任。年內，祝先生因提早辭任而放棄收取董事袍金728,000港元。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

14 BENEFITS AND INTERESTS OF DIRECTORS (Continued)

(a) Directors' and chief executive's emoluments (Continued)

The Company's executive directors represent all of the Company's chief executives. Accordingly, no separate disclosure in respect of the remuneration of the chief executives is made in the financial statements.

No emoluments were paid to any director as an inducement to join or upon joining the Group or as compensation for loss of office during the year ended 31 March 2017 (2016: Nil).

(b) Directors' termination benefits

None of the directors received or will receive any termination benefits during the year (2016: Nil).

(c) Consideration provided to third parties for making available directors' services

During the year ended 31 March 2017, the Group did not pay consideration to any third parties for making available directors' services (2016: Nil).

(d) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

As at 31 March 2017, there was no loans, quasi-loans and other dealings arrangements in favour of directors, controlled bodies corporate by and connected entities with such directors (2016: Nil).

14 董事之福利及利益 (續)

(a) 董事及最高行政人員之酬金 (續)

本公司執行董事乃本公司所有最高行政人員。因此，財務報表內並無另行披露最高行政人員之薪酬。

於截至二零一七年三月三十一日止年度，本公司並無向任何董事支付任何酬金，作為邀請彼等加入本集團或加入本集團時之獎勵金或作為離職補償（二零一六年：無）。

(b) 董事之終止僱傭福利

年內，概無董事已收取或將收取任何終止僱傭福利（二零一六年：無）。

(c) 就獲取董事服務而向第三方支付之代價

於截至二零一七年三月三十一日止年度，本集團並無就獲取董事服務向任何第三方支付代價（二零一六年：無）。

(d) 有關以董事、受該等董事控制之法團及與該等董事關連之實體為受益人之貸款、準貸款及其他交易之資料

於二零一七年三月三十一日，概無以董事、受該等董事控制之法團及與該等董事關連之實體為受益人之貸款、準貸款及其他交易安排（二零一六年：無）。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

14 BENEFITS AND INTERESTS OF DIRECTORS (Continued)

14 董事之福利及利益 (續)

(e) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Group's business to which the Group was a party and in which a director of the Group had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year (2016: Nil).

(e) 董事於交易、安排或合約中之重大權益

本集團概無就本集團業務訂立本集團董事直接或間接擁有重大權益，且於年末或年內任何時間仍然有效之任何重大交易、安排及合約 (二零一六年：無)。

(f) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year comprise 4 directors and 1 employee (2016: comprise 3 directors and 2 employees). The details of the emoluments payable to the 1 employee (2016: 2) during the year are presented below:

(f) 五名最高薪人士

本年度本集團五名最高薪人士包括四名董事及一名僱員 (二零一六年：包括三名董事及兩名僱員)。年內應付該一名 (二零一六年：兩名) 僱員之酬金詳情呈列如下：

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|---|----------------|----------------------------------|----------------------------------|
| Salaries and other short-term employee benefits | 薪金及其他短期僱員福利 | 1,500 | 907 |
| Pension costs – defined contribution plan | 退休金成本 – 定額供款計劃 | 18 | 17 |
| | | 1,518 | 924 |

| | | Number of individuals 人數 | |
|-------------------------------|---------------------------|-----------------------------|---------------|
| | | 2017 二零一七年 | 2016 二零一六年 |
| Emoluments band | 酬金範圍 | | |
| HK\$1 – HK\$500,000 | 1港元 – 500,000港元 | – | 2 |
| HK\$500,001 – HK\$1,000,000 | 500,001港元 – 1,000,000港元 | – | – |
| HK\$1,000,001 – HK\$1,500,000 | 1,000,001港元 – 1,500,000港元 | – | – |
| HK\$1,500,001 – HK\$2,000,000 | 1,500,001港元 – 2,000,000港元 | 1 | – |
| | | 1 | 2 |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

15 PROPERTY, PLANT AND EQUIPMENT

15 物業、廠房及設備

| | | Furniture and fixtures | Computer, office equipment and machinery 電腦、 辦公室設備 及機器 | Leasehold improvement | Motor vehicles | Total |
|----------------------------------|----------------------|---------------------------|--|--------------------------|-----------------------|-----------------------|
| | | 傢俬及裝置 HK\$'000 千港元 | 電腦、 辦公室設備 及機器 HK\$'000 千港元 | 租賃裝修 HK\$'000 千港元 | 汽車 HK\$'000 千港元 | 總額 HK\$'000 千港元 |
| As at 31 March 2015 | 於二零一五年三月三十一日 | | | | | |
| Cost | 成本 | 5,437 | 9,732 | – | 4,221 | 19,390 |
| Accumulated depreciation | 累計折舊 | (5,387) | (5,545) | – | (1,677) | (12,609) |
| | | 50 | 4,187 | – | 2,544 | 6,781 |
| Year ended 31 March 2016 | 截至二零一六年 三月三十一日止年度 | | | | | |
| Opening net book amount | 年初賬面淨值 | 50 | 4,187 | – | 2,544 | 6,781 |
| Currency translation differences | 外幣換算差額 | (11) | (185) | – | (3) | (199) |
| Additions | 添置 | 82 | 207 | 973 | 2,000 | 3,262 |
| Disposals | 出售 | – | – | – | (560) | (560) |
| Charge for the year | 年內開支 | (49) | (332) | (324) | (553) | (1,258) |
| Closing net book amount | 年末賬面淨值 | 72 | 3,877 | 649 | 3,428 | 8,026 |
| As at 31 March 2016 | 於二零一六年三月三十一日 | | | | | |
| Cost | 成本 | 145 | 4,879 | 973 | 4,370 | 10,367 |
| Accumulated depreciation | 累計折舊 | (73) | (1,002) | (324) | (942) | (2,341) |
| | | 72 | 3,877 | 649 | 3,428 | 8,026 |
| Year ended 31 March 2017 | 截至二零一七年 三月三十一日止年度 | | | | | |
| Opening net book amount | 年初賬面淨值 | 72 | 3,877 | 649 | 3,428 | 8,026 |
| Currency translation differences | 外幣換算差額 | – | (204) | 2 | (2) | (204) |
| Additions | 添置 | 13 | – | 249 | – | 262 |
| Disposals | 出售 | – | – | – | (1,833) | (1,833) |
| Charge for the year | 年內開支 | (50) | (331) | (367) | (641) | (1,389) |
| Closing net book amount | 年末賬面淨值 | 35 | 3,342 | 533 | 952 | 4,862 |
| As at 31 March 2017 | 於二零一七年三月三十一日 | | | | | |
| Cost | 成本 | 156 | 4,642 | 1,222 | 2,366 | 8,386 |
| Accumulated depreciation | 累計折舊 | (121) | (1,300) | (689) | (1,414) | (3,524) |
| | | 35 | 3,342 | 533 | 952 | 4,862 |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

