

昊天發展集團有限公司

Hao Tian Development Group Limited

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(Stock code 股份代號 : 00474)



2017/2018

Annual Report 年報

CONTENTS

目錄

2	Corporate Information 公司資料
5	Directors, Senior Management and Staff 董事、高級管理層及員工
12	Director's Statement 董事報告書
14	Management Discussion and Analysis 管理層討論及分析
39	Report of Directors 董事會報告
52	Corporate Governance Report 企業管治報告
72	Independent Auditor's Report 獨立核數師報告
79	Consolidated Statement of Profit or Loss and Other Comprehensive Income 綜合損益及其他全面收益表
81	Consolidated Statement of Financial Position 綜合財務狀況報表
84	Consolidated Statement of Changes in Equity 綜合權益變動表
86	Consolidated Statement of Cash Flows 綜合現金流量表
91	Notes to the Consolidated Financial Statements 綜合財務報表附註
268	Financial Summary 財務概要

CORPORATE INFORMATION

公司資料

EXECUTIVE DIRECTORS

Mr. Xu Hai Ying
Dr. Zhiliang Ou, J.P. (Australia)
Mr. Fok Chi Tak

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chan Ming Sun, Jonathan
Mr. Lam Kwan Sing
Mr. Lee Chi Hwa, Joshua

AUDIT COMMITTEE

Mr. Chan Ming Sun, Jonathan (Chairman of Committee)
Mr. Lam Kwan Sing
Mr. Lee Chi Hwa, Joshua

EXECUTIVE COMMITTEE

Mr. Xu Hai Ying
Dr. Zhiliang Ou, J.P. (Australia)
Mr. Fok Chi Tak

REMUNERATION COMMITTEE

Mr. Chan Ming Sun, Jonathan (Chairman of Committee)
Dr. Zhiliang Ou, J.P. (Australia)
Mr. Lam Kwan Sing

NOMINATION COMMITTEE

Dr. Zhiliang Ou, J.P. (Australia) (Chairman of Committee)
Mr. Chan Ming Sun, Jonathan
Mr. Lam Kwan Sing

AUTHORIZED REPRESENTATIVES

Mr. Fok Chi Tak
Dr. Zhiliang Ou, J.P. (Australia)

執行董事

許海鷹先生
歐志亮博士，太平紳士(澳洲)
霍志德先生

獨立非執行董事

陳銘樂先生
林君誠先生
李智華先生

審核委員會

陳銘樂先生(委員會主席)
林君誠先生
李智華先生

執行委員會

許海鷹先生
歐志亮博士，太平紳士(澳洲)
霍志德先生

薪酬委員會

陳銘樂先生(委員會主席)
歐志亮博士，太平紳士(澳洲)
林君誠先生

提名委員會

歐志亮博士，太平紳士(澳洲)(委員會主席)
陳銘樂先生
林君誠先生

授權代表

霍志德先生
歐志亮博士，太平紳士(澳洲)

CORPORATE INFORMATION

公司資料

CHIEF EXECUTIVE OFFICER

Mr. Gao Shufang (Resigned on 30 September 2017)

COMPANY SECRETARY

Mr. Sit Hon Wing (Resigned on 29 August 2017)

Mr. Siu Kai Yin Edward (Appointed on 29 August 2017)

LEGAL ADVISER

Raymond Siu & Lawyers
Unit 1802
18/F, Ruttonjee House
11 Duddell Street, Central
Hong Kong

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants
35/F One Pacific Place
88 Queensway
Hong Kong

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
1 Queen's Road Central
Hong Kong

China Minsheng Banking Corp. Ltd., Hong Kong Branch
40/F., Two International Finance Centre
8 Finance Street
Central, Hong Kong

Nanyang Commercial Bank, Ltd.
2/F., 359-361 Queen's Road Central
Hong Kong

Bank of China (Hong Kong) Limited
Bank of China Tower, 1 Garden Road
Central, Hong Kong

Industrial Bank Co., Limited, Hong Kong Branch
39/F ICBC Tower, 3 Garden Road
Central, Hong Kong

行政總裁

高書方先生(於二零一七年九月三十日辭任)

公司秘書

薛漢榮先生(於二零一七年八月二十九日辭任)

蕭啟彥先生(於二零一七年八月二十九日獲委任)

法律顧問

蕭鎮邦律師行
香港
中環都爹利街11號
律敦治大廈18樓
1802室

核數師

德勤•關黃陳方會計師行
執業會計師
香港
金鐘道88號
太古廣場一座35樓

主要往來銀行

香港上海滙豐銀行有限公司
香港
皇后大道中1號

中國民生銀行股份有限公司香港分行
香港中環
金融街8號
國際金融中心二期40樓

南洋商業銀行有限公司
香港
皇后大道中359-361號2樓

中國銀行(香港)有限公司
香港中環
花園道1號中銀大廈

興業銀行股份有限公司香港分行
香港中環
花園道3號中國工商銀行大廈39樓

CORPORATE INFORMATION 公司資料

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN CAYMAN ISLANDS

SMP Partners (Cayman) Limited
Royal Bank House — 3rd Floor
24 Shedden Road, P.O. Box 1586
Grand Cayman, KY1-1110
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Shops 1712-1716
17th Floor, Hopewell Centre
183 Queen's Road East, Wan Chai
Hong Kong

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P. O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Rooms 4917-4932, 49/F
Sun Hung Kai Centre
30 Harbour Road, Wan Chai
Hong Kong

WEBSITE

www.haotianhk.com

開曼群島主要股份過戶登記處

SMP Partners (Cayman) Limited
Royal Bank House — 3rd Floor
24 Shedden Road, P.O. Box 1586
Grand Cayman, KY1-1110
Cayman Islands

香港股份過戶登記分處

香港中央證券登記有限公司
香港
灣仔皇后大道東 183 號
合和中心 17 樓
1712-1716 室

註冊辦事處

Cricket Square
Hutchins Drive
P. O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

香港主要營業地點

香港
灣仔港灣道 30 號
新鴻基中心
49 樓 4917-4932 室

網址

www.haotianhk.com

DIRECTORS, SENIOR MANAGEMENT AND STAFF

董事、高級管理層及員工

DIRECTORS

Executive Directors

Mr. Xu Hai Ying, aged 64, was appointed as a Non-executive Director of the Company on 1 January 2012 and was re-designated as an Executive Director of the Company in February 2012. Mr. Xu is the senior technical consultant and senior manager of 中國節能環保集團有限公司 (China Jieneng Huangbao Group Company Limited*), whose principal business is the development of energy conservation technologies, clean and new energy, and energy infrastructure construction. Mr. Xu has substantial management experience and has been the manager of the representative offices of Wallem & Company Limited (華林船務集團有限公司) in Shanghai and Tianjin, The People's Republic of China and the chief representative of the Shanghai representative office of Hong Kong Maritime Company Limited (香港海運有限公司) and has served other management positions. Mr. Xu currently serves as an executive director of Fujian Nuoqi Co., Ltd. (stock code: 1353, a company listed on the main board of The Stock Exchange of Hong Kong Limited ("Stock Exchange").

董事

執行董事

許海鷹先生，64歲，於二零一二年一月一日獲委任本公司非執行董事，並於二零一二年二月調任為本公司執行董事。許先生為中國節能環保集團有限公司的高級技術顧問兼高級經理，該公司主要從事節能技術開發、潔淨及新能源以及能源基礎建設業務。許先生擁有豐富的管理經驗，曾擔任華林船務集團有限公司中華人民共和國上海及天津代表辦事處經理，以及香港海運有限公司上海代表辦事處的首席代表及其他管理職位。許先生現為福建諾奇股份有限公司(股份代號：1353，一間於香港聯合交易所有限公司(「聯交所」)主板上市之公司)之執行董事。

DIRECTORS, SENIOR MANAGEMENT AND STAFF 董事、高級管理層及員工

DIRECTORS (continued) Executive Directors (continued)

Dr. Zhiliang Ou, J.P., (Australia), aged 49, was appointed as an Independent Non-executive Director of the Company on 11 June 2012 and was re-designated as an Executive Director of the Company in August 2012. Dr. Ou holds a Doctor of Philosophy degree in Civil & Resource Engineering from The University of Western Australia, Australia. He also holds two Bachelor of Engineering degrees in Engineering Management & Structural Engineering respectively from Tongji University (同濟大學). Dr. Ou has over 25 years of professional engineering and management experience in oil & gas, mining and infrastructure industries both in Australia and China. He has been a senior staff member in the world's leading energy & resource firms including Kellogg Brown & Root (formerly known as KBR Halliburton), WorleyParsons Pty Ltd., as well as Sedgman Ltd., which is specialising in coal processing and handling plants. Dr. Ou participated in a number of key energy and resource projects around the world such as acting as the Lead Civil and Structural Engineer for BHP Billiton RGP6 Jimblebar project; Rio Tinto iron ore Dove Siding expansion project; Chevron Wheatstone Domgas LNG Pipeline project; Yemen LNG Project (in the Republic of Yemen) and Western Australia Dampier to Bunbury Natural Gas Pipeline (Stage 5B) project, etc. Dr. Ou also has extensive experience and network in China. He was the general manager of 福建省黎明建築工程公司 (Fujian Liming Construction Company*) from 1993 to 1997. He was a Guest Professor for Inner Mongolia University (內蒙古大學) and Inner Mongolia University of Science & Technology (內蒙古科技大學) in China. Currently, Dr. Ou is an independent non-executive director of Rey Resources Limited (a company listed on ASX) and an executive director of Hao Tian International Construction Investment Group Limited (stock code: 1341), which is a company listed on the main board of the Stock Exchange.

董事(續) 執行董事(續)

歐志亮博士, 太平紳士(澳洲), 49歲, 於二零一二年六月十一日獲委任為本公司獨立非執行董事, 並於二零一二年八月調任為本公司執行董事。歐博士持有澳洲西澳大學土木與資源工程學哲學博士學位。彼亦分別持有同濟大學的工程學士工程管理學位, 及工程學士結構工程學位。歐博士在澳洲和中國的石油和天然氣、礦業和基礎設施工程管理方面有25年以上專業經驗。彼曾於多間帶領全球的能源及資源公司擔任高級職員, 包括Kellogg Brown & Root (前稱KBR Halliburton), WorleyParsons Pty Ltd. 及從事煤炭加工和處理廠的Sedgman Ltd.。歐博士參與多項全球重要的能源及資源項目, 彼曾參與BHP Billiton RGP6 Jimblebar項目、力拓Dove Siding擴建工程、Chevron Wheatstone民用氣管道項目、也門液化天然氣項目(在也門共和國)、西澳丹皮爾至班伯利的天然氣管道(5B階段)項目等的總土木及結構工程師。歐博士在中國擁有豐富的經驗及網絡。於一九九三年至一九九七年, 彼曾擔任福建省黎明建築工程公司的總經理。彼曾任內蒙古大學及內蒙古科技大學的客席教授。歐博士現任Rey Resources Limited(一間於澳洲證券交易所上市的公司)的獨立非執行董事, 亦為昊天國際建設投資集團有限公司(股份代號: 1341)(一間於聯交所主板上市的公司)的執行董事。

DIRECTORS, SENIOR MANAGEMENT AND STAFF

董事、高級管理層及員工

DIRECTORS (continued)

Executive Directors (continued)

Mr. Fok Chi Tak, aged 42, was appointed as an Executive Director of the Company in September 2013. Mr. Fok was also the directors of various subsidiaries of the Group and has been the Chief Financial Officer of the Company since December 2010. In addition to the responsibility to oversee the Group's finance unit and functions, Mr. Fok also involves in the formulation of strategic plans for the business development of the Group, fund raising activities and potential merger and acquisition activities of the Group. Mr. Fok holds a master degree in business administration from the University of Hong Kong. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. Mr. Fok is also a fellow member of the Institute of Chartered Secretaries and Administrators and the Hong Kong Institute of Chartered Secretaries. Mr. Fok currently serves as an executive director of Hao Tian International Construction Investment Group Limited (stock code: 1341), which is listed on the main board of the Stock Exchange. Mr. Fok has extensive experience in corporate finance, corporate governance, mergers and acquisitions, auditing and financial management.

