



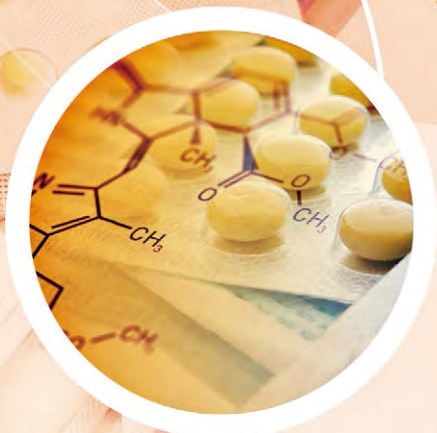
**WANJIA GROUP**  
萬嘉集團

# Wanjia Group Holdings Limited 萬嘉集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)  
(於開曼群島註冊成立的有限公司)

STOCK CODE 股份代號: 401

## 2017/18 *Annual Report* 年報



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## BOARD OF DIRECTORS

The Board of Directors as now constituted is listed below:

### Executive Directors

Mr. Chen Jinshan

Ms. Yung Ka Lai

### Independent Non-Executive Directors

Mr. Wong Hon Kit

Dr. Liu Yongping

Mr. Ho Man

## AUTHORISED REPRESENTATIVES

Ms. Yung Ka Lai

Mr. Tsang Wai Wa

## COMPANY SECRETARY

Mr. Tsang Wai Wa

## AUDIT COMMITTEE

Mr. Wong Hon Kit (*Chairman*)

Dr. Liu Yongping

Mr. Ho Man

## REMUNERATION COMMITTEE

Mr. Wong Hon Kit (*Chairman*)

Dr. Liu Yongping

Mr. Ho Man

## 董事會

董事會現任成員如下：

### 執行董事

陳金山先生

翁嘉麗女士

### 獨立非執行董事

黃漢傑先生

劉勇平博士

何敏先生

## 授權代表

翁嘉麗女士

曾偉華先生

## 公司秘書

曾偉華先生

## 審核委員會

黃漢傑先生 (*主席*)

劉勇平博士

何敏先生

## 薪酬委員會

黃漢傑先生 (*主席*)

劉勇平博士

何敏先生

## **NOMINATION AND CORPORATE GOVERNANCE COMMITTEE**

Mr. Wong Hon Kit  
Dr. Liu Yongping  
Mr. Ho Man

## **REGISTERED OFFICE**

P.O. Box 10008,  
Williow House, Cricket Square  
Grand Cayman  
KY1-1001  
Cayman Islands

## **HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG**

Room 1902, 19th Floor  
101 King's Road  
Hong Kong

## **PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE**

Tricor Services (Cayman Islands) Limited  
P.O. Box 10008,  
Williow House, Cricket Square  
Grand Cayman  
KY1-1001  
Cayman Islands

## **HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE**

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

## **提名及企業管治委員會**

黃漢傑先生  
劉勇平博士  
何敏先生

## **註冊辦事處**

P.O. Box 10008,  
Williow House, Cricket Square  
Grand Cayman  
KY1-1001  
Cayman Islands

## **總辦事處及香港主要營業地點**

香港  
英皇道101號  
19樓1902室

## **主要股份過戶登記處**

Tricor Services (Cayman Islands) Limited  
P.O. Box 10008,  
Williow House, Cricket Square  
Grand Cayman  
KY1-1001  
Cayman Islands

## **香港股份過戶登記分處**

卓佳證券登記有限公司  
香港  
皇后大道東183號  
合和中心22樓

## Corporate Information 公司資料

### PRINCIPAL BANKERS

Bank of Communications Co., Limited  
20 Pedder Street  
Central, Hong Kong

### AUDITORS

HLB Hodgson Impey Cheng Limited  
Certified Public Accountants  
31/F, Gloucester Tower  
The Landmark  
11 Pedder Street  
Central, Hong Kong

### STOCK CODE

401

### WEBSITE

[www.wanjia-gp.com](http://www.wanjia-gp.com)

### 主要往來銀行

交通銀行股份有限公司  
香港中環  
畢打街20號

### 核數師

國衛會計師事務所有限公司  
香港執業會計師  
香港中環  
畢打街11號  
置地廣場  
告羅士打大廈31樓

### 股份代號

401

### 網址

[www.wanjia-gp.com](http://www.wanjia-gp.com)

Dear Shareholder:

On behalf of the board of directors (the “**Board**”) of Wanjia Group Holdings Limited (the “**Company**”), I am pleased to present the audited financial results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 March 2018.

On 11 October 2013, the Company was spun-off from Hua Xia Healthcare Holdings Limited (“**Hua Xia**”) to list on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) by way of introduction.

**On 2 March 2017, the shares held by Hua Xia has been distributed by Hua Xia to its shareholders. Since then, the Company is no longer the subsidiary of Hua Xia.**

Over the years, the Group has been holding the operation vision of “Honesty and morality go first”, adhere to the operation objective of “Benefiting the society and the populace” to provide healthy products and services as its mission, conduct capital expansion as its measures, and supported by corporate culture construction. The Group’s market size is expanding gradually and is building a leading service brand image within the industry to become one of the leading pharmaceutical enterprises in Fujian with core competitiveness.

各位股東：

本人謹代表萬嘉集團控股有限公司（「**本公司**」）之董事會（「**董事會**」），欣然提呈本公司及其附屬公司（統稱「**本集團**」）截至二零一八年三月三十一日止年度之經審核財務業績。

於二零一三年十月十一日，本公司從華夏醫療集團有限公司（「**華夏**」）分拆，以介紹形式於香港聯合交易所有限公司（「**聯交所**」）主板上市。

**於二零一七年三月二日，華夏已將其持有之股份分派予其股東。自此以後，本公司不再為華夏之附屬公司。**

多年來，本集團秉承「誠信為本，道義為先」的經營理念，堅持「惠予社會，好及百姓」的經營宗旨，以提供健康產品與服務為使命，以資本擴張為手段，以企業文化建設為支撐，市場規模不斷擴展，樹立起行業內領先服務的品牌形象，成為具有核心競爭力的其中一個福建醫藥領先型企業。



### RESULT FOR THE YEAR

The Group continued to focus on pharmaceutical wholesale and distribution business, pharmaceutical retail chain business and provides hemodialysis treatment and consultancy service in the People's Republic of China (the "PRC").

Total revenue of the Group for the year was approximately HK\$616.409 million, representing a decrease of approximately 37.48% over last year. The gross profit of the Group was approximately HK\$100.625 million. The loss for the year attributable to the owners of the Company was approximately HK\$55.586 million.

Total revenue generated from pharmaceutical wholesale and distribution business for the year ended 31 March 2018 was approximately HK\$318.809 million, representing a decrease of approximately 56.26% as compared to 2017.

The revenue contributed by the pharmaceutical retail chain business through Fujian Huihao Sihai Pharmaceutical Chain Company Limited<sup>#</sup> (福建惠好四海醫藥連鎖有限責任公司) which was under the brand name "Huihao Sihai" for the year ended 31 March 2018 was approximately HK\$263.395 million, representing an increase of approximately 2.47% as compared to 2017.

The revenue contributed by the hemodialysis treatment and consultancy service for the year ended 31 March 2018 which was acquired in March last year was approximately HK\$34.205 million.

### 年內業績

本集團繼續專注於在中華人民共和國(「中國」)經營藥品批發及分銷業務、藥品零售連鎖業務及提供血液透析治療及諮詢服務。

本年度本集團總收益約616,409,000港元，較去年減少約37.48%。本集團之毛利約為100,625,000港元。本公司擁有人應佔年內虧損約為55,586,000港元。

截至二零一八年三月三十一日止年度，藥品批發及分銷業務產生之總收益約為318,809,000港元，較二零一七年減少約56.26%。

截至二零一八年三月三十一日止年度，透過福建惠好四海醫藥連鎖有限責任公司(以「惠好四海」為品牌)進行之醫藥零售連鎖業務貢獻之收益約為263,395,000港元，較二零一七年增加約2.47%。

截至二零一八年三月三十一日止年度，去年三月收購的血液透析治療及諮詢服務所貢獻的收入約為34,205,000港元。

<sup>#</sup> English translations of official Chinese names are for identification purpose only

### OUTLOOK AND FUTURE PROSPECTS

The 2014 New Good Supply Practice ("New GSP") strictly monitored product quality, consolidated the market and only the fittest can survive. Fujian Food and Drug Administration# (福建省食品藥品監督管理局) announced that Fujian Province Fuzhou City Huihao Pharmaceutical Company Limited# (福建省福州市惠好藥業有限公司), the operating subsidiary of the Group, was one of the 10 companies approved to conduct distribution business to public hospitals and public care institutions. Such regulations enhanced our competitiveness in the drug wholesale business in Fujian Province. Unfortunately, the regulations had pros and cons, they enhanced our competitiveness, but they also destroyed our competitiveness. At the beginning of the year, the relevant authority of Fujian Province repealed the regulations of permitting only 10 companies that are in compliance to distribute pharmaceutical products to hospitals, and required that each drug manufacturer can only entrust one drug wholesale enterprise to distribute all its tender-winning drugs. Such move posed tremendous changes in the wholesale and distribution business competition. At the same time, a number of large-scale pharmaceutical groups with strong manufacturers' resources are vigorously presented in the pharmaceutical distribution market in Fujian Province, intensifying competition in the drug wholesale and distribution business, and thereby resulting in that suffered a serious shrinkage in its wholesale and distribution business.

In future, the Group will centralize the resources originally used for wholesale and distribution business to develop our retail and medical related businesses.

### APPRECIATION

On behalf of the Board, I would like to express my sincere gratitude to the management team and staff for their tireless dedicated that helps fuel the Group's healthy development. In addition, I would also like to thank all our shareholders, business partners and customers for their continuous support. We will continue to devote unwavering efforts to reap promising returns for all parties.

**Chen Jinshan**

*Executive Director*

Hong Kong, 29 June 2018

### 前景及未來展望

2014年之新質量管理規範(「新質量管理規範」),嚴格監管質量,整頓了市場,汰弱留強,而福建省食品藥品監督管理局,公布本集團之營運附屬公司—福建省福州市惠好藥業有限公司為獲准在福建省從事向公立醫院及公眾醫療機構進行分銷業務之十間公司之一,增強了我集團在福建省的藥品批發業務的競爭力,可惜的是,法規也是雙刃劍,可以令我司增強競爭力,反之亦可摧毀了我司的競爭力,年初,福建省有關當局取消了只准由10家合規公司配送藥物到醫院的規定,並規定每個藥品生產商在福建省每個設區市,只能委托一家藥品批發企業配送其中標的全部藥品,這令批發及配送業務的競爭,產生了極大的變化。同時,多家極具廠家資源的大型醫藥集團強勢在福建省藥品流通市場布局,加劇藥品批發及分銷業務的競爭,令我司集團在批發及配送業務上,出現嚴重的萎縮。

未來,我集團將集中本來用於批發及分銷業務的資源,發展零售及醫療有關業務。

### 致謝

本人謹代表董事會對管理團隊及員工為本集團穩健發展作出之不懈努力致以誠摯感謝。此外,本人亦對全體股東、業務夥伴及客戶之持續支持表示感謝。本集團將繼續全力以赴,為所有相關人士取得豐厚回報。

*執行董事*

**陳金山**

香港,二零一八年六月二十九日



# Management Discussion and Analysis

## 管理層討論及分析

### FINANCIAL HIGHLIGHTS

Summary of the results of the Group for the financial year ended 31 March 2018 is as follows:

- Total revenue was approximately HK\$616.409 million (2017: approximately HK\$985.909 million), representing approximately 37.48% of decrease over 2017.
- Gross profit was approximately HK\$100.625 million (2017: approximately HK\$126.269 million), representing approximately 20.31% of decrease over 2017.
- The loss from operations was approximately HK\$35.872 million (2017: loss from operations of approximately HK\$9.934 million).
- Loss for the year attributable to owners of the Company was approximately HK\$55.586 million (2017: approximately HK\$25.792 million).
- The Group had total cash and cash equivalents of approximately HK\$91.922 million as at 31 March 2018 (2017: approximately HK\$93.721 million).
- The board does not recommend the payment of a final dividend for the year ended 31 March 2018 (2017: Nil).

### BUSINESS REVIEW

This year, the Group continues business on pharmaceutical wholesale and distribution business, pharmaceutical retail chain business and provides hemodialysis treatment and consultancy service in the PRC.

### Segment information

During the year, the revenue of the Group was principally generated from: (1) pharmaceutical wholesale and distribution business, (2) pharmaceutical retail chain business and (3) hemodialysis treatment and consultancy service business in PRC. Financial information in respect of these operation is presented in Note 7 to the consolidated financial statement.

### 財務摘要

本集團截至二零一八年三月三十一日止財政年度之業績概要如下：

- 總收益約為616,409,000港元（二零一七年：約985,909,000港元），較二零一七年減少約37.48%。
- 毛利約為100,625,000港元（二零一七年：約126,269,000港元），較二零一七年減少約20.31%。
- 經營虧損約為35,872,000港元（二零一七年：經營虧損約9,934,000港元）。
- 本公司擁有人應佔年內虧損約為55,586,000港元（二零一七年：約25,792,000港元）。
- 本集團於二零一八年三月三十一日之總現金及現金等值項目約為91,922,000港元（二零一七年：約93,721,000港元）。
- 董事會並不建議就截至二零一八年三月三十一日止年度派發末期股息（二零一七年：無）。

### 業務回顧

本年度，本集團繼續專注於在中國經營藥品批發及分銷業務、藥品零售連鎖業務及在中國提供血液透析治療及諮詢服務。

### 分類資料

年內，本集團之收益主要來自於中國之：(1)藥品批發及分銷業務、(2)藥品零售連鎖業務及(3)血液透析治療及諮詢服務業務。有關該等營運之財務資料於綜合財務報表附註7呈列。

### (1) Pharmaceutical wholesale and distribution business

The Group has a large and broad customer base through our distribution network in Fujian Province in the PRC. The Group distributes pharmaceutical products to our customers located principally in the Fujian Province and also sells pharmaceutical products in neighboring provinces such as Guangdong, Hunan, Hubei, Jiangxi, Anhui and Zhejiang. Our customers can be categorised into three types namely hospitals and healthcare institutions, distributor customers and end customers such as companies operating pharmaceutical retail chain stores, independent pharmacies, and outpatient departments of community hospitals, healthcare service stations and clinics. The revenue generated from the pharmaceutical wholesale and distribution business amounted to approximately HK\$318.809 million (2017: approximately HK\$728.805 million), this i) represented approximately 56.26% of decrease over 2017 and ii) accounted for approximately 51.72% of the Group's revenue. The decrease was mainly attributable to that: (1) with the strong pharmaceutical distribution market layout in Fujian Province by a number of pharmaceutical groups with enormous manufacturers' resources, the competition of the pharmaceutical wholesale and distribution business as well as its talents was intensified; (2) the medical reform policy further controlled the pharmaceutical costs in public hospitals in Fujian Province and had reduced the overall size of the pharmaceutical distribution business in public hospitals. In terms of distribution policy, it also broke the original rules that essential medicines in public hospitals in Fujian Province were only distributed by 10 wholesale companies, thereby causing material adverse impact on the operation and its overall performance of the Group in the pharmaceutical wholesale and distribution business. Because of these, the result of this segment was turned into loss when compared with that of last year.

### (1) 藥品批發及分銷業務

本集團擁有位於中國福建省之分銷網絡為我們帶來廣大之客戶群。本集團向主要位於福建省之客戶分銷藥品，並同時於廣東、湖南、湖北、江西、安徽及浙江等鄰近省份銷售藥品。我們之客戶可分為三種類型，即醫院及醫療機構、分銷商客戶及終端客戶，例如經營藥品零售連鎖店之公司、獨立藥店、社區醫院之門診部、醫療保健服務站及診所。藥品批發及分銷業務產生之收益約為318,809,000港元（二零一七年：約728,805,000港元），此i)較二零一七年減少約56.26%及ii)佔本集團收益約51.72%。減少乃主要由於：(1)隨著多家極具廠家資源的醫藥集團強勢在福建省藥品流通市場佈局，加劇藥品批發及分銷業務和其人才競爭的白熱化；(2)醫改政策進一步控制福建省公立醫院藥品費用，減少公立醫院藥品配送業務整體規模的同時，又在配送政策上，打破了原定的福建省公立醫院基本藥物只由10家批發企業配送的規則，對本集團的藥品批發及分銷業務的營運及其總體業績造成了巨大的負面影響。由於該等因素，此分部之業績與去年相比為盈轉虧。

# Management Discussion and Analysis

## 管理層討論及分析

### (2) Pharmaceutical retail chain business

The Group operates pharmaceutical retail chain business through Fujian Huihao Sihai Pharmaceutical Chain Company Limited\* (福建惠好四海醫藥連鎖有限責任公司) which was accounted for as one of our subsidiaries. The Group offers a wide variety of products in our retail pharmacies including prescription medicines, over-the-counter medicines, healthcare food products, traditional Chinese medicines, medical supplies and medical devices. As at 31 March 2018, 114 (2017: 120) retail pharmacies were operated. The Group seeks to introduce new products and services to meet changing customer preferences and to differentiate the Group from our competitors. The revenue generated from pharmaceutical retail chain business amounted to approximately HK\$263.395 million (2017: approximately HK\$257.035 million), representing approximately 2.47% of increase over 2017. Nevertheless, the loss of this segment was increased because the competition in loss business market was further intensified which led to an increase in promotion and labour costs as compared with the same period of last year, and hence the overall gross profit margin was decreased.

### (3) Hemodialysis treatment and consultancy service business

The revenue from this segment was approximately HK\$34.205 million (2017: approximately HK\$0.069 million) and the profit from this segment was approximately HK\$12.455 million (2017: loss of HK\$0.224 million). It was because the completion of the acquisition of this business was in March last year, therefore, the contribution of this business in last year was limited.

### (2) 藥品零售連鎖業務

本集團透過入賬為本集團附屬公司之一之福建惠好四海醫藥連鎖有限責任公司經營藥品零售連鎖業務。本集團之零售藥店提供多種產品，包括處方藥、非處方藥、保健食品、傳統中藥、醫療用品及醫療器械。於二零一八年三月三十一日，本集團營運114間（二零一七年：120間）零售藥店。本集團力求引進新產品和服務以滿足客戶不斷變化之喜好，並使本集團在競爭對手脫穎而出。藥品零售連鎖業務產生之收益約為263,395,000港元（二零一七年：約257,035,000港元），較二零一七年增加約2.47%。然而，此分部虧損上升，乃由於零售業務市場競爭進一步加劇，導致促銷、人工等成本費用較去年同期有所增加，令整體毛利有所下降所致。

### (3) 血液透析治療及諮詢服務業務

此分部之收入約為34,205,000港元（二零一七年：約69,000港元）及此分部之溢利約為12,455,000港元（二零一七年：虧損224,000港元）。由於收購此項業務乃於去年三月完成，因此，去年此項業務之貢獻有限。

\* English translations of official Chinese names are for identification purpose only

### FINANCIAL REVIEW

#### Revenue

Looking back at 2017/18, the Group's revenue experienced a decrease. For the year ended 31 March 2018, Total revenue for the Group was approximately HK\$616.409 million (2017: approximately HK\$985.909 million), accounting for a decrease of approximately 37.48% over last year. The gross profit margin of the Group was approximately 16.32%, while it was approximately 12.81% in 2017.

#### Other revenue

Other revenue, primarily including sundry income, bank interest income and rental income amounted to approximately HK\$0.866 million (2017: approximately HK\$3.582 million) for the year ended 31 March 2018.

#### Selling and distribution expenses

For the year ended 31 March 2018, selling and distribution expenses amounted to approximately HK\$90.136 million (2017: approximately HK\$95.226 million), representing a decrease of approximately 5.34% over the last year. The decrease in the selling and distribution expenses was due to the decrease in the turnover of the Group.

#### Administrative expenses

Administrative expenses for the year ended 31 March 2018 amounted to approximately HK\$49.330 million (2017: approximately HK\$45.223 million), representing an increase of approximately 9.10% over last year. The increase in the administration expenses was due to the development of the hemodialysis treatment and consultancy service business.

#### Finance costs

For the year ended 31 March 2018, the finance costs of the Group were approximately HK\$14.699 million (2017: approximately HK\$14.441 million), representing an increase of approximately 1.79% over the last year.

### 財務回顧

#### 收益

回顧二零一七年／一八年度，本集團之收益減少。截至二零一八年三月三十一日止年度，本集團錄得總收益約616,409,000港元（二零一七年：約985,909,000港元），較去年減少約37.48%。然而，本集團之毛利率約為16.32%，而二零一七年為約12.81%。

#### 其他收益

截至二零一八年三月三十一日止年度，其他收益（主要包括雜項收入、銀行利息收入及租金收入）約為866,000港元（二零一七年：約3,582,000港元）。

#### 銷售及分銷費用

截至二零一八年三月三十一日止年度，銷售及分銷費用約為90,136,000港元（二零一七年：約95,226,000港元），較去年減少約5.34%。銷售及分銷費用減少乃由於本集團之營業額減少所致。

#### 行政開支

截至二零一八年三月三十一日止年度之行政開支約為49,330,000港元（二零一七年：約45,223,000港元），較去年增加約9.10%。行政開支增加乃由於發展血液透析治療及諮詢服務業務所致。

#### 財務費用

截至二零一八年三月三十一日止年度，本集團之財務費用約為14,699,000港元（二零一七年：約14,441,000港元），較去年增加約1.79%。

# Management Discussion and Analysis

## 管理層討論及分析

### Loss for the year attributable to owners of the Company

The Group had loss for the year attributable to owners of the Company of approximately HK\$55.586 million for the year ended 31 March 2018 (2017: HK\$25.792 million).

The significant increase in loss for the year attributable to owners of the Company was due to the decrease in the turnover of pharmaceutical wholesale and distribution business as the effect of the change of government policy in distribution and wholesales for medicine to hospitals and the fierce competition in the retail business.

### LIQUIDITY AND FINANCIAL RESOURCES

#### Overall financial position

The Group had total cash and cash equivalents of approximately HK\$91.922 million as at 31 March 2018 (2017: approximately HK\$93.721 million). The Group recorded total current assets of approximately HK\$272.894 million as at 31 March 2018 (2017: approximately HK\$392.108 million) and total current liabilities of approximately HK\$242.392 million as at 31 March 2018 (2017: approximately HK\$322.555 million). The current ratio of the Group, calculated by dividing the current assets by the current liabilities, was approximately 1.126 as at 31 March 2018 (2017: approximately 1.216).

#### Gearing ratio

As at 31 March 2018, the Group's gearing ratio which was calculated based on outstanding debts (comprising bank borrowings, other borrowing and convertible notes) less cash and cash equivalents over total equity (including all capital and reserves attributable to owners of the Company) was approximately 5.07% (2017: 26.04%).

### 本公司擁有人應佔年度虧損

截至二零一八年三月三十一日止年度，本集團錄得本公司擁有人應佔年度虧損約55,586,000港元（二零一七年：25,792,000港元）。

本公司擁有人應佔年度虧損大幅增加乃由於向醫院分銷及批發藥品的政府政策變動之影響令藥品批發及分銷業務之營業額減少及零售業務競爭激烈所致。

### 流動資金及財務資源

#### 整體財務狀況

本集團於二零一八年三月三十一日之總現金及現金等值項目約為91,922,000港元（二零一七年：約93,721,000港元）。本集團於二零一八年三月三十一日錄得流動資產總值約272,894,000港元（二零一七年：約392,108,000港元），以及於二零一八年三月三十一日錄得流動負債總額約242,392,000港元（二零一七年：約322,555,000港元）。本集團於二零一八年三月三十一日之流動比率（按流動資產除以流動負債計算）約為1.126（二零一七年：約1.216）。

#### 資產負債比率

於二零一八年三月三十一日，本集團之資產負債比率（根據尚未償還債務（包括銀行借貸、其他借貸及可換股票據）減現金及現金等值項目除以總權益（包括本公司擁有人應佔所有資本及儲備）計算）約為5.07%（二零一七年：26.04%）。



### Contingent Liabilities

As at 31 March 2018 and 2017, no member of the Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the directors to be pending or threatened against any member of the Group.

### Capital commitments

As at 31 March 2018, there were respective capital commitments construction contracted for but not provided in the consolidated financial statements amounting to HK\$1.836 million (2017: Nil).

### CAPITAL STRUCTURE

On 14 May 2015, the Company entered into the placing agreement with the placing agent pursuant to which the Company has conditionally agreed to place, through the placing agent, on a best efforts basis, the convertible notes with principal amounts aggregating up to HK\$84,292,000 to the placees at the initial conversion price of HK\$0.65 per conversion share (“**the Placing**”). Based on the initial conversion price of HK\$0.65 per conversion share, a total of 129,680,000 conversion shares will be allotted and issued upon exercise of the conversion rights attaching to the convertible notes in full. The Placing was completed on 1 June 2015. Up to 31 March 2018, there was no convertible notes converted into the conversion shares because the convertible notes were fully redeemed during the year.

As at 31 March 2018, the total issued share capital of the Company was approximately HK\$6.484 million representing 648,405,300 ordinary shares (2017: 648,405,300 ordinary shares).

### 或然負債

於二零一八年及二零一七年三月三十一日，本集團成員公司概無涉及任何重大訴訟或仲裁，且就董事所知，本集團任何成員公司亦無尚未了結或可能面臨威脅之重大訴訟或索償。

### 資本承擔

於二零一八年三月三十一日，已訂約但並無於綜合財務報表作出撥備之各自資本承擔建築為1,836,000港元（二零一七年：無）。

### 股本架構

於二零一五年五月十四日，本公司與配售代理訂立配售協議，據此，本公司已有條件同意透過配售代理按盡力基準以初步轉換價每股轉換股份0.65港元配售本金總額最多為84,292,000港元之可換股票據予承配人（「**配售事項**」）。按初步轉換價每股轉換股份0.65港元計算，於可換股票據所附帶之轉換權獲悉數行使後，將配發及發行合共129,680,000股轉換股份。配售事項已於二零一五年六月一日完成。截至二零一八年三月三十一日，由於可換股票據已於年內獲悉數贖回，故概無可換股票據轉換為轉換股份。

於二零一八年三月三十一日，本公司之已發行股本總額約為6,484,000港元，相當於648,405,300股普通股（二零一七年：648,405,300股普通股）。



### PRINCIPAL RISKS AND UNCERTAINTIES

The Group's financial condition, results of operations, businesses and prospects may be affected by a number of risks and uncertainties. The following is the key risk and uncertainty identified by the Group. There may be other risks and uncertainties in addition to those shown below which are not known to the Group or which may not be material now but could turn out to be material in the future.

#### Market Risks

##### PRC government policy

In August 2014, Fujian Food and Drug Administration<sup>#</sup> (福建省食品藥品監督管理局) announced a New GSP that only 10 qualified companies are permitted to conduct the business in the distribution to public hospitals and public healthcare institutions after 2016, and one of the non-wholly owned subsidiaries of the Group, namely Fujian Province Funzhou City Huihao Pharmaceutical Company Limited<sup>#</sup> (福建省福州市惠好藥業有限公司) is on the list, however, the new pharmaceutical distribution policy for public healthcare institutions in Fujian Province broke the original rules that essential medicines in public hospitals in Fujian Province were only distributed by 10 wholesale companies.

#### Operational risks

With the strong pharmaceutical distribution market layout in Fujian Province by a number of pharmaceutical groups with enormous manufacturers' resources, the competition of the pharmaceutical wholesale and distribution business as well as its talents was intensified; also, the medical reform policy further controlled the pharmaceutical costs in public hospitals in Fujian Province and had reduced the overall size of the pharmaceutical distribution business in public hospitals, and thus causing material adverse impact on the operation and its overall performance of the Group in the pharmaceutical wholesale and distribution business. In addition, the competition in retail business market was further intensified which led to an increase in promotion and labour costs as compared with the same period of last year, and hence the overall gross profit margin was decreased

<sup>#</sup> English translations of official Chinese names are for identification purpose only

### 主要風險及不明朗因素

本集團的財務狀況、營運業績、業務及前景可能受多項風險及不明朗因素影響。以下為本集團已識別的主要風險及不明朗因素。除下文所列者外，或會存在本集團並無獲悉或目前可能不重大但日後可能變得重大的其他風險及不明朗因素。

#### 市場風險

##### 中國政府政策

二零一四年八月，福建省食品藥品監督管理局頒佈新質量管理規範，僅有十家合資格公司獲准於二零一六年後從事向公立醫院及公眾醫療機構進行分銷業務，而本集團下屬非全資附屬公司（即福建省福州市惠好藥業有限公司）則名列其中，可是，新的福建省公立醫療機構藥品配送政策，打破了原定的福建省公立醫院基本藥物只由10家批發企業配送的規則。

#### 營運風險

隨著多家極具廠家資源的醫藥集團強勢在福建省藥品流通市場佈局，加劇藥品批發及分銷業務和其人才競爭的白熱化；加上醫改政策進一步控制福建省公立醫院藥品費用，減少公立醫院藥品配送業務整體規模，對本集團的藥品批發及分銷業務的營運及其總體業績造成了巨大的負面影響；此外，零售業務市場競爭進一步加劇，導致促銷、人工等成本費用較同期有所增加，整體毛利有所下降。

### Foreign Exchange Risk

Since almost all transactions of the Group are denominated in Renminbi and Hong Kong dollars, most of the bank deposits are being kept in Renminbi and Hong Kong dollars to minimise exposure to foreign exchange risk, the directors consider that the Group's risk exposure to currency fluctuations to be minimal.

Therefore, the Group had not implemented any formal hedging or other alternative policies to deal with such exposure during the year.

### EMPLOYEES AND REMUNERATION POLICY

As at 31 March 2018, the Group had 953 (2017: 1,112) full time employees (including directors) as shown in the following table:

Location	地點	Number of staff 員工人數
Hong Kong	香港	9
PRC	中國	944

For the year ended 31 March 2018, staff costs (including directors emoluments) amounted to approximately HK\$69.241 million (2017: approximately HK\$90.034 million). The Group remunerates its employees based on individual performance and qualification. Apart from the basic remuneration, staff benefits include the contribution to the Mandatory Provident Fund Scheme, discretionary bonus and medical coverage in Hong Kong; and basic insurance for the elderly, basic medical insurance, work injury insurance and unemployment insurance to the employees in the PRC.

### 外匯風險

由於本集團絕大部份交易均以人民幣及港幣計價，而大部分銀行存款均以人民幣及港幣存置，藉此盡量減低外匯風險，故董事認為本集團之外匯波動風險極微。

因此，年內，本集團並無實施任何正式對沖或其他替代政策以應付有關風險。

### 僱員及薪酬政策

於二零一八年三月三十一日，本集團聘有953名（二零一七年：1,112名）全職僱員（包括董事），詳情載於下表：

截至二零一八年三月三十一日止年度，員工成本（包括董事酬金）約為69,241,000港元（二零一七年：約90,034,000港元）。本集團根據僱員之個別表現及資歷釐定僱員薪酬。除基本薪酬外，於香港之員工福利亦包括強制性公積金計劃供款、酌情花紅及醫療保險，而中國員工則享有基本養老保險、基本醫療保險、工傷保險及失業保險。

### CHARGES ON GROUP'S ASSETS

As at 31 March 2018, the Group charged to the lender of other borrowing by way of first floating charge all its undertaking, property, assets, goodwill, rights and revenues, whatsoever and whosoever, both present and future, including all book and other debts now and from time to time due or owing to the Company, the uncalled capital, goodwill and all intellectual properties and intellectual property rights, patents, patent applications, trademarks, service marks, trade names, registered designs, copyrights, licenses and ancillary and connected rights both present and future of the Company so that the charge hereby created shall be a continuing security by way of first floating.

### MATERIAL ACQUISITIONS AND DISPOSALS

During the year, the Group did not have any material acquisitions and disposals of subsidiaries, associates or joint ventures during the year.

### 本集團資產抵押

於二零一八年三月三十一日，本集團以第一浮動押記之方式將其目前及未來於任何地方之所有業務、物業、資產、商譽、權益及收益，包括目前及不時應付或結欠本公司之所有賬面及其他債務、本公司目前及未來之未催繳之資本、商譽及所有知識資產及知識產權、專利、專利申請、商標、服務商標、商用名稱、已註冊設計、版權、牌照及附設及關連權利抵押予其他借貸之貸方，因此本公佈所設之押記將為以第一浮動為方式持續抵押。

### 重大收購及出售

年內，本集團並無任何附屬公司、聯營公司或合營企業之重大收購及出售。

## CORPORATE GOVERNANCE PRACTICES

Wanjia Group Holdings Limited (the “**Company**”) acknowledges the need and importance of corporate governance as one of the key elements in creating shareholders’ value. The Company is also committed to achieving high standard of corporate governance that can properly protect and promote the interests of all shareholders and to enhance corporate value and accountability of the Company.

The Company strived to maintain a high standard of corporate governance and complied with the Corporate Governance Code (the “**CG Code**”) as stated in Appendix 14 of the Rules Governing the Listing Securities on Main Board (the “**Listing Rules**”) of the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The Company has adopted the code provisions in the CG Code as its own code of corporate governance. Save as the deviation from the code provision A.2.1, separation of roles of Chairman and Chief Executive Officer pursuant to code provision A.2.1 as disclosed in the section “Chairman and Chief Executive Officer”. The board of directors (the “**Board**”) considers that the Company was in compliance with all applicable code provisions set out in the CG Code from 11 October 2013, being the date of listing of the Company, to the date of this report.

## COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS’ SECURITIES TRANSACTIONS

The Company adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the “**Model Code**”) since 11 October 2013, being the date of listing of the Company, up to the date of this report.

The Company has adopted the Model Code as its model code for securities transactions by Directors.

## 企業管治常規

萬嘉集團控股有限公司（「**本公司**」）確信企業管治為創造股東價值之必要及重要元素之一。本公司亦努力達致高水平之企業管治，以適當保障及提升全體股東利益，同時提高企業價值及本公司之問責性。

本公司致力維持高標準之企業管治並遵守香港聯合交易所有限公司（「**聯交所**」）主板證券上市規則（「**上市規則**」）附錄十四所訂明之企業管治守則（「**企業管治守則**」）。

本公司已採納企業管治守則內之守則條文作為其本身之企業管治守則。如「主席及行政總裁」一節所披露，除守則條文第A.2.1條之偏離外，根據守則條文第A.2.1條主席及行政總裁之角色應予以區分。董事會（「**董事會**」）認為本公司由二零一三年十月十一日（即本公司上市日期）至本報告日期一直遵守企業管治守則所載之所有適用守則條文。

## 遵守董事進行證券交易之標準守則

自二零一三年十月十一日（即本公司上市日期）起至本報告日期，本公司已採納上市規則附錄十所載之上市發行人董事進行證券交易之標準守則（「**標準守則**」）。

本公司已採納標準守則作為董事進行證券交易之標準守則。

## A. THE BOARD OF DIRECTORS

The overall management of the Company's operation is vested in the Board.

The Board takes responsibility to oversee all major matters of the Company, including the formulation and approval of all policy matters, overall strategies, internal control and risk management systems, and monitoring of the performance of the senior management. The directors of the Company ("Directors") make decisions objectively in the interests of the Company. Currently, the Board comprises five Directors, including two executive directors and three independent non-executive directors:

### Executive Directors

Mr. Chen Jinshan

Ms. Yung Ka Lai

### Independent Non-Executive Directors

Mr. Wong Hon Kit

Dr. Liu Yongping

Mr. Ho Man

Their biographical details and relationships among the board members, if any are set out in the section entitled "Biographical Details of Directors and Senior Management" in the annual report.

The Board delegates the authority and responsibility for implementing day-to-day operations, business strategies and management of the Group's businesses to the executive Directors, senior management and certain specific responsibilities to the Board committees.

## A. 董事會

本公司業務之整體管理由董事會負責。

董事會負責監督本公司所有重大事宜，包括制訂及批准所有政策事宜、整體策略、內部監控及風險管理制度，並監察高級管理人員表現。本公司董事（「董事」）須在符合本公司利益之前提下作出客觀決定。目前，董事會由五名董事（包括兩名執行董事及三名獨立非執行董事）組成：

### 執行董事

陳金山先生

翁嘉麗女士

### 獨立非執行董事

黃漢傑先生

劉勇平博士

何敏先生

彼等之履歷詳情及董事會成員之間之關係（如有）載於年報「董事及高級管理人員履歷詳情」一節。

董事會將實行日常營運、業務策略及本集團業務管理之權力及責任委派予執行董事、高級管理人員，並將若干特定責任委派予董事會轄下委員會。

### Training and Support for Directors

The Company encourages the Directors to participate in professional development courses and seminars to develop and refresh their knowledge and skills.

Effective from 11 October 2013, the date of listing of the Company, up to the date of this report, regulatory updates and relevant materials on amendments of the Listing Rules have been sent to the Directors for their awareness of the latest development on regulatory requirements.

### Directors' and Officers' Insurance

The Company has arranged for appropriate liability insurance for the Directors to cover their liabilities arising out of corporate activities.

### 董事培訓及支援

本公司鼓勵董事參與專業發展課程及講座，以發展及更新其知識及技能。

由二零一三年十月十一日（本公司上市日期）起至本報告日期，規管更新及上市規則修訂之相關資料已送交董事，令彼等獲悉規管規定之最新發展。

### 董事及高級人員之保險

本公司已安排適當責任保險，供董事應付因公司活動而產生之責任。

## B. CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code provision A.2.1 stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. After the former Chairman resigned from the Company in 2014, there is no position of the chairman and chief executive officer up to the date of the report.

The Company will, from time to time, review the effectiveness of the Group's corporate governance structure and consider whether any changes, including the establishment of the roles of the chairman and chief executive officer.

## B. 主席及行政總裁

守則條文第A.2.1條規定，主席與行政總裁之角色應有區分，並不應由同一人兼任。於前任主席於二零一四年辭任本公司職務之後，截至本報告日期，並無主席兼行政總裁之職位。

本公司將不時檢討本集團之企業管治架構之成效，並考慮是否有必要作出任何變動，包括區分主席及行政總裁職務之確立。



### Appointments, Re-election and Removal of Directors

Each of the executive Directors and independent non-executive Directors has entered into a service contract or letter of appointment with the Company for a specific term. Such term is subject to his or her re-appointment by the Company at an annual general meeting upon such Director's retirement and offering himself for re-election.

In accordance with the Bye-laws of the Company, one-third of the Directors who have been longest in office since their last election or re-election are also subject to retirement by rotation at the annual general meeting. All retiring directors are eligible for re-election.

### C. INDEPENDENT NON-EXECUTIVE DIRECTORS

In compliance with Rule 3.10 of the Listing Rules, the Company has appointed three independent non-executive Directors, one of whom namely Mr. Wong Hon Kit possesses the appropriate professional qualifications in accounting and financial management. Each of the three independent non-executive Directors has confirmed his independence of the Company and the Company considers each of them to be independent in accordance with the guidelines of assessing independence as set out in Rule 3.13 of the Listing Rules. Each of the three independent non-executive Directors has signed a letter of appointment with the Company for a specific term of three years.

### 委任、重選及罷免董事

各執行董事及獨立非執行董事均與本公司訂立有特定期限之服務合約或委任書，惟有關期限須受有關董事退任及願意膺選連任時，於股東週年大會上彼等獲本公司重新委任所規限。

根據本公司之公司細則，自上一次選舉或重選以來任期最長之三分之一之董事亦須在股東週年大會上輪值告退。所有退任董事均符合資格膺選連任。

### C. 獨立非執行董事

本公司已遵守上市規則第3.10條委任三名獨立非執行董事，其中一名黃漢傑先生具有會計及財務管理方面之適當專業資格。三名獨立非執行董事各自已確認彼等對本公司之獨立性，而本公司認為根據上市規則第3.13條所載評估獨立性指引，彼等均具備獨立性。三名獨立非執行董事各自已與本公司簽署委任書，特定任期為三年。

## D. COMPANY SECRETARY

Mr. Tsang Wai Wa (“**Mr. Tsang**”), the company secretary of the Company, is a full time employee of the Group and has day-to-day knowledge of the Company’s affairs. Mr. Tsang duly complied with the relevant professional training requirement under Rule 3.29 of the Listing Rules. The biographical details of the company secretary is set out in the section entitled “Biographical Details of Directors and Senior Management” in the annual report.