16 INVESTMENT PROPERTIES

16 投資物業

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|---------------------|----------|----------------------------------|----------------------------------|
| At 1 April | 於四月一日 | 1,828,920 | 1,672,411 |
| Addition (Note 8) | 添置 (附註8) | 7,782 | 50,758 |
| Fair value gains | 公平值盈利 | 160,008 | 191,330 |
| Exchange difference | 匯兌差額 | (115,147) | (85,579) |
| At 31 March | 於三月三十一日 | 1,881,563 | 1,828,920 |

The Group's property interest held under operating lease to earn rental income or for capital appreciation is measured using the fair value model.

本集團根據經營租賃持有以賺取租金收入或作資本增值之物業權益乃採用公平值模型計量。

As at 31 March 2017, the Group has no unprovided contractual obligations for future repairs and maintenance (2016: Nil).

於二零一七年三月三十一日，本集團並無有關未來維修及保養之未撥備合約責任 (二零一六年：無)。

| Investment properties held by the Group in the consolidated statement of financial position | Fair value hierarchy | Valuation technique(s) and key input(s) | Significant unobservable input(s) 重大不可觀測輸入變數 | Relationship of unobservable inputs for fair value 不可觀測輸入變數之關係 | Sensitivity | Amount HK\$'000 金額 千港元 |
|--|----------------------|--|--|---|---|---------------------------------|
| 綜合財務狀況表內 本集團所持投資物業 | 公平值層級 | 估值技術及主要輸入變數 | 重大不可觀測輸入變數 | 不可觀測輸入變數之關係 | 敏感度 | 金額 千港元 |
| Property in Yingkou (located at Zhuoyue Building, Kunlun Main Street West, Bayuquan District, Yingkou City, Liaoning Province, the People's Republic of China) | Level 3 | Direct comparison method The key input is: 1. Price per square meter | Price per square meter of the comparable properties and adjust to reflect the conditions and locations of the subject properties | The higher the price per square meter, the higher the fair value | The fair value would be HK\$4,200,000 higher if the price per square meter is increased by 5% from the input used by the valuer | 95,033 |
| 營口市物業 (位於中華人民共和國遼寧省營口市鯊魚圈區崑崙大街西卓越大廈) | 第三級 | 直接比較法 主要輸入變數為： 1. 每平方米價格 | 可比較物業之每平方米價格，並作出調整以反映主體物業之狀況及位置 | 每平方米價格越高，公平值越高 | 倘每平方米價格較估值師採用之輸入變數上升5%，公平值應增加4,200,000港元 | 95,033 |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

16 INVESTMENT PROPERTIES (Continued)

16 投資物業 (續)

| Investment properties held by the Group in the consolidated statement of financial position | Fair value hierarchy | Valuation technique(s) and key input(s) | Significant unobservable input(s) 重大不可觀測輸入變數 | Relationship of unobservable inputs for fair value 不可觀測輸入變數之關係 | Sensitivity | Amount HK\$'000 金額 千港元 |
|--|----------------------|--|--|---|--|---------------------------------|
| Property in Zhongshan (located at Daxing Hao Yuan, No. 69 Zhongshan Third Road, East District, Zhongshan City, Guangdong Province, the People's Republic of China) | Level 3 | Direct comparison method The key input is: 1. Price per square meter | Price per square meter of the comparable properties and adjust to reflect the conditions and locations of the subject properties | The higher the price per square meter, the higher the fair value | The fair value would be HK\$76,000,000 higher if the price per square meter is increased by 5% from the input used by the valuer | 1,728,900 |
| 中山市物業 (位於中華人民共和國廣東省中山市東區中山三路69號達興豪苑) | 第三級 | 直接比較法 主要輸入變數為: 1. 每平方米價格 | 可比較物業之每平方米價格, 並作出調整以反映主體物業之狀況及位置 | 每平方米價格越高, 公平值越高 | 倘每平方米價格較估值師採用之輸入變數上升5%, 公平值應增加76,000,000港元 | 1,728,900 |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