董事(續)

執行董事(續)

霍志德先生，42歲，於二零一三年九月獲委任為本公司執行董事。霍先生亦為本集團多間附屬公司之董事，以及自二零一零年十二月起為本公司之首席財務官。除了負責監管本集團之財務部門及職能外，霍先生亦參與就本集團之業務發展制定策略計劃、本集團的集資活動以及潛在的合併和收購活動。霍先生持有香港大學的工商管理碩士學位。彼為香港會計師公會及特許公認會計師公會資深會員。霍先生亦為特許秘書及行政人員公會及香港特許秘書公會資深會員。霍先生現為昊天國際建設投資集團有限公司(股份代號：1341)(一間於聯交所主板上市之公司)之執行董事。霍先生於企業融資、企業管治、合併及收購、審計及財務管理方面擁有豐富的經驗。

DIRECTORS, SENIOR MANAGEMENT AND STAFF

董事、高級管理層及員工

DIRECTORS (continued)

Independent Non-Executive Directors

Mr. Chan Ming Sun Jonathan, aged 45, was appointed as an Independent Non-executive Director of the Company in March 2012. Mr. Chan graduated from the University of New South Wales, Australia with a Bachelor of Commerce degree in Accounting and Computer Information Systems. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and a member of Certified Practising Accountants, Australia. Mr. Chan has over 20 years of experience in auditing, accounting, investment and financial management. Mr. Chan is currently an investment manager of Sprint Asset Management Limited. Mr. Chan is also an independent non-executive director of each of China Dredging Environment Protection Holdings Limited (stock code: 871), Shenyang Public Utility Holdings Company Limited (stock code: 747), Up Energy Development Group Limited (stock code: 307) and Fujian Nuoqi Co., Ltd. (stock code: 1353), whose securities are listed on the main board of the Stock Exchange, and of Changhong Jiahua Holdings Limited (stock code: 8016) and Dining Concepts Holdings Limited (stock code: 8056), whose securities are listed on GEM of the Stock Exchange. Mr. Chan resigned as independent non-executive director of Cornerstone Financial Holdings Limited (formerly known as Focus Media Network Limited) (stock code: 8112), L&A International Holdings Limited (stock code: 8195) and Far East Holdings International Limited (stock code: 36) on 27 November 2015, 3 March 2017 and 18 July 2017 respectively.

董事(續)

獨立非執行董事

陳銘樂先生，45歲，於二零一二年三月獲委任為本公司獨立非執行董事。陳先生畢業於澳洲新南威爾斯大學，持有會計及電腦資訊系統學系商學士學位，現為香港會計師公會之資深會員及澳洲會計師公會之會員。陳先生於審核、會計、投資及財務管理方面擁有逾20年經驗。陳先生現時為Sprint Asset Management Limited之投資經理，亦為中國疏浚環保控股有限公司(股份代號：871)、瀋陽公用發展股份有限公司(股份代號：747)、優派能源發展集團有限公司(股份代號：307)及福建諾奇股份有限公司(股份代號：1353)之獨立非執行董事，該等公司之證券於聯交所主板上市，以及長虹佳華控股有限公司(股份代號：8016)及飲食概念控股有限公司(股份代號：8056)之獨立非執行董事，該等證券於聯交所GEM上市。陳先生於二零一五年十一月二十七日、二零一七年三月三日及二零一七年七月十八日分別辭任基石金融控股有限公司(前稱Focus Media Network Limited)(股份代號：8112)、樂亞國際控股有限公司(股份代號：8195)及遠東控股國際有限公司(股份代號：36)之獨立非執行董事。

DIRECTORS, SENIOR MANAGEMENT AND STAFF

董事、高級管理層及員工

DIRECTORS (continued)

Independent Non-Executive Directors (continued)

Mr. Lam Kwan Sing, aged 48, was appointed as an Independent Non-executive Director of the Company in August 2012. Mr. Lam graduated from the City University of Hong Kong with a degree in Bachelor of Arts in Accountancy. He has more than 18 years of experience in the commercial and corporate finance field. Currently, Mr. Lam is a director of China Natural Resources, Inc. (a company listed on NASDAQ since 2003), and an executive director and the chief executive officer of SFund International Holdings Limited (formerly known as Hanbo Enterprises Holdings Limited) (stock code: 1367), which is listed on the main board of the Stock Exchange. Mr. Lam was an executive director and the chief executive officer of Enterprise Development Holdings Limited (stock code: 1808) from February 2012 to May 2015 and May 2013 to May 2015 respectively, and China Smarter Energy Group Holdings Limited (stock code: 1004) from August 2010 to August 2017, which are both listed on the main board of the Stock Exchange.

Mr. Lee Chi Hwa Joshua, aged 46, is a fellow member of the Association of Chartered Certified Accountants and a member of Hong Kong Institute of Certified Public Accountants. Mr. Lee has extensive experience in the fields of auditing, accounting and finance. Mr. Lee currently serves as an independent non-executive director of each of China Fortune Investments (Holding) Limited (stock code: 8116), Code Agriculture (Holdings) Limited (stock code: 8153) and Cornerstone Financial Holdings Limited (formerly known as Focus Media Network Limited) (stock code: 8112), which are listed on GEM of the Stock Exchange. He currently serves as the independent non-executive director of each of Hao Tian International Construction Investment Group Limited (stock code: 1341), Up Energy Development Group Limited (Stock code: 307) and Fujian Nuoqi Co., Ltd. (Stock code: 1353), and an executive director of China Healthcare Enterprise Group Limited (stock code: 1143), which are listed on the main board of the Stock Exchange. He was also an independent non-executive director of China Minsheng Drawin Technology Group Limited (stock code: 726) from December 2013 to February 2015 and Teamway International Group Holdings Limited (formerly known as Jin Bao Bao Holdings Limited) (stock code: 1239) from March 2015 to August 2017.

董事(續)

獨立非執行董事(續)

林君誠先生，48歲，於二零一二年八月獲委任為本公司獨立非執行董事。林先生畢業於香港城市大學，並獲頒授會計學文學士學位。林先生於商業及企業融資領域擁有逾18年經驗。林先生現為China Natural Resources, Inc. (一間自二零零三年起於納斯達克上市的公司)的董事，亦為廣州基金國際控股有限公司(前稱恒寶企業控股有限公司)(股份代號：1367)(一間於聯交所主板上市的公司)的執行董事兼行政總裁。林先生分別於二零一二年二月至二零一五年五月及二零一三年五月至二零一五年五月曾為企展控股有限公司(股份代號：1808)的執行董事兼行政總裁，及於二零一零年八月至二零一七年八月曾為中國智慧能源集團控股有限公司(股份代號：1004)(該兩間均為於聯交所主板上市的公司)的執行董事兼行政總裁。

李智華先生，46歲，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。李先生於核數、會計及財務方面擁有豐富經驗。李先生現為中國幸福投資(控股)有限公司(股份代號：8116)、科地農業控股有限公司(股份代號：8153)及基石金融控股有限公司(前稱Focus Media Network Limited)(股份代號：8112)(該等公司均於聯交所GEM上市)之獨立非執行董事。彼現為昊天國際建設投資集團有限公司(股份代號：1341)、優派能源發展集團有限公司(股份代號：307)及福建諾奇股份有限公司(股份代號：1353)之獨立非執行董事，及華夏健康產業集團有限公司(股份代號：1143)之執行董事(該等公司均於聯交所主板上市)。彼亦於二零一三年十二月至二零一五年二月出任中民築友科技集團有限公司(股份代號：726)及於二零一五年三月至二零一七年八月出任Teamway International Group Holdings Limited(前稱金寶寶控股有限公司)(股份代號：1239)之獨立非執行董事。

DIRECTORS, SENIOR MANAGEMENT AND STAFF

董事、高級管理層及員工

COMPANY SECRETARY

Mr. Siu Kai Yin Edward ("Mr. Siu"), aged 38, was appointed as the General Counsel and Company Secretary of the Company in May 2017 and August 2017, respectively. Mr. Siu is mainly responsible for overseeing the legal and compliance functions of our Company and various subsidiaries and associates of our Group. Prior to joining the Company, Mr. Siu was legal counsel at Huatai Financial Holdings (Hong Kong) Limited from December 2015 to March 2017. From 2003 to 2015, Mr. Siu practised as a private practice lawyer advising on corporate finance, mergers and acquisitions and private equity transactional matters in a number of internationally renowned firms in Hong Kong and Australia, including Gibson, Dunn & Crutcher (Hong Kong), Norton Rose Fulbright (Hong Kong and Melbourne, Australia) and Minter Ellison (Brisbane, Australia). Mr. Siu received a Bachelor of Commerce (Accountancy) and Bachelor of Laws double degree from the University of Queensland, Australia in 2002, and he is admitted as a solicitor of the High Court of Hong Kong, the Supreme Court of Queensland, Australia and the Supreme Court of Victoria, Australia.

SENIOR MANAGEMENT

Mr. Law Geoff Chun Mo ("Mr. Law"), aged 43, was appointed as the Group Financial Controller of the Company in November 2016. Mr. Law obtained a bachelor's degree of commerce from the University of New South Wales in Australia, majoring in finance and accounting. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and a member of CPA Australia. Mr. Law has extensive experiences in financial management, internal control management, corporate finance, pre-investment and post-investment project management, equity investment and other related areas. Mr. Law also has management experiences in the People's Republic of China ("PRC"). Mr. Law is also the chief financial officer and company secretary of Fujian Nuoqi Co., Ltd. which is a company listed on the main board of the Stock Exchange (stock code: 1353). Prior to joining the Group, Mr. Law had various positions, including being an audit senior manager in KPMG, the financial controller of an A-share listed company, and the chief financial officer and investment director in private equity fund management companies in the PRC.

公司秘書

蕭啟彥先生(「蕭先生」)，38歲，分別於二零一七年五月及二零一七年八月獲委任為本公司之法務總監及公司秘書。蕭先生主要負責監察本公司以及本集團各附屬公司及聯營公司之法律及合規職能。於加入本公司前，蕭先生自二零一五年十二月至二零一七年三月為華泰金融控股(香港)有限公司之法律顧問。自二零零三年至二零一五年，蕭先生於香港及澳洲之多間國際知名公司(包括Gibson, Dunn & Crutcher(香港)、Norton Rose Fulbright(香港及澳洲墨爾本)及Minter Ellison(澳洲布里斯本))擔任私人執業律師，就企業融資、合併及收購以及私募股權交易事宜提供法律諮詢。蕭先生於二零零二年自澳洲昆士蘭大學取得商業(會計)及法學雙學士學位，彼獲認可為香港高等法院、澳洲昆士蘭省最高法院及澳洲維多利亞省最高法院律師。

高級管理層

羅俊武先生(「羅先生」)，43歲，於二零一六年十一月獲委任為本集團之財務總監。羅先生持有澳洲新南威爾斯大學商學學士學位，主修金融及會計。彼為香港會計師公會資深會員及澳洲執業會計師公會會員。羅先生在財務管理、內控管理、企業融資、項目投前、投後管理、股權投資以及其他相關領域有豐富的經驗。羅先生亦具備中華人民共和國(「中國」)國內管理經驗。羅先生亦為福建諾奇股份有限公司(一間於聯交所主板上市之公司)(股份代號：1353)之財務總監兼公司秘書。於加入本集團前，羅先生曾擔任多個職位，包括曾於畢馬威會計師事務所擔任審計高級經理、於一間A股上市公司擔任財務總監以及於國內私募基金管理公司擔任首席財務官兼投資總監。

DIRECTORS, SENIOR MANAGEMENT AND STAFF 董事、高級管理層及員工

SENIOR MANAGEMENT (continued)

Mr. Zhou Yong (“Mr. Zhou”), aged 50, is appointed as a vice president of Hao Tian Management (Hong Kong) Limited in July 2017. Mr. Zhou holds a bachelor’s degree and a master’s degree in business administration from the University of Zurich. Mr. Zhou has over 19 years of experience in asset management, banking services and risk management. He has held various senior positions with prominent financial services companies including New Pacific Capital Limited (新太平洋資本有限公司) and Credit Suisse Group AG (瑞士信貸集團). Prior to joining our Company, Mr. Zhou was the managing director and responsible officer (Type 9) of New Vision Asset Management Limited (新盛資產管理有限公司).