## E. BOARD COMMITTEES

The Board has established an Nomination and Corporate Governance Committee, Audit Committee and Remuneration Committee (collectively “**Board Committees**”) with defined terms of reference. The terms of reference of the Board Committees are posted on the websites of the Company and the Stock Exchange. The Board Committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company’s expense.

### Remuneration Committee

The Remuneration Committee was established on 24 September 2013 with written terms of reference in compliance with Rule 3.25 of the Listing Rule and a copy of which is posted on the website of the Company and the Stock Exchange. The members of Remuneration Committee for the year and up to date of this report are:

Mr. Wong Hon Kit (*Chairman*)

Dr. Liu Yongping

Mr. Ho Man

(appointed on 14 February 2018)

Mr. Chiu King Yan

(resigned on 14 February 2018)

## D. 公司秘書

本公司之公司秘書曾偉華先生(「**曾先生**」)為本集團之全職僱員，並知悉本公司之日常事務。曾先生已妥為遵守上市規則第3.29條項下之相關專業培訓規定。公司秘書之履歷詳情載於本年報「董事及高級管理人員履歷詳情」一節。

## E. 董事委員會

董事會已成立提名及企業管治委員會、審核委員會及薪酬委員會(統稱「**董事委員會**」)，並具有明確職權範圍。董事委員會之職權範圍已於本公司及聯交所網站內刊登。董事委員會已獲提供充裕資源以履行其職責，並在經合理要求後可在適當情況下尋求獨立專業意見，費用由本公司承擔。

### 薪酬委員會

薪酬委員會已於二零一三年九月二十四日成立，並具有符合上市規則第3.25條之書面權責範圍，其副本於本公司及聯交所網站刊登。年內及直至本報告日期，薪酬委員會之成員包括：

黃漢傑先生(主席)

劉勇平博士

何 敏先生

(於二零一八年二月十四日獲委任)

趙敬仁先生

(於二零一八年二月十四日辭任)

The primary duties of the Remuneration Committee include (but without limitation):

- (i) making recommendations to the Board on the policy and structure for all remuneration of the Directors and the senior management and on the establishment of a formal and transparent procedure for developing policies on such remuneration;
- (ii) determining the remuneration packages of all individual executive Directors and the senior management and making recommendations to the Board of the remuneration of non-executive Directors; and
- (iii) reviewing and approving compensation payable to the executive Directors and the senior management for any loss or termination of office or appointment to ensure that it is consistent with the relevant contractual terms and is otherwise fair and not excessive.

The role and function of the Remuneration Committee include the determination of specific remuneration package of all executive Directors, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and making recommendations to the Board of the remuneration of non-executive Directors. The Remuneration Committee considers factors such as salaries paid by comparable companies, time commitment and responsibilities of the directors, employment conditions elsewhere in the Group and desirability of performance-based remuneration.

The Remuneration Committee shall meet once during the financial year. During the meeting, the Remuneration Committee will review the remuneration packages of the executive Directors, independent non-executive Directors and senior management.

The Remuneration Committee held one meeting during the year ended 31 March 2018.

薪酬委員會的主要職責包括（但不限於）：

- (i) 就所有董事及高級管理層的整體薪酬政策及架構以及為制定薪酬政策而設立正式透明的程序向董事會提供推薦建議；
- (ii) 釐定全體各執行董事及高級管理層的薪酬待遇，並就非執行董事的薪酬向董事會提供推薦建議；及
- (iii) 檢討及批准就任何損失或終止職位或委任而向執行董事及高級管理層支付賠償以確保遵守相關合約條款，倘未能按有關條款釐定，賠償亦須公平合理。

薪酬委員會之職責及功能包括釐定所有執行董事之具體薪酬待遇，包括實物福利、退休金權益及補償款項，包括任何就離職或終止委任應付之補償，並就非執行董事之酬金向董事會提出建議。薪酬委員會考慮之因素包括可資比較公司支付之薪金、各董事付出之時間及所負職責、本集團其他職位之僱用條件，以及是否適宜推出與業績掛鈎之酬金等。

薪酬委員會於財政年度內須舉行一次會議。薪酬委員會將於會上審閱執行董事、獨立非執行董事及高級管理人員之薪酬待遇。

截至二零一八年三月三十一日止年度，薪酬委員會已舉行一次會議。

## Nomination and Corporate Governance

### Committee

The Nomination and Corporate Governance Committee was established in 24 September 2013 with written terms of reference in compliance with paragraph A.5.1 and D.3.1 of Appendix 14 to the Listing Rule and a copy of which is posted on the website of the Company and the Stock Exchange. The members of Nomination and Corporate Governance Committee for the year and up to the date of this report are:

Mr. Wong Hon Kit

Dr. Liu Yongping

Mr. Ho Man

(appointed on 14 February 2018)

Mr. Fok Wai Ming Eddie

(resigned on 14 February 2018)

The majority of the members are independent non-executive Directors. The primary duties of the nomination and corporate governance committee include, but are not limited to:

- (a) reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board on a regular basis and making recommendations to the Board regarding any proposed changes;
- (b) identifying individuals suitably qualified to become members of the Board and selecting or making recommendations to the Board on the selection of, individuals nominated for directorship;
- (c) making recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for Directors in particular the chairman of the Board and the chief executive officer of the Company; and

## 提名及企業管治委員會

提名及企業管治委員會已於二零一三年九月二十四日成立，並具有符合上市規則附錄十四第A.5.1及D.3.1段之書面權責範圍，其副本於本公司及聯交所網站刊登。年內及直至本報告日期，提名及企業管治委員會之成員包括：

黃漢傑先生

劉勇平博士

何 敏先生

(於二零一八年二月十四日獲委任)

霍偉明先生

(於二零一八年二月十四日辭任)

大部份成員為獨立非執行董事。提名及企業管治委員會之主要職責包括但不限於：

- (a) 定期檢討董事會架構、人數及組成（包括技能、知識及經驗），並就任何建議變動向董事會提出建議；
- (b) 物色具合適資格擔任董事會成員之人選，並選擇提名董事之人選或向董事會推薦有關人選之選擇；
- (c) 就董事委任或重新委任及董事（尤其是董事會主席及本公司行政總裁）繼任計劃之有關事宜向董事會提出建議；及

- (d) keeping the effectiveness of the corporate governance and system of internal controls of the Group.

The Nomination and Corporate Governance Committee shall meet once during the financial year. During the meeting, the Nomination and Corporate Governance Committee will review the structure, size and composition (including the skills, knowledge and experience) of the Board and review the arrangement for re-election of all the retiring Directors at the forthcoming general meetings of the Company and the terms of reference of the Nomination and Corporate Governance Committee.

The Nomination and Corporate Governance Committee has adopted a Board Diversity Policy ("Policy"). The Company continuously seeks to enhance the effectiveness of its Board and to maintain the highest standards of corporate governance and recognises and embraces the benefits of diversity in the Board. A diversity of perspectives can be achieved through engaging directors in possession of gender, age, cultural and educational background, ethnicity, professional experience, required experience, skills, knowledge and length of service, etc. The composition, experience and balance of skills of the Board are regularly reviewed to ensure that the Board retains a core of members with longstanding knowledge of the Group alongside new Director(s) appointed from time to time who bring fresh perspectives and diverse experience to the Board. The Board appointments will continue to be made on a merit basis and candidates will be considered against objective criteria, with due regard for the benefits of diversity in the Board. The Board will continue to review the Policy to ensure its continued effectiveness on an annual basis.

The Nomination and Corporate Governance Committee held one meeting during the year ended 31 March 2018.

- (d) 維持本集團之企業管治及內部監控系統之有效性。

提名及企業管治委員會於財政年度內須舉行一次會議。提名及企業管治委員會將於會上檢討董事會之架構、人數及組成（包括技能、知識及經驗），以及檢討於本公司應屆股東大會上所有退任董事的重選安排及提名及企業管治委員會的職權範圍。

提名及企業管治委員會已採納一項董事會多元化政策（「政策」）。本公司不斷尋求提升其董事會之效率，維持最高標準之企業管治，並明白及擁戴董事會多元化的利益。多元化方面可透過委任擁有性別、年齡、文化及教育背景、種族、專業經驗、所需經驗、技能、知識及服務年限等多項條件之董事達致。董事會之組成、經驗及技能平衡乃經定期檢討，以確保董事會保留對本集團具有長期認識之核心成員外，同時就不時委任新任董事以為董事會帶來全新視野及不同經驗。董事會成員的委任將繼續以用人唯賢的準則，根據客觀標準考慮可擔任董事會成員的人選，並適當考慮董事會成員多元化的好處。董事會將持續檢討政策以確保其每年持續有效。

截至二零一八年三月三十一日止年度，提名及企業管治委員會已舉行一次會議。

### Audit Committee

The Audit Committee was established on 24 September 2013 with written terms of reference in compliance with Rule 3.2.1 of the Listing Rules and a copy of which is posted on the website of the Company and the Stock Exchange. The members of Audit Committee for the year and up to the date of the report are:

Mr. Wong Hon Kit (*Chairman*)  
Dr. Liu Yongping  
Mr. Ho Man  
(appointed on 14 February 2018)  
Mr. Fok Wai Ming Eddie  
(resigned on 14 February 2018)

All of the committee members are independent non-executive Directors. The primary duties of the Audit Committee include, but are not limited to:

- (a) reviewing and monitoring the external auditors' independence and objectivity and the effectiveness of the audit process in accordance with applicable standard;
- (b) monitoring integrity of financial statements of the Company and the Company's annual report and accounts and half-year report;
- (c) reviewing the Company's financial controls, risk management and internal control systems;
- (d) reporting to the Board on the matters set out in the code provisions as stated in Appendix 14 to the Listing Rules.

The Audit Committee shall hold at least two regular meetings in a year to review and discuss the interim and annual financial statements of the Company. Additional meetings of the Audit Committee may be held as and when required.

### 審核委員會

審核委員會已於二零一三年九月二十四日成立，並具有符合上市規則第3.2.1條之書面權責範圍，其副本於本公司及聯交所網站刊登。年內及直至本報告日期，審核委員會之成員包括：

黃漢傑先生 (*主席*)  
劉勇平博士  
何 敏先生  
(於二零一八年二月十四日獲委任)  
霍偉明先生  
(於二零一八年二月十四日辭任)

所有委員會成員均為獨立非執行董事。審核委員會之主要職責包括但不限於：

- (a) 根據適用準則審閱及監督外聘核數師之獨立性及客觀性以及核數程序之有效性；
- (b) 監督本公司財務報表及本公司年報及賬目及半年報告之完整性；
- (c) 審閱本公司之財務監控、風險管理及內部監控系統；
- (d) 就上市規則附錄十四所列之守則條文所載之事宜向董事會報告。

審核委員會每年將最少舉行兩次定期會議，以審閱及討論本公司之中期及全年財務報表。審核委員會可於有需要時舉行額外會議。



The Audit Committee shall meet with the external auditors at least once a year. The external auditors may request a meeting if they consider necessary.

During the year ended 31 March 2018, the Audit Committee held two meetings.

The Audit Committee has reviewed with management accounting principles and practices adopted by the Group and discussed internal control and financial reporting matters for the year ended 31 March 2018. The Group's audited consolidated financial results for the year ended 31 March 2018 were reviewed by the Audit Committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosures has been made.

The accounts for the year were audited by HLB Hodgson Impey Cheng Limited whose term of office will expire upon the forthcoming annual general meeting. The Audit Committee has recommended to the Board that HLB Hodgson Impey Cheng Limited be nominated for appointment as the auditors of the Company at the forthcoming annual general meeting.

### Corporate Governance Function

The Board is collectively responsible for performing corporate governance duties including:

- (a) to develop and review an issuer's policies and practices on corporate governance;
- (b) to review and monitor the training and continuous professional development of directors and senior management;
- (c) to review and monitor the issuer's policies and practices on compliance with legal and regulatory requirements;

審核委員會每年與外聘核數師最少開會一次。外聘核數師可於彼等認為有需要時要求開會。

截至二零一八年三月三十一日止年度，審核委員會已舉行兩次會議。

截至二零一八年三月三十一日止年度，審核委員會已與管理層審閱本集團採納之會計原則及常規，並討論內部監控及財務申報事宜。本集團截至二零一八年三月三十一日止年度之經審核綜合財務業績已由審核委員會審閱，其認為有關業績之編製已遵守適用會計準則及規定並作出充足披露。

本年度之賬目經由國衛會計師事務所有限公司審核，其任期將於即將舉行之股東週年大會上屆滿。審核委員會已建議董事會提名國衛會計師事務所有限公司於即將舉行之股東週年大會上獲委任為本公司核數師。

### 企業管治職能

董事會共同負責履行企業管治職責，包括：

- (a) 制訂及檢討發行人的企業管治政策及常規；
- (b) 檢討及監察董事及高層管理人員的培訓及持續專業發展；
- (c) 檢討及監察發行人在遵守法律及監管規定方面的政策及常規；

- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors; and
- (e) to review the issuer's compliance with the Code and disclosure in the Corporate Governance Report.

Under the Company's Code, the Board may delegate part of the above duties to the Company's board committees. During the financial year ended 31 March 2018, the Board has, on its own and through the Nomination and Corporate Governance Committee and Audit Committee, fulfilled the above corporate governance duties. The Nomination and Corporate Governance Committee assisted the Board to review and monitor the training and continuous professional development of the directors and the senior management. The Audit Committee assisted the Board to review the Company's compliance with the Code and disclosure in the Corporate Governance Report and the policy on compliance with legal and regulatory requirements.

### F. NUMBER OF MEETINGS AND DIRECTORS' ATTENDANCE

CG Code provision A.1.1 prescribes that at least four regular Board meetings should be held each year at approximately quarterly intervals with active participation of a majority of the Directors, either in person or through other electronic means of communication.

During the year ended 31 March 2018, the Board has held 11 meetings. All executive Directors and independent non-executive Directors attended the meeting.

- (d) 制訂、檢討及監督適用於僱員及董事的操守準則及合規手冊（如有）；及
- (e) 檢討發行人遵守守則的情況及於企業管治報告內作出披露。

根據本公司守則，董事會可授權部分上述職責予本公司董事會轄下的委員會。於截至二零一八年三月三十一日止的財政年度，董事會本身及經提名及企業管治委員會及審核委員會完成上述企業管治職責。提名及企業管治委員會協助董事會審閱及監察董事及高級管理層的培訓及持續專業發展。審核委員會協助董事會審閱本公司遵守守則的情況及在企業管治報告內的披露以及符合法律及法規規定之政策。

### F. 會議次數及董事出席率

企業管治守則條文第A.1.1條規定，每年應最少舉行四次定期董事會會議，大致上每季舉行一次，並由大多數董事（親身出席或通過其他電子通訊方式）積極參與。

於截至二零一八年三月三十一日止年度，董事會已舉行十一次會議。全體執行董事及獨立非執行董事均出席會議。

# Corporate Governance Report

## 企業管治報告書

Attendance record of each director at the meetings of the Board together with the meetings of the Audit, Remuneration and Nomination and Corporate Governance Committee during the year ended 31 March 2018 are set out below.

於截至二零一八年三月三十一日止年度，各董事出席董事會會議，連同審核、薪酬及提名及企業管治委員會會議之記錄載列如下。

Name of directors	董事姓名	Attendance/Number of Meetings 出席次數／會議次數			
		Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination and Corporate Governance Committee 提名及企業管治委員會
<b>Executive directors</b>	<b>執行董事</b>				
Mr. Chen Jinshan	陳金山先生	11/11	N/A不適用	1/1	1/1
Ms. Yung Ka Lai	翁嘉麗女士	9/11	N/A不適用	1/1	1/1
Mr. Chiu King Yan <sup>®</sup>	趙敬仁先生 <sup>®</sup>	9/11	N/A不適用	N/A不適用	N/A不適用
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>				
Mr. Wong Hon Kit	黃漢傑先生	10/11	2/2	1/1	1/1
Dr. Liu Yongping	劉勇平博士	10/11	2/2	1/1	1/1
Mr. Fok Wai Ming Eddie <sup>^</sup>	霍偉明先生 <sup>^</sup>	8/11	2/2	N/A不適用	N/A不適用
Mr. Ho Man <sup>*</sup>	何敏先生 <sup>*</sup>	1/11	N/A不適用	N/A不適用	N/A不適用

<sup>®</sup> 9 Board meeting was held before his resignation on 14 February 2018

<sup>®</sup> 在彼於二零一八年二月十四日辭任前舉行九次董事會會議

<sup>^</sup> 8 Board meetings were held during the period from his appointment on 24 March 2017 and his resignation on 14 February 2018

<sup>^</sup> 自彼於二零一七年三月二十四日獲委任起至於二零一八年二月十四日辭任期間舉行八次董事會會議

<sup>\*</sup> 1 Board meeting was held after his appointment on 14 February 2018

<sup>\*</sup> 在彼於二零一八年二月十四日獲委任後舉行一次董事會會議

## G. ACCOUNTABILITY AND AUDIT

The Directors acknowledge their responsibility for preparing the consolidated financial statements of the Group for the Year. The Directors have prepared the consolidated financial statements of the Group on a going concern basis, and have selected appropriate accounting policies and applied them consistently, adopted appropriate Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards, with applicable disclosures required under the Listing Rules and pursuant to the relevant statutory requirements. The Directors are also responsible for keeping proper accounting records which reflect the financial information of the Group with reasonable accuracy.

The reporting responsibilities of the Company's external auditors, HLB Hodgson Impey Cheng Limited, are set out in the section headed "Independent Auditors' Report" on pages 56 to 64 of this annual report.

## H. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS

The Board acknowledges that it is responsible for maintaining the effectiveness of the risk management and internal control systems to safeguard the assets of the Group. Such systems are designed to manage rather than eliminate risks of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Audit Committee is delegated by the Board to assist the Board in fulfilling the above responsibilities.

## G. 問責及審核

董事知悉彼等編製本集團於本年度的綜合財務報表的責任。董事已按持續經營基準編製該等綜合財務報表，並已貫徹選用合適之會計政策，採用合適之香港財務報告準則及香港會計準則，亦已根據上市規則及根據相關法定規例作出規定之適用披露。董事亦負責保留適當會計記錄，以在合理準確程度下反映本集團之財務資料。

本公司外聘核數師國衛會計師事務所有限公司之申報責任載於本年報第56至64頁之「獨立核數師報告」一節內。

## H. 內部監控及風險管理系統

董事會深知其負責維持風險管理及內部監控系統的效用，以保障本集團的資產。該系統旨在管理風險而非消除未能達到業務目標的風險，並僅能就不出現重大失實陳述或損失作出合理而非絕對的保證。

審核委員會獲董事會授權以協助董事會履行上述職責。

During the year, the Board has reviewed the risk management and internal control systems of the Group, which covers all material financial, operational, compliance controls and risk management functions, and considered the risk management and informed the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function. The Board concluded that the risk management and internal control systems are adequate and effective.

### Main Features of Risk Management and Internal Control Systems

The key elements of the Group's risk management and internal control systems include a well-defined management structure with limits of authority, clear policies, standard operation procedures, and risk control self-assessment conducted for all major operating units of the Group. The system is designed to provide reasonable assurance of no material misstatement or loss and to manage risks failure in operational systems and achievement of the Group's objectives.

The Board has the overall responsibility to ensure that sound and effective internal controls are maintained, but the management is responsible for designing and implementing internal control systems to manage all kinds of risks faced by the Group. The operating units and support functions are facilitated and coordinated by the management, and ensure that risk management processes and mitigation plans follow good practices and guidelines established in their day-to-day operations.

The Group's risk management activities are performed by management on an ongoing basis. The effectiveness of the Group's risk management and internal control systems is evaluated at least annually to update the progress of risk monitoring efforts.

年內，董事會已對本集團風險管理及內部監控系統進行檢討，當中涵蓋所有重大財務、營運、合規程序及風險管理功能，並考慮風險管理及告知資源充足性、員工資歷及經驗、培訓計劃以及本公司會計及財務申報部門的預算。董事會之結論為風險管理及內部監控系統充分有效。

### 風險管理及內部監控系統的主要特徵

本集團風險管理及內部監控系統的主要元素包括權責清晰的管理架構，為本集團的所有主要營運單位界定權限，訂明政策、標準營運程序，並進行風險自評程序。該系統之設計旨在合理確保並無重大失實聲明或損失及管理營運系統失效的風險並達致本集團目標。

董事會有整體責任確保維持良好有效的內部監控，但管理層須負責設計及實施內部監控系統，以管理本集團面臨的各種風險。管理層會協助推進並整合營運單位及支援功能，以確保風險管理程序及緩和計劃遵守日常營運中所建立的良好慣例及指引。

本集團之風險管理活動由管理層持續進行。至少每年就本集團風險管理及內部監控之成效進行評估，以了解風險監測工作之最新進度。

### Process used to identify, evaluate and manage significant risks

Management will assess the nature and impact of risk, and report issues to the Board. The Group identifies outside and inside events by reviewing its external and internal environment and stakeholders, which have an influence or potential influence on the Group's ability to achieve its strategy and business objectives.

The Board according to the risk reporting to take an appropriate action to eliminate the risks. Risks which cannot be accepted or are beyond the Company's risk appetite are transferred, eliminated or controlled through risk mitigation measures. Each risk mitigation measure has a process owner who is a Department Manager and a target completion date is assigned to ensure accountability. Risks owners are also responsible for monitoring the status of the risk mitigation measures for risks under their purview.

### Process used to review the effectiveness of the Risk Management and Internal Control Systems

The Board and Audit Committee review the internal control issues identified by external auditors, regulatory authorities and management, and evaluates the adequacy and effectiveness of the Group's risk management and internal control systems. To further enhance control awareness, the Group has also approved launching a whistleblowing policy or employees to raise any concerns about possible improprieties in any matter related to the Group.

### 識別、評估及管理重大風險所用的程序

管理層將評估風險的性質及影響，並將問題向董事會上報。本集團透過檢討其外部及內部環境及持份者，以識別外部及內部事件，有關事件對本集團達成其策略及業務目標的能力產生影響或潛在影響。

董事會根據風險報告採取消除風險的適當措施。風險如不被接受或超出本公司的風險承受程度，將透過風險減低措施去把風險轉移、消除或控制。部門經理是風險減低措施的執行者及負責在指定日期完成。風險擁有人亦須負責其範圍內監控風險減低措施的情況。

### 檢討風險管理及內部監控系統有效性所用的程序

董事會及審核委員會檢討外部核數師、監管部門及管理層所識別的內部監控問題，並評估本集團風險管理及內部監控系統的充足性及效能。為進一步提升監控意識，本集團已批准實行舉報政策，讓僱員可提出其對任何可能關於本集團的不當事宜的關注。



### Inside Information Policy

The Company regulates the handling and dissemination of inside information to ensure inside information remains confidential until the disclosure of such information is appropriately approved, and the dissemination of such information is efficiently and consistently made. The Company's legal advisor also assists the Board to assess whether the relevant information is considered to be inside information which needs to be disclosed as soon as reasonably practicable.

### Conflict of Interest

If a Director has a conflict of interest in relation to a transaction or proposal to be considered by the Board, the individual is required to declare such interest and to abstain from voting. The matter is considered at a Board meeting attended by Directors who have no material interest in the transaction.

The Group also adopted certain internal control policies to manage potential conflicts of interest.

## I. EXTERNAL AUDITOR'S REMUNERATION

HLB Hodgson Impey Cheng Limited has been appointed as the Company's external auditors since the Company's incorporation. There was no disagreement between the Board and the Audit Committee on the selection, appointment, resignation or dismissal of the external auditors.

### 內幕消息政策

本公司對內幕消息的處理和發佈進行規範，以確保內幕消息在獲適當批准披露前一直保密，並確保有效及一致地發佈有關消息。本公司法律顧問亦協助董事會評估有關消息應否被視為內幕消息，及是否須在合理實際可行情況下盡快披露。

### 利益衝突

倘董事於董事會將予考慮之交易或建議中有利益衝突，該名人士須申報有關利益，並放棄投票。有關事項由於交易中並無重大利益之董事出席之董事會會議上審議。

本集團亦採納若干內部監控政策以管理潛在利益衝突。

## I. 外聘核數師薪酬

國衛會計師事務所有限公司自本公司註冊成立起獲委任為本公司之外聘核數師。董事會與審核委員會在甄選、委任、辭退或罷免外聘核數師方面並無意見分歧。

The remuneration paid to the Company's external auditors, HLB Hodgson Impey Cheng Limited, in respect of audit services and non-audit services for the year ended 31 March 2018 is set out below:

截至二零一八年三月三十一日止年度，就審核服務及非審核服務而已付予本公司外聘核數師國衛會計師事務所有限公司之薪酬載列如下：

Nature of services	服務性質	Amount (HK\$'000) 金額 (千港元)
Audit services	審核服務	987

### J. COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

The Company believes that effective communication with shareholders is essential for enhancing investor relations and investors' understanding of the Group's business performance and strategies. The Group also recognises the importance of transparency and timely disclosure of corporate information, which enable shareholders and investors to make appropriate investment decisions.

The members of the Board, Board Committees and the external auditors are present to answer shareholders' questions in the annual general meeting of the Company. Meeting circulars are distributed to all shareholders before the annual general meeting and special general meetings in accordance with the timeline requirement as laid down in the Listing Rules and the bye-laws of the Company. All the resolutions proposed to be approved at the general meetings will be taken by poll and poll voting results will be published on the websites of the Stock Exchange and the Company after the meetings.

### J. 與股東及投資者溝通

本公司相信與股東有效溝通對促進投資者關係及對投資者了解本集團之業務表現及策略而言甚為重要。本集團亦深明公司資料透明度及適時披露之重要性，此舉令股東及投資者可作出適當投資決定。

董事會成員、董事委員會成員與外聘核數師出席本公司股東週年大會回答股東提問。大會通函按照上市規則及本公司之公司細則所規定之時限，於股東週年大會及股東特別大會前派發予全體股東。全部提呈擬於股東大會上審批之決議案將以投票方式進行表決，投票結果將於大會後在聯交所及本公司網站內刊登。

As a channel to promote effective communication, the Group maintains a website where information on the Company's announcements, financial information and other information are posted. Shareholders and investors may write directly to the Company at its principal place of business in Hong Kong with any inquiries.

### K. SHAREHOLDERS' RIGHTS

Shareholders are provided with contact details of the Company, such as telephone number, fax number, email address and postal address, in order to enable them to make any query that they may have with respect to the Company. They can also send their enquiries to the Board through these means. In addition, shareholders can contact the share registrar of the Company, if they have any enquires about their shareholdings.

All resolutions put forward at shareholder meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Stock Exchange and the Company after each shareholder meeting.

Pursuant to the Bye-Laws of the Company, the Board may whenever it thinks fit call special general meetings, and the shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the company secretary, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition, and such meeting shall be held within two months after the deposit of such requisition.

作為促進有效溝通之渠道，本集團設有網站，以刊登有關本公司之公佈、財務資料以及其他資料之資料。股東及投資者可以書面方式寄往本公司之香港主要營業地點，直接向本公司查詢。

### K. 股東權利

本公司向股東提供聯絡資料，如電話號碼、傳真號碼、電郵地址及郵寄地址，以便股東提出任何有關本公司之查詢。彼等亦可以透過此等方法向董事會提出查詢。此外，股東如有任何有關其股權之查詢，可以聯絡本公司之股份過戶登記處。

股東大會上提呈之所有決議案將根據上市規則以投票方式表決，投票結果將於各股東大會結束後於聯交所及本公司網站公佈。

根據本公司之公司細則，董事會可於其認為合適時召開股東特別大會，及任何於遞呈要求日期持有不少於本公司繳足股本（附帶於本公司股東大會表決權利）十分之一之股東，於任何時候均有權透過向董事會或公司秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求中列明之任何事項，而有關大會須於遞呈有關要求後兩個月內舉行。

## L. CONSTITUTIONAL DOCUMENTS

There has been no change in the Company's constitutional documents since 24 September 2013.

## M. ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is committed to supporting the environmental sustainability. The Group is committed to implementing policies and measures in our daily business operations to foster reduction of the Group's environmental impact. Detail information regarding the environmental, social and governance practices adopted by the Group is set out in the environmental, social and governance report which will be disclosed in a separate report and published on the websites of the Stock Exchange and the Company no later than three months after the publication of this annual report.

## L. 憲章文件

自二零一三年九月二十四日起，本公司之憲章文件並無變動。

## M. 環境政策及表現

本集團致力支持環境可持續性。本集團在日常業務營運中實施不同的政策及措施，以減低本集團對環境的影響。有關本集團採納之環境、社會及管治常規之詳細資料載於環境、社會及管治報告書，該報告將以單獨報告披露，將於本年報刊發後三個月內在聯交所及本公司網站刊登。

## Biographical Details of Directors and Senior Management 董事及高級管理人員履歷詳情

### EXECUTIVE DIRECTORS

**Mr. Chen Jinshan ("Mr. Chen")**, aged 50, holds a bachelor degree in finance and accounting. Mr. Chen has over 17 years of accounting experience and had also been a project manager for more than 8 years in an accounting firm. Mr. Chen was the executive director of Hua Xia, the shares of which are listed on GEM of the Stock Exchange for the period from 25 April 2006 to 10 October 2014.

**Ms. Yung Ka Lai ("Ms. Yung")**, aged 31, obtained her Bachelor degree of Science Business Management, Specialization in Marketing from SUNY-Stony Brook University, United States. She has 4 years of managerial experience in marketing.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. Wong Hon Kit ("Mr. Wong")**, aged 51, is an independent non-executive Director of the Company. Mr. Wong is also the independent non-executive director of Smart-Core Holdings Limited (stock code: 2166) since March 2016, the company whose shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and Heng Xin China Holdings Limited (stock code: 8046), the company whose shares are listed on the GME Board of The Stock Exchange since June 2018. In addition, he was an independent non-executive director of Xinhua News Media Holdings Limited (stock code: 309), a company whose shares are listed on the Main Board of the Stock Exchange, from September 2017 to October 2017.

Mr. Wong has over 16 years of experience in the corporate finance industry. He has held various positions, including chief financial officer, director and company secretary in different companies in Hong Kong, where he has experience in handling corporate finance transactions such as mergers and acquisitions, capital fund raising and restructuring. Mr. Wong was appointed as a Director of Orient Victory Azure Capital Limited since January 2017 where he was responsible supervising type-6 regulated activities under SFO including corporate finance, internal control and risk management. He was also responsible for overseeing the daily operations of the said company.

### 執行董事

**陳金山先生 (「陳先生」)**，50歲，持有金融及會計學士學位。陳先生擁有逾17年會計經驗，並曾於一間會計公司擔任項目經理逾8年。陳先生曾於二零零六年四月二十五日至二零一四年十月十日期間擔任華夏（其股份於聯交所GEM上市）的執行董事。

**翁嘉麗女士 (「翁女士」)**，31歲，於美國紐約州立大學石溪分校(SUNY-Stony Brook University)取得商業管理理學士學位，主修市場推廣。彼於市場推廣方面擁有四年管理經驗。

### 獨立非執行董事

**黃漢傑先生 (「黃先生」)**，51歲，為本公司獨立非執行董事。黃先生亦自二零一六年三月起擔任芯智控股有限公司（股份代號：2166）（該公司股份於香港聯合交易所有限公司（「聯交所」）主板上市）及自二零一八年六月起擔任恒芯中國控股有限公司（股份代號：8046）（該公司股份於聯交所GEM板上市）的獨立非執行董事。此外，彼曾於二零一七年九月至二零一七年十月擔任新華通訊頻媒控股有限公司（股份代號：309）（該公司股份於聯交所主板上市）的獨立非執行董事。

黃先生在企業融資行業擁有逾16年經驗，曾在多家香港公司擔任首席財務官、董事及公司秘書等不同職位，在處理併購、融資及重組等企業金融交易方面擁有豐富經驗。黃先生自二零一七年一月起獲委任為東勝贏信財務有限公司的董事，負責監督證券及期貨條例項下第6類受規管活動（包括企業融資、內部控制及風險管理）。彼亦負責監督該公司的日常營運。

## Biographical Details of Directors and Senior Management 董事及高級管理人員履歷詳情

**Dr. Liu Yongping (“Dr. Liu”)**, aged 62, is a practicing solicitor in Hong Kong and a consultant of a firm of solicitors in Hong Kong. Dr. Liu has more than 20 years of experience in the capital market and merger and acquisition legal services sector. Dr. Liu graduated from the University of London with a master’s degree in law in 1987 and from the University of Oxford with a doctor’s degree in philosophy in 1994. Apart from his appointment with the Company, Dr. Liu has been acting as an independent non-executive director of Yue Da Mining Holdings Limited (Stock code: 629) since June 2010 and New Provenance Everlasting Holdings Limited (stock code: 2326) since June 2018, both companies whose shares are listed on the main board of Stock Exchange. Dr. Liu has also been acting as an independent non-executive director of China Forestry Holdings Limited, a company listed on the main board of the Stock Exchange (Stock Code: 930), from September 2012 to June 2015. Save as disclosed above, Dr. Liu did not hold any directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

**劉勇平博士 (「劉博士」)**，62歲，為香港執業律師並為一間香港律師事務所之顧問。劉博士在資本市場及併購法律服務行業擁有逾20年經驗。劉博士於一九八七年畢業於倫敦大學，獲頒法學碩士學位，並於一九九四年畢業於牛津大學，獲頒哲學博士學位。除於本公司之委任外，劉博士自二零一零年六月起一直擔任悅達礦業控股有限公司（股份代號：629）及自二零一八年六月起擔任新源萬恒控股有限公司（股份代號：2326）之獨立非執行董事，該兩間公司的股份均於聯交所主板上市。劉博士於二零一二年九月起至二零一五年六月亦擔任中國森林控股有限公司（一間於聯交所主板上市之公司（股份代號：930））之獨立非執行董事。除上文所披露者外，劉博士於過往三年內並無於證券於香港或海外之任何證券市場上市之任何其他公眾公司擔任任何董事職務。



## Biographical Details of Directors and Senior Management

### 董事及高級管理人員履歷詳情

**Mr. HO Man (何敏)**, aged 48, is an independent nonexecutive Director of the Company. Mr. Ho has over 19 years of working experience in private equity investment and finance and is currently the managing director of an investment holding company. Prior to that, Mr. Ho served as an executive partner representative of a Chengdu-based private equity investment fund from December 2011 to May 2014. Mr. Ho worked for a Hong Kong-based private fund management company during January 2010 to December 2013 and was the managing director and head of China growth and expansion capital of CLSA Capital Partners from August 1997 to October 2009. Mr. Ho was the non-executive director of SCUD Group Limited (stock code: 1399) from December 2006 to October 2009) and Shanghai Tonva Petrochemical Co., Ltd. (stock code 1103, previous stock code: 8251, currently known as Shanghai Dasheng Agriculture Finance Technology Co., Ltd) from September 2008 to October 2009, both being companies listed on the Main Board of the Stock Exchange. He was the independent director of Shenzhen Forms Syntron Information Co. Ltd (stock code: 300468.SZ), a company listed on the ChiNext of Shenzhen Stock Exchange, from February 2012 to February 2018).

Mr. Ho has been an independent non-executive director of Fantasia Holdings Group Co., Limited (stock code: 1777), since October 2009; an independent non-executive director of Fu Shou Yuan International Group Limited (stock code: 1448), since December 2013; an independent non-executive director of CIMC-TianDa Holdings Company Limited, (stock code: 445, formerly known as China Fire Safety Enterprise Group Limited) since July 2015; an independent non-executive director of Momentum Financial Holdings Limited (stock code: 1152, formerly known as Infinity Financial Group (Holdings) Limited) since November 2016; and an independent non-executive director of Midas International Holdings Limited (stock code: 1172) since January 2018, all being companies listed on the Main Board of the Stock Exchange.

**何敏先生**，48歲，為本公司獨立非執行董事。何先生於私募股權投資及金融方面擁有逾19年工作經驗，及現為一間投資控股公司之董事總經理。在此之前，自二零一一年十二月起至二零一四年五月，何先生曾擔任以成都為基地之私募股權投資基金之執行合夥人代表。何先生於二零一零年一月至二零一三年十二月任職於一間以香港為基地之私募基金管理公司及於一九九七年八月至二零零九年十月擔任里昂證券亞太恒富資本之中國增長及發展基金董事總經理兼主管。何先生分別由二零零六年十二月至二零零九年十月及由二零零八年九月至二零零九年十月擔任飛毛腿集團有限公司（股份代號：1399）及上海棟華石油化工股份有限公司（股份代號：1103，先前股份代號：8251，現稱上海大生農業金融科技股份有限公司）之非執行董事，兩間公司均為於聯交所主板上市之公司。何先生自二零一二年二月至二零一八年二月擔任深圳四方精創資訊股份有限公司（股份代號：300468.SZ，一間於深圳證券交易所中國創業板上市之公司）之獨立董事。

何先生自二零零九年十月起擔任花樣年控股集團有限公司（股份代號：1777）之獨立非執行董事；自二零一三年十二月起擔任福壽園國際集團有限公司（股份代號：1448）之獨立非執行董事；自二零一五年七月起擔任中集天達控股有限公司（股份代號：445，前稱中國消防企業集團有限公司）之獨立非執行董事；自二零一六年十一月起擔任正乾金融控股有限公司（股份代號：1152，前稱新融宇集團（控股）有限公司）之獨立非執行董事；及自二零一八年一月起擔任勤達集團國際有限公司（股份代號：1172）之獨立非執行董事，該等公司均為於聯交所主板上市之公司。

## Biographical Details of Directors and Senior Management 董事及高級管理人員履歷詳情

Mr. Ho has been a director of Shenzhen Daxiang Space Construction Co., Ltd., (stock code: 836604), a company listed on the National Equities Exchange and Quotations, since September 2015.

Mr. Ho was awarded an Executive Master of Business Administration degree from Tsinghua University and a master's degree in finance from the London Business School. He is also a Chartered Financial Analyst and a Certified Public Accountant.

### COMPANY SECRETARY

**Mr. Tsang Wai Wa ("Mr. Tsang")**, aged 57, has been appointed as the Company Secretary with effect from 30 September 2014. Mr. Tsang is a holder of a Bachelor degree in Finance and Accounting and a Master degree in Business Administration. He is a fellow member of the Chartered Association of Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants. He has more than 30 years of professional experience in auditing, accounting, company secretary and corporate finance.

何先生自二零一五年九月起擔任深圳市大象聯合空間建設股份有限公司（股份代號：836604，一間於全國中小企業股份轉讓系統上市之公司）之董事。

何先生獲清華大學頒發高級管理人員工商管理碩士學位及獲倫敦商學院頒發金融學碩士學位。彼亦為特許金融分析師及執業會計師。

### 公司秘書

**曾偉華先生（「曾先生」）**，57歲，已獲委任為公司秘書，由二零一四年九月三十日起生效。曾先生持有財務及會計學士學位以及工商管理碩士學位。彼為英國特許公認會計師公會資深會員及香港會計師公會會員。彼於審計、會計、公司秘書及企業財務方面擁有逾30年專業經驗。

# Report of the Directors

## 董事會報告

The board of directors (the “**Board**”) of Wanjia Group Holdings Limited (the “**Company**”) has pleasure in presenting to the shareholders of the Company (the “**Shareholders**”) its report together with the audited financial statements of the Company and its subsidiaries (together the “**Group**”) for the year ended 31 March 2018.

### PRINCIPAL ACTIVITIES

The Company is an investment holding company while its subsidiaries are principally engaged in pharmaceutical wholesale and distribution business, pharmaceutical retail chain business and provides hemodialysis treatment and consultancy service business in the PRC. Details of the principal activities of its subsidiaries are set out in Note 24 to the consolidated financial statements.