16 INVESTMENT PROPERTIES (Continued)

16 投資物業 (續)

| Investment properties held by the Group in the consolidated statement of financial position | Fair value hierarchy | Valuation technique(s) and key input(s) | Significant unobservable input(s) 重大不可觀測輸入變數 | Relationship of unobservable inputs for fair value 不可觀測輸入變數之關係 | Sensitivity | Amount HK\$'000 |
|--|----------------------|---|---|---|---|--------------------|
| 綜合財務狀況表內本集團所持投資物業 | 公平值層級 | 估值技術及主要輸入變數 | | | 敏感度 | 金額 千港元 |
| Property in Jinggangshan (located at No. 1 Lan Hua Ping Road, Ciping Town, Jinggangshan City, Jian City, Jiangxi Province, the People's Republic of China) | Level 3 | Direct comparison method The key inputs are: 1. Price per square meter 2. Construction cost estimate | Price per square meter of the comparable properties and adjust to reflect the conditions and locations of the subject properties Construction cost estimate based on management's budget | The higher the price per square meter, the higher the fair value The higher the construction cost estimate, the lower the fair value | The fair value would be HK\$3,000,000 higher if the price per square meter is increased by 5% from the input used by the valuer The fair value would be HK\$1,000,000 lower if the construction cost estimate is increased by 5% from the input used by the valuer | 57,630 |
| 井岡山市物業 (位於中華人民共和國江西省吉安市井岡山市茨坪鎮蘭花坪路1號) | 第三級 | 直接比較法 主要輸入變數為: 1. 每平方米價格 2. 估計建築成本 | 可比較物業之每平方米價格, 並作出調整以反映主體物業之狀況及位置 基於管理層預算之估計建築成本 | 每平方米價格越高, 公平值越高 估計建築成本越高, 公平值越低 | 倘每平方米價格較估值師採用之輸入變數上升5%, 公平值應增加3,000,000港元 倘估計建築成本較估值師採用之輸入變數上升5%, 公平值應減少1,000,000港元 | 57,630 |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

16 INVESTMENT PROPERTIES (Continued)

The Group has measured the deferred tax relating to the temporary differences of these investment properties using the tax rates and the tax bases that are consistent with the expected manner of recovery of these investment properties.

The fair value measurement information for the investment properties in accordance with HKFRS 13 as at 31 March 2017 is set out below.

Level 3 fair values of investment properties have been generally derived using the sales comparison approach. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square meter and the construction cost estimate.

There were no changes in valuation techniques during the year.

(a) Valuation basis

As at 31 March 2017, the fair values of the investment properties located in cities of Zhongshan, Yingkou and Jinggangshan have been arrived on the basis of valuation carried out on that date by independent qualified professional valuers not connected to the Group. The valuation of Zhongshan and Yingkou was arrived at by reference to market evidence of transaction prices for similar properties at similar location. The valuation of Jinggangshan was arrived at by reference to market evidence of transaction prices for similar properties at similar location less the construction cost estimate.

(b) Leasing arrangements

Investment properties located in Yingkou, PRC are leased to tenants under long-term operating leases with rentals payable monthly. Investment properties located in cities of Zhongshan and Jinggangshan were under refurbishment as at 31 March 2017.

16 投資物業 (續)

本集團已使用預期與收回該等投資物業之方式一致之稅率及稅基，計量與該等投資物業之暫時性差額相關之遞延稅項。

按照香港財務報告準則第13號所提供投資物業於二零一七年三月三十一日之公平值計量資料載列如下。

投資物業一般使用銷售比較法計算第三級公平值。位處附近地區之可比較物業之售價已就物業大小等主要因素差異作出調整。此估值法之最重要輸入變數為每平方米價格及估計建築成本。

估值技術於年內並無變動。

(a) 估值基準

於二零一七年三月三十一日，位於中山市、營口市及井岡山市之投資物業之公平值乃基於與本集團並無關連之獨立合資格專業估值師於該日進行之估值得出。中山市及營口市物業之估值乃參照類似位置之類似物業之成交價市場憑證達致。井岡山市物業之估值乃參照類似位置之類似物業之成交價市場憑證減估計建築成本達致。

(b) 租賃安排

位於中國營口市之投資物業乃根據長期經營租賃租予租戶，按月收取租金。位於中山市及井岡山市之投資物業於二零一七年三月三十一日正在翻新。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

17 SUBSIDIARIES

The following is a list of principal subsidiaries at 31 March 2017.

17 附屬公司

以下載列於二零一七年三月三十一日之
主要附屬公司名單。

| Name | Place of incorporation/ establishment and kind of legal entity | Principal activities and place of operations | Particulars of issued share capital/registered capital and debt securities | Proportion of ordinary shares held by the Group (%) |
|--|--|---|--|---|
| 名稱 | 註冊成立/成立地點 及法律實體類別 | 主要業務及營業地點 | 已發行股本/註冊資本及 債務證券之詳情 | 本集團 所持普通股比例(%) |
| Crown Global Opportunity Investment Limited 皇冠全球機會投資有限公司 | Samoa 薩摩亞 Limited liability company 有限公司 | Investment holding in Samoa 在薩摩亞投資控股 | 1,000,000 ordinary shares of US\$1 each 1,000,000股每股面值 1美元之普通股 | *100% |
| Crown International Investment Corp. | Samoa 薩摩亞 Limited liability company 有限公司 | Investment holding in Samoa 在薩摩亞投資控股 | 1,000,000 ordinary shares of US\$1 each 1,000,000股每股面值 1美元之普通股 | *100% |
| Crown Entertainment Corporation 皇冠娛樂集團有限公司 | Samoa 薩摩亞 Limited liability company 有限公司 | Investment holding in Samoa 在薩摩亞投資控股 | 1,000,000 ordinary shares of US\$1 each 1,000,000股每股面值 1美元之普通股 | *100% |
| Crown Finance Holdings Limited 皇冠金融控股有限公司 | Samoa 薩摩亞 Limited liability company 有限公司 | Investment holding in Samoa 在薩摩亞投資控股 | 1,000 ordinary shares of US\$1 each 1,000股 每股面值1美元之普通股 | *100% |
| Crown Tianhe Resources Limited 皇冠天和資源有限公司 | Hong Kong 香港 Limited liability company 有限公司 | Investment holding in Hong Kong 在香港投資控股 | HK\$10,000 10,000港元 | 100% |
| World Opal Investment Limited 世奧投資有限公司 | Hong Kong 香港 Limited liability company 有限公司 | Investment holding in Hong Kong 在香港投資控股 | HK\$10,000 10,000港元 | 100% |
| Crown Land Corp. Limited 皇冠天地商業有限公司 | Hong Kong 香港 Limited liability company 有限公司 | Investment holding in Hong Kong 在香港投資控股 | HK\$10,000 10,000港元 | 100% |
| Zhongshan Hualian Industrial Development Corporation Limited ^Δ 中山市華聯實業開發有限公司 ^Δ | PRC 中國 Wholly owned foreign enterprise 外商獨資企業 | Property investment in PRC 在中國投資物業 | Registered capital of HK\$50,000,000 註冊資本50,000,000港元 | 100% |
| Crown International Resort Limited 享天地集團有限公司 | Hong Kong 香港 Limited liability company 有限公司 | Investment holding in Hong Kong 在香港投資控股 | HK\$10,000 10,000港元 | 100% |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