Mr. Lau Chi Hang (“Mr. Lau”), aged 36, joined Hao Tian Finance Company Limited as vice president on 2 February 2015 and had assumed as General Manager in Hao Tian Credit Company Limited since 1 October 2017. Mr. Lau graduated from Benedictine College in USA with a Bachelor Degree in Commerce. Mr. Lau has more than 10 years of experience in the banking and financial sector. Before joining the Company, Mr. Lau had worked in South China Financial Credit, Australia and New Zealand Banking Group Limited, and Bank of China Credit Card Center.

高級管理層(續)

周勇先生(「周先生」)，50歲，於二零一七年七月獲委任為昊天管理(香港)有限公司之副總裁。周先生持有蘇黎世大學工商管理學士及碩士學位。彼於資產管理、銀行服務及風險管理範疇擁有逾19年經驗，曾於多間著名金融服務公司出任高級職務，包括新太平洋資本有限公司及瑞士信貸集團。於加入本公司前，周先生曾為新盛資產管理有限公司之董事總經理兼負責人員(第9類)。

劉智衡先生(「劉先生」)，36歲，於二零一五年二月二日加入昊天財務有限公司擔任副總裁，並自二零一七年十月一日起出任Hao Tian Credit Company Limited總經理。劉先生畢業於美國博立頓大學，並獲頒授商學學士學位。劉先生於銀行及金融業界擁有逾10年經驗。於加入本公司前，劉先生曾於南華財務、澳新銀行及中銀信用卡中心任職。

DIRECTOR'S STATEMENT

董事報告書

On behalf of Hao Tian Development Group Limited (the "Company", and together with its subsidiaries, collectively the "Group"), I hereby present the annual results of the Group for the year ended 31 March 2018 (the "Year").

This year is a transformational for the Group to explore new businesses and investments to further develop. During the year, the Group announced six key potential investments and capital market actions as follow:

- (a) Hao Tian International Construction Investment Group Limited (stock code: 1341.HK) completed a placing to raise net proceeds of HK\$121.4 million and a bonus issue;
- (b) Fujian Nuoci Co., Ltd (stock code: 1353.HK) announced a very substantial acquisition for Zhong Hong International Limited (中宏國際有限公司) which is principally engaged in the provision of construction services, mainly as a general contractor for residential construction projects, commercial and public works construction projects, and industrial and other construction projects, in the PRC. This transaction also constitutes a very substantial disposal of the Company and a part of the group restructuring;
- (c) The Group announced to acquire Done & Dusted Productions Limited for US\$89.6 million, which is principally engaged in the business of television and events production and has staged and/or filmed events such as The Victoria's Secret Fashion Show, the TV coverage for the 2012 London Olympic Opening & Closing Ceremonies;
- (d) The Group completed the acquisition of a London property, namely "55 Mark Lane, EC3", which is a Grade A office, retail and ancillary accommodation arranged over basement, lower ground, ground, seven upper floors and 18 car parking spaces situated at 52-58 Mark Lane, London, EC3R 7NE with a gross floor area of approximately 161,689 square feets, for a total consideration of £127,651,973 (equivalent to approximately HK\$1,381,194,348) (subject to completion adjustments but in no event shall be more than £130 million);

本人謹代表昊天發展集團有限公司(「本公司」, 連同其附屬公司統稱「本集團」) 提呈本集團截至二零一八年三月三十一日止年度(「本年度」)之全年業績。

本集團於本年度轉型, 探索新業務及投資以期進一步發展。於本年度, 本集團宣佈進行以下六項主要潛在投資及資本市場行動:

- (a) 昊天國際建設投資集團有限公司(股份代號: 1341.HK) 完成配售事項以籌得所得款項淨額121.4百萬港元, 並完成紅股發行;
- (b) 福建諾奇股份有限公司(股份代號: 1353.HK) 宣佈進行涉及中宏國際有限公司之非常重大收購事項, 該公司主要從事提供建築服務, 主要於中國擔任住宅建築項目、商業及公共工程建築項目以及工業及其他建築項目之總承建商。該項交易亦構成本公司非常重大出售事項及集團重組其中一環;
- (c) 本集團宣佈以89.6百萬美元收購Done & Dusted Productions Limited, 該公司主要從事電視及活動製作業務, 並曾舉辦及/或拍攝維多利亞的秘密時裝表演(The Victoria's Secret Fashion Show)及關於二零一二年倫敦奧運開幕式及閉幕式之電視廣播等活動;
- (d) 本集團已完成購入倫敦名為「55 Mark Lane, EC3」之物業, 該物業為位於52-58 Mark Lane, London, EC3R 7NE之甲級辦公、零售及配套設施, 坐擁地庫、地下低層、地下、七層樓層及18個泊車位, 建築面積約為161,689平方呎, 總代價為127,651,973英鎊(相當於約1,381,194,348港元)(有待最終調整, 惟無論如何不得超過130百萬英鎊);

DIRECTOR'S STATEMENT 董事報告書

- (e) The Group announced a potential acquisition of Eight Nine Eight Innovation Space (Beijing) Technology Co., Ltd.* (八九八創新空間(北京)科技有限公司), which operates the co-working space management and operation business and exchange and clearing business in the PRC; and
- (f) The Group announced a group restructuring to transfer Hao Tian International Financial Holdings Limited (昊天國際金融控股有限公司) to Hao Tian International Construction Investment Group Limited (stock code:1341.HK). This financial platform provides financial services including SFC regulated activities (type 1, type 2 and type 9), insurance agency business and money lending business.
- (e) 本集團已宣佈可能收購八九八創新空間(北京)科技有限公司,該公司在中國營運共享工作空間管理及營運業務以及交易及清算業務;及
- (f) 本集團宣佈進行集團重組,以將昊天國際金融控股有限公司轉讓予昊天國際建設投資集團有限公司(股份代號:1341.HK)。該金融平台提供金融服務,包括受證監會規管的活動(第1類、第2類及第9類)、保險代理以及放貸業務。

Finally, on behalf of the Board, I would like to express my sincere gratitude to all shareholders for their tremendous support, and to our directors, management and staff for their invaluable contributions to the Group. The Group will put focus on streamlining the existing businesses and explore new business opportunities to achieve fabulous returns for our shareholders.

最後,本人謹代表董事會,衷心感謝全體股東的鼎力支持,並感謝董事、管理層及全體員工為本集團所作出的寶貴貢獻。本集團將主力精簡現有業務並探索新商機,為股東創造理想回報。

Dr. Zhiliang Ou
Executive Director

歐志亮博士
執行董事

Hong Kong, 22 June 2018

香港,二零一八年六月二十二日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW

Money Lending Business

During the year, the money lending business of the Group generated an interest income of approximately HK\$118.0 million (2017: approximately HK\$138.1 million), representing a decrease of approximately 14.6%. The main business of this segment includes provision of property mortgage loans and personal loans to customers in Hong Kong. As at 31 March 2018, the outstanding loan receivables of the money lending business of the Group (net of impairment) was approximately HK\$726.0 million (2017: approximately HK\$788.6 million).

Securities Investment Business (Investments held for trading)

During the year, the net realised gains from disposal of investments held for trading were approximately HK\$9.7 million (2017: realised loss of approximately HK\$964.5 million) and the unrealised fair value losses from investments held for trading, comprising listed equity securities, were approximately HK\$154.8 million (2017: unrealised fair value losses of approximately HK\$2,096.0 million). The substantial losses incurred were mainly attributable to the fair value loss for the shares in China Shandong Hi-Speed Financial Group Limited (stock code: 412) ("CSFG") of approximately HK\$99.2 million. (2017: fair value loss of approximately HK\$2,050.5 million)

業務回顧

放貸業務

於本年度，本集團之放貸業務錄得利息收入約118.0百萬港元(二零一七年：約138.1百萬港元)，減少約14.6%。此分部之主要業務包括提供物業按揭貸款及對香港客戶個人貸款。於二零一八年三月三十一日，本集團放貸業務之未償還應收貸款(扣除減值)為約726.0百萬港元(二零一七年：約788.6百萬港元)。

證券投資業務(持作買賣投資)

於本年度，出售持作買賣投資之已變現淨收益約為9.7百萬港元(二零一七年：已變現虧損約964.5百萬港元)及持作買賣投資(包括上市股本證券)之未變現公平值虧損約為154.8百萬港元(二零一七年：未變現公平值虧損約2,096.0百萬港元)。產生大幅虧損乃主要由於中國山東高速金融集團有限公司(股份代號：412)(「中國山東金融集團」)股份錄得公平值虧損約99.2百萬港元(二零一七年：公平值虧損約2,050.5百萬港元)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW (continued)

Securities Investment Business (Investments held for trading) (continued)

As at 31 March 2018, the value of equity securities listed on the Stock Exchange held by the Group which were classified as investments held for trading amounted to approximately HK\$1,258.2 million (31 March 2017: approximately HK\$1,237.2 million). They mainly comprised the following listed securities, namely: (1) CSFG (stock code: 412); (2) Tencent Holdings Limited (stock code: 700); (3) Carnival Group International Holdings Limited (stock code: 996); and (4) Imperial Pacific International Holdings Limited (stock code: 1076) ("Imperial Pacific"). The details of the Group's equity securities investments classified as investments held-for-trading are set out as follows:

業務回顧(續)

證券投資業務(持作買賣投資)(續)

於二零一八年三月三十一日，本集團所持有之聯交所股本證券(其已獲分類為持作買賣投資)價值約為1,258.2百萬港元(二零一七年三月三十一日：約1,237.2百萬港元)。其主要包括下列上市證券，即：(1)中國山東金融集團(股份代號：412)；(2)騰訊控股有限公司(股份代號：700)；(3)嘉年華國際控股有限公司(股份代號：996)；及(4)博華太平洋國際控股有限公司(股份代號：1076)〔「博華太平洋」〕。本集團分類為持作買賣投資之股本證券投資詳情載列如下：

Company Name/(Stock Code)	Number of shares held at 31 March 2018	Percentage of shareholdings at 31 March 2018	Carrying amount at 31 March 2017	Unrealised fair value (loss)/ gain for the year ended 31 March 2018	Fair value at 31 March 2018	Percentage of equity securities investments	Percentage of total assets of the Group at 31 March 2018	
						classified as held-for-trading investments at 31 March 2018		
公司名稱/(股份代號)	於二零一八年三月三十一日所持股份數目	於二零一八年三月三十一日之持股百分比	於二零一七年三月三十一日之賬面值 HK\$'000 千港元	截至二零一八年三月三十一日止年度之未變現公平值(虧損)/收益 HK\$'000 千港元	於二零一八年三月三十一日之公平值 HK\$'000 千港元	於二零一八年三月三十一日分類為持作買賣投資之股本證券投資之百分比	於二零一八年三月三十一日佔本集團資產總值之百分比	
CSFG (412)	中國山東金融集團(412)	3,307,298,610	13.47%	1,091,408	(99,219)	992,189	78.86%	19.73%
Tencent Holdings Limited (700)	騰訊控股有限公司(700)	500,000	0.01%	-	(2,741)	204,800	16.28%	4.07%
Carnival Group International Holdings Limited (996)	嘉年華國際控股有限公司(996)	90,610,000	0.38%	76,112	(43,493)	32,619	2.59%	0.65%
Imperial Pacific International Holdings Limited (1076)	博華太平洋國際控股有限公司(1076)	229,700,000	0.16%	31,010	(8,499)	22,511	1.79%	0.45%
Far East Holdings International Limited (36)	遠東控股國際有限公司(36)	4,983,000	0.46%	3,787	50	3,837	0.30%	0.08%
Beijing Properties (Holdings) Limited (925)	北京建設(控股)有限公司(925)	8,140,000	0.12%	3,012	(773)	2,239	0.18%	0.04%
Up Energy Development Group Ltd (307)	優派能源發展集團有限公司(307)	4,000,000	0.09%	-	-	-	-	-
Disposal securities	出售證券	N/A 不適用	N/A 不適用	31,871	-	-	-	-
				1,237,200	(154,675)	1,258,195	100%	25.02%

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW (continued)

Securities Investment Business (Investments held for trading) (continued)

As investment in equity securities accounts for a significant portion of the Group's total assets, management will closely monitor the investment portfolio and capture opportunities arising from held-for-trading investments in a prudent manner and balance investment risks. The Group believes that following the implementation of the favorable financial measures in Hong Kong, such as the Shanghai-Hong Kong Stock Connect, mutual recognition of funds and the Shenzhen-Hong Kong Stock Connect, the Group is optimistic about the future equity securities market in Hong Kong.