### BUSINESS REVIEW

Further discussion and analysis of the business review as required by Schedule 5 to Hong Kong Companies Ordinance (Cap. 622), including future development in the Group’s business, can be found in the “Management Discussion and Analysis” section of this annual report. The above section form part of this “Report of the Directors”.

### SEGMENT INFORMATION

An analysis of the Group’s operation for the year by business activities is set out in note 7 to the consolidated financial statements and the paragraphs headed “Business Review” under the section of “Management Discussion and Analysis” of this annual report.

萬嘉集團控股有限公司(「**本公司**」)之董事會(「**董事會**」)欣然向本公司股東(「**股東**」)提呈其報告連同本公司及其附屬公司(統稱為「**本集團**」)截至二零一八年三月三十一日止年度之經審核財務報表。

### 主要業務

本公司為一間投資控股公司，而其附屬公司主要於中國從事藥品批發及分銷業務、藥品零售連鎖業務及提供血液透析治療及諮詢服務業務。本公司附屬公司之主要業務詳情載於綜合財務報表附註24。

### 業務回顧

香港公司條例第622章附表5所要求對業務回顧的進一步討論及分析(包括本集團業務的未來發展)載於本年報的「管理層討論及分析」一節。上述章節構成「董事會報告」一部分。

### 分類資料

本集團於本年度按業務活動劃分的經營分析載於綜合財務報表附註7及本年報的「管理層討論及分析」一節中的「業務回顧」段落。

## RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 March 2018 and the state of the Group's affairs as at 31 March 2018 are set out in the consolidated financial statements on pages 65 to 68 of this report.

The Board does not recommend the payment of any final dividend for the year ended 31 March 2018.

## FIVE-YEAR FINANCIAL SUMMARY

A summary of the published results, assets and liabilities of the Group for five financial years, as extracted from the audited consolidated financial statements, is set out on page 200 of this report. The summary does not form part of the audited consolidated financial statements.

## INVESTMENT PROPERTY

The Group did not further invest in investment property during the year. Details of the movements in investment property of the Group during the year are set out in Note 20 to the consolidated financial statements.

## PROPERTY, PLANT AND EQUIPMENT

The Group acquired property, plant and equipment at cost of approximately HK\$5.832 million during the year. Details of the movements in property, plant and equipment of the Group during the year are set out in Note 18 to the consolidated financial statements.

## SHARE CAPITAL

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

## 業績及股息

本集團截至二零一八年三月三十一日止年度之業績及本集團於二零一八年三月三十一日之事務狀況載於本報告第65至68頁之綜合財務報表。

董事會並不建議派發截至二零一八年三月三十一日止年度之任何末期股息。

## 五年財務概要

摘錄自經審核綜合財務報表之五個財政年度之本集團已刊發業績、資產及負債概要載於本報告第200頁。該概要並不構成經審核綜合財務報表之一部份。

## 投資物業

本集團於年內並無進一步投資於投資物業。本集團於年內之投資物業變動詳情載於綜合財務報表附註20。

## 物業、廠房及設備

本集團於年內以約5,832,000港元之成本收購物業、廠房及設備。本集團物業、廠房及設備於年內之變動詳情載於綜合財務報表附註18。

## 股本

本公司於年內之股本變動詳情載於綜合財務報表附註34。

### RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in Note 35 to the consolidated financial statements and in the consolidated statement of changes in equity on page 69 respectively.

### PRE-EMPTIVE RIGHTS

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

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

During the year ended 31 March 2018, there were no purchase, sale or redemption of the Company's listed securities by the Company or any of its subsidiaries.

### MAJOR CUSTOMERS AND SUPPLIERS

The Group's largest customer accounted for approximately 4.57% of the Group's revenue and the Group's five largest customers in aggregate accounted for approximately 15.44%.

For the year ended 31 March 2018, the aggregate amount of purchases attributable to the Group's five largest suppliers represented approximately 21.62% of the Group's total value of purchases. The Group's largest supplier accounted for approximately 7.12% of the Group's total value of purchases.

None of the Directors, their associates or any shareholders, which to the knowledge of the Directors own more than 5% of the Company's issued share capital, had any interests in the share capital of the five largest customers and suppliers of the Group.

### 儲備

本公司及本集團於年內之儲備變動詳情分別載於綜合財務報表附註35及第69頁之綜合權益變動表內。

### 優先購股權

本公司之組織章程細則或開曼群島法例並無有關本公司須向現有股東按比例提呈新股份之優先購股權之規定。

### 購買、出售或贖回本公司上市證券

截至二零一八年三月三十一日止年度，本公司或其任何附屬公司並無購買、出售或贖回本公司之上市證券。

### 主要客戶及供應商

本集團之最大客戶佔本集團收益之約4.57%，而本集團之五大客戶合共佔約15.44%。

截至二零一八年三月三十一日止年度，本集團之五大供應商應佔之採購總額佔本集團採購總值之約21.62%。本集團之最大供應商佔本集團採購總值之約7.12%。

董事、彼等之聯繫人士或就董事所知擁有本公司已發行股本超過5%之任何股東，於本集團五大客戶及供應商之股本中概無擁有任何權益。

## DIRECTORS

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

### Executive directors:

Mr. Chen Jinshan

Ms. Yung Ka Lai

Mr. Chiu King Yan

(resigned on 14 February 2018)

### Independent non-executive directors:

Mr. Wong Hon Kit

Dr. Liu Yongping

Mr. Ho Man

(appointed on 14 February 2018)

Mr. Fok Wai Ming Eddie

(resigned on 14 February 2018)

In accordance with Article 83(3) of the Company’s Articles of Association, Mr. Ho Man, the independent non-executive director of the Company, will retire and, being eligible, offer himself for re-election at the forthcoming annual general meeting.

In accordance with Article 84 of the Company’s Articles of Association, Mr. Chen Jinshan, the executive director of the Company, will retire and, being eligible, offer himself for re-election at the forth coming annual general meeting.

All other Directors will continue in office.

The biographical details of the directors and senior management are set on pages 36 to 39 of this annual report. Details of the emoluments of the directors and the five highest paid individuals are set out in Notes 13 and 14 to the consolidated financial statements, respectively.

## 董事

於年內及截至本報告日期之本公司董事（「董事」）如下：

### 執行董事：

陳金山先生

翁嘉麗女士

趙敬仁先生

（於二零一八年二月十四日辭任）

### 獨立非執行董事：

黃漢傑先生

劉勇平博士

何 敏先生

（於二零一八年二月十四日獲委任）

霍偉明先生

（於二零一八年二月十四日辭任）

根據本公司之組織章程細則第83(3)條，本公司獨立非執行董事何敏先生將於應屆股東週年大會上輪值告退，惟符合資格並願意膺選連任。

根據本公司之組織章程細則第84條，本公司執行董事陳金山先生將於應屆股東週年大會上輪值告退，惟符合資格並願意膺選連任。

所有其他董事將繼續任職。

董事及高級管理人員履歷詳情載於本年報第36至39頁。董事及五名最高薪酬人士之酬金詳情分別載於綜合財務報表附註13及14。



## Report of the Directors 董事會報告

The Company has received, from each of the independent non-executive directors, a confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive directors are independent.

### DIRECTORS' SERVICE CONTRACTS

Mr. Chen Jinshan, has been appointed as an executive director of the Company by way of a letter of appointment with the Company for a term of 1 year commencing on 10 October 2014 which will continue thereafter until terminated by either party giving to the other party at least 1 month's notice in writing.

Ms. Yung Ka Lai has been appointed as an executive director of the Company by way of a service contract with the Company for a term of 1 year commencing on 5 August 2015 which will continue thereafter until terminated by either party giving to the other party at least 1 month's notice in writing.

Mr. Wong Hon Kit has been appointed as an independent non-executive director of the Company by way of letter of appointment with the Company for a term of 3 years commencing from 11 April 2013 which will continue thereafter until either the independent non-executive director or the Company may terminate the agreement by giving the other party not less than 3 months' notice in writing.

Dr. Liu Yongping has been appointed as an independent non-executive director of the Company by way of letter of appointment with the Company for a term of 3 years commencing from 27 February 2014 which will continue thereafter until either the independent non-executive director or the Company may terminate the agreement by giving the other party not less than 3 months' notice in writing.

本公司已自各獨立非執行董事收到根據上市規則第3.13條作出之獨立性確認函。本公司認為所有獨立非執行董事為獨立。

### 董事服務合約

陳金山先生已獲本公司以委任書委任為本公司執行董事，自二零一四年十月十日起計為期一年，並將於其後續任，直至任何一方向另一方發出不少於一個月之書面通知終止為止。

翁嘉麗女士已獲本公司以服務合約委任為本公司執行董事，自二零一五年八月五日起計為期一年，並將於其後續任，直至任何一方向另一方發出不少於一個月之書面通知終止為止。

黃漢傑先生已獲本公司以委任書委任為本公司獨立非執行董事，自二零一三年四月十一日起計為期三年，並將於其後續任，直至獨立非執行董事或本公司向另一方發出不少於三個月之書面通知終止協議為止。

劉勇平博士已獲本公司以委任書委任為本公司獨立非執行董事，自二零一四年二月二十七日起計為期三年，並將於其後續任，直至獨立非執行董事或本公司向另一方發出不少於三個月之書面通知終止協議為止。

Mr. Ho Man has been appointed as an independent non-executive director of the Company by way of letter of appointment with the Company for a term of three years commencing on 14 February 2018 which will continue thereafter until either the independent non-executive director of the Company may terminate the agreement by giving the other party not less than one months' written notice in writing.

Save as disclosed above, none of the Directors has 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.

## DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as disclosed under the heading "Continuing connected transactions", no contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which a director of the Company had a material interests whether directly or indirectly, subsisted at the end of the year or at any time during the year.

## INDEMNITY OF DIRECTORS

A permitted indemnity provision that provides for indemnity against liability incurred by Directors is currently in force and was in force throughout the year ended 31 March 2018.

## REMUNERATION POLICY

The remuneration policy of the employees of the Group is set up by the Remuneration Committee and is based on merit, qualifications and competence of employees.

The remuneration policies of the Directors are decided by the Remuneration Committee having regard to the Group's operating results, individual performance and comparable market statistics.

何敏先生已獲本公司以委任書委任為本公司獨立非執行董事，於二零一八年二月十四日起計為期三年，並將於其後續任，直至獨立非執行董事或本公司向另一方發出不少於三個月之書面通知終止協議為止。

除上文所披露者外，概無董事與本公司或其任何附屬公司訂立本集團不得於一年內毋須補償（法定補償除外）而終止之服務合約。

## 董事於重大合約之權益

除標題為「持續關連交易」項下所披露者外，本公司或其任何附屬公司概無訂立於年末時或年內任何時間仍然有效而本公司董事直接或間接擁有重大權益之有關本集團業務之重大合約。

## 董事彌償

規定對董事所產生之責任進行彌償之經批准彌償條文現仍有效及於截至二零一八年三月三十一日止年度整年內均有效。

## 薪酬政策

本集團之僱員薪酬政策乃由薪酬委員會根據僱員之績效、資格及能力制定。

董事之薪酬政策乃由薪酬委員會根據本集團之營運業績、個人表現及可資比較市場統計數據釐定。

## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

### Disclosure of Interests

#### (a) Directors' interests and short position in the securities of the Company

As at 31 March 2018, the interests and short positions of the directors and chief executive of the Company in the shares of the Company ("Shares"), underlying Shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which will have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which are taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein or which will be required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Appendix 10 to the Rules Governing the Listing Rules, were as follows:

Name of director	Nature of interests	Number of shares	Position	Approximate percentage of the total issued shares
董事姓名	權益性質	股份數目	倉位	佔已發行股份總數之概約百分比
Ms. Yung Ka Lai	Corporate interests (Note)	11,201,475	Long	1.73%
翁嘉麗女士	公司權益 (附註)		好倉	

Note: Ms. Yung Ka Lai holds the Company's shares through Power King Investment Development Limited.

附註：翁嘉麗女士透過Power King Investment Development Limited持有本公司股份。

## 董事及主要行政人員於本公司及其相聯法團之股份、相關股份及債權證之權益

### 權益披露

#### (a) 董事於本公司證券之權益及淡倉

於二零一八年三月三十一日，本公司董事及主要行政人員於本公司股份（「股份」）、本公司或其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之相關股份及債權證中擁有根據證券及期貨條例第XV部第七及第八分部須知會本公司及聯交所之權益及淡倉（包括根據證券及期貨條例之該等條文被當作或被視為持有之權益及淡倉），或根據證券及期貨條例第352條須記入當中所指之登記冊之權益及淡倉，或根據上市規則附錄10所載之上市發行人董事進行證券交易之標準守則（「標準守則」）須知會本公司及聯交所之權益及淡倉如下：

**(b) Substantial shareholders' interests and short positions in shares and underlying shares**

As at 31 March 2018, other than the interests of a director or chief executive of the Company as disclosed under the heading "Directors' and chief executive's interests in shares, underlying shares and debentures of the company and its associated corporations" above, the following persons (not being a Director or the chief executive officer of the Company) have an interests or a short position in Shares or underlying Shares which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register to be kept by the Company under Section 336 of the SFO:

**(b) 主要股東於股份及相關股份之權益及淡倉**

於二零一八年三月三十一日，除上文「董事及主要行政人員於本公司及其相聯法團之股份、相關股份及債權證之權益」一節所披露本公司董事或主要行政人員之權益外，以下人士（本公司之董事或行政總裁除外）於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司及聯交所披露，或記入本公司根據證券及期貨條例第336條存置之登記冊之權益或淡倉：

Name of shareholder	Capacity	Position	Number of shares	Approximate percentage of the total issued shares 佔已發行股份總數之概約百分比
股東名稱／姓名	身份	倉位	股份數目	
New Hope International (Hong Kong) Limited (Note) 新希望國際（香港）有限公司（附註）	Beneficial owner 實益擁有人	Long 好倉	54,914,804	8.47%
Southern Hope Enterprise Company Limited# (Note) 南方希望實業有限公司（附註）	Corporate interest 公司權益	Long 好倉	54,914,804	8.47%
New Hope Group Company Limited# (Note) 新希望集團有限公司（附註）	Corporate interest 公司權益	Long 好倉	54,914,804	8.47%

# Report of the Directors

## 董事會報告

Name of shareholder	Capacity	Position	Number of shares	Approximate percentage of the total issued shares 佔已發行股份總數之概約百分比
股東名稱／姓名	身份	倉位	股份數目	
Tibet Hengye Feng Industrial Company Limited# (Note) 西藏恆業峰實業有限公司# (附註)	Corporate interest 公司權益	Long 好倉	54,914,804	8.47%
Mr. Liu Yonghao (Note) 劉永好先生 (附註)	Corporate interest 公司權益	Long 好倉	54,914,804	8.47%
Ms. Liu Chang (Note) 劉暢女士 (附註)	Corporate interest 公司權益	Long 好倉	54,914,804	8.47%
Ms. Li Wei (Note) 李巍女士 (附註)	Interest of spouse 配偶權益	Long 好倉	54,914,804	8.47%

Note: New Hope International (Hong Kong) Limited is interested in 54,914,804 shares. The issued share capital of New Hope International (Hong Kong) Limited is owned as to 75% by Southern Hope Enterprise Company Limited# which is in turn owned as to 51% by New Hope Group Company Limited# and 49% by Tibet Hengye Feng Industrial Company Limited#. Both New Hope Group Company Limited# and Tibet Hengye Feng Industrial Company Limited# are owned as to 62.34% by Mr. Liu Yonghao, as to 36.35% by Ms. Liu Chang and as to 1.31% by Ms. Li Wei. Mr. Liu Yonghao, Ms. Liu Chang and Ms. Li Wei are deemed to be interested in the shares in which New Hope International (Hong Kong) Limited is interested in.

附註：新希望國際（香港）有限公司於54,914,804股股份中擁有權益。新希望國際（香港）有限公司之已發行股本乃由南方希望實業有限公司擁有75%權益，而南方希望實業有限公司分別由新希望集團有限公司及西藏恆業峰實業有限公司持有51%及49%權益。新希望集團有限公司及西藏恆業峰實業有限公司由劉永好先生、劉暢女士及李巍女士分別持有62.34%、36.35%及1.31%權益，故劉永好先生、劉暢女士及李巍女士被視作於新希望國際（香港）有限公司所擁有權益之股份中擁有權益。

# English translations of official Chinese names are for identification purpose only

Save as disclosed above, as at 31 March 2018, the directors of the Company were not aware of any other person (other than the directors and chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO.

### DIRECTOR'S RIGHTS TO ACQUIRE SECURITIES

Apart from as disclosed under the heading "Directors' and chief executive's interests in shares, underlying shared and debentures of the Company and its associated corporations" above, at no time since incorporation of the Company were right to acquire benefits by means of the acquisition of shares in or debentures of the Company or of any other body corporate granted to any directors or their respective spouses or children under 18 years of age, or were any such rights exercised by them; or was the Company, its holding company or any of its subsidiaries a party to any arrangement to enable the directors, their respective spouse or children under 18 years of age to acquire such rights in any other body corporate.

除上文所披露者外，於二零一八年三月三十一日，本公司董事並不知悉任何其他人士（本公司董事及主要行政人員除外）於本公司股份或相關股份中擁有根據證券及期貨條例第336條須由本公司存置之登記冊所記錄之權益或淡倉。

### 董事購買證券之權利

除上文「董事及主要行政人員於本公司及其相聯法團之股份、相關股份及債權證之權益」一節所披露者外，自本公司註冊成立以來，概無向任何董事或彼等各自之配偶或未滿十八歲之子女授出任何權利，致使彼等可透過購入本公司或任何其他法人團體的股份或債權證而獲益，而彼等亦概無行使該等權利；且本公司、其控股公司或其任何附屬公司亦概無參與任何安排，致使董事、彼等各自之配偶或未滿十八歲之子女可獲得任何其他法人團體之該等權利。



### SHARE OPTION SCHEME

On 24 September 2013, the Company adopted a share option scheme (the “**Share Option Scheme**”) whereby the Board can grant options for the subscription of our shares to the employees, managerial staff and senior employees and those other persons that the Board considers that they will contribute or have contributed to the Group (the “**Participants**”) as described in the Share Option Scheme in order to serve as compliment and to reciprocate their contribution to the Group. The maximum number of shares that can be issued according to the Share Option Scheme was 64,840,530 shares, which is equivalent to 10% of the issued capital of the Company after completion of the Listing on the Stock Exchange. The number of options that may be granted pursuant to the terms of the Share Option Scheme shall not exceed 10% of the issued shares immediately after the completion of the Listing. Unless otherwise approved by the shareholders of the Company in general meeting, the number of shares that may be granted to a Participant under the options shall not exceed 1% within any 12-month period (other than those granted to the substantial shareholders (as defined in the Listing Rules) of the Company or the independent non-executive Directors or any of their respective associates (as defined in the Listing Rules)), or the total number of shares that may be granted under the options to the substantial shareholders of the Company or the independent non-executive Directors or any of their respective associates shall not exceed 0.1% of the shares in issue of the Company from time to time. There is no minimum period that the options must be held before they become exercisable, and the options granted shall be exercised within the period decided by the Board; however no options shall be exercised 10 years after they have been granted. The exercise price of the option shall be the higher of (a) the closing price of the shares on the daily quotation sheet of the Stock Exchange on the date of grant; (b) the average closing price of the shares on the daily quotation sheet of the Stock Exchange for the five trading days immediately preceding the date of grant; and (c) nominal value of the share. Each grantee shall pay a consideration of HK\$1.00 at the time the option is granted. The Share Option Scheme shall take effect from the date it is adopted and shall remain effective within a period of 10 years from that date.

### 購股權計劃

於二零一三年九月二十四日，本公司採納一項購股權計劃（「**購股權計劃**」），據此，董事會可向本集團僱員、管理人員及高級職員以及購股權計劃所述董事會認為將會對或曾經對本集團作出貢獻的該等其他人士（「**參與人士**」）授出購股權，以認購本公司股份，藉此向彼等給予獎勵及回報彼等對本集團作出的貢獻。根據購股權計劃可發行的最高股份數目為64,840,530股股份，相等於本公司於聯交所完成上市後已發行股本的10%。根據購股權計劃條款可授出的購股權數目不得超過緊隨完成上市後已發行股份的10%。除非本公司股東於股東大會另行批准，否則可根據購股權授予參與人士的股份數目於任何12個月內不得超過1%（向本公司主要股東（定義見上市規則）或獨立非執行董事或彼等各自之聯繫人士（定義見上市規則）授出者除外），或根據購股權可授予本公司主要股東或獨立非執行董事或彼等各自的任何聯繫人士的股份總數不得超過本公司不時已發行股份的0.1%。概無規定購股權可行使前須持有的最短期間，而授出的購股權須於董事會決定的期間內行使，但並無購股權可於授出後10年行使。購股權行使價須為(a)股份於授出日期於聯交所每日報價表上所列的收市價；(b)股份於緊接授出日期前五個交易日於聯交所每日報價表上所列的平均收市價；及(c)股份的面值之較高者。各承授人須於獲授購股權之時支付1.00港元之代價。購股權計劃於獲採納當日生效，直至該日起計10年期間內仍然有效。

Since the Share Option Scheme was adopted, no options have been granted up to the date of this report.

## RELATED PARTY TRANSACTIONS

Certain related party transactions which are significant are disclosed in Note 41 to the consolidated financial statements.

## CONTINUING CONNECTED TRANSACTIONS

The Group had entered into a number of transactions with connected parties which, upon the listing of the Shares on the Stock Exchange, became connected persons of the Company under the Listing Rules. These transactions are continuing connected transactions exempt from the independent shareholder's approval requirements under the Listing Rules. Details of the continuing connected transactions are as follows:

### Rental agreement with Fujian Jiarui Pharmaceutical Chain Company Limited (Formerly known as: Fujian Huihao Pharmaceutical Chain Company Limited) ("FJP Chain")

#### Tenancy Agreement 1

On 4 December 2014, Fujian Province Fuzhou City Huihao Pharmaceutical Company Limited (the "**Fujian Huihao**"), an indirectly-owned subsidiary of the Company and FHP Chain entered a new tenancy agreement ("**Tenancy Agreement 1**") for the rental of (i) Level 1 and Level 4 of the office building located at No. 8 Huihao Road, Shangjie Town, Minhou Xian, Fujian Province, the PRC (the "**Property 1**") with a gross floor area ("**GFA**") approximately 1,268 square meter ("**sq.m.**"); and (ii) Levels 1 to 3 of the warehouse building located at No. 8 Huihao Road, Shangjie Town, Minhou Xian, Fujian, the PRC (the "**Property 2**") with a GFA of approximately 9,852 sq.m.. The term of the lease is from 1 April 2015 to 31 March 2018 with a rental of RMB10,144 per month for the Property 1 and RMB49,260 per month for the Property 2 and is renewable upon the signing of a new rental agreement.

自採納購股權計劃以來直至本報告日期並未授出任何購股權。

## 關連人士交易

若干重大關連人士交易已披露於綜合財務報表附註41。

## 持續關連交易

本集團已與關連人士訂立多項交易，根據上市規則，該等人士於股份在聯交所上市後成為本公司的關連人士。根據上市規則，該等交易為獲豁免獨立股東批准規定之持續關連交易。持續關連交易的詳情如下：

### 與福建佳瑞醫藥連鎖有限公司（前稱：福建惠好醫藥連鎖有限公司）（「福建佳瑞醫藥連鎖」）訂立之租賃協議

#### 租賃協議1

於二零一四年十二月四日，本公司之一間間接全資附屬公司福建省福州市惠好藥業有限公司（「**福建惠好**」）與福建惠好醫藥連鎖訂立一份新租賃協議（「**租賃協議1**」）以租賃(i)建築面積（「**建築面積**」）約為1,268平方米（「**平方米**」）之位於中國福建省閩侯縣上街鎮惠好路8號之辦公樓第1及第4層（「**物業1**」）；及(ii)建築面積約為9,852平方米之位於中國福建省閩侯縣上街鎮惠好路8號之倉庫第1至第3層（「**物業2**」）。租約年期由二零一五年四月一日起至二零一八年三月三十一日止，物業1之月租為人民幣10,144元，而物業2之月租為人民幣49,260元，並可於簽訂新租賃協議時重續。

### **Tenancy Agreement 2**

On 4 December 2014, Fujian Huihao Sihai Pharmaceutical Chain Company Limited (the “**Huihao Sihai**”), an indirectly-owned subsidiary of the Company and FJP Chain entered a new tenancy agreement (“**Tenancy Agreement 2**”) for the rental of (i) Level 3 of the office building located at No.8 Huihao Road, Shangjie Town, Minhou Xian, Fujian Province, the PRC (the “**Property 3**”) with a GFA of approximately 600 sq.m.; and (ii) Level 4 of the warehouse building located on No.8 Huihao Road, Shangjie Town, Minhou Xian, Fujian Province, the PRC (the “**Property 4**”) with a GFA of approximately 3,284 sq.m.. The term of the lease is from 1 April 2015 to 31 March 2018 with a rental of RMB4,800 per month for the Property 3 and RMB16,420 per month for the Property 4 and is renewable upon the signing of the new rental agreement.

FJP Chain was held as to 50% of its issued share capital by Mr. Weng Jiale (“**Mr. Yung**”) who is a cousin of Ms. Yung Ka Lai (“**Ms. Yung**”). Ms. Yung is the executive director of the Group and therefore, Mr. Yung is a connected person of the Company under Rule 14A.11(4) of the Listing Rules.

During the year ended 31 March 2018, the annual cap, also the total rental charge paid, for the Group’s total transaction amount with FJP Chain contemplated under the Tenancy Agreement 1 is RMB712,848 (equivalent to approximately HK\$841,000) and Tenancy Agreement 2 is RMB254,640 (equivalent to approximately HK\$300,000).

### **租賃協議2**

於二零一四年十二月四日，本公司之一間間接全資附屬公司福建惠好四海醫藥連鎖有限責任公司（「**惠好四海**」）與福建佳瑞醫藥連鎖訂立一份新租賃協議（「**租賃協議2**」）以租賃(i)建築面積約為600平方米之位於中國福建省閩侯縣上街鎮惠好路8號之辦公樓第3層（「**物業3**」）；及(ii)建築面積約為3,284平方米之位於中國福建省閩侯縣上街鎮惠好路8號之倉庫第4層（「**物業4**」）。租約之年期由二零一五年四月一日起至二零一八年三月三十一日止，物業3之月租為人民幣4,800元，而物業4之月租為人民幣16,420元，並可於簽訂新租賃協議時重續。

福建佳瑞醫藥連鎖由翁加樂先生（「**翁先生**」）（翁嘉麗女士（「**翁女士**」）之堂兄）持有其50%已發行股本。翁女士為本集團之執行董事，因此，根據上市規則第14A.11(4)條，翁先生為本公司之關連人士。

截至二零一八年三月三十一日止年度，本集團於租賃協議1及租賃協議2項下擬與福建佳瑞醫藥連鎖進行之交易總額之年度上限（亦為已付租金開支總額）分別為人民幣712,848元（相等於約841,000港元）及人民幣254,640元（相等於約300,000港元）。

**Rental agreements entered with Yung Muk Ying (the mother of Yung Ka Lai) ("Mrs. Yung")**

***Tenancy Agreement 3***

On 4 December 2014, Putian Huihao Medicine Company Limited\* (福建莆田惠好醫藥有限公司) ("Putian Huihao"), an indirect wholly owned subsidiary of the Company entered into a tenancy agreement ("**Tenancy Agreement 3**") with Mrs. Yung which for rental of (i) Level 1 of which is located at No. 1466, 1470, 1476 Xiadian Road, GongChen Street, Licheng District, Putian City, Fujian Province, China ("**Property 5**") with a GFA of approximately 169.81 sq.m.; and (ii) Level 2 of which is located at No. 1466, 1470, 1476 Xiadian Road, GongChen Street, Licheng District, Putian City, Fujian Province, China ("**Property 6**") with a GFA of approximately 192.86 sq.m.. The term of the lease is from 1 April 2015 to 31 March 2018 with a rental of RMB3,396.2 per month for Property 5 and RMB1,928.6 per month for Property 6 and is renewable upon the signing of the new rental agreement.

During the year ended 31 March 2018, the annual cap, also the total rental charge paid, for the Group's total transaction amount with Mrs. Yung contemplated under the Tenancy agreement 3 is RMB63,897 (equivalent to approximately HK\$75,000).

**與翁木英(翁嘉麗的母親)(「翁女士」)訂立之租賃協議**

***租賃協議3***

於二零一四年十二月四日，本公司之間接全資附屬公司福建莆田惠好醫藥有限公司(「莆田惠好」)與翁女士訂立一份租賃協議(「租賃協議3」)以租賃(i)建築面積約為169.81平方米之位於中國福建省莆田市荔城區拱辰街道下店路1466、1470、1476號第1層(「物業5」)；及(ii)建築面積約為192.86平方米之位於中國福建省莆田市荔城區拱辰街道下店路1466、1470、1476號第2層(「物業6」)。租約之年期由二零一五年四月一日起至二零一八年三月三十一日止，物業5之月租為人民幣3,396.2元，而物業6之月租為人民幣1,928.6元，並可於簽訂新租賃協議時重續。

截至二零一八年三月三十一日止年度，本集團於租賃協議3項下擬與翁女士進行之交易總額之年度上限(亦為已付租金開支總額)為人民幣63,897元(相等於約75,000港元)。

## Report of the Directors 董事會報告

The independent non-executive directors of the Company, Mr. Wong Hon Kit, Dr. Liu Yongping and Mr. Ho Man have, for the purpose of Rule 14A.37 of the Listing Rules, reviewed the above continuing connected transactions and confirmed that such continuing connected transactions, for the reporting period, have been entered into:

- (i) in the ordinary and usual course of business of the Group;
- (ii) on normal commercial terms or on terms no less favorable to the Group than terms available to or from (as appropriate) independent third parties; and
- (iii) in accordance with the relevant agreements governing such transactions and on terms that are fair and reasonable and in the interest of the shareholders of the Company as a whole.

The Company's auditors were engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standards on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Review of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The Company's auditors have issue their unqualified letter containing their findings and conclusions in respect of the continuing connected transactions disclosed above by the Group in accordance with Rule 14A.38 of the Listing Rules. A copy of the auditors' letter has been provided by the Company to the Stock Exchange.

本公司之獨立非執行董事黃漢傑先生、劉勇平博士及何敏先生已就上市規則第14A.37條審閱上述持續關連交易，並確認於報告期間，有關持續關連交易乃按下列基準訂立：

- (i) 於本集團之一般及日常業務過程中訂立；
- (ii) 按一般商業條款或不遜於本集團給予獨立第三方或自獨立第三方取得（如適當）之條款訂立；及
- (iii) 根據監管有關交易之有關協議及按對本公司股東整體而言屬公平合理並符合彼等利益之條款訂立。

本公司之核數師根據香港會計師公會頒佈之香港核證委聘準則第3000號「審核或審閱過往財務資料以外之核證委聘」並參考應用指引第740號「根據香港上市規則有關持續關連交易之核數師函件」就本集團之持續關連交易作出報告。本公司之核數師已根據上市規則第14A.38條發出無保留意見函件，當中載有其就本集團於上文披露之持續關連交易之發現及結論。本公司已向聯交所提供核數師函件副本。



## CORPORATE GOVERNANCE

The Company has applied the code provisions set out in the CG Code contained in Appendix 14 to the Listing Rules. Since its listing on the Stock Exchange, the Company has complied with the code provisions of the CG Code for the year ended 31 March 2018, save for the exceptions explained in the Corporate Governance Report in this report.

## COMPLIANCE WITH LAWS AND REGULATIONS

During the Year, there was no material breach of or non-compliance with the applicable laws and regulations by the Group.

## SUFFICIENCY OF PUBLIC FLOAT

As at the date of this report and based on publicly available information and the best knowledge of the Directors, the Company has sufficient public float as required under Rule 8.08 of the Listing Rules.

## EVENT AFTER THE REPORTING PERIOD

Details of significant events occurring after the reporting period are set out in Note 47 to the consolidated financial statements.

## AUDITORS

The consolidated financial statements of the Group for the year ended 31 March 2018 were audited by HLB Hodgson Impey Cheng Limited who will retire at the forthcoming Annual General Meeting and being eligible, offer themselves for reappointment.

On behalf of the Board

**Chen Jinshan**  
Executive Director

Hong Kong, 29 June 2018

## 企業管治

本公司已應用載於上市規則附錄14之企業管治守則所載之守則條文。自本公司於聯交所上市以來，其已於截至二零一八年三月三十一日止年度遵守企業管治守則之守則條文，惟本報告之企業管治報告所闡述之例外情況除外。

## 遵守法律及法規

年內，本集團並無重大違反或未有遵守適用法律及法規之情況。

## 充足公眾持股量

於本報告日期及根據公開可得資料及就董事所深知，本公司擁有上市規則第8.08條所規定之充足公眾持股量。

## 報告期後事項

於報告期末後發生之重大事件之詳情載於綜合財務報表附註47。

## 核數師

本集團截至二零一八年三月三十一日止年度之綜合財務報表經由國衛會計師事務所有限公司審核。國衛會計師事務所有限公司將於即將舉行之股東週年大會上退任並符合資格及願意接受續聘。

代表董事會

**執行董事**  
**陳金山**

香港，二零一八年六月二十九日



# Independent Auditors' Report

## 獨立核數師報告



國衛會計師事務所有限公司  
Hodgson Impey Cheng Limited

31/F, Gloucester Tower 香港  
The Landmark 中環  
11 Pedder Street 畢打街11號  
Central 置地廣場  
Hong Kong 告羅士打大廈31樓

### TO THE SHAREHOLDERS OF WANJIA GROUP HOLDINGS LIMITED

*(Incorporated in Cayman Islands with limited liability)*

### OPINION

We have audited the consolidated financial statements of Wanjia Group Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 65 to 199, which comprise the consolidated statement of financial position as at 31 March 2018, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and 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 2018, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### 致萬嘉集團控股有限公司全體股東

*(於開曼群島註冊成立的有限公司)*

### 意見

本核數師(以下簡稱「我們」)已審計列載於第65至199頁的萬嘉集團控股有限公司(以下簡稱「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表,此綜合財務報表包括於二零一八年三月三十一日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表,以及綜合財務報表附註,包括主要會計政策概要。

我們認為,該等綜合財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映了貴集團於二零一八年三月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量,並已遵照香港《公司條例》的披露規定妥為擬備。

### 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 Auditors' 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.

### KEY AUDIT MATTERS

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

#### Key audit matters

#### 關鍵審計事項

#### How our audit addressed the key audit matters

#### 我們進行審計時如何處理關鍵審計事項

#### Impairment assessment on goodwill

#### 商譽減值評估

Refer to Note 21 to the consolidated financial statements and the accounting policies in Note 3 to the consolidated financial statements.

茲提述綜合財務報表附註21以及綜合財務報表附註3之會計政策。

The Group has goodwill of approximately HK\$136,623,000 relating to provision of hemodialysis treatment and consultancy service business in the PRC as at 31 March 2018. The management performed impairment assessments of each cash generating units and concluded that impairment loss for retail of pharmaceutical and related product business of approximately HK\$336,000 was recognised.

於二零一八年三月三十一日，貴集團有關於中國提供血液透析治療及諮詢服務業務之商譽約為136,623,000港元。管理層對各現金產生單位進行減值評估及認為藥品及相關產品零售業務減值虧損約336,000港元已獲確認。

### 意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》（以下簡稱「守則」），我們獨立於貴集團，並已履行守則中的其他道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

### 關鍵審計事項

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

### KEY AUDIT MATTERS – continued

#### Key audit matters

##### 關鍵審計事項

#### Impairment assessment on goodwill – continued

##### 商譽減值評估 – 續

The management performs an annual impairment test on the recoverability of the goodwill which is subjective in nature due to judgments having to be made of future performance.

管理層就商譽的可收回性進行年度減值測試，由於須對未來表現須作出判斷，故其屬主觀性質。

The valuation of goodwill performed by an independent professional external valuer based on the value in use calculation. The valuation requires the application of significant judgement and estimation by the management in determining the appropriate valuation methodology to be used, use of subjective assumptions and various unobservable inputs. The valuation is sensitive to underlying assumptions applied by the valuer such as pre-tax discount rates and growth rate used and cash flow projection which can have a significant impact to the valuation.

獨立專業外部估值師進行的商譽估值乃基於使用價值計算。估值要求管理層於釐定將予使用之適當估值方法、主觀假設及各類不可觀察輸入數據之使用時運用重大判斷及估計。估值對於估值師所應用的相關假設（如所用稅前貼現率及增長率及現金流量預測）敏感，而該等假設對估值可產生重大影響。

### 關鍵審計事項 – 續

#### How our audit addressed the key audit matters

##### 我們進行審計時如何處理關鍵審計事項

Our procedures in relation to the management's impairment assessment of goodwill included:

我們就管理層對商譽的減值評估進行的程序包括：

- Assessing the valuation methodology;
- 評估估值方法；
- Challenging the reasonableness of key assumptions based on our knowledge of the business and industry;
- 依據我們對該業務和行業的知識，質疑關鍵假設的合理性；
- Checking on sample basis, the accuracy and relevance of the input data used;
- 抽樣檢查所採用的輸入數據的準確性和相關性；
- Assessing the competence, expertise and objectivity of the management expert who calculates the recoverable amount of goodwill; and
- 評估計算商譽可收回金額的管理層專家的能力、專門技能及客觀性；及
- Engaging a valuation expert to evaluate the assumptions and methodologies used in the calculation.
- 委聘一名估值專家評估計算所用的假設及方法。

We found the key assumptions were supported by the available evidence.

我們發現，該等關鍵假設已獲所得憑證支持。

## KEY AUDIT MATTERS – continued

### Key audit matters

#### 關鍵審計事項

## 關鍵審計事項－續

### How our audit addressed the key audit matters

#### 我們進行審計時如何處理關鍵審計事項

#### Impairment assessment of trade receivables

##### 貿易應收款項減值評估

Refer to Note 23 to the consolidated financial statements and the accounting policies in Note 3 to the consolidated financial statements.

茲提述綜合財務報表附註23以及綜合財務報表附註3之會計政策。

The Group has trade receivables of approximately HK\$92,820,000 as at 31 March 2018 and impairment loss have been recognised approximately HK\$1,113,000 during the year.

於二零一八年三月三十一日，貴集團的貿易應收款項約為92,820,000港元，而於年內確認的減值虧損約為1,113,000港元。

In determining whether there is objective evidence of impairment loss, the Group takes into consideration the credit history of the customers and the current market condition which may require management judgment.

於釐定有否減值虧損的客觀證據時，貴集團會考慮客戶信貸記錄及現行市況，管理層可能需就此作出判斷。

Our procedures in relation the management's impairment assessment of trade receivables included:

我們就管理層的貿易應收款項減值評估進行的程序包括：

- Discussing the Group's procedures on credit limits and credit periods given to customers with the management
- 與管理層討論 貴集團的信貸限額審批程序及給予客戶的信貸期；
- Evaluating the management's impairment assessment of trade receivables; and
- 評核管理層的貿易應收款項減值評估；及
- Checking, on a sample basis, the accuracy and relevance of information included in the impairment assessment of trade receivables.
- 抽樣檢查貿易應收款項減值評估中所載資料的準確性及相關性。

We consider the management conclusion to be consistent with the available information.

我們認為管理層結論與所得資料一致。

# Independent Auditors' Report

## 獨立核數師報告

### OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditors' report thereon (the "Other Information").

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

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

The directors 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 determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### 其他資料

董事需對其他資料負責。其他資料包括刊載於年報內的資料，但不包括綜合財務報表及我們的核數師報告（「其他資料」）。

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

結合我們對綜合財務報表的審計，我們的責任是閱讀其他資料，在此過程中，考慮其他資料是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他資料存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

### 董事及審核委員會就綜合財務報表須承擔的責任

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

**RESPONSIBILITIES OF THE DIRECTORS  
AND THE AUDIT COMMITTEE FOR THE  
CONSOLIDATED FINANCIAL STATEMENTS  
– continued**

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

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

**AUDITORS' 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 auditors' report that includes our opinion. We report our opinion solely to you, as a body, 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.

