



Man Sang International Limited 民生國際有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock Code 股份代號: 938



年報
Annual Report
2017

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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Lei Hong Wai (*Chairman*)
Ms. Cheng Ka Ki (appointed on 2 May 2017)
Mr. Cheung Kwok Wai, Elton
Mr. Leung Alex
Mr. Yuan Huixia (appointed on 1 August 2016)
Ms. Cheng Ka Man, Carman (resigned on 2 May 2017)

Independent Non-Executive Directors

Mr. Lai Hok Lim (appointed on 1 December 2016)
Mr. Lei Seng Fat (appointed on 12 July 2016)
Mr. Wong Tak Chuen (appointed on 12 July 2016)
Mr. Chan Cheong Tat (resigned on 1 December 2016)
Mr. Kiu Wai Ming (resigned on 15 July 2016)
Mr. Lau Chi Wah, Alex (resigned on 15 July 2016)

AUDIT COMMITTEE

Mr. Wong Tak Chuen (*Chairman*) (appointed as a member on 12 July 2016 and Chairman on 1 December 2016)
Mr. Lai Hok Lim (appointed on 1 December 2016)
Mr. Lei Seng Fat (appointed on 12 July 2016)
Mr. Chan Cheong Tat (resigned on 1 December 2016)
Mr. Kiu Wai Ming (resigned on 15 July 2016)
Mr. Lau Chi Wah, Alex (resigned on 15 July 2016)

REMUNERATION COMMITTEE

Mr. Lei Seng Fat (*Chairman*) (appointed as a member on 12 July 2016 and Chairman on 15 July 2016)
Mr. Lei Hong Wai
Ms. Cheng Ka Ki (appointed on 2 May 2017)
Mr. Lai Hok Lim (appointed on 1 December 2016)
Mr. Wong Tak Chuen (appointed on 12 July 2016)
Mr. Chan Cheong Tat (resigned on 1 December 2016)
Mr. Kiu Wai Ming (resigned on 15 July 2016)
Mr. Lau Chi Wah, Alex (resigned on 15 July 2016)
Ms. Cheng Ka Man, Carman (resigned on 2 May 2017)

NOMINATION COMMITTEE

Mr. Lai Hok Lim (*Chairman*) (appointed on 1 December 2016)
Mr. Lei Hong Wai
Ms. Cheng Ka Ki (appointed on 2 May 2017)
Mr. Lei Seng Fat (appointed on 12 July 2016)
Mr. Wong Tak Chuen (appointed on 12 July 2016)
Mr. Chan Cheong Tat (resigned on 1 December 2016)
Mr. Kiu Wai Ming (resigned on 15 July 2016)
Mr. Lau Chi Wah, Alex (resigned on 15 July 2016)
Ms. Cheng Ka Man, Carman (resigned on 2 May 2017)

COMPANY SECRETARY

Mr. Leung Alex

董事會

執行董事

李雄偉先生(主席)
鄭嘉淇小姐(於2017年5月2日獲委任)
張國偉先生
梁奕曦先生
袁輝霞先生(於2016年8月1日獲委任)
鄭嘉汶小姐(於2017年5月2日辭任)

獨立非執行董事

黎學廉先生(於2016年12月1日獲委任)
李成法先生(於2016年7月12日獲委任)
黃德銓先生(於2016年7月12日獲委任)
陳昌達先生(於2016年12月1日辭任)
喬維明先生(於2016年7月15日辭任)
劉志華先生(於2016年7月15日辭任)

審核委員會

黃德銓先生(主席)(於2016年7月12日獲委任為成員及於2016年12月1日獲委任為主席)
黎學廉先生(於2016年12月1日獲委任)
李成法先生(於2016年7月12日獲委任)
陳昌達先生(於2016年12月1日辭任)
喬維明先生(於2016年7月15日辭任)
劉志華先生(於2016年7月15日辭任)

薪酬委員會

李成法先生(主席)(於2016年7月12日獲委任為成員及於2016年7月15日獲委任為主席)
李雄偉先生
鄭嘉淇小姐(於2017年5月2日獲委任)
黎學廉先生(於2016年12月1日獲委任)
黃德銓先生(於2016年7月12日獲委任)
陳昌達先生(於2016年12月1日辭任)
喬維明先生(於2016年7月15日辭任)
劉志華先生(於2016年7月15日辭任)
鄭嘉汶小姐(於2017年5月2日辭任)

提名委員會

黎學廉先生(主席)(於2016年12月1日獲委任)
李雄偉先生
鄭嘉淇小姐(於2017年5月2日獲委任)
李成法先生(於2016年7月12日獲委任)
黃德銓先生(於2016年7月12日獲委任)
陳昌達先生(於2016年12月1日辭任)
喬維明先生(於2016年7月15日辭任)
劉志華先生(於2016年7月15日辭任)
鄭嘉汶小姐(於2017年5月2日辭任)

公司秘書

梁奕曦先生

Corporate Information

公司資料

AUDITORS

SHINewing (HK) CPA Limited
(appointed on 28 August 2017)

PricewaterhouseCoopers
(resigned on 6 July 2017)

LEGAL ADVISERS

As to Hong Kong law
Robertsons Solicitors

As to Bermuda law
Conyers Dill & Pearman

PRINCIPAL BANKER

The Hongkong and Shanghai Banking Corporation Limited

PRINCIPAL SHARE REGISTRAR

MUFG Fund Services (Bermuda) Limited
26 Burnaby Street
Hamilton HM11
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

LISTING INFORMATION

The Stock Exchange of Hong Kong Limited
Ordinary Share (Stock Code: 938)

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

PRINCIPAL PLACE OF BUSINESS

Unit 1611, 16th Floor
Shun Tak Centre, West Tower
168–200 Connaught Road Central
Hong Kong

COMPANY WEBSITE

www.msil.com.hk

INVESTOR RELATIONS

Email: ir@msil.com.hk

核數師

信永中和(香港)會計師事務所有限公司
(於2017年8月28日獲委任)

羅兵咸永道會計師事務所
(於2017年7月6日辭任)

法律顧問

有關香港法律
羅拔臣律師事務所

有關百慕達法律
Conyers Dill & Pearman

主要往來銀行

香港上海滙豐銀行有限公司

主要股份登記處

MUFG Fund Services (Bermuda) Limited
26 Burnaby Street
Hamilton HM11
Bermuda

香港股份過戶登記分處

卓佳秘書商務有限公司
香港
皇后大道東183號
合和中心22樓

上市資料

香港聯合交易所有限公司
普通股(股份代號: 938)

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

主要營業地點

香港
干諾道中168–200號
信德中心西座
16樓1611室

公司網址

www.msil.com.hk

投資者關係

電郵: ir@msil.com.hk

China Pearls and Jewellery City

華東國際珠寶城

Residential Building
公寓樓



Factories
廠房

Market Centre
珠寶城市場



**Office and commercial
Complex building**
辦公和商務綜合樓



Financial Highlights

財務摘要

KEY FINANCIAL PERFORMANCE

主要財務表現

Year ended 31 March

截至3月31日止年度

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	綜合損益及其他全面收益表	2017 2017年	2016 2016年	Change 變動	%
Revenue (HK\$'000)	收入(千港元)	194,197	190,698	3,499	1.8%
Gross profit (HK\$'000)	毛利(千港元)	133,040	107,616	25,424	23.6%
(Loss)/Profit before income tax (HK\$'000)	除所得稅前(虧損)/溢利(千港元)	(64,751)	106,104	(170,855)	(161.0)%
(Loss)/Profit for the year (HK\$'000)	年內(虧損)/溢利(千港元)	(122,480)	67,481	(189,961)	(281.5)%
(Loss)/Profit attributable to the equity holders of the Company (HK\$'000)	本公司股東應佔(虧損)/溢利(千港元)	(121,926)	51,192	(173,118)	(338.2)%
Basic (loss)/earnings per share (HK\$)	每股基本(虧損)/盈利(港元)	(0.070)	0.033	(0.103)	(312.1)%
Diluted (loss)/earnings per share (HK\$)	每股攤薄(虧損)/盈利(港元)	(0.070)	0.033	(0.103)	(312.1)%

As at 31 March

於3月31日

Consolidated Statement of Financial Position

	綜合財務狀況表	2017 2017年	2016 2016年	Change 變動	%
Net assets (HK\$'000)	資產淨值(千港元)	1,128,767	1,164,133	(35,366)	(3.0)%
Restricted bank balance and cash and cash equivalents (HK\$'000)	受限制銀行存款以及現金及等同現金(千港元)	242,709	463,081	(220,372)	(47.6)%
Promissory notes and borrowings (HK\$'000)	承兌票據及借貸(千港元)	2,197,848	–	2,197,848	N/A 不適用
Equity attributable to equity holders of the Company (HK\$'000)	本公司股東應佔權益(千港元)	987,381	1,008,051	(20,670)	(2.1)%

KEY FINANCIAL RATIOS

主要財務比率

		2017 2017年	2016 2016年	Change 變動
Gross profit margin ⁽¹⁾	毛利率 ⁽¹⁾	68.5%	56.4%	+12.1 percentage points +12.1 個百分點
Return on equity ⁽²⁾	股東資金回報 ⁽²⁾	(12.3)%	5.1%	-17.4 percentage points -17.4 個百分點
Current ratio (times) ⁽³⁾	流動比率(倍) ⁽³⁾	2.1	2.1	
Gearing ratio ⁽⁴⁾	資本負債比率 ⁽⁴⁾	1.9	–	

(1) Gross profit margin represents gross profit divided by revenue of the Group.

(1) 毛利率指本集團毛利除以收入。

(2) Return on equity is defined as the ratio of (loss)/profit attributable to equity holders of the Company to total equity attributable to equity holders of the Company.

(2) 股東資金回報指本公司股東應佔(虧損)/溢利除以本公司股東應佔總權益。

(3) Current ratio is defined as the ratio of total current assets to total current liabilities.

(3) 流動比率指流動資產總值除以流動負債總額。

(4) Gearing ratio represents promissory notes and borrowings, including current and non-current portions, divided by total equity.

(4) 資本負債比率指承兌票據及借貸(包括流動及非流動部分)除以總權益。

Chairman's Statement

主席報告

On behalf of the board of directors, I am pleased to present the results of Man Sang International Limited ("the Company") and its subsidiaries (collectively the "Group") for the year ended 31 March 2017 ("FY17").

PERFORMANCE

The Group focuses on the development, sales and leasing of properties in Mainland China. During FY17, property sales volume and property price in small to medium cities in Mainland China remained subdued and continued to be under downward adjustment pressure. The revenue generated from sales of properties in the China Pearls and Jewellery City ("CP&J City") decrease as a result of the completion of two residential apartments and a commercial complex during the year ended 31 March 2016 ("FY16") where significant contracted sales were recognized in FY16 and no new property was completed in CP&J City in FY17.

In July 2016, the Company has completed the acquisition of a property located in the central business district of Chongqing, the PRC (known as "Chongqing Kingstone") at a consideration, net of directly attributable costs, of HK\$1,468 million (the "Acquisition") and it generates revenue from sales of properties of approximately HK\$133.7 million during FY17.

Revenue of the Group was therefore HK\$194.2 million (FY16: HK\$190.7 million) during FY17, which comprised sales of properties of HK\$162.8 million (FY16: HK\$138.3 million) and rental income of HK\$31.4 million (FY16: HK\$52.4 million).

The loss attributable to equity holders of the Company of HK\$121.9 million (FY16: profit of HK\$51.2 million) was primarily due to (1) an increase in finance costs of HK\$47.9 million as a result of the promissory notes (the "Promissory Notes") issued by the Company as part of the consideration for the Acquisition, which was completed on 28 July 2016, at the interest rate of 8% per annum; (2) an increase in finance costs of HK\$42.0 million due to the trustee loan and unsecured loans of the newly acquired property from the Acquisition; (3) an increase in finance costs of HK\$14.6 million in relation to the Bonds issued by the Company in November 2016 at the interest rate of 9% per annum; and (4) a loss in fair values of investment properties and investment properties under construction of HK\$41.7 million in FY17 in contrast to a gain in fair values of investment properties and investment properties under construction of HK\$5.9 million in FY16.

In September 2016, the Company had allotted and issued a total of 317,528,000 shares of the Company to two subscribers under the general mandate of the Company with net proceeds of approximately HK\$190.6 million. The net proceeds from the subscription of approximately HK\$190.6 million were fully utilized for early redemption of part of the Promissory Notes in FY17.

本人謹代表董事會欣然呈報民生國際有限公司（「本公司」）及其附屬公司（統稱「本集團」）截至2017年3月31日止年度（「2017年財政年度」）的業績。

業績表現

本集團專注於發展、銷售及租賃中國內地物業。於2017年財政年度，中國內地中小城市物業銷售數量及樓價仍然疲弱及繼續有下調壓力。來自銷售華東國際珠寶城（「華東國際珠寶城」）物業所得收入減少，原因為兩幢住宅公寓及一幢綜合商業樓宇於截至2016年3月31日止年度（「2016年財政年度」）落成，故於2016年財政年度確認巨額合約銷售額，但2017年財政年度華東國際珠寶城並無任何新物業落成。

在2016年7月，本公司已完成收購位於中國重慶市中央商業區之一項物業（「重慶皇石」），代價（扣除直接應佔成本）為1,468,000,000港元（「收購事項」），而於2017年財政年度，其物業銷售收入約為133,700,000港元。

於2017年財政年度，本集團之收入因此為194,200,000港元（2016年財政年度：190,700,000港元），包括物業銷售162,800,000港元（2016年財政年度：138,300,000港元）及租金收入31,400,000港元（2016年財政年度：52,400,000港元）。

本公司股東應佔虧損為121,900,000港元（2016年財政年度：溢利51,200,000港元），主要是由於（1）本公司發行按年利率8厘計息之承兌票據（「承兌票據」）作為收購事項之部分代價而增加的財務費用47,900,000港元，收購事項已於2016年7月28日完成；（2）收購事項中新收購的物業的信託人貸款及無抵押貸款而增加的財務費用42,000,000港元；（3）本公司於2016年11月發行按年利率9厘計息之債券而增加的財務費用14,600,000港元；及（4）2017年財政年度投資物業及在建投資物業的公允值錄得虧損41,700,000港元，對比2016年財政年度投資物業及在建投資物業的公允值錄得收益5,900,000港元。

在2016年9月，本公司根據本公司一般授權配發及發行合共317,528,000股本公司股份予兩名認購方，所得款項淨額約為190,600,000港元。認購事項之所得款項淨額約190,600,000港元已悉數用於2017年財政年度提早贖回部分承兌票據。

Chairman's Statement

主席報告

PROSPECTS

There are currently two property development projects in the Group, namely CP&J City in Zhujiaji, the PRC and a property located in the central business district of Chongqing, the PRC. Phase 1 of CP&J City has been substantially completed. It is preliminarily proposed that Phase 2 of CP&J City will comprise residential apartments, commercial buildings and a market centre, which is expected to incur substantial capital due to the size of phase 2 of CP&J City, however the development plan may be amended subject to the finalization of the negotiation which shall be agreed upon by both the Group and the local government.

The Company has also been continuously evaluating the current business strategies of the Group and the financing performance of the Group's existing businesses with an aim to achieve the best use of its resources and improve its overall performance and portfolio diversification. The Company has been actively looking to diversify the revenue sources of the Group in order to create shareholders' value through making investments and/or acquiring business or projects that have promising outlooks and prospects.

The Company will closely monitor and manage its financial position, and may carry out fund raising activities, including but not limited to equity financing and/or debt financing as and when appropriate to meet our anticipated future liquidity requirements and capital expenditure commitment.

APPRECIATION

I would like to take this opportunity to express my heartfelt gratitude to all our shareholders, customers and other business partners for their long-term attention and support to the Group over the years. I would also like to thank the senior management team and all staff of the Group for their dedication and hard work to the Group during the past year.

Lei Hong Wai

Chairman

Hong Kong, 23 September 2017

展望

本集團現有兩個物業發展項目，即位於中國諸暨市的華東國際珠寶城及位於中國重慶市中央商業區之一項物業。華東國際珠寶城第一期已基本完成。根據初步建議，華東國際珠寶城第二期將包括住宅公寓、商業樓宇及一個交易中心，基於其規模，預計需要投入大量資金。然而，發展規劃可能作出修改，最終有待本集團與地方政府磋商後達成共識，方可作實。

本公司亦已持續評估本集團之現有業務策略及本集團現有業務之財務表現，旨在達致對本集團資源之最佳利用並提升本集團之整體表現及投資組合多元化。本公司已積極尋求將本集團之收入來源多元化，透過投資及／或收購具有良好前景之業務或項目，從而創造股東價值。

本公司將密切監察及管理其財務狀況，並可能進行集資活動（包括但不限於在適當時進行股權融資及／或債務融資），以應付預期未來之流動資金需求及資本開支承諾。

致謝

多年來，本集團承蒙全體股東、客戶及其他業務夥伴鼎力支持，本人謹此衷心致謝。本集團的高級管理人員以至各級員工過去一年盡忠職守，努力不懈為本集團作出貢獻，本人亦不勝感激。

主席

李雄偉

香港，2017年9月23日

Management Discussion and Analysis

管理層討論與分析

FINANCIAL OVERVIEW

The board of directors (the “Board”) of Man Sang International Limited (the “Company”) is pleased to report the results of the Company and its subsidiaries (collectively the “Group”) for the year ended 31 March 2017 (“FY17”). During FY17, the consolidated loss attributable to equity holders of the Company was HK\$121.9 million (year ended 31 March 2016 (“FY16”): profit of HK\$51.2 million). Basic loss per share was HK\$0.070 (FY16: earnings of HK\$0.033).

BUSINESS REVIEW

The Group focuses on the development, sales and leasing of properties in Mainland China. During FY17, property sales volume and property price in small to medium cities in Mainland China remained subdued and continued to be under downward adjustment pressure.

CP&J City

CP&J City consists of a large-scale international pearl and jewellery trading platform and the related commercial properties including residential apartments, factories buildings, a composite building and a commercial plaza located in Zhuji of Zhejiang, the PRC for sale and leasing.

The Group is planning to develop a hotel which represents the last building construction of phase 1 of the CP&J City, however, the timing of which has yet to be determined. Besides, the Group is also planning to roll out phase 2 of the development of CP&J City. The Group is in the process of negotiating with the local government about the development plan and the proposed acquisition is subject to auction/tender processes. It is preliminarily proposed that phase 2 of CP&J City will comprise residential apartments, commercial buildings and a market centre, however the development plan may be amended subject to the finalization of the negotiation which shall be agreed upon by both the Group and the local government. The Company is currently evaluating the total investment costs required for the development of phase 2 of CP&J City, including but not limited to the finance costs, land and construction costs, against the expected return to be generated from the phase 2 of CP&J City to determine whether or not this project is financially feasible and would be able to generate reasonable return to the Company and its shareholders.

財務摘要

民生國際有限公司(「本公司」)董事會(「董事會」)欣然呈報本公司及其附屬公司(統稱「本集團」)截至2017年3月31日止年度(「2017年財政年度」)之業績。於2017年財政年度內，本公司股東應佔綜合虧損為121,900,000港元(截至2016年3月31日止年度(「2016年財政年度」):溢利51,200,000港元)。每股基本虧損為0.070港元(2016年財政年度:盈利0.033港元)。

業務回顧

本集團專注於發展、銷售及租賃中國內地物業。於2017年財政年度，中國內地中小城市物業銷售數量及樓價仍然疲弱及繼續有下調壓力。

華東國際珠寶城

華東國際珠寶城由位於中國浙江省諸暨市之大型國際珍珠及珠寶交易平台以及相關商用物業(包括住宅公寓、工廠、綜合樓及商業廣場)組成，以作銷售及租賃。

本集團計劃發展一間酒店作為華東國際珠寶城第一期之最後一項建設工程，惟目前尚未確定何時動工。此外，本集團亦計劃展開華東國際珠寶城第二期發展工程。本集團現正就發展規劃與地方政府進行磋商，建議收購事項須以競投/招標形式進行。根據初步建議，華東國際珠寶城第二期將包括住宅公寓、商業樓宇及一個交易中心。然而，發展規劃可能作出修改，最終有待本集團與地方政府磋商後達成共識，方可作實。本公司目前正在評估華東國際珠寶城第二期發展所需總投資成本(包括但不限於財務費用、土地和建築成本)相對於華東國際珠寶城第二期將產生之預期回報，以釐定該項目是否財務上可行及能夠為本公司及其股東帶來合理回報。

Management Discussion and Analysis

管理層討論與分析

Chongqing Kingstone

In July 2016, the Company has completed the acquisition of Chongqing Kingstone at a consideration, before directly attributable costs, of HK\$1,468 million (the "Acquisition"). The Company issued promissory notes (the "Promissory Notes") with a principal amount of HK\$1,168 million as part of the consideration of the Acquisition. The Promissory Notes are unsecured, interest bearing at 8% per annum and mature at the third anniversary from the date of issue, being 28 July 2019. The location of Chongqing Kingstone is in Jiefangbei business district of Yuzhong District and is close to Jiefangbei Walking Street, which is a pedestrian lane with numerous retail shops. Given the geographical location of Chongqing Kingstone, the Company considers that Chongqing Kingstone will benefit from the heavy pedestrian flow nearby and thus aim to develop Chongqing Kingstone to become a new landmark in Yuzhong District.

Chongqing Kingstone is currently under redevelopment, which includes renovation without demolishing its building structure, from a commercial service building into a commercial/residential complex which will be held for sale and/or leasing purposes. It is expected that the redevelopment will be completed by end of 2017. After the completion of the redevelopment, Chongqing Kingstone will comprise apartments for sale and leasing, retail units and ancillary facilities/car parks. The Company has commenced the sale of apartments in FY17 and revenue of HK\$133.7 million has been recognised from such sales during FY17. The Group targets to commence leasing of the first batch of retail units by the end of 2017 or the first quarter of 2018.

Subscription of shares

In September 2016, the Company had allotted and issued a total of 317,528,000 shares of the Company to two subscribers under the general mandate of the Company with net proceeds of approximately HK\$190.6 million. The net proceeds from the subscription of approximately HK\$190.6 million were fully utilized for early redemption of part of the Promissory Notes in FY17.

重慶皇石

在2016年7月，本公司已完成收購重慶皇石，代價（扣除直接應佔成本前）為1,468,000,000港元（「收購事項」）。本公司發行本金額為1,168,000,000港元之承兌票據（「承兌票據」），作為收購事項之代價其中部分。承兌票據為無抵押及按年利率8厘計息，並於發行日期起計第三週年當日（即2019年7月28日）到期。重慶皇石位於渝中區解放碑商業區，鄰近解放碑步行街，該步行街為遍佈無數零售店之人行道。鑑於重慶皇石之地理位置，本公司認為重慶皇石將得益於鄰近地區之高人流量，冀將重慶皇石發展為渝中區新地標。

重慶皇石現正進行重新發展，包括在並無拆卸其建築結構情況下將商用樓宇翻新為商業／住宅大廈，將持作銷售及／或租賃用途。預期重新發展將於2017年年底前完成。重新發展完成後，重慶皇石將包括供銷售及租賃之公寓、零售單位及配套設施／停車位。本公司已於2017年財政年度開始銷售公寓，並於2017年財政年度確認此等銷售收入133,700,000港元。本集團預計於2017年年底或2018年第一季度開始租賃第一批零售單位。

認購股份

在2016年9月，本公司根據本公司一般授權配發及發行合共317,528,000股本公司股份予兩名認購方，所得款項淨額約為190,600,000港元。認購事項之所得款項淨額約190,600,000港元已悉數用於2017年財政年度提早贖回部分承兌票據。

Management Discussion and Analysis

管理層討論與分析

Proposed acquisition of a property located in Shanghai

As announced on 2 November 2016, the Company has signed a sale and purchase agreement (the "Agreement") to purchase a property located in the central business district of Shanghai, the PRC (the "Property") at a consideration comprises a sum of RMB500 million and grant of an option to subscribe for the shares of the Company representing 5% of the issued share capital of the Company upon completion of the transaction (the "Proposed Acquisition"). During the course of the due diligence investigation, it has come to the attention of the Company that other than the litigations involving the company holding the Property that were already known to the Company as at the date of the Agreement, there are certain other litigations involving the company holding the Property which remain unsettled and the corresponding settlement amounts are yet to be ascertained. It is considered that substantial time and capital would be required to ascertain the settlement amounts of the abovementioned litigations so as to determine the final adjustment to the consideration. On 14 August 2017, the parties to the Agreement therefore entered into a deed of termination pursuant to which the parties to the Agreement mutually irrevocably and unconditionally agreed that the Proposed Acquisition be terminated immediately and cease to have any effect. The vendor has also refunded the deposit of HK\$400.0 million (together with the interest incurred at a rate of 9.5% per annum on the deposit for the period from the payment date to the return date of the deposit) to the Company.

Issuance of bonds

As announced on 3 November 2016, the Company entered into a subscription agreement as issuer with a Cayman Islands incorporated open-ended exempted segregated portfolio company (the "Subscriber"), pursuant to which the Company, on 4 November 2016, issued and the Subscriber subscribed for the secured bonds due 2018 of an aggregate principal amount of HK\$400.0 million (the "Bonds"). The net proceeds from the Bonds of approximately HK\$395.0 million were fully utilized for the payment of the refundable deposit of the Proposed Acquisition. The Company has redeemed the Bonds in the principal amount of HK\$400.0 million plus interest on 18 August 2017 (the "Early Redemption"). The Early Redemption was fully funded by the return of a HK\$400.0 million deposit previously paid by the Company in respect of the Proposed Acquisition plus interest as such transaction has been terminated on 14 August 2017.

Looking forward

There are currently two property development projects in the Group, namely CP&J City in Zhuji, the PRC and a property located in the central business district of Chongqing, the PRC. Phase 1 of CP&J City has been substantially completed. It is preliminarily proposed that Phase 2 of CP&J City will comprise residential apartments, commercial buildings and a market centre, which is expected to incur substantial capital due to the size of Phase 2 of CP&J City, however the development plan may be amended subject to the finalization of the negotiation which shall be agreed upon by both the Group and the local government.

建議收購位於上海之一項物業

誠如2016年11月2日所宣佈，本公司已簽署買賣協議（「該協議」），以購入位於中國上海中央商業區之一項物業（「該物業」），代價包括人民幣500,000,000元款項連同授出可認購相當於交易完成時本公司已發行股本5%之本公司股份之期權（「建議收購事項」）。於盡職審查過程中，本公司注意到，除本公司於該協議日期所知悉涉及持有該物業之公司之訴訟外，仍有若干其他涉及持有該物業之公司之待決訴訟，而有關和解金額尚未確定。據認為需要投放大量時間及資金以確定上述訴訟之和解金額，從而釐定代價之最終調整。因此於2017年8月14日，該協議訂約方訂立終止契據，據此，該協議訂約方互相不可撤回及無條件同意即時終止建議收購事項及不再具有任何效力。賣方亦已向本公司退還訂金400,000,000港元（連同於付款日期至退還訂金日期期間就訂金按年利率9.5厘計算之應計利息）。

發行債券

誠如2016年11月3日所宣佈，本公司（作為發行人）與於開曼群島註冊成立之開放式獲豁免獨立投資組合公司（「認購人」）訂立認購協議，據此，於2016年11月4日，本公司發行而認購人認購2018年到期之擔保債券，本金總額為400,000,000港元（「債券」）。債券之所得款項淨額約395,000,000港元已悉數用於支付建議收購事項之可退還訂金。本公司已於2017年8月18日贖回本金額400,000,000港元另加利息之債券（「提早贖回」）。由於建議收購事項已於2017年8月14日終止，故提早贖回全數以本公司先前就該項交易支付之400,000,000港元訂金另加利息之退款提供資金。

展望未來

本集團現有兩個物業發展項目，即位於中國諸暨市的華東國際珠寶城及位於中國重慶市中央商業區之一項物業。華東國際珠寶城第一期已基本完成。根據初步建議，華東國際珠寶城第二期將包括住宅公寓、商業樓宇及一個交易中心，基於其規模，預計需要投入大量資金。然而，發展規劃可能作出修改，最終有待本集團與地方政府磋商後達成共識，方可作實。

Management Discussion and Analysis

管理層討論與分析

The Company has also been continuously evaluating the current business strategies of the Group and the financing performance of the Group's existing businesses with an aim to achieve the best use of its resources and improve its overall performance and portfolio diversification. The Company has been actively looking to diversify the revenue sources of the Group in order to create shareholders' value through making investments and/or acquiring business or projects that have promising outlooks and prospects.

The Company will closely monitor and manage its financial position, and may carry out fund raising activities, including but not limited to equity financing and/or debt financing as and when appropriate to meet our anticipated future liquidity requirements and capital expenditure commitment.

FINANCIAL REVIEW

Revenue and gross profit

Revenue of the Group was HK\$194.2 million (FY16: HK\$190.7 million) during FY17, which comprised sales of properties of HK\$162.8 million (FY16: HK\$138.3 million) and rental income of HK\$31.4 million (FY16: HK\$52.4 million).

The revenue from sales of properties mainly represented (1) sales of residential apartments in Chongqing Kingstone of HK\$133.7 million in FY17 (FY16: Nil); and (2) sales of residential apartments and commercial plaza in CP&J City which were completed in FY16 and has decreased by HK\$109.2 million to HK\$29.1 million (FY16: HK\$138.3 million) during FY17 as a result of the completion of two residential apartments and a commercial complex in FY16 where significant contracted sales were recognized in FY16 and no new property was completed in CP&J City in FY17.

As the disposal of the entire equity interest in a wholly-owned subsidiary which owns, manages and operates 27 blocks of industrial properties in Shenzhen for leasing had been completed in March 2016, rental income decreased by HK\$21.0 million or 40.1% to HK\$31.4 million (FY16: HK\$52.4 million) in FY17.

Gross profit of the Group therefore increased by HK\$25.4 million or 23.6% to HK\$133.0 million (FY16: HK\$107.6 million) in FY17.

本公司亦已持續評估本集團之現有業務策略及本集團現有業務之財務表現，旨在達致對本集團資源之最佳利用並提升本集團之整體表現及投資組合多元化。本公司已積極尋求將本集團之收入來源多元化，透過投資及／或收購具有良好前景之業務或項目，從而創造股東價值。

本公司將密切監察及管理其財務狀況，並可能進行集資活動（包括但不限於在適當時進行股權融資及／或債務融資），以應付預期未來之流動資金需求及資本開支承諾。

財務回顧

收入及毛利

於2017年財政年度，本集團之收入為194,200,000港元（2016年財政年度：190,700,000港元），包括物業銷售162,800,000港元（2016年財政年度：138,300,000港元）及租金收入31,400,000港元（2016年財政年度：52,400,000港元）。

銷售物業收入主要反映(1)於2017年財政年度重慶皇石住宅公寓之銷售133,700,000港元（2016年財政年度：無）；及(2)華東國際珠寶城2016年財政年度落成的住宅公寓及商業廣場之銷售，於2017年財政年度減少109,200,000港元至29,100,000港元（2016年財政年度：138,300,000港元），主要原因為兩幢住宅公寓及一幢綜合商業樓宇於2016年財政年度落成，故於2016年財政年度確認巨額合約銷售額，而2017年財政年度華東國際珠寶城並無任何新物業落成。

由於出售一間於深圳擁有、管理及經營27幢工業物業作出租用途之全資附屬公司全部權益已於2016年3月完成，因此2017年財政年度的租金收入減少21,000,000港元至31,400,000港元（2016年財政年度：52,400,000港元），減幅為40.1%。

於2017年財政年度，本集團之毛利因而增加25,400,000港元至133,000,000港元（2016年財政年度：107,600,000港元），增幅為23.6%。

Management Discussion and Analysis

管理層討論與分析

Selling and administrative expenses (the “S&A expenses”)

S&A expenses mainly comprised selling expenses of HK\$11.4 million (FY16: HK\$5.0 million) and administrative expenses of HK\$45.2 million (FY16: HK\$28.7 million). S&A expenses increased by HK\$22.9 million or 68.0% to HK\$56.6 million (FY16: HK\$33.7 million) in FY17, which was primarily due to the S&A expenses incurred directly for the acquisition and the redevelopment of Chongqing Kingstone as a result of the completion of the acquisition of Chongqing Kingstone in FY17.

Loss attributable to equity holders of the Company

The loss attributable to equity holders of the Company of HK\$121.9 million (FY16: profit of HK\$51.2 million) was primarily due to (1) an increase in finance costs of HK\$47.9 million as a result of the Promissory Notes issued by the Company as part of the consideration for the Acquisition, which was completed on 28 July 2016, at the interest rate of 8% per annum; (2) an increase in finance costs of HK\$42.0 million due to the trustee loan and unsecured loans of the newly acquired property from the Acquisition; (3) an increase in finance costs of HK\$14.6 million in relation to the bonds issued by the Company in November 2016 at the interest rate of 9% per annum; and (4) a loss in fair values of investment properties and investment properties under construction of HK\$41.7 million in FY17 in contrast to a gain in fair values of investment properties and investment properties under construction of HK\$5.9 million in FY16.

Liquidity and capital resources

As at 31 March 2017, the Group's total equity, including non-controlling interests, was HK\$1,128.8 million (2016: HK\$1,164.1 million), representing an decrease of 3.0% from last year.

As at 31 March 2017, the Group had restricted bank balances and cash and cash equivalents of HK\$242.7 million (2016: HK\$463.1 million). Cash and bank balances were mainly denominated in Hong Kong dollars and Chinese Renminbi. The Group's working capital or net current assets were HK\$754.9 million (2016: HK\$533.7 million). The current ratio, represented by the current assets divided by the current liabilities, was 2.1 (2016: 2.1).

As at 31 March 2017, the Group's total borrowings (including Promissory Notes), which were denominated in Hong Kong dollars and Chinese Renminbi were HK\$2,197.8 million (2016: Nil) and were interest-bearing. The Group does not currently use any derivatives to manage interest rate risk. Gearing ratio, represented by total borrowings divided by total equity, was 1.9 (2016: Nil).

銷售及行政開支(「銷售及行政開支」)

銷售及行政開支主要包括銷售開支11,400,000港元(2016年財政年度:5,000,000港元)及行政開支45,200,000港元(2016年財政年度:28,700,000港元)。銷售及行政開支增加22,900,000港元或68.0%，增至2017年財政年度之56,600,000港元(2016年財政年度:33,700,000港元)，主要由於2017年財政年度完成收購重慶皇石而就收購及重新發展重慶皇石直接產生銷售及行政開支。

本公司股東應佔虧損

本公司股東應佔虧損為121,900,000港元(2016年財政年度:溢利51,200,000港元)，主要是由於(1)本公司發行按年利率8厘計息之承兌票據作為收購事項之部分代價而增加的財務費用47,900,000港元，收購事項已於2016年7月28日完成；(2)收購事項中新收購的物業的信託人貸款及無抵押貸款而增加的財務費用42,000,000港元；(3)本公司於2016年11月發行按年利率9厘計息之債券而增加的財務費用14,600,000港元；及(4)2017年財政年度投資物業及在建投資物業的公允值錄得虧損41,700,000港元，對比2016年財政年度投資物業及在建投資物業的公允值錄得收益5,900,000港元。

流動資金及資金資源

於2017年3月31日，本集團總權益(包括非控股權益)為1,128,800,000港元(2016年:1,164,100,000港元)，較去年減少3.0%。

於2017年3月31日，本集團有受限制銀行存款以及現金及等同現金242,700,000港元(2016年:463,100,000港元)。現金及銀行結餘主要以港元及人民幣計值。本集團營運資金或淨流動資產為754,900,000港元(2016年:533,700,000港元)。流動比率(即流動資產除以流動負債)為2.1倍(2016年:2.1倍)。

於2017年3月31日，本集團以港元及人民幣計值之計息借貸總額(包括承兌票據)為2,197,800,000港元(2016年:無)。本集團目前並無使用任何衍生工具管理利率風險。資本負債比率(即借貸總額除以總權益)為1.9倍(2016年:無)。

Management Discussion and Analysis

管理層討論與分析

During the year ended 31 March 2017, the Group reported net loss of approximately HK\$122,480,000. As at 31 March 2017, the Group had current liabilities of approximately HK\$684,648,000 and total borrowings, including Promissory Notes, of approximately HK\$2,197,848,000 of which approximately HK\$54,459,000 will be due in the coming twelve months from the end of the reporting period. As at the same date, the Group also had capital commitments of approximately HK\$241,552,000, while its net current assets and cash and cash equivalents amounted to approximately HK\$754,929,000 and HK\$242,047,000, respectively.

In view of the above, the Directors have reviewed the Group's cash flow projections covering a period of twelve months from 31 March 2017 which have taken into account the following measures.

- (1) Chongqing Kingstone has commenced the sales of the properties in March 2017 which is expected to generate operating cash inflows to the Group;
- (2) On 6 March 2017, a main contractor of Chongqing Kingstone, which is an independent third party of the Group, has undertaken and agreed to extend the credit period granted to Chongqing Kingstone in respect of certain construction costs in relation to the redevelopment of the property in Chongqing with a total amount of approximately HK\$325,022,000, of which approximately HK\$125,043,000 has been recorded as construction costs accruals and payables as at 31 March 2017 and approximately HK\$199,979,000 has been included as capital commitments of the Group as at 31 March 2017. The main contractor has agreed not to demand for any repayment of the above amounts payable or committed by Chongqing Kingstone on or before 30 June 2018;
- (3) On 12 January 2017, the Group obtained a 2-year unsecured revolving loan facility of HK\$200,000,000 with an annual interest rate of 8% from the financing company. As at 31 March 2017 and up to the date of these consolidated financial statements, the Group has unutilised facilities of HK\$150,000,000;
- (4) Non-controlling shareholders of a subsidiary of the Company have agreed not to demand for any repayment of loans from them of approximately HK\$86,938,000 as at 31 March 2017 until the Group is in a financial position to do so;
- (5) Mr. Tsoi Tung and the companies under his control have agreed not to demand for any repayment of amounts due to them in aggregate of approximately HK\$132,093,000 as at 31 March 2017 on or before 30 June 2018;
- (6) The Group will not early redeem any Promissory Notes before the maturity date until the Group is in a financial position to do so; and

截至2017年3月31日止年度，本集團錄得虧損淨額約122,480,000港元。於2017年3月31日，本集團有流動負債約684,648,000港元及借貸總額（包括承兌票據）約2,197,848,000港元，其中約54,459,000港元將自報告期結算日起計未來十二個月到期。於同日，本集團亦有資本承擔約241,552,000港元，而其流動資產淨值以及現金及等同現金則分別約為754,929,000港元及242,047,000港元。

基於上述情況，董事已審視本集團涵蓋2017年3月31日起計十二個月期間之現金流量預測，當中已考慮以下事項。

- (1) 重慶皇石已於2017年3月開始銷售物業，預期將為本集團帶來經營現金流入；
- (2) 於2017年3月6日，重慶皇石之主要承建商（為本集團之獨立第三方）已承諾並同意延長授予重慶皇石有關重新發展重慶物業若干建築成本之信貸期，有關建築成本金額合共約為325,022,000港元，其中約125,043,000港元已入賬列作於2017年3月31日之建築成本應計費用及應付賬款，而約199,979,000港元已計入本集團於2017年3月31日之資本承擔。該主要承建商已同意不會要求重慶皇石於2018年6月30日或之前償還任何上述應付或承付款項；
- (3) 於2017年1月12日，本集團自一間融資公司取得年利率8厘涉及200,000,000港元之兩年期無抵押循環貸款融資。於2017年3月31日及直至此等綜合財務報表日期，本集團有未動用融資150,000,000港元；
- (4) 本公司附屬公司之非控股股東同意不會在本集團財務狀況不足以承擔還款情況下要求償還任何來自彼等之貸款（於2017年3月31日約為86,938,000港元）；
- (5) 蔡彤先生及受其控制之公司同意不會要求於2018年6月30日或之前償還任何應付予彼等之款項（於2017年3月31日合共約為132,093,000港元）；
- (6) 本集團將不會在本集團財務狀況不足以承擔贖回情況下於承兌票據到期日前提早贖回任何承兌票據；及

Management Discussion and Analysis

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- (7) The Group will consider to raise additional capital, as and when needed, by carrying out fund raising activities, to finance the operations of the Group.

Based on the above, in the opinion of the Directors, the Group will have sufficient working capital to fulfil its financial obligations as and when they fall due in the coming twelve months from 31 March 2017. Accordingly, the Directors are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis. These consolidated financial statements do not include any adjustments relating to the carrying amounts and reclassification of assets and liabilities that might be necessary should the Group be unable to continue as a going concern.

PLEDGE OF ASSETS

The Group's borrowings were secured by certain investment properties under construction, properties, plant and equipment, prepaid lease payments and properties under development in the PRC of HK\$1,441.3 million, HK\$443.0 million, HK\$262.0 million and HK\$427.0 million, respectively (2016: Nil).

At 31 March 2017, certain investment properties amounting to approximately HK\$14.6 million (2016: HK\$15.7 million) were pledged to secure a loan granted by a PRC bank to an independent third party. The charge has been released on 22 April 2017.

Capital structure and use of proceeds from a fund raising activity

On 26 September 2016, a total of 317,528,000 new shares were allotted and issued at the subscription price of HK\$0.60 per share. The net proceeds from the subscription are approximately HK\$190.6 million. The net proceeds from the subscription of approximately HK\$190.6 million were fully utilized for early redemption of part of the Promissory Notes in FY17.

Exposure to fluctuations in exchange rates

The Group principally operates its businesses in Hong Kong and Mainland China. The Group has subsidiaries operating in Mainland China, in which most of their transactions are denominated in Chinese Renminbi. The Group is exposed to foreign exchange fluctuations from Chinese Renminbi which is the main foreign currency transacted by the Group during FY17.

The Group has not entered into any foreign exchange contract as hedging measures. The Group manages its foreign currency risk against Chinese Renminbi by closely monitoring its movement and may use hedging derivative, such as foreign currency forward contract, to manage its foreign currency risk as appropriate.

- (7) 本集團將於有需要時考慮透過進行集資活動籌集額外資金，以為本集團營運提供資金。

基於上述情況，董事認為本集團將有充裕營運資金履行其自2017年3月31日起計未來十二個月到期之財務責任。因此，董事信納按持續經營基準編製綜合財務報表屬恰當。此等綜合財務報表不包括於本集團無法持續經營之情況下可能屬必要之有關賬面值之任何調整以及資產及負債之重新分類。

資產抵押

本集團之借貸以若干中國之在建投資物業、物業、廠房及設備、預付租賃款項以及發展中物業作為抵押，分別為1,441,300,000港元、443,000,000港元、262,000,000港元及427,000,000港元(2016年：無)。

於2017年3月31日，約14,600,000港元(2016年：15,700,000港元)之若干投資物業已抵押予一名獨立第三方以獲取一間中國銀行授出之貸款。有關抵押已於2017年4月22日解除。

資本結構及集資活動所得款項之用途

於2016年9月26日，合共317,528,000股新股份已按認購價每股0.60港元配發及發行。認購事項之所得款項淨額約為190,600,000港元。認購事項之所得款項淨額約190,600,000港元已悉數用作於2017年財政年度提早贖回部分承兌票據。

匯率波動風險

本集團主要在香港及中國內地經營業務。本集團有附屬公司於中國內地營運，大部分交易以人民幣計值。本集團承受人民幣之外匯波動風險，而人民幣為本集團於2017年財政年度之主要交易外幣。

本集團並無訂立任何外匯合約作為對沖措施。本集團透過密切監察人民幣匯率變動管理其外幣風險，並可能於適當時候使用遠期外匯合約等對沖衍生工具管理其外匯風險。

Management Discussion and Analysis

管理層討論與分析

Financial guarantees

As at 31 March 2017, the Group had contingent liabilities of HK\$50.3 million (2016: HK\$48.2 million) in respect of guaranteeing the mortgage for certain purchasers of properties in CP&J City under mortgage collaboration agreements with a bank in the PRC.

Human resources and remuneration policy

As at 31 March 2017, the Group had a total workforce of 110 (2016: 76), of whom 9 (2016: 6) were based in Hong Kong. The total staff cost, including directors' emoluments, share options benefit and mandatory provident fund, was approximately HK\$25.1 million (2016: HK\$19.0 million). Employees were remunerated on the basis of their performance and experience. Remuneration packages, including salary and year-end discretionary bonus, were determined by reference to market conditions and individual performance.

財務擔保

於2017年3月31日，根據本集團與中國一間銀行簽立之按揭合作協定就華東國際珠寶城物業若干買家作出按揭保證，本集團有或然負債50,300,000港元(2016年：48,200,000港元)。

人力資源及薪酬政策

於2017年3月31日，本集團聘用合共110名(2016年：76名)僱員，當中9名(2016年：6名)僱員在香港工作。總員工成本(包括董事薪酬、購股權福利及強制性公積金)約為25,100,000港元(2016年：19,000,000港元)。僱員之薪酬乃以彼等之表現及經驗為基準。薪酬組合(包括薪金及年終酌情花紅)則參照市況及員工個別表現釐定。

Profile of Directors and Senior Management

董事及高級管理人員履歷

CHAIRMAN

Mr. Lei Hong Wai, aged 49, was appointed as an Executive Director of the Company and the Chairman of the Board on 26 June 2015 and 31 March 2016, respectively. Mr. Lei is responsible for the business strategy and direction of the Company and provides leadership for the Board and ensure proper and effective functioning of the Board. He has over 14 years of extensive experience in corporate management, investment and business development. He was a director of The Chamber of Hong Kong Listed Companies Limited, which promotes interaction amongst its members which are listed companies in Hong Kong and the People's Republic of China, in 2002. Mr. Lei is also a director of Twin Success International Limited, a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Lei is currently the chairman and an executive director of Eternity Investment Limited ("Eternity") (a company listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (stock code: 764)). Mr. Lei was appointed as an executive director and co-chairman of China Healthwise Holdings Limited ("China Healthwise"), (a company listed on the Stock Exchange (stock code: 348) and formerly known as Haier Healthwise Holdings Limited) on 11 October 2016 was subsequently and re-designated as the chairman on 27 October 2016. Mr. Lei was the chairman and an executive director of Huanxi Media Group Limited ("Huanxi") (a company listed on the Stock Exchange (stock code: 1003) and formerly known as 21 Holdings Limited) during the period from 10 April 2014 to 2 September 2015.

EXECUTIVE DIRECTORS

Ms. Cheng Ka Ki, aged 26, was appointed as an Executive Director of the Company on 2 May 2017. Ms. Cheng Ka Ki obtained a Master of Science degree in Corporate Governance and Directorship from Hong Kong Baptist University and a Bachelor of Science degree in Financial and Business Economics from University of London. Ms. Cheng Ka Ki is currently working in a company listed in Hong Kong. Ms. Cheng Ka Ki had worked in two international accounting firms. She is a daughter of Mr. Cheng Chung Hing, a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and a sister of Ms. Cheng Ka Man, Carman, a former executive director of the Company.