17 SUBSIDIARIES (Continued)

17 附屬公司 (續)

| Name 名稱 | Place of incorporation/ establishment and kind of legal entity 註冊成立/成立地點 及法律實體類別 | Principal activities and place of operations 主要業務及營業地點 | Particulars of issued share capital/registered capital and debt securities 已發行股本/註冊資本及 債務證券之詳情 | Proportion of ordinary shares held by the Group (%) 本集團 所持普通股比例(%) |
|---|--|--|--|--|
| 冠富資產管理有限公司 | PRC 中國 Limited liability company 有限公司 | Provision of financial advisory service in PRC 在中國提供金融顧問服務 | Registered capital of RMB10,000,000 註冊資本人民幣10,000,000元 | 100% |
| 平頂山鷹城港都房地產開發有限公司 | PRC 中國 Limited liability company 有限公司 | Dormant 暫無業務 | Registered capital of RMB13,000,000 註冊資本人民幣13,000,000元 | 91.5% |
| "U" Inns (Yingkou) Hotel Management Corporation Limited. [△] 你的客棧(營口)酒店管理有限公司 [△] | PRC 中國 Wholly owned foreign enterprise 外商獨資企業 | Property investment in PRC 在中國投資物業 | Registered capital of HK\$25,600,000 註冊資本25,600,000港元 | 100% |
| "U" Inns & Hotel (Jing Gang Shan Shi) Limited [△] 你的客棧酒店(井岡山市)有限公司 [△] | PRC 中國 Wholly owned foreign enterprise 外商獨資企業 | Hotel investment in PRC 在中國投資酒店 | Registered capital of RMB50,000,000 註冊資本人民幣50,000,000元 | 100% |

* Shares held directly by the Company.

* 股份由本公司直接持有。

[△] These companies do not have English names. These are only translation of their Chinese names.

[△] 該等公司並無英文名稱。此等名稱僅為其中文名稱之翻譯。

18 AVAILABLE-FOR-SALE FINANCIAL ASSETS

18 可供出售財務資產

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|---|--------------------------|----------------------------------|----------------------------------|
| At 1 April | 於四月一日 | 1,128 | 1,128 |
| Exchange difference | 匯兌差額 | 13 | - |
| Impairment loss charged to consolidated statement of comprehensive income (Note 6) | 扣除自綜合全面收益表之 減值虧損(附註6) | (441) | - |
| At 31 March | 於三月三十一日 | 700 | 1,128 |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

18 AVAILABLE-FOR-SALE FINANCIAL ASSETS (Continued)

Note:

Available-for-sale financial assets represent unlisted club debentures of golf clubs which are denominated in RMB.

The fair value of the available-for-sale financial assets is determined with the use of observable market data where it is available and rely as little as possible on entity specific estimates. The available-for-sale financial assets are not exposed to credit risk.

19 GOODWILL

18 可供出售財務資產 (續)

附註：

可供出售財務資產指高爾夫球會之非上市會所債券，以人民幣計值。

可供出售財務資產之公平值採用可觀測之市場數據（如有）釐定，而盡量減少依賴實體之特定估計。可供出售財務資產並無承受信貸風險。

19 商譽

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|---|----------------|----------------------------------|----------------------------------|
| At 1 April | 於四月一日 | | |
| Cost | 成本 | – | 65,240 |
| Additions (Note a) | 添置 (附註a) | – | 256 |
| Accumulated impairment loss (Note a, b) | 累計減值虧損 (附註a、b) | – | (65,496) |
| At 31 March | 於三月三十一日 | – | – |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

19 GOODWILL (Continued)

Note:

- (a) The addition for the year ended 31 March 2016 arose from the acquisition of a subsidiary with net liability of approximately HK\$244,000 for a consideration of HK\$12,000. The amount was subsequently impaired.
- (b) Goodwill mainly arose from the acquisition of Zhongshan Hualian Industrial Development Corporation Limited (“Zhongshan Hualian”) in March 2015, relating to the knowledge of the property market in Zhongshan, the PRC (“Zhongshan”) and the connection with a potential tenant who was interested in renting all four storeys of the Group’s investment property in Zhongshan (“Rental Property”) to operate a department store.

During the year ended 31 March 2016, having performed further research and evaluation on the property market in Zhongshan, the management finalised its plan for the Zhongshan property and decided to segregate the Rental Property for the purpose of renting to multiple tenants, with a particular focus on companies in the financial sector and with a view to package the Zhongshan property into a luxurious serviced apartment with the 4-storey shopping mall areas being developed into a financial services themed centre featuring banks, securities companies, financiers and asset management companies.