**董事及審核委員會就綜合財務報表  
須承擔的責任－續**

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

審核委員會須負責監督 貴集團的財務報告過程。

**核數師就審計綜合財務報表承擔的  
責任**

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向整體股東作出報告，除此以外本報告並無其他用途。我們不會就本報告的內容向任何其他人士承擔或負上任何責任。

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。



### AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS – continued

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

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

### 核數師就審計綜合財務報表承擔的 責任－續

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

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

**AUDITORS' RESPONSIBILITIES FOR THE  
AUDIT OF THE CONSOLIDATED FINANCIAL  
STATEMENTS – continued**

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' 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.

**核數師就審計綜合財務報表承擔的  
責任－續**

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映相關交易和事項。
- 就 貴集團內實體或業務活動的財務資料獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

# Independent Auditors' Report

## 獨立核數師報告

### AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS – continued

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

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

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 director on the audit resulting in this independent auditors' report is Ng Ka Wah.

**HLB Hodgson Impey Cheng Limited**  
Certified Public Accountants

**Ng Ka Wah**

Practising Certificate Number: P06417  
Hong Kong, 29 June 2018

### 核數師就審計綜合財務報表承擔的 責任－續

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

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

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

出具本獨立核數師報告的審計項目董事是吳家華。

**國衛會計師事務所有限公司**  
執業會計師

**吳家華**

執業證書編號：P06417  
香港，二零一八年六月二十九日

# 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 2018 截至二零一八年三月三十一日止年度

		Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Revenue</b>	<b>收益</b>	8	<b>616,409</b>	985,909
Cost of sales	銷售成本		<b>(515,784)</b>	(859,640)
<b>Gross profit</b>	<b>毛利</b>		<b>100,625</b>	126,269
Other revenue	其他收益	9	<b>866</b>	3,582
Other gain and loss, net	其他收益及虧損，淨額	10	<b>2,439</b>	990
Loss on disposal of a subsidiary	出售一間附屬公司之虧損	26	<b>–</b>	(326)
Impairment loss on goodwill	商譽之減值虧損	21	<b>(336)</b>	–
Selling and distribution expenses	銷售及分銷費用		<b>(90,136)</b>	(95,226)
Administrative expenses	行政開支		<b>(49,330)</b>	(45,223)
<b>Loss from operations</b>	<b>經營業務虧損</b>	11	<b>(35,872)</b>	(9,934)
Finance costs	財務費用	12	<b>(14,699)</b>	(14,441)
<b>Loss before taxation</b>	<b>除稅前虧損</b>		<b>(50,571)</b>	(24,375)
Taxation	稅項	15	<b>(4,856)</b>	(1,350)
<b>Loss for the year</b>	<b>本年度虧損</b>		<b>(55,427)</b>	(25,725)
<b>Other comprehensive income/(loss) for the year</b>	<b>本年度其他全面收益／(虧損)</b>			
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>可於其後重新分類至損益之項目：</i>			
Exchange differences on translating of foreign operations	換算海外經營業務之匯兌差額		<b>32,059</b>	(18,996)
Reclassification adjustment from translation reserve upon disposal a subsidiary	於出售一間附屬公司時自匯兌儲備重新分類調整		<b>–</b>	(1,349)
<b>Other comprehensive income/(loss) for the year</b>	<b>本年度其他全面收益／(虧損)</b>		<b>32,059</b>	(20,345)
<b>Total comprehensive loss for the year</b>	<b>本年度全面虧損總額</b>		<b>(23,368)</b>	(46,070)

# 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 2018 截至二零一八年三月三十一日止年度

	Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Loss for the year attributable to:</b>	<b>應佔本年度虧損：</b>		
Owners of the Company	本公司擁有人	(55,586)	(25,792)
Non-controlling interests	非控股權益	159	67
		<u>(55,427)</u>	<u>(25,725)</u>
<b>Total comprehensive loss for the year attributable to:</b>	<b>應佔本年度全面虧損總額：</b>		
Owners of the Company	本公司擁有人	(28,836)	(41,629)
Non-controlling interests	非控股權益	5,468	(4,441)
		<u>(23,368)</u>	<u>(46,070)</u>
<b>Loss per share attributable to owners of the Company:</b>	<b>本公司擁有人應佔每股虧損：</b>		
– Basic (HK cents per share)	– 基本（每股港仙）	17 (8.57)	(3.98)
– Diluted (HK cents per share)	– 攤薄（每股港仙）	17 (8.57)	(3.98)

The accompanying notes form an integral part of these consolidated financial statements.

隨附附註為該等綜合財務報表之一部分。

# Consolidated Statement of Financial Position

## 綜合財務狀況表

As at 31 March 2018 於二零一八年三月三十一日

		Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	18	26,544	27,318
Prepaid lease payments	預付租賃款項	19	10,958	10,276
Investment property	投資物業	20	9,789	6,766
Goodwill	商譽	21	136,623	123,871
			<b>183,914</b>	<b>168,231</b>
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨	22	62,136	86,134
Prepaid lease payments	預付租賃款項	19	383	366
Trade and other receivables and deposits	貿易及其他應收款項及按金	23	118,453	201,731
Pledged bank deposits	已抵押銀行存款	27	–	10,156
Cash and cash equivalents	現金及現金等值項目	27	91,922	93,721
			<b>272,894</b>	<b>392,108</b>
<b>Current liabilities</b>	<b>流動負債</b>			
Trade and other payables	貿易及其他應付款項	28	137,268	178,346
Amount due to a director	應付一名董事款項	29	2,000	–
Bank borrowings	銀行借貸	30	–	59,342
Other borrowing	其他借貸	31	100,000	–
Convertible notes	可換股票據	32	–	83,369
Tax payables	應付稅項		3,124	1,418
Deferred tax liabilities	遞延稅項負債	33	–	80
			<b>242,392</b>	<b>322,555</b>
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>30,502</b>	<b>69,553</b>
<b>Total assets less current liabilities</b>	<b>資產總值減流動負債</b>		<b>214,416</b>	<b>237,784</b>
<b>Net assets</b>	<b>資產淨值</b>		<b>214,416</b>	<b>237,784</b>



# Consolidated Statement of Financial Position

## 綜合財務狀況表

As at 31 March 2018 於二零一八年三月三十一日

		Note 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Capital and reserves</b>	<b>資本及儲備</b>			
Share capital	股本	34	<b>6,484</b>	6,484
Reserves	儲備		<b>152,791</b>	181,627
Equity attributable to owners of the Company	本公司擁有人應佔權益		<b>159,275</b>	188,111
Non-controlling interests	非控股權益		<b>55,141</b>	49,673
<b>Total equity</b>	<b>權益總額</b>		<b>214,416</b>	237,784

The consolidated financial statements were approved and authorised for issued by the Board of Directors on 29 June 2018 and signed on its behalf by:

綜合財務報表於二零一八年六月二十九日由董事會批准及授權刊發，並由下列董事代表簽署：

**Chen Jinshan**  
Executive Director

**Yung Ka Lai**  
Executive Director

**陳金山**  
執行董事

**翁嘉麗**  
執行董事

The accompanying notes form an integral part of these consolidated financial statements.

隨附附註為該等綜合財務報表之一部分。

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔									Non-controlling interest	Total
		Share capital	Share premium	Other reserve	Contribution reserve	Translation reserve	Statutory reserve	Convertible note reserve 可換股	Accumulated losses	Sub-total		
		股本 HK\$'000 千港元 (Note 34) (附註34)	股份溢價 HK\$'000 千港元 (附註(a)) (附註(a))	其他儲備 HK\$'000 千港元 (Note (b)) (附註(b))	供款儲備 HK\$'000 千港元 (Note (c)) (附註(c))	匯兌儲備 HK\$'000 千港元 (Note (d)) (附註(d))	法定儲備 HK\$'000 千港元 (Note (e)) (附註(e))	票據儲備 HK\$'000 千港元 (Note (f)) (附註(f))	累計虧損 HK\$'000 千港元	小計 HK\$'000 千港元	非控股權益 HK\$'000 千港元	總計 HK\$'000 千港元
At 1 April 2016	於二零一六年四月一日	6,484	(7,653)	(35,141)	866,811	1,089	31,913	7,695	(648,454)	222,744	67,780	290,524
Loss for the year	本年度虧損	-	-	-	-	-	-	-	(25,792)	(25,792)	67	(25,725)
Other comprehensive loss for the year, net of income tax	本年度其他全面虧損，扣除所得稅											
Exchange differences on translating of foreign operations	換算海外經營業務之匯兌差額	-	-	-	-	(14,488)	-	-	-	(14,488)	(4,508)	(18,996)
Reclassification adjustment from translation reserve upon disposal of a subsidiary	於出售一間附屬公司時自匯兌儲備重新分類調整	-	-	-	-	(1,349)	-	-	-	(1,349)	-	(1,349)
Total comprehensive loss for the year	本年度全面虧損總額	-	-	-	-	(15,837)	-	-	(25,792)	(41,629)	(4,441)	(46,070)
Additional interests in a subsidiary	於一間附屬公司之額外權益	-	-	6,996	-	-	-	-	-	6,996	(6,996)	-
Acquisition of subsidiaries	收購附屬公司	-	-	-	-	-	-	-	-	-	3,804	3,804
Disposal of a subsidiaries (Note 26)	出售一間附屬公司 (附註26)	-	-	-	-	-	(204)	-	204	-	(10,474)	(10,474)
Transfer to statutory reserve	轉撥至法定儲備	-	-	-	-	-	498	-	(498)	-	-	-
At 31 March 2017 and 1 April 2017	於二零一七年三月三十一日及二零一七年四月一日	6,484	(7,653)	(28,145)	866,811	(14,748)	32,207	7,695	(674,540)	188,111	49,673	237,784
Loss for the year	本年度虧損	-	-	-	-	-	-	-	(55,586)	(55,586)	159	(55,427)
Other comprehensive income for the year	本年度其他全面收益	-	-	-	-	26,750	-	-	-	26,750	5,309	32,059
Total comprehensive income/(loss) for the year	本年度全面收益／(虧損)總額	-	-	-	-	26,750	-	-	(55,586)	(28,836)	5,468	(23,368)
Additional interests in a subsidiary	於一間附屬公司之額外權益	-	-	-	-	-	-	-	-	-	-	-
Transfer to statutory reserve	轉撥至法定儲備	-	-	-	-	-	1,465	-	(1,465)	-	-	-
Redemption of convertible notes upon maturity	於到期時贖回可換股票據	-	-	-	-	-	-	(7,695)	7,695	-	-	-
As at 31 March 2018	於二零一八年三月三十一日	6,484	(7,653)	(28,145)	866,811	12,002	33,672	-	(723,896)	159,275	55,141	214,416

Notes:

附註：

### (a) Share premium

The amount of approximately HK\$7,653,000 represents the capitalised listing expenses arising from the listing of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 11 October 2013.

### (a) 股份溢價

約7,653,000港元之金額指本公司股份於二零一三年十月十一日在香港聯合交易所有限公司(「聯交所」)主板上市產生之資本化上市開支。

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

Notes: – continued

附註：—續

### (b) Other reserve

The other reserve represented the difference between the Company's shares of nominal value of the paid-up capital of subsidiaries acquired over the Company's cost of acquisition of the subsidiaries under common control upon the reorganisation.

On 8 March 2017, the Group purchased 3.14% equity interests of Fuzhou Huihao by way of increasing the registered capital of Fuzhou Huihao from RMB80,000,000 to RMB91,500,000. A subsidiary of the Group agreed to pay HK\$12,000,000 for the increase capital of Fuzhou Huihao. The Group recognised an increase in other reserve of approximately HK\$6,996,000.

### (c) Contribution reserve

Capitalisation of the outstanding amount of approximately HK\$866,811,000 due from Timely Hero Enterprises Limited ("Timely Hero") to Hua Xia Healthcare Holdings Limited ("Hua Xia") on 3 September 2013 in consideration of (i) the allotment and issue 1 share of US\$1 in the share capital of Timely Hero to Luxuriant Expand Global Investment Limited ("Luxuriant Expand"), credited as fully paid up, at the direction of Hua Xia; and (ii) the allotment and issue of a total of 100 shares of US\$1 each in the share capital of Luxuriant Expand, all credited as fully paid up, to Hua Xia in consideration of its receipt of 1 share in Timely Hero at the direction of Hua Xia. Details of the reorganisation were set out in the paragraph headed "The Reorganisation" in the section headed "Corporate history, development and Reorganisation" in the prospectus dated 30 September 2013.

### (b) 其他儲備

其他儲備指本公司所收購附屬公司繳入資本之股份面值與本公司於重組時收購共同控制附屬公司之成本的差額。

於二零一七年三月八日，本集團透過將福州惠好之註冊資本由人民幣80,000,000元增加至人民幣91,500,000元之方式而收購福州惠好之3.14%股權。本集團之一間附屬公司同意為福州惠好增資支付12,000,000港元。本集團確認其他儲備增加約6,996,000港元。

### (c) 供款儲備

於二零一三年九月三日將時雄企業有限公司（「時雄」）結欠華夏醫療集團有限公司（「華夏」）的約866,811,000港元的未償還款項資本化，作為以下事項的代價：(i)按華夏指示向茂加環球投資有限公司（「茂加」）配發及發行時雄股本中1股面值1美元的入賬列作繳足股份；及(ii)向華夏配發及發行茂加股本中合共100股每股面值1美元的股份（全部入賬列作繳足），作為其按華夏指示接收1股時雄股份的代價。重組詳情載於日期為二零一三年九月三十日之招股書「公司歷史、發展及重組」一節「重組」一段。

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

Notes: – continued

附註：—續

**(d) Translation reserve**

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in Note 3.

**(d) 匯兌儲備**

匯兌儲備包括因換算海外業務財務報表而引致的所有匯兌差額。該儲備乃根據附註3所載的會計政策處理。

**(e) Statutory reserve**

As stipulated by the relevant laws and regulations of the Peoples' Republic of China (the "PRC"), the subsidiaries of the Company establishing in the PRC shall set aside 10% of its net profit after taxation for the statutory surplus reserve fund (except where the reserve balances has reached 50% of the subsidiaries' paid up capital). The reserve fund can only be used, upon approval by the Board of Directors and by the relevant authority, to offset accumulated losses or increase capital.

**(e) 法定儲備**

如相關的中華人民共和國（「中國」）法律法規所規定，本公司在中國成立的附屬公司須將其除稅後純利的10%撥作法定公積金，惟倘該公積金的結餘達到附屬公司本身實繳股本的50%則除外。公積金只可在獲得董事會及相關機構批准的情況下用於抵消累計虧損或作增加股本之用。

**(f) Convertible note reserve**

The convertible note reserve represents the equity components of the convertible notes issued. Convertible notes issued are split into their liability and equity components at initial recognition at the fair values of the convertible notes, which is determined by independent qualified professional valuers.

**(f) 可換股票據儲備**

可換股票據儲備指已發行可換股票據之權益部份。已發行可換股票據於初步確認可換股票據公平值時分為負債及權益部份，其公平值由獨立合資格專業估值師釐定。

The accompanying notes form an integral part of these consolidated financial statements.

隨附附註為該等綜合財務報表之一部分。

# Consolidated Statement of Cash Flows

## 綜合現金流量表

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

	Note 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Operating activities</b>	<b>經營業務</b>		
Loss before taxation	除稅前虧損	(50,571)	(24,375)
<b>Adjustments for:</b>	<b>調整項目：</b>		
Interest income	利息收入	9	(361)
Interest expenses	利息開支	12	14,441
Amortisation of prepaid lease payments	預付租賃款項攤銷	19	366
Depreciation of property, plant and equipment	物業、廠房及設備折舊	18	5,991
Provision for impairment loss on trade receivables	貿易應收款項減值虧損撥備	23	1,508
Reversal of impairment loss of trade receivables	貿易應收款項減值虧損撥回	23	(890)
Provision for impairment loss on other receivables	其他應收款項減值虧損撥備	23	2,987
Impairment of goodwill	商譽減值	21	336
Loss on disposal of a subsidiary	出售一間附屬公司之虧損	26	—
Change in fair value of investment property	投資物業公平值變動	20	—
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	92	640
<b>Operating cash flows before movements in working capital</b>	<b>營運資金變動前經營現金流量</b>	<b>(24,768)</b>	<b>(2,354)</b>
Decrease in inventories	存貨減少	31,313	11,179
Decrease in trade and other receivables and deposits	貿易及其他應收款項及按金減少	94,758	44,901
Decrease in trade and other payables	貿易及其他應付款項減少	(56,347)	(38,036)
Decrease in amounts due from fellow subsidiaries	應收同系附屬公司款項減少	—	(2,621)
Increase in amount due to a director	應付一名董事款項增加	2,000	—
Decrease in amount due to the ultimate holding company	應付最終控股公司款項減少	—	(485)
Cash generated from operations	業務所得現金	46,956	12,584
PRC enterprise income tax paid	已繳納中國企業所得稅	(3,653)	(2,129)
<b>Net cash generated from operation activities</b>	<b>經營業務所得現金淨額</b>	<b>43,303</b>	<b>10,455</b>

# Consolidated Statement of Cash Flows

## 綜合現金流量表

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

	Note 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Investing activities</b>	<b>投資活動</b>		
Interest received	已收利息	277	361
Purchase of property, plant and equipment	購買物業、廠房及設備	18	(5,967)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得 款項	204	51
Proceeds from disposal of a subsidiary	出售一間附屬公司所得款項	26	9,302
Net cash outflow from acquisition of subsidiaries	收購附屬公司之現金流出淨額	25	(125,480)
<b>Net cash used in investing activities</b>	<b>投資活動所用現金淨額</b>	<b>(5,351)</b>	<b>(121,733)</b>
<b>Financing activities</b>	<b>融資活動</b>		
Interest paid	已付利息	(13,776)	(8,339)
Decrease/(increase) in pledged bank deposits	已抵押銀行存款減少／ (增加)	10,620	(4,528)
Proceeds from new bank borrowings	新增銀行借款所得款項	9,434	96,872
Repayment of bank borrowings	償還銀行借款	(71,489)	(67,976)
Proceeds from other borrowing	其他借款所得款項	100,000	—
Repayment of convertible notes	償還可換股票據	(84,292)	—
<b>Net cash (used in)/generated from financing activities</b>	<b>融資活動(所用)／ 所得現金淨額</b>	<b>(49,503)</b>	<b>16,029</b>
<b>Net decrease in cash and cash equivalents</b>	<b>現金及現金等值項目 減少淨額</b>	<b>(11,551)</b>	<b>(95,249)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>年初之現金及現金等值項目</b>	<b>93,721</b>	<b>203,500</b>
Effect of foreign exchange rate changes	外匯匯率變動之影響	9,752	(14,530)
<b>Cash and cash equivalents at the end of this year</b>	<b>年終之現金及現金等值項目</b>	<b>91,922</b>	<b>93,721</b>

The accompanying notes form an integral part of these consolidated financial statements.

隨附附註為該等綜合財務報表之一部分。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 1. GENERAL INFORMATION

The Company was incorporated as an exempted Company with limited liabilities in the Cayman Islands and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The address of the registered office of the Company is P.O. Box 10008, Willow House, Cricket Square, Grand Cayman, KY1-1001, Cayman Islands. The head office and principal place of business of the Company in Hong Kong is located at Room 1902, 19/F., 101 King's Road, Hong Kong.

The principal activity of the Company is investment holdings. The Group is principally engaged in pharmaceutical wholesale and distribution business, pharmaceutical retail chain business and hemodialysis treatment and consultancy service business in the PRC. The activities of its principal subsidiaries are set out in Note 24 to the consolidated financial statements.

The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is the same as functional currency of the Company, and the functional currency of the most of the subsidiaries are Renminbi ("RMB"). The Board of Directors considered that it is more appropriate to present the consolidated financial statements in HK\$ as the shares of the Company are listed on the Stock Exchange. The consolidated financial statements are rounded to the nearest thousands (HK\$'000), unless otherwise stated.

### 1. 一般資料

本公司於開曼群島註冊成立為獲豁免有限公司，其股份於香港聯合交易所有限公司（「聯交所」）主板上市。

本公司註冊辦事處之地址為P.O. Box 10008, Willow House, Cricket Square, Grand Cayman, KY1-1001, Cayman Islands。本公司之總辦事處及香港主要營業地點位於香港英皇道101號19樓1902室。

本公司之主要業務為投資控股。本集團主要在中國從事藥品批發和分銷業務、藥品零售連鎖業務及血液透析治療及諮詢服務業務。其主要附屬公司之業務載列於綜合財務報表附註24。

綜合財務報表以港元（「港元」）呈列，與本公司之功能貨幣相同。大部分附屬公司之功能貨幣為人民幣（「人民幣」）。董事會認為，由於本公司股份於聯交所上市，故以港元呈列綜合財務報表更為合適。除另有指明外，綜合財務報表內數值均四捨五入至最接近千位（千港元）。

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

In the current year, the Group has applied, for the first time, the following new and revised standards, amendments and interpretations (“new and revised HKFRSs”) issued by the HKICPA, which are effective for the Group’s financial year beginning on or after 1 April 2017.

HKAS 7 (Amendments)	Disclosure Initiative
HKAS 12 (Amendments)	Recognition of Deferred Tax Assets for Unrealised Losses
HKFRSs (Amendment)	Annual Improvements to HKFRSs, 2014-2016 Cycle

Except as described below, for the application of the amendments to HKFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

## 2. 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，本集團已首次採納下列由香港會計師公會頒佈之新訂及經修訂準則、修訂本及詮釋（「新訂及經修訂香港財務報告準則」），該等準則、修訂本及詮釋乃於本集團於二零一七年四月一日或之後開始之財政年度生效。

香港會計準則第7號 （修訂本）	披露主動性
香港會計準則第12號 （修訂本）	就未變現虧損確認遞延稅項資產
香港財務報告準則 （修訂本）	香港財務報告準則二零一四年至二零一六年周期之年度改進

除以下所述者外，於本年度應用香港財務報告準則之修訂本對本集團於本年度及過往年度之財務表現及狀況及／或該等綜合財務報表內所載之披露資料並無重大影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") – continued

#### Amendments to HKAS 7 Disclosure Initiative

The Group has applied the amendments to HKAS 7 Disclosure Initiative for the first time in the current year. The amendments require an entity 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.

Specifically, the amendments require the following to be disclosed: (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair values; and (v) other changes.

A reconciliation between the opening and closing balances of these items is provided in Note 42 to the consolidated financial statements. Consistent with the transition provisions of the amendments, the Group has not disclosed comparative information for the prior year. Apart from the additional disclosure in Note 42 to the consolidated financial statements, the application of these amendments has had no impact on the Group's consolidated financial statements.

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）一續

#### 香港會計準則第7號（修訂本）披露主動性

本集團於本年度首次應用香港會計準則第7號（修訂本）披露主動性。該等修訂本要求實體提供披露資料，令使用財務報表之人士得以評估融資活動所產生負債之變動（包括現金流量產生之變動及非現金變動）。

具體而言，修訂本要求披露以下資料：(i)融資現金流量之變動；(ii)取得或失去附屬公司或其他業務控制權所產生之變動；(iii)外匯匯率變動之影響；(iv)公平值變動；及(v)其他變動。

有關該等項目期初及期末結餘之對賬載於綜合財務報表附註42。根據修訂本之過渡條文，本集團並無披露去年之比較資料。除綜合財務報表附註42之額外披露外，應用該等修訂本並無對本集團綜合財務報表造成影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued New and revised HKFRSs issued but not yet effective

HKFRS 2 (Amendments)	Share-based Payment <sup>1</sup>
HKFRS 4 (Amendments)	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance contract <sup>1</sup>
HKFRS 9	Financial Instruments <sup>1</sup>
HKFRS 9 (Amendments)	Prepayment Features with Negative compensation <sup>2</sup>
HKFRS 10 and HKAS 28 (Amendments)	Sales or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>4</sup>
HKFRS 15	Revenue from Contracts with Customers and related amendments <sup>1</sup>
HKFRS 16	Leases <sup>2</sup>
HKFRS 17	Insurance Contracts <sup>3</sup>
HK(IFRIC) Int 22	Foreign Currency Transactions and Advance Consideration <sup>1</sup>
HK(IFRIC) Int 23	Uncertainty over Income Tax Treatment <sup>2</sup>
HKAS 19 (Amendments)	Plan Amendments, Curtailment or settlement <sup>2</sup>
HKAS 28 (Amendments)	Investment in Associate and Joint Venture <sup>2</sup>
HKAS 40 (Amendments)	Transfer of Investment Property <sup>1</sup>
HKFRSs (Amendments)	Annual Improvement to HKFRSs 2014-2016 Cycle <sup>1</sup>
HKFRSs (Amendments)	Annual Improvement to HKFRSs 2015-2017 Cycle <sup>2</sup>

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」） 一續

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2號（修訂本）	以股份為基準付款 <sup>1</sup>
香港財務報告準則第4號（修訂本）	連同香港財務報告準則第4號保險合約一併應用香港財務報告準則第9號金融工具 <sup>1</sup>
香港財務報告準則第9號	金融工具 <sup>1</sup>
香港財務報告準則第9號（修訂本）	具有負補償之提前還款特性 <sup>2</sup>
香港財務報告準則第10號及香港會計準則第28號（修訂本）	投資者與其聯營公司或合營企業之間銷售或貢獻資產 <sup>4</sup>
香港財務報告準則第15號	來自客戶合約之收益及相關修訂 <sup>1</sup>
香港財務報告準則第16號	租賃 <sup>2</sup>
香港財務報告準則第17號	保險合約 <sup>3</sup>
香港（國際財務報告詮釋委員會）詮釋第22號	外幣交易及墊款代價 <sup>1</sup>
香港（國際財務報告詮釋委員會）詮釋第23號	所得稅處理之不確定性 <sup>2</sup>
香港會計準則第19號（修訂本）	計劃修正、縮減或清償 <sup>2</sup>
香港會計準則第28號（修訂本）	於聯營公司及合營企業之投資 <sup>2</sup>
香港會計準則第40號（修訂本）	轉讓投資物業 <sup>1</sup>
香港財務報告準則（修訂本）	香港財務報告準則二零一四年至二零一六年週期之年度改進 <sup>1</sup>
香港財務報告準則（修訂本）	香港財務報告準則二零一五年至二零一七年週期之年度改進 <sup>2</sup>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") – continued

New and revised HKFRSs issued but not yet effective – continued

- <sup>1</sup> Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted.
- <sup>2</sup> Effective for annual periods beginning on or after 1 January 2019, with earlier application permitted.
- <sup>3</sup> Effective for annual periods beginning on or after 1 January 2021.
- <sup>4</sup> Effective for annual periods beginning on or after a date to be determined. Early adoption is permitted.

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.

#### HKFRS 9 – Financial Instruments

HKFRS 9 introduced new requirements for the classification and measurement of financial assets, financial liabilities, general hedge accounting and impairment requirements for financial assets.

Key requirements of HKFRS 9 that are relevant to the Group are described as follows:

- All recognised financial assets that are within the scope of HKAS 39 to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent reporting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

### 2. 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—續

- <sup>1</sup> 於二零一八年一月一日或之後開始之年度期間生效，允許提早應用。
- <sup>2</sup> 於二零一九年一月一日或之後開始之年度期間生效，允許提早應用。
- <sup>3</sup> 於二零二一年一月一日或之後開始之年度期間生效。
- <sup>4</sup> 於待釐定之日期或之後開始之年度期間生效。允許提早應用。

本公司董事預期，除以下所述者外，應用其他新訂及經修訂香港財務報告準則將不會對本集團之業績及財務狀況產生重大影響。

#### 香港財務報告準則第9號—金融工具

香港財務報告準則第9號引入對財務資產、財務負債、一般對沖會計法及財務資產減值規定之分類及計量之新規定。

與本集團相關之香港財務報告準則第9號之主要規定載述如下：

- 所有屬香港會計準則第39號範圍之已確認財務資產其後將以攤銷成本或公平值計量。特別是，於一項業務模型中所持目的為收取合約現金流之債務投資，以及合約現金流純為支付本金及未償還本金利息之債務投資，一般於其後報告期末以攤銷成本計量。所有其他債務投資及股本投資均於其後會計期末以公平值計量。此外，根據香港財務報告準則第9號，實體可不可撤回地選擇於其他全面收益中呈列權益投資（並非持作買賣者）其後之公平值變動，僅股息收入一般於損益確認。

## 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

### HKFRS 9 – Financial Instruments – continued

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 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 fair value through profit or loss was presented in profit or loss.
- In relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

## 2. 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－金融工具 — 續

- 就指定按公平值計入損益之財務負債之計量而言，香港財務報告準則第9號規定，因有關財務負債之信貸風險變動而引致之財務負債公平值變動金額乃於其他全面收益中呈列，除非在其他全面收益確認負債之信貸風險變動影響會導致或擴大損益上之會計錯配。財務負債之信貸風險變動引致之財務負債公平值變動其後不會重新分類至損益。根據香港會計準則第39號，指定按公平值計入損益之財務負債公平值變動，乃全數於損益中呈列。
- 就財務資產之減值而言，與香港會計準則第39號項下按已產生信貸虧損模式計算相反，香港財務報告準則第9號規定按預期信貸虧損模式計算。預期信貸虧損模式規定實體於各報告日期將預期信貸虧損及該等預期信貸虧損之變動入賬，以反映信貸風險自初始確認以來之變動。換言之，毋須再待發生信貸事件方確認信貸虧損。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

#### HKFRS 9 – Financial Instruments – continued

- The new general hedge accounting requirements retain the three types of hedge accounting. However, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an ‘economic relationship’. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity’s risk management activities have also been introduced.

Based on the Group’s financial instruments and risk management policies at 31 March 2018, the directors of the Company anticipate the following potential impact on initial application of HKFRS 9:

#### Impairment

In general, the directors of the Company also anticipate that the application of the expected credit loss model of HKFRS 9 will result in earlier provision of credit losses which are not yet incurred in relation to the Group’s financial assets measured at amortised costs and other items that subject to the impairment provisions upon application of HKFRS 9 by the Group. However, the directors of the Company do not anticipate that the application of the expected credit loss model of HKFRS 9 will have material impact to the opening accumulated losses at 1 April 2018.

### 2. 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－金融工具 — 續

- 新一般對沖會計法規定保留三類對沖會計法。然而，該會計法向可作對沖會計之交易類別引入更大靈活度，尤其是擴闊合資格作為對沖工具之工具類別及可作對沖會計之非金融項目之風險分部之類別。此外，有效性測試已經全面改革，並以「經濟關係」原則取代。對沖有效性不再需要追溯評估。亦已引入有關實體風險管理活動之強化披露規定。

根據本集團於二零一八年三月三十一日之金融工具及風險管理政策，本公司董事預期初步應用香港財務報告準則第9號之潛在影響如下：

#### 減值

一般而言，本公司董事亦預期應用香港財務報告準則第9號之預期信貸虧損模式將導致本集團於應用香港財務報告準則第9號後，就本集團按攤銷成本計量之財務資產以及其他須作出減值撥備之項目之尚未產生之信貸虧損提前撥備。然而，本公司董事預期應用香港財務報告準則第9號之預期信貸虧損模式將不會對於二零一八年四月一日之期初累計虧損產生重大影響。

## 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

### HKFRS 9 – Financial Instruments – continued

#### Impairment – continued

Except for abovementioned, the directors of the Company anticipate that the adoption of HKFRS 9 in the future will not have other significant impact on amounts reported in respect of the Group’s financial assets and financial liabilities based on an analysis of the Group’s financial instruments as at 31 March 2018.

#### HKFRS 15 *Revenue from Contracts with Customers*

In July 2014, HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue 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 interpretations when it becomes effective.

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. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract

## 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

### 一續

#### 香港財務報告準則第9號－金融工具

#### 一續

#### 減值－續

除上文所述者外，根據對本集團於二零一八年三月三十一日金融工具之分析，本公司董事預期日後採納香港財務報告準則第9號將不會對就本集團財務資產及財務負債報告之金額產生其他重大影響。

#### 香港財務報告準則第15號來自客戶合約之收益

於二零一四年七月，已頒佈之香港財務報告準則第15號制定一項單一全面模式供實體用以將來自客戶合約所產生之收益入賬。香港財務報告準則第15號於生效後將取代現時收益確認指引，包括香港會計準則第18號收益、香港會計準則第11號建築合約及相關詮釋。

香港財務報告準則第15號之核心原則為實體於確認描述向客戶轉讓承諾貨品或服務之收益時，金額應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。具體而言，該準則引入確認收益之五個步驟：

- 第一步：識別與客戶訂立之合約
- 第二步：識別合約中之履約責任

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") – continued

#### HKFRS 15 *Revenue from Contracts with Customers* – continued

- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

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.

### 2. 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號來自客戶合約之收益—續

- 第三步：釐定交易價
- 第四步：將交易價分配至合約中之履約責任
- 第五步：於實體完成履約責任時（或就此）確認收益

根據香港財務報告準則第15號，實體於完成履約責任時（或就此）確認收益，即於特定履約責任相關貨品或服務之「控制權」移交客戶之時。香港財務報告準則第15號已就特殊情況之處理方法加入更明確之指引。此外，香港財務報告準則第15號要求更詳盡之披露。

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來自客戶合約之收益及現金流量之性質、金額、時間及不確定性。

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

#### HKFRS 15 *Revenue from Contracts with Customers* – continued

HKFRS 15 will become effective for annual periods beginning on or after 1 January 2018 with early application permitted. Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when the “control” of the goods or services underlying the particular performance obligation is transferred to the customer. Based on current business of Company, the Directors do not anticipate that the application of HKFRS 15 will have material impact on the amounts reported and disclosures made in the Group’s financial statements in the future. There will be additional disclosures upon the adoption of HKFRS 15.

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）一續

#### 香港財務報告準則第15號來自客戶合約之收益一續

香港財務報告準則第15號將於二零一八年一月一日或之後開始之年度期間生效，且可提前應用。根據香港財務報告準則第15號，實體於完成履約責任時，即於特定履約責任相關貨品或服務之「控制權」移交客戶之時（或就此）確認收益。根據本公司之現時業務，董事預期應用香港財務報告準則第15號於日後將不會對於本集團財務報表中報告之金額及作出之披露產生重大影響。於採納香港財務報告準則第15號後將作出額外披露。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

#### HKFRS 16 *Leases*

HKFRS 16, which upon the effective date will supersede HKAS 17 “Leases”, introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under HKFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classify cash repayments of the lease liability into a principal portion and an interest portion and present them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting for lease that are classified as operating leases under the predecessor standard HKAS 17.

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）一續

#### 香港財務報告準則第16號租賃

香港財務報告準則第16號於生效日期起將取代香港會計準則第17號「租賃」，引入單一承租人會計處理模式並規定承租人就為期超過12個月之所有租賃確認資產及負債，除非相關資產為低價值資產。具體而言，根據香港財務報告準則第16號，承租人須確認使用權資產（表示其有權使用相關租賃資產）及租賃負債（表示其有責任支付租賃款項）。因此，承租人應確認使用權資產折舊及租賃負債利息，並亦將租賃負債之現金還款分類為本金部分及利息部分，於現金流量表中呈列。此外，使用權資產及租賃負債初步按現值基準計量。計量包括不可註銷租賃付款，亦包括如承租人合理肯定會行使選擇權延續租賃或不行使選擇權而終止租賃之情況下，將於選擇權期間內作出之付款。此會計處理方法與承租人會計法顯著不同，後者適用於根據原準則香港會計準則第17號分類為經營租賃之租賃。

## 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

### HKFRS 16 *Leases* – continued

As set out in Note 46, total operating lease commitment of the Group in respect of its office premises as at 31 March 2018 was amounting to approximately HK\$60,600,000. The directors of the Company do not expect the adoption of HKFRS 16 as compared with the current accounting policy would result in significant impact on the Group’s results but it is expected that certain portion of these commitments will be required to be recognised in the consolidated statement of financial position as right-of use assets and lease liabilities. Other than that, it is not practicable to provide a reasonable estimate of the effect until the Group performs a detailed review.

The directors of the Company anticipate that the application of other new and revised HKFRSs will have no material impact on the financial performance.

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Statement of compliance

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

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in areas where assumptions and estimates are significant to the consolidated financial statements.

## 2. 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

誠如附註46所載，本集團於二零一八年三月三十一日有關辦公室物業之經營租賃承擔總額約為60,600,000港元。相較現時之會計政策，本公司董事預期，採納香港財務報告準則第16號不會對本集團之業績造成重大影響，惟預期該等租賃承擔之若干部分將須於綜合財務狀況表內確認為使用權資產及租賃負債。此外，在本集團進行詳盡檢討前提供該影響之合理估計乃不切實際。

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將不會對財務表現造成重大影響。

## 3. 重大會計政策概要

### 合規聲明

該等綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則編製。此外，該等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（「公司條例」）所規定之適用披露事項。

在編製符合香港財務報告準則之綜合財務報表時，需運用若干關鍵會計估計。管理層亦須在涉及對綜合財務報表而言屬重大之假設及估計之範疇作出判斷。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Statement of compliance – continued

A summary of significant accounting policies followed by the Group in the preparation of the consolidated financial statements is set out below:

#### Basis of preparation

The measurement basis used in the preparation of the consolidated financial statements is historical cost except for certain financial instruments and investment property that are measured at fair value at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration of 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 at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2, leasing transactions that are within the scope of HKAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 or value in use in HKAS 36.