主席

李雄偉先生，現年49歲，分別於2015年6月26日及2016年3月31日獲委任為本公司執行董事及董事會主席。李先生負責制定本公司之業務策略及方針以及領導董事會，確保董事會能正確及有效地運作。李先生擁有超過14年企業管理、投資及業務發展之豐富經驗。於2002年，彼擔任香港上市公司商會有限公司之董事，該商會之工作為促進其成員公司（乃香港及中華人民共和國之上市公司）間之互動合作。李先生亦為本公司之主要股東（定義見證券及期貨條例第XV部）Twin Success International Limited之董事。李先生現為Eternity Investment Limited（永恒策略投資有限公司*）（「永恒策略」）（一間於香港聯合交易所有限公司（「聯交所」）上市的公司（股份代號：764））之主席兼執行董事。李先生於2016年10月11日獲委任為中國智能健康控股有限公司（「中國智能健康」）（一間於聯交所上市之公司（股份代號：348）及前稱海爾智能健康控股有限公司）的執行董事兼聯席主席，並其後於2016年10月27日調任為主席。李先生於2014年4月10日至2015年9月2日期間曾任歡喜傳媒集團有限公司（「歡喜」）（一間於聯交所上市之公司（股份代號：1003及前稱21控股有限公司））之主席兼執行董事。

執行董事

鄭嘉淇小姐，現年26歲，於2017年5月2日獲委任為本公司執行董事。鄭嘉淇小姐在香港浸會大學取得公司管治與董事學理碩士學位及在英國倫敦大學取得金融及商業經濟學士學位。鄭嘉淇小姐現於一間香港上市公司任職。鄭嘉淇小姐曾於兩間國際會計師事務所任職。鄭嘉淇小姐為本公司主要股東（定義見香港法例第571章證券及期貨條例第XV部）鄭松興先生之女兒及本公司前任執行董事鄭嘉汶小姐之妹妹。

Profile of Directors and Senior Management

董事及高級管理人員履歷

Mr. Cheung Kwok Wai, Elton, aged 51, has been an Executive Director of the Company since June 2015. Mr. Cheung is responsible for the overall implementation of the Company's strategies and the co-ordination of overall business operations. He has over 26 years of experience in the area of corporate finance and securities industries. He holds a Master Degree in Accounting and Finance from the University of Lancaster in the United Kingdom. Mr. Cheung is also a director of Twin Success International Limited, a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Cheung is currently an executive director of Eternity and appointed as the chairman and an executive director of Global Mastermind Holding Limited, (a company listed on the Stock Exchange (stock code: 8063)) on 16 October 2016. Mr Cheung was an executive director of China Healthwise during the period from 11 October 2016 to 15 December 2016.

Mr. Leung Alex, aged 38, has been an Executive Director of the Company since October 2014. He joined the Group in February 2012 as the Chief Financial Officer and was appointed as the Company Secretary of the Group in March 2012. He obtained his Bachelor of Commerce degree from the University of Auckland, New Zealand in May 2000. Before joining the Group, Mr. Leung had worked in two international accounting firms from December 2000 to February 2012. He is a fellow member of both the Hong Kong Institute of Certified Public Accountants and the CPA Australia. He has more than 17 years of experience in auditing, accounting and corporate management. Mr. Leung is responsible for corporate finance, mergers and acquisition matters, financial and accounting management, corporate governance, as well as compliance affairs of the Group. Mr. Leung has been appointed as an executive director of Affluent Partners Holdings Limited (a company listed on the Stock Exchange (stock code: 1466)) on 11 April 2016 and an executive director and the Vice Chairman of China Healthwise on 20 March 2017.

Mr. Yuan Huixia, aged 36, was appointed as an Executive Director of the Company on 1 August 2016. Mr. Yuan has been admitted as a practicing solicitor in the People's Republic of China and has over 14 years of extensive experience in corporate management, investment, legal affairs and business development. He is also a general manager of a wholly-owned subsidiary of the Company. He holds a Master Degree in Law and a Bachelor Degree in Law from the Southwest University of Political Science and Law in the People's Republic of China.

張國偉先生，現年51歲，於2015年6月獲委任為本公司執行董事。張先生負責全面執行本公司策略及協調整體業務營運。張先生於企業融資領域及證券業擁有逾26年經驗。彼持有英國蘭卡斯特大學會計及財務碩士學位。張先生亦為本公司之主要股東(定義見證券及期貨條例第XV部) Twin Success International Limited之董事。張先生現為永恆策略之執行董事，並於2016年10月16日獲委任為環球大通集團有限公司(一間於聯交所上市之公司(股份代號：8063))之主席兼執行董事。張先生於2016年10月11日至2016年12月15日期間曾任中國智能健康之執行董事。

梁奕曦先生，現年38歲，從2014年10月起擔任本公司的執行董事。梁先生於2012年2月加盟本集團出任首席財務總監並於2012年3月獲委任為本集團的公司秘書。梁先生於2000年5月在紐西蘭奧克蘭大學取得商科學士學位。於加盟本集團之前，梁先生曾於2000年12月至2012年2月期間在兩間國際會計師事務所任職。梁先生為香港會計師公會及澳洲會計師公會資深會員。梁先生在審計、會計及企業管理方面擁有逾17年經驗。梁先生負責本集團的企業融資、併購事務、財務及會計管理、企業管治以及合規事宜。梁先生於2016年4月11日獲委任為錢唐控股有限公司(一間於聯交所上市的公司(股份代號：1466))之執行董事及於2017年3月20日獲委任為中國智能健康之執行董事兼副主席。

袁輝霞先生，現年36歲，於2016年8月1日獲委任為本公司執行董事。袁先生持有中國律師執照及擁有超過14年企業管理、投資、法律事務及業務發展之豐富經驗。彼亦為本公司一間全資附屬公司之總經理。彼持有中國西南政法大學法律碩士學位及法學學士學位。

Profile of Directors and Senior Management

董事及高級管理人員履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Lai Hok Lim, aged 58, was appointed as an Independent Non-Executive Director of the Company on 1 December 2016. Mr. Lai has been a practising solicitor in Hong Kong since 1989. He graduated from the University of Hong Kong with a Bachelor of Arts Degree and holds a Bachelor of Arts (Law) Degree from the University of Sussex in the United Kingdom and a Bachelor of Law Degree from Beijing University in the PRC. Mr. Lai has been appointed as an independent non-executive director of China Healthwise on 27 October 2016.

Mr. Lei Seng Fat, aged 67, was appointed as an Independent Non-Executive Director of the Company on 12 July 2016. Mr. Lei has 27 years of management experience in the banking industry in Macau. Prior to his retirement in 2014, he was a consultant in the Cash Management Department of Industrial and Commercial Bank of China (Macau) Limited. He is currently the general manager of a private company in Macau, which is engaged in trading of furniture. Mr. Lei has been appointed as an independent non-executive director of Global Mastermind Capital Limited (a company listed on the Stock Exchange (stock code: 905)) on 18 April 2017.

Mr. Wong Tak Chuen, aged 52, was appointed as an Independent Non-Executive Director of the Company on 12 July 2016. Mr. Wong is a fellow member of both Hong Kong Institute of Certified Public Accountants and Association of Chartered Certified Accountants in the United Kingdom, as well as a member of the Institute of Chartered Accountants in England and Wales. He has over 20 years of experience in auditing, financial management, mergers and acquisitions gained from certain senior finance related positions in an international accounting firm in Hong Kong, companies listed in Hong Kong and a company listed in the United States of America. He is currently the chief financial officer of a public company in Hong Kong and a company listed on the GEM Board of the Stock Exchange. Mr. Wong is also an independent non-executive director of Huanxi and Eternity and has been appointed as an independent non-executive director of China Healthwise on 11 October 2016.

SENIOR MANAGEMENT

Mr. Leung Alex, aged 38, is the Chief Financial Officer and the Company Secretary of the Group. He is also an Executive Director of the Company. Please refer to the sub-section headed "Executive Directors" above for Mr. Leung's biographical details.

獨立非執行董事

黎學廉先生，現年58歲，從2016年12月1日獲委任為本公司的獨立非執行董事。黎先生自1989年起為香港執業律師。彼畢業於香港大學，考獲文學學士學位，並持有英國薩塞克斯大學之法律文學士學位以及中國北京大學法律學士學位。黎先生於2016年10月27日獲委任為中國智能健康之獨立非執行董事。

李成法先生，現年67歲，從2016年7月12日獲委任本公司的獨立非執行董事。李先生在澳門銀行業擁有27年的管理經驗。李先生於2014年退休前為中國工商銀行(澳門)股份有限公司現金管理部顧問。李先生目前在一間從事家具貿易的澳門私人公司任職總經理。李先生於2017年4月18日獲委任為環球大通投資有限公司(一間於聯交所上市之公司(股份代號：905))之獨立非執行董事。

黃德銓先生，現年52歲，從2016年7月12日獲委任本公司的獨立非執行董事。黃先生為香港會計師公會及英國特許公認會計師公會之資深會員，同時亦為英格蘭和威爾士特許會計師協會會員。黃先生過去曾於香港一間國際會計事務所、香港數間上市公司及美國一間上市公司擔任與財務有關之高級職位，期間於核數、財務管理、合併及收購方面累積超過20年經驗。黃先生現為一間香港公眾公司及於聯交所創業板上市之公司之首席財務官。黃先生同時擔任歡喜及永恒策略之獨立非執行董事，並於2016年10月11日獲委任為中國智能健康之獨立非執行董事。

高級管理人員

梁奕曦先生，現年38歲，為本集團之首席財務總監及公司秘書。梁先生同時為本公司之執行董事。有關梁先生之履歷詳情，請參閱上文「執行董事」分節。

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE CODE

Man Sang International Limited (the “Company”) and its subsidiaries (collectively the “Group”) recognises the importance of achieving the highest standard of corporate governance consistent with the needs and requirements of its businesses and the best interest of all of its stakeholders, and the board of directors (the “Board”) is fully committed to doing so. The Board believes that high standards of corporate governance provide a framework and solid foundation for the Group to manage business risks, enhance transparency, achieve high standard of accountability and protect stakeholders’ interests.

The Group has adopted a corporate governance statement of policy which provides guidance on the application of the corporate governance principles on the Group, with reference to the Code on Corporate Governance Practices (the “CG Code”) as set out in Appendix 14 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

According to the code provision A.4.1 as set out in the CG Code, non-executive directors should be appointed for a specific term, subject to re-election. Two former Independent Non-Executive Directors, namely Mr. Kiu Wai Ming and Mr. Lau Chi Wah, Alex had not been appointed for a specific term and they had retired at the annual general meeting of the Company held on 15 July 2016. In the opinion of the Directors, the retirement of each Non-Executive Director at the annual general meeting at least once every three years shall have the same effect of appointing them with a specific term of three years. Nevertheless, following the retirement of Mr. Kiu Wai Ming and Mr. Lau Chi Wah, Alex as mentioned above, the Company has complied with all code provisions as set out in the CG Code and, where appropriate, the applicable recommended best practices of the CG Code.

Save as disclosed above, in the opinion of the directors of the Company (the “Director(s)”), the Company has complied with all code provisions as set out in the CG Code throughout the year ended 31 March 2017 and, where appropriate, the applicable recommended best practices of the CG Code.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) set out in Appendix 10 to the Listing Rules as the code of conduct for dealing in securities of the Company by the Directors. All Directors have confirmed, upon specific enquiries made by the Company, that they have complied with the required standard set out in the Model Code during the year ended 31 March 2017. To ensure Directors’ dealings in the securities of the Company (the “Securities”) are conducted in accordance with the Model Code and securities code of the Company, a Director is required to notify the Chairman in writing and obtain a written acknowledgement from the Chairman prior to any dealings in the Securities.

企業管治守則

民生國際有限公司(「本公司」)及其附屬公司(統稱「本集團」)深明達致配合其業務所需且符合其所有權利相關人士最佳利益之最高標準企業管治之重要性，而董事會(「董事會」)一直致力進行有關工作。董事會相信，高水準企業管治能為本集團奠定良好架構，紮穩根基，不單有助管理業務風險及提高透明度，亦能維持高水準問責性及保障權利相關人士之利益。

本集團已參照香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄十四所載企業管治常規守則(「企業管治守則」)採納企業管治政策，為本集團應用企業管治原則提供指引。

根據載於企業管治守則之守則條文A.4.1，非執行董事應有指定任期，並須接受重選連任。兩名前獨立非執行董事喬維明先生及劉志華先生並無指定任期，彼等已於2016年7月15日舉行之本公司股東週年大會上退任。董事認為，各非執行董事最少每三年於股東週年大會上輪值退任一次與按三年指定任期委任彼等具有相同作用。儘管如此，隨著上文提及喬維明先生及劉志華先生退任後，本公司已符合載於企業管治守則之所有守則條文及(倘適用)企業管治守則之適用建議最佳常規。

除上文披露者外，本公司董事(「董事」)認為，截至2017年3月31日止年度內，本公司一直遵守載於企業管治守則之所有守則條文及(倘適用)企業管治守則之適用建議最佳常規。

董事進行之證券交易

本公司採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則(「標準守則」)，作為本公司董事買賣證券之操守守則。經本公司作出具體查詢後，全體董事確認彼等於截至2017年3月31日止年度均有遵守標準守則所載之規定標準。為確保董事於買賣本公司證券(「證券」)時遵守標準守則及本公司證券守則，董事於買賣任何證券前，須書面通知主席，並須取得主席之書面確認。

Corporate Governance Report

企業管治報告

BOARD OF DIRECTORS

The Board is responsible for the overall management of the Group, which includes leadership and control of the Company and oversees the Group's businesses, strategic decisions, internal control, risk management and performances. The management team is delegated with the authority and responsibility by the Board for the day-to-day management of the Group. The delegated functions and work tasks are periodically reviewed. Major corporate matters that are specifically delegated by the Board to the management include (1) the preparation of interim and annual reports and announcements for the Board's approval before publishing; (2) implementation of adequate systems of internal controls and risk management procedures; and (3) compliance with relevant statutory and regulatory requirements and rules and regulations. It is the responsibility of the Board to determine the appropriate corporate governance practices applicable to the Company's circumstances and to ensure processes and procedures are in place to achieve the Company's corporate governance objectives.

The Board has maintained the necessary balance of skills and experience appropriate for the business requirements and objectives of the Group and for the exercise of independent judgement. Each Director with various professional qualification, experience and related financial management expertise have contributed to the effective direction of the Company and provided adequate checks and balances to safeguard to the interests of both the Group and the shareholders. Hence, the Board believes that the current Board composition satisfy the balance of expertise, skills and experience to the corporate governance requirements of the Group as well as the ongoing development and management of its business activities.

The Board currently comprises five Executive Directors, namely Mr. Lei Hong Wai (Chairman), Ms. Cheng Ka Ki, Mr. Cheung Kwok Wai, Elton, Mr. Leung Alex and Mr. Yuan Huixia and three Independent Non-Executive Directors, namely Mr. Lai Hok Lim, Mr. Lei Seng Fat and Mr. Wong Tak Chuen.

The biographies of the existing Directors are set out in "Profile of Directors and Senior Management" on pages 17 to 19 of this annual report.

The Board meets regularly to discuss the overall strategy as well as the operation and financial performance of the Company, and to review and approve the Company's interim and annual results. During the year, five Board meetings were held and the attendance of each Director at the Board meetings is set out in the section headed "Board and Committees Meetings" of this Report.

董事會

董事會負責本集團整體管理，包括領導及監控本公司以及監督本集團之業務、策略決定、內部監控、風險管理及表現。管理團隊就本集團日常管理獲董事會委派權力及職責。董事會定期檢討其所委派之職能及工作。董事會特別委派管理層處理之主要企業事宜，包括(1)編製中期及年度報告與公告以供董事會於刊發前審批；(2)執行充足之內部監控制度及風險管理程序；及(3)遵守相關法定及監管規定、規則及規例。董事會亦負責釐定適用於本公司情況的合適企業管治常規，並確保現有流程及程序，可達致本公司企業管治方針。

董事會一直在本集團業務需要及目標與行使獨立判斷所適用之技巧與經驗之間維持必要之平衡。各董事均具備不同專業資格、經驗及相關財務管理專業知識，為有效管理本公司作出貢獻，並能互相制衡，以保障本集團及股東之利益。因此，董事會相信，現有董事會之組成符合本集團在專業知識、技能及經驗方面維持平衡之企業管治要求，以及符合持續發展及管理業務。

董事會現時由五名執行董事李雄偉先生(主席)、鄭嘉淇小姐、張國偉先生、梁奕曦先生及袁輝霞先生以及三名獨立非執行董事黎學廉先生、李成法先生及黃德銓先生組成。

現有董事之履歷詳情載於本年報第17至19頁「董事及高級管理人員履歷」內。

董事會定期舉行會議，以討論整體策略以及本公司之營運及財務表現，並審閱及批准本公司中期業績及全年業績。年內，董事會舉行五次會議，每名董事出席董事會會議之情況，載於本報告「董事會及委員會會議」一節。

Corporate Governance Report

企業管治報告

Regular Board meetings for each year are scheduled in advance to facilitate maximum attendance of Directors. All Directors are given an opportunity to include matters for discussion in the agenda. The Company Secretary assists the Chairman in preparing the agenda for meetings to comply with all applicable rules and regulations. The agenda and the accompanying Board papers are normally sent to Directors at least three days before the intended date of a Board meeting. Draft minutes of each Board meeting are circulated to Directors for their comment before being tabled at the next Board meeting for approval. All minutes are kept by the Company Secretary and are open for inspection at any reasonable time on reasonable notice by any Director.

Pursuant to the bye-laws of the Company, all Directors appointed to fill a causal vacancy shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election at the meeting. At each annual general meeting, at least one third of the Directors for the time being shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once every three years.

Save and except for each of Mr. Lei Hong Wai and Mr. Cheung Kwok Wai Elton who beneficially owns 50% and 25% respectively in the issued share capital of Twin Success International Limited, a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance, there is no relationship between members of the Board.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles of the Chairman and the CEO of the Group are clearly defined and segregated to ensure independence and proper checks and balances. The Chairman focuses on the business strategy and direction of the Company and has executive responsibilities, provides leadership for the Board and ensures proper and effective functioning of the Board in discharging of its responsibilities. The CEO is accountable to the Board for the overall implementation of the Company's strategies and the co-ordination of overall business operations.

There is currently no officer carrying the title of CEO up to the date of this annual report. In the absence of the CEO, the duties of the CEO have been/will continue to be undertaken by other executive members of the Board, namely Ms. Cheng Ka Ki, Mr. Cheung Kwok Wai, Elton, Mr. Leung Alex, and Mr. Yuan Huixia, therefore, in the opinion of the Directors, the roles of the Chairman and the CEO have been/will continue to be properly segregated in the absence of an officer carrying the title of CEO.

每年定期舉行之董事會會議，均提早作出安排，以盡可能安排更多董事出席。所有董事獲准在議程提出討論事項。公司秘書協助主席準備會議議程，以符合所有適用規則及規定。董事會一般於董事會會議的擬定日期前至少三日，向董事寄發議程及相關董事會文件。每份董事會會議記錄初稿，會於提呈下一次董事會會議以獲批准前，送交董事傳閱，以供彼等討論。所有會議記錄均由公司秘書存檔，而會議記錄亦可於董事提出合理通知後並在合理時間內公開查閱。

根據本公司之章程細則，所有獲委任以填補臨時空缺之董事任期直至本公司下屆股東大會為止，惟符合資格於該大會上重選連任。於每屆股東週年大會上，當時最少三分之一之董事須輪值退任，惟各董事須最少每三年於股東週年大會上輪值退任一次。

除李雄偉先生及張國偉先生分別於本公司之主要股東(定義見證券及期貨條例第XV部)Twin Success International Limited之已發行股本實益擁有50%及25%外，各董事會成員之間概無關係。

主席及行政總裁

本集團主席及行政總裁之角色已清晰界定及區分，以確保其獨立性且能互相制衡。主席負責制定本公司之業務策略及方針，並具有執行責任，領導董事會，確保董事會在履行其職責時能正確及有效地運作。行政總裁須向董事會負責，全面執行本公司策略及協調整體業務營運。

截至本年報日期止，並無任何人士出任行政總裁一職。於行政總裁一職懸空時，行政總裁之職務已／將繼續由董事會其他執行成員，即鄭嘉淇小姐、張國偉先生、梁奕曦先生及袁輝霞先生分擔，因此，董事認為，於並無任何人士出任行政總裁一職時，主席及行政總裁之角色已／將繼續適當區分。

Corporate Governance Report

企業管治報告

NON-EXECUTIVE DIRECTORS

According to the code provision A.4.1 as set out in the CG Code, non-executive directors should be appointed for a specific term, subject to re-election. Two former Independent Non-Executive Directors, namely Mr. Kiu Wai Ming and Mr. Lau Chi Wah, Alex have not been appointed for a specific term and they had retired at the annual general meeting of the Company held on 23 July 2016. In the opinion of the Directors, the retirement of each Non-Executive Director at the annual general meeting at least once every three years shall have the same effect of appointing them with a specific term of three years. Nevertheless, following the retirement of Mr. Kiu Wai Ming and Mr. Lau Chi Wah, Alex as mentioned above, the Company has complied with all code provisions as set out in the CG Code and, where appropriate, the applicable recommended best practices of the CG Code.

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has complied with the requirements under Rules 3.10(1), 3.10(2) and 3.10A of the Listing Rules. The Company has received confirmation of independence from all three Independent Non-Executive Directors, namely Mr. Lai Hok Lim, Mr. Lei Seng Fat and Mr. Wong Tak Chuen in accordance with Rule 3.13 of the Listing Rules.

The Board has reviewed the independence of all Independent Non-Executive Directors and concluded that all of them are independent within the definition of the Listing Rules. Furthermore, the Board is not aware of the occurrence of any events which would cause it to believe that the independence of any of the Independent Non-Executive Directors has been impaired up to the date of this report.

DIRECTORS' INDUCTION AND CONTINUOUS PROFESSIONAL DEVELOPMENT

Upon appointing a new Director, each new Director receives an induction package covering business operations, policy and procedures of the Company as well as the general, statutory and regulatory obligations of being a Director to ensure that he/she is sufficiently aware of his/her responsibilities under the Listing Rules and other relevant regulatory requirements.

The Directors, on an ongoing basis, will receive amendments to or updates on the relevant laws, rules and regulations. In addition, the Company encourages the Directors to enrol in a wide range of professional development courses and seminars relating to the Listing Rules, Hong Kong Companies Ordinance and corporate governance practices so that they can continuously improve their relevant knowledge and skills. The Company has also provided reading materials to all Directors to develop and refresh their professional knowledge.

非執行董事

根據載於企業管治守則之守則條文A.4.1，非執行董事應有指定任期，並須接受重選連任。兩名前獨立非執行董事喬維明先生及劉志華先生並無指定任期，彼等已於2016年7月23日舉行之股東週年大會上退任。董事認為，各非執行董事最少每三年於股東週年大會上輪值退任一次與按三年指定任期委任彼等具有相同作用。儘管如此，隨著上文提及喬維明先生及劉志華先生退任後，本公司已遵守載於企業管治守則之所有守則條文及(倘適用)企業管治守則之適用建議最佳常規。

獨立非執行董事之獨立性

本公司已遵守上市規則第3.10(1)、3.10(2)及3.10A條之規定。本公司已接獲全部三名獨立非執行董事(即黎學廉先生、李成法先生及黃德銓先生)根據上市規則第3.13條發出之獨立身份確認函。

董事會已評估全體獨立非執行董事的獨立性，並認為彼等均屬上市規則所界定之獨立人士。此外，截至本報告日期，董事會並無知悉已發生任何事項，致使其相信任何一名獨立非執行董事之獨立性受損。

董事入職及持續專業發展

於委任新董事時，每名新董事將收到一份詳盡之入職資料，涵蓋本公司業務經營、政策及程序，以及作為董事的一般、法定及監管責任，以確保彼清楚知悉其於上市規則及其他相關監管要求下的責任。

本公司將持續向董事提供相關法律、規則及規定之修訂或最新資訊。此外，本公司鼓勵董事參與多項與上市規則、香港公司條例及企業管治常規有關的專業發展課程及研討會，以使彼等可持續增進有關知識及技能。本公司亦向全體董事提供閱讀材料，以擴闊及增進彼等之專業知識。

Corporate Governance Report

企業管治報告

BOARD DIVERSITY POLICY

The Board has adopted a board diversity policy (the "Policy") on 22 August 2013 which sets out the approach to achieve diversity on the Board.

The Company recognizes and embraces the benefits of having a diversified Board and sees increasing diversity at Board level as an essential element in supporting the attainment of the Company's strategic objectives and sustainable development.

The Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to talents, skills, experience, independence and knowledge. The Company will also take into consideration its own business model and specific needs from time to time. All Board appointments will be based on meritocracy and candidates will be considered against objective criteria, having due regard to the benefits of diversity on the Board.

As at the date of this Report, the Board comprises eight Directors, amongst them, three are Independent Non-Executive Directors, thereby promoting critical review and control of the management process. The Board is also characterized by significant diversity, whether considered in terms of gender, age, professional experience, skills and knowledge.

Having reviewed the Policy and the Board's composition, the Nomination Committee considered that the requirements of the Policy had been met.

AUDIT COMMITTEE

An Audit Committee has been established by the Board with specific written terms of reference and all members of the Audit Committee are Independent Non-Executive Directors. Pursuant to the Audit Committee's terms of reference, the Audit Committee is authorised to commit Company funds in order to obtain advice from outside legal counsel, accountants, investigatory services or other expert advice. Details of the authority and responsibilities of the Audit Committee are available on the websites of the Company and the Stock Exchange.

The Audit Committee comprises three Independent Non-Executive Directors, namely Mr. Lai Hok Lim, Mr. Lei Seng Fat and Mr. Wong Tak Chuen. Mr. Wong Tak Chuen is the chairman of the Audit Committee.

During the year ended 31 March 2017, the Audit Committee held two meetings to, including to review the annual results for the year ended 31 March 2016 and the interim results for the six months ended 30 September 2016 before their submission to the Board and monitored the integrity of such financial statements. In addition, the Audit Committee also had a private meeting with the independent auditor without the presence of management to discuss any area of concern. The attendance of each member of the Audit Committee is set out in the section headed "Board and Committees Meetings" of this Report.

The Audit Committee has also discussed and reviewed the key audit matters determined by the external auditor under the new and revised auditor reporting standards under Hong Kong Standards on Auditing for the year ended 31 March 2017.

董事會成員多元化政策

董事會已於2013年8月22日採納董事會成員多元化政策(「政策」)，當中列載董事會為達致董事會成員多元化而採取的方針。

本公司認同並重視擁有多元化董事會成員裨益，並認為董事會成員層面日益多元乃本公司達致策略目標及可持續發展的關鍵元素。

本公司為尋求達致董事會成員多元化會考慮眾多因素，包括但不限於才能、技能、經驗、獨立性及知識。本公司亦將不時考慮其本身的業務模式及具體需要。董事會所有委任均以用人唯才為原則，並在考慮人選時以客觀條件充分顧及董事會成員多元化的裨益。

於本報告日期，董事會由八名董事組成，當中三名為獨立非執行董事，有助嚴格檢討及監控管理程序。不論在性別、年齡、專業經驗、技能及知識方面，董事會亦由相當多元化的成員組成。

經審閱政策及董事會組成後，提名委員會認為已符合政策的要求。

審核委員會

董事會已成立審核委員會，並書面訂明其職權範圍，而全體審核委員會成員均為獨立非執行董事。根據審核委員會之職權範圍，審核委員會獲授權動用本公司資金，以取得來自外聘法律顧問、會計師、調查服務之意見或其他專業意見。審核委員會之職權及職責詳情於本公司及聯交所網站可供查閱。

審核委員會由三名獨立非執行董事黎學廉先生、李成法先生及黃德銓先生組成。黃德銓先生為審核委員會主席。

截至2017年3月31日止年度，審核委員會舉行兩次會議，包括向董事會提交截至2016年3月31日止年度之全年業績及截至2016年9月30日止六個月之中期業績前審閱該等業績，並監察該等財務報表之完整性。此外，審核委員會亦曾在管理層避席之情況下與獨立核數師舉行一次私人會議，以討論任何須關注之事宜。審核委員會各委員之出席率載列於本報告「董事會及委員會會議」一節。

審核委員會亦已討論及審閱截至2017年3月31日止年度由外聘核數師根據香港審計準則項下新訂及經修訂核數師報告準則決定之關鍵審計事項。

Corporate Governance Report

企業管治報告

REMUNERATION COMMITTEE

A Remuneration Committee has been established by the Board with specific written terms of reference and the majority of the members of the Remuneration Committee are Independent Non-Executive Directors. Details of the authority and responsibilities of the Remuneration Committee are available on the websites of the Company and the Stock Exchange.

The Remuneration Committee comprises three Independent Non- Executive Directors, namely Mr. Lai Hok Lim, Mr. Lei Seng Fat and Mr. Wong Tak Chuen, and two Executive Directors, namely Mr. Lei Hong Wai and Ms. Cheng Ka Ki. Mr. Lei Seng Fat is the chairman of the Remuneration Committee.

During the year ended 31 March 2017, the Remuneration Committee held one meeting to approve the remuneration packages and performance bonuses for the Directors and senior management of the Company. The attendance of each member of the Remuneration Committee is set out in the section headed "Board and Committees Meetings" of this Report.

Details of the amount of Directors' emoluments for the year ended 31 March 2017 are set out in Note 15 to the consolidated financial statements.

NOMINATION COMMITTEE

A Nomination Committee has been established by the Board with specific terms of reference. The Nomination Committee is responsible for, amongst other things, identifying individuals suitably qualified to become Board members, considering the reappointment of the Directors and succession planning for Directors and making recommendations to the Board in respect of the aforesaid matters. Details of the authority and responsibilities of the Nomination Committee are available on the websites of the Company and the Stock Exchange.

The Nomination Committee comprises three Independent Non-Executive Directors, namely Mr. Lai Hok Lim, Mr. Lei Seng Fat and Mr. Wong Tak Chuen, and two Executive Directors, namely Mr. Lei Hong Wai and Ms. Cheng Ka Ki. Mr. Lai Hok Lim is the chairman of the Nomination Committee.

During the year ended 31 March 2017, the Nomination Committee has reviewed the structure, size and composition of the Board and concluded that members of the Board has possessed the expertise and independence to carry out the Board's functions and responsibilities. The attendance of each member of the Nomination Committee is set out in the section headed "Board and Committees Meetings" of this Report.

薪酬委員會

董事會已成立薪酬委員會，並書面訂明其職權範圍，而薪酬委員會大部分成員為獨立非執行董事。薪酬委員會之職權及職責詳情於本公司及聯交所網站可供查閱。

薪酬委員會由三名獨立非執行董事黎學廉先生、李成法先生及黃德銓先生以及兩名執行董事李雄偉先生及鄭嘉淇小姐組成。李成法先生為薪酬委員會主席。

截至2017年3月31日止年度，薪酬委員會舉行一次會議，批准本公司董事及高級管理人員之薪酬組合及表現花紅。薪酬委員會各委員之出席率載列於本報告「董事會及委員會會議」一節。

截至2017年3月31日止年度之董事薪酬詳情載於綜合財務報表附註15。

提名委員會

董事會已成立提名委員會，並書面訂明其職權範圍。提名委員會負責(其中包括)物色合適人選出任董事會成員、考慮續聘董事以及董事繼任計劃，並就上述事項向董事會提出推薦建議。提名委員會之職權及職責詳情於本公司及聯交所網站可供查閱。

提名委員會由三名獨立非執行董事黎學廉先生、李成法先生及黃德銓先生以及兩名執行董事李雄偉先生及鄭嘉淇小姐組成。黎學廉先生為提名委員會主席。

截至2017年3月31日止年度，提名委員會已檢討董事會之架構、規模及組合，並認為董事會成員具備之專業知識及獨立身份，有助履行董事會職能及責任。提名委員會各委員之出席率載列於本報告「董事會及委員會會議」一節。

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BOARD AND COMMITTEES MEETINGS

The individual attendance records of each Director at the various meetings of the Company during the year ended 31 March 2017 are set out below:

Name of Director	董事姓名	Annual general meeting 股東週年大會	Special general meeting 股東特別大會	Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會
Mr. Lei Hong Wai	李雄偉先生	1/1	1/1	5/5	-	1/1	1/1
Ms. Cheng Ka Man, Carman	鄭嘉汶小姐	1/1	1/1	5/5	-	1/1	1/1
Mr. Cheung Kwok Wai, Elton	張國偉先生	1/1	1/1	5/5	-	-	-
Mr. Leung Alex	梁奕曦先生	1/1	1/1	5/5	-	-	-
Mr. Yuan Huixia ⁽¹⁾	袁輝霞先生 ⁽¹⁾	0/0	0/0	4/4	-	-	-
Mr. Lai Hok Lim ⁽²⁾	黎學廉先生 ⁽²⁾	0/0	0/0	2/2	0/0	-	-
Mr. Lei Seng Fat ⁽³⁾	李成法先生 ⁽³⁾	1/1	1/1	4/4	1/1	-	-
Mr. Wong Tak Chuen ⁽⁴⁾	黃德銓先生 ⁽⁴⁾	1/1	1/1	4/4	1/1	-	-
Mr. Chan Cheong Tat ⁽⁵⁾	陳昌達先生 ⁽⁵⁾	1/1	1/1	3/3	2/2	1/1	1/1
Mr. Kiu Wai Ming ⁽⁶⁾	喬維明先生 ⁽⁶⁾	1/1	1/1	1/1	1/1	1/1	1/1
Mr. Lau Chi Wah, Alex ⁽⁷⁾	劉志華先生 ⁽⁷⁾	1/1	1/1	1/1	1/1	1/1	1/1

⁽¹⁾ Mr. Yuan Huixia was appointed as an Executive Director of the Company on 1 August 2016.

⁽²⁾ Mr. Lai Hok Lim was appointed as an Independent Non-executive Director of the Company on 1 December 2016.

⁽³⁾ Mr. Lei Seng Fat was appointed as an Independent Non-executive Director of the Company on 12 July 2016.

⁽⁴⁾ Mr. Wong Tak Chuen was appointed as an Independent Non-executive Director of the Company on 12 July 2016.

⁽⁵⁾ Mr. Chan Cheong Tat resigned as an Independent Non-Executive director, the chairman of the audit committee and the member of the remuneration committee and nomination committee of the Company on 1 December 2016.

⁽⁶⁾ Mr. Kiu Wai Ming retired as an Independent Non-Executive director, the chairman of the remuneration committee and the member of the audit committee and nomination committee of the Company at the conclusion of the annual general meeting held on 15 July 2016.

⁽⁷⁾ Mr. Lau Chi Wah, Alex retired as an Independent Non-Executive director, the chairman of the nomination committee and the member of the audit committee and remuneration committee of the Company at the conclusion of the annual general meeting held on 15 July 2016.

董事會及委員會會議

截至2017年3月31日止年度，各董事出席本公司多個會議之個別出席記錄載列如下：

⁽¹⁾ 袁輝霞先生於2016年8月1日獲委任為本公司之執行董事。

⁽²⁾ 黎學廉先生於2016年12月1日獲委任為本公司之獨立非執行董事。

⁽³⁾ 李成法先生於2016年7月12日獲委任為本公司之獨立非執行董事。

⁽⁴⁾ 黃德銓先生於2016年7月12日獲委任為本公司之獨立非執行董事。

⁽⁵⁾ 陳昌達先生於2016年12月1日辭任本公司獨立非執行董事、審核委員會主席及薪酬委員會和提名委員會成員。

⁽⁶⁾ 喬維明先生於2016年7月15日舉行之股東週年大會結束時退任本公司獨立非執行董事、薪酬委員會主席及審核委員會和提名委員會成員。

⁽⁷⁾ 劉志華先生於2016年7月15日舉行之股東週年大會結束時退任本公司獨立非執行董事、提名委員會主席及審核委員會和薪酬委員會成員。

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ACCOUNTABILITY AND AUDIT

The Board is responsible for overseeing the preparation of financial statements for the year ended 31 March 2017 which gives a true and fair view of the state of affairs of the Group as at 31 March 2017, and of the results and cash flows for year then ended. In preparing the consolidated financial statements for the year ended 31 March 2017, the Board has selected appropriate accounting policies, applied them consistently in accordance with the Hong Kong Financial Reporting Standards which are pertinent to its operations and relevant to the consolidated financial statements, made judgements and estimates that are prudent and reasonable, and ensured the preparation of the financial statements on the going concern basis.

The Group endeavours to present a balanced, clear and comprehensible assessment of the Group's performance, position and prospects. The interim and annual results of the Company are announced in a timely manner within the limit of two months and three months, respectively, after the end of the relevant periods in accordance with the Listing Rules.

The Directors have acknowledged their responsibility for preparing all information and representation contained in the consolidated financial statements of the Company for the year ended 31 March 2017.

AUDITOR'S REMUNERATION

During the year ended 31 March 2017, the remuneration paid/payable to PricewaterhouseCoopers, the predecessor auditor, is set out as follows:

Services rendered	所提供服務	Fee paid/payable
		已付／應付費用 HK\$'000 千港元
Audit of consolidated financial statements	審核綜合財務報表	1,880
Interim review services	中期審閱服務	380
Other non-audit services	其他非審核服務	2,280
		4,540

問責及核數

董事會負責監督編製截至2017年3月31日止年度之財務報表，以真實公平地反映本集團於2017年3月31日之事務狀況以及截至該日止年度之業績及現金流量。於編製截至2017年3月31日止年度之綜合財務報表時，董事會已採用合適會計政策，貫徹應用與其業務及綜合財務報表有關之香港財務報告準則，作出審慎及合理之判斷及估計，並確保按持續經營基準編製財務報表。

本集團力求平衡、清晰及全面評估本集團表現、狀況及前景。本公司之中期及全年業績已按上市規則之規定，分別在有關期間結束後兩個月及三個月之限期內適時公告。

董事已知悉，彼等有責任編製載列於截至2017年3月31日止年度本公司綜合財務報表內的所有資料及陳述。

核數師酬金

截至2017年3月31日止年度，已付／應付羅兵咸永道會計師事務所（前任核數師）之酬金載列如下：

INTERNAL CONTROL AND RISK MANAGEMENT

The Board acknowledges that it has overall responsibility for the design and implementation of internal controls and risk management which covers financial reporting, operations, compliance and risk management of the Company, as well as continuous monitoring the effectiveness of such internal controls and risk management. The Board has delegated such responsibility to the management of the Company. The management, under the supervision of the Board, has established an on-going process for identifying, evaluating and managing significant risks faced by the Group.

The Audit Committee reviews the internal controls and risk management that are significant to the Group on an on-going basis. The Audit Committee also considers the adequacy of resources, qualifications and experience of staff of the Group's accounting and financial reporting function, as well as their training programmes and budgets.

(a) the process used to identify, evaluate and manage significant risks

The processes used to identify, evaluate and manage significant risks by the Group are summarised as follows:

Risk Identification

- Identifies risks that may potentially affect the Group's business and operations.

Risk Assessment

- Assesses the risks identified by using the assessment criteria developed by the management; and
- Considers the impact and consequence on the business and the likelihood of their occurrence.

Risk Response

- Prioritises the risks by comparing the results of the risk assessment; and
- Determines the risk management strategies and internal control processes to prevent, avoid or mitigate the risks.

Risk Monitoring and Reporting

- Performs ongoing and periodic monitoring of the risk and ensures that appropriate internal control processes are in place;

內部監控及風險管理

董事會確認其對設計及執行內部監控及風險管理之全面責任，包括本公司財務申報、營運、合規及風險管理方面，並持續監察該等內部監控及風險管理之成效。董事會已向本公司管理層委派該等職責。在董事會監督下，管理層已確立既定程序，以識別、評估及管理本集團所面對之重大風險。

審核委員會按持續經營基準審閱對本集團而言屬重大之內部監控及風險管理。審核委員會亦考慮本集團在會計及財務匯報職能方面之資源、員工資歷及經驗是否足夠，以及員工所接受之培訓課程及有關預算是否充足。

(a) 用於識別、評估及管理重大風險之程序

本集團識別、評估及管理重大風險所採用程序概述如下：

風險識別

- 識別可能對本集團業務及營運構成潛在影響之風險。

風險評估

- 利用管理層制定之評估標準評估所識別風險；及
- 考慮對業務之影響及後果以及出現有關影響及後果之可能性。

風險回應

- 透過比較風險評估結果為風險排列優先次序；及
- 釐定風險管理策略及內部監控程序，以預防、避免或減輕該等風險。

風險監控及報告

- 持續及定期監控風險，並確保已設有合適內部監控程序；

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- Revises the risk management strategies and internal control processes in case of any significant change of situation; and
- Reports the results of risk monitoring to the management and the Board regularly.
- 一旦情況出現任何重大變化，則修訂風險管理策略及內部監控程序；及
- 定期向管理層及董事會報告監控風險結果。

(b) the main features of the risk management and internal control systems

Control procedures have been designed to safeguard assets against misappropriation and disposition; ensure compliance with relevant laws, rules and regulations; ensure proper maintenance of accounting records for provision of reliable financial information used within the business or for publication; and to provide reasonable assurance against material misstatement, loss or fraud.

(c) an acknowledgement by the Board that it is responsible for the risk management and internal control systems and reviewing their effectiveness. It should also explain that such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss

The Board is responsible for the risk management and internal control systems of the Company and reviewing their effectiveness. The Board oversees the overall risk management of the Group and endeavours to identify, control impact of the identified risks and facilitate implementation of coordinated mitigating measures. The risk management and internal control systems of the Company are designed to manage rather than eliminate the risk of failures to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

(d) the process used to review the effectiveness of the risk management and internal control systems and to resolve material internal control defects

The Company does not have an internal audit function and is currently of the view that there is no immediate need to set up an internal audit function within the Group in light of the size, nature and complexity of the Group's business. It was decided that the Board would be directly responsible for internal control of the Group and for reviewing its effectiveness.

(b) 風險管理及內部監控制度之主要特點

監控程序乃為保障資產免遭挪用及處置；確保遵守相關法例、規則及規例；確保有關為業務用途或刊發而提供可靠財務資料之會計記錄得到妥善保管；及針對重大失實陳述、損失或欺詐提供合理保證而設。

(c) 董事會承認其須對風險管理及內部監控制度負責，並有責任檢討該等制度之有效性。董事會亦應闡釋該等制度旨在管理而非消除未能達成業務目標之風險，而且只能就不會有重大失實陳述或損失作出合理而非絕對之保證

董事會須對本公司風險管理及內部監控制度負責，並有責任檢討該等制度之有效性。董事會監督本集團整體風險管理，並致力識別及控制所識別風險之影響並促使實行協調之紓緩措施。本公司風險管理及內部監控制度旨在管理而非消除未能達成業務目標之風險，而且只能就不會有重大失實陳述或損失作出合理而非絕對之保證。

(d) 用以檢討風險管理及內部監控制度有效性之程序以及解決嚴重之內部監控缺失之程序

本公司並無內部審核職能及認為根據目前本集團業務之規模、性質及複雜性，毋須即時於本集團內設立內部審核職能。本公司決定董事會將直接負責本集團之內部監控及檢討其有效性。

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The Board has engaged APAC Compliance Consultancy and Internal Control Services Limited as its risk management and internal control review adviser (“the Adviser”) to conduct the annual review of the risk management and internal control systems for the year ended 31 March 2017. Such review is conducted annually and cycles reviewed are under rotation basis. The scope of review was previously determined and approved by the Board. The Adviser has reported findings and areas for improvement to the Audit Committee and management. The Board/Audit Committee are of the view that there are no material internal control defeats noted. All recommendations from the Adviser are properly followed up by the Group to ensure that they are implemented within a reasonable period of time. The Board therefore considered that the risk management and internal control systems are effective and adequate.

(e) the procedures and internal controls for the handling and dissemination of inside information

An information disclosure policy is in place to ensure potential inside information being captured and confidentiality of such information being maintained until consistent and timely disclosure are made in accordance with the Listing Rules. The policy regulates the handling and dissemination of inside information, which includes:

- Designated reporting channels from different operations informing any potential inside information to designated departments;
- Designated persons and departments to determine further escalation and disclosure as required; and
- Designated persons authorised to act as spokespersons and respond to external enquiries.

The Board is satisfied that the internal control system in place covering all material controls including financial, operational and compliance controls and risk management functions for the year under review and up to the date of issuance of the annual report is reasonably effective and adequate.

COMPANY SECRETARY

Mr. Leung Alex has been the Company Secretary of the Company since March 2012. He is a full time employee of the Company and has adequate working knowledge on the Company to discharge his duty as the Company Secretary. Mr. Leung reports to the Chairman of the Company and is responsible for advising the Board on corporate governance matters. For the year under review, Mr. Leung has confirmed that he has taken no less than 15 hours of relevant professional training.

董事會已委聘亞太合規顧問及內控服務有限公司作為其風險管理及內部監控審閱顧問(「顧問」)，以就截至2017年3月31日止年度之風險管理及內部監控制度進行年度檢討。該檢討每年進行，並輪流檢討各個週期。檢討範圍先前已獲董事會釐定及審批。顧問已向審核委員會及管理層匯報結果及有待改善之地方。董事會／審核委員會認為並無發現重大內部監控不足之處。顧問提供之所有建議均獲本集團適當跟進，以確保該等建議可於合理時間內執行。因此，董事會認為風險管理及內部監控制度充分有效。

(e) 處理及發佈內幕消息之程序和內部監控措施

本公司已制定消息披露政策，以確保能掌握潛在內幕消息並加以保密，直至按上市規則作出一致及適時披露為止。該政策規管處理及發佈內幕消息之方式，其中包括以下各項：

- 特設匯報渠道，由不同營運單位通知指定部門任何潛在內幕消息；
- 指定人員和部門按需要確定進一步行動和披露；及
- 指定人員獲授權擔任發言人，並回應外界查詢。

董事會信納，於回顧年度內及截至本年報刊發日期，現有內部監控制度涵蓋所有重大監控，包括財務、經營及合規監控以及風險管理職能，並屬合理地有效及足夠。

公司秘書

梁奕曦先生自2012年3月起出任本公司之公司秘書。彼為本公司全職僱員，具有足夠的工作經驗，能履行公司秘書的職責。梁先生須向本公司主席匯報，並負責就企業管治事宜向董事會提供意見。於回顧年度內，梁先生確認彼已接受不少於15小時之相關專業培訓。

SHAREHOLDERS' RIGHTS

Procedures for Shareholders to convene a Special General Meeting ("SGM")

Pursuant to the Company's bye-laws and the Companies Act 1981 of Bermuda (the "Companies Act"), registered Shareholders holding not less than one-tenth (10%) of the paid-up capital of the Company carrying the right of voting at general meetings of the Company (the "SGM Requisitionists") can deposit a written request to convene a SGM at the registered office of the Company (the "Registered Office"), which is presently situated at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The SGM Requisitionists must state in their request(s) the objects of the SGM and such request(s) must be signed by all the SGM Requisitionists and may consist of several documents in like form, each signed by one or more of the SGM Requisitionists.

The Share Registrars will verify the SGM Requisitionists' particulars in the SGM Requisitionists' request. Promptly after confirmation from the Share Registrars that the SGM Requisitionists' request is in order, the Company Secretary will arrange with the Board to convene a SGM by serving sufficient notice to all the registered Shareholders in accordance with all the relevant statutory and regulatory requirements. On the contrary, if the SGM Requisitionists' request is verified not in order, the SGM Requisitionists will be advised of the outcome and a SGM will not be convened as requested.

The SGM Requisitionists, or any of them representing more than one-half of the total voting rights of all of them, may themselves convene a SGM if within twenty-one (21) days of the deposit of the SGM Requisitionists' request, the Board does not proceed duly to convene a SGM provided that any SGM so convened is held within three (3) months from the date of the original SGM Requisitionists' request. A SGM so convened by the SGM Requisitionists shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by the Company.