As a result of the change in the development plan in early 2016, it was concluded by the management that the Connection to a single tenant for all four storeys of retail space (together with car parking space) of the Zhongshan property is no longer considered to be more favourable in terms of economic returns, compared with leasing the Rental Property to multiple individual tenants. The management therefore decided not to lease the Rental Property to Tenant A. The recoverable amount of the property investment segment in Zhongshan (being the cash-generating unit to which the relevant goodwill was allocated) was mainly represented by the carrying amount of investment property that has been recognised at fair value as at 31 March 2016. Because of such reason, and given the management’s decision made in early 2016 in relation to the development plan, the management believed that the recorded goodwill no longer represented an asset that would derive future benefits to the Group. Accordingly, a full impairment amounted to approximately HK\$65,240,000 was recognised in the consolidated statement of comprehensive income for the year ended 31 March 2016.

19 商譽 (續)

附註：

- (a) 截至二零一六年三月三十一日止年度之添置因收購一間欠負債淨額約244,000港元之附屬公司而產生，代價為12,000港元。該金額其後已作減值。
- (b) 商譽主要因於二零一五年三月收購中山市華聯實業開發有限公司（「中山華聯」）而產生，與中國中山市（「中山市」）物業市場資訊及與一名有意租用本集團中山市投資物業（「出租物業」）全部四層以經營百貨商店之潛在租戶之關係有關。

於截至二零一六年三月三十一日止年度，經對中山市物業市場進行進一步研究及評估，管理層確定中山物業計劃，並決定將出租物業分租予不同租戶，尤其是金融界公司，並將中山物業包裝為豪華服務式公寓，而四層商場空間則發展為金融服務中心，設有銀行、證券公司、財務公司及資產管理公司。

由於發展計劃於二零一六年初改變，故管理層認為，有關將中山市物業全部四層零售空間（連同停車位）出租予單一租戶，在經濟回報方面不再被視為更勝於將出租物業出租予不同租戶。因此，管理層決定不將出租物業出租予租戶甲。中山市物業投資分部（即獲分配相關商譽之現金產生單位）之可收回金額主要代表投資物業之賬面值，於二零一六年三月三十一日按公平值確認。基於有關理由，加上管理層於二零一六年初就發展計劃作出之決定，管理層相信，已入賬之商譽不再構成可為本集團帶來未來利益之資產，故於截至二零一六年三月三十一日止年度之綜合全面收益表中確認商譽全數減值約65,240,000港元。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

20 TRADE RECEIVABLES

20 貿易應收款項

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|-------------------|--------|----------------------------------|----------------------------------|
| Trade receivables | 貿易應收款項 | 8,475 | - |

As at 31 March 2017, trade receivables of HK\$8,475,000 (2016: Nil) with credit terms of 30 days are past due but not impaired. This related to an independent customer for whom there is no significant financial difficulty. The ageing analysis by past due date of trade receivables is as follows:

於二零一七年三月三十一日，8,475,000 港元（二零一六年：無）、信貸期為30日之貿易應收款項已逾期但未減值，與無重大財務困難之獨立客戶有關。貿易應收款項按逾期日數編製之賬齡分析如下：

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|----------------------------|-----------|----------------------------------|----------------------------------|
| Past due but not impaired: | 已逾期但未減值： | | |
| 61 – 90 days past due | 逾期六十一至九十日 | 8,475 | - |

The carrying amount of trade receivables is denominated in RMB. The balance is fully settled in May 2017.

貿易應收款項賬面值以人民幣計值。有關結餘已於二零一七年五月全數清償。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

21 OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

| | |
|--------------------------|-----------|
| Loan receivable (Note) | 應收貸款 (附註) |
| Other receivables | 其他應收款項 |
| Prepayments and deposits | 預付款項及按金 |

Note:

The loan receivable at 31 March 2016 was unsecured, with interest bearing at 9% per annum and repayable on 19 May 2016. Such loan receivable was fully settled on 16 May 2016.

The carrying amounts of other receivables and deposits approximate their fair values and are denominated in the following currencies:

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|------|-----|----------------------------------|----------------------------------|
| HK\$ | 港元 | 1,639 | 1,612 |
| RMB | 人民幣 | 1,891 | 48,203 |
| | | 3,530 | 49,815 |

21 其他應收款項、預付款項及按金

| | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|--|----------------------------------|----------------------------------|
| | - | 46,440 |
| | 375 | 379 |
| | 3,155 | 2,996 |
| | 3,530 | 49,815 |

附註：

於二零一六年三月三十一日之應收貸款為無抵押、按年利率9厘計息及於二零一六年五月十九日到期償還。有關應收貸款已於二零一六年五月十六日全數清償。

其他應收款項及按金之賬面值與公平值相若，並以下列貨幣計值：

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

22 CASH AND CASH EQUIVALENTS

22 現金及現金等價物

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|---------------|------|----------------------------------|----------------------------------|
| Bank balances | 銀行結餘 | 85,285 | 74,547 |
| Cash on hand | 手頭現金 | 4 | 16 |
| | | 85,289 | 74,563 |

The carrying amounts of the cash and cash equivalents approximate their fair values and are denominated in the following currencies:

現金及現金等價物之賬面值與公平值相若，並以下列貨幣計值：

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|-----------------------|-----|----------------------------------|----------------------------------|
| HK\$ | 港元 | 3,082 | 11,517 |
| RMB | 人民幣 | 81,734 | 62,573 |
| United States dollars | 美元 | 473 | 473 |
| | | 85,289 | 74,563 |

As at 31 March 2017, cash and cash equivalents of approximately HK\$81,732,000 (2016: HK\$62,558,000) respectively are denominated in RMB and deposited with banks in the PRC. RMB is not a freely convertible currency in the international market. The conversion of RMB into foreign currencies and remittance of RMB out of the PRC is subject to the rules and regulations of exchange control promulgated by the government of the PRC.