### 3. 重大會計政策概要－續

#### 合規聲明－續

本集團編製綜合財務報表時遵循之重大會計政策概要載列如下：

#### 編製基準

編製綜合財務報表所使用之計量基準為歷史成本，惟若干金融工具及投資物業於各報告期末乃按公平值計量則除外（誠如下文所載會計政策所闡釋）。

歷史成本一般根據交換商品及服務時支付代價之公平值計算。

公平值為市場參與者於計量日在有序交易中出售資產所得或轉讓負債所付出之價格，不論該價格是否可直接觀察或使用其他估值技術估算。估算資產或負債公平值時，本集團會考慮資產或負債於計量日之價格。該等綜合財務報表中作計量及／或披露目的之公平值以此為基礎確定，惟香港財務報告準則第2號範圍內的以股份為基礎的支付交易、香港會計準則第17號範圍內的租賃交易及與公平值存在一定相似性但非公平值之計量項目（如香港會計準則第2號的可變現淨值或香港會計準則第36號的使用價值）除外。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Basis of preparation – continued

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

#### Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

### 3. 重大會計政策概要－續

#### 編製基準－續

此外，就財務報告目的而言，公平值計量根據公平值計量輸入數據可觀察程度及輸入數據對公平值計量之整體重要性分為第一級、第二級或第三級，內容如下：

- 第一級輸入數據為實體可於計量日獲取之同類資產或負債於活躍市場的（未經調整）報價；
- 第二級輸入數據為資產或負債可直接或間接觀察的輸入數據（計入第一級的報價除外）；及
- 第三級輸入數據為資產或負債的不可觀察輸入數據。

主要會計政策載列如下。

#### 綜合基準

綜合財務報表納入本公司及由本公司及其附屬公司所控制實體（包括結構性實體）之財務報表。當本公司屬以下情況時則取得控制權：

- 可對受投資實體行使權力；
- 對來自參與受投資實體之可變回報承擔風險或享有權利；及
- 有能力使用其權力影響其回報。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Basis of consolidation – continued

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

### 3. 重大會計政策概要－續

#### 綜合基準－續

倘有事實及情況顯示上述三項控制因素中，有一項或以上出現變數，本集團會重新評估其是否控制受投資實體。

倘本集團於受投資實體之投票權未能佔大多數，但只要投票權足以賦予本集團實際能力可單方面掌控受投資實體之相關業務時，本集團即對受投資實體擁有權力。在評估本集團於受投資實體之投票權是否足以賦予其權力時，本集團考慮所有相關事實及情況，其中包括：

- 本集團持有投票權之規模相對於其他選票持有人持有投票權之規模及分散性；
- 本集團、其他選票持有人或其他人士持有的潛在投票權；
- 其他合約安排產生之權利；及
- 於需要作出決定（包括先前股東大會上之投票模式）時表明本集團當前擁有或並無擁有指導相關活動之能力之任何額外事實及情況。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Basis of consolidation – continued

Consolidation of a subsidiary begins when the Group obtains control over the subsidiaries and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated income statement 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 are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

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

### 3. 重大會計政策概要－續

#### 綜合基準－續

綜合一家附屬公司賬目之時間從本集團取得該附屬公司之控制權起至本集團失去該附屬公司之控制權止。尤其是，於年內所收購或出售之一家附屬公司之收入及開支，自本集團取得該附屬公司之控制權之日起至本集團失去該附屬公司之控制權之日止計入綜合收益表。

損益及其他全面收益之各項歸屬於本公司擁有人及非控股權益。附屬公司之全面收益總額歸屬於本公司擁有人及非控股權益，即使此將導致非控股權益出現虧絀結餘。

如有需要，將對附屬公司之財務報表作出調整，以使其會計政策與本集團使用之會計政策一致。

集團內公司間之所有資產及負債、權益、收入、開支及與本集團成員公司間之交易有關之現金流量均於綜合賬目時悉數對銷。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Basis of consolidation – continued

##### Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKAS 39 Financial Instruments: Recognition and Measurement or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

### 3. 重大會計政策概要－續

#### 綜合基準－續

##### 本集團於現有附屬公司之擁有權權益變動

本集團於現有附屬公司之擁有權權益變動若無導致本集團失去對有關附屬公司之控制權，則按權益交易入賬。本集團權益及非控股權益之賬面值作出調整，以反映其於附屬公司之相關權益變動。非控股權益之調整金額與已付或已收代價之公平值間之任何差額直接於權益確認，並歸屬於本公司擁有人。

倘本集團失去一間附屬公司之控制權，按(i)所收取代價之公平值及任何保留權益之公平值之總額及(ii)附屬公司資產(包括商譽)及負債及任何非控股權益之過往賬面值，所產生之差額計算之收益或虧損於損益內確認。與該附屬公司有關之先前於其他全面收益確認之所有款額，將按猶如本集團已直接出售該附屬公司之相關資產或負債入賬(即按適用香港財務報告準則之規定／准許重新分類至損益或轉撥至另一類別權益)。於失去控制權當日於前附屬公司保留之任何投資之公平值將根據香港會計準則第39號金融工具：確認和計量於其後入賬時被列作初步確認之公平值，或(如適用)於初步確認時之於聯營公司或合營企業之投資成本。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Business combinations

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

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

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 Income Taxes and HKAS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 Share-based Payment at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

### 3. 重大會計政策概要－續

#### 業務合併

業務收購採用收購法列賬。業務合併中之轉讓代價按公平值計量，而公平值乃按於收購日本集團所轉讓之資產、本集團向被收購公司原股東產生之負債及本集團於交換被收購公司之控制權發行之股權之公平值之總額計算。收購相關費用一般於產生時在損益賬確認。

於收購日期，所收購之可識別資產及所承擔之負債乃按公平值確認，惟以下情況除外：

- 遞延稅項資產或負債及與僱員福利安排有關之資產或負債分別按香港會計準則第12號所得稅及香港會計準則第19號僱員福利確認及計量；
- 與被收購公司以股份付款之安排有關或本集團訂立以股份付款之安排取代被收購公司以股份付款之安排有關之負債或權益工具，於收購當日按香港財務報告準則第2號以股份支付之款項計量；及
- 按照香港財務報告準則第5號持作出售之非流動資產及已終止經營業務分類為持作出售之資產（或出售組別）按照該準則計量。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Business combinations – continued

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

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

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.

### 3. 重大會計政策概要－續

#### 業務合併－續

商譽按所轉讓之代價、任何非控股權益於被收購公司中所佔金額、及收購公司以往持有之被收購公司股權之公平值（如有）之總和，減所收購可識別資產及所承擔負債於收購當日之淨值後，所超出之差額計量。倘經過評估後，所收購可識別資產與所承擔負債於收購當日之淨額高於轉讓之代價、任何非控股權益於被收購公司中所佔金額以及收購公司以往持有之被收購公司股權之公平值（如有）之總和，則差額即時於損益賬內確認為議價收購收益。

屬現時擁有權權益且持有人有權於清盤時按比例分佔公司淨資產之非控股權益，可初步按公平值或非控股權益應佔被收購公司可識別淨資產之已確認金額比例計量。計量基準可按每項交易而選擇。其他種類之非控股權益乃按其公平值或（倘適用）另一項香港財務報告準則規定之基準計量。

當業務合併分階段實現，本集團過往持有的被收購方股權按於收購日（即本集團取得控制權當日）的公平值重新計量，而由此產生的收益或虧損（如有）於損益中確認。於收購日前自被收購方權益產生且過往已於其他全面收益中確認的金額，均重新分類至損益（該處理方法在出售該權益時亦適用）。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Business combinations – continued

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

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

### 3. 重大會計政策概要－續

#### 業務合併－續

倘業務合併的初步會計處理於合併產生的報告期末仍未完成，則本集團會就仍未完成會計處理的項目呈報暫定金額。該等暫定金額於計量期間內作出調整（見上文），或確認額外資產或負債，以反映獲得有關收購日期已存在事實及情況的新資料，而倘知悉該等資料，將會影響於當日確認的金額。

倘本集團於業務合併中轉讓之代價包括或然代價安排產生之資產或負債，則或然代價按其於收購日期之公平值計量，並計入於業務合併所轉讓之代價之一部分。符合資格為計量期間調整之或然代價公平值變動將予追溯調整，並對商譽作出相應調整。計量期間調整為於「計量期間」（不可超過自收購日期起計一年）取得有關收購日期已存在之事實及情況之額外資料產生之調整。

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For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Business combinations – continued

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

#### Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash –generating Units (or groups of CGUs) that is expected to benefit from the synergies of the combination.

### 3. 重大會計政策概要－續

#### 業務合併－續

不合資格為計量期間調整之或然代價公平值變動之後續會計處理取決於如何將或然代價分類。分類為權益之或然代價不會於後續報告日期重新計量，其後續結算亦於權益內入賬。分類為資產或負債之或然代價將根據香港會計準則第39號或香港會計準則第37號撥備、或然負債及或然資產（如適用）於後續報告日期重新計量，相應之盈虧於損益內確認。

#### 商譽

收購業務所產生之商譽按收購業務當日所確定之成本減任何累計減值虧損（如有）列賬。

就減值測試而言，商譽會分配到本集團中預期會受惠於合併協同效應之各個現金產生單位（或現金產生單位組別）。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Goodwill – continued

A CGU to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss in the consolidated statement of profit or loss and other comprehensive income. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant CGU, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

#### Property, plant and equipment

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

### 3. 重大會計政策概要－續

#### 商譽－續

獲分配商譽之現金產生單位會每年進行減值測試，或於有跡象顯示該單位可能已經減值時更頻繁地進行減值測試。倘現金產生單位之可收回數額少於其賬面值，則減值虧損會首先分配至用以減少該單位獲分配之任何商譽之賬面值，再根據該單位各項資產之賬面值按比例基準分配至該單位之其他資產。商譽之任何減值虧損直接於綜合損益及其他全面收益表之損益內確認。就商譽確認之減值虧損不會於往後期間撥回。

出售相關現金產生單位時，釐定出售損益時會計入商譽應佔之金額。

#### 物業、廠房及設備

物業、廠房及設備乃以成本減累計折舊及其後之累計減值虧損（如有）後於綜合財務狀況表中列賬。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Property, plant and equipment – continued

The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the consolidated statement of profit or loss and other comprehensive income in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the property, plant and equipment, the expenditure is capitalised as an additional cost of that asset.

Construction in progress represents property, plant and equipment in the course of construction for production or for its own use purposes. Construction in progress is carried at cost less any recognised impairment loss. Construction in progress is classified to the appropriate category of property, plant and equipment when completed and ready for intended use. Depreciation of these assets commences when the assets are ready for their intended use and depreciates on the same basis as other property assets.

### 3. 重大會計政策概要－續

#### 物業、廠房及設備－續

資產之成本包括其購買價及令資產達致現時運作狀況及地點作擬定用途所產生之任何直接應佔成本。於物業、廠房及設備開始運作後，維修及保養等應計開支通常於產生期間在綜合損益及其他全面收益表內扣除。倘若可清楚顯示該等開支令預期自使用有關物業、廠房及設備所取得之未來經濟利益增加，則有關開支會資本化為有關資產之額外成本。

在建工程指興建中為生產或自用之物業、廠房及設備。在建工程按成本減任何已確認減值虧損列賬。在建工程於完成且可作擬定用途時分類至適當物業、廠房及設備類別。該等資產於其可作擬定用途時開始折舊及按其他物業資產之相同基準計提折舊。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Property, plant and equipment – continued

Depreciation is provided to write off the cost of items of property, plant and equipment, using the straight-line method, over its estimated useful life. The principal annual rates are as follows:

Leasehold improvements	Over lease term
Motor vehicle	20%
Office equipment	20%
Medicine equipment	20%

The gain or loss on disposal or retirement of an item of property, plant and equipment is the difference between the net sale proceeds and the carrying amount of the relevant asset, and is recognised in the consolidated statement of profit and loss and other comprehensive income.

#### Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGUs, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be identified.

### 3. 重大會計政策概要－續

#### 物業、廠房及設備－續

物業、廠房及設備項目以直線法於其估計可使用年期折舊，以撇銷其成本。主要年率如下：

租賃裝修	於租期內
汽車	20%
辦公室設備	20%
醫療設備	20%

出售或報廢物業、廠房及設備項目之收益或虧損為銷售所得款項淨額與有關資產賬面值之差額，並於綜合損益及其他全面收益表中確認。

#### 商譽以外之有形及無形資產之減值

於各報告期末，本集團審閱有限可使用年期之有形及無形資產賬面值，以決定是否有跡象顯示此等資產出現減值虧損。倘存在任何有關跡象，則估計資產之可收回金額，以釐定減值虧損（如有）之程度。倘不可能估計個別資產之可收回金額，則本集團估計資產所屬現金產生單位之可收回金額。尚可確定合理及一致的分配基準，企業資產亦可分配至個別現金產生單位，否則，則分配至能確定合理及一致的分配基準的最小組別現金產生單位。



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## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Impairment of tangible and intangible assets other than goodwill – continued

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

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

Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) 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 a CGU) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

### 3. 重大會計政策概要－續

#### 商譽以外之有形及無形資產之減值－續

有無限可用年期的無形資產及未可使用的無形資產至少每年進行一次減值測試，及於有跡象顯示減值時進行減值測試。

可收回金額為公平值減出售成本與使用價值兩者之較高者。於評估使用價值時，乃使用可反映現時市場對金錢時間值之評估及該資產特有之風險（未來現金流量之估計並無就此作調整）之除稅前貼現率，將估計未來現金流量貼現至其現值。

倘資產（或現金產生單位）之可收回數額估計低於其賬面值，則資產（或現金產生單位）賬面值會降至其可收回數額。減值虧損即時於損益中確認。

倘減值虧損其後撥回，資產（或現金產生單位）賬面值增至其可收回數額之經修訂估計值，但增加之賬面值不超逾過往年度資產（或現金產生單位）減值虧損未予確認下應予確定之賬面值。撥回後減值虧損即時於損益中確認。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Financial instruments

Financial assets and financial liabilities are recognised on the consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

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

#### Financial assets

The Group's financial assets are classified into 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 purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

### 3. 重大會計政策概要－續

#### 金融工具

當本集團成為工具合約條文之一方，則於綜合財務狀況表中確認財務資產及財務負債。

財務資產及財務負債初步按公平值計量。收購或發行財務資產及財務負債（按公平值透過損益列賬之財務資產及財務負債除外）直接應佔之交易成本於初次確認時計入財務資產或財務負債（視何者適用）之公平值，或從中扣除。收購按公平值透過損益列賬之財務資產或財務負債直接應佔之交易成本乃即時於綜合損益及其他全面收益表中確認。

#### 財務資產

本集團財務資產分為貸款及應收款項。分類視乎財務資產之性質及目的而定，於初步確認時釐定。所有定期購買或出售之財務資產乃按交易日基準確認及終止確認。定期購買或出售之財務資產指須於市場規則或慣例訂明之時間內交付資產之買賣。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Financial instruments – continued

##### Effective interest method

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

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

##### *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 trade receivables and other receivables, pledged bank deposits and cash and cash equivalents) are carried at amortised cost using the effective interest method, less any impairment.

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

### 3. 重大會計政策概要－續

#### 金融工具－續

##### 實際利率法

實際利率法乃計算債務工具之攤銷成本及於有關期間分配利息收入之方法。實際利率乃將於債務工具之預計年期或（如適用）較短期間之估計未來現金收入（包括構成實際利率不可或缺部分之一切已付或已收費用及利差、交易成本及其他溢價或折讓）準確貼現至初步確認時之賬面淨值之利率。

就債務工具而言，收入按實際利率法確認。

##### 貸款及應收款項

貸款及應收款項為並非於活躍市場報價而具有固定或可釐定付款之非衍生財務資產。於初步確認後，貸款及應收款項（包括貿易應收款項及其他應收款項、已抵押銀行存款以及現金及現金等值項目）乃利用實際利息法按攤銷成本扣除任何減值列賬。

利息收入乃應用實際利率法予以確認，惟短期應收款項除外，其利息確認將不重大。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Financial instruments – continued

#### Effective interest method – continued

##### *Impairment of financial assets*

Financial assets 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.

For all other financial assets, objective evidence of impairment could include:

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

For certain categories of financial assets, such as trade receivables and others 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 of 90 days, observable changes in national or local economic conditions that correlate with default on receivables.

### 3. 重大會計政策概要－續

#### 金融工具－續

#### 實際利率法－續

##### *財務資產減值*

財務資產會於各報告期末評定是否有減值跡象。於有客觀憑證顯示財務資產的估計未來現金流因於初步確認該財務資產後發生的一件或多件事件而受到影響時，財務資產會被視作已減值。

就所有其他財務資產而言，減值的客觀憑證可能包括：

- 發行人或交易對手出現重大財政困難；或
- 違反合約，如逾期支付或拖欠利息或本金；或
- 借款人很可能破產或進行財務重組；或
- 該財務資產的活躍市場因財政困難而消失。

此外，貿易應收款項及其他應收款項等被評估為非個別減值的若干財務資產類別按整體基準進行減值評估。應收款項組合的客觀減值證據可能包括本集團的過往收款經驗、組合內延遲還款超逾信貸期90日的次數增加，以及與應收款項逾期有關的全國或地方經濟狀況明顯改變。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Financial instruments – continued

##### Effective interest method – continued

##### *Impairment of financial assets – continued*

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.

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

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade 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 and 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 was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

### 3. 重大會計政策概要－續

#### 金融工具－續

##### 實際利率法－續

##### *財務資產減值－續*

就按攤銷成本列賬的財務資產而言，所確認的減值虧損金額為資產賬面值與以財務資產原實際利率貼現的估計未來現金流現值間的差額。

就按成本列賬的財務資產而言，減值虧損的金額按資產的賬面值與按類似財務資產的現行市場回報率貼現的估計未來現金流量的現值之間的差額計量。該減值虧損不會於其後期間撥回。

財務資產賬面值會直接因減值虧損而作出扣減，惟賬面值會透過使用撥備賬作出扣減的貿易及其他應收款項除外。撥備賬的賬面值變動於損益中確認。當貿易及其他應收款項被視為不可收回時，其會於撥備賬內撇銷。先前已撇銷款項如其後收回，會計入損益內。

就按攤銷成本計量的財務資產而言，如在其後期間，減值虧損金額減少，而有關減少客觀上與確認減值虧損後發生的事件有關，則先前已確認的減值虧損會透過損益予以撥回，惟該投資於減值撥回當日的賬面值不得超過未確認減值時的攤銷成本。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Financial instruments – continued

##### Financial liabilities and equity instruments

###### *Classification as debt or equity*

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

###### *Equity instruments*

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

###### *Convertible notes*

The component parts of compound instruments (convertible notes) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

### 3. 重大會計政策概要－續

#### 金融工具－續

##### 財務負債及股本工具

###### *分類為債務或股本*

集團實體發行之債務及股本工具乃根據合約安排之性質及財務負債及股本工具之定義分類為財務負債或股本。

###### *股本工具*

股本工具乃證明實體資產於扣除其所有負債後之剩餘權益之任何合約。一間集團實體發行之股本工具乃按已收取所得款項扣除直接發行成本確認。

購回本公司本身之股本工具直接於股本內確認及扣減。購買、出售、發行或註銷本公司本身之股本工具時不會於損益內確認收益或虧損。

###### *可換股票據*

本公司發行之複合工具（可換股票據）之組成部分乃根據合約安排之實際性質及財務負債及股本工具之定義分別分類為財務負債及權益。以定額現金或另一財務資產交換本公司本身定額數目之股本工具之方式結算之轉換權為股本工具。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Financial instruments – continued

##### Financial liabilities and equity instruments – continued

###### *Convertible notes – continued*

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to share premium/other equity. When the conversion option remains unexercised at the maturity date of the convertible notes, the balance recognised in equity will be transferred to retained profits/other equity. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

### 3. 重大會計政策概要－續

#### 金融工具－續

##### 財務負債及股本工具－續

###### *可換股票據－續*

於發行日期，負債部分之公平值乃採用當時類似非可換股工具之市場利率作出估算。有關金額乃採用實際利息法按攤銷成本基準入賬列作一項負債，直至於換股時或工具到期日註銷為止。

分類為權益之換股權乃透過自整體複合工具之公平值中扣減負債部分金額而釐定。其將於扣除所得稅影響後在權益內確認及入賬，且其後不可重新計量。此外，分類為權益之換股權將一直保留於權益內，直至該換股權獲行使，而在此情況下，於權益內確認之結餘將轉撥至股份溢價／其他權益。倘換股權於可換股票據到期日仍未獲行使，於權益內確認之結餘將轉撥至保留溢利／其他權益。換股權獲轉換或到期時將不會於損益內確認任何收益或虧損。

與發行可換股票據相關之交易成本乃按所得款項總額之分配比例分配至負債及股本部分。與股本部分相關之交易成本乃直接於權益確認。與負債部分相關之交易成本乃計入負債部分之賬面值，並按可換股票據之期限採用實際利率法攤銷。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Financial instruments – continued

#### Financial liabilities and equity instruments – continued

##### *Financial liabilities*

Financial liabilities are classified as other financial liabilities.

##### *Other financial liabilities*

Other financial liabilities (including trade and other payables, amount due to a director, bank borrowings, other borrowing and convertible notes) are subsequently measured at 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.

### 3. 重大會計政策概要－續

#### 金融工具－續

#### 財務負債及股本工具－續

##### *財務負債*

財務負債乃分類為其他財務負債。

##### *其他財務負債*

其他財務負債（包括貿易及其他應付款項、應付一名董事款項、銀行借款、其他借款及可換股票據）其後使用實際利率法按攤銷成本計量。

##### *實際利率法*

實際利率法乃計算財務負債之攤銷成本及於有關期間分配利息開支之方法。實際利率乃將於財務負債之預計年期或（如適用）較短期間之估計未來現金付款（包括構成實際利率不可或缺部分之一切已付或已收費用及利差、交易成本及其他溢價或折讓）準確貼現至初步確認時之賬面淨值之利率。

利息開支以實際利息基準確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Financial instruments – continued

##### Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group continues to recognise the asset to the extent of its continuing involvement and recognises an associated liability. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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

### 3. 重大會計政策概要－續

#### 金融工具－續

##### 取消確認

僅於資產現金流量之合約權利屆滿時，或轉讓財務資產及將該資產所有權之絕大部分風險及回報轉讓予另一實體時，本集團方會取消確認財務資產。倘本集團並未轉讓亦未保留所有權之絕大部分風險及回報，並繼續控制已轉讓資產，則本集團以其持續參與為限繼續確認資產並確認相關負債。倘本集團保留已轉讓財務資產所有權之絕大部分風險及回報，則本集團繼續確認該財務資產並確認已收所得款項之有抵押借貸。

全面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及於權益累計確認之累計收益或虧損間之差額乃於損益確認。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Financial instruments – continued

##### Derecognition – continued

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

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

#### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and, where applicable, other costs that have been incurred in bringing the inventories to their present location and condition, is calculated using the first-in, first-out method. Net realisable value represents the estimated selling price in the ordinary course of business less all estimated costs necessary to make the sale.

### 3. 重大會計政策概要－續

#### 金融工具－續

##### 取消確認－續

除全面取消確認外，於取消確認財務資產時，本集團將財務資產之過往賬面值，根據其繼續確認之部分及不再確認之部分於轉讓日期之相對公平值，在兩者間作出分配。不再確認部分獲分配之賬面值與不再確認部分之已收代價及已於其他全面收益確認之獲分配之任何累計收益或虧損之總和之間之差額乃於損益內確認。已於其他全面收益確認之累計收益或虧損，將按繼續確認部分及不再確認部分之相對公平值，在兩者間作出分配。

本集團僅於其責任已被解除、註銷或屆滿時方會取消確認財務負債。取消確認之財務負債賬面值與已付及應付代價之差額乃於損益內確認。

#### 存貨

存貨按成本及可變現淨值之較低者列賬。成本包括所有購買成本及（倘適用）令存貨達致現址及現況所涉之其他成本，乃按先入先出法計算。可變現淨值按日常業務過程中之估計售價減作出銷售所必須之所有估計成本計算。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and pledged bank deposits, and short term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statement of financial positions, cash and cash equivalents comprise cash on hand and cash at banks, which are not restricted to use.

#### Revenue recognition

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

##### (a) Sales of goods

Revenue from sales of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyers, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;

### 3. 重大會計政策概要－續

#### 現金及現金等值項目

就綜合現金流量表而言，現金及現金等值項目包括手頭現金及已抵押銀行存款，以及短期高流動性投資（可隨時轉換為已知數額現金、價值變動風險極低及一般自購入起計三個月內短期內到期），並扣減須應要求償還之銀行透支，其構成本集團現金管理之一部分。

就綜合財務狀況表而言，現金及現金等值項目包括用途不受限制之手頭現金及於銀行之現金。

#### 收益確認

收益按已收或應收代價之公平值計量。收益會於本集團可能獲得有關經濟利益且收益及成本（如適用）能可靠計量時，按以下基準於綜合損益及其他全面收益表確認：

##### (a) 銷售貨品

銷售貨品之收益於貨品所有權之主要風險及回報轉移至買家時確認，惟本集團須並無保留一般與擁有權有關之管理參與權，亦無對已出售貨品擁有實際控制權；

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Revenue recognition – continued

##### (b) Provision of hemodialysis treatment and consultancy services

Revenue from provision of hemodialysis treatment and consultancy services is recognised when the services are provided;

##### (c) Interest income

Interest income is recognised on a time-proportion basis using effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flows discounted at original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate; and

##### (d) Rental income

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

#### Employee benefits

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

### 3. 重大會計政策概要－續

#### 收益確認－續

##### (b) 提供血液透析治療及諮詢服務

提供血液透析治療及諮詢服務產生之收益於服務提供時予以確認；

##### (c) 利息收入

利息收入使用實際利率法按時間比例基準確認。倘應收賬款出現減值，本集團會將賬面值減至其可收回金額（即按工具之原實際利率折算之估計未來現金流量），並繼續將貼現部分撥作利息收入。已減值貸款之利息收入使用原實際利率確認；及

##### (d) 租金收入

經營租賃之租金收入乃按有關租期以直線法確認。

#### 僱員福利

薪金、年終獎金、有薪年假、度假旅費及本集團非貨幣利益之成本乃於本集團僱員提供相關服務之期間內累計。倘延遲付款或結算，並構成重大影響，則有關款項須按其現值列賬。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Employee benefits – continued

Contributions to Mandatory Provident Funds as required under the Hong Kong Mandatory Provident Fund Schemes Ordinance and to the state-managed retirement benefits schemes for the employees of the Group's overseas entities are recognised as an expense in the consolidated statement of profit or loss and other comprehensive income as incurred.

Termination benefits are recognised when, and only when, the Group demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as social security plans in the PRC, and the Group has no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and prior periods. The Group's contributions to defined contribution plans are recognised in the financial year to which they relate.

#### Income tax

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 net profit as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years, and it further excludes consolidated statement of profit or loss and other comprehensive income items that are never taxable or deductible.

### 3. 重大會計政策概要－續

#### 僱員福利－續

根據香港強制性公積金計劃條例之規定對強制性公積金作出之供款，以及就本集團海外實體僱員對國家管理退休福利計劃作出之供款，乃於產生時在綜合損益及其他全面收益表確認為開支。

終止福利只會在本集團明確表示將根據一項不可能撤回之詳盡正式自願離職計劃，承諾終止僱用或提供福利時予以確認。

定額供款計劃為退休福利計劃，據此，本集團支付固定供款予獨立實體，如中國之社會保障計劃，且倘任何基金並無持有充裕資產以支付有關當前及過往期間之僱員服務之所有僱員福利，本集團概無任何法律或推定責任支付進一步供款。本集團對定額供款計劃之供款乃於與其有關之財政年度內確認。

#### 所得稅

所得稅開支指現時應付稅項及遞延稅項之總和。

現時應付稅項乃按本年度應課稅溢利計算。應課稅溢利與綜合損益及其他全面收益表中呈報之純利不同，乃由於前者不包括在其他年度應課稅或可扣稅之收支項目，且不包括綜合損益及其他全面收益表中從未課稅或扣稅之項目。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Income tax – continued

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary difference can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill (or negative goodwill) or from the initial recognition (other than 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 arising on investment in subsidiaries and associate, 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.

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

### 3. 重大會計政策概要－續

#### 所得稅－續

遞延稅項乃就財務報表內資產及負債賬面值與計算應課稅溢利所用相應稅基之差額而預期應付或可收回之稅項，並以負債法入賬。遞延稅項負債一般乃就所有應課稅暫時差額確認，而遞延稅項資產乃在應課稅溢利可用作對銷可扣稅暫時差額時始確認。倘暫時差額乃因商譽（或負商譽）或因首次確認業務合併以外之交易之其他資產及負債（對應課稅溢利及會計溢利均並無影響）而產生，則不會確認有關資產及負債。

遞延稅項負債乃就於附屬公司及聯營公司之投資所產生之應課稅暫時差額確認，惟本集團可控制暫時差額之撥回及暫時差額不可能在可見將來撥回時則除外。

遞延稅項資產之賬面值乃於各報告期末進行審閱，並作出扣減，直至不可能有足夠應課稅溢利以收回全部或部分資產為止。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Income tax – continued

Deferred tax is calculated at the tax rates that are expected to apply to the period when the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is charged or credited to the consolidated statement of profit or loss and other comprehensive income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

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

For the purposes of measuring deferred tax liabilities or deferred tax assets for investment properties 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 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 over time, rather than through sale.

### 3. 重大會計政策概要－續

#### 所得稅－續

遞延稅項乃按預期於清償負債或變現資產期間應用之稅率，並基於在報告期末前已頒佈或實際上已頒佈之稅率（及稅法）計算。遞延稅項自綜合損益及其他全面收益表中扣除或計入綜合損益及其他全面收益表，惟倘遞延稅項與直接自權益中扣除或計入權益中之項目有關則除外，於該情況下遞延稅項亦會於權益中處理。

遞延稅項負債及資產之計量反映本集團預期於報告期末收回或清償其資產及負債賬面值之方式所產生之稅務影響。

就計量利用公平值模式計量的投資物業之遞延稅項負債或遞延稅項資產而言，有關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。當投資物業可予折舊及於業務模式（其業務目標是隨時間而非透過銷售消耗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。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Income tax – continued

Current and deferred tax are recognised in profit or loss, except when they related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

#### Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligations.

#### Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

### 3. 重大會計政策概要－續

#### 所得稅－續

即期稅項及遞延稅項於損益確認，惟倘與其他全面收入確認或直接於權益確認之項目相關則除外，在此情況下，即期稅項及遞延稅項亦分別於其他全面收入或直接於權益確認。倘業務合併之初步會計入賬產生即期稅項或遞延稅項，則稅務影響計入業務合併之會計賬目。

#### 撥備

倘本集團因過往事件承擔現有責任（法律或推定），而履行有關責任可能會導致資源流出，並有關責任金額能可靠地估計，則會就此確認撥備。撥備於各報告期末進行審閱，並會作出調整以反映目前之最佳估計。倘金錢之時間價值有重大影響，則撥備金額應為履行責任預期所需開支之現值。

#### 或然負債及或然資產

或然負債指因過往事件而可能引起之責任，此等責任須待一件或多件並非本集團所能控制之不明確未來事件之發生或不發生後才能確認。或然負債亦可能為過往事件所引致之現有責任，但由於不大可能需要經濟資源流出，或責任金額不能可靠地計量而未有確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Contingent liabilities and contingent assets – continued

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

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

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

#### Foreign currencies

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

### 3. 重大會計政策概要－續

#### 或然負債及或然資產－續

或然負債不會被確認，但會於綜合財務報表附註內予以披露。倘資源流出之機率改變而有可能導致資源流出，此等負債將被確認為撥備。

或然資產是指過往事件而產生之潛在資產，此等資產須待一件或多件並非本集團所能控制之不明確未來事件之發生或不發生後才能確認。

或然資產不會被確認，但會於經濟利益可能流入時於綜合財務報表附註內披露。倘大致上可肯定經濟利益會流入，則會確認資產。

#### 外幣

於編製各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）進行之交易均按交易日期之適用匯率換算確認。於報告期末，以外幣定值之貨幣項目均按該日之適用匯率重新換算。按公平值以外幣定值之非貨幣項目，乃按於公平值釐定當日之適用匯率重新換算。按過往成本計量以外幣定值之非貨幣項目毋須重新換算。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Foreign currencies – continued

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

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

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

### 3. 重大會計政策概要－續

#### 外幣－續

貨幣項目產生之匯兌差額均於產生期間在損益內確認，惟以下各項除外：

- 與作未來生產用途之在建資產有關之外幣借貸之匯兌差額，該等匯兌差額於被視為該等外幣借貸利息成本之調整時計入該等資產之成本；
- 為了對沖若干外幣風險而訂立之交易之匯兌差額；及
- 應收或應付海外業務而結算並無計劃亦不可能發生（因此構成海外業務投資淨額之一部分）之貨幣項目之匯兌差額，該等匯兌差額初步於其他全面收入內確認，並於償還貨幣項目時自權益重新分類至損益。

就呈列綜合財務報表而言，本集團海外經營業務之資產及負債乃按各報告期末之適用匯率換算至本集團之呈列貨幣（即港元），而收入及支出項目乃按該期間之平均匯率進行換算，除非匯率於該期間出現大幅波動則作別論，於此情況下，則採用於交易當日之匯率換算。所產生之匯兌差額（如有）乃於其他全面收入確認，並於外幣匯兌儲備下之權益累計（歸屬於非控股權益（倘適當））。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Foreign currencies – continued

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

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

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

### 3. 重大會計政策概要－續

#### 外幣－續

出售境外業務（即出售本集團境外業務之全部權益，或出售涉及失去附屬公司（包括境外業務）控制權或出售共同安排或聯營公司（包括境外業務）部分權益，而其中之保留權益成為一項財務資產）時有關本公司擁有人應佔該業務所有於權益中之累計匯兌差額一概重新分類至損益賬。

此外，就出售一間附屬公司（包括境外業務）部分權益（並無導致本集團失去對附屬公司之控制權）而言，按比例分佔之累計匯兌差額乃重新計入非控股權益且不會在於損益賬確認。至於所有其他部分出售（即部分出售聯營公司或合營安排惟並未導致本集團失去重大影響力或共同控制權），按比例分佔之累計匯兌差額乃重新分類至損益賬。

透過收購境外業務之所收購之可識別資產及所承擔之負債之商譽及公平值調整將被視作該境外業務之資產及負債，並按各報告期間末之現行匯率換算。由此產生之匯兌差額乃於其他全面收入內確認。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. All borrowing costs are charged to the consolidated statement of profit or loss and other comprehensive income in the period in which they are incurred.

#### Related party transactions

A party is considered to be related to the Group if:

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

### 3. 重大會計政策概要－續

#### 借款成本

借款成本指因借入資金而產生之利息及其他成本。所有借款成本均於其產生期間在綜合損益及其他全面收益表中扣除。

#### 關聯人士交易

與本集團關連之人士指：

- (a) 於以下情況下，一名人士（或其近親）屬與本集團有關連：
  - (i) 該人士控制或共同控制本集團；
  - (ii) 該人士對本集團有重大影響；或
  - (iii) 該人士為本集團或本集團母公司之主要管理層成員。
- (b) 倘符合下列任何條件，一間實體屬與本集團有關連：
  - (i) 該實體及本集團屬同一集團之成員公司（即各母公司、附屬公司及同系附屬公司彼此間互有關連）；
  - (ii) 一間實體為另一實體之聯營公司或合營企業（或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業）；

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Related party transactions – continued

- (b) An entity is related to the Group if any of the following conditions applies: – continued
- (iii) both entities are joint ventures of the same third party;
  - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employees are also related to the Group;
  - (vi) the entity is controlled or jointly controlled by a person identified in (a);
  - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
  - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

### 3. 重大會計政策概要－續

#### 關聯人士交易－續

- (b) 倘符合下列任何條件，一間實體屬與本集團有關連：－續
- (iii) 兩間實體均為同一第三方之合營企業；
  - (iv) 一間實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司；
  - (v) 該實體為本集團或與本集團有關之實體兩者就僱員利益而設立之離職後福利計劃。倘本集團本身為有關計劃，則供款僱員亦與本集團有關連；
  - (vi) 該實體由第(a)項所指人士控制或共同控制；
  - (vii) 第(a)(i)項所指明人士對該實體能有重大影響力或為該實體（或該實體之母公司）之主要管理成員；或
  - (viii) 該實體或其任何集團成員公司提供主要管理層成員服務予本集團或本集團之母公司。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Related party transactions – continued

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

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (a) that person's children and spouse or domestic partner;
- (b) children of that person's spouse or domestic partner; and
- (c) dependents of the person or that person's spouse or domestic partner.

A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between the Group and a related party, regardless of whether a price is charged.

#### 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.

### 3. 重大會計政策概要－續

#### 關聯人士交易－續

- (b) 倘符合下列任何條件，一間實體屬與本集團有關連：－續

一名人士的近親指在該人士與實體進行交易時預期可對其造成影響或受其影響的家族成員，包括：

- (a) 該名人士的子女及配偶或同居伴侶；
- (b) 該名人士的配偶或同居伴侶的子女；及
- (c) 該名人士或其配偶或同居伴侶的受養人。

當一項交易涉及本集團與關連方之間的資源或責任轉讓（不論是否收取款項），則會被視為關連方交易。

#### 租賃

倘租賃條款將租賃擁有權絕大部分風險及回報轉讓予承租人，則租賃被分類為融資租賃。所有其他租賃被分類為經營租賃。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Leasing – continued

##### The Group as lessor

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

##### The Group as lessee

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the consolidated statement of profit or loss and other comprehensive income.

Rental payable under operating leases are charged to the consolidated statement of profit or loss and other comprehensive income on a straight-line basis over the terms of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

### 3. 重大會計政策概要－續

#### 租賃－續

##### 本集團作為出租人

經營租賃之租金收入乃於相關租賃期內以直線法於綜合損益及其他全面收益表內確認。磋商及安排經營租賃時產生之初步直接成本會計入租賃資產之賬面值，並會於租期內以直線法確認為開支。

##### 本集團作為承租人

按融資租賃持有之資產按租賃開始時之公平值或最低租賃付款現值之較低者確認為本集團資產。出租人之相應負債於綜合財務狀況表列作融資租賃承擔。租賃付款按比例於財務費用及租賃承擔扣減之間作出分配，從而計算該等負債應付餘額之固定利率。財務費用直接於綜合損益及其他全面收益表扣除。

經營租賃之應付租金於有關租賃期間按直線法於綜合損益及其他全面收益表扣除。作為訂立經營租賃優惠之已收及應收利益亦於租賃期內以直線法確認為租金支出扣減。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Prepaid lease payments for land use rights

Prepaid lease payments for land use rights is stated as cost less subsequent accumulated amortisation and any accumulated impairment losses. The cost of interest in leasehold land are amortised on a straight-line basis over the relevant interest in leasehold land.

#### Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purpose). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise.

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 the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the net asset) is included in profit or loss in the period in which the property is derecognised.

#### Segment reporting

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

### 3. 重大會計政策概要－續

#### 土地使用權的預付租賃款項

土地使用權的預付租賃款項按成本減其後累計攤銷及任何累計減值虧損列賬。租賃土地的利息成本按租賃土地的相關利息以直線法基準攤銷。

#### 投資物業

投資物業指持有以賺取租金及／或作資本增值的物業（包括就此目的在建中的物業）。投資物業初步按成本（包括交易成本）計量。初步確認後，投資物業按其公平值計量。投資物業公平值變動產生的收益及虧損計入產生期間的損益內。

於投資物業出售或永久停止使用及預計不會從出售該物業中獲得未來經濟收益時，投資物業會終止確認。終止確認物業所產生任何收益或虧損（按出售所得款項淨額與該淨資產的賬面值之差額計算）於該物業終止確認的期間計入損益。

#### 分部報告

經營分部及財務資料所呈報的各分部項目金額，乃根據為就本集團各項業務及地區作資源分配及評估其業績而定期向本集團最高行政管理人員提供的財務資料當中識別。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

#### Segment reporting – continued

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

### 4. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

In the application of the Group's accounting policies, which are described in Note 3, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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.

### 3. 重大會計政策概要－續

#### 分部報告－續

就財務報告而言，個別重要的經營分部不會彙集入賬，除非該等分部的經濟特質相近，且彼等的產品及服務性質、生產工序性質、客戶類型或階層、分銷產品或提供服務的方法及監管環境性質等方面相類近。而個別不重大的經營分部如具備上述大部分特質，則可合併為一個報告分部。

### 4. 重大會計判斷及估計

於應用附註3所述本集團之會計政策時，管理層須作出有關資產及負債賬面值而目前未能從其他來源得出之判斷、估計及假設。該等估計及相關假設乃基於過往經驗及被認為相關之其他因素。實際結果可能與該等估計有差異。

各項估計和相關假設會持續進行審閱。倘會計估計的修訂僅影響有關期間，有關修訂則會在作出修訂的期間確認；倘修訂對當前及未來期間均有影響，則在作出修訂的期間及未來期間確認。

#### 4. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES – continued

The following are the critical judgments, apart from those involving estimations, that the directors have made in the process of applying the Group accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

##### (a) Income taxes and deferred taxation

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

#### 4. 重大會計判斷及估計－續

以下為董事於應用本集團的會計政策時所作出及對於綜合財務報表確認的金額具有最重大影響的主要判斷（有關估計者除外）。

##### (a) 所得稅及遞延稅項

本集團須繳納多個稅務機關的所得稅。於釐定所得稅撥備時需要作出重大判斷。於日常業務過程中，有多項交易及計算未能確切釐定其最終稅項。本集團根據於到期是否需繳付額外稅項的估計就預期稅務審核事宜確認負債。倘該等事宜的最終稅務結果有別於最初入賬的金額，有關差額將對作出有關釐定期間的所得稅及遞延稅項撥備造成影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES – continued

#### (b) Useful lives and impairment of property, plant and equipment

In accordance with HKAS 16, the Group estimates the useful lives of property, plant and equipment in order to determine the amount of depreciation expenses to be recorded. The useful lives are estimated at the time the asset is acquired based on historical experience, the expected usage, wear and tear of the assets, as well as technical obsolescence arising from changes in the market demands or service output of the assets. The Group also performs annual reviews on whether the assumptions made on useful lives continue to be valid. The Group tests annually whether the assets have suffered any impairment. The recoverable amount of an asset or a cash generating unit is determined based on the higher of its value in use or its fair value less costs of disposal and value in use. These calculations of the value in use are determined based on cash flow projections with reasonable assumptions that represent management's best estimate of the range of economic conditions over the remaining useful life of the assets. Changes in facts and circumstances may result in revisions to whether an indication of impairment exists and revised estimates of recoverable amounts, which would affect profit or loss in future years. And the fair value less costs of disposal is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

During the year ended 31 March 2018, the Group did not provide any impairment for property, plant and equipment (2017: HK\$Nil).