Procedures for Shareholders to Put Forward Proposals at a General Meeting

Pursuant to the Companies Act, either any number of the registered Shareholders holding not less than one-twentieth (5%) of the paid-up capital of the Company carrying the right of voting at general meetings of the Company (the "Requisitionists"), or not less than 100 of such registered Shareholders, can request the Company in writing to (a) give to Shareholders entitled to receive notice of the next general meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting; and (b) circulate to Shareholders entitled to receive notice of the next general meeting any statement of not more than 1,000 words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

股東權利

股東召開股東特別大會(「股東特別大會」)的程序

根據本公司之章程細則及百慕達《1981年公司法》(「公司法」)，持有本公司已繳足股本不少於十分之一(10%)並附有權利於本公司股東大會投票的登記股東(「股東特別大會請求人」)可向本公司註冊辦事處(「註冊辦事處」)遞呈書面請求書，要求召開股東特別大會，註冊辦事處的現址為Clarendon House, 2 Church Street, Hamilton HM11, Bermuda。股東特別大會請求人須於請求書中列明股東特別大會的目的，而有關請求書須由全部股東特別大會請求人簽署且可由多份相同格式之文件組成，各自須經一名或以上股東特別大會請求人簽署。

股份登記處將核實股東特別大會請求人於其請求書中列明的詳情。經股份登記處確認股東特別大會請求人之請求書為合乎程序後，公司秘書將立即安排董事會召開股東特別大會，並根據所有相關法定及規管要求，向所有登記股東發出足夠時間之通知。反之，倘股東特別大會請求書獲核實為不合乎程序，股東特別大會請求人將獲告知此結果，並因此不會應要求召開股東特別大會。

倘董事會並無於股東特別大會請求人遞交請求書當日起二十一(21)日內正式召開股東特別大會，股東特別大會請求人或彼等當中的任何人士(佔彼等全部投票權總數的一半以上)可自行召開股東特別大會，惟就此召開的股東特別大會，須於股東特別大會請求人遞交原有請求書當日起計三(3)個月內舉行。股東特別大會請求人就此召開的股東特別大會，應盡可能以本公司召開該大會之相似方式進行。

股東於股東大會上提呈議案的程序

根據公司法，持有本公司已繳足股本不少於二十分之一(5%)並附有於本公司股東大會投票權利的任何登記股東(「請求人」)，或不少於100名該等登記股東，可以書面形式要求本公司(a)向有權接收下次股東大會通告的股東發出通告，以告知可能會在該會議上恰當地動議並擬在會上動議的任何決議案；及(b)向有權獲送交任何下次股東大會通告的股東傳閱任何字數不多於一千字的陳述書，以告知在任何建議決議案內所提述的事宜，或有關將在該會議上處理的事務。

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The requisition signed by all the Requisitionists may consist of several documents in like form, each signed by one or more of the Requisitionists; and it must be deposited at the Registered Office with a sum reasonably sufficient to meet the Company's relevant expenses, not less than six weeks before the meeting in case of a requisition requiring notice of a resolution or not less than one week before the meeting in the case of any other requisition. Provided that if an AGM is called for a date six weeks or less after the requisition has been deposited, the requisition though not deposited within the time required shall be deemed to have been properly deposited for the purposes thereof.

Shareholders' Enquires and Proposals

Shareholders should direct their enquiries about their shareholdings to the Company's share registrar, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, or call its customer service hotline at (852) 2980 1333.

Shareholders may also make enquiries with the Board at the general meetings of the Company.

INVESTOR RELATIONS

The annual general meeting provides an opportunity for shareholders to exchange views with the Board. The chairman of the Board, the chairman of Audit Committee and the chairman of Remuneration Committee had attended the 2016 AGM of the Company held on 15 July 2016 to answer shareholders' questions.

The public are welcomed to give their comments and make enquiries through the Company's website and by means of emails to the investor relations department (email address: ir@msil.com.hk). The management always provides prompt responses to any such enquiries. During the year ended 31 March 2017, there are no changes to the Company's bye-laws. The Company's bye-laws is available on the website of the Company and the Stock Exchange.

ENVIRONMENTAL ISSUES

The Company is committed to the sustainable development of the environment and our society. The Group has endeavoured to comply with laws and regulations regarding environmental protection and adopted effective environmental policies to ensure its projects meet the required standards and ethics in respect of environmental protection.

RELATIONSHIPS WITH STAKEHOLDERS

The Company recognizes that our employees, customers and suppliers and business associates are key stakeholders to the Company's success. We strive to achieve corporate sustainability through engaging our employees, providing quality products and services to our customers, collaborating with business partners (including suppliers and contractors) to deliver quality sustainable products and services and supporting our community.

由所有請求人簽署之請求書可由若干相同格式之文件組成，各自須經一名或以上請求人簽署；且請求書須在不少於（倘為要求決議案通知之請求）大會舉行前六週或（倘為任何其他請求）大會舉行前一週，遞交註冊辦事處，並須支付足以合理彌補本公司相關開支之款項。惟倘在遞交請求書後六週或較短期間內之某一日召開股東週年大會，則該請求書雖未有在規定時間內遞交，就此而言亦將被視為已妥為遞交。

股東查詢及建議

股東可就其所持股份，向本公司之股份登記處（即卓佳秘書商務有限公司）提出查詢，地址為香港皇后大道東183號合和中心22樓，或致電其客戶服務熱線(852) 2980 1333。

股東亦可於本公司股東大會上，向董事會作出查詢。

投資者關係

股東週年大會為股東提供與董事會交流意見之機會。董事會主席、審核委員會主席及薪酬委員會主席已出席本公司於2016年7月15日舉行之2016年股東週年大會，回答股東提問。

歡迎公眾通過本公司網站及投資者關係部之電郵（電郵地址：ir@msil.com.hk）提供意見及查詢。管理層一如既往對此等查詢給予迅速回應。於截至2017年3月31日止年度，本公司之章程細則概無變動。本公司之章程細則，可於本公司及聯交所網站參閱。

環境事宜

本公司力求實現環境及社會的可持續發展。本集團致力遵守有關環保的法律法規，並採用有效的環保政策，確保其項目符合環保方面的所需標準及操守。

與權利相關人士的關係

本公司認同員工、客戶及供應商以及業務夥伴為本公司成功的主要權利相關人士。我們致力透過鼓勵員工、向客戶提供優質產品及服務、與業務夥伴（包括供應商及承包商）合作提供高質量及可持續產品及服務，以及給予社會支持，藉以達致企業可持續性。

Corporate Governance Report

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CONSTITUTIONAL DOCUMENTS

There was no change to the Company's bye-laws during the year. The Company's bye-laws is available on the websites of the Company and the Stock Exchange.

By Order of the Board

Lei Hong Wai

Chairman

Hong Kong, 23 September 2017

憲章文件

年內，本公司之章程細則概無變動。本公司之章程細則登載於本公司及聯交所之網站。

承董事會命

主席

李雄偉

香港，2017年9月23日

Environmental, Social and Governance Report

環境、社會及管治報告

The environmental, social and governance report of the Company (the “ESG Report”) for the year ended 31 March 2017 (the “Reporting Period”) is prepared in accordance with the Environmental, Social and Governance Reporting Guide as set out in the Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The board of directors (the “Board”) has overall responsibility for the Company’s environmental, social and governance (“ESG”) strategy and reporting. And the Board is responsible for evaluating and determining the Company’s ESG-related risks, and ensuring that appropriate and effective ESG risk management and internal control systems are in place.

The Company acts as an investment holding company. The activities of its principal subsidiaries are engaged in the development, sales and leasing of properties in Mainland China.

A. ENVIRONMENTAL

The Company regularly update itself with the latest development of the applicable laws and regulations of environmental protection and tries its best to operates its business that is caring for and safeguarding the environment through improving energy efficiency, mitigating emissions and reducing impacts to the environment.

During the Reporting Period, the Group did not note any cases of non-compliance relating to the applicable laws and regulations of environmental protection in Mainland China and Hong Kong.

A1 Emissions

Waste Treatment

Construction and demolition waste produced from the property development should be sorted, classified and recycled (if applicable). In order to satisfy the requirements of applicable laws and regulations, construction and demolition waste that cannot be recycled is delivered to landfills by qualified wastes management companies and recyclable waste is processed by recycling companies.

Exhaust Gas Treatment

Good ventilation should be maintained and construction aggregate collectors should be placed on construction sites and continuous sprinkling should be used to mitigate the spread of dust. Sealed containers are used for volatile gas to reduce exhaust gas emission.

本公司截至2017年3月31日止年度(「報告期間」)之環境、社會及管治報告(「環境、社會及管治報告」)乃根據香港聯合交易所有限公司證券上市規則(「上市規則」)附錄二十七所載環境、社會及管治報告指引編寫。

董事會(「董事會」)對本公司的環境、社會及管治(「環境、社會及管治」)策略及匯報承擔全部責任。董事會負責評估及釐定本公司有關環境、社會及管治的風險，並確保本公司設立合適及有效的環境、社會及管治風險管理及內部監控制度。

本公司為一間投資控股公司。其主要附屬公司之業務為從事發展、銷售及租賃中國內地物業。

A. 環境

本公司定期更新最新的適用環境保護法律及法規以及通過提高能源使用效率、減低排放及減少對環境的影響，盡可能地以關心和保護環境的方式經營業務。

於報告期間，本集團並無發生任何有關中國內地及香港環境保護法律及法規的不合規事件。

A1 排放物

廢物處理

物業發展所產生施工及拆遷廢物應進行排序、分類及回收(如適用)。對於不可循環再造的施工及拆遷廢物，由合格的廢物處理公司運送到指定的堆填區；對於可循環再造的廢物交由回收商處理，從而滿足適用法律及法規規定。

廢氣處理

規定工地應保持良好的通風，並配備工程碎渣收集器，採用不斷灑水等方法減少塵埃飄散。對於易揮發氣體，採用密封式容器減低廢氣的排放。

Environmental, Social and Governance Report

環境、社會及管治報告

Water Treatment

The Company ensure full compliance with regulatory requirements throughout the processes of collection, storage and disposal of liquid wastes from all construction projects. Liquid wastes should be discharged into local sewage treatment plants via municipal sewer drainage systems.

Noise Reduction

The Company continues to focus on noise reduction at work sites and provides sufficient noise reduction measures (such as using noise barriers/enclosures) to avoid causing noise disturbances to nearby residents

A2 Use of resources

With the vision of helping to protect the planet and of incorporating environmental sustainability into its business functions and processes, the Group proactively seeks opportunities for increasing operating efficiency in order to reduce the use of resources. The Group also closely monitors the utilisation of resources and reports to senior management on this aspect of performance. Appropriate remedial actions to improve efficiency in the use of resources are taken, whenever necessary.

A3 The environment and natural resources

The Group is fully aware of the fact that environmental protection can decrease operational risk and increase business opportunities. We will continue to put our focus on environmental protection, social responsibility and governance in the Group's operations and policies. If there is new construction project, we will prepare environmental protection assessment report before the commencement of the project and monitor its environmental impact in accordance with the replies of environmental protection assessment report. The Group will also continue to improve the production process and update the production equipment to avoid the abuse and wastage of natural resources. In addition, we have also set up emergency response system to deal with environmental incidents.

Apart from complying with the existing national and related provincial environmental protection rules and standards, we also take the initiative to issue an environmental protection proposal to staff of the subsidiaries of the Group, suppliers and partners so as to improve the environment as a team.

污水處理

在整個施工項目產生的液體廢物的收集、儲存和處置過程中，本公司確保全面遵守相關的監管要求。液體廢物必須經市政污水管網排入當地污水處理廠處理。

降低噪音

本公司持續致力於減少施工噪音，並提供充足噪音緩解措施，例如使用隔音屏障／隔音罩，以減少對附近居民構成滋擾。

A2 資源使用

為助益保護地球以及將環境可持續性納入其業務職能及流程，本集團積極尋求提升營運效率的機會以減少資源使用。本集團亦密切監察資源的利用並就此方面的表現向高級管理層匯報。必要時，我們會採取適當的補救措施提升資源使用效率。

A3 環境及自然資源

本集團深明關注環保可以減低營運風險及增加商機。我們將會繼續努力將環保、社會責任及管治建立於本集團的營運及政策上。如有新建工程項目，我們在開展在建工程項目前會編製環保評估報告，按環保評估報告批覆實施監督其環境影響。本集團亦會持續改善生產流程及升級生產設備，避免濫用及損耗天然資源。此外，我們亦設有緊急應變制度以處理環境事故。

除了符合既有的國家及省級相關環保法規及標準外，我們亦主動向集團旗下附屬公司員工、供應商及合作夥伴發出環保倡議書，共同為改善環境質量做出努力。

Environmental, Social and Governance Report

環境、社會及管治報告

B. SOCIAL

B1 Employment

We embrace a people-oriented culture and consider our employees as our most valuable asset. Our human resources policies and procedures stipulate our ways of doing things in areas such as recruitment, promotion, working hours, equal opportunity, and compensation benefits. The Group understand the significance of talent development, we run an elite programme to upskill and fast track qualified talent to support our business growth.

The Group also aims to promote the diversity of workforce, including in terms of age, gender and nationality, as well as a culture of equal opportunity.

Our employees are assessed based on their performance. Remuneration packages are benchmarked with the market to stay competitive. In addition to basic salary, we provide a range of benefits including bonuses, provident funds and professional training subsidies.

B2 Health and safety

Human resources are precious assets of the Group. The Group is committed to a high standard of health and safety and has formulated and implemented its health and safety policies. Prior to the commencement of each project, the Group conducts a risk assessment and provides specialised trainings for workers depending on the characteristics and difficulty of the project. Meanwhile, any staff (including administrative staff) who enters the construction site must undergo relevant health and safety trainings of the Group and also comply with the requirements of the Occupational Safety and Health Ordinance. Thus, the staff of the Group can work in a healthy and safe environment in order to reduce unnecessary accidents.

Occupational health, safety and wellbeing of our employees are of the utmost importance to us. We have implemented policies and procedures to guide proper identification, mitigation and monitor risk related to occupational health and safety. Emergency response procedures are in place, and drills are conducted regularly to equip employees with knowledge and skills in the event of an emergency.

B. 社會

B1 僱傭

我們秉持以人為本的管理文化，視僱員為我們的寶貴資產。我們於招聘、晉升、工作時數、平等機會及補償福利等範圍的辦事方式均按照人力資源政策及程序的規定。本集團深明培養人才的重要性，故推行精英計劃培育及提拔合資格人才，以支持業務發展。

本集團亦旨在提升員工多樣性，考量因素包括年齡、性別及國籍以及機會平等的文化。

我們根據表現評估僱員。為保持競爭力，薪酬組合乃按照市場標準釐定。除基本薪金外，我們亦提供各種福利，包括花紅、公積金及專業培訓津貼。

B2 健康與安全

人力資源乃是本集團的寶貴財產，本集團推崇高度的健康及安全標準，並已制定及實施其健康及安全政策。在各項目施工前，本集團對其進行風險評估，並針對工程特點及難度對施工人員進行專門的培訓，同時凡進入工地的人員（包括行政人員等）必須接受本集團相關的健康及安全訓練，亦必須遵守職業安全及健康條例的要求，使本集團員工可在一個健康及安全的環境下工作，以減少不必要的意外發生。

我們極為重視僱員的職業健康、安全及福祉。我們已實施不同政策及程序，以妥善識別、緩減及監察職業健康與安全的相關風險。我們設有緊急應變程序，並定期進行訓練，確保僱員具備知識及技能處理緊急情況。

Environmental, Social and Governance Report

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The Group has established a set of policies which is focused on maintaining a healthy and safe working environment, and which includes the following requirements:

- The facilities operated by employees should meet safety and health standards;
- expert advice should be obtained to identify health and safety risk in the operations and the corresponding mitigating actions that should be taken; and
- relevant information and training should be provided to employees in respect of risks to their health and safety which may arise out of their work.

B3 Development and training

The Group acknowledges the importance of talent development, we provide a range of job-related training programmes at different levels to suit the needs of our operations. These include, induction training, firm-wide training and department-specific training. The Group also operates a new staff mentoring scheme, aiming to equip new joiners with necessary knowledge and skills to help them adjust to their new positions.

B4 Labour standards

The Group adheres to the labour standards and strictly prohibits the use of child or forced labour in its operations. Our suppliers and contractors are expected to achieve the same standard of labour practices.

The Group also performs regular reviews and inspections to detect the existence of any child or forced labour in the operations.

B5 Supply chain management

The Group works with a network of business partners for sourcing of goods and services. We endeavour to exert a positive influence on our supply chain by working closely with our business partners to mitigate supply chain risks, including those associated with ESG. We have implemented policies and procedures to guide performance evaluation of our suppliers on regular basis.

本集團已訂立一套專注於維持健康與安全工作環境的政策，當中包括下列規定：

- 僱員操作的設施應符合安全及健康標準；
- 應取得專家的意見以識別營運中的健康及安全風險，並應採取相應的降低風險措施；及
- 就僱員工作中可能產生的健康及安全風險應向其提供有關資料及培訓。

B3 發展及培訓

本集團深知人才發展的重要，故為各階層僱員提供各種工作相關的培訓計劃，以配合業務營運需要。此等計劃包括入職培訓、企業範圍培訓及部門專門培訓。本集團亦新推行僱員指導計劃，旨在為新入職僱員提供必要的知識及技能，以助其適應新崗位。

B4 勞工準則

本集團遵守勞工準則，亦嚴禁於業務營運中聘用童工或強制勞工。我們預期供應商及承包商所採納的勞工準則能與本集團者達致相同標準。

本集團亦定期進行審查及檢查，以防止經營中存在任何童工或強制勞工。

B5 供應鏈管理

本集團透過業務夥伴網絡採購貨物及服務。我們致力與業務夥伴緊密合作，減低供應鏈風險（包括與環境、社會及管治相關的風險），從而為供應鏈帶來正面影響。我們已實施不同政策及程序，以提供指引作定期評估供應商的表現之用。

Environmental, Social and Governance Report

環境、社會及管治報告

B6 Product responsibility

The Company exercises stringent control on product quality throughout the entire process from selection of project construction units to pre-delivery final checks. During the construction process, the Company exercises rigorous control on quality management to ensure construction quality, including materials, acceptance of equipment, acceptance of sample construction and work hand-over checks.

B7 Anti-corruption

The Group is committed to operating with integrity and accountability. Our management sets a tone of zero tolerance towards fraudulent behaviour, corruption and any forms of bribery. Our anti-corruption principle is well communicated to all employees. Our business partners are reminded about our stance in anti-corruption.

B8 Community investment

The Company proactively participates in community service activities to promote community building, assist the disadvantaged community and fulfill its corporate social responsibility to meet social needs.

B6 產品責任

本公司嚴格把控產品質量，從項目施工單位的選擇到最後交付前檢查，質量管控貫徹始終。施工過程中，本公司嚴格把控包括材料、設備驗收、工程樣板驗收及工序交接檢查，保證施工質量。

B7 反貪污

本集團致力遵從誠信及問責標準營運。管理層對欺詐行為、貪污及任何形式的行賄採取零容忍態度。全體僱員均透徹了解本集團的反貪污準則。我們亦向業務夥伴表明堅持廉潔從業的態度。

B8 社區投資

本公司積極參與社區活動，以促進社區建設及協助弱勢社群，展現責任擔當，履行企業的社會責任。

Report of the Directors

董事會報告

The directors (the “Director(s)”) of Man Sang International Limited (the “Company”) herein present their report together with the audited consolidated financial statements of the Company and its subsidiaries (collectively the “Group”) for the year ended 31 March 2017.

PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The Company is an investment holding company. During the year, the Group is principally engaged in property development and investment which covers development, sales and leasing of properties.

The principal activities of the Company’s major subsidiaries are set out in note 43 to the consolidated financial statements.

An analysis of the Group’s performance for the year by operating segment is set out in note 9 to the consolidated financial statements.

BUSINESS REVIEW

A review of the business of the Group during the year and a discussion on the Group’s future business development are provided in the Chairman’s Statement on pages 7 and 8 and Management Discussion and Analysis on pages 9 to 16 of this Annual Report.

The capital risk management and financial risk management objectives and policies of the Group are shown in notes 6 and 7 to the consolidated financial statements, respectively.

An analysis of the Group’s performance during the year using financial key performance indicators is provided in the Financial Highlights on page 6 of this annual report.

Discussion on the Group’s environmental issues and compliance with the relevant laws and regulations that have a significant impact on the Company are contained in the Corporate Governance Report on pages 20 to 33 of this annual report.

The Company’s key relationships with its employees, customers and suppliers and business associates that have a significant impact on the Company and on which the Company’s success depends are shown in the Management Discussion and Analysis under “Human resources and Remuneration Policy” section on page 16 and in the Corporate Governance Report on pages 20 to 33 of this annual report.

民生國際有限公司(「本公司」)董事(「董事」)謹此提交董事會報告，連同本公司及其附屬公司(統稱「本集團」)截至2017年3月31日止年度的經審核綜合財務報表。

主要業務及業務之地域分析

本公司為一間投資控股公司。年內，本集團主要從事物業發展及投資，包括發展、銷售及租賃物業。

本公司之主要附屬公司的業務載於綜合財務報表附註43。

本集團於年內按營運分部劃分之業績表現分析載於綜合財務報表附註9。

業務回顧

本集團於年內的業務回顧及對本集團日後業務發展的討論分別載於本年報第7及8頁主席報告一節及第9至16頁管理層討論與分析一節。

本集團的資本風險管理及財務風險管理目標及政策分別載於綜合財務報表附註6及7。

年內本集團利用主要財務表現指標所示的表現分析載於本年報第6頁財務摘要一節。

有關對本公司有重大影響的本集團環境事宜及遵守相關法律法規的討論載於本年報第20至33頁企業管治報告一節。

本公司與其員工、客戶及供應商以及業務夥伴的主要關係(對本公司有重大影響及為本公司的成功因素)載於本年報第16頁管理層討論與分析中「人力資源及薪酬政策」及第20至33頁企業管治報告一節。

Report of the Directors

董事會報告

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 March 2017 are set out in the consolidated statement of profit or loss and consolidated statement of profit or loss and other comprehensive income on pages 60 and 61 of this annual report.

The Board does not recommend the payment of final dividend for the year ended 31 March 2017.

The register of members of the Company will be closed from Friday, 10 November 2017 to Tuesday, 14 November 2017 (both days inclusive), for the purpose of determining Shareholders' entitlement to attend and vote at the forthcoming annual general meeting of the Company to be held on Tuesday, 14 November 2017 (the "2017 AGM"), during which period no transfer of shares will be registered. In order to qualify for attending and voting at the 2017 AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Thursday, 9 November 2017.

DISTRIBUTABLE RESERVES

The Company's net reserves available for distribution, calculated in accordance with the provisions of the Bermuda Companies Act 1981, as at 31 March 2017 amounted to HK\$159,798,000 (2016: HK\$245,242,000), which represented the retained profits.

SHARES ISSUED IN THE YEAR

Details of the movements in share capital of the Company are set out in note 32 to the consolidated financial statements.

During the year, the share capital of the Company had the following changes:

A total of 317,528,000 new shares were allotted and issued to two subscribers at the subscription price of HK\$0.60 per share. The net proceeds from the subscription are approximately HK\$190.6 million. The net proceeds from the subscription of approximately HK\$190.6 million were fully utilized for early redemption of part of the promissory notes in FY17.

業績及分派

本集團截至2017年3月31日止年度之業績載於本年報第60及61頁之綜合損益表及綜合損益及其他全面收益表。

董事會並不建議就截至2017年3月31日止年度派付末期股息。

本公司將由2017年11月10日(星期五)至2017年11月14日(星期二)(包括首尾兩日)封冊,以釐定股東出席將於2017年11月14日(星期二)舉行之應屆股東週年大會(「2017年股東週年大會」)及於會上投票之資格,期間將不會辦理股份過戶登記手續。為符合資格出席2017年股東週年大會並於會上投票,所有股份過戶文件連同有關股票必須不遲於2017年11月9日(星期四)下午四時三十分前送交本公司之香港股份過戶登記分處卓佳秘書商務有限公司,地址為香港皇后大道東183號合和中心22樓。

可分派儲備

根據百慕達《1981年公司法》之條文計算,於2017年3月31日,本公司可供分派之淨儲備為159,798,000港元(2016年:245,242,000港元),全為保留溢利。

於年內發行之股份

本公司股本之變動詳情,載於綜合財務報表附註32。

年內,本公司之股本有以下變動:

合共317,528,000股新股份已按認購價每股0.60港元配發及發行予兩名認購方。認購事項之所得款項淨額約為190,600,000港元。認購事項之所得款項淨額約190,600,000港元已悉數用於2017年財政年度提早贖回部分承兌票據。

Report of the Directors

董事會報告

EQUITY-LINKED AGREEMENTS

Save as disclosed in the section headed “Share Options Scheme” of this report and “Share-based payment” in note 33 to the consolidated financial statements, no equity-linked agreement was entered into by the Company during the year.

PRINCIPAL PROPERTIES

Details of movements in investment properties, investment properties under construction, properties under development and completed properties held for sale of the Group during the year are set out in notes 19, 20, 21 and 25 to the consolidated financial statements, respectively.

BORROWINGS AND INTEREST CAPITALISED

Borrowings repayable on demand or within one year are classified under current liabilities. Details of the borrowings are set out in note 29 to the consolidated financial statements. Interest and other borrowing costs capitalised by the Group during the year are set out in note 12 to the consolidated financial statements.

FIVE-YEAR FINANCIAL SUMMARY

A five-year financial summary of the Group is set out on pages 161 and 162 of this annual report.

DIRECTORS

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

Executive Directors

Mr. Lei Hong Wai (*Chairman*)
Ms. Cheng Ka Ki (appointed on 2 May 2017)
Mr. Cheung Kwok Wai, Elton
Mr. Leung Alex
Mr. Yuan Huixia (appointed on 1 August 2016)
Ms. Cheng Ka Man, Carman (resigned on 2 May 2017)

Independent Non-Executive Directors

Mr. Lai Hok Lim (appointed on 1 December 2016)
Mr. Lei Seng Fat (appointed on 12 July 2016)
Mr. Wong Tak Chuen (appointed on 12 July 2016)
Mr. Chan Cheong Tat (resigned on 1 December 2016)
Mr. Kiu Wai Ming (resigned on 15 July 2016)
Mr. Lau Chi Wah, Alex (resigned on 15 July 2016)

In accordance with article 87 of the Company’s bye-law, at each annual general meeting one-third of the Directors for the time being shall retire from office by rotation. Accordingly, Ms. Cheng Ka Ki, Mr. Yuan Huixia, Mr. Lai Hok Lim, Mr. Lei Seng Fat and Mr. Wong Tak Chuen shall retire and, being eligible, offer themselves for re-election at the forthcoming annual general meeting of the Company.

股本掛鈎協議

除本報告「購股權計劃」及綜合財務報表附註33「以股份為基準之付款」等章節披露者外，本公司於年內概無訂立股本掛鈎協議。

主要物業

本集團之投資物業、在建投資物業、發展中物業及持作出售之竣工物業於年內之變動詳情分別載於綜合財務報表附註19、20、21及25。

借貸及已資本化之利息

須應要求或於一年內償還之借貸歸入流動負債類別。借貸之詳情載於綜合財務報表附註29。本集團於本年度已資本化之利息及其他借貸成本，載於綜合財務報表附註12。

五年財務摘要

本集團的五年財務摘要載於本年報第161及162頁。

董事

本公司於本年度及截至本報告日期之董事如下：

執行董事

李雄偉先生(主席)
鄭嘉淇小姐(於2017年5月2日獲委任)
張國偉先生
梁奕曦先生
袁輝霞先生(於2016年8月1日獲委任)
鄭嘉汶小姐(於2017年5月2日辭任)

獨立非執行董事

黎學廉先生(於2016年12月1日獲委任)
李成法先生(於2016年7月12日獲委任)
黃德銓先生(於2016年7月12日獲委任)
陳昌達先生(於2016年12月1日辭任)
喬維明先生(於2016年7月15日辭任)
劉志華先生(於2016年7月15日辭任)

根據本公司之章程細則第87條，在每屆股東週年大會上，當時三分之一的董事須輪值退任。因此，鄭嘉淇小姐、袁輝霞先生、黎學廉先生、李成法先生及黃德銓先生將告退任，惟彼等符合資格且願意在本公司應屆股東週年大會上重選連任。

Report of the Directors

董事會報告

DIRECTORS' SERVICE AGREEMENT

Mr. Leung Alex has entered into a service agreement with the Company on 16 October 2014 for a fixed term of three years commencing on the same date. Such agreement is determinable by either party serving not less than three months' notice in writing to the other.

Save as disclosed above, none of the Directors being proposed for re-election at the forthcoming annual general meeting has entered into any service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

The biographical details of Directors and senior management are set out on pages 17 to 19.

DIRECTOR'S MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS THAT ARE SIGNIFICANT IN RELATION TO THE COMPANY'S BUSINESS

No transactions, arrangements and contracts of significance in relation to the Group's business to which the Company's subsidiaries or fellow subsidiaries was a party and in which a director of the Company and the director's connected party had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company has been entered into or existed during the year.

COMPETING BUSINESSES

Mr. Lei Hong Wai (Chairman and executive director) and Mr. Cheung Kwok Wai (executive director) have interest in approximately 5.48% of the issued share capital of Eternity Investment Limited (stock code: 764), a company listed on the Main Board of the Stock Exchange engaging in the distribution of films, sub-licensing of film rights, sale of financial assets, property investment, money lending, design and sale of jewelry products, and sale of precious stones, through themselves and their beneficial interests in Twin Success International Limited. In addition, Mr. Lei Hong Wai is the chairman of the board of directors and an executive director of Eternity Investment Limited and Mr. Cheung Kwok Wai Elton is an executive director of Eternity Investment Limited. Therefore, Eternity Investment Limited competes with the Group's property investment business.

董事服務協議

梁奕曦先生已於2014年10月16日與本公司訂立固定年期之服務協議，年期由同日起計為期三年。該協議可由任何一方向對方發出不少於三個月書面通知予以終止。

除上文披露者外，擬於應屆股東週年大會上重選連任之董事概無與本公司或其任何附屬公司訂立任何本集團不作賠償(法定賠償除外)便不得於一年內終止之服務合約。

董事及高級管理人員之履歷

董事及高級管理人員之履歷載於第17至19頁。

董事於對本公司業務攸關重要的交易、安排及合約之重大權益

概無有關本集團業務而本公司附屬公司或同系附屬公司為其中訂約方，且本公司董事及董事之關連方直接或間接擁有重大權益之重大交易、安排及合約，於年結日或年內任何時間仍然存續。

管理合約

於本年度內，概無訂立或存在任何有關本公司全部業務或任何重大部分業務之管理及行政之合約。

業務競爭

李雄偉先生(主席兼執行董事)及張國偉先生(執行董事)透過彼等個人及於Twin Success International Limited之實益權益擁有永恒策略投資有限公司(一間於聯交所主板上市之公司，股份代號：764)之已發行股本中約5.48%權益，該公司從事發行電影、轉授電影發行權、銷售金融資產、物業投資、借貸、設計及銷售珠寶產品以及銷售寶石之業務。此外，李雄偉先生為永恒策略投資有限公司之董事會主席兼執行董事，而張國偉先生則為永恒策略投資有限公司之執行董事。因此，永恒策略投資有限公司為本集團物業投資業務之競爭對手。

Report of the Directors

董事會報告

SHARE OPTION SCHEME

Particulars of the Company's share option schemes which were adopted on 2 August 2002 and 17 August 2012 are set out in note 33 to the consolidated financial statements.

DIRECTORS' INTERESTS IN SECURITIES

As at 31 March 2017, the interests and short positions of the Directors in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), which (a) were required to be notified to the Company and the Stock Exchange pursuant to provisions of Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors have taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules to be notified to the Company and the Stock Exchange were set out below:

(a) long positions in ordinary shares of the Company

購股權計劃

本公司於2002年8月2日及2012年8月17日採納之購股權計劃之詳情載於綜合財務報表附註33。

董事擁有之證券權益

於2017年3月31日，董事於本公司或其任何相聯法團（按證券及期貨條例（「證券及期貨條例」）第XV部賦予的涵義）之股份、相關股份或債券中擁有(a)根據證券及期貨條例第XV部第7及第8分部之規定須通知本公司及聯交所（包括根據證券及期貨條例有關規定下董事被當作或視作持有之權益及淡倉）；或(b)根據證券及期貨條例第352條須載入該條例所指的登記冊；或(c)根據上市規則附錄十之上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所之權益及淡倉載列如下：

(a) 於本公司普通股之好倉

Name of Director 董事姓名	Capacity/nature of interest 身份／權益性質	Number of ordinary shares of HK\$0.10 each held 所持有每股面值0.10港元之普通股數目			Percentage of the issued share capital of the Company 佔本公司 已發行股本 百分比
		Direct interest 直接權益	Deemed interest 視作 擁有權益	Total interest 總權益	
Mr. Cheung Kwok Wai, Elton 張國偉先生	Interest in controlled corporations 受控法團權益	–	256,038,041 (Note) (附註)	256,038,041	13.43%
Mr. Lei Hong Wai 李雄偉先生	Interest in controlled corporations 受控法團權益	–	256,038,041 (Note) (附註)	256,038,041	13.43%
Mr. Leung Alex 梁奕曦先生	Beneficial owner 實益擁有人	1,800,000	–	1,800,000	0.09%

Note: These Shares were directly owned by Twin Success International Limited ("Twin Success"), which is (i) 50% owned by Silver Pacific Development Limited ("SP Development"), which in turn is owned by Mr. Cheung Kwok Wai, Elton and Mr. Cheung Kwok Fan in equal shares, and (ii) 50% owned by Silver Pacific International Limited ("SP International"), which is wholly-owned by Mr. Lei Hong Wai.

附註：該等股份由Twin Success International Limited（「Twin Success」）直接擁有，而Twin Success則(i)由張國偉先生及張國勳先生各佔均等股權之Silver Pacific Development Limited（「SP Development」）擁有50%，及(ii)由李雄偉先生全資擁有之Silver Pacific International Limited（「SP International」）擁有50%。

Report of the Directors

董事會報告

(b) long positions in underlying shares of the Company

Save as disclosed elsewhere in this report, none of the Directors had, as at 31 March 2017, any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to provisions of Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors have taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code to be notified to the Company and the Stock Exchange.

(b) 本公司相關股份之好倉

除在本報告其他地方披露外，於2017年3月31日，概無任何董事於本公司或其任何相聯法團（按證券及期貨條例第XV部賦予的涵義）之股份、相關股份或債券中擁有(a)根據證券及期貨條例第XV部第7及第8分部之規定須知會本公司及聯交所（包括根據證券及期貨條例有關規定下董事被當作或視作持有之權益及淡倉）；或(b)根據證券及期貨條例第352條須記入該條例所指的登記冊；或(c)根據標準守則須知會本公司及聯交所之權益或淡倉。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

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

董事購買股份或債券之權利

年內任何董事或其配偶或年幼子女概無獲授予可藉購入本公司股份或債券而獲益之權利，或行使該等權利；而本公司或其任何附屬公司亦無訂立任何安排致令董事可取得任何其他法人團體之該等權利。

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES

As at 31 March 2017, substantial shareholders' interests and short positions in the shares and underlying shares of the Company, other than the Directors, as recorded in the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO were as follows:

主要股東之證券權益

於2017年3月31日，根據本公司按照證券及期貨條例第336條存置之主要股東登記冊所載，主要股東（董事除外）在本公司股份及相關股份中持有之權益及淡倉如下：

Name of Shareholder	Capacity/nature of interest	Number of ordinary shares of HK\$0.10 each held			Percentage of the issued share capital of the Company
		Direct interest	Deemed interest	Total interest	
股東姓名／名稱	身份／權益性質	直接權益	視作擁有權益	總權益	佔本公司已發行股本百分比
Mr. Cheng Chung Hing 鄭松興先生	Beneficial owner and interest in a controlled corporation 實益擁有人及受控法團權益	11,773,453	368,781,655 (Note 1) (附註1)	380,555,108	19.96%
Rich Men Limited	Beneficial owner 實益擁有人	368,781,655 (Note 1) (附註1)	—	368,781,655	19.35%

Report of the Directors

董事會報告

Name of Shareholder	Capacity/nature of interest	Number of ordinary shares of HK\$0.10 each held 所持有每股面值0.10港元之普通股數目			Percentage of the issued share capital of the Company 佔本公司已發行股本百分比
		Direct interest	Deemed interest	Total interest	
股東姓名／名稱	身份／權益性質	直接權益	視作擁有權益	總權益	
Twin Success	Beneficial owner 實益擁有人	256,038,041 (Note 2) (附註2)	–	256,038,041	13.43%
SP Development	Interest in a controlled corporation 受控法團權益	–	256,038,041 (Note 2) (附註2)	256,038,041	13.43%
SP International	Interest in a controlled corporation 受控法團權益	–	256,038,041 (Note 2) (附註2)	256,038,041	13.43%
Mr. Cheung Kwok Wai, Elton 張國偉先生	Interest in controlled corporations 受控法團權益	–	256,038,041 (Note 2) (附註2)	256,038,041	13.43%
Mr. Lei Hong Wai 李雄偉先生	Interest in controlled corporations 受控法團權益	–	256,038,041 (Note 2) (附註2)	256,038,041	13.43%
Mr. Cheung Kwok Fan 張國勳先生	Interest in a controlled corporation 受控法團權益	–	256,038,041 (Note 2) (附註2)	256,038,041	13.43%

Notes:

- These Shares were directly owned by Rich Men Limited. Mr. Cheng Chung Hing owns 100% of the issued share capital of Rich Men Limited.
- These Shares were directly owned by Twin Success, which is (i) 50% owned by SP Development, which in turn is owned by Mr. Cheung Kwok Wai, Elton and Mr. Cheung Kwok Fan in equal shares, and (ii) 50% owned by SP International, which is wholly-owned by Mr. Lei Hong Wai.

附註：

- 該等股份由Rich Men Limited直接擁有。鄭松興先生擁有Rich Men Limited全部已發行股本。
- 該等股份由Twin Success直接擁有，而Twin Success則(i)由張國偉先生及張國勳先生各佔均等股權之SP Development擁有50%，及(ii)由李雄偉先生全資擁有之SP International擁有50%。

The interests stated above represent long positions.

上述權益均代表好倉。

Save as disclosed above, as at 31 March 2017, the Company has not been notified of any person (other than the Directors of the Company) or entity had an interest or a short position in the shares, underlying shares or debentures of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO.

除上文披露者外，於2017年3月31日，根據證券及期貨條例第336條規定本公司須予存置之登記冊所載，本公司並未獲悉任何人士(本公司董事除外)或實體於本公司股份、相關股份或債券中擁有權益或淡倉。

Report of the Directors

董事會報告

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules for securities transactions by the Directors. Having made specific enquiries with all the Directors, they have confirmed compliance with the required standard as set out in the Model Code throughout the year ended 31 March 2017.

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of the Independent Non-executive Directors an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Board has assessed the independence of all the Independent Non-executive Directors and is satisfied of their independence.

AUDIT COMMITTEE

The audit committee, which comprises three Independent Non-executive Directors of the Company, has reviewed with the management in conjunction with the auditor, the accounting principles and practices adopted by the Group and discussed the internal control, risk management and financial reporting matters including the review of audited consolidated financial statements of the Group for the year ended 31 March 2017.

PERMITTED INDEMNITY PROVISION

Under Bye-law 166(1) of the Company's bye-laws, the directors shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices, provided that this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may be attached to any of them. Such permitted indemnity provision is currently in force and was in force throughout the year.

The Company has also taken out and maintained directors' and officers' liability insurance policy throughout the year, which indemnifies against costs, charges, losses, expenses and liabilities that may be incurred by the directors in the execution and discharge of their duties.

上市發行人董事進行證券交易之標準守則

本公司已就董事進行證券交易採納上市規則附錄十所載之標準守則。經向全體董事作出特定查詢後，彼等確認於截至2017年3月31日止年度內一直遵守標準守則所載之規定標準。

獨立非執行董事之獨立身份

本公司已接獲各獨立非執行董事根據上市規則第3.13條就其獨立身份發出之年度確認函。董事會已評估全體獨立非執行董事之獨立身份，並信納彼等乃屬獨立。

審核委員會

由本公司三名獨立非執行董事組成之審核委員會，與管理層聯同核數師已審閱本集團採納之會計準則及常規，並商討內部監控、風險管理及財務報告事宜，包括審閱本集團截至2017年3月31日止年度之經審核綜合財務報表。

允許賠償條文

根據本公司之章程細則第166(1)條，董事可從本公司之資產及溢利獲得彌償，就其或其任何人士將或可能因或由於在其各自之職位中所作出任何行為、同意或忽略或有關執行其職務或據稱職務而可能產生所有訴訟、成本、費用、損失、損害及開支，可獲確保免就此受任何損害，惟此彌償不得伸延至其任何人士可能被冠以之任何欺詐或不誠實事宜。有關允許賠償條文現為有效並於整年內有效。

本公司於年內已購買及維持董事及高級職員責任保險，為董事於執行及履行其職務時可能產生之成本、費用、損失、開支及負債提供彌償。

Report of the Directors

董事會報告

CHANGES IN DIRECTORS' INFORMATION

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in information of the Directors during the year ended 31 March 2017 and up to the date of this report are set out below:

Name of Director	Details of changes	董事姓名	變動詳情
Mr. Lei Hong Wai	(1) Appointed as an executive director and a Co-Chairman of China Healthwise Holdings Limited ("China Healthwise"), (a company listed on the Stock Exchange (stock code: 348) and formerly known as Haier Healthwise Holdings Limited) on 11 October 2016; and (2) Re-designated as the Chairman of the Board of China Healthwise on 27 October 2016.	李雄偉先生	(1)於2016年10月11日獲委任為中國智能健康控股有限公司(「中國智能健康」)(一間於聯交所上市之公司(股份代號:348)及前稱海爾智能健康控股有限公司)的執行董事兼聯席主席;及(2)於2016年10月27日調任為中國智能健康之主席。
Ms. Cheng Ka Ki	Appointed as an Executive Director, the member of the remuneration committee and nomination committee of the Company on 2 May 2017.	鄭嘉淇小姐	於2017年5月2日獲委任為本公司之執行董事兼薪酬委員會和提名委員會成員。
Mr. Cheung Kwok Wai	(1) Executive director of China Healthwise during the period from 11 October 2016 to 15 December 2016; and (2) Appointed as the Chairman and an executive director of Global Mastermind Holding Limited, a company listed on the Stock Exchange (Stock code: 8063) on 16 December 2016.	張國偉先生	(1)於2016年10月11日至2016年12月15日期間曾任中國智能健康之執行董事;及(2)於2016年12月16日獲委任為環球大通集團有限公司(一間於聯交所上市之公司(股份代號:8063))之主席兼執行董事。
Mr. Yuan Huixia	(1) Appointed as an Executive Director of the Company on 1 August 2016; and (2) Annual Salary adjusted to HK\$2.1 million on 1 April 2017.	袁輝霞先生	(1)於2016年8月1日獲委任為本公司之執行董事;及(2)從2017年4月1日起年薪調整至2,100,000港元。
Mr. Leung Alex	(1) Annual salary adjusted to HK\$2.8 million on 1 April 2017; and (2) Appointed as an executive director and the Vice Chairman of China Healthwise on 20 March 2017.	梁奕曦先生	(1)從2017年4月1日起年薪調整至2,800,000港元;及(2)於2017年3月20日獲委任為中國智能健康之執行董事兼副主席。
Ms. Cheng Ka Man, Carman	Resigned as an Executive Director, the member of the remuneration committee and nomination committee of the Company on 2 May 2017.	鄭嘉汶小姐	於2017年5月2日辭任本公司之執行董事及薪酬委員會和提名委員會成員。

董事資料變動

根據上市規則第13.51B(1)條，截至2017年3月31日止年度及直至本報告日期之董事資料變動詳情如下：

Report of the Directors

董事會報告

Name of Director	Details of changes	董事姓名	變動詳情
Mr. Lai Hok Lim	(1) Appointed as an independent non-executive director of China Healthwise on 27 October 2016; and (2) Appointed as an Independent Non-Executive Director, the chairman of nomination Committee, and the member of the Audit and Remuneration Committee of the Company on 1 December 2016.	黎學廉先生	(1)於2016年10月27日獲委任為中國智能健康之獨立非執行董事；及(2)於2016年12月1日獲委任為本公司之獨立非執行董事、提名委員會主席兼審核委員會和薪酬委員會成員。
Mr. Lei Seng Fat	(1) Appointed as an Independent Non-Executive Director, the member of the Audit, Remuneration and Nomination Committee of the Company on 12 July 2016 and appointed as a chairman of Remuneration Committee on 15 July 2016; and (2) Appointed as an independent non-executive director of Global Mastermind Capital Limited (a company listed on the Stock Exchange (stock code: 905)) on 18 April 2017.	李成法先生	(1)於2016年7月12日獲委任為本公司之獨立非執行董事兼審核委員會、薪酬委員會和提名委員會成員及於2016年7月15日獲委任為薪酬委員會主席；及(2)於2017年4月18日獲委任為環球大通投資有限公司(一間於聯交所上市之公司(股份代號：905))之獨立非執行董事。
Mr. Wong Tak Chuen	(1) Appointed as an independent non-executive director of China Healthwise on 11 October 2016; and (2) Appointed as an Independent Non-Executive Director, the member of the Audit, Remuneration and Nomination Committee of the Company on 12 July 2016. And appointed as a chairman of Audit Committee on 15 July 2016.	黃德銓先生	(1)於2016年10月11日獲委任為中國智能健康之獨立非執行董事；及(2)於2016年7月12日獲委任為本公司之獨立非執行董事兼審核委員會、薪酬委員會和提名委員會成員。於2016年7月15日獲委任為審核委員會主席。
Mr. Chan Cheong Tat	Resigned as an Independent Non-Executive Director, the chairman of Audit Committee, and the member of Remuneration and Nomination Committee of the Company on 1 December 2016.	陳昌達先生	於2016年12月1日辭任本公司之獨立非執行董事、審核委員會主席及薪酬委員會和提名委員會成員。
Mr. Kiu Wai Ming	Resigned as an Independent Non-Executive Director, the chairman of Remuneration Committee, and the member of Audit and Nomination Committee of the Company 15 July 2016.	喬維明先生	於2016年7月15日辭任本公司之獨立非執行董事、薪酬委員會主席及審核委員會和提名委員會成員。
Mr. Lau Chi Wah, Alex	Resigned as an Independent Non-Executive Director, the chairman of Nomination Committee, and the member of Audit and Remuneration Committee of the Company 15 July 2016.	劉志華先生	於2016年7月15日辭任本公司之獨立非執行董事、提名委員會主席及審核委員會和薪酬委員會成員。

Save for information disclosed, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

除已披露資料外，概無其他須根據上市規則第13.51B(1)條予以披露之資料。

Report of the Directors

董事會報告

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained a sufficient public float during the year and up to the date of this Directors' Report under the Listing Rules.

PRE-EMPTIVE RIGHTS

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

AUDITOR

PricewaterhouseCoopers resigned as the auditor of the Company with effect from 6 July 2017 and SHINEWING (HK) CPA Limited has been appointed as the auditor of the Company with effect from 28 August 2017 to fill the casual vacancy following the resignation of PricewaterhouseCoopers.

The consolidated financial statements for the year ended 31 March 2017 have been audited by SHINEWING (HK) CPA Limited. SHINEWING (HK) CPA Limited will retire and, being eligible, offer themselves for reappointment at the forthcoming annual general meeting. A resolution will be submitted to the forthcoming annual general meeting to reappoint SHINEWING (HK) CPA Limited as the auditor of the Company.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 March 2017.

EVENT AFTER THE REPORTING PERIOD

Details of the event after the balance sheet date are provided under note 41 to the consolidated financial statements of this annual report.

CORPORATE GOVERNANCE

Details of the Company's corporate governance practices are set out in the Corporate Governance Report of this annual report.

On behalf of the Board

Lei Hong Wai
Chairman

Hong Kong, 23 September 2017

公眾持股量充足

根據本公司可取得之公開資料顯示，並就各董事所知悉，於本年度內及直至本董事會報告刊發日期止，本公司一直維持上市規則訂明之公眾持股量。

優先購買權

本公司章程細則或百慕達法例並無任何有關優先購買權之條文，規定本公司必須向現有股東按持股比例提呈新股份。

核數師

羅兵咸永道會計師事務所已辭任本公司核數師，自2017年7月6日起生效，而信永中和(香港)會計師事務所有限公司已於2017年8月28日獲委任為本公司核數師，以填補羅兵咸永道會計師事務所辭任後之臨時空缺。

截至2017年3月31日止年度之綜合財務報表已由信永中和(香港)會計師事務所有限公司審核。信永中和(香港)會計師事務所有限公司將退任並符合資格於應屆股東週年大會上接受續聘。本公司將於應屆股東週年大會提呈決議案以續聘信永中和(香港)會計師事務所有限公司為本公司核數師。

購買、贖回或出售上市證券

本公司或其任何附屬公司概無在截至2017年3月31日止年度內購買、出售或贖回本公司任何上市證券。

報告期後事項

結算日後事項詳情載於本年報綜合財務報表附註41。

企業管治

有關本公司企業管治常規詳見本年報所載的企業管治報告。

代表董事會

主席
李雄偉

香港，2017年9月23日

Independent Auditor's Report

獨立核數師報告



SHINEWING (HK) CPA Limited
43/F., Lee Garden One
33 Hysan Avenue
Causeway Bay, Hong Kong

信永中和(香港)
會計師事務所有限公司
香港銅鑼灣
希慎道33號利園一期43樓

To the SHAREHOLDERS of MAN SANG INTERNATIONAL LIMITED

(incorporated in Bermuda with limited liability)

致民生國際有限公司股東

(於百慕達註冊成立之有限公司)

OPINION

We have audited the consolidated financial statements of Man Sang International Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 60 to 160, which comprise the consolidated statement of financial position as at 31 March 2017, and the consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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 (the "HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

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

OTHER MATTER

The consolidated financial statements of the Group for the year ended 31 March 2016 were audited by another auditor who expressed an unmodified opinion on those statements on 26 May 2016.