Investments classified as available-for-sale investments

During the year, there was an impairment loss from the disposal of available-for-sale investments of approximately HK\$1.7 million (2017: realised gain of approximately HK\$53.2 million). As at 31 March 2018, the aggregate value of the listed equity securities in Hong Kong and an unlisted fund held by the Group which were classified as available-for-sale investments amounted to approximately HK\$702.0 million (31 March 2017: approximately HK\$694.3 million). Such value comprised of securities of two listed companies, namely: (1) Imperial Pacific (stock code: 1076); and (2) CSFG (stock code: 412) and an unlisted fund comprising the participating shares in Haitong Dynamic Multi-Tranche Investment Fund I S.P. of Haitong Global Investment SPC III. The remaining balance of available-for-sale investments represented certain unlisted equity securities carried at cost less accumulated impairment, which amounted to approximately HK\$112.1 million (31 March 2017: approximately HK\$70.2 million). During the year, the Group acquired the said unlisted fund and certain unlisted equity securities, and disposed of 500,000,000 shares in HengTen Networks Group Limited (stock code: 136).

業務回顧(續)

證券投資業務(持作買賣投資)(續)

由於本集團資產總值中大部分為股本證券投資，故管理層將密切監控投資組合併審慎把握持作買賣投資之機遇及平衡投資風險。本集團相信隨著落實有利香港之金融措施如滬港通、基金互認及深港通等，本集團對香港之未來股本證券市場持樂觀態度。

分類為可供出售投資之投資

於本年度，出售可供出售投資之減值虧損約為1.7百萬港元(二零一七年：已變現收益約53.2百萬港元)。於二零一八年三月三十一日，本集團所持有之香港上市股本證券及非上市基金(其已獲分類為可供出售投資)總值約為702.0百萬港元(二零一七年三月三十一日：約694.3百萬港元)。有關價值包括兩間上市公司之證券，即：(1)博華太平洋(股份代號：1076)；及(2)中國山東金融集團(股份代號：412)，以及非上市基金，包括於Haitong Global Investment SPC III之Haitong Dynamic Multi-Tranche Investment Fund I S.P.之參與股份。可供出售投資餘額(即以成本減累計減值入賬之若干非上市股本證券)約為112.1百萬港元(二零一七年三月三十一日：約70.2百萬港元)。於本年度，本集團已收購所述非上市基金及若干非上市股本證券以及出售於恒騰網絡集團有限公司(股份代號：136)之500,000,000股股份。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW (continued)

Investments classified as available-for-sale investments (continued)

業務回顧(續)

分類為可供出售投資之投資(續)

Company Name/(Stock Code)	Number of shares held at 31 March 2018	Percentage of shareholdings at 31 March 2018	Unrealised fair value (loss)/ gain and (impairment loss)		Carrying amount at 31 March 2018	Percentage of total available for sale investments at 31 March 2018	Percentage of total assets of the Group at 31 March 2018
			Carrying amount at 31 March 2017	for the year ended 31 March 2018			
公司名稱/(股份代號)	於二零一八年三月三十一日所持股份數目	於二零一八年三月三十一日之持股比例	於二零一七年三月三十一日之賬面值 HK\$'000 千港元	截至二零一八年三月三十一日止年度之未變現公平值(虧損)/收益及(減值虧損) HK\$'000 千港元	於二零一八年三月三十一日之賬面值 HK\$'000 千港元	於二零一八年三月三十一日佔可供出售投資總額之百分比 HK\$'000 千港元	於二零一八年三月三十一日佔本集團資產總值之百分比 HK\$'000 千港元
Imperial Pacific International Holdings Limited (1076)	4,133,660,000	2.89%	558,044	(152,945)	405,099	49.76%	8.05%
CSFG (412)	196,261,040	0.80%	64,766	(5,888)	58,878	7.23%	1.17%
Up Energy Development Group Limited (307)	367,500,000	8.10%	-	-	-	-	-
Haitong Dynamic Multi-Tranche Investment Fund I S.P. of Haitong Global Investment SPC III	Haitong Dynamic Multi-Tranche Investment Fund I S.P.	N/A 不適用	-	4,701	237,994	29.24%	4.73%
Others — unlisted	其他 — 非上市	N/A 不適用	70,178	-	112,088	13.77%	2.23%
Disposed securities	出售證券	N/A 不適用	71,500	-	-	-	-
			764,488	(154,132)	814,059	100%	16.18%

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW (continued)

Rental of construction machinery business

During the year, Hao Tian International Construction Investment Group Limited (“**Hao Tian International Construction**”) contributed a revenue of approximately HK\$165.9 million and a segment loss of approximately HK\$200.7 million. There was a goodwill impairment loss of approximately HK\$172.8 million, in respect of the goodwill allocated to Hao Tian International Construction at the date of acquisition, recorded during the year. There was an operating loss of approximately HK\$27.9 million from Hao Tian International Construction during the year.

Trading of futures business

During the year, the Group had incurred a loss of approximately HK\$3.8 million (2017: loss of approximately HK\$16.2 million) in futures trading business segment, which was mainly attributable to the volatility of the commodities market.

Retailing of men’s and women’s apparels business

During the year, Fujian Nuoqi Co., Ltd. (stock code: 1353) (“**Fujian Nuoqi**”) contributed a revenue of approximately HK\$34.6 million and a segment loss of approximately HK\$158.5 million. There was a goodwill impairment loss of approximately HK\$143.5 million, in respect of the goodwill allocated to Fujian Nuoqi at the date of acquisition, recorded during the year. There was an operating loss of approximately HK\$15.0 million from Fujian Nuoqi during the year.

Warehousing and Logistics Business

The Group owns a parcel of land located at Ganquanbao Industrial Park, Urumqi, Xinjiang (新疆烏魯木齊市甘泉堡工業園區) with a site area of approximately 151,100 sq.m., which is designated for warehousing and logistics business purposes. During the year, no revenue was recorded from the warehousing and logistics business of the Group as the development was still in a preliminary stage.

業務回顧(續)

建築機械租賃業務

於本年度，昊天國際建設投資集團有限公司(「**昊天國際建設**」)貢獻收益約165.9百萬港元及分部虧損約200.7百萬港元。於本年度，就於收購日期分配至昊天國際建設之商譽錄得商譽減值虧損約172.8百萬港元。於本年度，昊天國際建設之經營虧損約為27.9百萬港元。

期貨買賣業務

於本年度，本集團於期貨買賣業務分部產生虧損約3.8百萬港元(二零一七年：虧損約16.2百萬港元)，乃主要由於商品市場出現波動。

男裝及女裝零售業務

於本年度，福建諾奇股份有限公司(股份代號：1353)(「**福建諾奇**」)貢獻收益約34.6百萬港元及分部虧損約158.5百萬港元。於本年度，就於收購日期分配至福建諾奇之商譽錄得商譽減值虧損約143.5百萬港元。於本年度，福建諾奇之經營虧損約為15.0百萬港元。

倉儲物流業務

本集團擁有一幅位於新疆烏魯木齊市甘泉堡工業園區，佔地面積約151,100平方米之指定作倉儲物流業務用途之地塊。於本年度，由於有關發展仍處於初步階段，故本集團之倉儲物流業務並無錄得任何收益。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW

The Group had incurred a loss attributable to the owners of the Company of approximately HK\$444.9 million for the year ended 31 March 2018 (2017: approximately HK\$3,078.9 million). Such loss was mainly attributable to the impairment loss on goodwill of approximately HK\$316.3 million and fair value loss of listed investment held for trading of approximately HK\$154.8 million (2017: approximately HK\$2,096.0 million). Such impact was partially offset by the profit from the money lending business.

Interest income from money lending business amounted to approximately HK\$118.0 million (2017: approximately HK\$138.1 million). The decrease was mainly attributable to the decrease in personal loan business, and was partially offset by continual increase in the number of customers for our property mortgaged loan business. Interest expenses of approximately HK\$5.7 million (2017: approximately HK\$20.1 million) was incurred for bank borrowings obtained solely for the Group's money lending business. The Group financed the money lending business by external and internal resources during the year.

The Group recorded losses in other gains and losses of approximately HK\$384.1 million for the year ended 31 March 2018 (2017: approximately HK\$3,616.6 million). Such loss was mainly attributable to impairment loss on goodwill of approximately HK\$316.3 million (2017: nil) and fair value loss for the shares in CSFG of approximately HK\$99.2 million (2017: approximately HK\$2,050.5 million). Such impact was partially offset by the profit from the money lending business.

財務回顧

本集團於截至二零一八年三月三十一日止年度產生本公司擁有人應佔虧損約444.9百萬港元(二零一七年：約3,078.9百萬港元)。該虧損乃主要由於錄得商譽減值虧損約316.3百萬港元及持作買賣上市投資之公平值虧損約154.8百萬港元(二零一七年：約2,096.0百萬港元)。有關影響部分被放貸業務所得溢利抵銷。

放貸業務之利息收入約為118.0百萬港元(二零一七年：約138.1百萬港元)。該減少乃主要由於個人貸款業務減少，部分被物業按揭貸款業務之客戶人數持續增加抵銷。僅供本集團放貸業務而獲得之銀行借貸產生利息開支約5.7百萬港元(二零一七年：約20.1百萬港元)。於本年度，本集團透過外部及內部資源為放貸業務提供資金。

截至二零一八年三月三十一日止年度，本集團之其他收益及虧損錄得虧損約384.1百萬港元(二零一七年：約3,616.6百萬港元)。該虧損乃主要由於錄得商譽減值虧損約316.3百萬港元(二零一七年：無)及中國山東金融集團股份之公平值虧損約99.2百萬港元(二零一七年：約2,050.5百萬港元)。有關影響部分被放貸業務所得溢利抵銷。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW (continued)

Administrative Expenses

During the year, administrative expenses were approximately HK\$226.6 million (2017: approximately HK\$132.9 million), representing an increase of approximately HK\$93.8 million or 70.6% as compared with last year. The increase was mainly due to the increase in the number of subsidiaries after the acquisition of Hao Tian International Construction, Hao Tian Securities, Fujian Nuoqi and the establishment of various companies under Hao Tian International Financial Holdings Limited (formerly known as King International Financial Holdings Limited) which are engaged in trading of futures and bullions.