### 4. 重大會計判斷及估計－續

#### (b) 物業、廠房及設備的可使用年期及減值

根據香港會計準則第16號，為釐定將須入賬之折舊開支之金額，本集團會估算物業、廠房及設備之可使用年期。可使用年期乃於收購資產時根據過往經驗、預期用途、資產耗損，以及市場需求或資產所提供服務之變動所產生之技術陳舊進行估算。本集團亦會每年審閱對可使用年期作出之假設是否仍為有效。本集團會每年測試資產是否有任何減值。資產或現金產生單位之可收回金額乃根據其使用價值或其公平值減出售成本與使用價值的較高者釐定。該等使用價值的計算乃根據合理的假設使用現金流量預測的，代表管理層對資產的剩餘使用年期的經濟情況的估計。事實及情況的改變會使需要重新評定是否有減值徵兆的存在，並會改變可收回金額的估計並因此影響未來年度的損益。公平值減出售成本為於計量日期市場參與者之間於有序交易中出售資產所收取或轉讓負債所支付的價格。

截至二零一八年三月三十一日止年度，本集團並無就物業、廠房及設備作出任何減值（二零一七年：零港元）。

#### 4. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES – continued

##### (c) Estimated impairment of goodwill

The Group performs annual tests on whether there has been impairment of goodwill in accordance with the accounting policy stated in Note 3. The recoverable amounts of CGUs are determined based on value-in-use calculations and fair value less costs of disposal. The calculation of value-in-use require the use of estimates and assumptions made by management on the future operation of the business, pre-tax discount rates, and other assumptions underlying the value-in-use calculations. And the fair value less costs of disposal is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

##### (d) Impairment of trade and other receivables

The impairment of trade and other receivables are based on the ongoing evaluation of collectability and ageing analysis of the outstanding receivables and on management's judgment. From time to time, the Group may experience delays in collection. Where recoverability of trade and other receivables are called into doubts, resulting in an impairment of their ability to make payments, provision may be required. Certain receivables may be initially identified as collectable, yet subsequently become uncollectable and result in a subsequent write-off of the related receivables to the consolidated statement of profit or loss and other comprehensive income. Changes in the collectability of trade and other receivables for which provisions are not made could affect our results of operations. During the year, the Group has provided approximately of HK\$1,113,000 for impairment on trade receivables (2017: HK\$1,508,000) and approximately of HK\$2,987,000 for impairment on other receivables (2017: HK\$Nil).

#### 4. 重大會計判斷及估計－續

##### (c) 商譽減值估計

根據附註3所載的會計政策，本集團會每年測試商譽是否已出現減值。現金產生單位的可收回金額乃根據使用價值計算及公平值減出售成本釐定。使用價值的計算須使用管理層就業務的未來營運、稅前貼現率作出的估計及假設，以及其他與計算使用價值相關的假設。公平值減出售成本為於計量日期市場參與者之間於有序交易中出售資產所收取或轉讓負債所支付的價格。

##### (d) 貿易及其他應收款項減值

貿易及其他應收款項之減值乃根據持續評估未收回應收款項之可收回程度及賬齡分析，以及按管理層判斷釐定。本集團可能不時面對延期收款的情況。當貿易及其他應收款項之可收回性存疑而導致對其償付能力有所減損時，則需要進行撥備。若干應收款項可能於最初被確認為可收回，但其後變成不可收回，並導致其後於綜合損益及其他全面收益表中將有關應收款項撇銷。並無作出撥備之貿易及其他應收款項之可收回性變動，則可能會對本集團之營運業績構成影響。年內，本集團已就貿易應收款項減值作出撥備約1,113,000港元（二零一七年：1,508,000港元）及就其他應收款項減值作出撥備約2,987,000港元（二零一七年：零港元）。

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### 4. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES – continued

#### (e) Fair value of investment properties

The fair value of each investment property is individually determined at the end of each reporting period based on its market value and by adopting direct comparison method. Direct comparison method assumes each of these properties is capable of being sold in its existing state with the benefit of vacant possession and by making reference to comparable sales evidence as available in the relevant market condition, the fair value of the investment properties will change in the future.

### 4. 重大會計判斷及估計－續

#### (e) 投資物業公平值

每項投資物業的公平值於各報告期末根據其市值，採用直接比較法個別釐定。直接比較法假設每項該等物業可以現況交吉出售及參照有關市場上可供比較的銷售證據，投資物業的公平值會於日後變動。

### 5. FINANCIAL INSTRUMENTS

#### (a) Categories of financial instruments

### 5. 金融工具

#### (a) 按類別劃分的金融工具

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Financial assets</b>	<b>財務資產</b>		
Loans and receivables	貸款及應收款項		
– trade and other receivables	– 貿易及其他應收款項	103,327	176,781
– cash and cash equivalents	– 現金及現金等值項目	91,922	93,721
– pledged bank deposits	– 已抵押銀行存款	–	10,156
		<b>195,249</b>	<b>280,658</b>
<b>Financial liabilities</b>	<b>財務負債</b>		
At amortised cost	按攤銷成本		
– trade and other payables	– 貿易及其他應付款項	118,431	161,644
– amount due to a director	– 應付一名董事款項	2,000	–
– bank borrowings	– 銀行借貸	–	59,342
– other borrowing	– 其他借貸	100,000	–
– convertible notes	– 可換股票據	–	83,369
		<b>220,431</b>	<b>304,355</b>

**5. FINANCIAL INSTRUMENTS – continued****(b) Financial risk management objectives and policies**

The Group's major financial instruments include trade and other receivables, cash and cash equivalents, pledged bank deposits, trade and other payables, bank borrowings, other borrowing, convertible notes, and amounts due to a director. The details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

The main risks arising from the Group's financial instruments are credit risk, liquidity risk, interest rate risk and currency risk. The directors review and agree policies for managing each of these risks and they are summarised below.

**Credit risk**

The carrying amounts of trade and other receivables included in the consolidated statement of financial position represent the Group's maximum exposure to credit risk in relation to the Group's financial assets. No other financial assets carry a significant exposure to credit risk.

**5. 金融工具－續****(b) 財務風險管理目標及政策**

本集團的主要金融工具包括貿易及其他應收款項、現金及現金等值項目、已抵押銀行存款、貿易及其他應付款項、銀行借貸、其他借貸、可換股票據及應付一名董事款項。該等金融工具的詳情已於相關附註中披露。與該等金融工具相關的風險及如何降低該等風險的政策載列如下。管理層管理及監控該等風險以確保能及時有效地採取適當措施。

來自本集團金融工具的主要風險為信貸風險、流動資金風險、利率風險及貨幣風險。董事審閱及協定管理上述各項風險的政策，概述如下。

**信貸風險**

計入綜合財務狀況表內的貿易及其他應收款項賬面值，相當於本集團就本集團財務資產所承受的最大信貸風險。概無其他財務資產具有重大信貸風險。



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### 5. FINANCIAL INSTRUMENTS – continued

#### (b) Financial risk management objectives and policies – continued

##### Credit risk – continued

The Group's concentration of credit risk by geographical location is mainly in the PRC. The Group also has concentration of credit risk by customers as approximately 39.1% of total trade receivables were due from the Group's five largest customers as at 31 March 2018 (2017: 23.8%).

In order to minimise the credit risk, the management of the Group has credit approvals and other monitoring procedures to ensure that follow-up action is taken on a timely basis and adequate impairment losses are made for irrecoverable amounts overdue. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

Substantially all of the Group's cash and cash equivalents are mainly deposited in the state controlled PRC banks which the directors assessed the credit risk to be insignificant.

##### Liquidity risk

Liquidity risk is the risk that funds will not be available to meet liabilities as they fall due, and it results from amount and maturity mismatches of assets and liabilities. The Group will consistently maintain a prudent financial policy and ensure that it maintains sufficient cash to meet its liquidity requirements.

### 5. 金融工具－續

#### (b) 財務風險管理目標及政策－續

##### 信貸風險－續

本集團按地區劃分的信貸風險主要集中於中國。由於在二零一八年三月三十一日，貿易應收款項總額中分別約有39.1%為應收本集團五大客戶的款項，故本集團亦有客戶集中信貸風險（二零一七年：23.8%）。

為盡量減低信貸風險，本集團的管理層設有信貸批核及其他監察程序，以確保就無法收回的逾期款項及時採取跟進行動，及作出足夠的減值虧損。就此而言，本公司董事認為本集團的信貸風險已大幅減低。

本集團絕大部分的現金及現金等值項目主要存放由國家控制的中國銀行，故董事評定信貸風險並不重大。

##### 流動資金風險

流動資金風險為無法獲得資金應付到期負債的風險，有關風險乃源自資產及負債金額及到期日的錯配。本集團將一如既往，保持審慎財務政策，並確保維持充足現金以應付其流動資金所需。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 5. FINANCIAL INSTRUMENTS – continued

#### (b) Financial risk management objectives and policies – continued

##### Liquidity risk – continued

The following tables detail Group's contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities which are the earliest dates of the Group can be required to pay. The tables include both interest and principal cash flows.

		Weight average effective interest rate 加權平均 實際利率 %	On demand or within 1 year 按要求或 於一年內 HK\$'000 千港元	Over 1 year 超過一年 HK\$'000 千港元	Total undiscounted cash flow 非貼現現金 流量總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
<b>As at 31 March 2018</b>	<b>於二零一八年三月三十一日</b>					
Trade and other payables	貿易及其他應付款項	-	118,431	-	118,431	118,431
Amount due to a director	應付一名董事款項	-	2,000	-	2,000	2,000
Other borrowing	其他借貸	8.2	117,500	-	117,500	100,000
			<b>237,931</b>	<b>-</b>	<b>237,931</b>	<b>220,431</b>

		Weight average effective interest rate 加權平均 實際利率 %	On demand or within 1 year 按要求或 於一年內 HK\$'000 千港元	Over 1 year 超過一年 HK\$'000 千港元	Total undiscounted cash flow 非貼現現金 流量總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
<b>As at 31 March 2017</b>	<b>於二零一七年三月三十一日</b>					
Trade and other payables	貿易及其他應付款項	-	161,644	-	161,644	161,644
Bank borrowings	銀行借貸	6.39	60,862	-	60,862	59,342
Convertible notes	可換股票據	13.11	83,369	-	83,369	83,369
			<b>305,875</b>	<b>-</b>	<b>305,875</b>	<b>304,355</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 5. FINANCIAL INSTRUMENTS – continued

#### (b) Financial risk management objectives and policies – continued

##### Liquidity risk management

Ultimate responsibility for liquidity management rests with the board of directors, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

As at 31 March 2018, the Group has no available unutilised short and medium-term bank loan facilities (2017: approximately HK\$47,485,000).

##### Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to variable-rate bank borrowings (Note 30). The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of benchmark interest rates published by the People's Bank of China for the Group's RMB denominated borrowings. As at 31 March 2018, no cash flow interest rate risk due to no bank borrowings and the interest rate of other borrowing was fixed (2017: HK\$59,342,000).

The Group currently does not have any interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

### 5. 金融工具－續

#### (b) 財務風險管理目標及政策－續

##### 流動資金風險管理

董事會肩負管理流動資金風險之最終責任，而董事會已建立一個合適之流動資金風險管理框架，用以管理本集團之短期、中期及長期資金及流動資金管理需求。本集團透過保持充足之儲備、銀行信貸及儲備借貸融資，以及持續對預測及實際現金流量進行監察，配合財務資產及財務負債之到期情況，藉以管理流動資金風險。

於二零一八年三月三十一日，本集團概無未動用短期及中期銀行貸款額（二零一七年：約47,485,000港元）。

##### 利率風險

本集團之浮息銀行借貸（附註30）承受現金流量利率風險。本集團之現金流量利率風險主要集中於本集團以人民幣計值之借貸所產生之中國人民銀行公佈之基準利率波動。於二零一八年三月三十一日，由於並無銀行借貸及其他借貸為固定利率，故概無現金流量利率風險（二零一七年：59,342,000港元）。

本集團現時並無任何利率對沖政策。然而，管理層會監察利率風險，並會於有需要時考慮對沖重大利率風險。

**5. FINANCIAL INSTRUMENTS – continued****(b) Financial risk management objectives and policies – continued****Interest rate sensitivity analysis**

The sensitivity analysis below has been determined based on the exposure to interest rates for the floating rate bank borrowings. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 50 basis points increase or decrease throughout the reporting period is used internally for assessment of possible change in interest rate.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's profit for the year would decrease/increase by approximately HK \$Nil (2017: HK \$30,000). This is mainly attributable to the Group's exposure to interest rates on its variable-rate bank borrowings.

**Currency risk**

Foreign exchange risk arises when future commercial transactions or recognised assets and liabilities are denominated in a currency that is not the entity's functional currency.

The main operations of the Group were in the PRC and most of the transactions were denominated in RMB. Foreign exchange risk arises from the foreign currency denominated of commercial transactions, assets and liabilities. The Group has no significant direct exposure to foreign currencies as most of the commercial transactions, assets and liabilities are denominated in a currency as the functional currency of each entity of the Group.

**5. 金融工具－續****(b) 財務風險管理目標及政策－續****利率之敏感度分析**

下文之敏感度分析乃根據浮息銀行借貸之利率風險而釐定。分析乃假設於報告期末之未償還金融工具為於整個年度內未償還而作出。於整個報告增加或減少50個基點會於作內部報告時使用，並對利率之潛在變動作出評估。

倘利率增加／減少50個基點，而所有其他變數維持不變，則本集團之年度溢利將減少／增加約零港元（二零一七年：30,000港元）。此乃主要由於本集團之浮息銀行借貸之利率風險所致。

**貨幣風險**

當未來商業交易或已確認資產及負債並非以該實體之功能貨幣列值，則會產生外匯風險。

本集團主要於中國經營業務，且大部分交易以人民幣列值。外匯風險來自以外幣計值之商業交易、資產及負債。由於大部分商業交易、資產及負債之計值貨幣與本集團各實體之功能貨幣相同，因此本集團並無任何重大直接外幣風險。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 5. FINANCIAL INSTRUMENTS – continued

#### (b) Financial risk management objectives and policies – continued

##### Currency risk – continued

The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

##### Fair value measurement

The fair value of financial assets and financial liabilities are determined as follows:

- (i) The fair values of financial assets and financial liabilities with standard terms and conditions and traded in active markets are determined with reference to quoted market bid and ask prices respectively.
- (ii) The fair values of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models (e.g. discounted cash flows analysis using observable and/or unobservable inputs).

The carrying amount of other financial assets and liabilities carried at amortised cost, approximate their respective fair values due to the relatively short-term nature of these financial statements.

### 5. 金融工具－續

#### (b) 財務風險管理目標及政策－續

##### 貨幣風險－續

本集團現時並無任何有關外幣交易、資產及負債的外幣對沖政策。本集團將密切監察其外幣風險，並會於有需要時考慮對沖重大外幣風險。

##### 公平值計量

財務資產及財務負債的公平值按以下方式釐定：

- (i) 附帶標準條款及條件並於活躍市場買賣的財務資產及財務負債的公平值乃分別參考市場所報買賣價釐定。
- (ii) 其他財務資產及財務負債（不包括衍生工具）之公平值按公認定價模式（例如使用可觀察及／或不可觀察數據之貼現現金流量分析）而釐定。

其他財務資產及負債的賬面值按攤銷成本計值，且由於該等財務報表屬相對短期，故其賬面值與公平值相若。

**5. FINANCIAL INSTRUMENTS – continued****(b) Financial risk management objectives and policies – continued****Fair value measurements recognized in the consolidated statement of financial position**

The Group's financial instruments that are measured subsequent to initial recognition at fair value are grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

During the years ended 31 March 2018 and 2017, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfer into or out of Level 3 for both financial assets and financial liabilities.

**5. 金融工具－續****(b) 財務風險管理目標及政策－續****於綜合財務狀況表內確認之公平值計量**

本集團於初步確認後按公平值計量的金融工具乃按其公平值的可觀察程度分為1級至3級。

- 1級公平值計量指按同類資產或負債於活躍市場的報價（未經調整）計算得出；
- 2級公平值計量指按資產或負債可直接（即價格）或間接（即從價格得出）觀察所得的輸入數據（1級計量所用報價除外）計算得出；及
- 3級公平值計量指以估值技術計算得出，有關估值技術使用包括並非根據可觀察市場數據（不可觀察數據）得出的資產或負債輸入數據。

截至二零一八年及二零一七年三月三十一日止年度內，1及2級間並無公平值計量轉移，亦無就財務資產及財務負債於3級轉入或轉出。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 5. FINANCIAL INSTRUMENTS – continued

#### (c) Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on recurring basis

Except as detailed in the following table, the directors consider that the carrying amounts of financial assets and financial liabilities recorded in the consolidated financial statements approximate to their fair values.

		As at 31 March 2018 於二零一八年三月三十一日		As at 31 March 2017 於二零一七年三月三十一日	
		Carrying amount	Fair value	Carrying amount	Fair value
		賬面值	公平值	賬面值	公平值
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
<b>Financial liability</b>	<b>財務負債</b>				
Convertible notes	可換股票據	-	-	83,369	83,180

### 6. CAPITAL RISK MANAGEMENT

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value. The Group manages the capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the reporting period.

The Group monitors capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group overall strategy remains unchanged during the reporting period.

### 5. 金融工具－續

#### (c) 並非按持續基準以公平值計量之本集團財務資產及財務負債之公平值

董事認為，除下表所詳述者外，計入綜合財務報表內財務資產及財務負債之賬面值與其公平值相若。

### 6. 資本風險管理

本集團管理資本的首要目標為保障本集團以持續基準經營的能力，以及維持穩健的資本比率，以支援其業務發展及令股東獲得最大價值。本集團會因應經濟環境變化管理資本架構並對其作出調整。為維持或調整資本架構，本集團或會調整支付予股東的股息款額、退還資本予股東或發行新股份。於報告期間，有關管理資本的目標、政策或過程並無任何變動。

本集團監察資本，以確保本集團內各實體能夠按持續基準經營，同時透過優化債務與股本的平衡，為持份人帶來最大回報。於報告期間，本集團的整體策略並無變動。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 6. CAPITAL RISK MANAGEMENT – continued

The capital structure of the Group consists of debts (bank borrowings, other borrowing and convertible notes), cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves.

### 6. 資本風險管理－續

本集團的資本架構包括債務（銀行借貸、其他借貸及可換股票據）、現金及現金等值項目以及本公司擁有人應佔權益（包括已發行股本及儲備）。

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Debts (Note (a))	債務（附註(a)）	100,000	142,711
Cash and cash equivalents	現金及現金等值項目	(91,922)	(93,721)
Net debt/(cash)	債務／（現金）淨額	8,078	48,990
Equity (Note (b))	權益（附註(b)）	159,275	188,111
Gearing ratio	資產負債比率	0.05	0.26

Notes:

- (a) Debts represented by bank borrowings, other borrowing and convertible notes as set out in Notes 30, 31 and 32 respectively.
- (b) Equity includes all capital and reserves attributable to owners of the Company.

附註：

- (a) 債務指附註30、31及32分別所載的銀行借貸、其他借貸及可換股票據。
- (b) 權益包括本公司擁有人應佔的所有資本及儲備。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 7. OPERATING SEGMENT

Information reported internally to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. The Group organised into three operating divisions: (a) pharmaceutical wholesale and distribution business, (b) pharmaceutical retail chain business and (c) hemodialysis treatment and consultancy service business in the PRC. These divisions are the basis on which the Group reports its segment information.

#### Segment revenue and results

For the year ended 31 March 2018

### 7. 營運分類

向主要營運決策者內部呈報以作資源分配及評核分類表現之資料，乃著重於所交付或提供之貨品或服務類型。本集團組織為三個經營分類：即於中國之(a)藥品批發及分銷業務；(b)藥品零售連鎖業務及(c)血液透析治療及諮詢服務業務。該等分類乃本集團呈報其分類資料之基礎。

#### 分類收益及業績

截至二零一八年三月三十一日止年度

		Pharmaceutical wholesale and distribution business 藥品批發及 分銷業務 HK\$'000 千港元	Pharmaceutical retail chain business 藥品零售 連鎖業務 HK\$'000 千港元	Hemodialysis treatment and consultancy service business 血液透析治療 及諮詢服務業務 HK\$'000 千港元	Eliminations 對銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
<b>Revenue</b>	<b>收益</b>					
External sales	對外銷售	318,809	263,395	34,205	–	616,409
Inter-segment sales	分類間銷售	3,947	–	112	(4,059)	–
Total revenue	總收益	322,756	263,395	34,317	(4,059)	616,409
Inter-segment sales are charged at arm's length	分類間銷售乃按公平 基準收費					
<b>Results</b>	<b>業績</b>					
Segment results	分類業績	(4,864)	(36,475)	12,455	–	(28,884)
Unallocated corporate expenses	未分配之企業支出					(6,988)
Loss from operations	經營虧損					(35,872)
Finance costs	財務費用					(14,699)
Loss before taxation	除稅前虧損					(50,571)
Taxation	稅項					(4,856)
Loss for the year	本年度虧損					(55,427)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 7. OPERATING SEGMENT – continued

#### Segment revenue and results – continued

For the year ended 31 March 2017

### 7. 營運分類－續

#### 分類收益及業績－續

截至二零一七年三月三十一日止年度

		Pharmaceutical wholesale and distribution business 藥品批發及 分銷業務 HK\$'000 千港元	Pharmaceutical retail chain business 藥品零售 連鎖業務 HK\$'000 千港元	Hemodialysis treatment and consultancy service business 血液透析治療 及諮詢服務業務 HK\$'000 千港元	Eliminations 對銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
<b>Revenue</b>	<b>收益</b>					
External sales	對外銷售	728,805	257,035	69	–	985,909
Inter-segment sales	分類間銷售	18,225	–	–	(18,225)	–
Total revenue	總收益	747,030	257,035	69	(18,225)	985,909
Inter-segment sales are charged at arm's length	分類間銷售乃按公平 基準收費					
<b>Results</b>	<b>業績</b>					
Segment results	分類業績	4,270	(9,065)	(224)	–	(5,019)
Unallocated other revenue	未分配之其他收益					2
Loss on disposal of a subsidiary	出售一間附屬公司之虧損					(326)
Unallocated corporate expenses	未分配之企業支出					(4,591)
Loss from operations	經營虧損					(9,934)
Finance costs	財務費用					(14,441)
Loss before taxation	除稅前虧損					(24,375)
Taxation	稅項					(1,350)
Loss for the year	本年度虧損					(25,725)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 7. OPERATING SEGMENT – continued

#### Segment assets and liabilities

As at 31 March 2018

### 7. 營運分類－續

#### 分類資產及負債

於二零一八年三月三十一日

		Pharmaceutical Wholesale and distribution business  藥品批發及 分銷業務 HK\$'000 千港元	Pharmaceutical retail chain business  藥品零售 連鎖業務 HK\$'000 千港元	Hemodialysis treatment and consultancy service business 血液透析 治療及諮詢 服務業務 HK\$'000 千港元	Consolidated   綜合 HK\$'000 千港元
<b>Consolidated statement of financial position</b>	<b>綜合財務狀況表</b>				
<b>Assets</b>	<b>資產</b>				
Segment assets	分類資產	119,429	134,871	65,646	319,946
Goodwill	商譽	–	–	136,623	136,623
Unallocated corporate assets	未分配之企業資產				239
					<hr/>
Consolidated total assets	綜合資產總值				456,808
					<hr/>
<b>Liabilities</b>	<b>負債</b>				
Segment liabilities	分類負債	30,156	86,747	20,982	137,885
Other borrowing	其他借貸				100,000
Amount due to a director	應付一名董事款項				2,000
Unallocated corporate liabilities	未分配之企業負債				2,507
					<hr/>
Consolidated total liabilities	綜合負債總額				242,392
					<hr/>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 7. OPERATING SEGMENT – continued Segment assets and liabilities – continued

As at 31 March 2017

### 7. 營運分類－續 分類資產及負債－續

於二零一七年三月三十一日

		Pharmaceutical wholesale and distribution business 藥品批發及 分銷業務 HK\$'000 千港元	Pharmaceutical retail chain business 藥品零售 連鎖業務 HK\$'000 千港元	Hemodialysis treatment and consultancy service business 血液透析 治療及諮詢 服務業務 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
<b>Consolidated statement of financial position</b>	<b>綜合財務狀況表</b>				
<b>Assets</b>	<b>資產</b>				
Segment assets	分類資產	271,214	143,036	21,866	436,116
Goodwill	商譽	–	321	123,550	123,871
Unallocated corporate assets	未分配之企業資產				352
Consolidated total assets	綜合資產總值				560,339
<b>Liabilities</b>	<b>負債</b>				
Segment liabilities	分類負債	169,873	62,381	4,681	236,935
Convertible notes	可換股票據				83,369
Deferred tax liabilities	遞延稅項負債				80
Unallocated corporate liabilities	未分配之企業負債				2,171
Consolidated total liabilities	綜合負債總額				322,555



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 7. OPERATING SEGMENT – continued

#### Other segment information

For the year ended 31 March 2018

### 7. 營運分類－續

#### 其他分類資料

截至二零一八年三月三十一日止年度

		Pharmaceutical wholesale and distribution business 藥品批發及 分銷業務 HK\$'000 千港元	Pharmaceutical retail chain business 藥品零售 連鎖業務 HK\$'000 千港元	Hemodialysis treatment and consultancy service business 血液透析治療 及諮詢服務業務 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Other information	其他資料					
Capital expenditure (Note)	資本開支 (附註)	12	3,428	2,390	2	5,832
Depreciation	折舊	1,205	4,685	3,104	7	9,001
Fair value change on investment property	投資物業之公平值變動	-	2,182	-	-	2,182
Amortisation of prepaid lease payment	預付租賃款項攤銷	-	383	-	-	383
Loss on disposal of property, plant and equipment	出售物業、廠房及 設備之虧損	72	20	-	-	92
Impairment loss recognised in respect of trade receivables	就貿易應收款項 確認之減值虧損	524	388	201	-	1,113
Reversal of impairment loss recognised in respect of trade receivables	就貿易應收款項確認之 減值虧損撥回	(268)	(81)	-	-	(349)
Impairment loss recognised in respect of other receivables	就其他應收款項確認之 減值虧損	-	2,987	-	-	2,987

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 7. OPERATING SEGMENT – continued

#### Other segment information – continued

For the year ended 31 March 2017

### 7. 營運分類－續

#### 其他分類資料－續

截至二零一七年三月三十一日止年度

		Pharmaceutical wholesale and distribution business 藥品批發及 分銷業務 HK\$'000 千港元	Pharmaceutical retail chain business 藥品零售 連鎖業務 HK\$'000 千港元	Hemodialysis treatment and consultancy service business 血液透析治療 及諮詢服務業務 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
<b>Other information</b>	<b>其他資料</b>					
Capital expenditure (Note)	資本開支（附註）	1,704	4,257	–	6	5,967
Depreciation	折舊	1,532	4,305	138	16	5,991
Amortisation of prepaid lease payment	預付租賃款項攤銷	–	366	–	–	366
Loss on disposal of property, plant and equipment	出售物業、廠房及 設備之虧損	240	400	–	–	640
Impairment loss recognised in respect of trade receivables	就貿易應收款項 確認之減值虧損	–	1,508	–	–	1,508
Reversal of impairment loss recognised in respect of trade receivables	就貿易應收款項確認之 減值虧損撥回	(890)	–	–	–	(890)
Loss in disposal of a subsidiary	出售一間附屬公司之虧損	326	–	–	–	326

Note:

Capital expenditure consists of additions to property, plant and equipment during the years.

附註：

資本開支包括於年內對物業、廠房及設備之添置。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 7. OPERATING SEGMENT – continued

#### Other segment information – continued

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 3. Segment results represent the profit or loss generated by each segment without allocation of finance costs, loss on disposal of a subsidiary and taxation. Unallocated corporate expenses mainly include directors' remuneration and other central administration costs. This is the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments other than unallocated corporate assets. Unallocated corporate assets mainly include cash and cash equivalents and office equipment of the central administration companies. Goodwill is allocated to reportable segments as described in Note 21.
- all liabilities are allocated to reportable segments other than convertible notes, bank borrowings, other borrowing, amount due to a director and certain other payables of certain administrative companies.

### 7. 營運分類－續

#### 其他分類資料－續

可報告分類之會計政策與附註3所述之本集團會計政策一致。分類業績指各分類產生之溢利或虧損，不計及財務費用、出售一間附屬公司之虧損及稅項之分配。未分配企業開支主要包括董事酬金及其他中央管理費用。此乃就資源分配及分類表現評估向主要營運決策者報告之計量。

就監控分類表現及分配分類間資源而言：

- 除未分配之企業資產外，所有資產均分配至可報告分類。未分配之企業資產主要包括中央管理公司之現金及現金等值項目及辦公設備。誠如附註21所述，商譽乃分配至可報告分類。
- 除可換股票據、銀行借貸、其他借貸、應付一名董事款項及若干其他應付若干管理公司款項外，所有負債均分配至可報告分類。

**7. OPERATING SEGMENT – continued****Geographical information**

The Group operates in three principal areas – pharmaceutical wholesale and distribution business, pharmaceutical retail chain business and hemodialysis treatment and consultancy service business in the PRC and administrative activity operates in Hong Kong.

The Group's revenue is solely generated from external customers in the PRC.

The following is an analysis of the carryings amount of non-current assets analysed by the geographical area in which the assets are located:

**7. 營運分類 – 續****地區資料**

本集團於三個主要領域經營 – 在中國經營藥品批發及分銷業務、藥品零售連鎖業務及血液透析治療及諮詢服務業務及在香港經營管理業務。

本集團之收益全部來自於中國外部客戶。

以下為按資產所處地區分析之非流動資產之賬面值分析：

		Carrying amounts of non-current assets 非流動資產之賬面值	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Hong Kong	香港	9	14
PRC	中國	183,905	168,217
		<b>183,914</b>	<b>168,231</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 7. OPERATING SEGMENT – continued

#### Information about major customers

For the years ended 31 March 2018 and 2017, no single customers contributed 10% or more to the Group's revenue.

#### Revenue from major products

The Group's revenue from its major products were stated in Note 8 to the consolidated financial statements.

### 8. REVENUE

The Group's revenue represents the net invoiced value of goods sold, after allowances for returns and trade discounts. The revenue is as follows:

### 7. 營運分類－續

#### 有關主要客戶之資料

截至二零一八年及二零一七年三月三十一日止年度，概無單一客戶對本集團之收益貢獻10%或以上。

#### 主要產品之收益

本集團主要產品之收益載於綜合財務報表附註8。

### 8. 收益

本集團的收益為經扣除退貨及交易折扣撥備後的已售商品發票淨值。收益如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Retail of pharmaceutical and related products	藥品及相關產品零售	263,395	257,035
Wholesale and distribution of pharmaceutical and related products	藥品及相關產品批發及分銷	318,809	728,805
Provision of hemodialysis treatment and consultancy services	提供血液透析治療及諮詢服務	34,205	69
		<b>616,409</b>	<b>985,909</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 9. OTHER REVENUE

### 9. 其他收益

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Interest income	利息收入	277	361
Rental income	租金收入	225	281
Sundry income	雜項收入	364	2,940
		<b>866</b>	<b>3,582</b>

### 10. OTHER GAIN AND LOSS, NET

### 10. 其他收益及虧損，淨額

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Reversal of impairment loss of trade receivables	貿易應收款項之減值虧損撥回	349	890
Change in fair value of investment property	投資物業之公平值變動	2,182	—
Exchange gain	匯兌收益	—	740
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	(92)	(640)
		<b>2,439</b>	<b>990</b>



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 11. LOSS FROM OPERATIONS

The Group's loss for the year from operations is arrived at after charging:

### 11. 經營業務虧損

本集團經營業務之年內虧損乃經扣除下列項目後達致：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Staff costs:</b>	<b>員工費用：</b>		
Employee benefits expense (including director's emoluments (Note 13)):	僱員福利開支 (包括董事酬金(附註13))：		
Salaries and allowances	薪金及津貼	61,907	81,711
Retirement scheme contributions	退休金計劃供款	7,334	8,323
		<b>69,241</b>	<b>90,034</b>
<b>Other items:</b>	<b>其他項目：</b>		
Depreciation of property, plant and equipment (Note 18)	物業、廠房及設備折舊 (附註18)	9,001	5,991
Amortisation of prepaid lease payments (Note 19)	預付租賃款項攤銷(附註19)	383	366
Auditors' remuneration – audit services	核數師酬金 – 審核服務	987	987
Cost of inventories sold	已售存貨成本	515,784	859,640
Impairment loss on goodwill	商譽之減值虧損	336	–
Impairment loss recognised in respect of trade receivables	就貿易應收款項確認之減值虧損	1,113	1,508
Impairment loss recognised in respect of other receivables	就其他應收款項確認之減值虧損	2,987	–
Loss on disposal of a subsidiary (Note 26)	出售一間附屬公司之虧損 (附註26)	–	326
Operating lease rentals in respect of land and building	就土地及樓宇之經營租賃租金	24,941	27,841

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 12. FINANCE COSTS

### 12. 財務費用

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Interest on:	以下項目之利息：		
– Bank borrowings	– 銀行借貸	1,598	4,127
– Other borrowing	– 其他借貸	8,200	–
– Convertible notes	– 可換股票據	4,901	10,314
		<b>14,699</b>	<b>14,441</b>

### 13. DIRECTORS' EMOLUMENTS

Pursuant to the Listing Rules and the Hong Kong Companies Ordinance, the aggregate amounts of emoluments paid by the companies now comprising the Group to the directors of the Company during the reporting period are as follows:

### 13. 董事薪酬

根據上市規則及香港公司條例，現組成本集團之該等公司於報告期間支付予本公司董事之薪酬總額如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Fees	袍金	360	315
Other emoluments	其他酬金		
Salaries, allowance and benefits in kind	薪金、津貼及實物利益	1,155	596
Retirement scheme contributions	退休計劃供款	36	24
Total	總計	<b>1,551</b>	<b>935</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 13. DIRECTORS' EMOLUMENTS – continued

Details for the emoluments of each director of the Company during the reporting period are as follows:

### 13. 董事薪酬一續

本公司各董事於報告期間之薪酬詳情如下：

	Fees 袍金 HK\$'000 千港元	Salaries, allowances and benefits in kind 薪金、津貼及實物利益 HK\$'000 千港元	Retirement scheme contributions 退休計劃供款 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>For the year ended 31 March 2018 截至二零一八年三月三十一日止年度</b>				
<i>Executive directors:</i>				
Mr. Chen Jinshan 陳金山先生	-	60	-	60
Ms. Yung Ka Lai (Note (c)) 翁嘉麗女士(附註(c))	-	360	18	378
Mr. Chiu King Yan (Note (e)) 趙敬仁先生(附註(e))	-	735	18	753
<i>Independent non-executive directors:</i>				
Mr. Wong Hon Kit 黃漢傑先生	120	-	-	120
Dr. Liu Yongping 劉勇平博士	120	-	-	120
Mr. Fok Wai Ming Eddie (Note (g)) 霍偉明先生(附註(g))	105	-	-	105
Mr. Ho Man (Note (h)) 何敏先生(附註(h))	15	-	-	15
	<b>360</b>	<b>1,155</b>	<b>36</b>	<b>1,551</b>

	Fees 袍金 HK\$'000 千港元	Salaries, allowances and benefits in kind 薪金、津貼及實物利益 HK\$'000 千港元	Retirement scheme contributions 退休計劃供款 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>For the year ended 31 March 2017 截至二零一七年三月三十一日止年度</b>				
<i>Executive directors:</i>				
Mr. Chen Jinshan 陳金山先生	-	60	-	60
Ms. Shum Ngai Pan (Note (b)) 沈毅斌女士(附註(b))	-	36	2	38
Ms. Yung Ka Lai (Note (c)) 翁嘉麗女士(附註(c))	-	360	18	378
Ms. Jiang Xiangfeng (Note (d)) 江翔峰先生(附註(d))	-	81	4	85
Mr. Chiu King Yan (Note (e)) 趙敬仁先生(附註(e))	-	59	-	59
<i>Independent non-executive directors:</i>				
Mr. Wong Hon Kit 黃漢傑先生	120	-	-	120
Dr. Liu Yongping 劉勇平博士	120	-	-	120
Mr. Liang Yichi (Note (f)) 梁一池先生(附註(f))	73	-	-	73
Mr. Fok Wai Ming Eddie (Note (g)) 霍偉明先生(附註(g))	2	-	-	2
	<b>315</b>	<b>596</b>	<b>24</b>	<b>935</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 13. DIRECTORS' EMOLUMENTS – continued

Details for the emoluments of each director of the Company during the reporting period are as follows: – continued

Notes:

- (a) Mr. Yung Ka Chun was appointed as executive director on 10 October 2014 and resigned on 20 April 2015.
- (b) Ms. Shum Ngai Pan was appointed as executive director on 20 April 2015 and resigned on 20 July 2016.
- (c) Ms. Yung Ka Lai was appointed as executive director on 5 August 2015.
- (d) Mr. Jiang Xiangfeng was appointed as executive director on 20 July 2016 and resigned on 24 March 2017.
- (e) Mr. Chiu King Yan was appointed as executive director on 6 March 2017 and resigned on 14 February 2018.
- (f) Mr. Liang Yichi was appointed as independent non-executive director on 4 September 2012 and resigned on 24 March 2017.
- (g) Mr. Fok Wai Ming Eddie was appointed as independent non-executive director on 24 March 2017 and resigned on 14 February 2018.
- (h) Mr. Ho Man was appointed as independent non-executive director on 14 February 2018.

During the years ended 31 March 2018 and 2017, none of the directors and chief executive officer of the Company waived or agreed to waive any emoluments.

During the year, no emoluments have been paid to the directors and chief executive officer of the Company as an inducement to join or upon joining the Group or as compensation.

### 13. 董事薪酬－續

本公司各董事於報告期間之薪酬詳情如下：－續

附註：

- (a) 翁嘉晉先生於二零一四年十月十日獲委任為執行董事，並於二零一五年四月二十日辭任。
- (b) 沈毅斌女士於二零一五年四月二十日獲委任為執行董事，並於二零一六年七月二十日辭任。
- (c) 翁嘉麗女士於二零一五年八月五日獲委任為執行董事。
- (d) 江翔峰先生於二零一六年七月二十日獲委任為執行董事，並於二零一七年三月二十四日辭任。
- (e) 趙敬仁先生於二零一七年三月六日獲委任為執行董事，並於二零一八年二月十四日辭任。
- (f) 梁一池先生於二零一二年九月四日獲委任為獨立非執行董事，並於二零一七年三月二十四日辭任。
- (g) 霍偉明先生於二零一七年三月二十四日獲委任為獨立非執行董事，並於二零一八年二月十四日辭任。
- (h) 何敏先生於二零一八年二月十四日獲委任為獨立非執行董事。

截至二零一八年及二零一七年三月三十一日止年度，概無本公司董事及主要行政人員放棄或同意放棄任何酬金。

年內，本公司並無向董事及主要行政人員支付薪酬，以作為吸引加盟本集團或於加盟後的獎勵，或作為補償。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 14. EMPLOYEES EMOLUMENTS

#### Senior management emoluments and five highest paid employees

The five highest paid individuals during the year included two directors (2017: one) and the details of whose remuneration are set out in Note 13 above. The details of the emoluments of the remaining three (2017: four) highest paid individuals who are neither director nor chief executive officer of the Company are as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries and other emoluments	薪金及其他酬金	1,830	1,657
Retirement scheme contributions	退休福利計劃供款	69	62
		<b>1,899</b>	<b>1,719</b>

The number of these non-directors, highest paid employees whose remuneration fell within the following band is as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Nil to HK\$1,000,000	0至1,000,000港元	3	4

### 14. 僱員酬金

#### 高級管理人員酬金及五名最高薪僱員

年內五名最高薪僱員包括兩名(二零一七年: 一名)董事, 其酬金詳情載於上文附註13。餘下三名(二零一七年: 四名)最高薪僱員(彼等並非本公司董事亦非主要行政人員)之酬金詳情如下:

該等非董事、最高薪僱員的薪酬介乎以下範圍:

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 14. EMPLOYEES EMOLUMENTS – continued

#### Senior management emoluments and five highest paid employees – continued

The emoluments of the senior management (excluding directors) of the Company are within the following band.