意見

我們已審計列載於第60至160頁之民生國際有限公司(「貴公司」)及其附屬公司(以下統稱「貴集團」)之綜合財務報表，此綜合財務報表包括於2017年3月31日之綜合財務狀況表與截至該日止年度之綜合損益表、綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)真實而中肯地反映了貴集團於2017年3月31日之綜合財務狀況以及截至該日止年度之綜合財務表現及綜合現金流量，並已遵照香港公司條例之披露規定妥為擬備。

意見之基礎

我們已根據香港會計師公會頒佈之香港審計準則(「香港審計準則」)進行審計。我們在該等準則下承擔之責任已在本報告「核數師就審計綜合財務報表須承擔之責任」部分中作進一步闡述。根據香港會計師公會頒佈之專業會計師道德守則(「守則」)，我們獨立於貴集團，並已履行守則中之其他專業道德責任。我們相信，我們所獲得之審計憑證能充足及適當地為我們之審計意見提供基礎。

其他事項

貴集團截至2016年3月31日止年度之綜合財務報表乃由另一名核數師審計，該名核數師於2016年5月26日就該等報表發表無保留意見。

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current year. 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.

Use of the going concern basis of accounting

Refer to note 2 to the consolidated financial statements.

The key audit matter

關鍵審計事項

During the year ended 31 March 2017, the Group reported net loss for the year of approximately HK\$122,480,000. As at 31 March 2017, the Group had current liabilities of approximately HK\$684,648,000 and total borrowings, including promissory notes, of approximately HK\$2,197,848,000 of which approximately HK\$54,459,000 will be due in the next twelve months from the end of the reporting period. Also, unsecured loans with aggregate principal amount of RMB30,000,000, equivalent to HK\$33,900,000, were in default as at 31 March 2017 and remained outstanding as of the date of this report.

截至2017年3月31日止年度，貴集團錄得年內虧損淨額約122,480,000港元。於2017年3月31日，貴集團有流動負債約684,648,000港元及借貸總額（包括承兌票據）約2,197,848,000港元，其中約54,459,000港元將自報告期結算日起計未來十二個月到期。此外，本金總額人民幣30,000,000元（相當於33,900,000港元）之無抵押貸款於2017年3月31日拖欠償還及於本報告日期仍未償還。

The directors of the Company concluded that there is no material uncertainty related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern.

貴公司董事認為，並不存在重大不確定因素，涉及可對貴集團繼續持續經營能力產生重大疑慮之事件或情況。

We have identified the use of the going concern basis of accounting as a key audit matter in view of the involvement of significant judgements and estimates made by the directors of the Company.

鑑於貴公司董事須作出重大判斷及估計，故我們已將採用持續經營為會計基礎識別為關鍵審計事項。

關鍵審計事項

關鍵審計事項是根據我們之專業判斷，認為對本年度綜合財務報表之審計最為重要之事項。此等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。我們不會對此等事項提供單獨之意見。

採用持續經營為會計基礎

請參閱綜合財務報表附註2。

How the matter was addressed in our audit

我們之審計如何處理有關事項

Our procedures were designed to the challenge the appropriateness of the use of the going concern basis of accounting.

我們之程序乃為質詢採用持續經營為會計基礎之恰當性而設。

We had reviewed the Group's profit forecast and the cash flow projection for the twelve months period after the end of the reporting period and challenged the reasonableness of the key assumptions and estimates adopted, including the forecasted revenue, expenses, capital commitments, development and business plans and available credit facilities, against latest available information, and sensitivity analysis. We also obtained evidence from external parties in respect of the availability of credit facilities granted to the Group.

我們已審閱貴集團自報告期結算日起計未來十二個月之溢利預測及現金流量預測，並按照最新所得資料及敏感度分析質詢所採納主要假設及估計之合理性，包括預測收入、開支、資本承擔、發展及業績計劃以及可用信貸額度。我們亦就貴集團獲授之可用信貸額度向外界人士取得憑證。

Independent Auditor's Report

獨立核數師報告

Acquisition of entire equity interest in Gloryear Investments Limited and its subsidiaries

Refer to note 39 to the consolidated financial statements and the accounting policies on pages 78 and 79.

收購譽年投資有限公司及其附屬公司之全部權益

請參閱綜合財務報表附註39以及第78及79頁之會計政策。

The key audit matter

關鍵審計事項

On 28 July 2016, the Group acquired the entire equity interest in Gloryear Investments Limited ("Gloryear") at a consideration of HK\$1,468,000,000. Management has assessed that the major assets of Gloryear and its subsidiaries (the "Gloryear Group") are property, plant and equipment, prepaid lease payments, investment properties under construction and properties under development without any inherent processes, and accordingly, such transaction has been accounted for as an acquisition of assets.

於2016年7月28日，貴集團收購譽年投資有限公司（「譽年」）之全部權益，代價為1,468,000,000港元。管理層已評估譽年及其附屬公司（「譽年集團」）之主要資產為並無任何固有程序之物業、廠房及設備、預付租賃款項、在建投資物業以及發展中物業，故該項交易已入賬列作收購資產。

We have identified the acquisition of Gloryear as a key audit matter in view of the involvement of significant degree of judgements and estimates made by the directors of the Company in assessing the nature of the acquisition as well as the fair values of the acquired assets.

鑑於貴公司董事評估收購事項性質以及所收購資產公允值時涉及作出重大程度判斷及估計，故我們已將收購譽年識別為關鍵審計事項。

How the matter was addressed in our audit

我們之審計如何處理有關事項

Our procedures were designed to challenge the management's assessment process, including the judgements and estimates adopted in determining the classification of the transaction and the fair values of the acquired assets.

我們之程序乃為質詢管理層之評估程序（包括釐定交易分類及所收購資產公允值時採納之判斷及估計）而設。

We have discussed the nature of the acquisition with management, obtained the understanding of the operations of the Gloryear Group as at the date of acquisition and challenged the critical judgements made in assessing the classification of the transaction as an acquisition of assets.

我們已與管理層就收購事項性質進行討論，了解譽年集團於收購日期之業務營運，並質詢評估將交易分類為收購資產時所作關鍵判斷。

We have also challenged the reasonableness of the methodologies adopted, key assumptions and input data used in the estimation of the fair values of the acquired assets against available information.

我們亦按照所得資料質詢所採納方法、主要假設以及估計所收購資產公允值所用輸入數據之合理性。

Independent Auditor's Report

獨立核數師報告

Fund flows of an indirect wholly-owned subsidiary of the Company

Refer to note 28(iii) to the consolidated financial statements.

The key audit matter

關鍵審計事項

As at 31 March 2017, the Group had amounts due to a director of a subsidiary and companies under his control in aggregate of approximately HK\$132,093,000. During the current year, the Group had (i) entered into tripartite agreements with various independent third parties for the assignment of the advances from them to that director; and (ii) made advances/payments to various parties at the request of that director.

於2017年3月31日，貴集團有應付一間附屬公司一名董事及彼所控制公司款項合共約132,093,000港元。於本年度，貴集團已(i)與不同獨立第三方訂立三方協議，轉移該等墊款至該名董事；及(ii)應該董事要求向不同各方提供墊款／付款。

We had identified the fund flows as a key audit matter in view of the significance of the amounts involved which affect our overall audit approach and our audit scope in respect of the risk assessment.

鑑於涉及重大金額並對我們之整體審計方法及我們對風險評估之審計範圍構成影響，故我們已將資金流識別為關鍵審計事項。

貴公司一間間接全資附屬公司之資金流

請參閱綜合財務報表附註28(iii)。

How the matter was addressed in our audit

我們之審計如何處理有關事項

Our procedures are designed to review the management's assessment process, including the identification of unusual fund flows, and understanding the underlying nature and reasons of the fund flows.

我們之程序乃為檢討管理層之評估程序(包括不尋常資金流以及了解資金流之相關性質及理由)而設。

We have discussed the nature and rationale of the fund flows with the management as well as the audit committee. We have also checked to the relevant supporting documents, including but not limited to, bank advices/statements and tripartite agreements. We also discussed with the legal advisor of the Group about the legality of those tripartite agreements and obtained evidence from external parties directly to verify the nature and business reasons of those fund flows.

我們已與管理層及審核委員會討論資金流之性質及理由。我們亦已檢查有關支持文件，包括但不限於銀行發票／結單及三方協議。我們亦已與貴集團之法律顧問討論該等三方協議之合法性，並直接自外部人士取得證據，以核實該等資金流之性質及業務理由。

Independent Auditor's Report

獨立核數師報告

Valuation of investment properties and investment properties under construction

Refer to notes 19 and 20 to the consolidated financial statements and accounting policies on page 87.

投資物業及在建投資物業之估值

請參閱綜合財務報表附註19及20以及第87頁之會計政策。

The key audit matter

關鍵審計事項

As at 31 March 2017, the carrying amounts of investment properties and investment properties under construction were approximately HK\$652,123,000 and HK\$1,502,392,000 respectively and a net fair value loss of approximately HK\$41,737,000 were recognised for the year ended 31 March 2017.

於2017年3月31日，投資物業及在建投資物業之賬面值分別約為652,123,000港元及1,502,392,000港元，已於截至2017年3月31日止年度確認公允值虧損淨額約41,737,000港元。

We have identified the valuation of investment properties and investment properties under construction as a key audit matter because of their significance to the consolidated financial statements and the involvement of significant judgements and estimates made by the directors of the Company in assessing the fair values.

鑑於對綜合財務報表而言屬重大及於評估公允值時，貴公司董事須作出重大判斷及估計，故我們已將投資物業及在建投資物業識別為關鍵審計事項。

How the matter was addressed in our audit

我們之審計如何處理有關事項

Our procedures were designed to challenge the valuation process and reasonableness of the key assumptions and estimates adopted in assessing the fair values of investment properties and investment properties under construction.

我們之程序乃為質詢估值程序以及評估投資物業及在建投資物業之公允值所採納主要假設及估計之合理性而設。

We have challenged the reasonableness of the methodologies, key assumptions and the input data used in the valuation by reference to the reversionary yield, recent market transaction rents and prices and internal business plans, together with market and other externally available information.

我們已參考復歸收益率、近期市場租金以及交易價以及內部業務計劃，連同市場及其他外部可取得資料，以質詢估值所採用方法、主要假設及輸入數據之合理性。

We have also obtained an understanding from management on the latest development plan and assessed if there is any material delays and whether the Group had the relevant resources to complete the project as expected.

我們亦已向管理層了解近期市場發展計劃，及評估是否有任何重大延誤，以及貴集團是否有相關資源以按預期完成項目。

Independent Auditor's Report

獨立核數師報告

Assessment of net realisable values of properties under development and completed properties held for sale

Refer to notes 21 and 25 to the consolidated financial statements and accounting policies on page 89.

The key audit matter

關鍵審計事項

As at 31 March 2017, the carrying amounts of properties under development and completed properties held for sale amounted to approximately HK\$463,340,000 and HK\$255,538,000 respectively.

於2017年3月31日，發展中物業及持作出售之竣工物業之賬面值分別約為463,340,000港元及255,538,000港元。

Management assessed the carrying amounts according to the net realisable values of properties under development and completed properties held for sale, which involves significant degree of judgements and estimates.

管理層根據發展中物業及持作出售之竣工物業之可變現淨值評估賬面值，當中涉及重大判斷及假設。

We have identified the assessment of the net realisable values of properties under development and completed properties held for sale as a key audit matter because of their significance to the consolidated financial statements and the involvement of significant judgements and estimates made by the directors of the Company.

鑑於對綜合財務報表而言屬重大及涉及貴公司董事之重大判斷及估計，故我們已將發展中物業及持作出售之竣工物業之可變現淨值識別為關鍵審計事項。

評估發展中物業及持作出售之竣工物業之可變現淨值

請參閱綜合財務報表附註21及25以及第89頁之會計政策。

How the matter was addressed in our audit

我們之審計如何處理有關事項

Our procedures were designed to review the management's assessment process of the net realisable values of properties under development and completed properties held for sale.

我們之程序乃為檢討管理層評估發展中物業及持作出售之竣工物業之可變現淨值之程序而設。

We have challenged the reasonableness of the assumptions and input data used by the management in assessing the net realisable value, including estimating anticipated costs to completion, selling expenses and selling prices with reference to the global and local economic developments, recent sales transactions of the Group and other available market information.

我們已質詢管理層評估可變現淨值所用假設及輸入數據之合理性，包括估計預期完成成本、銷售開支及售價，並參考全球及本地經濟發展、貴集團近期銷售交易及其他可取得市場資料。

We have also obtained an understanding from the management on the latest development plan and assessed if there is any material delays and whether the Group had the relevant resources to complete the project as expected. 我們亦已向管理層了解近期市場發展計劃，及評估是否有任何重大延誤，以及貴集團是否有相關資源以按預期完成項目。

Independent Auditor's Report

獨立核數師報告

Impairment of construction in progress and prepaid lease payments

Refer to notes 22 and 23 to the consolidated financial statements and accounting policies on pages 88 and 89.

在建工程及預付租賃款項減值

請參閱綜合財務報表附註22及23以及第88及89頁之會計政策。

The key audit matter

關鍵審計事項

As at 31 March 2017, the carrying amounts of construction in progress included in property, plant and equipment and prepaid lease payments amounted to approximately HK\$443,020,000 and HK\$262,042,000 respectively.

於2017年3月31日，計入物業、廠房及設備之在建工程及預付租賃款項之賬面值分別約為443,020,000港元及262,042,000港元。

We have identified the impairment of construction in progress and prepaid lease payments as a key audit matter because of their significance to the consolidated financial statements and the involvement of a significant degree of judgements and estimates in assessing the recoverable amounts.

鑑於對綜合財務報表而言屬重大及於評估可收回金額時須作出重大判斷及估計，故我們已將在建工程及預付租賃款項減值識別為關鍵審計事項。

How the matter was addressed in our audit

我們之審計如何處理有關事項

Our procedures were designed to review the management's impairment assessment process.

我們之程序乃為檢討管理層之減值評估程序而設。

We have challenged the reasonableness of the methodologies, key assumptions and the input data used in determining the recoverable amounts by reference to the recent market transaction prices and internal business plans, together with market and other externally available information.

我們已參考近期市場交易價及內部業務計劃，連同市場及其他外部可取得資料，以質詢釐定可收回金額所採用方法、主要假設及輸入數據之合理性。

We have also obtained an understanding from management on the latest development plan and assessed if there is any material delays and whether the Group had the relevant resources to complete the project as expected.

我們亦已向管理層了解近期市場發展計劃，及評估是否有任何重大延誤，以及貴集團是否有相關資源以按預期完成項目。

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 concluded 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.

其他資料

貴公司董事須對其他資料負責。其他資料包括年報內之所有資料，但不包括綜合財務報表及我們之核數師報告。

我們對綜合財務報表之意見並不涵蓋其他資料，我們亦不會對其他資料發表任何形式之核證結論。

就我們審計綜合財務報表而言，我們之責任為閱讀其他資料，從而考慮其他資料是否與綜合財務報表或我們在審計過程中獲悉之資料存在重大不符，或似乎存在重大錯誤陳述。基於我們已執行之工作，倘我們認為該其他資料有重大錯誤陳述，我們須報告該事實。

就此，我們毋須作出報告。

Independent Auditor's Report

獨立核數師報告

Responsibilities of Directors of the Company and Those Charged with Governance 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 disclosure requirements of the Hong Kong Companies Ordinance and for such internal control as the directors of the Company 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 of the Company 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 of the Company either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

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, solely to you, as a body, in accordance with section 90 of the Bermuda Companies Act and our agreed terms of engagement, 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 HKSAs 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.

貴公司董事及管治層就綜合財務報表須承擔之責任

貴公司董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露要求，編製真實且公平之綜合財務報表，及落實其認為編製綜合財務報表所必要之內部監控，以使綜合財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述。

於編製綜合財務報表時，貴公司董事須負責評估貴集團持續經營之能力，並在適用情況下披露與持續經營相關之事項，並運用持續經營為會計基礎，除非貴公司董事有意將貴集團清盤或停止經營或別無其他實際之替代方案。

管治層負責監督貴集團之財務申報程序。

核數師就審計綜合財務報表須承擔之責任

我們之目標為對綜合財務報表是否不存在由欺詐或錯誤而導致之任何重大錯誤陳述取得合理核證，並出具包括我們意見之核數師報告。我們按照百慕達公司法第90條及協定之委聘條款僅向閣下（作為整體）報告，除此之外本報告別無其他目的。我們不會就本報告內容向任何其他人士負上或承擔任何責任及債務。合理核證是高水平之核證，但不能保證按香港審計準則進行之審計在某一重大錯誤陳述存在時總能發現。錯誤陳述可因欺詐或錯誤產生，倘個別或整體在合理預期情況下可影響使用者根據該等綜合財務報表作出之經濟決定時，則被視為重大錯誤陳述。

Independent Auditor's Report

獨立核數師報告

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional skepticism 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 of the Company.
 - conclude on the appropriateness of the Company's 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.
- 我們根據香港審計準則執行審計的工作之一，是在審計過程中運用專業判斷及保持專業懷疑態度。我們亦：
- 識別及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之風險，設計及執行審計程序以應對該等風險，以及獲取充足及適當之審計憑證，作為我們意見之基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部監控之情況，因此未能發現因欺詐而導致之重大錯誤陳述之風險高於未能發現因錯誤而導致之重大錯誤陳述之風險。
 - 了解與審計相關內部監控，以設計在有相關情況下適當之審計程序，惟並非旨在對貴集團內部監控之有效性發表意見。
 - 評估貴公司董事所採用會計政策之恰當性及所作出會計估計及相關披露之合理性。
 - 對貴公司董事採用持續經營會計基礎之恰當性作出結論，並根據所獲取之審計憑證，確定是否存在與事項或情況有關之重大不確定因素，從而可能導致對貴集團之持續經營能力產生重大疑慮。倘我們認為存在重大不確定因素，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。倘有關披露不足，則我們應當發表非無保留意見。我們之結論乃基於截至核數師報告日期止所得之審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
 - 評估綜合財務報表之整體呈報方式、結構及內容，包括披露資料，以及綜合財務報表是否公平反映相關交易及事項。
 - 就貴集團內實體或業務活動之財務資料獲取充足及適當之審計憑證，以便對綜合財務報表發表意見。我們負責集團審計之方向、監督及執行。我們為審計意見承擔全部責任。

Independent Auditor's Report

獨立核數師報告

We communicate with those charged with governance 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 those charged with governance 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year 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 Mr. Lau Kai Wong.

SHINEWING (HK) CPA Limited

Certified Public Accountants

Lau Kai Wong

Practising Certificate Number: P06623

Hong Kong

23 September 2017

我們與管治層就(其中包括)審計之計劃範圍、時間安排及重大審計發現溝通,該等發現包括我們在審計過程中識別之內部監控之任何重大缺陷。

我們亦向管治層作出聲明,指出我們已符合有關獨立性之相關道德要求,並與彼等溝通可能被合理認為會影響我們獨立性之所有關係及其他事宜,以及相關防範措施(如適用)。

從與管治層溝通之事項中,我們釐定對本年度綜合財務報表審計至關重要之事項,因而構成關鍵審計事項。我們在核數師報告中陳述該等事項,除非法律或法規不允許公開披露該等事項,或在極少數情況下,倘合理預期在我們之報告中溝通某事項造成之負面後果超出產生之公眾利益,則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之審計項目合夥人是劉佳煌先生。

信永中和(香港)會計師事務所有限公司

執業會計師

劉佳煌

執業證書編號: P06623

香港

2017年9月23日

Consolidated Statement of Profit or Loss

綜合損益表

For the year ended 31 March 2017 截至2017年3月31日止年度

		Notes 附註	2017 HK\$'000 千港元	2016 HK\$'000 千港元
Revenue	收入	8	194,197	190,698
Cost of sales	銷售成本		(61,157)	(83,082)
Gross profit	毛利		133,040	107,616
Other income	其他收益	10	3,935	1,264
Other gains	其他收入	11	158	22,769
Selling expenses	銷售開支		(11,410)	(4,981)
Administrative expenses	行政開支		(45,172)	(28,652)
(Decrease) increase in fair values of investment properties and investment properties under construction, net	投資物業及在建投資物業公允值(減少)增加淨額		(41,737)	5,938
Share of profit of an associate	應佔一間聯營公司溢利		-	15
Finance income	財務收益	12	2,033	4,305
Finance costs	財務成本	12	(105,598)	(2,170)
(Loss) profit before tax	除稅前(虧損)溢利	14	(64,751)	106,104
Income tax expenses	所得稅開支	13	(57,729)	(38,623)
(Loss) profit for the year	年內(虧損)溢利		(122,480)	67,481
Attributable to:	各方應佔:			
Equity holders of the Company	本公司股東		(121,926)	51,192
Non-controlling interests	非控股權益		(554)	16,289
			(122,480)	67,481
(Loss) earnings per share, basic and diluted	每股(虧損)盈利· 基本和攤薄	17	HK\$(0.070) (0.070)港元	HK\$0.033 0.033港元

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

For the year ended 31 March 2017 截至2017年3月31日止年度

	Note 附註	2017 HK\$'000 千港元	2016 HK\$'000 千港元
(Loss) profit for the year		(122,480)	67,481
Other comprehensive loss			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		(103,403)	(42,201)
Release of translation reserve upon disposal of subsidiaries	40	-	(20,349)
Other comprehensive loss for the year		(103,403)	(62,550)
Total comprehensive (loss) income for the year		(225,883)	4,931
Attributable to:			
Equity holders of the Company		(211,187)	278
Non-controlling interests		(14,696)	4,653
		(225,883)	4,931

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 March 2017 於2017年3月31日

		Notes 附註	2017 HK\$'000 千港元	2016 HK\$'000 千港元
Non-current assets	非流動資產			
Investment properties	投資物業	19	652,123	736,680
Investment properties under construction	在建投資物業	20	1,502,392	63,360
Property, plant and equipment	物業、廠房及設備	22	443,780	179
Prepayments and other receivables	預付款項及其他應收賬款	26	55,991	2,931
Prepaid lease payments	預付租賃款項	23	262,042	–
			2,916,328	803,150
Current assets	流動資產			
Properties under development	發展中物業	21	463,340	38,553
Completed properties held for sale	持作出售之竣工物業	25	255,538	296,745
Deposits, prepayments, trade and other receivables	按金、預付款項、應收貨款及其他應收賬款	26	477,990	226,447
Restricted bank balance	受限制銀行存款	27	662	703
Cash and cash equivalents	現金及等同現金	27	242,047	462,378
			1,439,577	1,024,826
Current liabilities	流動負債			
Trade and other payables	應付貨款及其他應付賬款	28	441,813	354,279
Current income tax liabilities	當期所得稅負債		188,376	136,868
Bank and other borrowings	銀行及其他借貸	29	54,459	–
			684,648	491,147
Net current assets	流動資產淨值		754,929	533,679
Total assets less current liabilities	總資產減流動負債		3,671,257	1,336,829

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 March 2017 於2017年3月31日

		Notes 附註	2017 HK\$'000 千港元	2016 HK\$'000 千港元
Non-current liabilities	非流動負債			
Other payables	其他應付賬款	28	257,136	–
Deferred income tax liabilities	遞延所得稅負債	31	141,965	172,696
Promissory notes	承兌票據	30	793,347	–
Bank and other borrowings	銀行及其他借貸	29	1,350,042	–
			2,542,490	172,696
Net assets	資產淨值		1,128,767	1,164,133
Capital and reserves	資本及儲備			
Share capital	股本	32	190,617	158,864
Reserves	儲備		796,764	849,187
Equity attributable to equity holders of the Company	本公司股東應佔權益		987,381	1,008,051
Non-controlling interests	非控股權益		141,386	156,082
Total equity	總權益		1,128,767	1,164,133

The consolidated financial statements on pages 60 to 160 were approved and authorised for issue by the board of directors on 23 September 2017 and are signed on its behalf by:

第60至160頁所載綜合財務報表已於2017年9月23日獲董事會批准及授權刊發，並由以下人士代為簽署：

Lei Hong Wai

李雄偉
Director
董事

Leung Alex

梁奕曦
Director
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 March 2017 截至2017年3月31日止年度

	Attributable to equity holders of the Company 本公司股東應佔								Non-controlling interests 非控股權益	Total 總計	
	Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Share option reserve 購股權儲備 HK\$'000 千港元	Property revaluation reserve 物業重估儲備 HK\$'000 千港元	Translation reserve 匯兌儲備 HK\$'000 千港元	Statutory reserve 法定儲備 HK\$'000 千港元 (Restated) (重列) (Note) (附註)	Retained profits 保留溢利 HK\$'000 千港元 (Restated) (重列)	Total 總計 HK\$'000 千港元			
Balance at 1 April 2015 (restated)	於2015年4月1日之結餘(重列)	133,161	33,275	216	41,789	84,616	29,772	405,252	728,081	151,429	879,510
Profit for the year	年內溢利	-	-	-	-	-	-	51,192	51,192	16,289	67,481
Other comprehensive loss:	其他全面虧損:										
Exchange differences on translation of foreign operations	換算境外業務之匯兌差額	-	-	-	-	(30,565)	-	-	(30,565)	(11,636)	(42,201)
Release of translation reserve upon disposal of subsidiaries (note 40)	出售附屬公司時撥回之匯兌儲備(附註40)	-	-	-	-	(20,349)	-	-	(20,349)	-	(20,349)
Total comprehensive (loss) income for the year	年內全面(虧損)收益總額	-	-	-	-	(50,914)	-	51,192	278	4,653	4,931
Issue of new shares (note 32(i))	發行新股(附註32(i))	25,603	253,479	-	-	-	-	-	279,082	-	279,082
Issue of new shares upon exercise of share options (note 32(ii))	行使購股權時發行新股(附註32(ii))	100	726	(216)	-	-	-	-	610	-	610
Disposal of subsidiaries (note 40)	出售附屬公司(附註40)	-	-	-	(23,760)	-	(18,635)	42,395	-	-	-
Transfer to statutory reserve (restated)	轉撥至法定儲備(重列)	-	-	-	-	-	1,814	(1,814)	-	-	-
Balance at 31 March 2016 (restated)	於2016年3月31日之結餘(重列)	158,864	287,480	-	18,029	33,702	12,951	497,025	1,008,051	156,082	1,164,133

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 March 2017 截至2017年3月31日止年度

	Attributable to equity holders of the Company 本公司股東應佔									
	Share capital	Share premium	Share option reserve	Property revaluation reserve	Translation reserve	Statutory reserve	Retained profits	Total	Non-controlling interests	Total
	股本	股份溢價	購股權儲備	物業重估儲備	匯兌儲備	法定儲備	保留溢利	總計	非控股權益	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	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	千港元	千港元	千港元	千港元	千港元
Balance at 1 April 2016 (restated)	158,864	287,480	-	18,029	33,702	12,951	497,025	1,008,051	156,082	1,164,133
Loss for the year	-	-	-	-	-	-	(121,926)	(121,926)	(554)	(122,480)
Other comprehensive loss:										
Exchange differences on translation of foreign operations	-	-	-	-	(89,261)	-	-	(89,261)	(14,142)	(103,403)
Total comprehensive loss for the year	-	-	-	-	(89,261)	-	(121,926)	(211,187)	(14,696)	(225,883)
Issue of new shares (note 32(i))	31,753	158,764	-	-	-	-	-	190,517	-	190,517
Transfer to statutory reserve	-	-	-	-	-	2,861	(2,861)	-	-	-
Balance at 31 March 2017	190,617	446,244	-	18,029	(55,559)	15,812	372,238	987,381	141,386	1,128,767

Note: Under the People's Republic of China (the "PRC") laws and regulations, companies registered in the PRC were required to provide for certain statutory reserve, which are to be appropriated from the net profit (after offsetting accumulated losses from prior years and before profit distributions to equity holders as reported in their respective statutory financial statements. The statutory reserve is created for specific purposes. The PRC companies are required to appropriate 10% of their statutory net profits to statutory reserve. A company may discontinue its contribution when the aggregate sum of the statutory reserve is more than 50% of its registered capital. The statutory reserve shall only be used to make up losses of the PRC companies, to expand the PRC companies' production operations, or to increase the capital of the PRC companies. In addition, the PRC companies may make further contribution to the discretionary surplus reserve using its net profits in accordance with resolutions of the board of directors of the PRC companies.

附註：根據中華人民共和國（「中國」）法律及規例，於中國註冊之公司須就若干法定儲備計提撥備，並於自彼等各自之法定財務報表所呈報淨溢利（扣除往年累計虧損後及向股東分派溢利前）中撥出。法定儲備均按特定目的設立。中國公司須將其10%法定淨溢利撥至法定儲備。當公司之法定儲備總額超出其註冊資本50%時，公司可停止供款。法定儲備僅可用於彌補中國公司虧損、擴大中國公司生產業務或增加中國公司資本。此外，中國公司可根據其董事會之決議案動用淨溢利向酌情盈餘儲備進一步供款。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 March 2017 截至2017年3月31日止年度

		2017 HK\$'000 千港元	2016 HK\$'000 千港元 (Restated) (重列)
OPERATING ACTIVITIES	經營業務		
(Loss) profit before income tax	除所得稅前(虧損)溢利	(64,751)	106,104
Adjustments for:	就下列各項作出之調整：		
Finance income	財務收入	(2,033)	(4,305)
Finance costs	財務成本	105,598	2,170
Government subsidies	政府補助	(1,229)	-
Depreciation of property, plant and equipment	物業、廠房及設備折舊	142	388
Share of profit of an associate	應佔一間聯營公司溢利	-	(15)
Decrease (increase) in fair values of investment properties and investment properties under construction, net	投資物業及在建投資物業公允價值 減少(增加)淨額	41,737	(5,938)
Gain on disposal of subsidiaries	出售附屬公司之收入	-	(19,398)
Fair value change in financial assets at fair value through profit or loss	通過損益按公允價值列賬之 財務資產公允價值變動	-	(2,007)
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	79,464	76,999
Decrease in completed properties held for sale	持作出售之竣工物業減少	60,159	71,377
Increase in properties under development	發展中物業增加	(12,477)	(15,804)
(Increase) decrease in deposit, payments, trade and other receivables	按金、預付款項、應收貨款及 其他應收賬款(增加)減少	(35,740)	1,051
Increase (decrease) in trade and other payables	應付貨款及其他應付賬款增加(減少)	34,412	(75,860)
Decrease in amount due to an associate	應付一間聯營公司款項減少	-	(4,027)
Cash generated from operations	經營業務產生之現金	125,818	53,736
Tax paid	已付稅項	(17,744)	(9,445)
NET CASH GENERATED FROM OPERATING ACTIVITIES	經營業務產生之現金淨額	108,074	44,291

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 March 2017 截至2017年3月31日止年度

		2017 HK\$'000 千港元	2016 HK\$'000 千港元 (Restated) (重列)
INVESTING ACTIVITIES	投資活動		
Purchase of property, plant and equipment	購置物業、廠房及設備	(17,807)	(448)
Payment of investment properties under construction	支付在建投資物業	(36,118)	-
Deposit for acquisition of subsidiaries	收購附屬公司之訂金	(400,000)	-
Proceeds from disposal of financial assets at fair value through profit or loss	出售通過損益按公允值列賬之財務資產之所得款項	-	11,667
Net cash inflow (outflow) upon disposal of subsidiaries (note 40)	出售附屬公司之現金流入(流出)淨額(附註40)	189,400	(57,034)
Interest income	利息收入	2,033	4,305
Net cash outflow arising from acquisition of subsidiaries (note 39)	收購附屬公司所產生現金流出淨額(附註39)	(303,102)	-
Withdrawal of restricted bank balance	提取受限制銀行存款	-	99,297
NET CASH (USED IN) FROM INVESTING ACTIVITIES	投資活動(使用)產生之現金淨額	(565,594)	57,787
FINANCING ACTIVITIES	融資活動		
Proceeds from issuance of new shares (note 32(i))	因發行新股所得款項(附註32(i))	190,517	279,082
Proceeds from issue of new shares upon exercise of share options (note 32(ii))	於行使購股權後發行新股之所得款項(附註32(ii))	-	610
Advances from independent third parties (note 28(iii))	來自獨立第三方之墊款(附註28(iii))	209,190	-
Repayment to Mr. Tsoi	還款予蔡先生	(73,201)	-
Advances from companies under control of Mr. Tsoi	來自蔡先生所控制公司之墊款	106,390	-
Repayment companies under control of Mr. Tsoi	還款予蔡先生所控制公司	(192,402)	-
New bank and other borrowings raised	新籌得銀行及其他借貸	480,142	-
Interest paid	已付利息	(85,858)	(3,461)
Redemption of promissory notes	贖回承兌票據	(390,000)	-
Receipts of government subsidies	收取政府補助	1,229	-
Repayment of bank and other borrowings	償還銀行及其他借貸	-	(173,250)
NET CASH FROM FINANCING ACTIVITIES	融資活動產生之現金淨額	246,007	102,981
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	現金及等同現金(減少)增加淨額	(211,513)	205,059
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	年初之現金及等同現金	462,378	264,265
Effect of foreign exchange rate changes	匯率變動影響	(8,818)	(6,946)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (note 27)	年末之現金及等同現金(附註27)	242,047	462,378

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

1. GENERAL INFORMATION

Man Sang International Limited (the "Company") is incorporated in Bermuda as an exempted company with limited liability under the Companies Act 1981 of Bermuda (as amended). The addresses of its registered office and its principal place of business are Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and Unit 1611, 16/F., Shun Tak Centre, West Tower, 168-200 Connaught Road Central, Hong Kong, respectively.

The Company is listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company and its subsidiaries (collectively referred to as the "Group") are currently engaged in the development, sales and leasing of properties. Details of the principle subsidiaries of the Company are set out in note 43.

The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is also the functional currency of the Company.

2. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

During the year ended 31 March 2017, the Group reported net loss of approximately HK\$122,480,000. As at 31 March 2017, the Group had current liabilities of approximately HK\$684,648,000 and total borrowings, including promissory notes, of approximately HK\$2,197,848,000 of which approximately HK\$54,459,000 will be due in the coming twelve months from the end of the reporting period. As at the same date, the Group also had capital commitments of approximately HK\$241,552,000 (note 35(a)), while its net current assets and cash and cash equivalents amounted to approximately HK\$754,929,000 and HK\$242,047,000, respectively.

In view of the above, the directors of the Company have reviewed the Group's cash flow projection covering a period of twelve months from 31 March 2017 which have taken into account the following measures.

- (1) Chongqing Kingstone Land Co., Ltd. ("Chongqing Kingstone"), an indirect wholly-owned subsidiary of the Company, has commenced the sales of the properties since March 2017 which is expected to generate operating cash inflows to the Group;

1. 一般資料

民生國際有限公司(「本公司」)是根據百慕達《1981年公司法》(經修訂)在百慕達註冊成立為獲豁免有限責任公司。其註冊辦事處及主要營業地點之地址分別為Clarendon House, 2 Church Street, Hamilton HM11, Bermuda及香港干諾道中168-200號信德中心西座16樓1611室。

本公司於香港聯合交易所有限公司(「聯交所」)主板上市。

本公司及其附屬公司(統稱「本集團」)現正從事物業發展、銷售及租賃。有關本公司主要附屬公司之詳情載於附註43。

本綜合財務報表以本公司之功能貨幣港元(「港元」)列值。

2. 綜合財務報表之編製基準

截至2017年3月31日止年度，本集團錄得虧損淨額約122,480,000港元。於2017年3月31日，本集團有流動負債約684,648,000港元及借貸總額(包括承兌票據)約2,197,848,000港元，其中約54,459,000港元將自報告期結算日起計未來十二個月到期。於同日，本集團亦有資本承擔約241,552,000港元(附註35(a))，而其流動資產淨值以及現金及等同現金則分別約為754,929,000港元及242,047,000港元。

基於上述情況，本公司董事已審視本集團涵蓋2017年3月31日起計十二個月期間之現金流量預測，當中已考慮以下事項。

- (1) 本公司之間接全資附屬公司重慶皇石置地有限公司(「重慶皇石」)已於2017年3月開始銷售物業，預期將為本集團帶來經營現金流入；

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

- (2) On 6 March 2017, a main contractor of Chongqing Kingstone, which is an independent third party of the Group, has undertaken and agreed to extend the credit period granted to Chongqing Kingstone in respect of certain construction costs in relation to the redevelopment of the property in Chongqing with a total contract sum of approximately HK\$325,022,000, of which approximately HK\$125,043,000 has been recorded as construction costs accruals and payables as at 31 March 2017 and approximately HK\$199,979,000 has been included as capital commitments of the Group (note 35(a)) as at 31 March 2017. The main contractor has agreed not to demand for any repayment of the above amounts payable or committed by Chongqing Kingstone on or before 30 June 2018 (note 28(ii));
- (3) On 12 January 2017, the Group obtained a 2-year unsecured revolving loan facility of HK\$200,000,000 with an annual interest rate of 8% from a company (the "financing company"), a subsidiary of a company listed on the Stock Exchange. Such listed company and the Company had common shareholders and executive directors. As at 31 March 2017 and up to the date of these consolidated financial statements, the Group has unutilised facility of HK\$150,000,000 (note 29);
- (4) Non-controlling shareholders of the subsidiary of the Company have agreed not to demand for any repayment of loans from them of approximately HK\$86,938,000 as at 31 March 2017 until the Group is in a financial position to do so (note 28(i));
- (5) Mr. Tsoi, a director of Chongqing Kingstone, and those companies under his control have agreed not to demand for any repayment of amounts due to them in aggregate of approximately HK\$132,093,000 (note 28(iii)) as at 31 March 2017 on or before 30 June 2018;
- (6) The Group will not early redeem any promissory notes of the Company before the maturity date until the Group is in a financial position to do so; and
- (7) The Group will consider to raise additional capital, as and when needed, by carrying out fund raising activities, to finance the operations of the Group.

Based on the above, in the opinion of the directors of the Company, the Group will have sufficient working capital to fulfil its financial obligations as and when they fall due in the coming twelve months from 31 March 2017. Accordingly, the directors of the Company are satisfied that it is appropriate to prepare these consolidated financial statements on a going concern basis. These consolidated financial statements do not include any adjustments relating to the carrying amounts and reclassification of assets and liabilities that might be necessary should the Group be unable to continue as a going concern.

2. 綜合財務報表之編製基準(續)

- (2) 於2017年3月6日，重慶皇石之主要承建商(為本集團之獨立第三方)已承諾並同意延長授予重慶皇石有關重新發展重慶物業若干建築成本之信貸期，有關建築成本訂約金額合共約為325,022,000港元，其中約125,043,000港元已入賬列作於2017年3月31日之建築成本應計費用及應付賬款，而約199,979,000港元已計入本集團於2017年3月31日之資本承擔(附註35(a))。該主要承建商已同意不會要求重慶皇石於2018年6月30日或之前償還任何上述應付或承付款項(附註28(ii))；
- (3) 於2017年1月12日，本集團自一間公司(「融資公司」，為一間聯交所上市公司之附屬公司)取得年利率8厘涉及200,000,000港元之兩年期無抵押循環貸款融資。有關上市公司與本公司擁有共同股東及執行董事。於2017年3月31日及直至此等綜合財務報表日期，本集團有未動用融資150,000,000港元(附註29)；
- (4) 本公司附屬公司之非控股股東同意不會在本集團財務狀況不足以承擔還款情況下要求償還任何來自彼等之貸款(於2017年3月31日約為86,938,000港元)(附註28(i))；
- (5) 重慶皇石之董事蔡先生及該等受其控制之公司同意不會要求於2018年6月30日或之前償還任何應付予彼等之款項(於2017年3月31日合共約為132,093,000港元)(附註28(iii))；
- (6) 本集團將不會在本集團財務狀況不足以承擔贖回情況下於本公司承兌票據到期日前提早贖回本公司任何承兌票據；及
- (7) 本集團將於有需要時考慮透過進行集資活動籌集額外資金，以為本集團營運提供資金。

基於上述情況，本公司董事認為，本集團將有充裕營運資金履行其自2017年3月31日起計未來十二個月到期之財務責任。因此，本公司董事信納按持續經營基準編製綜合財務報表屬恰當。此等綜合財務報表不包括於本集團無法持續經營之情況下可能屬必要之有關賬面值之任何調整以及資產及負債之重新分類。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

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

In the current year, the Group has applied the following new and revised HKFRSs, which include HKFRSs, Hong Kong Accounting Standards (“HKAS(s)”), amendments and interpretations (“Int(s)”), issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

Amendments to HKFRSs	Annual Improvements to HKFRSs 2012–2014 Cycle
Amendments to HKAS 1	Disclosure Initiative
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants
Amendments to HKAS 27	Equity Method in Separate Financial Statements
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations

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

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

於本年度，本集團已應用下列新訂及經修訂香港財務報告準則，包括香港會計師公會（「香港會計師公會」）頒佈之香港財務報告準則、香港會計準則（「香港會計準則」）、修訂本及詮釋（「詮釋」）。

香港財務報告準則之修訂本	香港財務報告準則2012年至2014年週期之年度改進披露計劃
香港會計準則第1號之修訂本	澄清折舊與攤銷之可接受方法
香港會計準則第16號及香港會計準則第38號之修訂本	農業：生產性植物
香港會計準則第16號及香港會計準則第41號之修訂本	獨立財務報表之權益法
香港會計準則第27號之修訂本	投資實體：應用合併之例外規定
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號之修訂本	收購共同經營權益之會計處理
香港財務報告準則第11號之修訂本	

本公司董事認為，應用上述新訂及經修訂香港財務報告準則並無對本集團於本年度及過往年度之財務表現及狀況及／或載於綜合財務報表之披露事項造成重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

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

New and revised HKFRSs issued but not yet effective

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

HKFRS 9 (2014)	Financial Instruments ²
HKFRS 15 HKFRS 16 Amendments to HKFRSs	Revenue from Contracts with Customers ² Lease ⁴ Annual Improvements to HKFRSs 2014–2016 Cycle ³
Amendments to HKAS 7	Disclosure Initiative ¹
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses ¹
Amendments to HKAS 40	Transfers of Investment Property ²
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions ²
Amendments to HKFRS 4	Applying HKFRS 9 <i>Financial Instruments</i> with HKFRS 4 <i>Insurance Contracts</i> ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁵
HK(IFRIC)-Int 22	Foreign Currency Transactions and Advance Consideration ²
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments ⁴

¹ Effective for annual periods beginning on or after 1 January 2017.

² Effective for annual periods beginning on or after 1 January 2018.

³ Effective for annual periods beginning on or after 1 January 2017 or 1 January 2018, as appropriate.

⁴ Effective for annual periods beginning on or after 1 January 2019.

⁵ Effective date not yet been determined.

The directors of the Company anticipate that, except as described below, the application of other new and revised HKFRSs will have no material impact on the results and the financial position of the Group.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

已頒佈但尚未生效之新訂及經修訂香港財務報告準則

本集團並無提早應用下列已頒佈但尚未生效之新訂及經修訂香港財務報告準則：

香港財務報告準則 第9號(2014年)	金融工具 ²
香港財務報告準則第15號 香港財務報告準則第16號 香港財務報告準則 之修訂本	客戶合約之收入 ² 租賃 ⁴ 香港財務報告準則 2014年至2016年 週期之年度改進 ³ 披露計劃 ¹
香港會計準則第7號 之修訂本	就未變現虧損確認 遞延稅項資產 ¹
香港會計準則第12號 之修訂本	轉讓投資物業 ²
香港會計準則第40號 之修訂本	以股份為基準之付款 交易之分類及計量 ²
香港財務報告準則 第2號之修訂本	應用香港財務報告 準則第4號保險 合約時一併應用 香港財務報告準則 第9號金融工具 ²
香港財務報告準則 第4號之修訂本	投資者與其聯營公司 或合營企業之間的 資產出售或注資 ⁵
香港財務報告準則 第10號及香港會計 準則第28號之修訂本	外幣交易及預付代價 ²
香港(國際財務報告詮釋 委員會)–詮釋第22號	所得稅處理方法之 不明朗因素 ⁴
香港(國際財務報告詮釋 委員會)–詮釋第23號	

¹ 於2017年1月1日或之後開始之年度期間生效。

² 於2018年1月1日或之後開始之年度期間生效。

³ 於2017年1月1日或2018年1月1日(視乎適當情況而定)或之後開始之年度期間生效。

⁴ 於2019年1月1日或之後開始之年度期間生效。

⁵ 生效日期待定。

除下文所述者外，本公司董事預計應用其他新訂及經修訂香港財務報告準則不會對本集團的業績及財務狀況構成重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

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

HKFRS 9 (2014) *Financial Instruments*

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 was amended in 2010 and included the requirements for the classification and measurement of financial liabilities and for derecognition. In 2013, HKFRS 9 was further amended to bring into effect a substantial overhaul of hedge accounting that will allow entities to better reflect their risk management activities in the financial statements. A finalised version of HKFRS 9 was issued in 2014 to incorporate all the requirements of HKFRS 9 that were issued in previous years with limited amendments to the classification and measurement by introducing a “fair value through other comprehensive income” (“FVTOCI”) measurement category for certain financial assets. The finalised version of HKFRS 9 (2014) also introduces an “expected credit loss” model for impairment assessments.