Finance Costs

During the year, the finance costs were approximately HK\$79.6 million (2017: approximately HK\$87.9 million), representing a decrease of approximately HK\$8.3 million or 9.4% as compared with last year. The decrease was mainly attributable to the full redemption of US\$30,000,000 secured notes during the year.

Taxation

During the year, net income tax credit was approximately HK\$12.6 million (2017: approximately HK\$497.9 million). The net income tax credit was generally in line with the existence of fair value loss on investments held for trading incurred during the year.

Loss Attributable to Owners of the Company

During the year, the Group recorded a loss attributable to owners of the Company of approximately HK\$444.9 million (2017: approximately HK\$3,078.9 million) which was attributable to the factors mentioned above.

財務回顧(續)

行政開支

於本年度，行政開支約為226.6百萬港元(二零一七年：約132.9百萬港元)，較去年增加約93.8百萬港元或70.6%。該增加乃主要由於收購昊天國際建設、昊天證券、福建諾奇及於昊天國際金融控股有限公司(前稱天王國際金融控股有限公司)旗下成立若干公司(從事期貨買賣及黃金交易)後附屬公司數目增加。

融資成本

於本年度，融資成本約為79.6百萬港元(二零一七年：約87.9百萬港元)，較去年減少約8.3百萬港元或9.4%。該減少乃主要由於本年度悉數贖回有抵押票據30,000,000美元。

稅項

於本年度，所得稅抵免淨額約為12.6百萬港元(二零一七年：約497.9百萬港元)。所得稅抵免淨額整體上與本年度產生之持作買賣投資之公平值虧損一致。

本公司擁有人應佔虧損

於本年度，本集團錄得本公司擁有人應佔虧損約444.9百萬港元(二零一七年：約3,078.9百萬港元)，乃歸因於上述因素。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW (continued)

Liquidity, Capital Structure and Financial Resources

The Group mainly financed its operations from a combination of operating cash flows, borrowings and equity. As at 31 March 2018, the Group had bank balances and cash (including pledged bank deposits) of approximately HK\$801.1 million (31 March 2017: approximately HK\$865.6 million). The Group's working capital decreased to approximately HK\$1,627.8 million (31 March 2017: approximately HK\$1,747.5 million).

As at 31 March 2018, the Group had outstanding borrowings (including secured notes and obligations under finance leases) of approximately HK\$1,372.1 million (31 March 2017: approximately HK\$1,096.2 million). The Group had various banking facilities provided by financial institutions in Hong Kong which were secured by certain assets of the Group, including (i) the Group's available-for-sale investments of HK\$464 million; (ii) investments held for trading of HK\$1,252.1 million; (iii) certain bank deposits held by the Group; (iv) certain leasehold land and building; and (v) certain machinery and motor vehicles.

Gearing ratio (being the ratio of total borrowings, including secured notes and obligations under finance leases, to total assets) as at 31 March 2018 was 27.3% (31 March 2017: 20.5%). The increase was mainly attributable to (i) the issuance of secured notes and (ii) the fair value loss on investment held for trading which reduced the asset base.

Capital Commitments

As at 31 March 2018, the Group had capital commitments which amounted to approximately HK\$1,435.1 million (31 March 2017: approximately HK\$154.0 million) in respect of addition of property, plant and equipment which had been contracted for but not provided for and the consideration (net of a non-refundable deposit paid during the year) to acquire a company incorporated under the laws of the Grand Duchy of Luxembourg with limited liability, which hold a mixed-use property in London, United Kingdom. The capital commitments in respect of addition of property, plant and equipment were mainly related to the development of the logistics warehousing business in Xinjiang and the purchase of construction machinery for rental purpose.

財務回顧(續)

流動資金、資本架構及財務資源

本集團主要以經營現金流量、借貸及股本之組合方式為其營運提供資金。於二零一八年三月三十一日，本集團之銀行結餘及現金(包括已抵押銀行存款)約為801.1百萬港元(二零一七年三月三十一日：約865.6百萬港元)。本集團之營運資金減少至約1,627.8百萬港元(二零一七年三月三十一日：約1,747.5百萬港元)。

於二零一八年三月三十一日，本集團之未償還借貸(包括有抵押票據及融資租賃承擔)約為1,372.1百萬港元(二零一七年三月三十一日：約1,096.2百萬港元)。本集團擁有多項由香港財務機構提供之銀行融資，該等融資以本集團之若干資產(包括(i)本集團之可供出售投資464百萬港元；(ii)持作買賣投資1,252.1百萬港元；(iii)本集團持有之若干銀行存款；(iv)若干租賃土地及樓宇；及(v)若干機械及汽車)作抵押。

於二零一八年三月三十一日，資產負債比率(即借貸總額(包括有抵押票據及融資租賃承擔)與資產總值之比率)為27.3%(二零一七年三月三十一日：20.5%)。該增加乃主要由於(i)發行有抵押票據及(ii)已抵減資產基礎之持作買賣投資之公平值虧損。

資本承擔

於二零一八年三月三十一日，本集團就已訂約但並未撥備之物業、廠房及設備添置及收購根據盧森堡大公國法律註冊成立的有限公司(該公司在英國倫敦持有綜合用途物業)之代價(扣除於年內支付之不可退還訂金)作出資本承擔約1,435.1百萬港元(二零一七年三月三十一日：約154.0百萬港元)。就物業、廠房及設備添置作出之資本承擔主要與發展新疆之物流倉儲業務及就租賃用途購買建築機械有關。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW (continued) Contingent liabilities

As at 31 March 2018, the Group provided corporate guarantees and performance guarantee amounting to approximately HK\$0.3 million (31 March 2017: HK\$2.3 million) and HK\$11.2 million (31 March 2017: HK\$11.2 million) to banks in respect of obligations under finance leases and the Group's obligations under contracts with certain third party customers respectively. Pursuant to the guarantees, the Group would be liable to pay the banks if the banks are unable to recover the outstanding amounts under these finance leases from these customers or the Group failed to perform relevant obligations to these customers. As at 31 March 2018, no provision for the Group's obligation under the guarantee had been made as the Directors considered that it was not probable that the repayment of the finance lease would be in default and it was not probable that a claim will be made against the Group.

Save as disclosed above, the Group had no material contingent liabilities as at 31 March 2018.

Exposure to Fluctuations in Exchange Rates

The Group's revenues and other income are denominated mainly in Hong Kong dollars ("HK\$"), United States dollars ("US\$") and Renminbi ("RMB"). The Group's purchases and expenses are mostly denominated in HK\$, US\$, RMB, Japanese Yen, Euro Dollar and British Pound. The Group has certain foreign currency bank balances and investment in foreign operations, which are exposed to foreign currency exchange risk. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure of the Group from time to time and will consider hedging significant foreign currency exposure should the need arise.

Employee Information

As at 31 March 2018, the Group had a total of approximately 281 employees (31 March 2017: 358 employees) in Hong Kong and the PRC. The Group maintains a mandatory provident fund scheme for its employees in Hong Kong and participates in the state-managed retirement benefit schemes for its employees in the PRC. The Group's remuneration policies are formulated according to market practices, experiences, skills and performance of individual employees and are reviewed every year.

The Group has also adopted a share option scheme and a share award scheme. A summary of the share option scheme of the Group is set out in the notes to the consolidated financial statements of the Company. Details of the share award scheme are set out in the announcement of the Company dated 27 September 2013.

財務回顧(續) 或然負債

於二零一八年三月三十一日，本集團分別就融資租賃責任及本集團與若干第三方客戶之合約責任向銀行提供公司擔保及履約擔保約0.3百萬港元(二零一七年三月三十一日：2.3百萬港元)及11.2百萬港元(二零一七年三月三十一日：11.2百萬港元)。根據擔保，倘銀行未能從該等客戶收到該等融資租賃項下的尚未償還款項或本集團未能向該等客戶履行相關責任，本集團須向銀行支付有關款項。於二零一八年三月三十一日，由於董事認為在償還融資租賃方面不大可能遭違約及不大可能向本集團作出索償，故並未對本集團於擔保項下之責任作出撥備。

除上文所披露者外，本集團於二零一八年三月三十一日概無任何重大或然負債。

匯率波動風險

本集團之收益及其他收入主要以港元(「港元」)、美元(「美元」)及人民幣(「人民幣」)計值。本集團之採購及開支大部分以港元、美元、人民幣、日元、歐元及英鎊計值。本集團持有若干外幣銀行結餘及海外業務投資，均須承受外幣匯兌風險。本集團現時並無外幣對沖政策。然而，管理層不時監察本集團之外幣匯兌風險，並將於需要時考慮對沖重大外幣風險。

僱員資料

於二零一八年三月三十一日，本集團於香港及中國共有約281名僱員(二零一七年三月三十一日：358名僱員)。本集團為其香港僱員繼續提供強制性公積金計劃，並為其中國僱員參與國家管理之退休福利計劃。本集團之薪酬政策乃按市場慣例、個別僱員之經驗、技能及表現制定，並會每年檢討一次。

本集團亦已採納購股權計劃及股份獎勵計劃。本集團之購股權計劃概要載於本公司綜合財務報表之附註。股份獎勵計劃之詳情載於本公司日期為二零一三年九月二十七日之公告。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

EQUITY FUND RAISING ACTIVITY DURING THE YEAR

於本年度之股本集資活動

The Group carried out an equity funding activity during the year. The details of equity funding activity and the actual use of proceeds are as follows:

本集團於本年度曾進行股本集資活動。股本集資活動之詳情及所得款項之實際用途如下：

Date of announcement 公告日期	Event 事項	Approximate net proceeds 概約所得款項淨額	Intended use of net proceeds 所得款項淨額之擬定用途	Actual use of proceeds as at the date of this report 於本報告日期之所得款項實際用途
10 May 2017	Placing of 200,000,000 new ordinary shares with aggregate nominal value of HK\$2,000,000 by a subsidiary of the Company, Hao Tian International Construction (formerly known as Clear Lift Holdings Limited) at the placing price of HK\$0.62 per placing share (and net issue price being HK\$0.605 per placing share). The closing price of the shares on 10 May 2017 was HK\$0.66.	Approximately HK\$121.4 million	The net proceeds intended to be used in real estate development and investment properties and expansion opportunities in respect of the rental of construction machinery business in the PRC, Singapore, Vietnam and the United Kingdom by Hao Tian International Construction; and for the general working capital of the Hao Tian International Construction. In view of recent business development strategies and investment opportunities, Hao Tian International Construction amended the intended use of proceeds to satisfy part of the consideration payable to the Company for the proposed acquisition by Solution Pro Investments Limited (an indirect subsidiary of Hao Tian International Construction) of Hao Tian International Financial Holdings Limited.	Of the net proceeds of approximately HK\$121.4 million, approximately HK\$56.1 million has been utilised. Of this, approximately HK\$6.1 million was utilised as intended for general working capital purposes and approximately HK\$50.0 million was utilised towards paying the HK\$100 million deposit in respect of the proposed acquisition by Solution Pro Investments Limited (an indirect wholly-owned subsidiary of Hao Tian International Construction) of Hao Tian International Financial Holdings Limited (the "HTIFH Acquisition")*. As of the date of this report, approximately HK\$65.3 million of the proceeds has not yet been utilised.
二零一七年五月十日	由本公司之附屬公司昊天國際建設（前稱焯陸企業控股有限公司）按配售價每股配售股份0.62港元（及淨發行價每股配售股份0.605港元）配售200,000,000股總面值2,000,000港元之新普通股。股份於二零一七年五月十日之收市價為0.66港元。	約121.4百萬港元	所得款項淨額擬用於房地產開發及投資物業，以及昊天國際建設於中國、新加坡、越南及英國租賃建築機械業務之擴張機會中；以及用作昊天國際建設之一般營運資金。鑑於近期業務發展策略及投資機會，昊天國際建設已修訂所得款項之擬定用途以就昊天國際建設間接持有之附屬公司Solution Pro Investments Limited建議收購昊天國際金融控股有限公司向本公司償付部分應付代價。	在所得款項淨額約121.4百萬港元當中，約56.1百萬港元已獲動用。其中約6.1百萬港元已按預期用作一般營運資金，而約50.0百萬港元則於支付Solution Pro Investments Limited（昊天國際建設之間接全資附屬公司）建議收購昊天國際金融控股有限公司所涉及之訂金100百萬港元時獲動用（「昊天國際金融控股收購事項」）*。截至本報告日期，所得款項中約65.3百萬港元尚未動用。

* The HTIFH Acquisition has not yet completed as of the date of this report, and the deposit shall be returned to the Hao Tian International Construction if the HTIFH Acquisition does not take place due to a reason which is not caused by the default of Hao Tian International Construction. The directors of Hao Tian International Construction had resolved to revise the proposed use of the proceeds from the placing to include funding part of the cash consideration for the HTIFH Acquisition as the directors of Hao Tian International Construction believe that the HTIFH Acquisition would allow Hao Tian International Construction to develop a new line of business in the financial service sector and diversify the business of Hao Tian International Construction. This would broaden the Hao Tian International Construction's range of business and source of income and will potentially increase Hao Tian International Construction's revenue and enhance Hao Tian International Construction's financial performance.