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Nil to HK\$1,000,000	0至1,000,000港元	1	6

During the years ended 31 March 2018 and 2017, no emoluments were paid by the Group to senior management or any of the five highest paid employees as an inducement to join or upon joining the Group or as compensation for loss of office.

### 14. 僱員酬金 – 續

#### 高級管理人員酬金及五名最高薪僱員 – 續

本公司高級管理層（不包括董事）的薪酬介乎以下範圍。

截至二零一八年及二零一七年三月三十一日止年度，本集團並無向高級管理層或任何五名最高薪僱員支付薪酬，以作為吸引加盟本集團或於加盟後的獎勵，或作為離職補償。

### 15. TAXATION

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current tax:	即期稅項：		
– PRC Enterprise Income Tax	– 中國企業所得稅	4,936	1,833
Deferred tax:	遞延稅項：		
– Current year credit (Note 33)	– 本年度抵免（附註33）	(80)	(483)
		4,856	1,350



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 15. TAXATION – continued

The Group is subject to income tax on an entity basis on profits arising or derived from the jurisdictions in which members of the Group are domiciled and operate.

Provision on profits assessable elsewhere has been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

The National People's Congress which was concluded on 16 March 2007, the PRC Enterprise Income Tax Law was approved and became effective from 1 January 2008. The PRC Enterprise Income Tax Law introduces a wide range of changes which include, but are not limited to, the unification of the income tax rates for domestic-invested and foreign-invested enterprises at 25%.

According to the PRC Enterprise Income Tax Law, starting from 1 January 2008, 10% withholding income tax will be imposed on dividend relating to profits earned by the companies established in the PRC in the calendar year 2008 onward to their foreign shareholders. For investors incorporated in Hong Kong which hold at least 25% of equity interest of those PRC companies, a preferential rate of 5% will be applied. The Group has applied the preferential rate of 5% as the Group's subsidiaries in the PRC are directly held by an investment holding company incorporated in Hong Kong. No deferred tax has been provided for in respect of the temporary differences attributable to such profits as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

### 15. 稅項 – 續

本集團須就本集團成員公司所處及經營所在司法權區所產生或賺取之溢利，按實體基準繳納所得稅。

其他地區之應課稅溢利撥備按本集團經營所在國家之現行稅率根據其現有立法、詮釋及慣例計算。

於二零零七年三月十六日結束的全國人民代表大會會議上，中國企業所得稅法獲通過，並由二零零八年一月一日起生效。中國企業所得稅法引入一系列變動，包括但不限於將境內投資及外資企業的所得稅率統一為25%。

根據中國企業所得稅法，自二零零八年一月一日起，將對在中國成立的公司自二零零八年曆年起賺取的溢利支付其境外股東的股息徵收10%的預扣所得稅。對於在香港註冊成立且持有該等中國公司至少25%股權的投資者，將實施5%的優惠稅率。由於本集團在中國的附屬公司均由一間在香港註冊成立的投資控股公司直接持有，故本集團按5%的優惠稅率繳納稅項。由於本集團有能力控制撥回暫時差額的時間，且不大可能於可見將來撥回暫時差額，故並無就該等溢利應佔之暫時差額作出遞延稅項撥備。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 15. TAXATION – continued

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for the years ended 31 March 2018 and 2017. No provision for Hong Kong Profits Tax has been made as the Group did not have assessable profits subject to Hong Kong Profits Tax (2017: Nil).

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and the British Virgin Islands.

A reconciliation of the income tax expense applicable to loss before taxation using the statutory rate for the location in which the Company and its subsidiaries are domiciled to the tax expenses at the effective tax rate are as follows:

### 15. 稅項－續

香港利得稅按截至二零一八年及二零一七年三月三十一日止年度之估計應課稅溢利的16.5%計算。由於本集團並未賺取須繳納香港利得稅之應課稅溢利，故並無就香港利得稅計提撥備（二零一七年：無）。

根據開曼群島及英屬處女群島之規則及法規，本集團毋須繳納任何開曼群島及英屬處女群島所得稅。

使用本公司及其附屬公司所處地點之法定稅率計算適用於除稅前虧損之所得稅開支與按實際稅率計算之稅項開支之對賬如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Loss before taxation	除稅前虧損	(50,571)	(24,375)
Notional tax on profit before tax, calculated at the rates applicable to profits in the tax jurisdiction concerned	按照在相關稅法管轄區域之溢利的適用稅率計算除稅前溢利的名義稅項	(5,268)	(4,736)
Tax effect of expenses and income not deductible or taxable for tax purposes	不可扣稅或毋須課稅開支及收入的稅務影響	138	562
Tax effect of tax losses not recognised	未確認的稅項虧損的稅務影響	9,986	5,524
Taxation	稅項	4,856	1,350

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 16. DIVIDENDS

The directors of the Company do not recommend the payment of any dividend for the year ended 31 March 2018 (2017: Nil).

### 16. 股息

本公司董事不建議宣派截至二零一八年三月三十一日止年度的任何股息（二零一七年：無）。

### 17. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

### 17. 本公司擁有人應佔每股虧損

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Loss for the year</b>	<b>年內虧損</b>		
Loss attributable to owners of the Company for the purpose of basic loss per share calculation	本公司擁有人應佔虧損（用以計算每股基本虧損）	(55,586)	(25,792)
<b>Number of shares</b>	<b>股份數目</b>	2018 二零一八年	2017 二零一七年
Weighted average number of shares for the purpose of basic loss per share	股份加權平均股數（用以計算每股基本虧損）	648,405,300	648,405,300

For the year ended 31 March 2017, diluted loss per share is the same as the basic loss per share as the computation of diluted loss per share does not assume the conversion of the Company's outstanding convertible notes since it would result in an anti-dilutive effect on loss per share during the year ended 31 March 2017.

For the year ended 31 March 2018, diluted loss per share is the same as the basic loss per share as there was no potential diluted event.

截至二零一七年三月三十一日止年度，由於計算每股攤薄虧損並無假設兌換本公司之尚未行使可換股票據，原因為其對於截至二零一七年三月三十一日止年度之每股虧損造成反攤薄影響，故每股攤薄虧損與每股基本虧損相同。

截至二零一八年三月三十一日止年度，由於並無潛在攤薄事件，故每股攤薄虧損與每股基本虧損相同。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 18. PROPERTY, PLANT AND EQUIPMENT

### 18. 物業、廠房及設備

		Leasehold improvement 租賃物業裝修 HK\$'000 千港元	Office equipment 辦公室設備 HK\$'000 千港元	Medicine equipment 醫療設備 HK\$'000 千港元	Motor vehicle 汽車 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>Cost</b>	<b>成本</b>						
As at 31 March 2016	於二零一六年三月一日	11,616	24,660	–	4,250	–	40,526
Additions	添置	1,822	3,663	–	482	–	5,967
Disposals	出售	–	(1,048)	–	(551)	–	(1,599)
Acquired on acquisition of Subsidiaries (Note 25)	於收購附屬公司時購入 (附註25)	1,355	149	10,983	–	–	12,487
Disposal of a subsidiary (Note 26)	出售一間附屬公司 (附註26)	–	(2,029)	–	–	–	(2,029)
Exchange realignment	匯兌調整	(792)	(1,721)	–	(282)	–	(2,795)
As at 31 March 2017 and 1 April 2017	於二零一七年 三月三十一日 及二零一七年 四月一日	14,001	23,674	10,983	3,899	–	52,557
Additions	添置	1,499	2,037	108	–	2,188	5,832
Disposals	出售	–	(1,440)	–	(523)	–	(1,963)
Exchange realignment	匯兌調整	1,659	2,846	1,168	432	126	6,231
As at 31 March 2018	於二零一八年 三月三十一日	17,159	27,117	12,259	3,808	2,314	62,657
<b>Accumulated depreciation</b>	<b>累計折舊</b>						
As at 1 April 2016	於二零一六年四月一日	6,238	13,801	–	2,103	–	22,142
Charge of the year	年內已扣除	2,372	3,080	122	417	–	5,991
Written back on disposals	於出售時撥回	–	(620)	–	(288)	–	(908)
Disposal of a subsidiary (Note 26)	出售一間附屬公司 (附註26)	–	(284)	–	–	–	(284)
Exchange realignment	匯兌調整	(481)	(1,061)	(3)	(157)	–	(1,702)
As at 31 March 2017 and 1 April 2017	於二零一七年 三月三十一日 及二零一七年 四月一日	8,129	14,916	119	2,075	–	25,239
Charge of the year	年內已扣除	2,459	3,192	3,010	340	–	9,001
Written back on disposals	於出售時撥回	–	(1,211)	–	(456)	–	(1,667)
Exchange realignment	匯兌調整	1,094	1,999	186	261	–	3,540
As at 31 March 2018	於二零一八年 三月三十一日	11,682	18,896	3,315	2,220	–	36,113
<b>Net book value</b>	<b>賬面淨值</b>						
As at 31 March 2018	於二零一八年 三月三十一日	5,477	8,221	8,944	1,588	2,314	26,544
As at 31 March 2017	於二零一七年 三月三十一日	5,872	8,758	10,864	1,824	–	27,318

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 19. PREPAID LEASE PAYMENTS

### 19. 預付租賃款項

		Total 總計 HK\$'000 千港元
<b>Cost</b>	<b>成本</b>	
As at 1 April 2016	於二零一六年四月一日	14,494
Exchange realignment	匯兌調整	(872)
As at 31 March 2017 and 1 April 2017	於二零一七年三月三十一日及 二零一七年四月一日	13,622
Exchange realignment	匯兌調整	1,441
As at 31 March 2018	於二零一八年三月三十一日	15,063
<b>Accumulated depreciation</b>	<b>累計折舊</b>	
As at 1 April 2016	於二零一六年四月一日	2,782
Charge for the year	年內已扣除	366
Exchange realignment	匯兌調整	(168)
As at 31 March 2017 and 1 April 2017	於二零一七年三月三十一日及 二零一七年四月一日	2,980
Charge for the year	年內已扣除	383
Exchange realignment	匯兌調整	359
As at 31 March 2018	於二零一八年三月三十一日	3,722
<b>Net book value</b>	<b>賬面淨值</b>	
<b>As at 31 March 2018</b>	<b>於二零一八年三月三十一日</b>	<b>11,341</b>
As at 31 March 2017	於二零一七年三月三十一日	10,642

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 19. PREPAID LEASE PAYMENTS – continued

### 19. 預付租賃款項 – 續

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Analysed for reporting purpose as:</b>	<b>分析作呈報用途：</b>		
– Current portion	– 流動部份	383	366
– Non-current portion	– 非流動部份	10,958	10,276
		<b>11,341</b>	<b>10,642</b>

As at 31 March 2018, no prepaid lease payments are pledged as collaterals for secure banking facilities of the Group (2017: approximately HK\$9,664,000). The pledged prepaid lease payments as at 31 March 2017 denominated in RMB.

The Group's prepaid lease payments amounts represent the payments for land use rights situated in the PRC. The leasehold lands have lease term of 35 to 40 years and the Group has processed the land use rights of the leasehold land during the lease term.

Amortisation on prepaid lease payments of approximately HK\$383,000 (2017: approximately HK\$366,000) have been charged to the administrative expenses in the consolidated statement of profit or loss and other comprehensive income for the years ended 31 March 2018 and 2017.

於二零一八年三月三十一日，概無預付租賃款項已抵押作抵押品以擔保本集團之銀行融資（二零一七年：約9,664,000港元）。於二零一七年三月三十一日，已抵押預付租賃款項以人民幣計值。

本集團預付租賃款項指就位於中國之土地使用權之付款。租賃土地之租賃期為35至40年，而本集團於租賃期內擁有租賃土地之土地使用權。

約383,000港元（二零一七年：約366,000港元）之預付租賃款項攤銷已於截至二零一八年及二零一七年三月三十一日止年度之綜合損益及其他全面收益表行政開支中扣除。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 20. INVESTMENT PROPERTY

Completed investment property	已竣工投資物業
<b>At fair value</b>	<b>按公平值</b>
As at 1 April	於四月一日
Fair value change	公平值變動
Exchange realignment	匯兌調整
As at 31 March	於三月三十一日

Note:

As at 31 March 2018, no investment property were pledged as collateral for secure banking facilities of the Group (2017: approximately HK\$6,776,000). The pledged investment property as at 31 March 2017 denominated in RMB, please refer to Note 30.

#### (a) Valuation of investment property

The investment property amounted of RMB7,850,000 (approximately HK\$9,789,000) of the Group were stated at fair value as at 31 March 2018 (2017: RMB6,000,000 (approximately HK\$6,766,000)). The fair value were arrived at based on the valuations carried out by an independent firm of qualified professional valuers, Asset Appraisals Limited, ("AAL"), who have among their staff members of the Hong Kong Institute of Surveyors with recent experience in the location and category of the properties being values. The valuations conform to the Valuation Standards published by the Hong Kong Institute of Surveyors. The completed investment property has been valued using the direct comparison approach.

### 20. 投資物業

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
9,789	6,766
6,766	7,199
2,182	—
841	(433)
9,789	6,766

附註：

於二零一八年三月三十一日，概無投資物業已抵押作抵押品以擔保本集團之銀行融資（二零一七年：約6,776,000港元）。於二零一七年三月三十一日，已抵押投資物業以人民幣計值，請參閱附註30。

#### (a) 投資物業之估值

於二零一八年三月三十一日，本集團人民幣7,850,000元（約9,789,000港元）（二零一七年：人民幣6,000,000元，（約6,766,000港元）之投資物業按公平值列賬。公平值乃根據由獨立合資格專業估值師中誠達資產評估顧問有限公司（「AAL」）所作估值而釐定。進行前述估值的AAL職員為香港測量師學會會員，並對進行估物業之位置及類別擁有近期估值經驗。有關估值符合香港測量師學會出版之估值準則。已竣工投資物業使用直接比較法進行估值。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 20. INVESTMENT PROPERTY – continued

#### (a) Valuation of investment property – continued

Direct comparison approach is adopted where comparison based on recent sales price of comparable properties on a price per square foot using market data which is publicly available without significant adjustments being made to the market observable data of comparable properties is made. A significant increase in the sales price of comparable properties would result in significant increase in fair value, and vice versa.

At each of reporting year end date, the management will (i) verify all major inputs to the independent valuation report; (ii) assess property valuations movement when compared to the prior year valuation report; and (iii) hold discussion with the independent valuers.

There had been no change from the valuation technique used in the prior year. In estimating the fair value of the property, the highest and best use of the property is their current use.

### 20. 投資物業－續

#### (a) 投資物業之估值－續

採用直接比較法，其根據可資比較物業使用公開可得之市場數據按每平方呎價格基準計算之近期售價所用之市場數據作出比較，並未對可資比較物業作出之市場可觀察數據作出任何重大調整。可資比較物業售價之大幅增加將導致公平值大幅增加，及反之亦然。

於各呈報年結日，管理層將(i)核實獨立估值報告所有主要輸入資料；(ii)評估與上年度估值報告比較的物業估值變動；及(iii)與獨立估值師進行討論。

於過往年度所採用的估值法並無發生任何變動。於估計物業的公平值時，物業的最高及最佳使用為其當前用途。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 20. INVESTMENT PROPERTY – continued

(b) The analysis of the carrying amount of investment property is as follow:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Land located in the PRC:	於中國之土地：		
Medium-term lease	中期租約	9,789	6,766

(c) Details of the Group's investment property and information about the fair value hierarchy as at 31 March 2018 and 2017 are as follows:

		Level 1	Level 2	Level 3	Fair value as at 31 March 2018 於二零一八年 三月三十一日之 公平值 HK\$'000 千港元
		1級 HK\$'000 千港元	2級 HK\$'000 千港元	3級 HK\$'000 千港元	
Investment property unit located in the PRC	位於中國之 投資物業單位	-	9,789	-	9,789

		Level 1	Level 2	Level 3	Fair value as at 31 March 2017 於二零一七年 三月三十一日之 公平值 HK\$'000 千港元
		1級 HK\$'000 千港元	2級 HK\$'000 千港元	3級 HK\$'000 千港元	
Investment property unit located in the PRC	位於中國之 投資物業單位	-	6,766	-	6,766

**20. INVESTMENT PROPERTY – continued****(c) Details of the Group's investment property and information about the fair value hierarchy as at 31 March 2018 and 2017 are as follows: – continued**

There were no transfers of fair value measurements between Level 1 and Level 2 and no transfer into or out of level 3 during the year 31 March 2018 and 2017.

The Group's policy is to recognise transfers between levels of fair value hierarchy at the end of the date of the events or change in circumstances that caused the transfer.

**(d) Investment property leased out under operating leases**

All of the Group's property interests held under operating lease to earn rentals are measured using the fair value model and classified accounted for investment property.

The Group leases out its investment property which are shop units of a 9-storey composite building to various tenants. The leases typically run for an initial period of 1 year to 5 years, at the end of which period all terms are renegotiated. None of the leases includes contingent rentals. The rental income for investment property less directly outgoings of approximately HK\$177,000 (2017: approximately HK\$170,000).

**20. 投資物業 – 續****(c) 於二零一八年及二零一七年三月三十一日，本集團投資物業及公平值層級資料詳情如下：– 續**

截至二零一八年及二零一七年三月三十一日止年度，1級與2級之間的公平值計量並無轉移且3級無任何轉入或轉出。

本集團之政策為確認於導致轉撥之事件或情況變動出現之日結束時的公平值層級間轉撥。

**(d) 根據經營租賃出租之投資物業**

本集團所有根據經營租賃持有以賺取租金收入的物業權益均採用公平值模式計量，並分類作投資物業入賬。

本集團向多名租戶出租其投資物業（為一棟九層綜合大樓之商舖單元）。租約一般初步為期一年至五年，期滿時重新磋商所有條款。租約不包括或然租金。來自投資物業之租金收入減直接開支約為177,000港元（二零一七年：約170,000港元）。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 20. INVESTMENT PROPERTY – continued

#### (d) Investment property leased out under operating leases – continued

The property held had committed tenants for 3 years (2017: 4 years). At the end of the reporting period, the Group contracted with tenants for the following future minimum lease receivables:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within one year	一年內	177	173
In the second to the fifth years inclusive	第二至五年（包括首尾兩年）	354	519
		<b>531</b>	<b>692</b>

#### (e) Particulars of investment property

The particulars of the investment property at 31 March 2018 and 2017 are as follows:

Location 地點	Type 類型	Tenure 租期	Interest attributable to the Group 本集團所佔權益
Shop No. 1 on Level 1, Heng Ye Building, Wusi Road, Shaowu City, Fujian Province, the PRC 中國福建省邵武市 五四路恒業大廈 一樓一號商鋪	Building and land 樓宇及土地	Medium-term lease 中期租約	99.80%

### 20. 投資物業－續

#### (d) 根據經營租賃出租之投資物業－續

所持有之物業在未來3年（二零一七年：4年）已有願意承租之租戶。於本報告期末，本集團已與租戶訂約，於未來應收取之最低租金如下：

#### (e) 投資物業之詳情

於二零一八年及二零一七年三月三十一日，投資物業之詳情如下：

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## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 21. GOODWILL

### 21. 商譽

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Cost</b>	<b>成本</b>		
As at 1 April	於四月一日	909,040	785,511
Additional amounts recognised from business combination occurring during the year (Note 25)	於本年度產生自業務合併 所確認之額外款項 (附註25)	—	123,550
Exchange realignment	匯兌調整	13,107	(21)
As at 31 March	於三月三十一日	922,147	909,040
<b>Accumulated impairment losses</b>	<b>累計減值虧損</b>		
As at 1 April	於四月一日	785,169	785,169
Impairment loss recognised during the year	於本年度確認之減值虧損	336	—
Exchange realignment	匯兌調整	19	—
As at 31 March	於三月三十一日	785,524	785,169
<b>Carrying amounts</b>	<b>賬面值</b>		
As at 31 March	於三月三十一日	136,623	123,871



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 21. GOODWILL – continued

#### Impairment test for CGUs containing goodwill

The management of the Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired.

For purpose of impairment testing, goodwill has been allocated to the following CGUs. The carrying amounts of goodwill (net of accumulated impairment loss) as at 31 March 2018 and 2017 are allocated as follows:

### 21. 商譽－續

#### 含有商譽之現金產生單位減值測試

本集團管理層每年進行一次商譽減值測試，或於有跡象顯示商譽可能已經減值時更頻密地進行減值測試。

就減值測試而言，商譽已分配至下列現金產生單位。於二零一八年及二零一七年三月三十一日，商譽之賬面值（扣除累計減值虧損）分配如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Huihao Medicine (Quanzhou) Company Limited ("Quanzhou Huihao") – retail of pharmaceutical and related products	惠好醫藥(泉州)有限公司 (「泉州惠好」) – 零售藥品及相關產品	–	321
Mingxi County Trading Company Limited ("Mingxi") – provision of hemodialysis treatment and consultancy services	明溪縣佳維貿易有限公司 (「明溪」) – 提供血液透析治療及 諮詢服務	136,623	123,550
		<b>136,623</b>	<b>123,871</b>

**21. GOODWILL – continued****Impairment test for CGUs containing goodwill  
– continued****Quanzhou Huihao**

The recoverable amount of Quanzhou Huihao is the higher of fair value less cost to disposal or value in use. During the year 31 March 2018, Quanzhou Huihao recorded the continuously operating loss, management assessed recoverable amount based on its fair value less cost of disposal. The directors consider that an impairment loss on goodwill of approximately HK\$336,000 (2017: HK\$Nil) should be recognised in the consolidated statement of profit or loss and other comprehensive income.

As at 31 March 2017, the recoverable amount of this CGU is determined based on a value in use calculation which uses cash flow projections based on financial budgets approved by management covering a five-years period and with discount rates of 12.53% per annum. Cash flow projections during the budgeted period are based on the same expected gross margins throughout the budget period. The management adopt 0% annual growth rate of cash flow projections for each flows beyond the budgeted period on 2017 as the result of the retail of pharmaceutical and related products in Quanzhou is declining.

**21. 商譽－續****含有商譽之現金產生單位減值測試  
－續****泉州惠好**

泉州惠好之可收回金額為公平值減出售成本或使用價值的較高者。截至二零一八年三月三十一日止年度，泉州惠好錄得持續經營虧損，管理層根據其公平值減出售成本評估可收回金額。董事認為，商譽減值虧損約336,000港元（二零一七年：零港元）須於綜合損益及其他全面收益表內確認。

於二零一七年三月三十一日，此現金產生單位之可收回金額乃根據使用價值計算釐定，而使用價值根據管理層所批准之涵蓋五年期財務預算所得出之現金流量預測，以及貼現率每年12.53%計算。預算期內之現金流量預測乃基於整個預算期內相同之預測毛利率計算。因於泉州藥品及相關產品零售之業績在下滑，管理層就各現金流量採納二零一七年預算期後現金流量之年增長率0%。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 21. GOODWILL – continued

#### Impairment test for CGUs containing goodwill – continued

##### Mingxi

The recoverable amount of this CGU is determined based on a value in use calculation which uses cash flow projections based on financial budgets approved by management covering a five-years period and with discount rates of 14.72% (2017: 15%) per annum. Cash flow projections during the budgeted period are based on the same expected gross margins throughout the budget period. The management considers that it is prudent and appropriate to adopt 0% (2017: 0%) annual growth rate of cash flow projections for each flows beyond the budgeted period. Management believes that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of this CGU. Management determined the budgeted gross margin based on past performance and its expectations for the market development.

### 21. 商譽－續

#### 含有商譽之現金產生單位減值測試 －續

##### 明溪

此現金產生單位之可收回金額乃根據使用價值計算釐定，而使用價值根據管理層所批准之涵蓋五年期財務預算所得出之現金流量預測，以及貼現率每年14.72%（二零一七年：15%）計算。預算期內之現金流量預測乃基於整個預算期內相同之預測毛利率計算。管理層認為，採納預算期後現金流量之年增長率0%（二零一七年：0%）推算乃屬審慎及適當。管理層相信，計算可收回金額所依據之主要假設可能出現之任何合理變動，不會導致此現金產生單位之賬面總值超逾其可收回金額總值。管理層根據過往表現及其對市場發展之預測釐定預算毛利率。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 22. INVENTORIES

Inventories in the consolidated statement of financial position comprise:

### 22. 存貨

於綜合財務狀況表之存貨包括：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Finished goods	製成品	62,136	86,134

### 23. TRADE AND OTHER RECEIVABLES AND DEPOSITS

### 23. 貿易及其他應收款項及按金

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Trade receivables	貿易應收款項	92,820	110,026
Bills receivable	應收票據	249	14,022
Prepayments and deposits paid	預付款項及已付按金	15,126	24,950
Other receivables	其他應收款項	14,428	53,648
		122,623	202,646
Less: Impairment loss recognised in respect of other receivables	減：就其他應收款項確認的減值虧損	(4,170)	(915)
		118,453	201,731

As at 31 March 2018, bills receivable of approximately HK\$249,000 (2017: HK\$14,022,000) will be matured within six months after the end of the reporting period. All the bills receivable are denominated in RMB.

於二零一八年三月三十一日，應收票據約249,000港元（二零一七年：14,022,000港元）將於報告期末後六個月內到期。所有應收票據均以人民幣計值。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 23. TRADE AND OTHER RECEIVABLES AND DEPOSITS – continued

Included in the Group's other receivables were the value added tax ("VAT") recoverable of approximately HK\$4,434,000 as at 31 March 2018 (2017: HK\$4,849,000).

Payment terms with customers from the pharmaceutical wholesale and distribution business, pharmaceutical retail chain business and hemodialysis treatment and consultancy service business are mainly on credit. Invoices are normally payable from 30 to 90 days (2017: 30 to 90 days) for pharmaceutical wholesale and distribution business and 5 to 365 days (2017: Nil) for hemodialysis treatment and consultancy service business respectively of issuance of invoices. The ageing analysis of trade receivables based on the invoices date is as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within 90 days	90日以內	58,396	90,437
91-180 days	91至180日	21,232	11,900
181-365 days	181至365日	13,192	7,689
Over 365 days	超過365日	7,070	5,663
		99,890	115,689
Less: Impairment loss recognised in respect of trade receivables	減：就貿易應收款項確認的減值虧損	(7,070)	(5,663)
		92,820	110,026

### 23. 貿易及其他應收款項及按金 – 續

於二零一八年三月三十一日，計入本集團其他應收款項之可收回增值稅（「增值稅」）約4,434,000港元（二零一七年：4,849,000港元）。

藥品批發及分銷業務、藥品零售連鎖業務及血液透析治療及諮詢服務業務客戶的付款方式主要為記賬收款。藥品批發及分銷業務以及血液透析治療及諮詢服務業務的款項一般須分別於發票發出日期後30至90日（二零一七年：30至90日）及5至365日（二零一七年：無）內支付。按發票日期的貿易應收款項的賬齡分析如下：

### 23. TRADE AND OTHER RECEIVABLES AND DEPOSITS – continued

Trade receivables disclosed above include amounts which are past due at the end of the reporting period but against which the Group has not recognised an allowance for doubtful receivables because there has not been a significant change in credit quality and the amounts are still considered recoverable. The Group does not hold any collateral or other credit enhancements over these balances nor does it have a legal right to offset against any amounts owed by the Group to the counterparty. The individually impaired receivables related to customers that were in financial difficulties and the directors assessed that the amounts are not expected to be recovered.

#### Ageing of impaired trade receivables

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Over 365 days	超過365日	7,070	5,663

#### Ageing of past due but not impaired

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Overdue by:	已逾期：		
1 – 90 days	1至90日	5,791	11,900
91 – 180 days	91至180日	8,746	7,689
Over 180 days	超過180日	4,152	–
		18,689	19,589

### 23. 貿易及其他應收款項及按金 一續

上文所披露之貿易應收款項包括於報告期末已逾期，惟本集團並無確認應收呆賬撥備之金額，原因為有關款項的信貨質素並無重大變動且仍被視為可予收回。本集團並無就此等結餘持有任何抵押品或其他信貸加強項目，亦無法定權利可以本集團結欠交易對手的任何款項作抵銷。個別減值的應收款項涉及有財務困難的客戶，董事的評估為預計該等金額不能收回。

#### 已減值貿易應收款項之賬齡

#### 已逾期但未減值之賬齡



# Notes to the Consolidated Financial Statements

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For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 23. TRADE AND OTHER RECEIVABLES AND DEPOSITS – continued

#### Ageing of past due but not impaired – continued

Included in the Group's trade receivables balances are balances with aggregate carrying amount of approximately HK\$18,689,000 (2017: HK\$19,589,000) which was past due at the end of the reporting period for which the Group not provided for impairment loss.

Movement in the provision for impairment loss recognised in respect of trade receivables is summarised as follow:

### 23. 貿易及其他應收款項及按金 – 續

#### 已逾期但未減值之賬齡 – 續

計入本集團貿易應收款項結餘中之賬面總額約18,689,000港元(二零一七年: 19,589,000港元)為於報告期末已逾期之結餘, 本集團並無就其計提減值虧損。

就貿易應收款項確認之減值虧損撥備變動概述如下:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
As at 1 April	於四月一日	5,663	5,397
Impairment losses recognised	已確認之減值虧損	1,113	1,508
Impairment losses reversed	已撥回之減值虧損	(349)	(890)
Exchange realignment	匯兌調整	643	(352)
As at 31 March	於三月三十一日	7,070	5,663

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For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 23. TRADE AND OTHER RECEIVABLES AND DEPOSITS – continued

#### Ageing of past due but not impaired – continued

Included in allowance for doubtful debts are individually impaired trade receivables with an aggregate balance of HK\$7,070,000 (2017: HK\$5,663,000). For overdue debts, based on the past default experience, payment history of customers and subsequent settlement, the Group assessed the corporate customers for potential impairment losses. Full provision has been made for individual trade receivables aged over one year with no subsequent settlement as historical evidence shows that such amounts are not recoverable.

**Movement in the provision for impairment loss of the Group recognised in respect of the other receivables is summarised as follows:**

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
As at 1 April	於四月一日	915	973
Impairment loss recognised	已確認之減值虧損	2,987	–
Exchange realignment	匯兌調整	268	(58)
As at 31 March	於三月三十一日	4,170	915

The individually impaired other receivables relate to other receivables that were in default or delinquency in payments and only a portion or none of the receivables is expected to be recovered. The Group does not hold any collateral or other credit enhancements over this balance. The remaining balance of other receivables is neither past due nor impaired and relates to a large number of independent parties for whom there was no recent history of default.

### 23. 貿易及其他應收款項及按金 – 續

#### 已逾期但未減值之賬齡 – 續

呆賬撥備中計入個別減值之貿易應收款項之總結餘為7,070,000港元（二零一七年：5,663,000港元）。就逾期債務而言，本集團根據過往被拖欠款項之經驗，客戶付款記錄及其後結算評估企業客戶之潛在減值虧損。本公司已為賬齡超過一年之其後並無結算之個別貿易應收款項作出全額撥備，原因為根據過往證據顯示，此等金額無法收回。

**就其他應收款項確認之本集團減值虧損撥備變動概述如下：**

個別經減值其他應收款項與其他應收款項拖欠或遲繳款項有關，預期僅可收回此等應收款項之一部份或不可收回此等應收款項。本集團並無就此等結餘持有任何抵押品或其他信貸提升保障。其他應收款項之餘下結餘概未逾期亦無減值及與大批在近期並無拖欠記錄之獨立人士相關。

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## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 24. PARTICULARS OF SUBSIDIARIES

- (a) Details of the Company's principal subsidiaries, all of which are limited liability companies, at 31 March 2018 are as follows:

### 24. 附屬公司之詳情

- (a) 於二零一八年三月三十一日，本公司之主要附屬公司（均為有限公司）詳情如下：

Name of subsidiaries 附屬公司名稱	Place and date of Incorporation registration and operation 註冊成立／註冊及經營地點及日期	Class of share held 所持股份類別	Particulars of issued and fully paid ordinary share capital /registered capital 發行及繳足普通股本／註冊資本之詳情	Percentage of equity, effective interest and voting power held by the Company 本公司持有之股權、實際權益及投票權之比例				Principal activities 主要業務
				Direct 直接		Indirect 間接		
				2018 二零一八年 %	2017 二零一七年 %	2018 二零一八年 %	2017 二零一七年 %	
Fujian Huihao Sihai Pharmaceutical China Company Limited ("Huihao Sihai") <sup>#</sup> 福建惠好四海醫藥連鎖有限公司 (「惠好四海」) <sup>#</sup>	The PRC/ 30 November 2001 中國／ 二零零一年十一月三十日	Registered 註冊資本	RMB55,856,350 人民幣55,856,350元	-	-	99.80	99.80	Pharmaceutical retail chain business in the PRC 於中國藥品零售連鎖店業務
Fujian Province Huihao City Huihao Pharmaceutical Company Limited ("Fuzhou Huihao") <sup>#</sup> 福建省福州市惠好藥業有限公司 (「福州惠好」) <sup>#</sup>	The PRC/ 9 July 2008 中國／ 二零零八年七月九日	Registered 註冊資本	RMB91,500,000 人民幣91,500,000元	-	-	78.14	78.14	Pharmaceutical wholesale and distribution business in the PRC 於中國藥品批發及分銷業務
Putian Huihao Medicine Company Limited ("Putian Huihao") <sup>#</sup> 福建莆田惠好醫藥有限公司 (「莆田惠好」) <sup>#</sup>	The PRC/ 11 July 2008 中國／ 二零零八年七月十一日	Registered 註冊資本	RMB10,000,000 人民幣10,000,000元	-	-	78.14	78.14	Pharmaceutical wholesale and distribution business in the PRC 於中國藥品批發及分銷業務
Fujian Huiming Medicine Company Limited ("Fujian Huiming") <sup>#</sup> 福建省惠明醫藥有限公司 (「福建惠明」) <sup>#</sup>	The PRC/ 10 July 2008 中國／ 二零零八年七月十日	Registered 註冊資本	RMB20,000,000 人民幣20,000,000元	-	-	78.14	78.14	Pharmaceutical wholesale and distribution business in the PRC 於中國藥品批發及分銷業務
Huihao Medicine (Quanzhou) Company Limited ("Quanzhou Huihao") <sup>#</sup> 惠好醫藥(泉州)有限公司 (「泉州惠好」) <sup>#</sup>	The PRC/ 17 May 2007 中國／ 二零零七年五月十七日	Registered 註冊資本	RMB10,000,000 人民幣10,000,000元	-	-	78.14	78.14	Pharmaceutical wholesale and distribution business in the PRC 於中國藥品批發及分銷業務
Lianan Kidney Medical Management Company Limited <sup>#</sup> 聯安腎科醫療管理有限公司 <sup>#</sup>	The PRC/ 15 June 2012 中國／ 二零一二年六月十五日	Registered 註冊資本	RMB20,000,000 人民幣20,000,000元	-	-	78.14	78.14	Hemodialysis treatment and consultancy service business in the PRC 於中國血液透析治療及諮詢服務業務
Putian Lianan Kidney Medical Management Company Limited <sup>#</sup> 莆田聯安腎科醫療管理有限公司 <sup>#</sup>	The PRC/ 8 November 2016 中國／ 二零一六年十一月八日	Registered 註冊資本	RMB1,000,000 人民幣1,000,000元	-	-	78.14	78.14	Hemodialysis treatment and consultancy service business in the PRC 於中國血液透析治療及諮詢服務業務

<sup>#</sup> The English names of the Company's subsidiaries in the PRC are transliteration of their respective Chinese names which have not been registered.

## Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

## 24. PARTICULARS OF SUBSIDIARIES

## – continued

## (b) Details of non-wholly owned subsidiaries that have material non-controlling interests

The table below shows details of non-wholly-owned subsidiaries of the Group that have material non-controlling interests:

Name of subsidiary 附屬公司名稱	Place of incorporation and principal place of business 註冊成立地點及主要營業地點	Proportion of ownership interest and voting right held by non-controlling interests 非控股權益持有之擁有權益及投票權比例		Profit allocated non-controlling interest 分配予非控股權益之溢利		Accumulated non-controlling interest 累計非控股權益	
		2018 二零一八年 %	2017 二零一七年 %	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Fuzhou Huihao 福州惠好	The PRC 中國	21.86	21.86	232	87	48,305	42,778

Summarised financial information in respect of the Group's subsidiaries that have material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

## 24. 附屬公司之詳情－續

## (b) 擁有重大非控股權益之非全資附屬公司之詳情

下表顯示本集團擁有重大非控股權益之非全資附屬公司之詳情：

有關本集團擁有重大非控股權益之附屬公司之財務資料概要載列如下。以下財務資料概要為於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 2018 截至二零一八年三月三十一日止年度

### 24. PARTICULARS OF SUBSIDIARIES

#### – continued

#### (b) Details of non-wholly owned subsidiaries that have material non-controlling interests

##### – continued

Fuzhou Huihao

### 24. 附屬公司之詳情－續

#### (b) 擁有重大非控股權益之非全資附屬公司之詳情－續

福州惠好

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current assets	流動資產	182,258	218,342
Non-current assets	非流動資產	152,183	139,903
Current liabilities	流動負債	(113,467)	(162,554)
Equity attributable to owners of the company	本公司擁有人應佔權益	172,669	152,913
Non-controlling interest	非控股權益	48,305	42,778

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 24. PARTICULARS OF SUBSIDIARIES

#### – continued

#### (b) Details of non-wholly owned subsidiaries that have material non-controlling interests – continued

##### Fuzhou Huihao – continued

### 24. 附屬公司之詳情－續

#### (b) 擁有重大非控股權益之非全資附屬公司之詳情－續

##### 福州惠好－續

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Revenue	收益	353,015	747,100
Profit/(loss) for the year	年內溢利／（虧損）	1,061	(435)
Profit/(loss) attributable to:	應佔溢利／（虧損）：		
Owners of the Company	本公司擁有人	829	(522)
Non-controlling interests	非控股權益	232	87
Profit/(loss) for the year	年內溢利／（虧損）	1,061	(435)
Total comprehensive profit/(loss) attributable to:	應佔全面溢利／（虧損）總額：		
Owners of the Company	本公司擁有人	19,758	(11,586)
Non-controlling interest	非控股權益	5,527	(4,496)
Total comprehensive profit/(loss) for the year	年內全面溢利／（虧損）總額	25,285	(16,082)
Net cash inflow from operating activities	經營業務產生之現金流入淨額	55,869	5,106
Net cash outflow from investing activities	投資業務產生之現金流出淨額	(1,921)	(133,952)
Net cash (outflow)/inflow from financing activities	融資業務產生之現金（流出）／流入淨額	(56,435)	36,717
Net cash outflow	現金流出淨額	(2,487)	(92,129)



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 24. PARTICULARS OF SUBSIDIARIES – continued

#### (b) Details of non-wholly owned subsidiaries that have material non-controlling interests – continued

##### Significant restrictions

Cash and short-term deposits of RMB held in the PRC are subject to local exchange control regulations. These local exchange control regulations provide for restrictions on exporting capital from the PRC, other than through normal dividends.

### 25. ACQUISITION OF SUBSIDIARIES

On 24 January 2017, an indirect non-wholly owned subsidiary of the Company, Fujian Rui Mai, entered into a sale and purchase agreement (the “Agreement”) with the vendor and agreed to acquire the entire equity interest in Mingxi and its subsidiaries (“Mingxi Group”), with a consideration of RMB125,000,000 (equivalent to approximately HK\$140,954,000). The principal activity of the Mingxi Group is provision of hemodialysis treatment and consultancy service through jointly-operated and self-operated hemodialysis treatment centers and trading of hemodialysis treatment consumables and equipment in the PRC. Pursuant to the Agreement, the vendor guaranteed a net profit after taxation of not less than RMB10,000,000 (equivalent to approximately HK\$11,298,000) (“Profit Target”) for the year ending 31 March 2018. The acquisition was completed on 14 March 2017.