Key requirements of HKFRS 9 (2014) are described below:

- All recognised financial assets that are within the scope of HKAS 39 *Financial Instruments: Recognition and Measurement* are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at FVTOCI. All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting periods. In addition, under HKFRS 9 (2014), entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第9號(2014年)金融工具

於2009年頒佈之香港財務報告準則第9號引入有關分類及計量財務資產之新規定。香港財務報告準則第9號於2010年作出修訂，加入有關分類及計量財務負債及取消確認之規定。於2013年，香港財務報告準則第9號作出進一步修訂，以落實對沖會計之實質性修訂，從而將使實體於財務報表中更好反映風險管理活動。香港財務報告準則第9號之最終版本於2014年頒佈，藉就若干財務資產引入「通過其他全面收益按公允值列賬」(「通過其他全面收益按公允值列賬」)之計量類別，以納入過往年度所頒佈香港財務報告準則第9號之全部規定，而對分類及計量方面只作有限度修訂。香港財務報告準則第9號(2014年)之最終版本亦就減值評估引入「預期信貸虧損」模式。

香港財務報告準則第9號(2014年)之主要規定詳述如下：

- 屬香港會計準則第39號金融工具：確認及計量範圍內之所有已確認財務資產其後均須按攤銷成本或公允值計量。具體而言，根據目的為收取合約現金流量之業務模式持有，以及合約現金流量純粹為支付本金及結欠本金之利息之債務投資，一般於其後會計期間結束時按攤銷成本計量。根據目的為同時收取合約現金流量及出售財務資產之業務模式持有，以及財務資產合約條款令於特定日期產生之現金流量純粹為支付本金及結欠本金之利息之債務工具，均以通過其他全面收益按公允值列賬之方式計量。所有其他債務投資及股本投資則於其後報告期間結束時按公允值計量。此外，根據香港財務報告準則第9號(2014年)，實體可以不可撤回地選擇於其他全面收益呈列股本投資(並非持作買賣)公允值之其後變動，而只有股息收入一般於損益確認。

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綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRS(s)”) (CONTINUED) HKFRS 9 (2014) *Financial Instruments* (continued)

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 (2014) requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss was presented in profit or loss.
- In the aspect of impairment assessments, the impairment requirements relating to the accounting for an entity's expected credit losses on its financial assets and commitments to extend credit were added. Those requirements eliminate the threshold that was in HKAS 39 for the recognition of credit losses. Under the impairment approach in HKFRS 9 (2014) it is no longer necessary for a credit event to have occurred before credit losses are recognised. Instead, expected credit losses and changes in those expected credit losses should always be accounted for. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition and, consequently, more timely information is provided about expected credit losses.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第9號（2014年）*金融工具*（續）

- 就計量指定為通過損益按公允值列賬之財務負債而言，香港財務報告準則第9號（2014年）規定，除非於其他全面收益確認財務負債信貸風險變動之影響會產生或擴大損益之會計錯配，否則，該負債因信貸風險改變而導致其公允值金額出現之變動乃於其他全面收益呈列。因財務負債之信貸風險改變而導致其公允值出現之變動其後不會重新分類至損益。根據香港會計準則第39號，指定為通過損益按公允值列賬之財務負債之全部公允值變動金額均於損益中呈列。
- 有關減值評估，就實體對其財務資產及提供信貸承擔之預期信貸虧損之入賬方法加入減值規定。該等規定消除了香港會計準則第39號有關確認信貸虧損之門檻。根據香港財務報告準則第9號（2014年）之減值方法，於確認信貸虧損前毋須已發生信貸事件。反之，實體須一直將預期信貸虧損以及此等預期信貸虧損之變動入賬。預期信貸虧損之金額須於各報告日期更新，以反映自初始確認以來信貸風險之變動，並因此提供更適時之預期信貸虧損資料。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

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

HKFRS 9 (2014) *Financial Instruments* (continued)

- HKFRS 9 (2014) introduces a new model which is more closely aligns hedge accounting with risk management activities undertaken by companies when hedging their financial and non-financial risk exposures. As a principle-based approach, HKFRS 9 (2014) looks at whether a risk component can be identified and measured and does not distinguish between financial items and non-financial items. The new model also enables an entity to use information produced internally for risk management purposes as a basis for hedge accounting. Under HKAS 39, it is necessary to exhibit eligibility and compliance with the requirements in HKAS 39 using metrics that are designed solely for accounting purposes. The new model also includes eligibility criteria but these are based on an economic assessment of the strength of the hedging relationship. This can be determined using risk management data. This should reduce the costs of implementation compared with those for HKAS 39 hedge accounting because it reduces the amount of analysis that is required to be undertaken only for accounting purposes.

HKFRS 9 (2014) will become effective for annual periods beginning on or after 1 January 2018 with early application permitted.

The directors of the Company anticipate that the adoption of HKFRS 9 (2014) in the future may have an impact on the Group's results and financial position, including the classification categories and the measurement of financial assets, and disclosures. For instance, the Group will be required to replace the incurred loss impairment model in HKAS 39 with an expected loss impairment model that will apply to various exposures to credit risk. HKFRS 9 will also change the way the Group classifies and measures its financial assets, and will require the Group to consider the business model and contractual cash flow characteristics of financial assets to determine classification and subsequent measurement. The directors of the Company are in the process of assessing their impact on the consolidated financial statements. However, it is not practicable to provide a reasonable estimate of the effect of HKFRS 9 (2014) until a detailed review has been completed.

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第9號(2014年)金融工具(續)

- 香港財務報告準則第9號(2014年)引入新模式，令對沖會計更切合公司在對沖彼等之金融及非金融風險時所進行之風險管理活動。香港財務報告準則第9號(2014年)作為一種以原則為基礎之方法，著眼於能否辨識及計量某種風險成份而並非區分金融項目與非金融項目。新模式亦令實體得以利用內部產生之資料進行風險管理作為對沖會計之基準。根據香港會計準則第39號，必須使用專為入賬而設之指標顯示符合香港會計準則第39號規定之資格及遵守有關規定。新模式亦包括資格標準，但該等標準基於就對沖關係強度進行之經濟評估，此可利用風險管理數據釐定。相較於香港會計準則第39號之對沖會計內容，此應可降低實行成本，因其降低了僅為入賬所須進行之分析量。

香港財務報告準則第9號(2014年)將於2018年1月1日或之後開始之年度期間生效，且可提早應用。

本公司董事預計，日後採納香港財務報告準則第9號(2014年)可能影響本集團之業績及財務狀況(包括財務資產分類及計量)及披露。例如，本集團將須以適用於多種信貸風險之預期虧損減值模式取代香港會計準則第39號之已產生虧損減值模式。香港財務報告準則第9號亦將改變本集團分類及計量其財務資產之方式，及將要求本集團考慮財務資產之業務模式及合約現金流特點，以確定分類及後續計量。本公司董事正在評估該準則對綜合財務報表之影響。然而，在完成詳細檢討之前合理估計香港財務報告準則第9號(2014年)之影響並不切實可行。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

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

HKFRS 15 Revenue from Contracts with Customers

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Thus, HKFRS 15 introduces a model that applies to contracts with customers, featuring a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognised. The five steps are as follows:

- (i) Identify the contract with the customer;
- (ii) Identify the performance obligations in the contract;
- (iii) Determine the transaction price;
- (iv) Allocate the transaction price to the performance obligations; and
- (v) Recognise revenue when (or as) the entity satisfies a performance obligation.

HKFRS 15 also introduces extensive qualitative and quantitative disclosure requirements which aim to enable users of the financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 *Revenue*, HKAS 11 *Construction Contracts* and the related Ints when it becomes effective.

The directors of the Company anticipate that the application of HKFRS 15 in the future may have result in the identification of separate performance obligations which could affect the timing of the recognition of revenue. Certain costs incurred in fulfilling a contract which are currently expensed may need to be recognised as an asset under HKFRS 15. More disclosures relating to revenue are also required. The directors of the Company are in the process of assessing their impact on the consolidated financial statements. However, it is not practicable to provide a reasonable estimate of the effect of HKFRS 15 until a detail review is completed.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第15號客戶合約之收入

香港財務報告準則第15號之核心原則為實體應確認收入，以說明向客戶轉讓承諾貨品或服務，而該金額能反映該實體預期就交換該等貨品或服務有權獲得之代價。因此，香港財務報告準則第15號引入適用於客戶合約之模式，其特點為分五個步驟以合約為基準對交易進行分析以釐定是否確認收入、確認收入之金額及確認收入之時間。該五個步驟如下：

- (i) 識別與客戶訂立之合約；
- (ii) 識別合約中之履約責任；
- (iii) 釐定交易價；
- (iv) 將交易價分配至履約責任；及
- (v) 當（或隨着）實體完成履約責任時確認收入。

香港財務報告準則第15號亦引入大量定性及定量披露規定，旨在讓財務報表使用者了解自客戶合約產生之收益及現金流量之性質、金額、時間及不確定性。

香港財務報告準則第15號將於生效後取代現有之收益確認指引，包括香港會計準則第18號收入、香港會計準則第11號建築合約及相關詮釋。

本公司董事預計，日後應用香港財務報告準則第15號可能導致須識別獨立履約責任，其可能影響確認收入之時間。就履行合約所產生而現時已支銷的若干成本可能須根據香港財務報告準則第15號確認為資產，亦需要披露更多有關收入之資料。本公司董事正在評估該準則對綜合財務報表之影響。然而，在完成詳細檢討之前合理估計香港財務報告準則第15號之影響並不切實可行。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

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

HKFRS 16 Leases

HKFRS 16 provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessors and lessees.

In respect of the lessee accounting, the standard introduces a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases with the lease term of more than 12 months, unless the underlying asset has a low value.

At the commencement date of the lease, the lessee is required to recognise a right-of-use asset at cost, which consists of the amount of the initial measurement of the lease liability, plus any lease payments made to the lessor at or before the commencement date less any lease incentives received, the initial estimate of restoration costs and any initial direct costs incurred by the lessee. A lease liability is initially recognised at the present value of the lease payments that are not paid at that date.

Subsequently, the right-of-use asset is measured at cost less any accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of the lease liability. Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payment made, and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. Depreciation and impairment expenses, if any, on the right-of-use asset will be charged to profit or loss following the requirements of HKAS 16 *Property, Plant and Equipment*, while interest accrual on lease liability will be charged to profit or loss.

In respect of the lessor accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

HKFRS 16 will supersede the current lease standards including HKAS 17 *Leases* and the related Ints when it becomes effective.

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第16號租賃

香港財務報告準則第16號就識別租賃安排以及其於出租人及承租人財務報表之處理方式提供周詳模式。

就承租人入賬而言，該準則引入單一承租人入賬模式，規定承租人須就所有租期超過12個月之租賃確認資產及負債，除非相關資產之價值偏低。

承租人須於租賃開始時按成本確認使用權資產，包括租賃負債之初始計量金額，加開始日期或之前向出租人作出之任何租賃付款，減任何已收租賃優惠、修復成本之初步估計及承租人已產生之任何初始直接成本。租賃負債初步按租賃付款(非當日支付)之現值確認。

其後，使用權資產按成本減任何累計折舊及任何累計減值虧損計量，並就租賃負債任何重新計量作出調整。租賃負債其後之計量方式為提高賬面值以反映租賃負債之利息；減低賬面值以反映已作出之租賃付款及重新計量賬面值以反映任何重估或租賃修訂或反映已修訂實質固定之租賃付款。使用權資產之折舊及減值開支(如有)將依循香港會計準則第16號物業、廠房及設備之規定於損益扣除，而租賃負債之應計利息將於損益扣除。

就出租人入賬而言，香港財務報告準則第16號大致上沿用香港會計準則第17號之出租人入賬規定。因此，出租人繼續將其租賃分類為經營租賃或融資租賃，而兩類租賃各以不同方式入賬。

香港財務報告準則第16號將在生效時取代現有租賃準則，包括香港會計準則第17號租賃及相關詮釋。

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綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRS(s)”) (CONTINUED) HKFRS 16 Leases (continued)

HKFRS 16 will be effective for annual periods beginning on or after 1 January 2019 with early application permitted provided that the entity has applied HKFRS 15 *Revenue from Contracts with Customers* at or before the date of initial application of HKFRS 16. As at 31 March 2017, the Group has non-cancellable operating lease commitments of approximately HK\$3,077,000 as disclosed in note 35(b). A preliminary assessment indicates that these arrangements will meet the definition of a lease under HKFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of HKFRS 16. In addition, the application of new requirements may result changes in the measurement, presentation and disclosure as indicated above. The directors of the Company are in the process of assessing their impact on the consolidated financial statements. However, it is not practicable to provide a reasonable estimate of the effect until the Group performs a detailed review.

Amendments to HKAS 7 Disclosure Initiative

The amendments require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The amendments do not prescribe a specific method to fulfill the new disclosure requirements. However, the amendments indicate that one way is to provide a reconciliation between the opening and closing balances for liabilities arising from financing activities.

Amendments to HKAS 7 will become effective for annual periods beginning on or after 1 January 2017 with early application permitted.

The directors of the Company anticipate that the application of Amendments to HKAS 7 will result in additional disclosures on the Group's financing activities, especially reconciliation between the opening and closing balances in the consolidated statement of financial position for liabilities arising from financing activities will be provided on application.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續） 香港財務報告準則第16號租賃（續）

香港財務報告準則第16號將於2019年1月1日或之後開始之年度期間生效，可提早應用，前提為實體須於香港財務報告準則第16號初步應用當日或之前已應用香港財務報告準則第15號客戶合約之收入。於2017年3月31日，本集團有為數約3,077,000港元之不可撤銷經營租賃承擔（如附註35(b)所披露）。初步評估顯示該等安排將符合香港財務報告準則第16號有關租賃之定義，故本集團將於應用香港財務報告準則第16號時就該等租賃確認使用權資產及相應負債，除非價值偏低或屬短期租賃。此外，應用新規定可能導致上文所示之計量、呈列及披露有所改變。本公司董事正在評估該準則對綜合財務報表之影響。然而，在本集團完成詳細檢討之前合理估計有關影響並不切實可行。

香港會計準則第7號披露計劃之修訂本

該等修訂要求實體提供使財務報表使用者能夠評估融資活動所產生負債變動之披露資料，包括現金流量產生之變動及非現金變動。該等修訂並無指定符合新披露規定之方法。然而，該等修訂指出其中一個方法為提供融資活動所產生負債之期初與期末結餘之對賬。

香港會計準則第7號之修訂本將於2017年1月1日或之後開始之年度期間生效，可提早應用。

本公司董事預料應用香港會計準則第7號之修訂本將導致須就本集團之融資活動作出更多披露，尤其須於應用時就融資活動產生之負債在綜合財務狀況表中提供期初與期末結餘之對賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

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

The consolidated financial statements have been prepared on the historical cost basis, except for investment properties, investment properties under construction and financial assets at fair value through profit or loss, which are measured at fair values.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principal (or most advantageous) market at the measurement date under current market condition (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. Details of fair value measurement are explained in the accounting policies set out below.

The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (i.e. its subsidiaries). If a subsidiary prepares its financial statements using accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that subsidiary's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

Control is achieved where the Group has: (i) the power over the investee; (ii) exposure, or rights, to variable returns from its involvement with the investee; and (iii) the ability to use its power over the investee to affect the amount of the Group's returns.

4. 主要會計政策

綜合財務報表已根據香港會計師公會頒佈之香港財務報告準則而編製。此外，綜合財務報表亦包括聯交所證券上市規則（「上市規則」）及香港公司條例之披露規定所適用披露事項。

綜合財務報表乃根據歷史成本法編製，惟按公允值計算之投資物業、在建投資物業及通過損益按公允值列賬之財務資產除外。

歷史成本一般以就換取商品及服務所付出的代價的公允值為基準。

公允值是指市場參與者之間於當前市況下在一個主要（或最有利）之市場在計量日期進行的有序交易中出售資產所收取的價格或轉移負債所支付的價格（即平倉價），無論該價格是直接觀察到的結果還是採用其他估值技術作出的估計。公允值計量詳情載述於下文會計政策內。

主要會計政策載列如下。

綜合基準

綜合財務報表包括本公司及本公司所控制實體（即其附屬公司）的財務報表。倘附屬公司根據綜合財務報表中就類似情況下之類似交易及事件所採納者以外之會計政策編製其財務報表，則須於編製綜合財務報表時就該附屬公司之財務報表作出適當調整，以確保與本集團之會計政策貫徹一致。

當本集團(i)可對投資對象行使權力；(ii)承擔或享有參與投資對象之可變回報之風險或權利；及(iii)可對投資對象行使權力影響本集團之回報金額，則對其有控制權。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of consolidation (continued)

The Company reassess whether it controls an investee if facts and circumstances indicate that there are changes to one or more of these elements of control stated above.

Consolidation of a subsidiary begins when the Group obtains control of the subsidiary and cease when the Group loses control of the subsidiary.

Income and expenses of subsidiaries are included in the consolidated statement of profit or loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income of subsidiaries are attributed to equity holders of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to equity holders of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group are eliminated in full on consolidation.

Business combination

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

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

4. 主要會計政策(續)

綜合基準(續)

倘有事件及情況顯示該等控制權之一項或多項因素出現變動，本公司會重估是否控制投資對象。

當本集團取得附屬公司之控制權，則該附屬公司綜合入賬，直至本集團失去對該附屬公司之控制權為止。

附屬公司的收入及支出自本集團取得控制權當日起計入綜合損益表，直至本集團不再控制該附屬公司為止。

附屬公司損益及其他全面收益的各個項目由本公司股東及非控股權益分佔。附屬公司的全面收益總額由本公司股東及非控股權益分佔，即使此舉會導致非控股權益出現虧絀。

有關本集團實體間之交易的所有集團內公司間資產及負債、權益、收入、支出及現金流量均於綜合賬目時全數對銷。

業務合併

業務合併採用收購法入賬。於業務合併轉撥之代價按公允值計量，即本集團對收購對象原擁有人所轉讓之資產、所承擔之負債與本集團交換收購對象控制權所發行之股權於收購日期之公允值總和。業務合併產生之收購相關成本於產生時於損益確認。

於收購日期，所收購可識別資產及所承擔負債按公允值確認。

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綜合財務報表附註

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Business combination (continued)

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

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

Investments in an associate

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.

The Group's investment in an associate is accounted for in the consolidated financial statements using the equity method. Under the equity method, investment in an associate is initially recognised at cost. The Group's share of the profit or loss and changes in the other comprehensive income of the associate is recognised in profit or loss and other comprehensive income respectively after the date of acquisition. If the Group's share of loss of an associate equals or exceeds its interest in an associate, which determined using the equity method together with any long-term interest that, in substance, form part of the Group's net investment in the associate, the Group discontinues recognising its share of further loss.

4. 主要會計政策(續)

業務合併(續)

商譽以所轉撥之代價、任何非控股權益於收購對象中所佔金額及本集團以往持有收購對象權益之公允值之總和，減所收購可識別資產及所承擔負債於收購日期之淨額後，所超出的差額計值。倘經過重估後，所收購可識別資產與所承擔負債於收購日期之淨額高於轉撥之代價、任何非控股權益於收購對象所佔金額及收購方以往持有收購對象權益的公允值之總和，則差額即時於損益內確認為議價收購收益。

倘業務合併分階段達成，本集團以往所持的收購對象權益於收購日期(即本集團取得控制權當日)按公允值重新計量，所產生的盈虧(如有)在損益內確認。倘出售於收購對象的權益，則以往在其他全面收益中確認的從該等權益於收購日期前產生的金額重新分類至損益(若此處理方法合適)。

於聯營公司之投資

聯營公司為本集團對其具有重大影響力的實體。重大影響力指可參與投資對象之財務及營運決策的權力，惟對該等政策並無控制權或共同控制權。

本集團於聯營公司之投資採用權益法在綜合財務報表內入賬。根據權益法，於聯營公司之投資初步按成本確認。本集團分佔聯營公司損益及其他全面收益之變動於收購日期後分別於損益及其他全面收益內確認。若本集團分佔聯營公司之虧損相等於或超出其於該聯營公司之權益(以權益法釐定，連同任何長期權益實質上屬於本集團於該聯營公司之投資淨額)，則本集團取消確認分佔之進一步虧損。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments in an associate (continued)

If an associate uses accounting policies other than those of the Group for like transactions and events in similar circumstances, adjustments are made to make the associate's accounting policies conform to those of the Group when the associate's financial statements are used by the Group in applying the equity method.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate.

After application of the equity method, including recognising the associate's loss (if any), the Group determines whether it is necessary to recognise any additional impairment loss with respect to its investment in the associate. The entire carrying amount of the investment is tested for impairment as a single asset by comparing its recoverable amount (higher of value-in-use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment in the associate. Any reversal of that impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

Gains and losses resulting from transactions between the Group and its associate are recognised in consolidated financial statements only to the extent of unrelated investors' interests in the associate. The Group's share in the associate's gain or loss resulting from these transactions is eliminated.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for sales of properties and services rendered in the normal course of business, net of discounts and sales related taxes.

Revenue from sales of properties

Revenue from sales of properties is recognised when risks and rewards related to the properties are transferred to purchasers, which is when the construction of relevant properties has been completed, title to the properties has been delivered to the purchasers and collectability of related receivables is reasonably assured. Revenue is recognised only to the extent collectability of such receivable is reasonably assured. Deposits and instalments received from purchasers prior to meeting the above criteria for revenue recognition are included in the consolidated statement of financial position under current liabilities.

4. 主要會計政策(續)

於聯營公司之投資(續)

倘聯營公司使用的會計政策有別於本集團於類似情況下就類似交易及事件所採納者，則在本集團應用權益法過程中使用聯營公司財務報表時，會調整聯營公司之會計政策，以與本集團之會計政策貫徹一致。

於投資對象成為聯營公司當日，於聯營公司之投資採用權益法入賬。

應用權益法後並且確認聯營公司之虧損(如有)，本集團決定是否須就其於聯營公司之投資確認任何額外減值虧損。投資的全部賬面值作為單一資產進行減值測試，方式為比較其可收回金額(使用價值與公允值減出售成本之較高者)與其賬面值。任何已確認減值虧損均為於聯營公司之投資賬面值之一部分。有關減值虧損之任何撥回於該項投資可收回金額其後增加時確認。

本集團與其聯營公司進行交易所得之損益，僅於屬與該聯營公司並無關連之投資者權益的情況下，方會在綜合財務報表確認。本集團分佔聯營公司來自該等交易之損益予以對銷。

收入確認

收入按於日常業務過程中出售物業及提供服務而已收或應收代價之公允值(扣除折扣及銷售相關稅項)計量。

銷售物業之收入

銷售物業的收入在物業的風險及回報已轉移至買家時，即相關物業的施工已完成及物業所有權已交付予買家且相關應收賬款的可收回性能合理保證時確認。收入僅按有關應收賬款的可收回性能合理保證的程度確認。於達到以上收益確認條件前自買家收取的按金及分期付款均計入綜合財務狀況表的流動負債項下。

Notes to the Consolidated Financial Statements

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For the year ended 31 March 2017 截至2017年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition (continued)

Revenue from leasing of investment properties

Rental income under operating leases is recognised in the period in which the properties are let out and on a straight-line basis over the term of the relevant lease.

Property management income

Property management income is recognised when the services are rendered.

Others

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

Dividend income from investments is recognised when the rights to receive payments have been established.

Leasing

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

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease.

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the term of the relevant lease.

4. 主要會計政策(續)

收入確認(續)

租賃投資物業之收入

經營租賃項下租金收入於物業租出時於相關租賃期限內按直線法確認。

物業管理收入

物業管理收入於提供服務時確認。

其他

財務資產之利息收益於經濟利益有可能流入本集團且收益金額能可靠計量時確認。利息收益按時間比例入賬，參考尚未償還本金額按適用實際利率計算。適用實際利率指將估計日後所得現金按財務資產預計年期準確貼現至資產於初步確認時的賬面淨值的利率。

投資的股息收入於收取股息的權利獲確立時予以確認。

租賃

當租賃條款將擁有權絕大部分風險及回報轉移至承租人時，該等租賃分類為融資租賃。所有其他租賃均分類為經營租賃。

本集團作為出租人

經營租賃之租金收入於相關租賃期限內按直線法於損益中確認。

本集團作為承租人

經營租賃付款按相關租賃年期以直線法確認為支出。

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綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leasing (continued)

Leasehold land and building

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as prepaid lease payments in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis except for those that are classified and accounted for as investment properties under the fair value model. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing at the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

4. 主要會計政策(續)

租賃(續)

租賃土地及樓宇

倘若租賃包括土地及樓宇部分，本集團根據對各部分之擁有權附帶之絕大部分風險及回報是否已轉讓予本集團之評估，分別將各部分的分類評定為融資或經營租賃，除非兩個部分明顯均為經營租賃，則整份租賃歸類為經營租賃。具體而言，最低租賃付款(包括任何一筆過預付款項)於租賃訂立時按租賃土地部分及樓宇部分中的租賃權益相對公允值比例於土地及樓宇間分配。

倘租賃付款能可靠分配，則以經營租賃入賬的租賃土地權益在綜合財務狀況表中列為預付租賃付款，且於租期內按直線法攤銷，惟按照公允值模式獲分類及入賬為投資物業者則除外。倘若租賃付款無法於土地及樓宇部分間可靠分配時，則整份租賃通常分類為融資租賃，並入賬列作物業、廠房及設備。

外幣

編製個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣(外幣)所進行之交易乃以相關功能貨幣(即實體經營所在主要經濟環境之貨幣)按交易當日之現行匯率記錄。於報告期結算日，以外幣列值之貨幣項目乃按釐定公允值當日之當時匯率重新換算。以外幣歷史成本計量之非貨幣項目則不予重新換算。

因結算貨幣項目及重新換算貨幣項目而產生之匯兌差額，於其產生期間在損益內確認。

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綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign currencies (continued)

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HK\$) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the year. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange reserve (attributed to non-controlling interests as appropriate).

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

Fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation are treated as assets and liabilities of that foreign operation and retranslated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

Borrowing costs

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

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

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

The government subsidies granted by the PRC local government that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised as other income in the period in which they become receivable.

4. 主要會計政策(續)

外幣(續)

就呈列綜合財務報表而言，本集團之境外業務資產及負債按報告期結算日之當時匯率換算為本集團之呈列貨幣港元。收入及開支按年內之平均匯率換算。所產生之匯兌差額(如有)於其他全面收益確認並於權益下以匯兌儲備累計(於適當時撥作非控股權益)。

於出售境外業務(即出售本集團境外業務全部權益或涉及失去對一間附屬公司(包括境外業務)的控制權的出售)，就本公司股東應佔該業務而於權益累計的全部匯兌差額則重新分類至損益。

因收購境外業務而產生之可識別資產之公允值調整乃視作該境外業務之資產與負債，並按每個報告期結算日當時之匯率換算。所產生之匯兌差額於其他全面收益中確認。

借貸成本

收購、建造或生產合資格資產(即需要一段長時間方可作擬定用途或出售)直接應佔之借貸成本，加入該等資產的成本，直至資產大致上可作擬定用途或出售之時為止。

所有其他借貸成本均在產生期內之損益內確認。

政府補助

在合理地保證本集團會遵守政府補助的附帶條件以及將會得到補助後，政府補助方會予以確認。

中國地方政府授出作為補償支出或虧損而已產生之應收取或為了給予本集團即時財務支持而無日後相關成本之政府補助，於其應收取期間在損益中確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Retirement benefits cost

Payments to defined contribution plans including state-managed retirement benefit schemes and the Mandatory Provident Fund Scheme (the "MPF Scheme") are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Taxation

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

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

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

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

4. 主要會計政策(續)

退休福利成本

若員工提供服務且有權獲得供款時，向包括國家管理的退休福利計劃及強制性公積金計劃(「強積金計劃」)在內之定額供款計劃付款確認為開支。

短期僱員福利

僱員有關工資及薪金、年假及病假之應計福利乃於提供有關服務期間，按預期將就換取該服務而支付之未貼現福利金額確認負債。

稅項

所得稅開支指即期應付稅項與遞延稅項之總和。

即期應付稅項按年內應課稅溢利計算。由於應課稅溢利不包括其他年度之應課稅或可扣稅收支項目，亦不包括永遠毋須課稅或不可扣稅項目，故有別於綜合損益表所呈報之「除稅前(虧損)溢利」。本集團之即期稅項負債按報告期結算日前已實施或已實質實施之稅率計算。

遞延稅項按綜合財務報表中資產及負債之賬面值與計算應課稅溢利所用相應稅基間之暫時差額確認。遞延稅項負債一般就所有應課稅暫時差額確認。遞延稅項資產則一般就所有可扣稅暫時差額確認，直至應課稅溢利可用作抵銷該等可扣稅暫時差額。倘初步確認交易(業務合併除外)之其他資產及負債所產生之暫時差額並不影響應課稅溢利或會計溢利，則該等遞延資產及負債不予確認。

遞延稅項負債按與於附屬公司之投資相關之應課稅暫時差額確認，惟倘本集團可控制撥回暫時差額及暫時差額可能不會於可見將來撥回則除外。因與該等投資有關之可扣稅暫時差額而產生之遞延稅項資產，僅於可能有足夠應課稅溢利用作抵銷暫時差額利益且預期將於可見將來撥回時方予確認。

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綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation (continued)

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

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

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

For the purposes of measuring deferred tax liabilities or deferred tax assets for investment properties and investment properties under construction that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property or investment property under construction is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property or investment property under construction over time, rather than through sale. The directors of the Company reviewed the Group's investment property portfolios and concluded that none of the Group's investment properties or investment properties under construction are held under a business model whose objective is to consume substantially all of the economic benefits embodied in investment properties or investment properties under construction over time, rather than through sale. Therefore, the directors of the Company have determined that the "sale" presumption set out in the amendments to HKAS 12 is not rebutted. As a result, the Group has recognised the deferred taxes on changes in fair values of the investment properties or investment properties under construction as the Group is subject to land appreciation tax on the fair values changes of the investment properties or investment properties under construction on disposal.

Current and deferred tax are recognised in profit or loss.

4. 主要會計政策(續)

稅項(續)

遞延稅項資產之賬面值於報告期結算日進行檢討，並於不再可能有足夠應課稅溢利可用於收回所有或部分資產時作出相應扣減。

遞延稅項資產及負債以報告期結算日前已實施或已實質實施之稅率(及稅法)為基準，按預期於結償該負債或變現該資產期間適用之稅率計量。

遞延稅項負債及資產之計量反映本集團於報告期結算日預期收回或結償其資產及負債賬面值之方式所導致之稅務後果。

就計量遞延稅項負債或遞延稅項資產而言，利用公允值模式計量的投資物業或在建投資物業之賬面值乃假設通過銷售全數收回，除非該假設被推翻則除外。當投資物業或在建投資物業可予折舊及於本集團的業務模式(其業務目的是隨時間而非透過銷售消耗投資物業或在建投資物業所包含的絕大部分經濟利益)內持有時，有關假設會被推翻。本公司董事已審閱本集團之投資物業組合，並推斷本集團之投資物業或在建投資物業概無根據商業模式持有，而該商業模式之目的乃隨時間而非透過銷售消耗投資物業或在建投資物業所包含的絕大部分經濟利益。因此，本公司董事認為在香港會計準則第12號之修訂本所轉載之「出售」假設並未被推翻。因此，本集團已於投資物業或在建投資物業公允值變動中確認遞延稅項，此乃由於本集團須於出售時就投資物業或在建投資物業公允值變動繳付土地增值稅。

即期及遞延稅項於損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment properties and investment properties under construction

Investment properties are properties held to earn rentals and/or for capital appreciation (including investment properties under construction for such purpose). Investment properties include land held for undetermined future use, which is regarded as held for capital appreciation purpose.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values. Gains or loss arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

Construction costs incurred for investment properties under construction are capitalised as part of the carrying amount of the investment properties under construction.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the investment property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the property is derecognised.

If a property held for sale becomes an investment property when there is a change in use, as evidenced by commencement of an operating lease to another party, any difference between the carrying amount and the fair value of that property at that date of transfer is recognised in profit or loss.

4. 主要會計政策(續)

投資物業及在建投資物業

投資物業為持作賺取租金及／或資本增值(包括作此用途之在建投資物業)之物業。投資物業包括所持尚未確定未來用途之土地，有關土地被視為持作資本增值用途。

投資物業初步按成本計量，包括任何直接應佔開支。於初步確認後，投資物業按其公允值計量。投資物業公允值變動所產生收益或虧損計入產生期間之損益。

在建投資物業所產生建築成本撥充資本，構成在建投資物業賬面值之一部分。

當投資物業獲出售或永久停止使用及預期不會因其出售而獲得未來經濟利益時，取消確認投資物業。任何因取消確認投資物業而產生之收益或虧損(按出售所得款項淨額與該資產賬面值間之差額計算)於取消確認該物業之期間計入損益。

倘持作出售物業於用途改變時成為投資物業(以對另一方之經營租賃開始為依據)，則該物業於轉撥日期之賬面值與公允值間之任何差額於損益確認。

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綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, plant and equipment

Property, plant and equipment including held for administrative purposes, other than construction in progress, are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is recognised so as to allocate the cost of items of property, plant and equipment, other than construction in progress, less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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

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

Building under development for future owner-occupied purpose

When building as included in construction in progress is in the course of development for production of services, the amortisation of prepaid lease payments provided during the construction period is included as part of costs of construction in progress.

4. 主要會計政策(續)

物業、廠房及設備

物業、廠房及設備(包括持作行政用途之物業、廠房及設備,但不包括在建工程)於綜合財務狀況表按成本減其後累計折舊及其後累計減值虧損(如有)列賬。

確認折舊旨在就物業、廠房及設備(不包括在建工程)項目採用直線法按其估計可使用年期分配其成本減其剩餘價值。估計可使用年期、剩餘價值以及折舊方法於各報告期結算日進行檢討,任何估計變動影響均按前瞻基準入賬。

用作提供服務之在建物業按成本減任何已確認減值虧損列賬。成本包括專業費用及(就合資格資產而言)根據本集團會計政策撥充資本之借貸成本。該等物業於竣工及可供作擬定用途時分類為物業、廠房及設備之適當類別。該等資產按與其他物業資產相同之基準於資產可供作其擬定用途時開始計提折舊。

物業、廠房及設備項目於出售時或當預期不會因繼續使用該資產而產生任何未來經濟利益時取消確認。任何因出售或物業、廠房及設備項目報廢而產生之收益或虧損釐定為出售所得款項與該資產賬面值間之差額,並於損益確認。

作未來自用之發展中樓宇

當在建工程所包括樓宇在為提供服務用途而發展時,於建築期內計提之預付租賃款項攤銷撥備計入作為在建工程成本之一部分。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Prepaid lease payments

Prepaid lease payments represent up-front payments to acquire land use rights under operating lease arrangement and are stated in the consolidated financial statements at cost less subsequent accumulated amortisation and subsequent accumulated impairment losses, if any.

Properties under development

Properties that are being constructed or developed for future use as held-for-sales are classified as properties under development and stated at the lower of cost and net realisable value. Net realisable value is determined by reference to the expected sale proceeds of properties sold in the ordinary course of business, less applicable variable selling expenses and the anticipated costs to completion, or by management estimates based on prevailing marketing conditions.

Development cost of property comprises construction costs, borrowing costs capitalised and professional fees incurred during the development period. On completion, the properties under development are transferred to completed properties held for sale.

Properties under development are classified as current assets when the construction of the relevant properties commences.

Completed properties held for sale

Completed properties remaining unsold at the end of the year are stated at the lower of cost and net realisable value.

Cost comprises development costs attributable to the unsold properties.

Net realisable value is determined by reference to the sale proceeds of properties sold in the ordinary course of business, less applicable variable selling expenses, or by management estimates based on prevailing marketing conditions.

Cash and cash equivalents

In the consolidated statement of financial position and consolidated statement of cash flows, cash and cash equivalents include cash at banks and on hand and demand deposits with a maturity of three months or less.

4. 主要會計政策(續)

預付租賃款項

預付租賃款項指用以收購經營租賃安排項下之土地使用權之預付款項，於綜合財務報表中按成本減其後累計攤銷及其後累計減值虧損(如有)列賬。

發展中物業

正就未來作持作出售用途而建築或發展之物業分類為發展中物業，按成本與可變現淨值兩者之較低者列賬。可變現淨值乃參照於日常業務過程中所出售物業之預期出售所得款項，減適用可變出售開支及完成之預計成本，或按管理層根據現行市況所作估計釐定。

物業發展成本包括發展期間所產生建築成本、已撥充資本之借貸成本及專業費用。完成時，發展中物業轉撥至持作出售之竣工物業。

發展中物業於有關物業開始施工時分類為流動資產。

持作出售之竣工物業

於年末仍未出售之竣工物業按成本與可變現淨值兩者之較低者列賬。

成本包括未出售物業應佔發展成本。

可變現淨值乃參照於日常業務過程中所出售物業之出售所得款項，減適用可變出售開支，或按管理層根據現行市況所作估計釐定。

現金及等同現金

綜合財務狀況表及綜合現金流量表中之現金及等同現金包括銀行及手頭現金以及到期日為三個月或以內之往來存款。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments

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

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

Financial assets

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

Effective interest method

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

Interest income is recognised on an effective interest basis for debt instruments.

4. 主要會計政策(續)

金融工具

倘集團實體成為金融工具合約條文之訂約方，則於綜合財務狀況表確認財務資產及財務負債。

財務資產及財務負債初步按公允值計量。因收購或發行財務資產及財務負債(通過損益按公允值列賬(「通過損益按公允值列賬」)之財務資產除外)而直接產生之交易成本於初步確認時計入財務資產或財務負債(如適用)之公允值或自財務資產或財務負債(如適用)之公允值扣除。因收購通過損益按公允值列賬之財務資產而直接產生之交易成本即時於損益確認。

財務資產

本集團之財務資產分類為通過損益按公允值列賬之財務資產或貸款及應收賬款。分類視乎財務資產之性質及用途於初步確認時釐定。所有日常買賣之財務資產於交易日確認及取消確認。日常買賣指須於根據市場規則或慣例訂立之時限內交付資產之財務資產買賣。

實際利率法

實際利率法為計算債務工具之攤銷成本及按有關期間攤分利息收入之方法。實際利率為確切貼現債務工具之預計年期或(如適用)較短期間，估計未來現金收入(包括已支付或收取並構成實際利率之組成部分之所有費用及點數、交易成本及其他溢價或折讓)至初步確認時之賬面淨值之利率。

就債務工具而言，利息收入按實際利率基準確認。

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綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Financial assets at FVTPL

Financial assets at FVTPL includes financial assets held for trading.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial assets at FVTPL are measured at fair value, with changes in fair value arising from remeasurement recognised directly in profit or loss in the period in which they arise. The fair value change in financial assets at FVTPL are included in other gains.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including deposits and trade and other receivables, restricted bank balance and cash and cash equivalents) are measured at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment loss on financial assets below).

Impairment loss on financial assets

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

4. 主要會計政策(續)

金融工具(續)

財務資產(續)

通過損益按公允值列賬之財務資產

通過損益按公允值列賬之財務資產包括持作買賣財務資產。

財務資產分類為持作買賣，倘：

- 收購該資產時主要旨在於近期出售；或
- 該資產於初步確認時屬本集團共同管理之已識別金融工具組合其中一部分，且具備短期獲利之近期實際模式；或
- 該資產並非指定及有效作為對沖工具之衍生工具。

通過損益按公允值列賬之財務資產按公允值計量，因重新計量而產生之公允值變動直接在所產生期間於損益確認。通過損益按公允值列賬之財務資產公允值變動計入其他收入。

貸款及應收賬款

貸款及應收賬款為並非於活躍市場報價並且具有固定或可釐定付款之非衍生財務資產。於初步確認後，貸款及應收賬款(包括按金、應收貨款及其他應收賬款、受限制銀行存款以及現金及等同現金)乃採用實際利率法按攤銷成本扣除任何已識別減值虧損計量(請參閱下文有關財務資產減值虧損之會計政策)。

財務資產減值虧損

除通過損益按公允值列賬之財務資產外，財務資產於各報告期結算日就減值跡象進行評估。如有客觀證據顯示，由於初步確認財務資產後發生一項或多項事件，以致財務資產之估計未來現金流量受到影響，則有關財務資產被視為予以減值。

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綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Impairment loss on financial assets (continued)

For loans and receivables, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest and principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

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

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

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

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

4. 主要會計政策(續)

金融工具(續)

財務資產(續)

財務資產減值虧損(續)

就貸款及應收賬款而言，減值之客觀證據可包括：

- 發行人或交易對手出現重大財政困難；或
- 違約，例如逾期或拖欠償還利息及本金；或
- 借款人有可能面臨破產或財務重組。

就若干類別之財務資產(例如應收貨款及其他應收賬款)而言，並未評估為個別減值之資產另外按整體基準進行減值評估。應收賬款組合之客觀減值證據可包括本集團之過往收款經驗、組合內延遲還款超逾平均信貸期之次數增加，以及與應收賬款逾期有關之全國或地方經濟狀況明顯改變。

就按攤銷成本列賬之財務資產而言，所確認減值虧損金額按資產賬面值與按財務資產原實際利率貼現之估計日後現金流量現值間之差額計量。

所有財務資產之賬面值均按財務資產之減值虧損直接扣減，惟應收貨款、按金及其他應收賬款除外，其賬面值會透過使用撥備賬作出扣減。撥備賬內之賬面值變動會於損益中確認。如應收貨款、按金或其他應收賬款被視為不可收回，其將於撥備賬內撇銷。其後撥回之先前已撇銷款項均計入損益。

就按攤銷成本計量之財務資產而言，倘在其後期間，減值虧損金額減少，而有關減少在客觀上與確認減值虧損後發生之事件有關，則先前已確認之減值虧損將透過損益撥回，惟該資產於減值被撥回當日之賬面值不得超過未確認減值時之攤銷成本。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial liabilities and equity instruments

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

Equity instruments

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

Financial liabilities

Financial liabilities, including trade and other payables, bank and other borrowings and promissory notes, are subsequently measured at the amortised cost, using the effective interest method.

Effective interest method

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

Interest expense is recognised on an effective interest basis.

4. 主要會計政策(續)

金融工具(續)

財務負債及權益工具

集團實體發行之債務及權益工具乃根據合約安排之內容以及財務負債及權益工具之定義分類為財務負債或權益。

權益工具

權益工具為任何證明實體於扣除其所有負債後之資產剩餘權益之合約。本公司發行之權益工具乃按所收取款項(扣除直接發行成本)入賬。

財務負債

財務負債(包括應付貸款及其他應付賬款、銀行及其他借貸以及承兌票據)其後採用實際利率法按攤銷成本計量。

實際利率法

實際利率法為計算財務負債之攤銷成本及按有關期間攤分利息開支之方法。實際利率為確切貼現財務負債之預計年期或(如適用)較短期間,估計未來現金付款(包括已支付或收取並構成實際利率組成部分之所有費用及點數、交易成本及其他溢價或折讓)至初步確認時之賬面淨值之利率。

利息開支按實際利率基準確認。

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For the year ended 31 March 2017 截至2017年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

A financial guarantee contract issued by the Group and not designated as at FVTPL is recognised initially at its fair value less transaction costs that are directly attributable to the issue of the financial guarantee contract. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of obligation under the contract, as determined in accordance with HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets*; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the revenue recognition policy.

Derecognition

A financial asset is derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

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

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

4. 主要會計政策(續)

金融工具(續)

財務擔保合約

財務擔保合約為規定發行人須向因特定債務人未能根據債務工具之原有或經修訂條款支付到期款項而蒙受損失之持有人償付特定款項之合約。

本集團所發出並非指定為通過損益按公允值列賬之財務擔保合約，初步按其公允值減因發出財務擔保合約而直接產生之交易成本確認。於初步確認後，本集團按下列各項之較高者計量財務擔保合約：(i)根據香港會計準則第37號撥備、或然負債及或然資產釐定之合約項下債務金額；及(ii)初步確認金額減(如適用)根據收入確認政策確認之累計攤銷。

取消確認

僅於資產現金流量之合約權利屆滿時，或在其將財務資產以及資產所有權絕大部分風險及回報轉讓予另一實體時，方會取消確認財務資產。

完全取消確認財務資產時，資產賬面值與已收及應收代價總額以及於其他全面收益確認之累計收益或虧損之差額於損益確認。

本集團僅於其責任獲解除、註銷或屆滿時方會取消確認財務負債。所取消確認財務負債之賬面值與已付及應付代價間之差額於損益確認。

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綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Share-based payment transactions

Equity-settled share-based payment transactions

Share options granted to directors and employees

The fair value of services received determined by reference to the fair value of share options granted at the date of grant is expensed on a straight-line basis over the vesting period/recognised as an expense in full at the grant date when the share options granted vest immediately, with a corresponding increase in equity (share option reserve).

At the end of the reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the original estimates during the vesting period, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share option reserve.

When share options are exercised, the amount previously recognised in share option reserve will be transferred to share premium.

Impairment losses on tangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating unit, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or the cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

4. 主要會計政策(續)

以股份為基準之付款交易

股權結算以股份為基準之付款交易

授予董事及僱員之購股權

參照已授出購股權於授出日期之公允值釐定之已獲取服務之公允值，按直線法於歸屬期支銷／當已授出購股權即時歸屬時於授出日期全數確認為開支，並確認相應增加之權益(購股權儲備)。

於報告期結算日，本集團修訂其對預期最終歸屬購股權數目之估計。於歸屬期修訂原有估計之影響(如有)於損益確認，以使累計開支反映經修訂估計，並於購股權儲備確認相應調整。

倘購股權獲行使，先前已於購股權儲備確認之金額將轉撥至股份溢價。

有形資產減值虧損

於報告期結算日，本集團檢討其有形資產之賬面值，從而釐定是否存在任何跡象顯示該等資產已產生減值虧損。倘存在有關跡象，則估計資產之可收回金額以釐定減值虧損(如有)之程度。倘無法估計個別資產之可收回金額，則本集團估計該資產所屬現金產生單位之可收回金額。倘有可識別之合理一致分配基準，公司資產亦會分配至個別現金產生單位，或分配至有可識別之合理一致分配基準之現金產生單位之最小組別。

可收回金額為公允值減出售成本及使用價值兩者間之較高者。評估使用價值時，採用反映當前市場對貨幣時間價值及未經調整估計未來現金流量之資產所涉及特定風險之評估之除稅前貼現率，將估計未來現金流量貼現至其現值。

倘估計資產(或現金產生單位)之可收回金額低於其賬面值，則該資產(或現金產生單位)之賬面值應扣減至其可收回金額。減值虧損即時於損益確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment losses on tangible assets (continued)

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

Fair value measurement

When measuring fair value except for the Group's leasing transaction, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Specially, the Group categorised the fair value measurements into three levels, based on the characteristics of inputs, as follows:

- | | | |
|---------|---|--|
| Level 1 | — | Quoted (unadjusted) market prices in active markets for identical assets or liabilities. |
| Level 2 | — | Valuation technique for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable. |
| Level 3 | — | Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. |

At the end of the reporting period, the Group determines whether transfer occur between levels of the fair value hierarchy for assets and liabilities which are measured at fair value on recurring basis by reviewing their respective fair value measurement.

4. 主要會計政策(續)

有形資產減值虧損(續)

倘其後撥回減值虧損，則該資產(或現金產生單位)之賬面值將調升至其修訂後之估計可收回金額，惟所增加之賬面值數額不得超過於過往年度未就該資產(或現金產生單位)確認減值虧損情況下所應釐定之賬面值。減值虧損撥回即時確認為收益。

公允值計量

除本集團之租賃交易外，倘市場參與者於計量日期釐定資產或負債價格時會考慮資產或負債之特徵，則本集團於計量資產或負債之公允值時會考慮該等特徵。

非財務資產之公允值計量計及市場參與者透過按資產之最高及最佳用途使用該資產或透過向其他會按資產之最高及最佳用途使用該資產之市場參與者出售該資產而產生經濟利益之能力。

本集團採用可獲得足夠數據計量公允值之適當估值技術，盡量使用有關可觀察輸入數據並盡可能減少使用不可觀察輸入數據。具體而言，本集團根據輸入數據之特徵將公允值計量分類為三個層級如下：

- | | | |
|-----|---|----------------------------------|
| 第1層 | — | 相同資產或負債於活躍市場所報市價(未經調整)。 |
| 第2層 | — | 可直接或間接觀察對公允值計量屬重要之最低層級輸入數據之估值技術。 |
| 第3層 | — | 無法觀察對公允值計量屬重要之最低層級輸入數據之估值技術。 |

於報告期結算日，本集團透過審閱按經常性基準計量公允值之資產及負債各自之公允值計量，釐定其公允值層級之間是否發生轉撥。

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5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 4, the directors of the Company are required to make judgements, estimates and assumptions about the amounts of assets, liabilities, revenue and expenses reported and disclosures made in the consolidated financial statements. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical judgement in applying the accounting policies

The followings are the critical judgements, apart from those involving estimations (see below), that the directors of the Company have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised and disclosures made in the consolidated financial statements.

5. 關鍵會計判斷和估計不確定因素之主要來源

在應用本集團之會計政策(見附註4概述)時,本公司董事須就綜合財務報表所呈報及披露資產、負債、收入及開支金額作出判斷、估計和假設。估計和有關假設乃基於其過往經驗和其他被認為相關之因素。實際結果與預計可能出現誤差。

估計和有關假設將持續予以檢討。對會計估計作出之修訂如只影響該修訂之期間,則會於對估計作出修訂之期間確認,如影響現時及將來之期間,則同時於修訂期間及將來期間確認。

應用會計政策時的關鍵判斷

以下為本公司董事應用本集團會計政策過程中所作出且對於綜合財務報表確認及披露之金額構成最重大影響之關鍵判斷(不包括該等所涉及之估計,見下文)。

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5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Critical judgments in applying the accounting policies (continued)

Going concern consideration

The assessment of the going concern assumptions involves making judgements by the directors of the Company, at a particular point of time, about the future outcome of events and conditions which are inherently uncertain. The directors of the Company believe that the liquidity of the Group can be maintained in the coming twelve months from the end of the reporting period after taking into the considerations as detailed in note 2. The directors of the Company also believe that the Group will have sufficient cash resources to satisfy its future working capital and other financing requirements for the next twelve months from 31 March 2017.