* 截至本報告日期，昊天國際金融控股收購事項尚未完成，若基於並非昊天國際建設違約而造成之原因導致昊天國際金融控股收購事項未能落實，則訂金須退還予昊天國際建設。昊天國際建設之董事已決議修訂配售所得款項之建議用途，至包括為昊天國際金融控股收購事項之部分現金代價撥資，此乃由於昊天國際建設之董事相信，昊天國際金融控股收購事項將有助昊天國際建設於金融服務產業方面發展新業務，並使昊天國際建設之業務多元化。此舉將擴大昊天國際建設之業務範疇及收入來源，並可能提升昊天國際建設之收益及其財務表現。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

SIGNIFICANT INVESTMENT, MATERIAL ACQUISITIONS AND DISPOSALS

Placing of new shares by Hao Tian International Construction

On 10 May 2017, Hao Tian International Construction entered into a placing agreement (the “**Placing Agreement**”) with Hao Tian International Securities Limited (“**Hao Tian Securities**”) and Kingston Securities Limited (“**Kingston Securities**”) (collectively the “**Placing Agents**”), pursuant to which the Placing Agents agreed, as agents of Hao Tian International Construction, to procure on a best effort basis not less than six placees who and whose ultimate beneficial owners shall be independent third parties to subscribe for up to 200,000,000 Shares (“**Placing Shares**”) at the placing price of HK\$0.62 per Placing Share (“**Placing**”). The Placing Shares have been allotted and issued pursuant to the general mandate granted pursuant to an ordinary resolution passed at the annual general meeting of Hao Tian International Construction held on 30 August 2016 to allot, issue and deal with new Shares and was not subject to further approval by Shareholders. Completion of the Placing took place in accordance with the terms of the Placing Agreement on 26 May 2017 and HK\$545,600 was paid by the Company to Hao Tian Securities, a connected person of the Company, on account of placing commission of the Placing. A total of 156,000,000 Placing Shares were successfully placed by Kingston Securities and 44,000,000 Placing Shares were successfully placed by Hao Tian Securities to not fewer than 6 placees at the placing price of HK\$0.62 per Placing Share pursuant to the terms and conditions of the Placing Agreement. An aggregate of 200,000,000 new Shares were issued and allotted, representing 20% of the issued shares of Hao Tian International Construction immediately prior to completion of the Placing (i.e. 1,000,000,000 Shares) and approximately 16.67% of the issued shares of Hao Tian International Construction as enlarged by the Placing (i.e. 1,200,000,000 shares). Hao Tian International Construction intended to apply the net proceeds from the Placing for prospective real estate developments and investment properties and expansion opportunities in respect of the rental of construction machinery business in the People’s Republic of China, Singapore, Vietnam and the United Kingdom; and for the general working capital of Hao Tian International Construction and its subsidiaries. In view of the recent business development strategies and investment opportunities, Hao Tian International Construction adjusted the use of proceeds to satisfy part of the consideration payable to the Company for the proposed acquisition by Solution Pro Investments Limited (an indirect wholly-owned subsidiary of Hao Tian International Construction) of Hao Tian International Financial Holdings Limited. As at 31 March 2018, the net proceeds from the Placing was HK\$65.3 million, and was placed at interest bearing bank accounts. Further information regarding the Placing was published in the announcements of Hao Tian International Construction dated 10 May 2017 and 26 May 2017 respectively.

重大投資、重要收購及出售

昊天國際建設配售新股份

於二零一七年五月十日，昊天國際建設與昊天國際證券有限公司（「昊天證券」）及金利豐證券有限公司（「金利豐證券」）（統稱「配售代理」）訂立配售協議（「配售協議」），據此，配售代理同意作為昊天國際建設之代理按盡力基準促使不少於六名承配人（其及其最終實益擁有人須為獨立第三方）按配售價每股配售股份0.62港元認購最多200,000,000股股份（「配售股份」）（「配售事項」）。配售股份已根據昊天國際建設於二零一六年八月三十日舉行之股東週年大會上通過之普通決議案授出之配發、發行及處理新股份之一般授權獲配發及發行，且毋須獲股東進一步批准。配售事項乃按照配售協議的條款於二零一七年五月二十六日完成，本公司已向昊天證券（本公司之關連人士）支付545,600港元，作為配售事項之配售佣金。金利豐證券及昊天證券已根據配售協議之條款及條件按配售價每股配售股份0.62港元分別成功配售合共156,000,000股配售股份及44,000,000股配售股份予不少於6名承配人。合共200,000,000股新股份已獲發行及配發，相當於昊天國際建設於緊接配售事項完成前已發行股份（即1,000,000,000股股份）之20%，及經配售事項擴大之昊天國際建設已發行股份（即1,200,000,000股股份）約16.67%。昊天國際建設擬將配售事項之所得款項淨額用於中華人民共和國、新加坡、越南及英國之潛在房地產開發及投資物業以及拓展建築機械租賃業務之機遇；及昊天國際建設及其附屬公司之一般營運資金。鑑於近期業務發展策略及投資機會，昊天國際建設已調整所得款項之用途以就昊天國際建設間接全資擁有之附屬公司Solution Pro Investments Limited建議收購昊天國際金融控股有限公司向本公司償付部分應付代價。於二零一八年三月三十一日，配售事項之所得款項淨額為65.3百萬港元，且存置於計息銀行賬戶。有關配售事項之進一步資料刊載於昊天國際建設日期分別為二零一七年五月十日及二零一七年五月二十六日的公告。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

SIGNIFICANT INVESTMENT, MATERIAL ACQUISITIONS AND DISPOSALS (continued)

Placing of new shares by Hao Tian International Construction (continued)

The Placing constitutes a deemed disposal transaction of the Company under Chapter 14 of the Listing Rules. As the highest applicable percentage ratio is more than 5% but less than 25%, the deemed disposal constitutes a discloseable transaction of the Company.

Redemption of secured notes

On 27 June 2017, the Group fully redeemed the US\$30,000,000 9 per cent, senior secured notes due 2017 issued by the Company on 6 July 2015 (the “SN Notes”). The investments held for trading pledged to secure the SN Notes has been released in July 2017.

Bonus issue by Hao Tian International Construction

On 4 July 2017, Hao Tian International Construction proposed a bonus issue of shares to the qualifying shareholders on the basis of one (1) bonus share for every one (1) existing share held by the qualifying shareholders (“HTIC Bonus Issue”). The HTIC Bonus Issue was completed on 11 September 2017. After the completion of the HTIC Bonus Issue, there were a total number of 2,400,000,000 shares of Hao Tian International Construction in issue (as enlarged by the issue and allotment of 1,200,000,000 bonus shares). Pursuant to the HTIC Bonus Issue, the Company was allotted and issued 750,000,000 bonus shares of Hao Tian International Construction, which increased the Company’s total shareholding in Hao Tian International Construction to 1,500,000,000 shares. As the HTIC Bonus Issue was on a pro rata basis, the percentage shareholding of the Company in Hao Tian International Construction was maintained at 62.5% immediately before and after the HTIC Bonus Issue. Further information regarding the HTIC Bonus Issue was published in the announcements of Hao Tian International Construction dated 4 July 2017 and 14 September 2017 respectively and the circular of Hao Tian International Construction dated 26 July 2017.

重大投資、重要收購及出售(續)

昊天國際建設配售新股份(續)

配售事項根據上市規則第14章構成本公司之視作出售交易。由於最高適用百分比率超過5%但少於25%，視作出售事項構成本公司之須予披露交易。

贖回有抵押票據

於二零一七年六月二十七日，本集團已悉數贖回本公司於二零一五年七月六日發行之30,000,000美元9厘於二零一七年期到之優先有抵押票據(「優先有抵押票據」)。用於抵押以擔保優先有抵押票據之持作買賣投資已於二零一七年七月獲解除。

昊天國際建設紅股發行

於二零一七年七月四日，昊天國際建設建議向合資格股東進行紅股發行，基準為合資格股東每持有一(1)股現有股份獲發一(1)股紅股(「昊天國際建設紅股發行」)。昊天國際建設紅股發行已於二零一七年九月十一日完成。於昊天國際建設紅股發行完成後，昊天國際建設之已發行股份總數為2,400,000,000股股份(經發行及配發1,200,000,000股紅股擴大)。根據昊天國際建設紅股發行，本公司獲配發及發行750,000,000股昊天國際建設紅股，令本公司於昊天國際建設之總持股量增至1,500,000,000股。由於昊天國際建設紅股發行乃按比例計算，本公司於昊天國際建設之持股百分比維持於緊接昊天國際建設紅股發行前後之62.5%。有關昊天國際建設紅股發行之進一步資料分別刊載於昊天國際建設日期為二零一七年七月四日及二零一七年九月十四日之公告以及昊天國際建設日期為二零一七年七月二十六日之通函。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

SIGNIFICANT INVESTMENT, MATERIAL ACQUISITIONS AND DISPOSALS (continued)

Proposed Nuoqi Transaction

On 6 November 2017, Fujian Nuoqi, Zhong Hong Holdings Group Limited, a company incorporated in the Cayman Islands (“**Zhong Hong**”) and Mr. Hu Yulin entered into a sale and purchase agreement (the “**Sale and Purchase Agreement**”), pursuant to which Fujian Nuoqi has conditionally agreed to acquire, and Zhong Hong has conditionally agreed to sell, the entire issued share capital in Zhong Hong International Limited (the “**Target Company**”), a company incorporated in the British Virgin Islands (“**BVI**”) (the “**Proposed Nuoqi Transaction**”). The consideration payable by Fujian Nuoqi shall be HK\$1,053,024,128 and shall be satisfied by Fujian Nuoqi by allotment and issue to Zhong Hong of 1,541,878,659 new H Shares (the “**Consideration Shares**”), credited as fully paid, at an issue price of HK\$0.6829 per Consideration Share.

Assuming the Consideration Shares are fully issued, the shareholding interest of the Company in Fujian Nuoqi will be diluted from 59.93% to 17.00% and the Proposed Nuoqi Transaction will constitute a deemed disposal of the Company under the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

The Proposed Nuoqi Transaction is also subject to a number of conditions precedent, including, in particular:

- (a) the grant of approval by the Stock Exchange to the resumption proposal and the resumption of trading in the H Shares of Fujian Nuoqi;
- (b) the Chinese Securities Regulatory Commission granting the approval(s) necessary for the issue and allotment of the Consideration Shares; and
- (c) the Executive of the Securities and Futures Commission granting a waiver to Zhong Hong to the effect that neither Zhong Hong nor any party acting in concert (as defined in the Code on Takeovers and Mergers) (the “**Takeovers Code**”) with it will be obliged to make a general offer for the shares of Fujian Nuoqi under the Takeovers Code as a result of the allotment and issue of the Consideration Shares to Zhong Hong.