For the year ended 31 March 2018, the Profit Target was met.

### 24. 附屬公司之詳情－續

#### (b) 擁有重大非控股權益之非全資附屬公司之詳情－續

##### 重大限制

於中國以人民幣持有的現金及短期存款，皆須遵守當地匯兌管制條例。該等當地匯兌管制條例就中國之對外資本提出限制，惟透過一般股息發放者除外。

### 25. 收購附屬公司

於二零一七年一月二十四日，本公司之間接非全資附屬公司福建銳邁與賣方訂立買賣協議（「協議」）及同意收購明溪及其附屬公司（「明溪集團」）之全部股權，代價為人民幣125,000,000元（相當於約140,954,000港元）。明溪集團之主要業務為於中國透過合營及自營血液透析治療中心從事提供血液透析治療及諮詢服務以及血液透析治療耗材及設備貿易。根據協議，賣方保證於截至二零一八年三月三十一日止年度之除稅後純利不少於人民幣10,000,000元（相等於約11,298,000港元）（「溢利目標」）。收購已於二零一七年三月十四日完成。

截至二零一八年三月三十一日止年度，溢利目標已達成。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 25. ACQUISITION OF SUBSIDIARIES

#### – continued

The carrying amounts and fair value of assets of acquired and liabilities recognised at the date acquisition

### 25. 收購附屬公司－續

於收購日期所收購資產及確認之負債之賬面值及公平值

		Mingxi Group 明溪集團 As at 14 March 2017 於二零一七年 三月十四日 HK\$'000 千港元
Property, plant and equipment (Note 18)	物業、廠房及設備（附註18）	12,487
Inventories	存貨	382
Trade receivables and other receivables	貿易應收款項及其他應收款項	3,821
Prepayments and deposits paid	預付款項及已付按金	1,048
Tax recoverable	可回收稅項	312
Cash and cash equivalents	現金及現金等值項目	4,176
Trade and other payables	貿易及其他應付款項	(4,822)
Net assets	資產淨值	17,404

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 25. ACQUISITION OF SUBSIDIARIES

#### – continued

#### Goodwill arising on acquisition

### 25. 收購附屬公司－續

#### 收購產生之商譽

		Mingxi Group 明溪集團 As at 14 March 2017 於二零一七年 三月十四日 HK\$'000 千港元
Cash consideration	現金代價	140,954
Less: Fair value of identifiable net assets acquired	減：可辨認所收購資產 淨額之公平值	(17,404)
Goodwill arising on acquisition (Note 21)	收購產生之商譽（附註21）	123,550

Goodwill arose in the acquisition of Mingxi Group because the cost of the combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefits of expected synergies, revenue growth, future market development and the assembled workforce of Mingxi Group. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

由於合併成本包括控制權溢價，故收購明溪集團產生商譽。此外，就有效合併所支付之代價包括與明溪集團的預期協同效應、收入增長、未來市場發展及全體勞工等方面的利益有關的金額。該等利益不會與商譽分開確認，因為該等利益並不符合可辨認無形資產之確認標準。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 25. ACQUISITION OF SUBSIDIARIES

#### – continued

#### Net cash outflow on acquisition of subsidiaries

### 25. 收購附屬公司－續

#### 收購附屬公司之現金流出淨額

		Mingxi Group 明溪集團 As at 14 March 2017 於二零一七年 三月十四日 HK\$'000 千港元
Consideration paid or payable in cash	以現金支付或應付之代價	140,954
Less: Cash and cash equivalents balance acquired	減：收購現金及現金等值項目結餘	(4,176)
Net cash outflow	現金流出淨額	136,778

#### Impact of acquisition on the results of the Group

Revenue of HK\$69,000 and loss of HK\$224,000 contributed by Mingxi Group were recognised in the Group's loss for the year ended 31 March 2017.

Had these business combination be effective at 1 April 2016, the revenue of the Group would have been approximately HK\$989,662,000, and the loss for the year would have been approximately HK\$26,160,000. The directors of the Group consider these numbers to represent an approximate measure of the performance of the combined group on an annualised basis and to provide a reference point for comparison in future period.

#### 收購對本集團業績之影響

明溪集團貢獻之收益69,000港元及虧損224,000港元乃於本集團截止二零一七年三月三十一日止年度之虧損中確認。

倘該等業務合併已於二零一六年四月一日生效，本集團之收益應約為989,662,000港元，及年度虧損應約為26,160,000港元。本集團董事認為該等數字表明合併集團之表現之年度概約計量及為未來期間之比較提供參考要點。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 26. DISPOSAL OF A SUBSIDIARY

#### Nanping Huihao

On 21 February 2017, an indirect non-wholly owned subsidiary of the Company, Fuzhou Huihao, entered into a sale and purchase agreement and agreed to sell the entire 60% equity interests in Nanping Huihao, with a consideration of RMB8,378,000 (equivalent to approximately HK\$9,689,000). The disposal was completed on 21 February 2017.

Summary of the effects of the disposal of Nanping Huihao are as follows:

### 26. 出售一間附屬公司

#### 南平惠好

於二零一七年二月二十一日，本公司之間接非全資附屬公司福州惠好訂立一份買賣協議及同意出售南平惠好全部60%股權，代價為人民幣8,378,000元（相等於約9,689,000港元）。出售事項已於二零一七年二月二十一日完成。

出售南平惠好之影響概要如下：

		Nanping Huihao 南平惠好 21 February 2017 於二零一七年 二月二十一日 HK\$'000 千港元
Consideration received in cash and cash equivalents	已收現金及現金等值項目代價	9,689
<b>Analysis of assets and liabilities over which control was lost:</b>	<b>失去控制權的資產及負債分析：</b>	
Property, plant and equipment (Note 18)	物業、廠房及設備（附註18）	1,745
Inventories	存貨	10,647
Trade receivables, prepayments and other receivables	貿易應收款項、預付款項及 其他應收款項	41,997
Cash and cash equivalents	現金及現金等值項目	387
Trade and other payables	貿易及其他應付款項	(32,816)
Tax payable	應付稅項	(122)
Net assets disposed	出售資產淨值	21,838
<b>Loss on disposal of a subsidiary:</b>	<b>出售一間附屬公司之虧損：</b>	
Consideration received	已收代價	9,689
Less: Net assets disposed of	減：出售資產淨值	(21,838)
Release of translation reserve	解除換算儲備	1,349
Non-controlling interests	非控股權益	10,474
Loss on disposal	出售虧損	(326)
<b>Net cash inflow arising on disposal of Nanping Huihao:</b>	<b>出售南平惠好產生之現金流入淨額：</b>	
Consideration received in cash and cash equivalents	已收現金及現金等值項目代價	9,689
Less: Cash and cash equivalent balances disposed of	減：已出售之現金及現金等值項目結餘	(387)
		9,302

**26. DISPOSAL OF SUBSIDIARY – continued****Nanping Huihao – continued**

The loss on disposal is included in the loss for the year in the consolidated statement of profit or loss and other comprehensive income. For the period from 1 April 2016 to the date of disposal, Nanping Huihao was engaged in wholesale and distribution of pharmaceutical and related products in the PRC. No revenue was generated and loss of approximately HK\$154,000 incurred by Nanping Huihao was recognised in the Group's loss for the year ended 31 March 2017.

**26. 出售一間附屬公司 – 續****南平惠好 – 續**

出售虧損計入本年度綜合損益及其他全面收益表之虧損內。自二零一六年四月一日起至出售日期止期間，南平惠好於中國從事藥品及相關產品批發及分銷。概無南平惠好產生之收益及虧損約154,000港元乃於本集團截至二零一七年三月三十一日止年度之虧損內確認。

**27. CASH AND CASH EQUIVALENTS AND PLEDGED BANK DEPOSITS****27. 現金及現金等值項目及已質押銀行存款**

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cash and cash equivalents	現金及現金等值項目	91,922	93,721

At as 31 March 2018, the cash at banks and cash on hand of the Group denominated in RMB amounted to approximately HK\$91,838,000 (2017: approximately HK\$80,056,000). Cash at banks earns interest at floating rates based on the prevailing market rate which at 0.30 % per annum during the reporting period (2017: 0.35%). The cash and cash equivalents are deposits with creditworthy banks with no recent history of default.

於二零一八年三月三十一日，本集團以人民幣列值之銀行現金及手頭現金約為91,838,000港元（二零一七年：約80,056,000港元）。於報告期內，銀行現金按現行市場年利率0.30%以浮動利率賺取利息（二零一七年：0.35%）。現金及現金等值項目乃存於近期並無違約記錄且信譽良好之銀行。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 27. CASH AND CASH EQUIVALENTS AND PLEDGED BANK DEPOSITS – continued

The RMB is not freely convertible into other currencies, but conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorisation to conduct foreign exchange business.

Pledged bank deposits:

As at 31 March 2018, the Group did not held any pledged bank deposits. As at 31 March 2017, pledged bank deposit of approximately HK\$10,156,000 were pledged as collateral for bank borrowings. The pledged bank deposits as at 31 March 2017, carried interest at 3.0% per annum and denominated in RMB.

### 27. 現金及現金等值項目及已質押銀行存款 – 續

人民幣不可自由兌換為其他貨幣，惟人民幣兌換為外幣乃須遵守中國內地的外匯管制條例及結匯、售匯及付匯管理規定，本集團獲准透過獲授權進行外匯業務的銀行將人民幣兌換為其他貨幣。

已質押存款：

於二零一八年三月三十一日，本集團並無持有任何已抵押銀行存款。於二零一七年三月三十一日，已抵押銀行存款約10,156,000港元乃就銀行借貸質押作為抵押品。於二零一七年三月三十一日，已質押銀行存款乃按年利率3.0%計息，並以人民幣列值。

### 28. TRADE AND OTHER PAYABLES

Trade payables	貿易應付款項	92,597	100,388
Bills payable	應付票據	–	21,557
Accruals and other payables	應計費用及其他應付款項	25,834	39,699
Receipt in advance	預收款項	18,837	16,702
		<b>137,268</b>	<b>178,346</b>

### 28. 貿易及其他應付款項

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
92,597	100,388
–	21,557
25,834	39,699
18,837	16,702
<b>137,268</b>	<b>178,346</b>

**28. TRADE AND OTHER PAYABLES****– continued**

Included in accruals and other payables were the consideration payable for acquisition of subsidiaries of approximately HK\$Nil (2017: HK\$11,276,000), deposits from customers of approximately HK\$1,823,000 (2017: approximately HK\$7,487,000) and other tax payables of approximately HK\$13,982,000 (2017: HK\$14,403,000), the ageing analysis of trade payables of the Group presented based on the invoice date is as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within 90 days	90日以内	60,454	60,068
91 – 180 days	91至180日	8,911	14,087
181 – 365 days	181至365日	5,817	4,954
Over 365 days	超過365日	17,415	21,279
		<b>92,597</b>	<b>100,388</b>

The average credit period on purchases of certain goods in range from 30 to 90 days.

As at 31 March 2017, the bills payable are matured within six months from the ended of the reporting period. And the bills payable were secured by certain pledged bank deposits. All the bills payable are denominated in RMB.

**29. AMOUNT DUE TO A DIRECTOR**

Amount due to a director is unsecured, interest-free and repayable on demand.

**28. 貿易及其他應付款項 – 續**

應計費用及其他應付款項包括就收購附屬公司應付代價約零港元(二零一七年: 11,276,000港元)、來自客戶之按金約1,823,000港元(二零一七年: 約7,487,000港元)及其他應付稅項約為13,982,000港元(二零一七年: 14,403,000港元), 本集團按發票日期所呈列的貿易應付款項的賬齡分析如下:

購買若干貨品之平均信貸期介乎30至90日之間。

於二零一七年三月三十一日, 應付票據自報告期末起計六個月內到期。應付票據以若干已抵押銀行存款作為抵押。所有應付票據均以人民幣計值。

**29. 應付一名董事款項**

應付一名董事款項為無抵押、免息及須按要求償還。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 30. BANK BORROWINGS

### 30. 銀行借貸

		<b>2018</b> <b>二零一八年</b> <b>HK\$'000</b> <b>千港元</b>	2017 二零一七年 HK\$'000 千港元
Bank borrowings – secured	銀行借貸 – 有抵押	–	59,342
		<b>2018</b> <b>二零一八年</b> <b>HK\$'000</b> <b>千港元</b>	2017 二零一七年 HK\$'000 千港元
Carrying amount repayable:	應償還賬面金額：		
On demand or within one year shown	按要求或一年內，		
under current liabilities	計入流動負債	–	59,342

Notes:

- (a) During the year ended 31 March 2018, the Group had additional secured bank borrowings of approximately HK\$9,434,000 (2017: approximately HK\$96,872,000) carry fixed interest rates 5.22% (2017: range from 5.22% to 6.96%) per annum and were secured by prepaid lease payments.

As at 31 March 2018, all the bank borrowings was fully repaid.

附註：

- (a) 截至二零一八年三月三十一日止年度，本集團之額外有抵押銀行借貸約9,434,000港元（二零一七年：約96,872,000港元）按固定年利率5.22厘（二零一七年：5.22厘至6.96厘）計息，並以預付租賃款項作抵押。

於二零一八年三月三十一日，所有銀行借貸已悉數償還。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 30. BANK BORROWINGS – continued

Notes: – continued

- (b) Details of pledged assets were pledged to bank to secure the Group's banking facilities, please refer to the Note 43.
- (c) The carrying amount of the Group's bank borrowings are all originally denominated in RMB.

### 30. 銀行借貸 – 續

附註：– 續

- (b) 有關向銀行抵押以擔保本集團獲授銀行融資之已抵押資產之詳情請參閱附註43。
- (c) 本集團之銀行借貸之賬面值最初全部以人民幣列值。

### 31. OTHER BORROWING

### 31. 其他借貸

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Carrying amount repayable within one year: 須於一年內償還的賬面值：		
Secured loan repayable within one year 須於一年內償還的已抵押貸款	100,000	–

On 28 November 2017, the Company entered into a loan agreement with an independent third party ("Lender") for borrowing of principal amount HK\$100,000,000 (the "Loan") for a term of 3 months from the date of drawing down with an option to renew for another 3 months after the maturity of the loan.

On 28 February 2018, the Company exercised the renewal option and the Lender agreed to the extension of the Loan to another 3 months to 28 May 2018 with the same terms.

於二零一七年十一月二十八日，本公司就本金額為100,000,000港元之借貸（「貸款」）與一名獨立第三方（「貸款人」）訂立一項貸款協議，自提取日期起計為期3個月，可於貸款到期後選擇另行重續三個月。

於二零一八年二月二十八日，本公司行使重續權，而貸款人同意將貸款另行延長3個月至二零一八年五月二十八日，條款維持不變。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 31. OTHER BORROWING – continued

The Loan is secured by the debenture. The interest rate (i) for the first month after drawing was 3.9% per month; (ii) for the second month after drawing was 1.8% per month; (iii) for the third month after drawing and until the repayment date was 1.25% per month (iv) for the fourth month to the sixth month after drawing and until the repayment date as renewed was 1.25% per month.

For the details of other borrowing and debenture, please refer to the Company's announcement dated 28 November 2017, 28 February 2018 and 27 June 2018.

### 32. CONVERTIBLE NOTES

The Convertible Notes with the principal amount of HK\$84,292,000 (the "Convertible Notes") issued on 1 June 2015, the maturity date of Convertible Notes was on 31 May 2017. The conversion share price was HK\$0.65.

On 1 June 2017, the Company and the convertible noteholders entered into the Deed of Amendment pursuant to extended the Maturity Date from 1 June 2017 to 30 November 2017.

The Convertible Notes contains two components, liability and equity elements. The equity element is presented in equity heading "Convertible note reserve".

The fair value of the liability component was calculated using a market interest rate for an equivalent non-convertible notes. The residual amount, representing the value of the equity conversion component, was included in shareholders' equity in Convertible Note reserve.

### 31. 其他借貸－續

貸款由債權證抵押。利率(i)於提取後首個月為每月3.9%；(ii)於提取後第二個月為每月1.8%；(iii)於提取後第三個月及直至償還日期為每月1.25%；及(iv)於提取後第四個月至第六個月及直至償還日期（經重續後）為每月1.25%。

有關其他借貸及債權證之詳情，請參閱本公司日期為二零一七年十一月二十八日、二零一八年二月二十八日及二零一八年六月二十七日之公佈。

### 32. 可換股票據

於二零一五年六月一日發行本金額84,292,000港元之可換股票據（「可換股票據」），其到期日為二零一七年五月三十一日。股份轉換價為0.65港元。

於二零一七年六月一日，本公司與可換股票據持有人訂立修訂契據，據此，到期日由二零一七年六月一日延長至二零一七年十一月三十日。

可換股票據包括負債及權益兩部分。權益部分於權益賬「可換股票據儲備」項下呈列。

負債部分之公平值乃以等值非可換股票據之市場利率計算。剩餘金額為權益轉換部分之價值，乃計入可換股票據儲備之股東權益內。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 32. CONVERTIBLE NOTES – continued

The Convertible Notes recognised in the consolidated statement of financial position was calculated as follows:

### 32. 可換股票據－續

於綜合財務狀況表確認之可換股票據計算如下：

		HK\$'000 千港元
Fair value of Convertible Notes issued on 1 June 2015	於二零一五年六月一日發行之 可換股票據之公平值	84,292
Equity component	權益部分	(9,866)
Liability component on initial recognition and amortised cost as at 1 June 2015	初步確認時之負債部分及於 二零一五年六月一日之攤銷成本	74,426
Amortised cost at 1 April 2016	於二零一六年四月一日之攤銷成本	77,267
Interest expense	利息開支	10,314
Interest payable	應付利息	(4,212)
As at 31 March 2017 and 1 April 2017	於二零一七年三月三十一日及 二零一七年四月一日	83,369
Interest expense	利息開支	4,901
Interest payable	應付利息	(3,978)
Redemption upon maturity	於到期時贖回	(84,292)
<b>As at 31 March 2018</b>	<b>於二零一八年三月三十一日</b>	<b>—</b>

Interest expense on the Convertible Notes is calculated using the effective interest method by applying the effective interest rate of 13.11% to the liability component (2017: 13.11%).

可換股票據之利息開支乃應用實際利息法按負債部分之實際利率13.11厘計算（二零一七年：13.11厘）。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 33. DEFERRED TAX LIABILITIES

The following are the major deferred tax balances recognised and movements thereon during the years ended 31 March 2018 and 2017.

Deferred tax liabilities:

### 33. 遞延稅項負債

以下為截至二零一八年及二零一七年三月三十一日止年度確認之主要遞延稅項結餘及其變動。

遞延稅項負債：

		Convertible Notes 可換股票據 HK\$'000 千港元
As at 1 April 2016	於二零一六年四月一日	563
Credited to profit or loss (Notes 15)	計入損益 (附註15)	(483)
As at 31 March 2017 and 1 April 2017	於二零一七年三月三十一日及 二零一七年四月一日	80
Credit to profit or loss (Note 15)	計入損益 (附註15)	(80)
<b>As at 31 March 2018</b>	<b>於二零一八年三月三十一日</b>	<b>—</b>

At the end of the reporting period, the Group has approximately HK\$51,557,000 (2017: approximately HK\$42,536,000) unutilised tax losses available to set off against future assessable profits. No deferred tax asset has been recognised in respect of the unutilised tax losses due to the unpredictability of future profits streams of the subsidiaries which incurred the tax losses. These tax losses in Hong Kong may be carried forward indefinitely and the tax losses in the PRC may be expired within five years.

於報告期末，本集團約51,557,000港元（二零一七年：約42,536,000港元）之未動用稅務虧損可用作抵銷未來應課稅溢利。由於產生稅務虧損之附屬公司之未來溢利來源屬不可測，故並無就未動用稅務虧損確認遞延稅項資產。於香港產生之該等稅務虧損可無限期結轉及於中國產生稅務虧損可能於五年內到期。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 34. SHARE CAPITAL

### 34. 股本

		Number of shares  股份數目	Nominal value of ordinary shares 普通股之 賬面值 HK\$'000 千港元
<b>Authorised:</b>	<b>法定：</b>		
At 1 April 2016, 31 March 2017, 1 April 2017 and 31 March 2018 ordinary share of HK\$0.01 per share	於二零一六年四月一日、 二零一七年三月三十一日、 二零一七年四月一日及 二零一八年三月三十一日 每股面值0.01港元之普通股	2,000,000,000	20,000
<b>Issued and fully paid:</b>	<b>已發行及繳足：</b>		
At 1 April 2016, 31 March 2017, 1 April 2017 and 31 March 2018 ordinary share of HK\$0.01 per share	於二零一六年四月一日、 二零一七年三月三十一日、 二零一七年四月一日及 二零一八年三月三十一日 每股面值0.01港元之普通股	648,405,300	6,484

### 35. RESERVES

The amounts of the Group's reserves and the movements therein for the years ended 31 March 2018 and 2017 are presented in the consolidated statement of changes in equity of the consolidated financial statements.

### 35. 儲備

本集團截至二零一八年及二零一七年三月三十一日止年度之儲備及其變動金額呈列於綜合財務報表之綜合權益變動表。

### 36. CHANGE IN OWNERSHIP INTERESTS IN SUBSIDIARIES

On 8 March 2017, the Group acquired further 3.14% equity interests of Fuzhou Huihao by way of increasing the registered capital of Fuzhou Huihao from RMB80,000,000 to RMB91,500,000. A subsidiary of the Group agreed to pay HK\$12,000,000 for the increase capital of Fuzhou Huihao. The Group recognised a decrease of non-controlling interests and increase in other reserve of approximately HK\$6,996,000 and HK\$6,996,000 respectively.

### 36. 於附屬公司之擁有權權益之變動

於二零一七年三月八日，本集團透過將福州惠好之註冊資本由人民幣80,000,000元增加至人民幣91,500,000元之方式而進一步收購福州惠好之3.14%股權。本集團之一間附屬公司同意為福州惠好增資支付12,000,000港元。本集團確認非控股權益減少及其他儲備增加分別約6,996,000港元及6,996,000港元。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 37. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

### 37. 本公司財務狀況表

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Non-current assets</b>	<b>非流動資產</b>		
Investment in subsidiaries	於附屬公司之投資	6,484	6,484
Property, plant and equipment	物業、廠房及設備	7	9
		<b>6,491</b>	<b>6,493</b>
<b>Current assets</b>	<b>流動資產</b>		
Other receivables and deposits paid	其他應收款項及已付按金	146	109
Amounts due from subsidiaries	應收附屬公司款項	47,019	36,662
Cash and cash equivalents	現金及現金等值項目	20	11,057
		<b>47,185</b>	<b>47,828</b>
<b>Current liabilities</b>	<b>流動負債</b>		
Accruals and other payables	應計費用及其他應付款項	2,507	2,595
Amounts due to subsidiaries	應付附屬公司款項	6,655	6,662
Amount due to a director	應付一名董事款項	2,000	–
Other borrowing	其他借貸	100,000	–
Convertible notes	可換股票據	–	83,369
Deferred tax liabilities	遞延稅項負債	–	80
		<b>111,162</b>	<b>92,706</b>

## Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

37. STATEMENT OF FINANCIAL POSITION OF  
THE COMPANY – continued

## 37. 本公司財務狀況表－續

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Net current liabilities	流動負債淨額	(63,977)	(44,878)
Total assets less current liabilities	資產總值減流動負債	(57,486)	(38,385)
Net liabilities	負債淨額	(57,486)	(38,385)
Capital and reserves	資本及儲備		
Share capital	股本	6,484	6,484
Reserves (Note 38)	儲備(附註38)	(63,970)	(44,869)
Total equity	權益總額	(57,486)	(38,385)

The financial statement was approved and authorised for issue by the Board of Directors on 29 June 2018 and signed on its behalf by:

財務報表於二零一八年六月二十九日由董事會批准及授權刊發，並由下列董事代表簽署：

Chen Jinshan  
Executive Director

Yung Ka Lai  
Executive Director

陳金山  
執行董事

翁嘉麗  
執行董事

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 38. RESERVE OF THE COMPANY

### 38. 本公司儲備

		Share premium  股份溢價 HK\$'000 千港元	Convertible note reserve 可換股 票據儲備 HK\$'000 千港元	Accumulated losses  累計虧損 HK\$'000 千港元	Total  總計 HK\$'000 千港元
As at 1 April 2016	於二零一六年四月一日	(7,653)	7,695	(30,276)	(30,234)
Loss for the year	年度虧損	—	—	(14,635)	(14,635)
Total comprehensive loss for the year	年度全面虧損總額	—	—	(14,635)	(14,635)
As at 31 March 2017 and 1 April 2017	於二零一七年 三月三十一日及 二零一七年四月一日	(7,653)	7,695	(44,911)	(44,869)
Loss for the year	年度虧損	—	—	(19,101)	(19,101)
Total comprehensive loss for the year	年度全面虧損總額	—	—	(19,101)	(19,101)
Redemption of convertible notes upon maturity	於到期時贖回可換股票據	—	(7,695)	7,695	—
As at 31 March 2018	於二零一八年 三月三十一日	(7,653)	—	(56,317)	(63,970)

### 39. RETIREMENT BENEFIT PLANS

The Group operates as Mandatory Provident Fund Scheme (the "Scheme") for all qualifying employees in Hong Kong. The assets of the Scheme are held separately from those of the Group, in funds under control of trustees. The Group contributes 5% of relevant payroll costs to the Scheme, this contribution is matched by employees.

The employees of the Group's subsidiaries established in the PRC are members of state-managed retirement benefits schemes operated by the local government. The subsidiaries are required to contribute a certain percentage of their payroll costs to the retirement benefits to fund the benefits. The only obligations of the Group with respect to the retirement benefits schemes are to make the specified contributions.

### 39. 退休福利計劃

本集團為香港全體合資格僱員設立強制性公積金計劃（「計劃」）。計劃之資產與本集團之資產分開持有，存入由信託人控制之基金。本集團按有關薪酬成本5%向計劃供款，僱員亦會作出相應供款。

本集團於中國成立之附屬公司之僱員為當地政府管理之國家管理退休福利計劃成員。該等附屬公司須按薪酬開支之若干百分比向退休福利計劃供款以撥付退休福利。本集團就退休福利計劃之唯一責任為作出所需供款。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 40. SHARE OPTION SCHEMES

On 24 September 2013, the Company adopted a share option scheme (the "Share Option Scheme") whereby the Board can grant options for the subscription of our shares to the employees, managerial staff and senior employees and those other persons that the Board considers that they will contribute or have contributed to the Group (the "Participants") as described in the Share Option Scheme in order to serve as compliment and to reciprocate their contribution to the Group. The maximum number of shares that can be issued according to the Share Option Scheme was 64,840,530 shares, which is equivalent to 10% of the issued capital of the Company after completion of the Listing on the Stock Exchange. The number of options that may be granted pursuant to the terms of the Share Option Scheme shall not exceed 10% of the issued shares immediately after the completion of the Listing. Unless otherwise approved by the shareholders of the Company in general meeting, the number of shares that may be granted to a Participant under the options shall not exceed 1% within any 12-month period (other than those granted to the substantial shareholders (as defined in the Listing Rules) of the Company or the independent non-executive Directors or any of their respective associates (as defined in the Listing Rules)), or the total number of shares that may be granted under the options to the substantial shareholders of the Company or the independent non-executive Directors or any of their respective associates shall not exceed 0.1% of the shares in issue of the Company from time to time. There is no minimum period that the options must be held before they become exercisable, and the options granted shall be exercised within the period decided by the Board; however, no options shall be exercised 10 years after they have been granted. The exercise price of the option shall be the higher of (a) the closing price of the shares on the daily quotation sheet of the Stock Exchange on the date of grant; (b) the average closing price of the shares on the daily quotation sheet of the Stock Exchange for the five trading days immediately preceding the date of grant; and (c) nominal value of the share. Each grantee shall pay a consideration of HK\$1.00 at the time the option is granted. The Share Option Scheme shall take effect from the date it is adopted and shall remain effective within a period of 10 years from that date.

### 40. 購股權計劃

於二零一三年九月二十四日，本公司採納一項購股權計劃（「購股權計劃」），據此，董事會可向本集團僱員、管理人員及高級職員以及購股權計劃所述董事會認為將會對或曾經對本集團作出貢獻的該等其他人士（「參與人士」）授出購股權，以認購本公司股份，藉此向彼等給予獎勵及回報彼等對本集團作出的貢獻。根據購股權計劃可發行的最高股份數目為64,840,530股股份，相等於本公司於聯交所完成上市後已發行股本的10%。根據購股權計劃條款可授出的購股權數目不得超過緊隨完成上市後本公司已發行股份的10%。除非本公司股東於股東大會另行批准，否則可根據購股權授予參與人士的股份數目於任何12個月內不得超過1%（向本公司主要股東（定義見上市規則）或獨立非執行董事或彼等各自之聯繫人士（定義見上市規則）授出者除外），或根據購股權可授予本公司主要股東或獨立非執行董事或彼等各自的任何聯繫人士的股份總數不得超過本公司不時已發行股份的0.1%。概無規定購股權可行使前須持有的最短期間，而授出的購股權須於董事會決定的期間內行使，但並無購股權可於授出後超過10年再行使。購股權行使價須為(a)股份於授出日期在聯交所每日報價表上所列的收市價；(b)股份於緊接授出日期前五個交易日在聯交所每日報價表上所列的平均收市價；及(c)股份的面值之較高者。各承授人須於獲授購股權之時支付1.00港元之代價。購股權計劃於獲採納當日生效，直至該日起計10年期間內仍然有效。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 40. SHARE OPTION SCHEMES – continued

Since the Share Option Scheme was adopted, no share option have been granted during the year ended 31 March 2018 (2017: Nil).

### 41. MATERIAL RELATED PARTY TRANSACTION

Save as disclosed elsewhere in the consolidated financial statements, the Group had entered into transactions with related parties which, in the opinion of directors, were carried out at normal commercial terms and in the ordinary course of the Group's business, as shown below:

#### (a) Key management personnel remuneration:

### 40. 購股權計劃－續

自採納購股權計劃以來，於截至二零一八年三月三十一日止年度並未授出任何購股權（二零一七年：無）。

### 41. 重大關聯人士交易

除綜合財務報表其他章節所披露者外，本集團曾與關聯人士進行下列交易，董事認為，該等交易乃按正常商業條款並於本集團日常業務過程中進行，列示如下：

#### (a) 主要管理人員薪酬：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Short term employees benefits	短期僱員福利	1,515	912
Provident fund contributions	公積金供款	36	24
		<u>1,551</u>	<u>936</u>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 41. MATERIAL RELATED PARTY TRANSACTION – continued

#### (b) Transaction with related parties

### 41. 重大關聯人士交易－續

#### (b) 與關聯人士之交易

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Rental expenses paid to the mother of 支付予翁嘉麗女士之母親之 Ms. Yung Ka Lai 租金開支	75	74
Rental expenses paid to 支付予福建佳瑞醫藥連鎖 Fujian Jiarui Pharmaceutical 有限公司(前稱:福建 Chain Company Limited 惠好醫藥連鎖有限公司)之 (Former named: Fujian Huihao 租金開支 Pharmaceutical Chain Company Limited)	1,141	1,116

The Group had entered into a number of transactions with connected parties which, upon the listing of shares on the Stock Exchange, became connected persons of the Company under the Listing Rules. These transactions are continuing transactions exempt from the independent shareholder's approval requirements under the Listing Rules. The details information has been disclosed on Report of the Directors "Continuing Connected Transactions".

本集團與關連方訂立多項交易，於股份在聯交所上市後，根據上市規則，該等關連方成為本公司之關連人士。該等交易屬持續交易，故豁免遵守上市規則項下須獲獨立股東批准之規定。詳細資料已於董事會報告「持續關連交易」內披露。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 42. RECONCILIATION OF LIABILITIES ARISING FROM FINANCIAL ACTIVITIES

### 42. 融資活動產生的負債對賬

		Bank borrowings 銀行借貸 HK\$'000 千港元	Other borrowing 其他借貸 HK\$'000 千港元	Convertible notes 可換股票據 HK\$'000 千港元	Total 合計 HK\$'000 千港元
As at 1 April 2017	於二零一七年四月一日	59,342	–	83,369	142,711
Financing cash flow	融資現金流量	(62,055)	100,000	(84,292)	(46,347)
Foreign exchange adjustments	外匯調整	2,713	–	–	2,713
Non-cash movement	非現金變動	–	–	923	923
<b>Net debt as at 31 March 2018</b>	<b>於二零一八年三月三十一日之債務淨額</b>	<b>–</b>	<b>100,000</b>	<b>–</b>	<b>100,000</b>

### 43. PLEDGED OF ASSETS

At the end of the reporting period, the following assets were pledged to bank to secure the Group's banking facilities in Note 30:

### 43. 資產抵押

於報告期末，下列資產已抵押予銀行以令本集團獲授附註30所述之銀行融資：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Pledged bank deposits (Note 27)	已抵押銀行存款（附註27）	–	10,156
Prepaid lease payments (Note 19)	預付租賃款項（附註19）	–	9,664
Investment property (Note 20)	投資物業（附註20）	–	6,766
		<b>–</b>	<b>26,586</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 44. CHARGES OF ASSETS

As at 31 March 2018, the Group charged to the Lender of other borrowing by way of first floating charge all its undertaking, property, assets, goodwill, rights and revenues, whatsoever and whosoever, both present and future, including all book and other debts now and from time to time due or owing to the Company, the uncalled capital, goodwill and all intellectual properties and intellectual property rights, patents, patent applications, trademarks, service marks, trade names, registered designs, copyrights, licenses and ancillary and connected rights both present and future of the Company so that the charge hereby created shall be a continuing security by way of first floating.

For more details of the charges, please refer to Note 31 and the Company's announcement dated 28 November 2017, 28 February 2018 and 27 June 2018.

### 45. CAPITAL COMMITMENTS

Capital commitments at each of the end of the reporting date contracted but not provided for in the consolidated financial statements were as follows:

Commitments for the construction contract 租賃物業裝修之建築合約承擔  
for leasehold improvement

### 44. 資產抵押

於二零一八年三月三十一日，本集團以第一浮動押記之方式將其目前及未來於任何地方之所有業務、物業、資產、商譽、權益及收益，包括目前及不時應付或結欠本公司之所有賬面及其他債務、本公司目前及未來之未催繳之資本、商譽及所有知識資產及知識產權、專利、專利申請、商標、服務商標、商用名稱、已註冊設計、版權、牌照及附設及關連權利抵押予其他借貸之貸方，因此本公佈所設之押記將為以第一浮動為方式持續抵押。

有關抵押之更多詳情，請參閱附註31及本公司日期為二零一七年十一月二十八日、二零一八年二月二十八日及二零一八年六月二十七日之公佈。

### 45. 資本承擔

於各報告期末，已訂約但並無於綜合財務報表作出撥備之資本承擔如下：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Commitments for the construction contract 租賃物業裝修之建築合約承擔 for leasehold improvement	1,836	—

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

### 46. OPERATING LEASE COMMITMENTS

#### The Group as lessee

At the end of each reporting period, the Group were committed to make the following future minimum lease payments in respect of land and buildings rented under non-cancellable operating leases which fall due as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within one year	一年內	21,321	18,771
In the second to fifth years, inclusive	第二至五年（包括首尾兩年）	30,683	28,002
Over five years	五年以上	8,596	3,727
		<b>60,600</b>	<b>50,500</b>

### 47. EVENT AFTER THE REPORTING PERIOD

On 27 June 2018, the Lender and the Company agreed to further extend the repayment date of the other borrowing of HK\$100,000,000 to 29 May 2019. For the details of other borrowing, please refer to Announcement date 28 November 2017, 28 February 2018 and 27 June 2018.

### 48. MAJOR NON-CASH TRANSACTION

During the year, the Group has no major non-cash transaction. As at 31 March 2017, the major non-cash transaction was consideration payable for acquired Mingxi Group amounted RMB10,000,000 (equivalent to approximately HK\$11,726,000).

### 49. COMPARATIVES

Certain comparative amounts have been reclassified to conform with current year's presentation.

### 50. AUTHORISATION FOR ISSUE OF CONSOLIDATED FINANCIAL STATEMENT

The consolidated financial statements were approved and authorised for issue by the board of directors on 29 June 2018.

### 46. 經營租賃承擔

#### 本集團作為承租人

於各報告期末，本集團根據不可撤銷經營租賃（租期如下）就租賃土地及樓宇到期支付的未來最低租金付款承擔如下：

### 47. 報告期後事項

於二零一八年六月二十七日，貸款人與本公司同意進一步將其他借貸100,000,000港元的償還日期延長至二零一九年五月二十九日。有關其他借貸之詳情，請參閱日期為二零一七年十一月二十八日、二零一八年二月二十八日及二零一八年六月二十七日之公佈。

### 48. 重大非現金交易

年內，本集團並無重大非現金交易。於二零一七年三月三十一日，重大非現金交易之應付代價為人民幣10,000,000元（相等於約11,726,000港元），用於已收購之明溪集團。

### 49. 比較數字

若干比較數字已重新分類，以符合本年度之呈列方式。

### 50. 授權刊發綜合財務報表

綜合財務報表已於二零一八年六月二十九日由董事會批准及授權刊發。



# Five Years Financial Summary

## 五年財務摘要

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

A summary of the results and of the assets and liabilities of the Group for the last four financial years, as extracted from the published audited financial statements and the prospectus, is set out below:

### RESULTS

摘錄自己刊發經審核財務報表及招股書之本集團於對上四個財政年度之業績及資產與負債之概要載列如下：

### 業績

		For the year ended 31 March 截至三月三十一日止年度				
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
<b>Results</b>	<b>業績</b>					
<b>Revenue</b>	<b>收益</b>	<b>616,409</b>	985,909	1,321,763	1,567,687	2,096,455
Cost of sales	銷售成本	(515,784)	(859,640)	(1,175,635)	(1,407,842)	(1,906,991)
<b>Gross profit</b>	<b>毛利</b>	<b>100,625</b>	126,269	146,128	159,845	189,464
Other revenue	其他收益	866	3,582	5,000	6,379	7,543
Other gain and loss, net	其他收益及虧損，淨額	2,439	990	2,530	(122)	746
Impairment loss on goodwill	商譽減值虧損	(336)	—	—	(785,169)	—
Loss on disposal of a subsidiary	出售一間附屬公司之虧損	—	(326)	(772)	—	—
Selling and distribution expenses	銷售及分銷費用	(90,136)	(95,226)	(100,466)	(90,590)	(70,524)
Administrative expenses	行政開支	(49,330)	(45,223)	(48,359)	(46,854)	(47,033)
<b>(Loss)/profit from operations</b>	<b>經營業務（虧損）／溢利</b>	<b>(35,872)</b>	(9,934)	4,061	(756,511)	80,196
Finance costs	財務費用	(14,699)	(14,441)	(16,365)	(8,819)	(6,015)
<b>(Loss)/profit before taxation</b>	<b>除稅前（虧損）／溢利</b>	<b>(50,571)</b>	(24,375)	(12,304)	(765,330)	74,181
Taxation	稅項	(4,856)	(1,350)	(1,158)	(7,950)	(25,113)
<b>(Loss)/profit for the year</b>	<b>本年度（虧損）／溢利</b>	<b>(55,427)</b>	(25,725)	(13,462)	(773,280)	49,068
<b>(Loss)/profit for the year attributable to:</b>	<b>以下人士應佔本年度（虧損）／溢利：</b>					
Owners of the Company	本公司擁有人	(55,586)	(25,792)	(13,802)	(772,949)	48,920
Non-controlling interests	非控股權益	159	67	340	(331)	148
		<b>(55,427)</b>	(25,725)	(13,462)	(773,280)	49,068
			As at 31 March 於三月三十一日			
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
<b>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>					
Total assets	總資產	456,808	560,339	646,798	655,340	1,432,719
Total liabilities	總負債	(242,392)	(322,555)	(356,274)	(372,296)	(386,996)
Total equity	權益總額	214,416	237,784	290,524	283,044	1,045,723



**WANJIA GROUP**  
萬嘉集團