Acquisition of entire equity interests in Gloryear Investments Limited and its subsidiaries (the "Gloryear Group")

The directors of the Company determines whether acquisition of the Gloryear Group as disclosed in note 39 should be accounted for as a business combination under HKFRS 3 or an asset acquisition by assessing if there are economic resources or business process associated with the Gloryear Group. A business is a group of assets that includes inputs, outputs and processes that are capable of being managed together for providing a return to investors or other economic benefits. Not all of the elements need to be present for the group of assets to be considered as a business and this determination involves judgement. If the group of assets purchased do not constitute a business, the acquisition is considered as purchase of individual assets. Different conclusion around this judgement may materially impact how the acquisition presented and measured in the consolidated statement of financial position of the Group.

In the opinion of directors of the Company, the acquisition of the Gloryear Group has been accounted for as assets acquisition in view of lack of process at the acquisition date.

Key sources of estimation uncertainty

The followings are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

5. 關鍵會計判斷和估計不確定因素之主要來源(續)

應用會計政策時的關鍵判斷(續)

持續經營之考慮

對持續經營假設之評估，涉及本公司董事於特定時間就本質上不確定之事件或狀況之未來結果作出判斷。本公司董事經計及附註2所詳述者後認為，本集團於報告期結算日起計未來十二個月可保持流動資金。本公司董事亦相信本集團將擁有足夠現金資源應付其2017年3月31日起計未來十二個月之日後營運資金及其他融資需要。

收購譽年投資有限公司及其附屬公司(「譽年集團」)之全部權益

本公司董事通過評估是否存在與譽年集團有關之經濟資源或業務流程而釐定是否將附註39所披露之譽年集團之收購按香港財務報告準則第3號項下之業務合併或資產收購入賬。所謂業務，是指一組包括能共同管理以為投資者提供回報或其他經濟利益之投入、產出及流程之資產。一組資產毋須包含所有有關係條件始被視為業務，此決定涉及判斷。倘所購買之一組資產並不構成業務，則有關收購將被視為收購個別資產。關於此判斷之不同結論可能對收購於本集團綜合財務狀況表呈列及計量之方式有重大影響。

本公司董事認為，鑑於在收購當日缺乏處理，故此譽年集團之收購事項乃入賬列作資產收購。

估計不確定因素之主要來源

以下為於報告期結算日有關未來之主要假設及估計不確定因素之其他主要來源，有關假設及來源具有導致資產及負債賬面值於下一個財政年度內發生重大調整之重大風險。

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5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Key sources of estimation uncertainty (continued)

Fair value of investment properties and investment properties under construction

Investment properties and investment properties under construction are stated at fair values in accordance with the Group's accounting policies. The fair values of investment properties and investment properties under construction are determined by independent professional valuers, DTZ Cushman & Wakefield Limited ("DTZ") and APAC Asset Valuation and Consulting Limited ("APAC"), and the fair values of investment properties and investment properties under construction are set out in notes 19 and 20 respectively. Such valuations were based on certain assumptions and estimates, which were subject to uncertainties and might materially differ from actual results.

In making these assumptions and estimates, reasonable consideration has been given to the underlying assumptions based on market conditions existing at the end of the reporting period. These estimates are regularly compared to available market information in the market for similar type of properties in nearby locations.

As at 31 March 2017, the carrying amounts of the investment properties and investment properties under construction are approximately HK\$652,123,000 (2016: HK\$736,680,000) and HK\$1,502,392,000 (2016: HK\$63,360,000) respectively, with decrease in fair values of investment properties and investment properties under construction of approximately HK\$41,737,000 (2016: increase of approximately HK\$5,938,000).

Impairment of construction in progress and prepaid lease payments

At the end of the reporting period, the Group's management reviews the carrying amounts of construction in progress and prepaid lease payments of approximately HK\$443,020,000 (2016: nil) and HK\$262,042,000 (2016: nil) respectively and identified if there is any indication for possible impairment. Of any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. In assessing whether there is any indication of possible impairment for the construction in progress and prepaid lease payments, the Group has considered the existence of external and internal source of information. The directors of the Company considered that they were not aware of any impairment indication as at 31 March 2017, in which the construction in progress and prepaid lease payments might be subject to impairment testing. No impairment loss has been recognised in respect of construction in progress and prepaid lease payments for the year ended 31 March 2017 (2016: nil).

5. 關鍵會計判斷和估計不確定因素之主要來源(續)

估計不確定因素之主要來源(續)

投資物業及在建投資物業之公允值

根據本集團之會計政策，投資物業及在建投資物業乃按公允值列賬。投資物業及在建投資物業之公允值乃由獨立專業估值師戴德梁行有限公司(「戴德梁行」)及亞太資產評估及顧問有限公司(「亞太資產評估」)釐定，而投資物業及在建投資物業之公允值乃分別載於附註19及20。有關估值乃基於若干假設及估計而作出，有關假設及估計乃受到不確定所限，可能與實際結果有重大出入。

於作出假設及估計時已合理地考慮相關假設，該等假設以報告期結算日之現有市況為依據。此等估計定期與市場內鄰近位置同類物業之可得市場資料作比較。

於2017年3月31日，投資物業及在建投資物業之賬面值分別約為652,123,000港元(2016年：736,680,000港元)及1,502,392,000港元(2016年：63,360,000港元)，而投資物業及在建投資物業之公允值則減少約41,737,000港元(2016年：增加約5,938,000港元)。

在建工程及預付租賃款項減值

於報告期結算日，本集團管理層所審閱在建工程以及預付租賃款項之賬面值分別約為443,020,000港元(2016年：無)及262,042,000港元(2016年：無)，並識別是否存在可能減值跡象。倘存在任何該等跡象，則估計資產之可收回金額以釐定減值虧損程度(如有)。於評估在建工程及預付租賃款項是否存在任何可能減值跡象時，本集團會考慮是否在外外部及內部資料來源。本公司董事認為，其於2017年3月31日並無留意到存有可能會導致須進行在建工程以及預付租賃款項減值測試之任何減值跡象。截至2017年3月31日止年度，概無就在建工程以及預付租賃款項確認任何減值虧損(2016年：無)。

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5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Key sources of estimation uncertainty (continued)

Net realisable value of the completed properties held for sale and properties under development

Management performs a review at each reporting period on the carrying amounts of completed properties held for sale and properties under development. Based on management's review, write-down of completed properties held for sale and properties under development will be made when the estimated net realisable value has declined below the carrying amount. In determining the net realisable value of completed properties held for sale and properties under development, management based on recent global and local economic developments, recent sales transactions of the Group and other similar properties in the surrounding areas, marketability of the Group's existing properties, market survey reports available from independent property valuers, internally available information and management's expectation on future sales.

As at 31 March 2017, the carrying amounts of the completed properties held for sales and properties under development are approximately HK\$255,538,000 (2016: HK\$296,745,000) and HK\$463,340,000 (2016: HK\$38,553,000) respectively. No write-down of completed properties held for sales and properties under development has been recognised during the year ended 31 March 2017 (2016: nil).

The PRC land appreciation tax

The Group is subject to the PRC land appreciation tax in accordance with the relevant rules and regulations. In recognising the PRC land appreciation tax, the management estimated the tax rates enacted to the Group with reference to the latest tax jurisdictions of the cities of the PRC in which the properties of the Group situated in. However, the PRC land appreciation tax rates might vary upon the finalisation of payment.

During the year ended 31 March 2017, the PRC land appreciation tax included in the income tax expense was HK\$69,129,000 (2016: HK\$14,488,000).

5. 關鍵會計判斷和估計不確定因素之主要來源(續)

估計不確定因素之主要來源(續)

持作出售之竣工物業及發展中物業之可變現淨值

管理層於各報告期對持作出售之竣工物業及發展中物業之賬面值進行審閱。根據管理層之審閱，當估計可變現淨值跌至低於賬面值時，將會對持作出售之竣工物業及發展中物業作出撇減。管理層會按照近期環球及本地經濟發展、本集團及周邊地區其他同類物業之最近銷售交易、本集團現有物業之市場吸引力、由獨立物業估值師所提供之市場調查報告、內部可得資料及管理層對未來銷售之預測釐定持作出售之竣工物業及發展中物業之可變現淨值。

於2017年3月31日，持作出售之竣工物業及發展中物業之賬面值分別約為255,538,000港元(2016年：296,745,000港元)及463,340,000港元(2016年：38,553,000港元)。截至2017年3月31日止年度，概無確認持作出售之竣工物業及發展中物業之撇減(2016年：無)。

中國土地增值稅

本集團根據相關法律及法規須支付中國土地增值稅。於確認中國土地增值稅時，管理層已參考本集團物業所在之中國城市之最近稅法估計適用於本集團之稅率。然而，中國土地增值稅率可能會於落實付款後出現變動。

截至2017年3月31日止年度，計入所得稅開支之中國土地增值稅為69,129,000港元(2016年：14,488,000港元)。

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6. CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to maximise the returns to shareholders and benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Group consists of net debt, which includes bank and other borrowings and promissory notes disclosed in notes 29 and 30 respectively, net of cash and cash equivalents and equity attributable to equity holders of the Company, comprising issued share capital and reserves.

The directors of the Company review the capital structure on a semi-annual basis. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors of the Company, the Group will balance its overall capital structure through the drawn down of bank and other borrowings, the repayment of existing bank and other borrowings or the adjustment of dividend to shareholders.

Beside, the Group monitors capital structure on the basis of gearing ratio. The gearing ratio is calculated as total borrowings divided by total equity. The gearing ratio is calculated as total borrowings divided by total equity. Total borrowings included promissory notes and current and non-current bank and other borrowings. The strategies remained unchanged from prior year.

The gearing ratios as at 31 March 2017 was as follows:

		2017 HK\$'000 千港元
Bank and other borrowings (note 29)	銀行及其他借貸(附註29)	1,404,501
Promissory notes (note 30)	承兌票據(附註30)	793,347
Total borrowings	總借貸	2,197,848
Total equity	總權益	1,128,767
Gearing ratio	資本負債比率	194.7%

The gearing ratio was mainly resulted from increase in bank and other borrowings and promissory notes in relation to the acquisition of the Gloryear Group during the year ended 31 March 2017. The presentation of gearing ratio as at 31 March 2016 is not relevant since no borrowings were outstanding as at 31 March 2016.

6. 資本風險管理

本集團資本管理之目的為確保本集團有能力持續經營，以盡量增加股東之回報及為其他持份者帶來之利益，並維持最佳資本結構以減低資本成本。

本集團之資本結構包括淨債務(分別包括披露於附註29及30之銀行及其他借貸以及承兌票據)、現金及等同現金淨額以及本公司股東應佔權益(包括已發行股本及儲備)。

本公司董事以半年為基準檢討資本結構。作為檢討的一部分，本公司董事考慮資本的成本及每一類資本附帶的風險。根據本公司董事的推薦意見，本集團將透過提取銀行及其他借貸、償還現有銀行及其他借貸或調整股東之股息以平衡其整體資本結構。

此外，本集團按資本負債比率監察資本結構。資本負債比率按借貸總額除以總權益計算。借貸總額包括承兌票據以及即期及非即期銀行及其他借貸。策略與去年相比並無變動。

2017年3月31日之資本負債比率載列如下：

資本負債比率乃主要源於截至2017年3月31日止年度有關收購譽年集團之銀行及其他借貸以及承兌票據增加。2016年3月31日之資本負債比率所呈列者乃為不相關，此乃由於在2016年3月31日並無未償還借貸。

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7. FINANCIAL RISK MANAGEMENT

(a) Categories of financial instruments

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Financial assets	財務資產		
Loans and receivables (including cash and cash equivalents)	貸款及應收賬款 (包括現金及等同現金)	710,483	692,389
Financial liabilities	財務負債		
Financial liabilities at amortised cost	於攤銷成本列賬之財務負債	2,790,573	269,530

(b) Financial risk management objectives and policies

The Group's major financial instruments include deposits, trade and other receivables, restricted bank balance, cash and cash equivalents, trade and other payables, bank and other borrowings and promissory notes. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (foreign exchange risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

(i) Foreign exchange risk

The Group was not exposed to significant foreign exchange risk as the main operation of the Group located in the PRC only had limited foreign currency transactions other than functional currencies of the respective entities denominated in Renminbi ("RMB"). The directors of the Company considers the foreign currency risk of the Group is insignificant for the years ended 31 March 2017 and 2016, hence no sensitivity analysis is presented.

(ii) Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed rate restricted bank balance (see note 27), short-term time deposits included in cash and cash equivalents (see note 27), bank and other borrowings (see note 29) and promissory notes (see note 30).

7. 財務風險管理

(a) 金融工具類別

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Financial assets	財務資產		
Loans and receivables (including cash and cash equivalents)	貸款及應收賬款 (包括現金及等同現金)	710,483	692,389
Financial liabilities	財務負債		
Financial liabilities at amortised cost	於攤銷成本列賬之財務負債	2,790,573	269,530

(b) 財務風險管理目標及政策

本集團之主要金融工具為按金、應收貨款及其他應收賬款、受限制銀行存款、現金及等同現金、應付貨款及其他應付賬款、銀行及其他借貸以及承兌票據。有關金融工具之詳情於相關附註披露。與該等金融工具有關之風險包括市場風險(匯兌風險及利率風險)、信貸風險及流動資金風險。下文載列如何降低該等風險之政策。管理層管理及監控該等風險，以確保及時及有效採取適當之措施。

市場風險

(i) 匯兌風險

本集團並無面臨重大匯兌風險，此乃由於除以人民幣(「人民幣」)計值之相關實體功能貨幣外，本集團於中國之主要業務之外幣交易有限。本公司董事認為，截至2017年及2016年3月31日止年度，本集團之外幣風險並不重大，故此並無呈列敏感度分析。

(ii) 利率風險

本集團就固定利率受限制銀行存款(見附註27)、計入現金及等同現金之短期定期存款(見附註27)、銀行及其他借貸(見附註29)以及承兌票據(見附註30)面臨公允值利率風險。

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7. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

(ii) Interest rate risk (continued)

The Group's also exposed to cash flow interest rate risk in relation to variable-rate bank balances (see note 27).

The Group currently does not have an interest rate hedging policy. However, management monitors interest rate exposure and will consider other necessary actions when significant interest rate exposure is anticipated.

As all the Group's bank balances were short-term in nature, any change in the interest rate from time to time is not considered to have significant impact to the Group's performance.

Credit risk

Credit risk is managed on a group basis. Credit risk mainly arises from deposits, trade and other receivables, restricted bank balance, cash and cash equivalents and the financial guarantees provided by the Group as at 31 March 2017. The carrying amounts of these balances or the amounts disclosed represent the Group's maximum exposure to credit risk in relation to financial assets.

In respect of restricted bank balance and cash and cash equivalents, the Group place its cash at financial institutions with high credit ratings assigned by international credit-rating agencies.

Before accepting any new customer or providing financial guarantees, the Group obtains credit report from commercial information providers to assess the counterparty's credit and defines credit limits by counterparty. Individual credit limits are reviewed by the management periodically. In order to minimise the credit risk, the management of the Group has established credit limits, credit approvals and other monitoring procedures, including review of ageing, to ensure that follow-up action is taken to recover overdue debts.

Based on the Group's historical experience in collection of other receivables and deposits, the directors are of the opinion that adequate provision for uncollectible other receivables have been made in the consolidated financial statements.

The Group's concentration of credit risk by geographical locations is mainly in the PRC.

7. 財務風險管理(續)

(b) 財務風險管理目標及政策(續)

市場風險(續)

(ii) 利率風險(續)

本集團亦就浮息銀行結餘(見附註27)面臨現金流量利率風險。

本集團現時並無利率對沖政策。然而，管理層會監察利率風險並於預見重大利率風險時考慮採取其他必要行動。

由於本集團所有銀行結餘均屬短期性質，利率之不時變動將不會對本集團之表現造成重大影響。

信貸風險

信貸風險乃按組合基準管理。信貸風險主要源於按金、應收貨款及其他應收賬款、受限制銀行存款、現金及等同現金以及本集團於2017年3月31日所提供之財務擔保。有關結餘之賬面值或所披露金額為本集團就財務資產所面臨之最高信貸風險。

就受限制銀行存款以及現金及等同現金而言，本集團會將其現金置於國際評級機構給予高信貸評級之金融機構。

於接納任何新客戶或提供財務擔保前，本集團會向商業資訊供應商取得信貸報告，以評估交易對手之信貸並就其訂立信貸限額。管理層會定期審閱個人信貸限額。為盡量減低信貸風險，本集團管理層已訂立信貸限額、信貸審批及其他監控程序(包括審閱賬齡)，以確保可進行跟進行動收回逾期債務。

鑑於本集團過往有關收回其他應收賬款及按金之經驗，本集團認為已於綜合財務報表中就未收回之其他應收賬款作出足夠撥備。

就地理位置而言，本集團之信貸風險主要集中於中國。

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7. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Liquidity risk

The Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank and other borrowings and ensures compliance with loan covenants, if any.

The Group is exposed to liquidity risk as the Group reported net loss of approximately HK\$122,480,000 and as at 31 March 2017, the Group had current liabilities of approximately HK\$684,648,000 and total borrowings, including promissory notes, of approximately HK\$2,197,848,000 of which approximately HK\$54,459,000 will be due in the coming twelve months from the end of the reporting period. As at the same date, the Group also had capital commitments of approximately HK\$241,552,000, while its net current assets and cash and cash equivalents amounted to approximately HK\$754,929,000 and HK\$242,047,000, respectively. The directors of the Company are of the opinion that the Group will have sufficient working capital to meet its financial obligations and the details of which are set out in note 2.

The following tables detail the Group's remaining contractual maturities at the end of the reporting period, based on the undiscounted cash flows of financial liabilities (including both interest and principal cash flows) based on the earliest date on which the Group can be required to pay.

7. 財務風險管理(續)

(b) 財務風險管理目標及政策(續)

流動資金風險

本集團會監督以及將現金及等同現金維持於管理層認為充足之水平，以撥付本集團之營運及減低現金流量波動之影響。管理層會監察銀行及其他借貸之動用情況，並確保遵守貸款契約(如有)。

本集團面臨流動資金風險，此乃由於本集團錄得淨虧損約122,480,000港元，而於2017年3月31日本集團則分別錄得流動負債約684,648,000港元及借貸總額(包括承兌票據)約2,197,848,000港元，其中約54,459,000港元於報告期結算日起計十二個月內到期。於同日，本集團亦擁有資本承擔約241,552,000港元，而其流動資產淨值以及現金及等同現金則分別約為754,929,000港元及242,047,000港元。本公司董事認為，本集團具備足夠營運資金應付其財務責任，有關詳情載於附註2。

下表詳述於報告期結算日本集團餘下合約之到期時間，乃根據財務負債之未貼現現金流量(包括利息及本金現金流量)及本集團可被要求還款之最早日期計算。

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7. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Liquidity risk (continued)

The Group's financial liabilities have contractual maturities as follows:

		On demand or less than 1 year 按要求 或少於一年 HK\$'000 千港元	1 to 2 years 一年 至兩年 HK\$'000 千港元	2 to 5 years 兩年 至五年 HK\$'000 千港元	Total undiscounted cash flows 未貼現現金 流量總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
At 31 March 2017	於2017年3月31日					
Trade and other payables	應付貨款及其他應付賬款	335,589	257,136	-	592,725	592,725
Bank and other borrowings	銀行及其他借貸	153,042*	1,409,986	-	1,563,028	1,404,501
Promissory notes	承兌票據	-	-	937,948	937,948	793,347
Financial guarantees	財務擔保	50,338	-	-	50,338	-
		538,969	1,667,122	937,948	3,144,039	2,790,573
At 31 March 2016	於2016年3月31日					
Trade and other payables	應付貨款及其他應付賬款	269,530	-	-	269,530	269,530
Financial guarantees	財務擔保	28,600	-	-	28,600	-
		298,130	-	-	298,130	269,530

* Included in the balance was unsecured loans of RMB30,100,000, equivalent to approximately HK\$39,818,000 (see note 29(iv)) which was in default as at 31 March 2017 and included under "on demand or less than 1 year" time band in the above maturity analysis.

The amounts included above for financial guarantee contracts are the maximum amounts the Group could be required to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on expectations at the end of the reporting period, the Group considers that it is more likely that no amount will be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

7. 財務風險管理(續)

(b) 財務風險管理目標及政策(續)

流動資金風險(續)

本集團財務負債之合約到期日如下：

		On demand or less than 1 year 按要求 或少於一年 HK\$'000 千港元	1 to 2 years 一年 至兩年 HK\$'000 千港元	2 to 5 years 兩年 至五年 HK\$'000 千港元	Total undiscounted cash flows 未貼現現金 流量總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
At 31 March 2017	於2017年3月31日					
Trade and other payables	應付貨款及其他應付賬款	335,589	257,136	-	592,725	592,725
Bank and other borrowings	銀行及其他借貸	153,042*	1,409,986	-	1,563,028	1,404,501
Promissory notes	承兌票據	-	-	937,948	937,948	793,347
Financial guarantees	財務擔保	50,338	-	-	50,338	-
		538,969	1,667,122	937,948	3,144,039	2,790,573
At 31 March 2016	於2016年3月31日					
Trade and other payables	應付貨款及其他應付賬款	269,530	-	-	269,530	269,530
Financial guarantees	財務擔保	28,600	-	-	28,600	-
		298,130	-	-	298,130	269,530

* 結餘包括無抵押貸款人民幣30,100,000元(相當於約39,818,000港元)(見附註29(iv))，有關貸款於2017年3月31日仍然拖欠，並於上文到期時間分析中計入「按要求或少於一年」時間一欄項下。

上述財務擔保合約金額即若交易對手追討有關擔保，根據安排本集團可能被要求支付擔保總額的最高款項。根據報告期結算日的預測，本集團認為，相當可能毋須根據安排予以償付。然而，此項估計可能會改變，取決於持有已擔保財務應收賬款的交易對手蒙受信貸損失而按擔保追討的可能性。

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7. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Liquidity risk (continued)

Subsequent to the end of the reporting period on 18 August 2017 the Group has early settled the secured bonds of HK\$40,000,000. The contractual maturity of the secured bonds included HK\$36,000,000 and HK\$436,000,000 in the "on demand or less than 1 year" and "1 to 2 years" time bands respectively in the above maturity analysis as if there was no early repayment of the secured bonds.

(c) Fair value measurement

The directors of the Company considered that the carrying amounts of current financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements are not materially differ from their fair values due to their immediate or short-term maturities.

The directors of the Company also consider that the carrying amount of non-current financial asset and financial liability recorded at amortised cost in the consolidated financial statements are not materially differ from their fair values due to the insignificance of the discounting impact.

8. REVENUE

Revenue represents (i) the proceeds from sales of properties; and (ii) the amounts received or receivable in respect of leasing of investment properties during the year. An analysis of the Group's revenue for the year is as follows:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Sales of properties	物業銷售	162,786	138,320
Rental income	租金收入	31,411	52,378
		194,197	190,698

7. 財務風險管理(續)

(b) 財務風險管理目標及政策(續)

流動資金風險(續)

於報告期結算日2017年8月18日後，本集團已提早結算為數40,000,000港元之有抵押債券。36,000,000港元及436,000,000港元之有抵押債券之合約到期時間分別於上述到期時間分析列為「按要求或少於一年」及「一年至兩年」時間一欄，猶如並無提早償還有抵押債券。

(c) 公允值計量

本公司董事認為，綜合財務報表內按攤銷成本列賬之流動財務資產及財務負債之賬面值與其公允值相比並無重大差異，此乃由於其乃屬即期或短期性質。

本公司董事亦認為，綜合財務報表內按攤銷成本列賬之非流動財務資產及財務負債之賬面值與其賬面值相比並無重大差異，此乃由於貼現影響輕微所致。

8. 收入

收入包括年內(i)銷售物業之所得款項；及(ii)租賃投資物業之已收或應收款項。本集團於本年度收入分析如下：

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綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

9. SEGMENT INFORMATION

The executive directors of the Company have been identified as the chief operating decision-maker (the “CODM”). Management determines the operating segments based on the Group’s internal reports, which are reviewed by the CODM for performance assessment and resources allocation.

During the year ended 31 March 2017, following the completion of the acquisition of the Gloryyear Group (note 39), the composition of the Group’s internal organisation has been changed such that the CODM commenced to review the Group’s business by geographical locations, namely (i) Eastern China; and (ii) Western China, in respect of the location of the properties of the Group, for the purpose of resource allocation and assessment of segment performance. During the year ended 31 March 2016, the Group’s operating activity was attributable to a single operating and reporting segment focusing on development, sales and leasing of properties. In order to align the restructured internal management and reporting structure reviewed by the CODM during the year ended 31 March 2017, the segment information of comparative year has been restated into two operating and reporting segments, namely Eastern China and Southern China, in which Man Sang Industrial City was located in, to conform with current year presentation. During the year ended 31 March 2016, Man Sang Industrial City was disposed of following the disposal of Man Sang Jewellery Company Limited and its subsidiaries (the “Man Sang Jewellery Group”) (note 40).

9. 分部資料

本公司執行董事為最高營運決策人（「最高營運決策人」）。管理層根據最高營運決策人所審閱以作表現評估及資源分配的本集團內部報告釐定經營分部。

截至2017年3月31日止年度，在完成收購譽年集團（附註39）後，本集團內部架構組成有所變動，故最高營運決策人開始按地理位置，即本集團物業所在位置(i)華東地區；及(ii)中國西部地區，檢討本集團業務以分配資源及評估分部表現。截至2016年3月31日止年度，本集團之經營活動歸屬為單一經營及呈報分部，專門從事物業發展、銷售及租賃。截至2017年3月31日止年度，為與最高營運決策人所審閱之經重組內部管理及匯報架構相符，比較年度之分部資料已重列為兩個經營及呈報分部（即華東及民生工業城所在之華南地區），以與本年度呈列一致。截至2016年3月31日止年度，民生工業城已於出售民生珠寶有限公司及其附屬公司（「民生珠寶集團」）後被出售（附註40）。

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綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

9. SEGMENT INFORMATION (CONTINUED)

(a) Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable and operating segments:

For the year ended 31 March 2017:

		Eastern China 華東 HK\$'000 千港元	Western China 中國西部 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment revenue	分部收入			
Revenue from external customers	來自外部客戶之收入	60,483	133,714	194,197
Segment operating (loss) profit	分部經營(虧損)溢利	(14,821)	75,707	60,886
Finance income	財務收益	2,010	20	2,030
Finance costs	財務成本	-	(42,019)	(42,019)
Segment (loss) profit	分部(虧損)溢利	(12,811)	33,708	20,897
Unallocated finance income	未分配財務收益			3
Unallocated finance costs	未分配財務成本			(63,579)
Corporate expenses	公司開支			(22,072)
Loss before tax	除稅前虧損			(64,751)

9. 分部資料(續)

(a) 分部收入及業績

以下為按呈報及經營分部劃分之本集團收入及業績之分析：

截至2017年3月31日止年度：

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

9. SEGMENT INFORMATION (CONTINUED)

(a) Segment revenue and results (continued)

For the year ended 31 March 2016:

		Eastern China 華東 HK\$'000 千港元 (restated) (重列)	Southern China 華南 HK\$'000 千港元 (restated) (重列)	Total 總計 HK\$'000 千港元 (restated) (重列)
Segment revenue	分部收入			
Revenue from external customers	來自外部客戶之收入	175,705	14,993	190,698
Segment operating profit	分部經營溢利	80,983	16,275	97,258
Finance income	財務收益	3,404	731	4,135
Finance costs	財務成本	(1,532)	–	(1,532)
Share of profit of an associate	應佔一間聯營公司溢利	15	–	15
Segment profit	分部溢利	82,870	17,006	99,876
Unallocated finance income and gains	未分配財務收入及收益			21,575
Unallocated finance costs	未分配財務成本			(638)
Corporate expenses	公司開支			(14,709)
Profit before tax	除稅前溢利			106,104

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 4. Segment (loss) profit represents the (loss from) profit earned by each segment without allocation of certain finance income, certain finance costs, fair value change in financial assets at FVTPL, gain on disposal of subsidiaries (note 40) and corporate expenses. This is the measure reported to the CODM for the purpose of resource allocation and performance assessment.

The Company is domiciled in Hong Kong. As all the Group's revenue from external customers are derived from the PRC, hence no information of the Group's revenue by the geographical location is presented.

Revenue from the transactions with one individual customer presented in Western China segment amounted to approximately HK\$133,714,000 contributing over 10% of the total revenue of the Group for the year ended 31 March 2017.

Revenue from the transactions with each single customer amounted to less than 10% of total revenue of the Group for the year ended 31 March 2016.

9. 分部資料(續)

(a) 分部收入及業績(續)

截至2016年3月31日止年度：

		Eastern China 華東 HK\$'000 千港元 (restated) (重列)	Southern China 華南 HK\$'000 千港元 (restated) (重列)	Total 總計 HK\$'000 千港元 (restated) (重列)
Segment revenue	分部收入			
Revenue from external customers	來自外部客戶之收入	175,705	14,993	190,698
Segment operating profit	分部經營溢利	80,983	16,275	97,258
Finance income	財務收益	3,404	731	4,135
Finance costs	財務成本	(1,532)	–	(1,532)
Share of profit of an associate	應佔一間聯營公司溢利	15	–	15
Segment profit	分部溢利	82,870	17,006	99,876
Unallocated finance income and gains	未分配財務收入及收益			21,575
Unallocated finance costs	未分配財務成本			(638)
Corporate expenses	公司開支			(14,709)
Profit before tax	除稅前溢利			106,104

營運分部之會計政策與附註4所述之本集團會計政策一致。分部(虧損)溢利指在並無分配若干財務收益、若干財務成本、通過損益按公允值列賬之財務資產之公允值變動、出售附屬公司(附註40)之收入及公司開支之情況下，各分部(所產生之虧損)所賺取之溢利。此乃就資源分配及表現評估的目的而向最高營運決策人呈報的資料。

本公司總部設於香港。本集團所有來自外部客戶之收入均源於中國，故並無按地理位置呈列有關本集團收益之資料。

截至2017年3月31日止年度，來自與中國西部分部所呈列之一名個別客戶進行交易之收入約133,714,000港元乃超過本集團總收入之10%。

截至2016年3月31日止年度，來自與每名單一客戶進行交易之收入均少於本集團總收入之10%。

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綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

9. SEGMENT INFORMATION (CONTINUED)

(b) Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

At 31 March 2017:

		Eastern China 華東 HK\$'000 千港元	Western China 中國西部 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment assets	分部資產			
Unallocated corporate assets	未分配公司資產	1,182,555	2,719,323	3,901,878
				454,027
Total assets	總資產			4,355,905
Segment liabilities	分部負債			
Unallocated corporate liabilities	未分配公司負債	623,312	1,343,629	1,966,941
				1,260,197
Total liabilities	總負債			3,227,138

At 31 March 2016:

		Eastern China 華東 HK\$'000 千港元 (restated) (重列)	Southern China 華南 HK\$'000 千港元 (restated) (重列)	Total 總計 HK\$'000 千港元 (restated) (重列)
Segment assets	分部資產			
Unallocated corporate assets	未分配公司資產	1,261,984	-	1,261,984
				565,992
Total assets	總資產			1,827,976
Segment liabilities	分部負債			
Unallocated corporate liabilities	未分配公司負債	659,717	-	659,717
				4,126
Total liabilities	總負債			663,843

Segment assets exclude unallocated head office and corporate assets as these assets are managed on a group basis.

分部資產不包括未分配總部及公司資產，此乃由於該等資產乃按組合基準管理。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

9. SEGMENT INFORMATION (CONTINUED)

(b) Segment assets and liabilities (continued)

Segment liabilities exclude certain other borrowings, promissory notes and other unallocated head office and corporate liabilities.

The total non-current assets, (excluded other receivables), based on the geographical location of the assets, are located in Hong Kong and in the PRC of approximately HK\$609,000 (2016: nil) and HK\$2,913,831,000 (2016: HK\$800,219,000) respectively.

(c) Other Segment information:

For the year ended 31 March 2017:

9. 分部資料(續)

(b) 分部資產及負債(續)

分部負債不包括若干其他借貸、承兌票據以及其他未分配總部及公司負債。

按資產所在地理位置劃分位於香港及中國之非流動資產總值(不包括其他應收賬款)分別為約609,000港元(2016年: 無)及2,913,831,000港元(2016年: 800,219,000港元)。

(c) 其他分部資料:

截至2017年3月31日止年度:

		Eastern China 華東 HK\$'000 千港元	Western China 中國西部 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Amounts included in the measure of segment profit or loss or segment assets:	計入分部溢利或虧損或分部資產計算之款項:				
Depreciation of property, plant and equipment	物業、廠房及設備折舊	64	-	78	142
Decrease (increase) in fair values of investment properties and investment properties under construction	投資物業及在建投資物業公允值減少(增加)	47,844	(6,107)	-	41,737
Additions (including transfer) to non-current assets (other than other receivables)	添置(包括轉讓)非流動資產(其他應收賬款除外)	6,353	2,280,942	689	2,287,984
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or loss or segment assets:	定期提供予最高營運決策人但並無計入分部溢利或虧損或分部資產計算之款項:				
Income tax (credit) expenses	所得稅(抵免)開支	(11,183)	68,912	-	57,729

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For the year ended 31 March 2017 截至2017年3月31日止年度

9. SEGMENT INFORMATION (CONTINUED)

(c) Other Segment information: (continued)

For the year ended 31 March 2016:

		Eastern China 華東 HK\$'000 千港元 (restated) (重列)	Southern China 華南 HK\$'000 千港元 (restated) (重列)	Unallocated 未分配 HK\$'000 千港元 (restated) (重列)	Total 總計 HK\$'000 千港元 (restated) (重列)
Amounts included in the measure of segment profit or loss or segment assets:	計入分部溢利或虧損或分部資產計算之款項：				
Depreciation of property, plant and equipment	物業、廠房及設備折舊	313	75	-	388
Decrease (increase) in fair values of investment properties and investment properties under construction	投資物業及在建投資物業公允值減少(增加)	2,086	(8,024)	-	(5,938)
Additions (including transfer) to non-current assets (other than other receivables)	添置(包括轉讓)非流動資產(其他應收賬款除外)	25,668	-	-	25,668
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or loss or segment assets:	定期提供予最高營運決策人但並無計入分部溢利或虧損或分部資產計算之款項：				
Income tax expense (credit)	所得稅開支(抵免)	35,175	3,473	(25)	38,623

10. OTHER INCOME

10. 其他收益

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Property management income	物業管理收入	2,706	1,264
Government subsidies (note)	政府補助(附註)	1,229	-
		3,935	1,264

Note: The amount represented the government subsidies granted by the PRC local government to support the Group's contribution to local economy with no unfulfilled conditions or contingencies and are recognised as other income upon receipts during the year end 31 March 2017 (2016: nil).

附註：有關款項為中國地方政府為支持本集團對當地經濟作出貢獻而提供且並無未達成條件或或然事項之政府補助，並於收妥後於截至2017年3月31日止年度(2016年：無)確認為其他收益。

Notes to the Consolidated Financial Statements

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For the year ended 31 March 2017 截至2017年3月31日止年度

11. OTHER GAINS

11. 其他收入

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Fair value change in financial assets at FVTPL	通過損益按公允值列賬之 財務資產公允值變動	-	2,007
Gain on disposal of subsidiaries (note 40)	出售附屬公司之收入(附註40)	-	19,398
Others	其他	158	1,364
		158	22,769

12. FINANCE INCOME AND FINANCE COSTS

12. 財務收益及財務成本

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Finance income	財務收益		
Bank interest income	銀行利息收益	1,149	2,708
Other interest income	其他利息收益	884	1,597
		2,033	4,305
Finance costs	財務成本		
Interest on bank and other borrowings	銀行及其他借貸利息	74,035	3,461
Interest on promissory notes (note 30)	承兌票據利息(附註30)	47,938	-
		121,973	3,461
Less: amount capitalised on qualifying assets (note)	減：合資格資產之資本化金額 (附註)	(16,375)	(1,291)
		105,598	2,170

Note: The borrowing costs had been capitalised during the year arose on the general borrowing pool and are calculated by applying a capitalisation rate rate of 8.1% (2016: 8%) per annum to expenditure on qualifying assets.

附註：年內已資本化之借貸成本乃由一般借貸項目產生，並以資本化年利率8.1厘(2016年：8厘)計算，轉至合資格資產之開支內。

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For the year ended 31 March 2017 截至2017年3月31日止年度

13. INCOME TAX EXPENSES

13. 所得稅開支

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Current income tax	即期所得稅		
— PRC Enterprise Income Tax	— 中國企業所得稅	9,967	24,540
— PRC land appreciation tax	— 中國土地增值稅	69,129	14,488
		79,096	39,028
Over-provision in prior year:	過往年度超額撥備：		
— Hong Kong profits tax	— 香港利得稅	—	(25)
Deferred income tax (note 31)	遞延所得稅(附註31)	(21,367)	(380)
		57,729	38,623

Hong Kong Profits Tax

No Hong Kong Profits Tax has been provided since no assessable profits have been generated during the year ended 31 March 2017 (2016: nil).

The PRC Enterprise Income Tax

The PRC Enterprise Income Tax in respect of operations in the Mainland China is calculated at a rate of 25% (2016: 25%) on the estimated assessable profits for the year ended 31 March 2017 under the Law of the PRC's on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law.

Withholding tax on distributed/undistributed profits

The PRC tax law imposes a withholding tax at 10%, unless reduced by a tax treaty, for dividends distributed by the PRC subsidiaries to its immediate holding company outside the PRC for earnings generated beginning on 1 January 2008.

The PRC land appreciation tax

Land appreciation tax in the PRC is levied on properties developed by the Group for sale, at progressive rates ranging from 30% to 60% on the appreciation of land value, which under the applicable regulations is calculated based on the proceeds of sales of properties less deductible expenditures including cost of land use rights, borrowing costs and all property development expenditures.

香港利得稅

概無就香港利得稅進行撥備，此乃由於截至2017年3月31日止年度並無產生任何應課稅溢利(2016年：無)。

中國企業所得稅

有關中國內地業務營運之中國企業所得稅已根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例就截至2017年3月31日止年度估計應課稅溢利按稅率25%(2016年：25%)計算。

已分派／未分派溢利之預扣稅

自2008年1月1日開始，除非根據稅務條約予以減少，中國稅法規定中國附屬公司因產生盈利而向其中國境外直接控股公司分派股息須繳納10%預扣稅。

中國土地增值稅

中國之土地增值稅乃就本集團發展作銷售之物業，按其土地之升值以累進稅率30%至60%徵收，其計算方法乃根據適用規定以出售物業所得款項扣除可扣減開支(包括土地使用權成本、借貸成本及所有物業發展開支)計算。

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綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

13. INCOME TAX EXPENSES (CONTINUED)

The income tax expenses for the year can be reconciled to the (loss) profit before tax per the consolidated statement of profit or loss as follows:

13. 所得稅開支(續)

本年度所得稅開支可與綜合損益表之除稅前(虧損)溢利對賬如下：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
(Loss) profit before tax	除稅前(虧損)溢利	(64,751)	106,104
Tax calculated at respective income tax rate	按相關所得稅稅率計算之稅項	(10,684)	25,989
Tax effect of land appreciation tax	土地增值稅之稅務影響	(32,369)	(4,362)
Tax effect of income not taxable for tax purpose	毋須課稅之收入之稅務影響	(9)	(4,493)
Tax effect of expenses not deductible for tax purpose	不可扣稅之開支之稅務影響	22,946	3,219
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	4,372	1,053
Over-provision in prior years	過往年度超額撥備	-	(25)
Income tax expenses	所得稅開支	(15,744)	21,381
The PRC land appreciation tax	中國土地增值稅	69,129	14,488
Withholding tax on distributable profits on the PRC subsidiaries of the Group	本集團中國附屬公司可分派溢利之預扣稅	4,344	2,754
Income tax expense for the year	本年度所得稅開支	57,729	38,623

Details of deferred income tax are set out in note 31.

遞延所得稅詳情載於附註31。

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14. (LOSS) PROFIT BEFORE TAX

(Loss) profit before tax has been arrived at after charging:

14. 除稅前(虧損)溢利

除稅前(虧損)溢利乃經扣除以下各項後達致：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Staff costs (including directors of the Company)	員工成本(包括本公司董事)		
— salaries and other allowances	— 薪金及其他津貼	23,008	17,740
— retirement benefits scheme contributions	— 退休福利計劃供款	2,064	1,215
		25,072	18,955
Cost of completed properties for sales	持作出售之竣工物業之成本	60,810	79,957
Auditor's remuneration	核數師酬金	1,880	1,270
Depreciation of property, plant and equipment	物業、廠房及設備折舊	142	388
Minimum lease payments paid under operating lease rentals in respect of rented premises	根據出租物業之經營租賃租金之最低租賃付款	880	114

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15. DIRECTORS' EMOLUMENTS

(a) Directors' emoluments

The remunerations paid or payable of each to the 11 (2016: 9) directors of the Company were as follows:

	Executive directors 執行董事						Independent non-executive directors 獨立非執行董事						Total 總計
	Mr. Lei Hong Wai (note (i)) 李雄偉先生 (附註(i))	Ms. Cheng Ka Man Carman (note (ii)) 鄭嘉次小姐 (附註(ii))	Mr. Cheung Kwok Wai, Elton (note (iii)) 張國偉先生 (附註(iii))	Mr. Leung Alex (note (iv)) 梁奕曦先生 (附註(iv))	Mr. Yuan Huixia (note (v)) 袁輝霞先生 (附註(v))	Mr. Lai Hok Lim (note (vi)) 黎學廉先生 (附註(vi))	Mr. Lei Seng Fat (note (vii)) 李成法先生 (附註(vii))	Mr. Wong Tak Chuen (note (ix)) 黃德銓先生 (附註(ix))	Mr. Chan Cheong Tat (note (x)) 陳昌達先生 (附註(x))	Mr. Lau Chi Wah, Alex (note (xi)) 劉志華先生 (附註(xi))	Mr. Kiu Wai Ming (note (xii)) 喬維明先生 (附註(xii))		
For the year ended 31 March 2017 截至2017年3月31日止年度	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking:	就一名人士擔任董事已付或應收酬金(不論為本公司或其附屬企業):												
Fees	袍金	1,200	-	1,200	-	1,280	73	158	158	220	110	110	4,509
Salaries	薪金	-	800	-	2,550	-	-	-	-	-	-	-	3,350
Discretionary bonuses (note (e))	酬情花紅(附註(e))	-	-	-	1,500	320	-	-	-	-	-	-	1,820
Retirement benefits scheme contributions	退休福利計劃供款	-	18	-	18	-	-	-	-	-	-	-	36
Total emoluments	酬金總額	1,200	818	1,200	4,068	1,600	73	158	158	220	110	110	9,715

	Executive directors 執行董事					Non-executive director 非執行董事	Independent non-executive director 獨立非執行董事			Total 總計	
	Mr. Lei Hong Wai (note (i)) 李雄偉先生 (附註(i))	Ms. Cheng Ka Man Carman (note (ii)) 鄭嘉次小姐 (附註(ii))	Mr. Cheung Kwok Wai, Elton (note (iii)) 張國偉先生 (附註(iii))	Mr. Leung Alex (note (iv)) 梁奕曦先生 (附註(iv))	Mr. Cheng Sai (note (v)) 鄭世先生 (附註(v))	Mr. Cheng Tai Po (note (vi)) 鄭大報先生 (附註(vi))	Mr. Chan Cheong Tat (note (x)) 陳昌達先生 (附註(x))	Mr. Lau Chi Wah, Alex (note (xi)) 劉志華先生 (附註(xi))	Mr. Kiu Wai Ming (note (xii)) 喬維明先生 (附註(xii))		
For the year ended 31 March 2016 截至2016年3月31日止年度	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking:	就一名人士擔任董事已付或應收酬金(不論為本公司或其附屬企業):										
Fees	袍金	917	-	917	-	-	-	220	220	220	2,494
Salaries	薪金	-	800	-	2,200	1,200	1,000	-	-	-	5,200
Discretionary bonuses (note (e))	酬情花紅(附註(e))	-	-	-	550	-	-	-	-	-	550
Retirement benefits scheme contributions	退休福利計劃供款	-	18	-	18	73	18	-	-	-	127
Total emoluments	酬金總額	917	818	917	2,768	1,273	1,018	220	220	220	8,371

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15. DIRECTORS' EMOLUMENTS (CONTINUED)

(a) Directors' emoluments (continued)

Notes:

- (i) Mr. Lei Hong Wai was appointed as an executive director on 26 June 2015 and the chairman on 31 March 2016.
- (ii) Ms. Cheng Ka Man, Carman resigned as an executive director of the Company on 2 May 2017.
- (iii) Mr. Cheung Kwok Wai, Elton was appointed as an executive director on 26 June 2015.
- (iv) Mr. Cheng Sai resigned as an executive director on 31 March 2016.
- (v) Mr. Cheng Tai Po resigned as a non-executive director and the chairman on 31 March 2016.
- (vi) Mr. Yuan Huixia was appointed as an executive director on 1 August 2016.
- (vii) Mr. Lai Hok Lim was appointed as an independent non-executive director on 1 December 2016.
- (viii) Mr. Lei Seng Fat was appointed as an independent non-executive director on 12 July 2016.
- (ix) Mr. Wong Tak Chuen was appointed as an independent non-executive director on 12 July 2016.
- (x) Mr. Chan Cheong Tat resigned as an independent non-executive director on 1 December 2016.
- (xi) Mr. Lau Chi Wah, Alex retired as an independent non-executive director on 15 July 2016.
- (xii) Mr. Kiu Wai Ming retired as an independent non-executive director on 15 July 2016.

(b) Directors' retirement benefits and termination benefits

None of the directors of the Company received or will receive any retirement benefits or termination benefits during the year ended 31 March 2017 (2016: nil).

(c) Waived or agreed to waive any emoluments

None of the directors waived or agreed to waive any emoluments during the year ended 31 March 2017 (2016: nil).

15. 董事酬金 (續)

(a) 董事酬金 (續)

附註：

- (i) 李雄偉先生於2015年6月26日及2016年3月31日分別獲委任為執行董事及主席。
- (ii) 鄭嘉汶小姐於2017年5月2日辭任本公司執行董事。
- (iii) 張國偉先生於2015年6月26日獲委任為執行董事。
- (iv) 鄭世先生於2016年3月31日辭任執行董事。
- (v) 鄭大報先生於2016年3月31日辭任非執行董事及主席。
- (vi) 袁輝震先生於2016年8月1日獲委任為執行董事。
- (vii) 黎學廉先生於2016年12月1日獲委任為獨立非執行董事。
- (viii) 李成法先生於2016年7月12日獲委任為獨立非執行董事。
- (ix) 黃德銓先生於2016年7月12日獲委任為獨立非執行董事。
- (x) 陳昌達先生於2016年12月1日辭任獨立非執行董事。
- (xi) 劉志華先生於2016年7月15日退任獨立非執行董事。
- (xii) 喬維明先生於2016年7月15日退任獨立非執行董事。

(b) 董事之退休福利與離職福利

截至2017年3月31日止年度，概無本公司董事收到或將收到任何退休福利或離職福利(2016年：無)。

(c) 放棄或同意放棄任何酬金

截至2017年3月31日止年度，概無董事放棄或同意放棄任何酬金(2016年：無)。

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15. DIRECTORS' EMOLUMENTS (CONTINUED)

(d) Inducement to join or upon joining the Group

No emoluments have been paid by the Group to the directors of the Company or the five highest paid individuals as an inducement to join or upon joining the Group, or as compensation for loss of office for the year ended 31 March 2017 (2016: nil).

(e) Discretionary bonuses

Discretionary bonuses were determined with reference to the individual performance.

(f) Chief executive officer of the Company

The Company does not have any chief executive for the years ended 31 March 2017 and 2016.