The Proposed Nuoqi Transaction was yet to be completed up to the date of this report.

重大投資、重要收購及出售(續)

建議諾奇交易

於二零一七年十一月六日，福建諾奇、中宏控股集團有限公司(一間於開曼群島註冊成立之公司，「中宏」)及胡玉林先生訂立買賣協議(「買賣協議」)，據此，福建諾奇已有條件同意收購而中宏已有條件同意出售中宏國際有限公司(「目標公司」，一間於英屬處女群島(「英屬處女群島」)註冊成立之公司)之全部已發行股本(「建議諾奇交易」)。福建諾奇應付之代價將為1,053,024,128港元，並將由福建諾奇以按發行價每股代價股份0.6829港元配發及發行其1,541,878,659股新H股(「代價股份」)(入賬列作繳足)予中宏之方式償付。

假設代價股份獲悉數發行，則本公司於福建諾奇之股權將由59.93%攤薄至17.00%，而建議諾奇交易將構成本公司於聯交所證券上市規則(「上市規則」)項下之視作出售事項。

建議諾奇交易亦須待若干先決條件獲達成後，方可作實，當中包括(尤其是)：

- (a) 聯交所批准復牌建議及福建諾奇之H股恢復買賣；
- (b) 中國證券監督管理委員會就發行及配發代價股份授出必要批准；及
- (c) 證券及期貨事務監察委員會之執行人員向中宏授出豁免，致使中宏或任何與其一致行動之人士(定義見公司收購及合併守則(「收購守則」))將毋須因向中宏配發及發行代價股份而根據收購守則就福建諾奇股份提出全面要約。

截至本報告日期，建議諾奇交易尚未完成。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

SIGNIFICANT INVESTMENT, MATERIAL ACQUISITIONS AND DISPOSALS (continued)

Acquisition of a company holding a mixed-use property in the United Kingdom

On 20 January 2018, Hao Tian Asia Investment Company Limited (“**Hao Tian Asia Investment**”), an indirectly wholly-owned subsidiary of the Company, as buyer and Reignwood Europe Holdings S.À R.L. (“**Reignwood Europe**”) as seller, entered into a sale and purchase agreement, pursuant to which Hao Tian Asia Investment conditionally agreed to acquire, and the Seller conditionally agreed to sell, the entire issued share capital of 55 Mark Lane S.À R.L., a company incorporated under the laws of the Grand Duchy of Luxembourg (“**Luxembourg**”), together with certain intra-group debts owed by it to Reignwood Europe. 55 Mark Lane S.À R.L. owns the property known as “55 Mark Lane, EC3” situated at 52–58 Mark Lane, London, EC3R 7NE, the United Kingdom, which is let to a mix of office and retail tenants. This transaction constitutes a major transaction of the Company. Details of the acquisition were disclosed in the announcements of the Company dated 7 December 2017 and 21 January 2018 respectively and the circular of the Company dated 23 March 2018.

The acquisition was subsequently completed (after the reporting period) on 12 April 2018. For details, please refer to the announcement of the Company dated 12 April 2018.

重大投資、重要收購及出售(續)

收購持有英國一處綜合用途物業之公司

於二零一八年一月二十日，本公司間接全資附屬公司昊天亞洲投資有限公司(「昊天亞洲投資」)(作為買方)與Reignwood Europe Holdings S.À R.L.(「Reignwood Europe」)(作為賣方)訂立買賣協議，據此，昊天亞洲投資有條件同意收購而賣方有條件同意出售根據盧森堡大公國(「盧森堡」)法律註冊成立之公司55 Mark Lane S.À R.L.之全部已發行股本連同其結欠Reignwood Europe之若干集團內債務。55 Mark Lane S.À R.L.擁有名為「55 Mark Lane, EC3」之物業，地址為52–58 Mark Lane, London, EC3R 7NE, the United Kingdom，有關物業出租予各類租戶，作辦公室及零售用途。有關交易構成本公司之主要交易。收購詳情分別於本公司日期為二零一七年十二月七日及二零一八年一月二十一日之公告及本公司日期為二零一八年三月二十三日之通函中披露。

收購事項其後於二零一八年四月十二日(報告期後)完成。有關詳情請參閱本公司日期為二零一八年四月十二日之公告。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

SIGNIFICANT INVESTMENT, MATERIAL ACQUISITIONS AND DISPOSALS (continued)

Potential disposal of Hao Tian International Financial Holdings

On 28 March 2018, the Company as seller, Solution Pro Investments Limited (“**Solution Pro**”), an indirect wholly-owned subsidiary of Hao Tian International Construction, as purchaser and Hao Tian International Construction entered into a sale and purchase agreement, pursuant to which Solution Pro conditionally agreed to acquire, and the Company conditionally agreed to sell the entire issued share capital of Hao Tian International Financial Holdings Limited, a company incorporated under the laws of the BVI (“**Hao Tian International Financial Holdings**”). Hao Tian International Financial Holdings holds a number of subsidiaries engaged in the provision of financial services involving SFC regulated activities, insurance agency and money lending. This transaction constitutes a discloseable transaction of the Company, and a major and connected transaction of Hao Tian International Construction under the Listing Rules.

Details of the acquisition were disclosed in the announcement of the Company dated 28 March 2018.

This transaction was yet to be completed up to the date of this report.

重大投資、重要收購及出售(續)

潛在出售昊天國際金融控股

於二零一八年三月二十八日，本公司(作為賣方)、昊天國際建設之間接全資附屬公司Solution Pro Investments Limited(「**Solution Pro**」)(作為買方)與昊天國際建設訂立買賣協議，據此，Solution Pro有條件同意收購而本公司有條件同意出售根據英屬處女群島法律註冊成立之昊天國際金融控股有限公司(「**昊天國際金融控股**」)之全部已發行股本。昊天國際金融控股持有若干從事提供金融服務之附屬公司，當中涉及證監會監管活動、保險代理及放貸。根據上市規則，有關交易構成本公司一項須予披露交易，以及昊天國際建設之一項主要及關連交易。

收購詳情於本公司日期為二零一八年三月二十八日之公告中披露。

直至本報告日期，有關交易尚未完成。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

SIGNIFICANT LITIGATIONS

Claim against Inner-Mongolia Shuangxin Resources Group Co. Ltd

In connection with the sale and purchase agreement (the “**Menggang Agreement**”) entered into between the Group and Inner-Mongolia Shuangxin Resources Group Co., Ltd, (“**Shuangxin**”) for the sale and purchase of Wuhai City Menggang Industrial Development Co., Ltd. and its subsidiaries, which operated the Group’s coal mines in the Inner-Mongolia Autonomous Region in the PRC, on 16 May 2013, the Group filed an arbitration claim to the China International Economic and Trade Arbitration Commission (the “**CIETAC**”) for the outstanding amount of RMB80,000,000 payable by Shuangxin under the Menggang Agreement.

Shuangxin withheld the payment of the third installment in the sum of RMB80,000,000 (out of the four installment payments in total) initially on the ground of a tax demand note issued from the local tax bureau, and after revocation of the tax demand note, on the ground of non-fulfillment by the Group of certain terms and obligations under the Menggang Agreement. Shuangxin filed a counter-claim for RMB65,000,000 on 8 October 2013. An arbitral award was delivered in favour of the Group on 27 June 2014 and Shuangxin filed an application to the Beijing Second Intermediate People’s Court to set aside the arbitral award. Beijing Second Intermediate People’s Court issued a civil ruling on 18 December 2014 dismissing Shuangxin’s application for the revocation of the arbitral award. On 6 February 2015, the Group applied for the mandatory enforcement at the Ordos City Intermediate People’s Court, and the Ordos City Intermediate People’s Court has formally accepted the application on 14 May 2015. On 22 March 2016, Shuangxin applied to the Inner-Mongolia Autonomous Regional Higher People’s Court for the temporary suspension of execution with regard to the mandatory enforcement applied by the Group on 6 February 2015 and the decision was in favour of Shuangxin. The Group then filed an appeal against such ruling on 30 March 2016, which was dismissed by the court on 5 May 2016. On 12 January 2018, the Group successfully obtained the judgment of the Inner-Mongolia Autonomous Regional Higher People’s Court ordering that the suspension of execution be lifted. As at the date of this report, in respect of the third instalment, the Group has now received in aggregate RMB60,000,000 by enforcement, and the execution procedures for enforcing the court order for the remaining unsettled portion of the third installment in the sum of RMB20,000,000 are still in progress. (not including any accrued interest, penalty interest and any legal and court costs which may be awarded by the court)

重大訴訟

針對內蒙古雙欣資源集團有限公司之索償

對於本集團與內蒙古雙欣資源集團有限公司(「**雙欣**」)為買賣烏海市蒙港投資有限公司及其附屬公司(其營運本集團於中國內蒙古自治區之煤礦)訂立之買賣協議(「**蒙港協議**」)，於二零一三年五月十六日，本集團就雙欣根據蒙港協議應付而尚未支付款項人民幣80,000,000元向中國國際經濟貿易仲裁委員會(「**中國國際經濟貿易仲裁委員會**」)提出仲裁索償。

雙欣未支付第三期分期付款人民幣80,000,000元(合共四期分期付款其中一期)之初步理據為當地稅務局發出之繳稅通知書，及於撤銷繳稅通知書後，其理據為本集團未履行蒙港協議項下若干條款及責任。雙欣於二零一三年十月八日提出反索償人民幣65,000,000元。於二零一四年六月二十七日，已頒佈對本集團有利之仲裁結果，而雙欣已向北京市第二中級人民法院申請駁回仲裁結果。北京市第二中級人民法院於二零一四年十二月十八日作出民事裁定書，駁回雙欣提出的撤銷仲裁結果的申請。於二零一五年二月六日，本集團已向鄂爾多斯市中級人民法院申請強制執行，鄂爾多斯市中級人民法院已於二零一五年五月十四日正式受理。於二零一六年三月二十二日，雙欣向內蒙古自治區高級人民法院申請暫緩執行本集團於二零一五年二月六日申請之強制執行，判決結果為雙欣勝訴。本集團其後就二零一六年三月三十日之裁定提起上訴，而法院於二零一六年五月五日駁回該上訴。於二零一八年一月十二日，本集團成功獲得內蒙古自治區高級人民法院判決，判決勒令解除暫緩執行。於本報告日期，本集團已透過強制執行就第三期分期付款收到合共人民幣60,000,000元，而強制執行有關第三期分期付款餘下未結付部分人民幣20,000,000元之法院命令执行程序尚在進行中(不包括任何應計利息、罰款利息以及法院可能判給的任何法律及法院費用)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

SIGNIFICANT LITIGATIONS (continued)

Claim against Inner-Mongolia Shuangxin Resources Group Co. Ltd (continued)

On 21 August 2014, Shuangxin filed a legal action at the Inner-Mongolia Autonomous Regional Higher People's Court claiming against the Group for damages in an aggregate amount of RMB102,978,100 (the "New Civil Claim"). On 8 May 2015, the Group submitted an application of objection to the jurisdiction at the Inner-Mongolia Autonomous Regional Higher People's Court. On 2 June 2015, the Inner-Mongolia Autonomous Regional Higher People's Court issued a civil ruling dismissing the Group's application. The Group then submitted an application for leave to appeal against such civil ruling at the Supreme People's Court of the People's Republic of China and the appeal was dismissed. The Inner-Mongolia Autonomous Regional Higher People's Court commenced the hearing of the New Civil Claim on 13 April 2016 and the court hearing was in general completed in June 2016. As announced by the Company on 11 September 2017, the Group had received the written judgment of the Inner-Mongolia Autonomous Higher People's Court dated 7 July 2017 to the effect that all the claims of Shuangxin under the New Civil Claim against the Group have been dismissed. Subsequently, on 15 September 2017, Shuangxin further appealed to the Supreme People's Court of the PRC, which appeal has been submitted by the Inner-Mongolia Autonomous Higher People's Court to the Supreme People's Court. Up to the date of this report, the appeal is being reviewed by a collegiate panel convened by the Supreme People's Court.