於二零一七年三月三十一日，約81,732,000港元（二零一六年：62,558,000港元）之現金及現金等價物以人民幣計值並於中國之銀行存放。目前，人民幣不可在國際市場上自由兌換。將人民幣兌換為外幣及將人民幣匯出中國須受中國政府頒布之外匯管制規則及規例所規限。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

23 OTHER PAYABLES AND ACCRUALS

23 其他應付款項及應計負債

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|---|-------------------------|----------------------------------|----------------------------------|
| Non-current | | | |
| | 非即期 | | |
| Consideration payable – non-current portion (Note a) | 應付代價 – 非即期部分 (附註a) | 198,906 | 194,587 |
| Other payables – non-current portion (Note b) | 其他應付款項 – 非即期部分 (附註b) | 157,334 | 163,453 |
| | | 356,240 | 358,040 |
| Current | | | |
| | 即期 | | |
| Property acquisition cost payable | 應付物業收購成本 | 991 | 1,051 |
| Commission payable in respect of disposals of hotel properties | 出售酒店物業之應付佣金 | – | 5,492 |
| Consideration payable – current portion (Note a) | 應付代價 – 即期部分 (附註a) | 12,200 | 12,200 |
| Accrued construction cost | 應計建築成本 | 7,278 | – |
| Accrued directors' fee | 應計董事袍金 | 4,241 | 1,956 |
| Accrued audit fee | 應計核數費 | 1,250 | 1,150 |
| Salary payable | 應付薪金 | 1,941 | 388 |
| Other payables – current portion (Note b) | 其他應付款項 – 即期部分 (附註b) | 402 | 1,369 |
| Accrued legal and professional fee | 應計法律及專業費 | 80 | 962 |
| Others | 其他 | 2,272 | 3,044 |
| | | 30,655 | 27,612 |
| | | 386,895 | 385,652 |

Note a:

Amount represented consideration payable in relation to the acquisition of the entire equity interest of Zhongshan Hualian Industrial Development Corporation Limited. The amounts are unsecured, interest-free and repayable according to the agreed payment terms.

Note b:

Amount represented payable to Sino Oasis in relation to construction service fees paid on behalf of Zhongshan Hualian Industrial Development Corporation Limited by Sino Oasis. The amount is unsecured, interest-free and repayable according to the agreed payment terms.

附註a:

該款項指就收購中山市華聯實業開發有限公司之全部股權應付之代價。該等款項為無抵押、免息及按協定付款條款償還。

附註b:

該款項指就Sino Oasis已代中山市華聯實業開發有限公司支付之建築服務費而應付Sino Oasis之款項。該款項為無抵押、免息及按協定付款條款償還。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

23 OTHER PAYABLES AND ACCRUALS (Continued)

As at 31 March 2017, for the non-current portion of consideration payable and other payable, Sino Oasis agreed with the Group that they will not request the Group for repayment of the non-current portion of consideration payable and other payable on or before 30 June 2018.

The carrying amounts of the other payables and accruals approximate their fair values and are denominated in the following currencies:

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|------|-----|----------------------------------|----------------------------------|
| HK\$ | 港元 | 218,924 | 217,072 |
| RMB | 人民幣 | 167,971 | 168,580 |
| | | 386,895 | 385,652 |

24 DEFERRED INCOME TAX ASSETS AND LIABILITIES

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis. The offset amounts are as follows:

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|---------------------------------|---------|----------------------------------|----------------------------------|
| Deferred income tax assets | 遞延所得稅資產 | - | - |
| Deferred income tax liabilities | 遞延所得稅負債 | (379,859) | (363,289) |
| | | (379,859) | (363,289) |

23 其他應付款項及應計負債 (續)

於二零一七年三月三十一日，就應付代價及其他應付款項之非即期部分而言，Sino Oasis 已與本集團協定，彼等將不會要求本集團於二零一八年六月三十日或之前償還應付代價及其他應付款項之非即期部分。

其他應付款項及應計負債之賬面值與公平值相若，並以下列貨幣計值：

24 遞延所得稅資產與負債

當有法定可執行權利可將即期稅項資產與即期稅項負債互相抵銷，而遞延所得稅資產與負債與某一應課稅實體或不同應課稅實體之同一徵稅機關所徵收之所得稅有關，且有意按淨額基準結算餘額時，即可將遞延所得稅資產與負債互相抵銷。抵銷額如下：

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

24 DEFERRED INCOME TAX ASSETS AND LIABILITIES (Continued)

The components of deferred income tax assets/(liabilities) recognised in the consolidated statement of financial position and the movements during the year ended 31 March 2017 are as follows:

24 遞延所得稅資產與負債 (續)

於截至二零一七年三月三十一日止年度，綜合財務狀況表內確認之遞延所得稅資產／（負債）成份及其變動如下：

| | | Accelerated depreciation allowances 加速 折舊撥備 HK\$'000 千港元 | Tax losses 稅項虧損 HK\$'000 千港元 | Fair value change of investment properties 公平值變動 投資物業 HK\$'000 千港元 | Total 總額 HK\$'000 千港元 |
|--|-----------------|--|---------------------------------------|---|--------------------------------|
| At 1 April 2016 | 於二零一六年四月一日 | - | - | (363,289) | (363,289) |
| (Charged)/credited to the consolidated statement of comprehensive income | (扣除自)／計入綜合全面收益表 | - | - | (39,767) | (39,767) |
| Exchange difference | 匯兌差額 | - | - | 23,197 | 23,197 |
| At 31 March 2017 | 於二零一七年三月三十一日 | - | - | (379,859) | (379,859) |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