16. FIVE HIGHEST PAID INDIVIDUALS

During the years ended 31 March 2017 and 2016, all the five highest paid individuals were directors of the Company whose emoluments are disclosed in note 15 above.

17. (LOSS) EARNINGS PER SHARE

(a) Basic (loss) earnings per share

The calculation of the basic (loss) earnings per share is based on the (loss) profit for the year attributable to equity holders of the Company and the weighted average number of ordinary shares in issue during the year.

15. 董事酬金(續)

(d) 吸引加入本集團或於加入本集團時之獎勵

截至2017年3月31日止年度(2016年：無)，本集團並無向本公司董事或五名最高薪酬人士支付任何酬金作為其加入本集團或於加入本集團時之獎勵或作為離職賠償。

(e) 酌情花紅

酌情花紅乃參照個人表現而釐定。

(f) 本公司行政總裁

截至2017年及2016年3月31日止年度，本公司並無任何行政總裁。

16. 五名最高薪酬人士

截至2017年及2016年3月31日止年度，全部五名最高薪酬人士均為本公司董事，彼等之酬金於上文附註15披露。

17. 每股(虧損)盈利

(a) 每股基本(虧損)盈利

每股基本(虧損)盈利乃按本公司股東應佔本年度(虧損)溢利及本年度已發行普通股加權平均數計算。

		2017	2016 (restated) (重列)
(Loss) profit for the year attributable to equity holders of the Company for the purpose of basic (loss) earnings per share (HK\$'000)	用於計算每股基本(虧損)盈利之本公司股東應佔本年度(虧損)溢利(千港元)	(121,926)	51,192
Weighted average number of shares in issue for the purpose of basic (loss) earnings per share ('000)	用於計算每股基本(虧損)盈利之已發行股份加權平均數(千股)	1,751,323	1,528,813
Basic (loss) earnings per share (HK\$)	每股基本(虧損)盈利(港元)	(0.070)	0.033

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17. (LOSS) EARNINGS PER SHARE (CONTINUED)

(b) Diluted (loss) earnings per share

		2017	2016 (restated) (重列)
(Loss) profit for the year attributable to equity holders of the Company for the purpose of diluted (loss) earnings per share (HK\$'000)	用於計算每股攤薄(虧損)盈利之本公司股東應佔本年度(虧損)溢利(千港元)	(121,926)	51,192
Weighted average number of ordinary shares in issue for the purpose of basic (loss) earnings per share ('000)	用於計算每股基本(虧損)盈利之已發行普通股加權平均數(千股)	1,751,323	1,528,813
Effect of dilutive potential ordinary shares on share options outstanding during the year ('000)	潛在攤薄普通股對年內尚未行使購股權之影響(千股)	-	206
Weighted average number of shares in issue for the purpose of diluted (loss) earnings per share ('000)	用於計算每股攤薄(虧損)盈利之已發行股份加權平均數(千股)	1,751,323	1,529,019
Diluted (loss) earnings per share (HK\$)	每股攤薄(虧損)盈利(港元)	(0.070)	0.033

17. 每股(虧損)盈利(續)

(b) 每股攤薄(虧損)盈利

18. DIVIDEND

No dividend was paid or proposed during the year ended 31 March 2017, nor has any dividend been proposed since the end of the reporting period (2016: nil).

18. 股息

截至2017年3月31日止年度並無派付或建議派付任何股息，自報告日期結束起亦無建議派付任何股息(2016年：無)。

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19. INVESTMENT PROPERTIES

The movements of the Group's investment properties and the reconciliation of Level 3 fair value measurement are as follows:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
FAIR VALUE	公允值		
At the beginning of the year	於年初	736,680	939,994
Disposal of subsidiaries (note 40)	出售附屬公司(附註40)	-	(191,640)
Transfer from properties under development (note 21)	轉撥自發展中物業(附註21)	-	25,211
Transfer from completed properties held for sale	轉撥自持作出售之竣工物業	6,309	-
(Decrease) increase in fair value (note)	公允值(減少)增加(附註)	(49,365)	8,013
Exchange differences	匯兌差額	(41,501)	(44,898)
At the end of the year	於年末	652,123	736,680

Note: For the year ended 31 March 2017, changes in fair value included an increase in fair value of approximately HK\$1,171,000 (2016: HK\$1,454,000) in respect of those completed properties held for sale (2016: properties under development) were transferred to investment properties. For the year ended 31 March 2017, changes in fair values of approximately HK\$49,365,000 (2016: HK\$8,013,000) is attributable to the change in unrealised loss or gain relating to investment properties held at the end of the reporting period.

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using fair value model and are classified and accounted for as investment properties.

Amounts recognised in profit or loss for investment properties

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Gross rental income from investment properties	來自投資物業之總租金收入	31,411	52,378
Direct operating expenses incurred for investment properties that generated rental income	因產生租金收入之投資物業而產生之直接經營開支	(347)	(3,124)
Net rental income from investment properties	來自投資物業之淨租金收入	31,064	49,254

As at 31 March 2017, certain investment properties amounting to approximately RMB13,057,000, equivalent to approximately HK\$14,755,000 (2016: RMB13,057,000, equivalent to approximately HK\$15,669,000) were pledged to secure a loan granted by a PRC bank to an independent third party (note 34(ii)). The charge on these investment properties have been released on 22 April 2017.

19. 投資物業

本集團投資物業變動及第3層公允值計量之對賬載列如下：

	2017 HK\$'000 千港元	2016 HK\$'000 千港元
At the beginning of the year	736,680	939,994
Disposal of subsidiaries (note 40)	-	(191,640)
Transfer from properties under development (note 21)	-	25,211
Transfer from completed properties held for sale	6,309	-
(Decrease) increase in fair value (note)	(49,365)	8,013
Exchange differences	(41,501)	(44,898)
At the end of the year	652,123	736,680

附註：截至2017年3月31日止年度，公允值變動包括於有關持作出售之竣工物業(2016年：發展中物業)之公允值增幅約1,171,000港元(2016年：1,454,000港元)轉撥至投資物業。截至2017年3月31日止年度，公允值變動約49,365,000港元(2016年：8,013,000港元)乃源於報告期結算日與所持有投資物業有關之未變現損益變動。

本集團所有根據經營租賃持有以賺取租金或作資本增值用途之物業權益乃按公允值模式計量並分類及入賬為投資用途。

就投資物業於損益確認之金額

	2017 HK\$'000 千港元	2016 HK\$'000 千港元
Gross rental income from investment properties	31,411	52,378
Direct operating expenses incurred for investment properties that generated rental income	(347)	(3,124)
Net rental income from investment properties	31,064	49,254

於2017年3月31日，約人民幣13,057,000元(相當於約14,755,000港元)(2016年：人民幣13,057,000元(相當於約15,669,000港元))之若干投資物業已抵押予一名獨立第三方以獲取一間中國銀行授出之貸款(附註34(ii))。有關投資物業之抵押已於2017年4月22日解除。

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19. INVESTMENT PROPERTIES (CONTINUED)

An analysis of the Group's investment properties that are measured subsequent to initial recognition at fair value, grouped into fair value hierarchy Level 3 based on the degree to which the inputs to fair value measurement is observable, is as follows:

19. 投資物業(續)

於初步確認後按公允值計量之本集團投資物業，乃按公允值計量輸入數據的可觀察程度分類為公允值第3層，有關分析如下：

		Fair value measurement at 31 March 2017 於2017年 3月31日之 公允值計量
		Level 3 第3層 HK\$'000 千港元
Recurring fair value measurements — Investment properties located in Zhejiang	經常性公允值計量 — 位於浙江之投資物業	652,123
		Fair value measurement at 31 March 2016 於2016年 3月31日之 公允值計量
		Level 3 第3層 HK\$'000 千港元
Recurring fair value measurements — Investment properties located in Zhejiang	經常性公允值計量 — 位於浙江之投資物業	736,680

There were no transfers between fair value hierarchy Levels 1, 2 and 3 during both years.

兩年間，公允值第1層、第2層與第3層之間並無轉撥。

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19. INVESTMENT PROPERTIES (CONTINUED)

Valuation processes

The Group's investment properties were valued at respective transfer dates and at 31 March 2017 and 2016 by DTZ, an independent and qualified professional valuer not connected with the Group who holds a recognised relevant professional qualification and has recent experience in valuing similar properties in the similar locations. In estimating the fair value of all of the Group's investment properties, the highest and best use of these properties is their current use.

Valuation techniques

Valuations are based on:

- (i) Direct comparison approach assuming sale of each of these properties in its existing state with the benefit of vacant possession. By making reference to sales transactions as available in the relevant market, comparable properties in close proximity have been selected and adjustments have been made to account for the difference in factors such as locations and property size; and
- (ii) Income approach taking into account the current rents of the property interests and the reversionary potentials of the tenancies, reversionary yield is then applied respectively to derive the market value of the property.

There were no changes to the valuation techniques during the year.

19. 投資物業(續)

估值流程

本集團之投資物業於各自轉讓日期以及於2017年及2016年3月31日由獨立專業合資格且與本集團概無關連之估值師戴德梁行進行估值，該估值師持有獲認可之相關專業資格，且對估值類近位置之同類物業擁有近期經驗。就本集團所有投資物業公允值之估計而言，其當前之用途等於其最高及最佳用途。

估值技術

估值乃按照以下方法進行：

- (i) 採用直接比較法，假設該等物業各自按現況交吉出售。經參考相關市場之可資比較銷售交易，選擇鄰近地區之可資比較物業並就位置及物業面積等因素之差異作出調整；及
- (ii) 採用收益法，計及物業權益之現時租金及租約之復歸潛力，隨後分別以復歸收益率計算物業市值。

年內，估值技術概無變動。

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19. INVESTMENT PROPERTIES (CONTINUED)

Information about fair value measurements using significant unobservable inputs (level 3)

19. 投資物業(續)

採用重大不可觀察輸入數據之公允值計量(第3層)相關資料

Description	詳情	Fair value at 31 March 2017 於2017年3月31日之公允值	Valuation technique(s) 估值技術	Unobservable inputs 不可觀察輸入數據	Range of unobservable inputs (probability weighted average) 不可觀察輸入數據範圍(概率加權平均值)	Relationship of unobservable inputs to fair value 不可觀察輸入數據與公允值之關係
Investment properties	投資物業	HK\$652,123,000 (2016: HK\$736,680,000) 652,123,000港元 (2016年: 736,680,000港元)	Income approach or direct comparison approach 收入法或直接比較法	Recent transacted rent 最近成交租金	RMB50-92 (2016: RMB39-101) per square meter per month 每月每平方米 人民幣50-92元 (2016年: 人民幣39-101元)	The higher the market rent, the higher the fair value 市值租金愈高則公允值愈高。
				Recent transacted price 最近成交價格	RMB2,000-3,900 (2016: RMB2,000 - RMB3,900) per square meter 每月每平方米人民幣 人民幣2,000-3,900元 (2016年: 人民幣2,000-3,900元)	The higher the market price, the higher the fair value 市價愈高則公允值愈高
				Reversionary yield 復歸收益率	10.5% (2016: 10.5%) (2016年: 10.5%)	The higher the reversionary yield, the lower the fair value 復歸收益率愈高則公允值愈低。

Note: In determining the valuation techniques adopted for valuation of the investment properties of the Group as at 31 March 2017 and 2016, DTZ has considered whether direct comparison approach would be adopted with reference to the availability of the sales transactions in the relevant market and comparable properties in close proximity with adjustments made. If there was no such information available, income approach would be used.

附註：於釐定用於估算本集團2017年及2016年3月31日之投資物業之估值技術時，戴德梁行經參考相關市場及鄰近可資比較物業銷售交易(經調整)之後考慮應否採用直接比較法。倘無法取得有關資料，則採用收益法。

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For the year ended 31 March 2017 截至2017年3月31日止年度

20. INVESTMENT PROPERTIES UNDER CONSTRUCTION

The movements of the Group's investment properties for rental purpose under construction and the reconciliation of Level 3 fair value measurement are as follows:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
FAIR VALUE	公允值		
At the beginning of the year	於年初	63,360	68,670
Additions	添置	68,126	-
Interest capitalised	利息資本化	9,006	-
Acquisition of subsidiaries (note 39)	收購附屬公司(附註39)	1,445,167	-
Increase (decrease) in fair values (note)	公允值增值(減值)(附註)	7,628	(2,075)
Exchange differences	匯兌差額	(90,895)	(3,235)
At the end of the year	於年末	1,502,392	63,360

For the year ended 31 March 2017, changes in fair values of approximately HK\$7,628,000 (2016: HK\$2,075,000) is attributable to the change in unrealised gain or loss relating to investment properties under construction at the end of the reporting period.

20. 在建投資物業

本集團作租賃用途在建投資物業之變動及第三級公允值計量之對賬如下：

截至2017年3月31日止年度，公允值變動約7,628,000港元(2016年：2,075,000港元)乃源於報告期結算日與在建投資物業有關之未變現損益變動。

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20. INVESTMENT PROPERTIES UNDER CONSTRUCTION (CONTINUED)

An analysis of the Group's investment properties under construction that are measured subsequent to initial recognition at fair value, grouped into fair hierarchy Level 3 based on the degree to which the inputs to fair value measurement is observable, is as follows:

20. 在建投資物業(續)

於初步確認後按公允值計量之本集團在建投資物業，乃按公允值計量輸入數據的可觀察程度分類為公允值第3層，有關分析如下：

Description	詳情	Fair value measurement at 31 March 2017
		Level 3 第3層 HK\$'000 千港元
Recurring fair value measurements Investment properties under construction	經常性公允值計量 在建投資物業	1,502,392

Description	詳情	Fair value measurement at 31 March 2016
		Level 3 第3層 HK\$'000 千港元
Recurring fair value measurements Investment properties under construction	經常性公允值計量 在建投資物業	63,360

There were no transfers between fair value hierarchy Levels 1, 2 and 3 during both years.

於該等年度，公允值第1層、第2層、第3層之間均無轉撥。

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20. INVESTMENT PROPERTIES UNDER CONSTRUCTION (CONTINUED)

Valuation processes

The Group's investment properties under construction were valued at 31 March 2017 and 2016 by independent professional valuers, DTZ and APAC respectively, (an independent qualified professional valuer not connected with the Group), who hold a recognised relevant professional qualification and have recent experience in valuing similar properties in the similar locations. In estimating the fair value of all of the Group's investment properties under construction, the highest and best use of these properties is the current use.

Valuations are based on direct comparison approach assuming sale of each of these properties in its existing state with the benefit of vacant possession. By making reference to sales transactions as available in the relevant market, comparable properties in close proximity have been selected and adjustments have been made to account for the difference in factors such as locations and property size.

There were no changes to the valuation techniques during the year.

20. 在建投資物業(續)

估值流程

本集團之在建投資物業於2017年及2016年3月31日由獨立專業估值師戴德梁行及亞太資產評估(為獨立專業合資格且與本集團概無關連之估值師)進行估值, 該等估值師持有獲認可之相關專業資格, 且對估算類近位置之同類物業擁有近期經驗。就本集團所有在建投資物業公允價值之估計而言, 其當前之用途等於其最高及最佳用途。

採用直接比較法, 假設該等物業各自按現況交吉出售。經參考相關市場之銷售交易, 選擇鄰近地區之可資比較物業並就位置及物業面積等因素之差異作出調整。

年內, 估值技術概無變動。

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20. INVESTMENT PROPERTIES UNDER CONSTRUCTION (CONTINUED)

Information about fair value measurements using significant unobservable inputs (Level 3)

20. 在建投資物業(續)

採用重大不可觀察輸入數據之公允值計量(第3層)相關資料

Description	詳情	Fair value at 31 March 2017 於2017年3月31日之公允值	Valuation technique(s) 估值技術	Unobservable inputs 不可觀察輸入數據	Range of unobservable inputs (probability weighted average) 不可觀察輸入數據範圍 (概率加權平均值)	Relationship of unobservable inputs to fair value 不可觀察輸入數據與公允值之關係
Chongqing-commercial building	重慶一商業大廈	HK\$1,441,259,000 (2016: nil) 1,441,259,000港元 (2016年: 無)	Direct comparison approach 直接比較法	Recent transacted rent 最近成交租金	RMB35,500–RMB88,000 (2016: nil) per square metre 每平方米 人民幣35,500元至 人民幣88,000元 (2016年: 無)	The higher the market price, the higher the fair value 市價愈高則公允值愈高
Zhejiang-commercial land	浙江一商業用地	HK\$43,392,000 (2016: HK\$44,520,000) 43,392,000港元 (2016年: 44,520,000港元)	Direct comparison approach 直接比較法	Recent transacted rent 最近成交租金	RMB2,100 (2016: RMB2,100) per square metre 每平方米 人民幣2,100元 (2016年: 人民幣2,100元)	The higher the market price, the higher the fair value 市價愈高則公允值愈高
Zhejiang-industrial land	浙江一工業用地	HK\$17,741,000 (2016: HK\$18,840,000) 17,741,000港元 (2016年: 18,840,000港元)	Direct comparison approach 直接比較法	Recent transacted rent 最近成交租金	RMB590 (2016: RMB600) per square metre 每平方米 人民幣590元 (2016年: 人民幣600元)	The higher the market price, the higher the fair value 市價愈高則公允值愈高

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21. PROPERTIES UNDER DEVELOPMENT

21. 發展中物業

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
At the beginning of the year	於年初	38,553	155,986
Additions	添置	12,477	15,804
Interest capitalised	利息資本化	3,111	1,291
Acquisition of subsidiaries (note 39)	收購附屬公司(附註39)	485,938	–
Transferred to investment properties (note 19)	轉撥入投資物業(附註19)	–	(25,211)
Transferred to completed properties held for sale	轉撥入持作出售之竣工物業	(41,086)	(101,867)
Exchange differences	匯兌差額	(35,653)	(7,450)
At the end of the year	於年末	463,340	38,553

The properties under development are all located in the PRC and are expected to be completed within the normal operating cycle and are included under current assets.

所有發展中物業均位於中國，預期在正常營運週期內完成，並計入流動資產中。

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22. PROPERTY, PLANT AND EQUIPMENT

22. 物業、廠房及設備

		Construction in progress	Leasehold improvements	Plant and machinery	Furniture, fixtures and equipment	Motor vehicles	Total
		在建工程	租賃樓宇 裝修	廠房及機器	傢俬、裝置 及設備	汽車	總計
		HK\$'000	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	千港元
Cost	成本						
At 1 April 2015	於2015年4月1日	-	9,326	9,083	4,626	5,164	28,199
Additions	添置	-	-	-	253	195	448
Acquisition of remaining interest in an associate as a subsidiary	收購一間聯營公司 剩餘股權作為 附屬公司	-	-	-	9	-	9
Disposal of subsidiaries	出售附屬公司	-	(9,326)	(9,083)	(3,322)	(2,932)	(24,663)
Exchange differences	匯兌差額	-	-	-	(214)	(110)	(324)
At 31 March 2016 and at 1 April 2016	於2016年3月31日 及2016年4月1日	-	-	-	1,352	2,317	3,669
Additions	添置	17,074	152	-	581	-	17,807
Write-off	撇銷	-	-	-	(362)	-	(362)
Interest capitalised	利息資本化	4,258	-	-	-	-	4,258
Amortisation of prepaid lease payments capitalised (note 23)	預付租賃款項 攤銷資本化 (附註23)	6,737	-	-	-	-	6,737
Acquisition of subsidiaries (note 39)	收購附屬公司 (附註39)	422,977	-	-	-	-	422,977
Exchange differences	匯兌差額	(8,026)	-	-	(55)	(135)	(8,216)
At 31 March 2017	於2017年3月31日	443,020	152	-	1,516	2,182	446,870

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22. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

22. 物業、廠房及設備(續)

		Construction in progress	Leasehold improvements	Plant and machinery	Furniture, fixtures and equipment	Motor vehicles	Total
		在建工程	租賃樓宇 裝修	廠房及機器	傢俬、裝置 及設備	汽車	總計
		HK\$'000	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	千港元
Accumulated depreciation 累計折舊							
At 1 April 2015	於2015年4月1日	-	9,326	9,083	4,457	4,810	27,676
Depreciation charge	折舊支銷	-	-	-	108	280	388
Eliminated on disposal of subsidiaries	出售附屬公司時 撇銷	-	(9,326)	(9,083)	(3,033)	(2,823)	(24,265)
Exchange differences	匯兌差額	-	-	-	(203)	(106)	(309)
At 31 March 2016 and 1 April 2016	於2016年3月31日 及2016年4月1日	-	-	-	1,329	2,161	3,490
Depreciation charge	折舊支銷	-	35	-	60	47	142
Write-off	撇銷	-	-	-	(362)	-	(362)
Exchange differences	匯兌差額	-	-	-	(52)	(128)	(180)
At 31 March 2017	於2017年3月31日	-	35	-	975	2,080	3,090
Carrying amount 賬面值							
At 31 March 2017	於2017年3月31日	443,020	117	-	541	102	443,780
At 31 March 2016	於2016年3月31日	-	-	-	23	156	179

The above items of property, plant and equipment, other than construction in progress, are depreciated on a straight-line basis, after taking into account their estimated residual values, over their estimated useful lives as follows:

除在建工程外，上述物業、廠房及設備項目均以直線法折舊，經減除估計剩餘價值後之估計可使用年期如下：

Leasehold improvements	Over the shorter of the term of the lease	租賃樓宇裝修	租約年期 (以較短者為準)
Plant and machinery	20%–25%	廠房及機器	20%–25%
Furniture, fixtures and equipment	25%	傢俬、裝置及設備	25%
Motor vehicles	25%	汽車	25%

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23. PREPAID LEASE PAYMENTS

23. 預付租賃款項

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
At the beginning of the year	於年初	–	–
Acquisition of subsidiaries (note 39)	收購附屬公司(附註39)	273,495	–
Amortisation (note)	攤銷(附註)	(6,737)	–
Exchange differences	匯兌差額	(4,716)	–
At the end of the year	於年末	262,042	–

Note: As at 31 March 2017, the amortisation of prepaid lease payments, represented the amortisation of land use right and construction in progress, is capitalised in construction in progress (2016: nil) (note 22).

附註：於2017年3月31日，預付租賃款項攤銷(即土地使用權及在建工程之攤銷)於在建工程資本化(2016年：無)(附註22)。

24. INVESTMENT IN AN ASSOCIATE

24. 於一間聯營公司之投資

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
At the beginning of the year	於年初	–	169
Share of profit of an associate	應佔一間聯營公司溢利	–	15
Acquisition of remaining interest in an associate as a subsidiary	收購一間聯營公司剩餘股權作為附屬公司	–	(184)
At the end of the year	於年末	–	–

Note: On 22 September 2015, the Group entered into an agreement with an independent third party, Shenzhen First Asia Property Management Company, to acquire its 80% equity interest in Zhuji Pan-Asia Property Management Company Limited ("Pan-Asia") at a cash consideration of RMB520,000, equivalent to approximately HK\$624,000. The Group effectively holds entire equity interest in Pan-Asia after the completion on 23 September 2015 and Pan-Asia became a wholly owned subsidiary of the Group.

附註：於2015年9月22日，本集團與獨立第三方深圳第一亞太物業管理有限公司訂立協議，以現金代價人民幣520,000元(相當於約624,000港元)收購其於諸暨泛亞物業管理有限公司(「泛亞」)80%股本權益。於2015年9月23日完成後，本集團實際持有泛亞全部股本權益，而泛亞成為本集團全資附屬公司。

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25. COMPLETED PROPERTIES HELD FOR SALE

The Group's interest in completed properties held for sale at their net book values are analysed as follows:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Completed properties held for sale	持作出售之竣工物業	255,538	296,745

The cost of completed properties held for sale recognised as expense and included in cost of sales amounted to HK\$60,810,000 (2016: HK\$72,215,000).

25. 持作出售之竣工物業

本集團於持作出售之竣工物業之權益按其賬面淨值分析如下：

	2017 HK\$'000 千港元	2016 HK\$'000 千港元
Completed properties held for sale	255,538	296,745

確認為開支並計入銷售成本之持作出售之竣工物業成本達60,810,000港元(2016年：72,215,000港元)。

26. DEPOSITS, PREPAYMENTS, TRADE AND OTHER RECEIVABLES

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Trade receivables	應收貨款	362	384
Less: allowance for impairment of trade receivables	減：應收貨款減值撥備	(362)	(384)
Trade receivables, net	應收貨款淨額	-	-
Refundable deposit for acquisition of subsidiaries (note (i))	收購附屬公司之可退還訂金(附註(i))	400,000	-
Consideration receivable from disposal of subsidiary (note (ii))	出售附屬公司之應收代價(附註(ii))	-	189,400
Deposits and other receivables (note (iii))	按金及其他應收賬款(附註(iii))	67,774	39,908
Prepayments (note (iv))	預付款項(附註(iv))	66,207	70
		533,981	229,378
Analyse for reporting purpose as:	就報告目的分析為：		
Non-current portion	非流動部分	55,991	2,931
Current portion	流動部分	477,990	226,447
		533,981	229,378

The Group does not hold any collaterals over these balances as at 31 March 2017 (2016: nil).

The Group's trade receivables of approximately HK\$362,000 (2016: HK\$384,000) were aged more than 1 year and past due more than 1 year (2016: more than 1 year).

26. 按金、預付款項、應收貨款及其他應收賬款

	2017 HK\$'000 千港元	2016 HK\$'000 千港元
Trade receivables	362	384
Less: allowance for impairment of trade receivables	(362)	(384)
Trade receivables, net	-	-
Refundable deposit for acquisition of subsidiaries (note (i))	400,000	-
Consideration receivable from disposal of subsidiary (note (ii))	-	189,400
Deposits and other receivables (note (iii))	67,774	39,908
Prepayments (note (iv))	66,207	70
	533,981	229,378
Analyse for reporting purpose as:		
Non-current portion	55,991	2,931
Current portion	477,990	226,447
	533,981	229,378

於2017年3月31日，本集團並無就此等結餘持有任何抵押品(2016年：無)。

本集團之應收貨款約362,000港元(2016年：384,000港元)，賬齡多於一年及逾期超過一年(2016年：超過一年)。

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26. DEPOSITS, PREPAYMENTS, TRADE AND OTHER RECEIVABLES (CONTINUED)

The Group has provided fully for all receivables where recovery of the amounts is remote, unless the Group has determined that such balances are not recoverable, in which case the impairment loss is directly written off against the corresponding trade receivables.

The movements in the allowance for impairment of trade receivables are as follows:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
At the beginning of the year	於年初	384	1,402
Amounts written off as uncollectible	撇銷為無法收回之金額	—	(968)
Exchange differences	匯兌差額	(22)	(50)
At the end of the year	於年末	362	384

At the end of the reporting period, the recoverability of the Group's trade receivables due from individual customers are assessed based on the credit history of its customers, their financial conditions and current market conditions. Consequently, specific impairment provision is recognised.

Included in the allowance for impairment of trade receivables were individually impaired trade receivables with an aggregate balance of approximately HK\$362,000 (2016: HK\$384,000). The individually impaired trade receivables mainly relate to customers with financial difficulties.

Notes:

- (i) On 2 November 2016, the Group entered into a sale and purchase agreement with Mr. Tsoi, a director of a subsidiary of the Company and the spouse of the holder of the Company's promissory notes (note 30), to acquire a property in Shanghai for a total consideration of RMB500,000,000 (equivalent to approximately HK\$565,000,000). During the year ended 31 March 2017, a refundable deposit of HK\$400,000,000 was paid to Mr. Tsoi. The deposit is refundable if conditions have not been met by Mr. Tsoi as mutually agreed in sale and purchase agreement.

Subsequent to the end of the reporting period on 14 August 2017, the above-mentioned proposed acquisition has been terminated and the refundable deposit of HK\$400,000,000 at 31 March 2017 were fully refunded by Mr. Tsoi.

26. 按金、預付款項、應收貨款及其他應收賬款(續)

本集團為可收回機會極微之所有應收賬款全面撥備，除非本集團認為此等結餘不可收回，在此情況下，減值虧損將直接與相應應收貨款撇銷。

應收貨款減值撥備變動如下：

	2017 HK\$'000 千港元	2016 HK\$'000 千港元
At the beginning of the year	384	1,402
Amounts written off as uncollectible	—	(968)
Exchange differences	(22)	(50)
At the end of the year	362	384

於報告期結算日，本集團應收個別客戶之應收貨款可收回性是根據客戶之信用記錄、財務狀況及目前市況評估，並就此確認特別減值撥備。

計入應收貨款減值撥備之個別已減值應收貨款之總結餘約為362,000港元(2016年：384,000港元)。個別已減值應收貨款主要與陷於財政困難之客戶有關。

附註：

- (i) 於2016年11月2日，本集團與本公司一間附屬公司之董事蔡先生及本公司承兌票據(附註30)持有人之配偶訂立買賣協議，按總代價人民幣500,000,000元(相當於565,000,000港元)收購位於上海之物業。截至2017年3月31日止年度，本集團已向蔡先生支付可退還訂金400,000,000港元。倘蔡先生未能達成買賣協議相互協定之條件，則訂金可予退還。

於報告期結算日2017年8月14日後，上述建議收購已終止，且蔡先生已全數退還2017年3月31日之可退還訂金400,000,000港元。

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For the year ended 31 March 2017 截至2017年3月31日止年度

26. DEPOSITS, PREPAYMENTS, TRADE AND OTHER RECEIVABLES (CONTINUED)

Notes: (continued)

(i) (continued)

Further details were set out in the Company's announcements dated 2 November 2016, 26 May 2017 and 14 August 2017.

(ii) The balance represented the consideration receivable in respect of the disposal of the Man Sang Jewellery Group and the amount was fully settled during the year ended 31 March 2017.

(iii) Included in the balance as at 31 March 2017 was approximately RMB18,387,000 (2016: nil), equivalent to approximately HK\$20,777,000 (2016: nil), representing an indemnification from the vendor of the Gloryear Group for the loss arising from the termination of the hotel operation of the Gloryear Group.

(iv) Amount mainly represented the prepayment for extension of the Group's existing land use rights of approximately RMB55,330,000 (2016: nil), equivalent to approximately HK\$62,523,000 (2016: nil), for the property in Chongqing from August 2043 to August 2053. The extension has been successfully granted in May 2017.

27. RESTRICTED BANK BALANCE AND CASH AND CASH EQUIVALENTS

As at 31 March 2017, restricted bank balances of approximately HK\$662,000 (2016: HK\$703,000) were held at bank as security for the mortgage collaboration agreement (note 34(ii)) with interest rate of 0.01% (2016: 0.01%) per annum.

Cash at banks and on hand	銀行及手頭現金
Short-term time deposits	短期定期存款

Bank balances carried interest at prevailing market rates during the years ended 31 March 2017 and 2016.

Short-term time deposits carried interest at fixed short-term deposits rates 1.8% (2016: 3.3%) at 31 March 2017 and 2016.

The conversion of RMB-denominated balances into foreign currencies and the remittance of such foreign currencies denominated bank balances and cash out of the PRC are subject to relevant rules and regulation of foreign exchange control promulgated by the PRC government.

26. 按金、預付款項、應收貨款及其他應收賬款(續)

附註：(續)

(i) (續)

進一步詳情載於本公司日期為2016年11月2日、2017年5月26日及2017年8月14日之公告。

(ii) 餘額指出售民生珠寶集團之應收代價，有關款項於截至2017年3月31日止年度悉數結清。

(iii) 計入2017年3月31日之結餘約人民幣18,387,000元(2016年：無)(相當於約20,777,000港元(2016年：無))為譽年集團之賣方就終止譽年集團酒店業務所產生虧損而提供之彌償保證。

(iv) 有關款項主要為就將本集團重慶物業之現有土地使用權由2043年8月延長至2053年8月之預付款項約人民幣55,330,000元(二零一六年：無)(相當於約62,523,000港元(2016年：無))。有關延長已於2017年5月順利授出。

27. 受限制銀行存款以及現金及等同現金

於2017年3月31日，662,000港元(2016年：703,000港元)為銀行所持受限制銀行存款，作為按揭合作協議之抵押品(附註34(ii))，並按年利率0.01厘(2016年：0.01厘)計息。

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Cash at banks and on hand	銀行及手頭現金	241,927	462,254
Short-term time deposits	短期定期存款	120	124
		242,047	462,378

截至2017年及2016年3月31日止年度，銀行存款按現行市場利率計息。

於2017年及2016年3月31日，短期定期存款按1.8厘(2016年：3.3厘)之固定短期存款利率計息。

將人民幣結餘兌換為外幣並將此等外幣銀行結餘及現金匯出中國，須遵守中國政府就外匯管制頒佈之相關規則及法規。

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28. TRADE AND OTHER PAYABLES

28. 應付貨款及其他應付賬款

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Trade payables	應付貨款	–	2,468
Loans from non-controlling shareholders (note (i))	來自非控股股東之貸款 (附註(i))	86,938	86,938
Advance receipts from customers	預收客戶款項	106,224	84,749
Construction costs accruals and payables (note (ii))	建築成本應計費用及應付賬款 (附註(ii))	233,047	88,357
Amount due to Mr. Tsoi (note (iii))	應付蔡先生之款項(附註(iii))	48,757	–
Amounts due to the companies under control of Mr. Tsoi (note (iii))	應付由蔡先生所控制公司之款項(附註(iii))	83,336	–
Other accruals and payables (note (iv))	其他應計費用及應付賬款(附註(iv))	140,647	91,767
		698,949	354,279
Analyse for reporting purpose as:	就報告目的分析為：		
Non-current portion	非流動部分	257,136	–
Current portion	流動部分	441,813	354,279
		698,949	354,279

The ageing analysis of trade payables based on due date is as follows:

應付貨款根據到期日之賬齡分析如下：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Past due	逾期		
0 to 60 days	0至60天	–	1,963
61 to 120 days	61至120天	–	–
More than 120 days	120天以上	–	505
		–	2,468

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For the year ended 31 March 2017 截至2017年3月31日止年度

28. TRADE AND OTHER PAYABLES (CONTINUED)

Notes:

- (i) The loans from non-controlling shareholders are interest-free, unsecured and repayable on demand.
- (ii) On 6 March 2017, a main contractor of Chongqing Kingstone, which is an independent third party of the Group, has undertaken and agreed to extend the credit period granted to Chongqing Kingstone in respect of certain construction costs in relation to the redevelopment of the property in Chongqing with a total amount of approximately HK\$325,022,000, of which approximately HK\$125,043,000 had been recorded as construction costs accruals and payables as at 31 March 2017 and approximately HK\$199,979,000 was included as capital commitments of the Group as at 31 March 2017 (note 35(a)). The main contractor has agreed not to demand repayment of the above amounts payable or committed by Chongqing Kingstone on or before 30 June 2018. Accordingly, these amounts are classified under non-current liabilities.
- (iii) The outstanding advance from Mr. Tsoi had taken into account (i) advances from independent third parties in aggregate of HK\$209,190,000 to Chongqing Kingstone that are assigned to Mr. Tsoi pursuant to various tripartite agreements entered into on 31 March 2017; (ii) receivables of approximately HK\$85,841,000 from a company under the control of Mr. Tsoi that were assigned to Mr. Tsoi pursuant to tripartite agreements entered into on 31 March 2017; and (iii) various payments made at the request of Mr. Tsoi in aggregate of approximately HK\$72,885,000.

The outstanding amounts are interest-free and unsecured. The amounts are not repayable on or before 30 June 2018 and classified under non-current liabilities.

- (iv) Included in the balance as at 31 March 2017 was approximately RMB18,387,000 (2016: nil), equivalent to approximately HK\$20,777,000 (2016: nil), representing the compensation payable in respect of the termination of the hotel operation of the Gloryear Group.

29. BANK AND OTHER BORROWINGS

28. 應付貨款及其他應付賬款(續)

附註：

- (i) 來自非控股股東之貸款為免息、無抵押及按要求償還。
- (ii) 於2017年3月6日，重慶皇石之主要承建商(為本集團之獨立第三方)已承諾並同意延長授予重慶皇石有關重新發展重慶物業若干建築成本之信貸期，有關建築成本金額合共約為325,022,000港元，其中約125,043,000港元已入賬列作於2017年3月31日之建築成本應計費用及應付賬款，而約199,979,000港元已計入本集團於2017年3月31日之資本承擔(附註35(a))。該主要承建商已同意不會要求重慶皇石於2018年6月30日或之前償還任何上述應付或承付款項。因此，有關款項已分類為非流動負債。
- (iii) 來自蔡先生之未償還墊款已計及(i)根據於2017年3月31日訂立之多份三方協議將獨立第三方向重慶皇石作出多筆合共209,190,000港元之墊款轉讓予蔡先生；(ii)根據於2017年3月31日訂立之三方協議將應收蔡先生所控制公司之款項約85,841,000港元轉讓予蔡先生；及(iii)按蔡先生要求作出之多筆付款合共約72,885,000港元。

有關未償還款項為免息及無抵押。有關款項毋須於2018年6月30日或之前償還，並分類為非流動負債。

- (iv) 計入2017年3月31日之結餘約人民幣18,387,000元(2016年：無)(相當於約20,777,000港元(2016年：無))為就終止譽年集團酒店業務而應付之補償。

29. 銀行及其他借貸

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Current:	即期：		
Secured bonds — interest portion (note (i))	有抵押債券 — 利息部分(附註(i))	14,597	—
Unsecured revolving loan — interest portion (note (iii))	無抵押循環貸款 — 利息部分(附註(iii))	44	—
Unsecured loans — principal and interest portions (note (iv))	無抵押貸款 — 本金及利息部分(附註(iv))	39,818	—
		54,459	—
Non-current:	非即期：		
Secured bonds (note (i))	有抵押債券(附註(i))	396,042	—
Secured trustee loan (note (ii))	有抵押信託人貸款(附註(ii))	904,000	—
Unsecured revolving loan (note (iii))	無抵押循環貸款(附註(iii))	50,000	—
		1,350,042	—
Total bank and other borrowings	銀行及其他借貸總額	1,404,501	—

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29. BANK AND OTHER BORROWINGS (CONTINUED)

Carrying amount repayable (based on a scheduled repayment dates are set out in the loan agreements):

29. 銀行及其他借貸(續)

償還賬面值(根據貸款協議載列定期償還日期):

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
On demand	按要求	39,818	-
Within 1 year	一年內	14,641	-
Between 1 and 2 years	一年至兩年	1,350,042	-
		1,404,501	-
Carrying amount of bank and other borrowings that are repayable on demand due to the default on repayment	因拖欠還款而須按要求償還之銀行及其他借貸之賬面值	39,818	-
Interest portions of bank and other borrowings	銀行及其他借貸之利息部分	14,641	-
Amounts shown under current liabilities	列作流動負債之款項	54,459	-
Amounts shown under non-current liabilities	列作非流動負債之款項	1,350,042	-
		1,404,501	-

Notes:

- (i) The Group entered into a subscription agreement as issuer with a Cayman Islands incorporated open-ended exempted segregated portfolio company (the "Subscriber"), pursuant to which the Company, on 4 November 2016, issued and the Subscriber subscribed for a two-year secured bonds, with an aggregate principal amount of HK\$400,000,000. The bonds carried interest at the rate of 9% per annum, with the interest payable semi-annually. The secured bonds are secured by the equity interests in Free Gain Ventures Limited, a wholly owned subsidiary of the Company.

The effective interest rate of the secured bonds is 9%.

Subsequent to the end of the reporting period on 18 August 2017, the Group has early settled the secured bonds of HK\$400,000,000 (note 41).

附註:

- (i) 本集團與於開曼群島註冊成立之開放式獲豁免獨立投資組合公司(「認購人」)訂立認購協議，據此，於2016年11月4日，本公司已發行而認購人已認購兩年期擔保債券，本金總額為400,000,000港元。債券按年利率9厘計息，每半年支付利息一次。有抵押債券由本公司之全資附屬公司暢益企業有限公司之股權作抵押。

有抵押債券之實際利率為9厘。

於報告期結算日2017年8月18日後，本集團已提早結算為數400,000,000港元之有抵押債券(附註41)。

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For the year ended 31 March 2017 截至2017年3月31日止年度

29. BANK AND OTHER BORROWINGS (CONTINUED)

Notes: (continued)

- (ii) The Group entered into a fund arrangement with a financial institution (the "Trustee"), which is an independent third party of the Group. Pursuant to the fund arrangement, the Trustee raised a three-year trustee loan with principal amount of RMB800,000,000, equivalent to approximately HK\$904,000,000, which will mature on 24 June 2018. The trustee loan carried a fixed interest rate of 8.1% per annum, with the interest payable quarterly. The entire amount of the trustee loan was used to finance the redevelopment of its property in Chongqing Kingstone.

The trustee loan was secured by the Group's investment properties under construction, property, plant and equipment, prepaid lease payments and properties under development of approximately HK\$1,441,259,000, HK\$443,020,000, HK\$262,042,000 and HK\$427,035,000, respectively.

The effective interest rate of the trustee loan is 8.1%.

- (iii) The Group entered into a 2-year revolving loan facilities of HK\$200,000,000 with the financing company to finance the Group's funding needs. The facilities are unsecured, carried a fixed interest rate of 8% per annum, with the interest payable quarterly, and will mature on 12 January 2019. As at 31 March 2017, the Group has drawn down the facility of HK\$50,000,000.

The effective interest rate of the revolving loan is 8%.

- (iv) Unsecured loans comprising of aggregate term loans of RMB20,000,000, equivalent to HK\$22,600,000, matured on 26 October 2016 and a term loan of RMB10,000,000, equivalent to HK\$11,300,000, matured on 29 October 2016. The unsecured loans carried a fixed interest rate of 12% per annum and were guaranteed by a company beneficially owned by Mr. Tsoi. As at 31 March 2017, such unsecured loans were in default for immediate repayment. Daily interest rate of 0.05% as stated in the loan agreement, has been charged starting from the date of the default on repayment and the penalty of RMB2,000,000, equivalent to HK\$2,260,000. Aggregate amount of penalty and interests of approximately HK\$5,918,000 have been charged to the profit or loss of the Group for the year. The unsecured loans remained outstanding as of the date of these consolidated financial statements.

The effective interest rate of the unsecured loans is 12%.

At the end of the reporting period, the Group has the following undrawn facility:

Fixed rate	固定利率
— expiring on 28 March 2019	— 於2019年3月28日到期

29. 銀行及其他借貸(續)

附註：(續)

- (ii) 本集團與一間財務機構(「信託人」，為本集團之獨立第三方)訂立資金安排。根據資金安排，信託人籌集本金額人民幣800,000,000元(相當於約904,000,000港元)並將於2018年6月24日到期之三年期信託人貸款。有關信託人貸款按固定年利率8.1厘計息，每季度支付利息一次。信託人貸款之全數金額已用作為重新發展其重慶皇石物業提供資金。

信託人貸款以本集團在建投資物業、物業、廠房及設備、預付租賃款項以及發展中物業(分別約1,441,259,000港元、443,020,000港元、262,042,000港元及427,035,000港元)作抵押。

信託人貸款之實際利率為8.1厘。

- (iii) 本集團與融資公司訂立為數200,000,000港元之兩年期循環貸款融資，以撥付本集團資金需求。融資為無抵押、按固定年利率8厘計息，每季度支付利息一次，並將於2019年1月12日到期。於2017年3月31日，本集團已提取融資其中50,000,000港元。

循環貸款之實際利率為8厘。

- (iv) 無抵押貸款包括總額為人民幣20,000,000元(相當於22,600,000港元)之定期貸款於2016年10月26日到期，及人民幣10,000,000元(相當於11,300,000港元)之定期貸款於2016年10月29日到期。無抵押貸款之固定年利率為12厘，由蔡先生實益擁有之公司作擔保。於2017年3月31日，該等無抵押貸款已逾期並須即時償還。自逾期償還日期開始，如貸款協議所述按每日收取0.05厘利息以及罰款人民幣2,000,000元(相當於2,260,000港元)。年內本集團損益已計入罰款及利息總額約5,918,000港元。無抵押貸款於綜合財務報表日期仍未償還。

無抵押貸款之實際利率為12厘。

於報告期結算日，本集團有以下未提取融資：

	2017 HK\$'000 千港元	2016 HK\$'000 千港元
Fixed rate		
— expiring on 28 March 2019	150,000	—

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30. PROMISSORY NOTES

30. 承兌票據

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
At the beginning of the year	於年初	–	–
Issue of promissory notes	發行承兌票據	1,168,000	–
Redemption	贖回	(390,000)	–
Interest charge (note 12)	利息支出(附註12)	47,938	–
Interest paid upon early redemption	提早贖回時已付之利息	(32,591)	–
At the end of year	於年末	793,347	–

On 28 July 2016, the Company issued promissory notes with a principal amount of HK\$1,168,000,000 as part of the consideration to acquire the entire equity interests in the Gloryyear Group (note 39). The promissory notes are unsecured, carried a fixed interest rate 8% per annum and will be matured on 28 July 2019. All interests will be accrued and paid on the date of the maturity. The Company may redeem (in full or in part) the promissory notes at any time after the date of issue of the promissory notes and before the maturity date by serving prior notice to the promissory notes holder. The promissory notes are measured at amortised cost, using the effective interest rates of 8% per annum.

During the year ended 31 March 2017, the Company had early redeemed part of the promissory notes with principal amount of HK\$390,000,000 with payment of interest of approximately HK\$32,591,000.

31. DEFERRED INCOME TAX

The analysis of deferred income tax liabilities after setting off certain deferred tax assets against deferred tax liabilities of the same taxable entity, is as follows:

於2016年7月28日，本公司發行本金額為1,168,000,000港元之承兌票據，作為收購譽年集團全部股權(附註39)之代價其中部分。承兌票據為無抵押及按固定年利率8厘計息，並將於2019年7月28日到期。所有利息將會累算，並於到期日支付。本公司可於承兌票據發行日期後至到期日前隨時向承兌票據持有人發出事先通知，贖回全部或部分承兌票據。承兌票據使用實際年利率8厘按攤銷成本計量。

截至2017年3月31日止年度，本公司已提早贖回部分涉及本金額390,000,000港元之承兌票據，並支付利息約32,591,000港元。

31. 遞延所得稅

同一應課稅實體之若干遞延稅項資產及遞延稅項負債相互抵銷後之遞延所得稅負債分析如下：

		2017 HK\$'000 千港元	2016 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	141,965	172,696
		141,965	172,696

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31. DEFERRED INCOME TAX (CONTINUED)

The movements in deferred income tax liabilities (assets) during the years ended 31 March 2017 and 2016, without taking into consideration the offsetting of balances of the same entity within the same tax jurisdictions, are as follows:

		Revaluation of properties	Accelerated tax depreciation	Undistributed profits from subsidiaries	Others	Total
		重估物業 HK\$'000 千港元	加速 稅項折舊 HK\$'000 千港元	來自附屬公司 之未分派溢利 HK\$'000 千港元 (note) (附註)	其他 HK\$'000 千港元	總計 HK\$'000 千港元
At 1 April 2015	於2015年4月1日	213,448	(21)	17,758	(1,073)	230,112
(Credited) charged to profit or loss	(計入)扣自損益內	(3,135)	-	2,755	-	(380)
Disposal of subsidiaries (note 40)	出售附屬公司 (附註40)	(46,827)	21	-	-	(46,806)
Exchange differences	匯兌差額	(9,435)	-	(845)	50	(10,230)
At 31 March 2016 and 1 April 2016	於2016年3月31日及 2016年4月1日	154,051	-	19,668	(1,023)	172,696
(Credited) charged to profit or loss	(計入)扣自損益內	(25,711)	-	4,344	-	(21,367)
Exchange differences	匯兌差額	(8,116)	-	(1,308)	60	(9,364)
At 31 March 2017	於2017年3月31日	120,224	-	22,704	(963)	141,965

Note: Under the EIT Law of the PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has been provided for in the consolidated financial statements in respect of temporary taxable difference attributable to accumulated profits of the PRC subsidiaries amounting to approximately HK\$22,704,000 (2016: HK\$19,668,000).