24 DEFERRED INCOME TAX ASSETS AND LIABILITIES (Continued)

The components of deferred income tax assets/(liabilities) recognised in the consolidated statement of financial position and the movements during the year ended 31 March 2016 are as follows:

| | | Accelerated depreciation allowances 加速折舊撥備 HK\$'000 千港元 | Tax losses 稅項虧損 HK\$'000 千港元 | Fair value change of investment properties 投資物業 公平值變動 HK\$'000 千港元 | Total 總額 HK\$'000 千港元 |
|--|------------------|--|---------------------------------------|--|--------------------------------|
| At 1 April 2015 | 於二零一五年四月一日 | (2) | 2 | (331,164) | (331,164) |
| Credited/(charged) to the consolidated statement of comprehensive income | 計入/(扣除自) 綜合全面收益表 | 2 | (2) | (49,305) | (49,305) |
| Exchange difference | 匯兌差額 | - | - | 17,180 | 17,180 |
| At 31 March 2016 | 於二零一六年三月三十一日 | - | - | (363,289) | (363,289) |

Unrecognised deferred income tax assets are as follows:

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|-------------------------------------|----------|----------------------------------|----------------------------------|
| Unutilised tax losses | 未動用之稅項虧損 | 36,652 | 32,670 |
| Accelerated depreciation allowances | 加速折舊撥備 | 46 | 13 |
| | | 36,698 | 32,683 |

As at 31 March 2017 and 2016, all deferred tax assets and deferred tax liabilities are recoverable after more than 12 months.

24 遞延所得稅資產與負債 (續)

於截至二零一六年三月三十一日止年度，綜合財務狀況表內確認之遞延所得稅資產/(負債)成份及其變動如下：

未確認之遞延所得稅資產如下：

於二零一七年及二零一六年三月三十一日，所有遞延稅項資產及遞延稅項負債可於超過十二個月後收回。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

24 DEFERRED INCOME TAX ASSETS AND LIABILITIES (Continued)

At 31 March 2017, the deferred tax assets in respect of tax losses of approximately HK\$217,136,000 (31 March 2016: HK\$195,884,000) have not been recognised due to the unpredictability of future profit streams to utilised such losses. Unrecognised tax losses amounted to HK\$207,431,000 (31 March 2016: HK\$185,551,000) has no expiry date and certain unrecognised tax losses amounted to HK\$9,705,000 (31 March 2016: HK\$10,333,000) expire within five years under the current tax legislation of the respective jurisdictions.

24 遞延所得稅資產與負債 (續)

於二零一七年三月三十一日，稅項虧損約217,136,000港元(二零一六年三月三十一日：195,884,000港元)因日後可動用有關虧損之溢利來源不可預測，故尚未確認遞延稅項資產。根據相關司法權區之現行稅務法例，未確認稅項虧損207,431,000港元(二零一六年三月三十一日：185,551,000港元)並無屆滿日期，而若干未確認稅項虧損9,705,000港元(二零一六年三月三十一日：10,333,000港元)則於五年內到期。

25 SHARE CAPITAL

25 股本

| | | Number of shares 股份數目 | Share capital 股本 HK\$'000 千港元 |
|--|--------------------------------------|-----------------------------|--|
| Ordinary shares, issued and fully paid: | 已發行及繳足普通股： | | |
| At 1 April 2015 | 於二零一五年四月一日 | 2,600,000,000 | 971,402 |
| Proceeds from issuance of shares net of transaction costs (Note a) | 發行股份所得款項 (扣除交易成本)(附註a) | 260,000,000 | 337,722 |
| At 31 March 2016 and 31 March 2017 | 於二零一六年三月三十一日及 二零一七年三月三十一日 | 2,860,000,000 | 1,309,124 |

Note a:

On 23 October 2015, the Company issued and allotted 260,000,000 new shares at HK\$1.3 each to a subscriber pursuant to a subscription agreement entered into between the Company and the subscriber dated 7 October 2015. The new shares rank equally among themselves and with the existing shares in all respects. The transaction cost in relation to the issuance of new shares amounted to approximately HK\$278,000.

附註a：

於二零一五年十月二十三日，根據本公司與一名認購人所訂立日期為二零一五年十月七日之認購協議，本公司按每股1.3港元向該名認購人發行及配發260,000,000股新股份。新股份各自之間及與現有股份在各方面均享有同等地位。有關發行新股之交易成本約為278,000港元。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

26 COMMITMENTS

(a) Lease commitments

- (i) *Operating lease commitments – where the Group is the lessor*

At 31 March 2017 and 2016, the Group had contracted with tenants for the following minimum lease receivables:

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|--|------------|----------------------------------|----------------------------------|
| Not later than 1 year | 不超過一年 | 3,431 | 3,576 |
| Later than 1 year and not later than 5 years | 一年以上但不超過五年 | 12,270 | 14,703 |
| Over five years | 超過五年 | 889 | 2,915 |
| | | 16,590 | 21,194 |

Operating lease receivables represent future aggregate minimum lease receipts by the Group from non-cancellable operating leases of its investment properties. Typically, leases are negotiated and rentals are fixed for lease term of eight to ten years.

26 承擔

(a) 租賃承擔

- (i) *經營租賃承擔 – 本集團作為出租人*

於二零一七年及二零一六年三月三十一日，本集團與租戶訂有以下最低租賃應收款項：

經營租賃應收款項代表本集團應從其投資物業之不可撤銷經營租賃收取之租金未來最低總額。一般而言，租期經磋商議定，而八年至十年租期之租金已固定。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

26 COMMITMENTS (Continued)

(a) Lease commitments (Continued)

(ii) *Operating lease commitments – where the Group is the lessee*

At 31 March 2017 and 2016, the Group had commitments under non-cancellable operating leases in respect of rented premises, which fall due as follows:

| | |
|--|------------|
| Not later than 1 year | 不超過一年 |
| Later than 1 year and not later than 5 years | 一年以上但不超過五年 |

26 承擔 (續)

(a) 租賃承擔 (續)

(ii) *經營租賃承擔 – 本集團作為承租人*

於二零一七年及二零一六年三月三十一日，本集團根據不可撤銷經營租賃須按以下年期支付之租賃物業之承擔如下：

| 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 6,161 | 6,367 |
| – | 6,043 |
| 6,161 | 12,410 |

(b) Capital commitments

As at 31 March 2017, the Group has no outstanding commitment (2016: HK\$Nil).