At 31 March 2017, the Group has unused tax losses of approximately HK\$54,155,000 (2016: HK\$36,668,000) available for offsetting against future profits. No deferred income tax asset has been recognised in respect of approximately HK\$54,155,000 (2016: HK\$36,668,000) due to unpredictability of future profit streams. Tax losses of approximately HK\$36,560,000 (2016: HK\$36,560,000) have no expiry date while the remaining tax losses of approximately HK\$17,595,000 (2016: HK\$108,000) will be expired in five years after the relevant accounting year end date.

31. 遞延所得稅(續)

截至2017年及2016年3月31日止年度之遞延所得稅負債(資產)(並無計入同一稅務司法權區內同一實體對銷結餘)之變動如下:

附註:根據中國企業所得稅法,自2008年1月1日起因中國附屬公司賺取溢利而宣派之股息,須繳納預扣稅。本集團已在綜合財務報表就中國附屬公司累計溢利應佔之暫時稅項差額約22,704,000港元(2016年:19,668,000港元)計提遞延稅項撥備。

於2017年3月31日,本集團有約54,155,000港元(2016年:36,668,000港元)可用作抵銷未來溢利之未動用稅項虧損。由於無法預料未來溢利來源,故並無就約54,155,000港元(2016年:36,668,000港元)確認遞延所得稅資產。稅項虧損約36,560,000港元(2016年:36,560,000港元)並無屆滿日期,而餘下稅項虧損約17,595,000港元(2016年:108,000港元)將於相關會計年度結算日後五年內屆滿。

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For the year ended 31 March 2017 截至2017年3月31日止年度

32. SHARE CAPITAL

32. 股本

		Number of shares		Share capital	
		股份數目		股本	
		2017	2016	2017	2016
		'000	'000	HK\$'000	HK\$'000
		千股	千股	千港元	千港元
Ordinary shares of HK\$0.1 each	每股面值0.1港元之普通股				
Authorised	法定				
At the beginning and the end of the year	於年初及年末	5,000,000	5,000,000	500,000	500,000
Issued and fully paid	已發行及繳足				
At the beginning of the year	於年初	1,588,644	1,331,606	158,864	133,161
Issuance of new shares (note (i))	發行新股(附註(i))	317,528	256,038	31,753	25,603
Exercise of share options (note (ii))	行使購股權(附註(ii))	–	1,000	–	100
At the end of the year	於年末	1,906,172	1,588,644	190,617	158,864

Notes:

(i) On 25 June 2015, a total of approximately 256,038,041 new ordinary shares were allotted and issued at the subscription price of HK\$1.09 per share. The gross and net proceeds from the subscription were approximately HK\$279,082,000. These new shares rank pari passu with the existing shares in all respects.

On 26 September 2016, a total of 317,528,000 new ordinary shares were allotted and issued at the subscription price of HK\$0.60 per share. The gross and net proceeds from the subscription was approximately HK\$190,517,000. These new shares rank pari passu with the existing shares in all respects.

(ii) During the year ended 31 March 2016, 1,000,000 share options with exercise price of HK\$0.61 were exercised to subscribe for 1,000,000 new ordinary shares of the Company at a cash consideration of HK\$610,000. These new shares rank pari passu with the existing shares in all respects.

附註：

(i) 於2015年6月25日，合共約256,038,041股新普通股按認購價每股1.09港元獲配發及發行。認購之所得款項總額及淨額約為279,082,000港元。該等新股份與現有股份在所有各方面享有同等權利。

於2016年9月26日，合共317,528,000股新普通股按認購價每股0.60港元獲配發及發行。認購之所得款項總額及淨額約為190,517,000港元。該等新股份與現有股份在所有方面均享有同等權利。

(ii) 截至2016年3月31日止年度，1,000,000份購股權按行使價0.61港元獲行使，以認購1,000,000股本公司新普通股，現金代價為610,000港元。該等新股份與現有股份在所有方面均享有同等權利。

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33. SHARE-BASED PAYMENT

Share Option Schemes

The 2002 Scheme

The share option scheme adopted by the Company on 2 August 2002 (the "2002 Scheme") was expired on 1 August 2012. Thereafter, no further options would be granted under the 2002 Scheme but the subsisting options granted thereunder prior to the expiry date will continue to be valid and exercisable in accordance with the terms of the 2002 Scheme.

The purpose of the 2002 Scheme is to provide incentives to the eligible participants to contribute to the Group and to enable the Group to recruit high-caliber employees and attract resources that are valuable to the Group. Under the 2002 Scheme, the board of directors of the Company may grant options to any person being an employee, officer, agent, or consultant of the Group including executive or non-executive directors of the Company and its subsidiaries, to subscribe for shares in the Company at a price to be determined by the board of directors being the highest of (a) the closing price of the shares on the Stock Exchange on the date of grant of the option, which must be a trading day; (b) the average closing price of the shares of the Stock Exchange for the five trading days immediately preceding the date of grant of the option; and (c) the nominal value of the shares.

The total number of shares in respect of which the 2002 Scheme and any other share option schemes of the Group is not permitted to exceed 10% of the number of shares in issue at the date of adoption of the 2002 Scheme or such number of shares as a result from a sub-division or consolidation of the number of shares at that date. Subject to as provided in the 2002 Scheme, the Company may seek approval from its shareholders in general meeting to refresh this 10% limit, but the total number of shares which may be issued under the 2002 Scheme must not exceed 30% of the number of shares in issue from time to time.

No participant shall be granted an option which, if accepted and exercised in full, would result in the participant becoming entitled to subscribe for such number of shares as, when aggregated with the total number of shares already issued and which may be issued upon exercise of all options granted and to be granted to him, together with all options granted and to be granted to him under any other share option schemes of the Company and/or any subsidiaries, within the 12-month period immediately preceding the proposed date of grant (including exercised, cancelled and outstanding options), would exceed 1% of the number of shares in issue as at the proposed date of grant.

The 2002 Scheme shall be valid and effective for a period of 10 years commencing 2 August 2002.

33. 以股份為基準之付款

購股權計劃

2002年計劃

本公司於2002年8月2日採納之購股權計劃(「2002年計劃」)，已於2012年8月1日屆滿。之後，2002年計劃再無授出購股權，但計劃下於屆滿日期前授出之現存購股權將繼續有效，可根據2002年計劃之條款行使。

2002年計劃旨在提供獎勵予合資格參與者，使彼等為本集團作出貢獻，並讓本集團得以招聘及吸納具有卓越才幹之僱員成為本集團寶貴之資源。根據2002年計劃，本公司董事會可向身為本集團僱員、高級人員、代理或顧問(包括本公司及其附屬公司之執行或非執行董事)之任何人士授出購股權，以認購本公司股份，認購價由董事會釐定，惟相等於下列三項中之最高者：(a) 股份於購股權授出日期(必須為交易日)在聯交所錄得之收市價；(b) 股份在緊接購股權授出日期前五個交易日在聯交所錄得之平均收市價；及(c) 股份面值。

2002年計劃及本集團任何其他購股權計劃項下發行之股份總數，不得超過於2002年計劃採納日期已發行股份數目或於該日因拆細或合併股份數目而產生之股份數目之10%。在2002年計劃條文之規限下，本公司可在股東大會徵求股東批准更新此10%限額，但2002年計劃項下可發行之股份總數不得超出不時已發行股份數目30%。

倘向某一參與者授出購股權，而倘有關購股權獲接納及全面行使，將導致有關參與者有權認購之股份數目，加上於緊接購股權建議授出日期前12個月期間內已向彼授出及將予授出之所有購股權，以及根據本公司及／或任何附屬公司之任何其他購股權計劃已向彼授出及將予授出之所有購股權(包括已行使、已註銷及尚未行使之購股權)獲行使而已發行及可予發行之股份總數，合共超過建議授出日期之已發行股份數目1%，則不得授出有關購股權。

2002年計劃之有效期由2002年8月2日起計為期十年。

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33. SHARE-BASED PAYMENT (CONTINUED)

Share Option Schemes (continued)

The 2002 Scheme (continued)

Options granted must be taken up within 28 days of the date of grant upon payment of HK\$1 for each grant of options. Subject to as provided in the 2002 Scheme, options may be exercised at any time during the option period, which is to be notified by the board of directors to each grantee, commencing on the date of grant or such later date as the board of directors may decide and expiring on such date as the board of directors may determine, provided that such period is not to exceed ten years from the date of grant, and subject to any restrictions that may be imposed by the board of directors in its discretion.

Details of the principal terms of the 2002 Scheme are set out in the circular of the Company dated 4 July 2002.

During the year ended 31 March 2017, no options (2016: 1,000,000 options) were exercised and no options (2016: no options) were forfeited or lapsed. The closing price of the Company's shares immediately before the date on which share options were exercised during the year ended 31 March 2016 was HK\$1.38, with exercise price of HK\$0.61 per each share option.

No share option has been granted by the Company under the 2002 Scheme during the years ended 31 March 2017 and 2016. No share option under the 2002 Scheme was outstanding as at 31 March 2017 and 2016.

The 2012 Scheme

On 17 August 2012, the Company adopted the 2012 share option scheme (the "2012 Scheme") under which the directors of the Company may grant options to eligible persons to subscribe for the Company's shares subject to the terms and conditions as stipulated therein. Unless otherwise cancelled or amended, the 2012 Scheme will remain valid for a period of 10 years from the adoption date.

The purpose of the 2012 Scheme is to provide incentives to the eligible participants to contribute to the Group and to enable the Group to recruit high-caliber employees and attract resources that are valuable to the Group. Under the 2012 Scheme, the board of directors of the Company may grant options to any person being an employee, officer, agent, or consultant of the Group including executive or non-executive directors of the Company and its subsidiaries, to subscribe for shares in the Company at a price to be determined by the board of directors being the highest of (a) the closing price of the shares on the Stock Exchange on the date of grant of the option, which must be a trading day; (b) the average closing price of the shares of the Stock Exchange for the five trading days immediately preceding the date of grant of the option; and (c) the nominal value of the shares.

33. 以股份為基準之付款(續) 購股權計劃(續)

2002年計劃(續)

授出之購股權必須於授出日期起計28日內接納，並須就每次授出之購股權支付1港元。根據2002年計劃之規定，各承授人可於購股權期間內隨時行使購股權。購股權期間將由董事會知會各承授人，由授出日期(或董事會可能決定之較後日期)起計，並將於董事會決定之日期結束，惟購股權期間由授出日期起計不得超逾十年，並須受董事會酌情施加之任何限制所規限。

2002年計劃之主要條款詳情載於本公司日期為2002年7月4日之通函內。

截至2017年3月31日止年度，並無購股權(2016年：1,000,000份購股權)獲行使，亦無購股權(2016年：並無購股權)被沒收或失效。截至2016年3月31日止年度購股權獲行使日期前，本公司股份之收市價為1.38港元，購股權按行使價每份購股權0.61港元獲行使。

截至2017年及2016年3月31日止年度，本公司概無根據2002年計劃授出購股權。於2017年及2016年3月31日，亦無2002年計劃項下之購股權未獲行使。

2012年計劃

於2012年8月17日，本公司採納2012年購股權計劃(「2012年計劃」)，據此，本公司董事可向合資格人士授予購股權，合資格人士可根據當中所載條款及條件認購本公司股份。除另行註銷或修訂外，2012年計劃於採納日期起計為期十年持續有效。

2012年計劃旨在提供獎勵予合資格參與者，使彼等為本集團作出貢獻，並讓本集團得以招聘及吸納具有卓越才幹之僱員成為本集團寶貴之資源。根據2012年計劃，本公司董事會可向身為本集團僱員、高級人員、代理或顧問(包括本公司及其附屬公司之執行或非執行董事)之任何人士授出購股權，以認購本公司股份，認購價由董事會釐定，惟相等於下列三項中之最高者：(a) 股份於購股權授出日期(必須為交易日)在聯交所錄得之收市價；(b) 股份在緊接購股權授出日期前五個交易日在聯交所錄得之平均收市價；及(c) 股份面值。

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33. SHARE-BASED PAYMENT (CONTINUED)

Share Option Schemes (continued)

The 2012 Scheme (continued)

The total number of shares in respect of which the 2012 Scheme and any other share option schemes of the Group is not permitted to exceed 10% of the number of shares in issue at the date of adoption of the 2012 Scheme or such number of shares as a result from a sub-division or consolidation of the number of shares at that date. Subject to as provided in the 2012 Scheme, the Company may seek approval from its shareholders in general meeting to refresh this 10% limit, but the total number of shares which may be issued under the 2012 Scheme must not exceed 30% of the number of shares in issue from time to time.

No participant shall be granted an option which, if accepted and exercised in full, would result in the participant becoming entitled to subscribe for such number of shares as, when aggregated with the total number of shares already issued and which may be issued upon exercise of all options granted and to be granted to him, together with all options granted and to be granted to him under any other share option schemes of the Company and/or any subsidiaries, within the 12-month period immediately preceding the proposed date of grant (including exercised, cancelled and outstanding options), would exceed 1% of the number of shares in issue as at the proposed date of grant.

The 2012 Scheme shall be valid and effective for a period of 10 years commencing 17 August 2012.

Options granted must be taken up within 28 days of the date of grant upon payment of HK\$1 for each grant of options. Subject to as provided in the 2012 Scheme, options may be exercised at any time during the option period, which is to be notified by the board of directors to each grantee, commencing on the date of grant or such later date as the board of directors may decide and expiring on such date as the board of directors may determine, provided that such period is not to exceed ten years from the date of grant, and subject to any restrictions that may be imposed by the board of directors in its discretion.

Details of the principal terms of the 2012 Scheme are set out in the circular of the Company dated 6 July 2012.

No share option has been granted by the Company under the 2012 Scheme during the years ended 31 March 2017 and 2016. No share option under the 2012 Scheme was outstanding as at 31 March 2017 and 2016.

33. 以股份為基準之付款(續) 購股權計劃(續)

2012年計劃(續)

2012年計劃及本集團任何其他購股權計劃項下發行之股份總數，不得超過於2012年計劃採納日期已發行股份數目或於該日因拆細或合併股份數目而產生之股份數目之10%。在2012年計劃條文之規限下，本公司可在股東大會徵求股東批准更新此10%限額，但2012年計劃項下可發行之股份總數不得超出不時已發行股份數目30%。

倘向某一參與者授出購股權，而倘有關購股權獲接納及全面行使，將導致有關參與者有權認購之股份數目，加上於緊接購股權建議授出日期前12個月期間內已向彼授出及將予授出之所有購股權，以及根據本公司及／或任何附屬公司之任何其他購股權計劃已向彼授出及將予授出之所有購股權(包括已行使、已註銷及尚未行使之購股權)獲行使而已發行及可予發行之股份總數，合共超逾建議授出日期之已發行股份數目1%，則不得授出有關購股權。

2012年計劃之有效期由2012年8月17日起計為期十年。

授出之購股權必須於授出日期起計28日內接納，並須就每次授出之購股權支付1港元。根據2012年計劃之規定，各承授人可於購股權期間內隨時行使購股權。購股權期間將由董事會知會各承授人，由授出日期(或董事會可能決定之較後日期)起計，並將於董事會決定之日期結束，惟購股權期間由授出日期起計不得超逾十年，並須受董事會酌情施加之任何限制所規限。

2012年計劃之主要條款詳情載於本公司日期為2012年7月6日之通函內。

截至2017年及2016年3月31日止年度，本公司概無根據2012年計劃授出購股權。於2017年及2016年3月31日，亦無2012年計劃項下之購股權未獲行使。

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34. PLEDGE OF ASSETS

- (i) At 31 March 2017, the Group had pledged investment properties under construction, property, plant and equipment, prepaid lease payments and properties under development of approximately HK\$1,441,259,000, HK\$443,020,000, HK\$262,042,000 and HK\$427,035,000, respectively, to a financial institution to secure the trustee loan granted to Chongqing Kingstone (2016: nil).
- (ii) At 31 March 2017, certain investment properties amounting to approximately RMB13,057,000, equivalent to approximately HK\$14,755,000 (2016: RMB13,057,000, equivalent to approximately HK\$15,669,000), were pledged to secure a loan granted by a PRC bank to an independent third party (note 19). The charge on these investment properties has been released on 22 April 2017.

35. COMMITMENTS

(a) Capital commitments

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Capital expenditure contracted but not provided for in the consolidated financial statements:	已訂約但未於綜合財務報表撥備之資本開支：		
— Construction of properties	— 建設物業	241,552	4,326

Note: Included in the capital commitments is amount of approximately HK\$199,979,000 which is undertaken by the main contractor of Chongqing Kingstone, an independent third party of the Group, and the main contractor has agreed not to demand for any repayment from Chongqing Kingstone on or before 30 June 2018.

34. 資產抵押

- (i) 於2017年3月31日，本集團已抵押金額分別約為1,441,259,000港元、443,020,000港元、262,042,000港元及427,035,000港元之在建投資物業、物業、廠房及設備、預付租賃款項以及發展中物業予財務機構，作為重慶皇石獲授信託人貸款之擔保(2016年：無)。
- (ii) 於2017年3月31日，約人民幣13,057,000元(相當於約14,755,000港元)(2016年：人民幣13,057,000元(相當於約15,669,000港元))之若干投資物業已抵押予一名獨立第三方以獲取一間中國銀行授出之貸款(附註19)。有關投資物業之抵押已於2017年4月22日解除。

35. 承擔

(a) 資本承擔

附註：重慶皇石之主要承建商(為本集團之獨立第三方)已就計入資本承擔之約199,979,000港元承諾，該主要承建商已同意不會要求重慶皇石於2018年6月30日或之前償還任何款項。

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35. COMMITMENTS (CONTINUED)

(b) Operating lease commitments

The Group as lessee

At the end of the reporting period, the Group has commitments for future minimum lease of the rented office premises, which falls due as follows:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Within 1 year	1年內	1,996	64
In the second to fifth years inclusive	第2至第5年內 (首尾兩年包括在內)	1,081	–
		3,077	64

Leases are negotiated for an average term of one to two years (2016: one to five years) and rentals are fixed during the relevant lease period.

The Group as lessor

The properties held for rental purpose are expected to generate rental yields of 4.79% (2016: 5.22%) on an ongoing basis.

The Group had contracts with tenants for the following future minimum lease payments receivable under non-cancellable operating leases as follows:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Within 1 year	1年內	23,963	24,916
In the second to fifth years inclusive	第2至第5年內 (首尾兩年包括在內)	4,500	2,154
Over five years	5年後	1,392	1,443
		29,855	28,513

35. 承擔(續)

(b) 經營租賃承擔

本集團作為承租人

於報告期結算日，本集團就租賃辦公室物業之未來最低租賃承擔到期情況如下：

	2017 HK\$'000 千港元	2016 HK\$'000 千港元
Within 1 year	1,996	64
In the second to fifth years inclusive	1,081	–
	3,077	64

租賃經磋商後租期平均為一至兩年(2016年：一至五年)，並須於有關租賃期內繳付固定租金。

本集團作為出租人

預期持作租賃用途之物業將持續產生租金回報4.79%(2016年：5.22%)。

本集團與租戶按不可撤銷經營租賃之訂約應收未來最低租賃款項如下：

	2017 HK\$'000 千港元	2016 HK\$'000 千港元
Within 1 year	23,963	24,916
In the second to fifth years inclusive	4,500	2,154
Over five years	1,392	1,443
	29,855	28,513

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For the year ended 31 March 2017 截至2017年3月31日止年度

36. FINANCIAL GUARANTEES

The Group entered into a mortgage collaboration agreement with a PRC bank under which the Group agreed to indemnify the bank for any failure by purchasers of the Group's properties in CP&J City to repay the borrowings or interest to the bank for the period before and up to the bank registering the certificates of real estate ownership as collateral for the borrowings. As at 31 March 2017, the Group has maximum exposure on the guarantees of approximately HK\$50,338,000 (2016: HK\$28,600,000).

The directors of the Company are of the view that the fair values of these financial guarantees are not significant.

37. SIGNIFICANT RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in the consolidated financial statements, the Group has entered in the following transactions with related parties:

(a) Key management compensation

Key management includes executive directors and senior managements. The compensation paid or payable to key management for employee services is as below:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Short-term benefits	短期福利	8,850	7,584
Post-employment benefits	離職後福利	36	127
		8,886	7,711

The remuneration of key management personnel, being the executive directors of the Company, is determined by the remuneration committee having regard to the performance of operating results and individual performance.

36. 財務擔保

本集團與中國一間銀行簽立按揭合作協議，據此，倘本集團華東國際珠寶城物業買家未能在銀行登記業權證作為借貸抵押品前就有關物業償還借貸或利息，本集團同意向銀行作出彌償。於2017年3月31日，本集團最大保證金額約為50,338,000港元(2016年：28,600,000港元)。

本公司董事認為，此等財務擔保之公允值並不重大。

37. 重大關連人士交易

除綜合財務報表其他部分所披露者外，本集團已與關連人士訂立以下交易：

(a) 主要管理人員之薪酬

主要管理人員包括執行董事及高級管理人員。就提供僱員服務已付或應付予主要管理人員之薪酬載列如下：

主要管理人員(即本公司執行董事)之酬金乃由薪酬委員會按營運業績表現及個人表現而釐定。

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37. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED) 37. 重大關連人士交易 (續)

(b) Significant related party transactions

In addition to the information shown elsewhere in the consolidated financial statements, the Group had the following material transactions with related parties, which were earned into at terms mutually agreed with respective parties.

Related party relationship 關連人士關係	Nature of transaction 交易性質	Notes 附註	2017 HK\$'000 千港元	2016 HK\$'000 千港元
Entity which is under control by a substantial shareholder of the Company 由本公司一名主要股東控制之實體	Rental income from leasing of investment properties 出租投資物業之租金收入	(i)	-	1,331
	Payment of management fee 支付管理費	(ii)	(639)	(773)
Entity which is under control by an executive director of the Company 由本公司一名執行董事控制之實體	Payment of management fee 支付管理費	(ii)	(2,084)	-

Notes:

- (i) The Group received rental income from a related party at fixed sums as agreed by both parties.
- (ii) The Group paid management fee to a related party at fixed terms as agreed by both parties.

附註：

- (i) 本集團已收取來自一名關連人士並經雙方協定之定額租金收入。
- (ii) 本集團向一名關連人士支付雙方所協定之定額管理費。

(c) Balances with related parties

Except for as disclosed elsewhere in the consolidated financial statements, the Group had no other material balances with related parties as at 31 March 2017 and 2016.

(c) 關連人士結餘

除綜合財務報表其他部分所披露者外，於2017年及2016年3月31日，本集團並無其他與關連人士有關之結餘。

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For the year ended 31 March 2017 截至2017年3月31日止年度

38. RETIREMENT BENEFITS SCHEMES

The Group participates in the MPF Scheme for all qualifying employees in Hong Kong. The assets of the MPF Scheme are held separately from those of the Group, in funds under the control of an independent trustee. The Group contributes 5% of relevant payroll costs to the MPF Scheme, capped at HK\$1,500 (2016: HK\$1,500) per month, in which the contribution is matched by employees.

The employees of the Group's subsidiaries in the PRC are members of a state-managed retirement benefits scheme being operated by the local PRC government. The subsidiaries are required to contribute 10% to 15% (2016: 10% to 15%) of the monthly basic salary to the retirement benefits scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefits scheme is to make the specified contributions.

The total expense charged to the consolidated statement of profit or loss of approximately HK\$2,064,000 (2016: HK\$1,215,000) represents contributions payable to these schemes by the Group during the year ended 31 March 2017.

39. ACQUISITION OF SUBSIDIARIES ACCOUNTED FOR AS ACQUISITION OF ASSETS

On 28 July 2016, the Group acquired the entire equity interests in the Gloryear Group at a consideration of HK\$1,468,000,000 and acquisition-related costs approximately HK\$4,884,000. The major assets of the Gloryear Group are property, plant and equipment, prepaid lease payments, investment properties under construction and properties under development, and accordingly, the transactions have been accounted for as acquisition of assets.

38. 退休福利計劃

本集團為所有香港合資格僱員參加強積金計劃。強積金計劃之資產由獨立信託人所控制基金持有，並與本集團之資產分開持有。本集團向強積金計劃支付之供款額為有關薪酬成本之5%，供款上限為每月1,500港元(2016年：1,500港元)，與僱員所支付者相同。

本集團中國附屬公司之僱員為由中國當地政府營辦之國家管理退休福利計劃之成員。各附屬公司須就退休福利計劃支付平均基本月薪之10%至15%(2016年：10%至15%)作為福利資金。就退休福利計劃而言，本集團之唯一責任為支付指定供款。

在綜合損益表中扣除之總開支約2,064,000港元(2016年：1,215,000港元)，為本集團於截至2017年3月31日止年度須向上述計劃作出之供款。

39. 收購附屬公司入賬列作資產收購

於2016年7月28日，本集團收購譽年集團全部股權，代價為1,468,000,000港元，而收購相關成本則約為4,884,000港元。譽年集團之主要資產為物業、廠房及設備、預付租賃款項、在建投資物業以及發展中物業，因此，交易已入賬列作資產收購。

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綜合財務報表附註

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39. ACQUISITION OF SUBSIDIARIES ACCOUNTED FOR AS ACQUISITION OF ASSETS (CONTINUED)

The following table summarises the consideration paid for the acquisition of the Gloryyear Group.

		28 July 2016 to 31 March 2017 由2016年 7月28日 至2017年 3月31日 HK\$'000 千港元
Purchase consideration	購買代價	
— Cash paid	— 已付現金	300,000
— Promissory notes	— 承兌票據	1,168,000
Total consideration transferred	已轉讓總代價	1,468,000
Directly attributable costs	直接應佔成本	4,884
		1,472,884

The amounts of the identifiable assets acquired and liabilities assumed recognised at the acquisition date are summarised as follows:

39. 收購附屬公司入賬列作資產收購(續)

下表概述就收購譽年集團已付之代價。

下表概述所收購可識別資產及所承擔負債於收購日期確認之金額：

		28 July 2016 2016年7月28日 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	422,977
Prepaid lease payments	預付租賃款項	273,495
Investment properties under construction	在建投資物業	1,445,167
Properties under development	發展中物業	485,938
Prepayments and other receivables (note)	預付款項及其他應收賬款(附註)	91,646
Amount due from Mr. Tsoi	應收蔡先生之款項	1,476
Amount due from a company under control of Mr. Tsoi	應收蔡先生所控制公司之款項	700
Cash and cash equivalents	現金及等同現金	1,782
Other payables (note)	其他應付賬款(附註)	(194,437)
Amounts due to companies under control of Mr. Tsoi	應付蔡先生所控制公司之款項	(89,380)
Bank borrowing	銀行借貸	(966,480)
Total net identifiable assets	可識別資產淨值總額	1,472,884
Net cash outflow arising from acquisition of subsidiaries:	收購附屬公司所產生現金流出淨額：	
Cash paid	已付現金	(300,000)
Cash and cash equivalents acquired	已收購現金及等同現金	1,782
Directly attributable costs	直接應佔成本	(4,884)
		(303,102)

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綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

39. ACQUISITION OF SUBSIDIARIES ACCOUNTED FOR AS ACQUISITION OF ASSETS (CONTINUED)

Note: Included in prepayments and other receivables was approximately RMB18,387,000, equivalent to approximately HK\$22,064,000, in respect of an indemnification from the spouse of Mr. Tsoi for the loss arising from the termination of the hotel operation of the Gloryyear Group pursuant to the sale and purchase agreement.

Included in other payables was the corresponding compensation payable in respect of the termination of the hotel operation of the Gloryyear Group.

40. DISPOSAL OF SUBSIDIARIES

On 3 February 2016, the Group entered into an agreement with Hua Yang Global Limited ("Hua Yang"), a company wholly owned by Mr. Cheng Chung Hing, the substantial shareholder of the Company, to dispose of its entire equity interests in the Man Sang Jewellery Group for a total consideration of HK\$189,400,000, consisting of HK\$65,000,000 for the sales of shares of the Man Sang Jewellery Group and HK\$124,400,000 for the sales of loan receivable from the Man Sang Jewellery Group, which was determined with reference to its consolidated financial position as at 31 March 2016. The disposal was completed on 31 March 2016.

39. 收購附屬公司入賬列作資產收購(續)

附註：計入預付款項及其他應收賬款之款項約人民幣18,387,000元(相當於約22,064,000港元)與買賣協議項下蔡先生之配偶就終止譽年集團酒店業務所產生虧損而提供之彌償保證有關。

計入其他應付賬款之款項乃為有關終止譽年集團酒店業務之相應應付補償。

40. 出售附屬公司

於2016年2月3日，本集團與Hua Yang Global Limited(「Hua Yang」，為本公司主要股東鄭松興先生全資擁有之公司)訂立協議，以出售其於民生珠寶集團之全部股權，總代價為189,400,000港元(包括出售民生珠寶集團股份65,000,000港元及出售應收民生珠寶集團貸款124,400,000港元)，代價乃經參考其於2016年3月31日之綜合財務狀況後釐定。出售事項已於2016年3月31日完成。

31 March 2016
2016年3月31日
HK\$'000
千港元

Cash consideration	現金代價	189,400
Less: Direct transaction costs in relation to the disposal	減：出售事項相關之直接交易成本	(951)
Net consideration	代價淨額	188,449
Analysis of assets and liabilities over which control was lost:	失去控制權之資產及負債分析：	
Investment properties	投資物業	191,640
Property, plant and equipment	物業、廠房及設備	398
Other receivables	其他應收賬款	525
Cash and cash equivalents	現金及等同現金	56,083
Other payables	其他應付賬款	(9,386)
Income tax liabilities	所得稅負債	(3,054)
Deferred tax liabilities	遞延稅項負債	(46,806)
Net assets disposed of	所出售資產淨值	189,400
Add: Reclassification of exchange reserve upon disposal of subsidiaries	加：出售附屬公司後重新分類之匯兌儲備	20,349
Gain on disposal of subsidiaries (note 11)	出售附屬公司收益(附註11)	19,398

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For the year ended 31 March 2017 截至2017年3月31日止年度

40. DISPOSAL OF SUBSIDIARIES (CONTINUED)

Analysis of net cash outflow from disposals of subsidiaries:

		For the year ended 31 March 2016 截至 2016年3月31日 止年度 HK\$'000 千港元
Cash consideration	現金代價	189,400
Less: consideration receivable from Hua Yang	減：應收Hua Yang之代價	(189,400)
Cash consideration received during the year	本年度已收現金代價	—
Less:	減：	
— Cash and cash equivalents included in subsidiaries disposed of	— 計入所出售附屬公司之現金及等同現金	(56,083)
— Direct transaction costs in relation to the disposal	— 出售事項相關之直接交易成本	(951)
Net cash outflow from disposal of subsidiaries, net of cash disposed of	出售附屬公司所產生現金流出淨額，扣除所出售現金	(57,034)

41. EVENT AFTER THE REPORTING PERIOD

As disclosed in note 26(i), the proposed acquisition has been terminated and the refundable deposit of HK\$400,000,000 at 31 March 2017, plus interest accrued, were received by the Company on 14 August 2017. The amount has been used to early settle the secured bonds with principal amount of HK\$400,000,000 on 18 August 2017.

Details are set out in the Company's announcement dated 18 August 2017.

40. 出售附屬公司(續)

出售附屬公司之現金流出淨額分析：

41. 報告期後事項

誠如附註26(i)所披露，建議收購事項已終止，而本公司於2017年8月14日已收訖於2017年3月31日之可退還訂金400,000,000港元另加應計利息。有關款項已於2017年8月18日用作提早結償本金額為400,000,000港元之有抵押債券。

有關詳情載於本公司日期為2017年8月18日之公告。

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42. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY

42. 有關本公司財務狀況表之資料

		Notes 附註	2017 HK\$'000 千港元	2016 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備		611	–
Investments in subsidiaries	於附屬公司之投資		1,658,750	207,931
Amounts due from subsidiaries	應收附屬公司款項	(i)	–	162,403
			1,659,361	370,334
Current assets	流動資產			
Deposits, prepayments and other receivables	按金、預付款項及其他應收賬款		423,308	–
Amounts due from subsidiaries	應收附屬公司款項	(i)	289	255
Cash and cash equivalents	現金及等同現金		52,159	376,579
			475,756	376,834
Current liabilities	流動負債			
Other borrowings	其他借貸		14,641	–
Other payables	其他應付賬款		4,670	2,624
Amounts due to subsidiaries	應付附屬公司款項	(i)	79,758	52,958
			99,069	55,582
Net current assets	流動資產淨值		376,687	321,252
Total assets less current liabilities	總資產減流動負債		2,036,048	691,586
Non-current liabilities	非流動負債			
Promissory notes	承兌票據		793,347	–
Other borrowings	其他借貸		446,042	–
			1,239,389	–
Net assets	資產淨值		796,659	691,586
Capital and reserves	股本及儲備			
Share capital	股本		190,617	158,864
Reserves	儲備	(ii)	606,042	532,722
Total equity	總權益		796,659	691,586

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綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

42. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

Notes:

- (i) The amounts are unsecured and non-interest bearing. Except for the amounts of approximately HK\$162,403,000 as at 31 March 2016 (2017: nil) in which the directors of the Company do not expect the repayments from subsidiaries within next twelve months from the end of the reporting period, the amounts due from subsidiaries are repayable on demand as at 31 March 2017 and 2016.
- (ii) Movement in reserves:

42. 有關本公司財務狀況表之資料 (續)

附註：

- (i) 有關款項為無抵押及不計息。除於2016年3月31日為數約162,403,000港元(2017年：無)而本公司董事並不預期有關附屬公司於報告期結算日後未來十二個月內可予償還之金額外，於2017年及2016年3月31日，應收附屬公司款項為按要償還。
- (ii) 儲備變動：

		Share premium 股份溢價 HK\$'000 千港元	Share option reserve 購股權儲備 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2015	於2015年4月1日	33,275	216	352,506	385,997
Issue of new shares (note 32(i))	發行新股(附註32(i))	253,479	–	–	253,479
Issue of new shares upon exercise of share options (note 32(ii))	行使購股權時發行新股(附註32(ii))	726	(216)	–	510
Loss for the year	本年度虧損	–	–	(107,264)	(107,264)
At 31 March 2016 and 1 April 2016	於2016年3月31日及2016年4月1日	287,480	–	245,242	532,722
Issue of new shares (note 32(i))	發行新股(附註32(i))	158,764	–	–	158,764
Loss for the year	本年度虧損	–	–	(85,444)	(85,444)
At 31 March 2017	於2017年3月31日	446,244	–	159,798	606,042

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綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

43. PARTICULARS OF PRINCIPAL SUBSIDIARIES

43. 主要附屬公司資料

Name of subsidiary 附屬公司名稱	Place of establishment/ operation and kind of legal entity 法律實體之成立/ 營運地點及性質	Issued and fully paid up capital 已發行及 繳足資本	Percentage of equity interest attributable to the Company				Principle activities 主要業務
			2017		2016		
			Direct 直接	Indirect 間接	Direct 直接	Indirect 間接	
Chongqing Kingstone Land Co. Ltd	PRC, wholly-owned foreign enterprise	US\$67,389,400	-	100%	-	-	Property development and investment 物業發展及投資
重慶皇石置地有限公司	中國·外商獨資企業	67,389,400美元					
China Pearls and Jewellery International City Co. Ltd	PRC, wholly-owned foreign enterprise	US\$30,000,000	-	65.85%	-	65.85%	Property development and investment 物業發展及投資
諸暨華東國際珠寶城有限公司	中國·外商獨資企業	30,000,000美元					

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

None of the subsidiaries has issued any debt securities at the end of or at any time during both reporting periods.

上表列載本公司董事認為主要影響本集團業績或資產之本集團附屬公司。本公司董事認為，提供其他附屬公司詳情將導致資料過於冗長。

於兩個報告期結算日或期內任何時間，概無附屬公司已發行任何債務證券。

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綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

43. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

At the end of the reporting period, the Group has other subsidiaries that are not material to the Group.

The principal activities and place of business of these subsidiaries are summarised as follows:

43. 主要附屬公司資料(續)

於報告期結算日，本集團擁有對本集團並不重大之其他附屬公司。

該等附屬公司之主要業務及營業地點概述如下：

Principal activities 主要業務	Principal place of business 主要營業地點	Number of subsidiaries 附屬公司數目	
		2017	2016
Inactive 並無業務	Hong Kong 香港	5	5
	British Virgin Islands ("BVI") 英屬處女群島(「英屬處女群島」)	3	2
	PRC 中國	2	1
Provision of property management services 提供物業管理服務	PRC 中國	1	1
Investment holding 投資控股	Hong Kong 香港	5	3
	BVI 英屬處女群島	5	4
		21	16

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

43. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

The table below shows details of non-wholly owned subsidiaries of the Group that have non-controlling interests that are material to the Group:

43. 主要附屬公司資料(續)

下表載列擁有對本集團屬重大之非控股權益之本集團非全資擁有附屬公司詳情：

Name of subsidiaries 附屬公司名稱	Place of incorporation/ establishment and principal place of business 註冊成立／成立地點 及主要營業地點	Proportion of ownership interest held by non- controlling interests 非控股權益 持有之所有權 權益比例	Proportion of voting rights held by non- controlling interests 非控股權益 持有之 投票權比例	(Loss) profit attributable to non- controlling interests 應佔非控股 權益(虧損) 溢利 HK\$'000 千港元	Accumulated non- controlling interests 累計非控股 權益 HK\$'000 千港元
2017					
China Pearls and Jewellery City Holdings Limited ("CP&J Holdings") and its subsidiaries 諸暨華東國際珠寶城有限公司 (「諸暨華東國際珠寶城」) 及其附屬公司	Hong Kong/PRC 香港／中國	34.15%	34.15%	(554)	141,386
2016					
CP&J Holdings and its subsidiaries 諸暨華東國際珠寶城及其附屬公司	Hong Kong/PRC 香港／中國	34.15%	34.15%	16,289	156,082

Summarised financial information in respect of each of the Group's subsidiaries that has non-controlling interests that are material to the Group is set out below. The summarised financial information below represents amounts before intragroup eliminations.

有關本集團各附屬公司擁有對本集團屬重大之非控股權益之財務資料概述如下。下文概述財務資料指集團內公司間對銷前之金額。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

43. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

CP&J Holdings and its subsidiaries

43. 主要附屬公司資料(續)

諸暨華東國際珠寶城及其附屬公司

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Non-current assets	非流動資產	715,294	803,150
Current assets	流動資產	467,261	458,834
Current liabilities	流動負債	(628,050)	(632,239)
Non-current liabilities	非流動負債	(140,490)	(172,696)
Equity attributable to equity holders of the Company	本公司股東應佔權益	272,629	300,967
Non-controlling interests	非控股權益	141,386	156,082
Income	收入	66,586	181,960
Expenses	開支	(68,208)	(134,261)
(Loss) profit for the year	本年度(虧損)溢利	(1,622)	47,699
(Loss) profit attributable to equity holders of the Company	本公司股東應佔(虧損)溢利	(1,068)	31,410
(Loss) profit attributable to non-controlling interests	非控股權益應佔(虧損)溢利	(554)	16,289
(Loss) profit for the year	本年度(虧損)溢利	(1,622)	47,699
Other comprehensive loss attributable to equity holders of the Company	本公司股東應佔其他全面虧損	(27,270)	(22,437)
Other comprehensive loss attributable to non-controlling interests	非控股權益應佔其他全面虧損	(14,142)	(11,636)
Other comprehensive loss for the year	本年度其他全面虧損	(41,412)	(34,073)
Total comprehensive (loss) profit attributable to equity holders of the Company	本公司股東應佔全面(虧損)溢利總額	(28,338)	8,973
Total comprehensive (loss) profit attributable to non-controlling interests	非控股權益應佔全面(虧損)溢利總額	(14,696)	4,653
Total comprehensive (loss) profit for the year	本年度全面(虧損)溢利總額	(43,034)	13,626
Net cash inflows from operating activities	經營活動所產生現金流入淨額	54,240	43,794
Net cash inflows from investing activities	投資活動所產生現金流入淨額	1,966	2,484
Net cash outflows from financing activities	融資活動所產生現金流出淨額	-	(73,250)
Net cash inflows (outflows)	現金流入(流出)淨額	56,206	(26,972)

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2017 截至2017年3月31日止年度

44. COMPARATIVE FIGURES

Statutory reserve was previously included in retained profits in the consolidated statement of changes in equity. To conform to current year's presentation, the statutory reserve as at 1 April 2015 and 31 March 2016 has been reclassified from the retained profits to statutory reserve in the consolidated statement of changes in equity to facilitate a better presentation.

44. 比較資料

法定儲備過往計入綜合權益變動表之保留溢利。為符合本年度之呈報，於2015年4月1日及2016年3月31日之法定儲備已自綜合權益變動表之保留溢利重新分類至法定儲備，以便作出更佳呈報。

Five-Year Financial Summary

五年財務摘要

RESULTS

業績

		For the year ended 31 March 截至3月31日止年度				
		2017	2016	2015	2014	2013
		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
		(Note a)	(Note a)	(Note b)	(Note b)	(Note b)
		(附註a)	(附註a)	(附註b)	(附註b)	(附註b)
Revenue	收入	194,197	190,698	73,368	82,907	461,185
(Loss) profit before income tax	除所得稅前(虧損)溢利	(64,751)	106,104	57,654	103,076	112,077
Income tax expenses	所得稅開支	(57,729)	(38,623)	(43,202)	(48,976)	(47,810)
(Loss) profit for the year from continuing operations	本年度來自持續經營業務之(虧損)溢利	(122,480)	67,481	14,452	54,100	64,267
Profit for the year from discontinued operations	本年度來自已終止經營業務之溢利	-	-	1,884	31,496	-
(Loss) profit for the year	本年度(虧損)溢利	(122,480)	67,481	16,336	85,596	64,267
(Loss) profit for the year attributable to:	各方應佔本年度(虧損)溢利：					
Equity holders of the Company	本公司股東	(121,926)	51,192	10,979	68,463	48,244
Non-controlling interests	非控股權益	(554)	16,289	5,357	17,133	16,023
		(122,480)	67,481	16,336	85,596	64,267
Dividend per share	每股股息					
Interim dividend	中期股息	-	-	-	-	1 HK cent 1港仙
Special interim dividend	特別中期股息	-	-	-	-	15 HK cents 15港仙
Proposed final dividend	擬派末期股息	-	-	-	-	2 HK cents 2港仙
Proposed special dividend	擬派特別股息	-	-	-	-	-
		-	-	-	-	18 HK cents 18港仙

Five-Year Financial Summary

五年財務摘要

ASSETS AND LIABILITIES

資產及負債

		At 31 March 於3月31日				
		2017	2016	2015	2014	2013
		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
		(Note a)	(Note a)	(Note b)	(Note b)	(Note b)
		(附註a)	(附註a)	(附註b)	(附註b)	(附註b)
Total assets	總資產	4,355,905	1,827,976	1,861,205	2,116,469	2,001,689
Total liabilities	總負債	(3,227,138)	(663,843)	(981,695)	(1,042,761)	(998,847)
Non-controlling interests	非控股權益	(141,386)	(156,082)	(151,429)	(146,072)	(139,748)
Equity attributable to equity holders of the Company	本公司股東應佔權益	987,381	1,008,051	728,081	927,636	863,094

Notes:

附註：

(a) The financial figures were extracted from the consolidated financial statements.

(a) 財務數字乃摘錄自綜合財務報表。

(b) The financial figures were extracted from the 2016 annual report. No separate disclosures of continuing operations and discontinued operations were made on the financial figures for 2013.

(b) 財務數字乃摘錄自2016年年報。於2013年，並無獨立披露持續經營業務及已終止經營業務之財務數字。

Principal Properties

主要物業

Below is a schedule of investment properties held by the Group in the PRC as at 31 March 2017:

於2017年3月31日，本集團位於中國之投資物業附表如下：

Location 地點	Description and Tenure (Note) 概況及年期(附註)	Use 用途	Group's Interest 本集團所佔權益
Group I			
第一類			
Part of Market Centre of Phase I, CP&J City in Shanxiahu Town, Zhuji, Zhejiang Province, the PRC	The properties have a total gross floor area of approximately 48,960.6 square metres.	Commercial booths and shops for lease	65.85%
中國浙江省諸暨市 山下湖鎮華東國際珠寶城 第一期部分交易市場	The properties are held under medium lease. 該等物業總建築面積約48,960.6平方米。 該等物業以中期租約持有。	商業攤位及商鋪租賃	65.85%
Part of factory buildings of Phase I, CP&J City in Shanxiahu Town, Zhuji, Zhejiang Province, the PRC	The property has a total gross floor area of approximately 21,240.4 square metres.	Factories for lease	65.85%
中國浙江省 諸暨市山下湖鎮 華東國際珠寶城 第一期部分工廠	The properties are held under medium lease. 該物業總建築面積約21,240.4平方米。 該等物業以中期租約持有。	工廠租賃	65.85%
Part of composite building of Phase I, CP&J City in Shanxiahu Town, Zhuji, Zhejiang Province, the PRC	The property has a total gross floor area of approximately 21,235.4 square metres.	Commercial building for lease	65.85%
中國浙江省 諸暨市山下湖鎮 華東國際珠寶城 第一期部分綜合樓	The properties are held under long lease. 該物業總建築面積約21,235.4平方米。 該等物業以長期租約持有。	商業樓租賃	65.85%
Part of commercial complex of Phase I, CP&J City in Shanxiahu Town, Zhuji, Zhejiang Province, the PRC	The property has a total gross floor area of approximately 9,200.6 square metres.	Commercial complex for lease	65.85%
中國浙江省 諸暨市山下湖鎮 華東國際珠寶城 第一期部分綜合商業樓宇	The properties are held under medium lease. 該物業總建築面積約9,200.6平方米。 該等物業以中期租約持有。	綜合商業樓宇租賃	65.85%

Principal Properties

主要物業

Location 地點	Description and Tenure (Note) 概況及年期 (附註)	Use 用途	Group's Interest 本集團所佔權益
Group II 第二類			
Industrial Land, Phase I, CP&J City, Shanxiahu Town, Zhuji, Zhejiang Province, the PRC	The property has a total site area of approximately 26,589.3 square meters.	Land under development in planning stage	65.85%
中國浙江省 諸暨市山下湖鎮 華東國際珠寶城 第一期工業用地	The property is held under medium lease. 該物業總佔地面積約26,589.3平方米。 該物業以中期租約持有。	處於規劃階段之 發展中土地	65.85%
Commercial/residential land, Phase I, CP&J City, Shanxiahu Town, Zhuji, Zhejiang Province, the PRC	The property has a total site area of approximately 18,097.2 square meters.	Land under development in planning stage	65.85%
中國浙江省 諸暨市山下湖鎮 華東國際珠寶城第一期 商業/住宅用地	The property is held under long lease. 該物業總佔地面積約18,097.2平方米。 該物業以長期租約持有。	處於規劃階段之 發展中土地	65.85%
Commercial portion of the property located at 77 Qingnian Road, Yuzhong District, Chongqing, the PRC	The property has a total gross floor area of approximately 49,401.36 square meters.	Commercial building under development	100%
位於中國重慶市渝中區青年路 77號物業之商業部分	The property is held under medium lease. 該物業總建築面積約49,401.36平方米。 該物業以中期租約持有。	發展中商業樓	100%
Group III 第三類			
Serviced Apartments portion of the property located at 77 Qingnian Road, Yuzhong District, Chongqing, the PRC	The property has a total gross floor area of approximately 22,997.87 square meters.	Serviced apartments under development	100%
位於中國重慶市渝中區青年路77號物業之 服務式公寓部分	The property is held under medium lease. 該物業總建築面積約22,997.87平方米。 該物業以中期租約持有。	發展中之服務式公寓	100%
Notes:		附註:	
Long lease represents the lease of over 50 years; medium lease represents the lease of between 10 years and 50 years.		長期租約之租期超過50年；中期租約之租期介乎10至50年。	
Group I – Investment properties held by the Group in the PRC		第一類 – 本集團在中國持有之投資物業	
Group II – Investment properties under construction held by the Group in the PRC		第二類 – 本集團在中國持有之在建投資物業	
Group III – Construction in progress held by the Group in the PRC		第三類 – 本集團在中國持有之在建工程	



Man Sang International Limited
民生國際有限公司