(b) 資本承擔

於二零一七年三月三十一日，本集團並無未履行承擔（二零一六年：零港元）。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

27 RELATED PARTY TRANSACTIONS

The following transactions were carried out with related parties during the year.

Key management compensation

Key management includes directors and senior management. The compensation paid or payable to key management for employee services is shown below:

27 關聯方交易

年內與關聯方進行之交易載列如下。

主要管理層補償

主要管理層包括董事及高級管理層。就僱員服務已付或應付主要管理層之補償列示如下：

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|---|----------------|----------------------------------|----------------------------------|
| Directors' fee | 董事袍金 | 5,120 | 2,465 |
| Salaries and other short-term employee benefits | 薪金及其他短期僱員福利 | 600 | 600 |
| Pension costs – MPF | 退休金成本 – 強制性公積金 | 18 | 11 |
| | | 5,738 | 3,076 |

28 EVENTS AFTER THE REPORTING PERIOD

On 7 June 2017, the Group entered into a lease agreement with an independent third party for the lease of the Group's investment property in Jinggangshan for 10 years.

28 報告期後事項

於二零一七年六月七日，本集團與一名獨立第三方訂立租賃協議，以租賃本集團位於井岡山之投資物業，為期十年。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

29 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

29 本公司之財務狀況表及 儲備變動

| | Note 附註 | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|--|------------|----------------------------------|----------------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | | – | 2 |
| Investments in subsidiaries | | 7,833 | 7,750 |
| | | 7,833 | 7,752 |
| Current assets | | | |
| Other receivables, prepayments and deposits | | 315 | 265 |
| Amounts due from subsidiaries | | 581,958 | 600,982 |
| Cash and cash equivalents | | 517 | 10,238 |
| | | 582,790 | 611,485 |
| Total assets | | 590,623 | 619,237 |
| EQUITY | | | |
| Capital and reserves | | | |
| Share capital | | 1,309,124 | 1,309,124 |
| Accumulated losses | (a) | (739,950) | (709,755) |
| Total equity | | 569,174 | 599,369 |
| Current liabilities | | | |
| Other payables and accruals | | 5,871 | 4,368 |
| Amounts due to subsidiaries | | 15,578 | 15,500 |
| Total liabilities | | 21,449 | 19,868 |
| Total equity and liabilities | | 590,623 | 619,237 |

The balance sheet of the Company was approved by the Board of Directors on 30 June 2017 and was signed on its behalf

本公司之資產負債表經董事會於二零一七年六月三十日批准，並由下列人士代表董事會簽署：

Mr. MENG Jin Long
孟金龍先生
Chairman
主席

Mr. YEUNG Man, Simon
楊敏先生
Chief Executive Officer
行政總裁

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

29 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (Continued)

29 本公司之財務狀況表及 儲備變動 (續)

(a) Reserve movement of the Company

(a) 本公司之儲備變動

| | | Accumulated losses 累計虧損 HK\$'000 千港元 |
|-------------------|--------------|--|
| At 1 April 2015 | 於二零一五年四月一日 | (514,757) |
| Loss for the year | 年內虧損 | (194,998) |
| At 31 March 2016 | 於二零一六年三月三十一日 | (709,755) |
| Loss for the year | 年內虧損 | (30,195) |
| At 31 March 2017 | 於二零一七年三月三十一日 | (739,950) |

Financial Summary

財務摘要

The following is a summary of the consolidated results of the Group for the last five financial periods.

本集團於最近五個財政期間之綜合業績概述如下。

| | | 1/4/2012 to 31/3/2013 | 1/4/2013 to 31/3/2014 | 1/4/2014 to 31/3/2015 | 1/4/2015 to 31/3/2016 | 1/4/2016 to 31/3/2017 |
|---------------------------------|------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | | 1/4/2012至 31/3/2013 | 1/4/2013至 31/3/2014 | 1/4/2014至 31/3/2015 | 1/4/2015至 31/3/2016 | 1/4/2016至 31/3/2017 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| Revenue | 收益 | 6,627 | 5,981 | 3,632 | 3,514 | 12,024 |
| (Loss)/profit before income tax | 除所得稅前 (虧損)/溢利 | (67,355) | (39,459) | 161,209 | 218,764 | 123,300 |
| Income tax expense | 所得稅開支 | (5,172) | (1,292) | (6,415) | (46,498) | (41,960) |
| (Loss)/profit for the year | 年內(虧損)/溢利 | (72,527) | (40,751) | 154,794 | 172,266 | 81,340 |

The following is a summary of the total assets and liabilities of the Group as at 31 March 2013, 2014, 2015, 2016 and 2017.

本集團於二零一三年、二零一四年、二零一五年、二零一六年及二零一七年三月三十一日之資產及負債總額概述如下。

| | | 31/3/2013 | 31/3/2014 | 31/3/2015 | 31/3/2016 | 31/3/2017 |
|------------------------|-----------|-----------|-----------|-------------|-----------|-----------|
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| Total assets | 資產總值 | 581,425 | 501,198 | 2,400,427 | 1,962,452 | 1,984,419 |
| Total liabilities | 負債總額 | (576,282) | (540,891) | (1,634,330) | (748,941) | (768,836) |
| Total equity/(deficit) | 權益/(虧絀)總額 | 5,143 | (39,693) | 766,097 | 1,213,511 | 1,215,583 |



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