Separately, in June 2016, the Group filed an arbitration claim to CIETAC against Shuangxin for the return of guarantee monies (質保費) of approximately RMB7,900,000 which was previously withheld by Shuangxin. The CIETAC hearing took place on 27 September 2017 and the Group had received a written arbitral award of CIETAC dated 18 December 2017 in the Group's favour, to the effect that Shuangxin shall return guarantee monies in the amount of RMB7,375,555.60 and pay costs related to the arbitration to the Group. On 6 February 2018, Shuangxin applied to the Beijing Second Intermediate People's Court to cancel the CIETAC arbitral award, the Beijing Second Intermediate People's Court decided it was appropriate for the matter to be handled by the Beijing Fourth Intermediate People's Court. Up to the date of this report, the matter is in the process of being reviewed the Beijing Fourth Intermediate People's Court.

重大訴訟(續)

針對內蒙古雙欣資源集團有限公司之索償(續)

於二零一四年八月二十一日，雙欣向內蒙古自治區高級人民法院提起訴訟，要求本集團賠償其損失共計人民幣102,978,100元(「新民事索償」)。於二零一五年五月八日，本集團向內蒙古自治區高級人民法院提交管轄權異議申請。於二零一五年六月二日，內蒙古自治區高級人民法院作出民事裁定書，駁回本集團的申請。本集團其後向中華人民共和國最高人民法院提交反駁民事裁定書之上訴許可申請，該上訴已獲駁回。內蒙古自治區高級人民法院於二零一六年四月十三日開始進行新民事索償之聆訊，法院聆訊於二零一六年六月已基本完成。誠如本公司於二零一七年九月十一日所公佈，本集團接獲內蒙古自治區高級人民法院所作日期為二零一七年七月七日之書面判決，根據該判決，新民事索償項下雙欣針對本集團之所有索償已被駁回。其後，於二零一七年九月十五日，雙欣繼續向中國最高人民法院提出上訴，內蒙古自治區高級人民法院已向最高人民法院遞交該上訴。截至本報告日期，該上訴現由最高人民法院組成的合議庭審理。

此外，於二零一六年六月，本集團已針對雙欣就退還雙欣先前預扣之質保費約人民幣7,900,000元向中國國際經濟貿易仲裁委員會提出仲裁索償。中國國際經濟貿易仲裁委員會於二零一七年九月二十七日進行聆訊，本集團已收到中國國際經濟貿易仲裁委員會日期為二零一七年十二月十八日之書面仲裁結果，該仲裁結果對本集團有利，裁定雙欣應退還質保費人民幣7,375,555.60元，並向本集團支付仲裁相關費用。於二零一八年二月六日，雙欣向北京市第二中級人民法院提出上訴，要求取消中國國際經濟貿易仲裁委員會之仲裁裁決。北京市第二中級人民法院裁決，北京市第四中級人民法院適宜處理該事宜。截至本報告日期，該事宜正由北京市第四中級人民法院審理。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

SIGNIFICANT LITIGATIONS (continued)

Claim against Up Energy Development Group Limited

On 12 August 2016, the Group claimed against Up Energy Mining Limited and Up Energy Development Group Limited (the “**Defendants**”) for (i) issuance of the 227,500,000 top-up consideration shares of Up Energy Development Group Limited and (ii) cash payment pursuant to an agreement entered into between the Company as a vendor and the Defendants as the purchaser group for the sale and purchase of shares in and assignment of shareholder’s loan due from Champ Universe Limited on 12 October 2012 (the “**Up Energy HK Claim**”). Details of the claim are disclosed in the announcements of the Company dated 29 June 2016 and 12 August 2016, and the interim report of the Company dated 28 December 2017.

In the meantime, two joint provisional liquidators (the “**JPLs**”) were appointed to the Defendants by the Supreme Court of Bermuda in October 2016, and since 28 April 2017, the JPLs have assumed full control of the Defendants, including the powers to bring and defend any legal action, including the Company’s claim. In August 2017, the High Court of Hong Kong recognised the appointment of and granting of powers to the JPLs by the Bermuda court.

At the case management summons for the Up Energy HK Claim hearing on 8 June 2017, the court adjourned the hearing to 15 August 2017 and directed the Company and the JPLs to conduct mediation to resolve the claim. The said hearing was subsequently further adjourned to 30 April 2018, and the claim was stayed until 10 November 2017. At the case management summons hearing on 30 April 2018, the court further adjourned the hearing to around mid-September 2018 before a Master to be fixed by the court.

In the capacity of a creditor of Up Energy Development Group Limited, the Group has also been involved in the concurrent winding up application (brought by a third-party creditor) of Up Energy Development Group Limited in Hong Kong (the “**Up Energy HK Winding Up**”), the petition hearing of which first scheduled on 19 March 2018 has been adjourned to 17 September 2018.

重大訴訟(續)

針對優派能源發展集團有限公司之索償

於二零一六年八月十二日，本集團就下列事項向Up Energy Mining Limited及優派能源發展集團有限公司(「**該等被告**」)提出索償：(i)發行227,500,000股優派能源發展集團有限公司補足代價股份及(ii)於二零一二年十月十二日，根據本公司(作為賣方)與該等被告(作為買方集團)訂立之協議就買賣冠宇有限公司之股份及轉讓應收冠宇有限公司之股東貸款作出之現金付款(「**優派能源香港索償**」)。索償詳情於本公司日期為二零一六年六月二十九日及二零一六年八月十二日之公告以及本公司日期為二零一七年十二月二十八日之中期報告內披露。

同時，於二零一六年十月，百慕達最高法院向該等被告委任兩名共同臨時清盤人(「**共同臨時清盤人**」)，而自二零一七年四月二十八日起，共同臨時清盤人已假定完全控制該等被告，包括提起任何法律訴訟及就任何法律訴訟(包括本公司之索償)進行抗辯。於二零一七年八月，香港高等法院認可百慕達法院委任及授權予共同臨時清盤人。

於二零一七年六月八日進行案件管理優派能源香港索償傳票聆訊時，法院將聆訊押後至二零一七年八月十五日，並指示本公司與共同臨時清盤人進行調解以解決索償。所述聆訊隨後進一步延期至二零一八年四月三十日，而索償則擱置至二零一七年十一月十日。於二零一八年四月三十日進行案件管理傳票聆訊時，法院進一步將聆訊押後至二零一八年九月中旬左右，直至法院確立聆訊官為止。

本集團作為優派能源發展集團有限公司的債權人，亦同時涉及在香港(由一名第三方債權人提出)的優派能源發展集團有限公司清盤申請(「**優派能源香港清盤**」)，其原定於二零一八年三月十九日召開之指示聆訊已押後至二零一八年九月十七日。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

SIGNIFICANT LITIGATIONS (continued)

Claim against Up Energy Development Group Limited (continued)

Separately, on 15 August 2017, the Group applied to the Supreme Court of Bermuda for a declaration of the court (the “**Up Energy Bermuda Declaration**”) to the effect that the former directors of Up Energy Development Group Limited have been replaced by directors nominated by the shareholders, by way of a shareholders’ resolution duly passed at an Extraordinary General Meeting of Up Energy Development Group Limited held on 25 April 2017. The Group’s application has subsequently been adjourned to 12 July 2018, on which date the Bermuda court will set down directions in preparation for the hearing and adjudication of the Group’s application.

Claim against Liu Jincheng and Xia Heting

On 1 July 2017, Hao Tian Investment (China) Co., Ltd, a wholly-owned subsidiary of the Company, filed a legal action at the Beijing Fourth Intermediate People’s Court claiming against Liu Jincheng and Xia Heting for repayment of the principal amount of the borrowings and the interest thereof in an aggregate amount of approximately RMB40,070,000 as well as other expenses. On 4 July 2017, the Beijing Fourth Intermediate People’s Court accepted the legal action. Subsequently, Hao Tian Investment (China) Co., Ltd made an application to the Beijing Fourth Intermediate People’s Court for property preservation. On 4 August 2017, the property and other interests of the defending parties, being Liu Jincheng and Xia Heting, were ordered to be sealed up, seized and frozen by the Beijing Fourth Intermediate People’s Court.

Subsequently, Liu Jincheng and Xia Heting made an application to the Beijing Fourth Intermediate People’s Court objecting to its jurisdiction, which was dismissed by the court on 9 October 2017. On 18 October 2017, Liu Jincheng and Xia Heting further appealed to Beijing Higher People’s Court against the aforesaid dismissal, which was dismissed by the court on 2 February 2018. Up to the date of this report, the case is in the process of being substantively reviewed by Beijing Higher People’s Court.

重大訴訟(續)

針對優派能源發展集團有限公司之索償(續)

此外，於二零一七年八月十五日，本集團向百慕達最高法院申請作出法院聲明(「**優派能源百慕達聲明**」)，聲明優派能源發展集團有限公司之前任董事已透過在優派能源發展集團有限公司於二零一七年四月二十五日舉行之股東特別大會上獲正式通過之股東決議案，由股東提名之董事取代。本集團之申請其後已延期至二零一八年七月十二日，百慕達法院於該日將落實指示，以備就本集團之申請作出聆訊及裁決。

針對劉金誠及夏鶴庭之索償

於二零一七年七月一日，本公司之全資附屬公司昊天投資(中國)有限公司向北京市第四中級人民法院提起訴訟，要求劉金誠及夏鶴庭返還借貸本金額及借貸利息合共約人民幣40,070,000元及其他費用。於二零一七年七月四日，北京市第四中級人民法院立案受理。立案後，昊天投資(中國)有限公司向北京市第四中級人民法院申請財產保全，北京市第四中級人民法院於二零一七年八月四日裁定查封、扣押、凍結被申請人劉金誠、夏鶴庭的財產及其他權益。

立案後，劉金誠及夏鶴庭向北京市第四中級人民法院提出管轄權異議申請，該法院已於二零一七年十月九日駁回該申請。於二零一七年十月十八日，劉金誠及夏鶴庭進一步就上述駁回向北京市高級人民法院提起上訴，有關上訴於二零一八年二月二日被法院駁回。截至本報告日期，該案現正由北京市高級人民法院實質審理。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

SIGNIFICANT LITIGATIONS (continued)

Claim by Chim Kee against equipment hire customer

In 2012, a customer of Chim Kee Machinery Co., Ltd. (“Chim Kee”), one of the subsidiaries of the Group held indirectly through Hao Tian International Construction, commenced litigation against Chim Kee for alleged breach of a hire contract (the “Legal Proceedings”). The customer claimed for overall damages of more than HK\$100 million while the disputed sum claimed by Chim Kee against the customer was approximately HK\$17.5 million together with other unascertained damages. On 24 March 2016, the Court of First Instance handed down a judgment and ruled in favour of Chim Kee and ordered the customer to pay Chim Kee for unpaid hire plus interest and costs. On 26 April 2016, the customer lodged an appeal to the Court of Appeal against the judgment of the Court of First Instance (the “Appeal”).

On 11 July 2017, the Appeal was concluded by the Court of Appeal. The judgment was in favour of Chim Kee and the Court of Appeal ordered the customer to settle the unpaid hire of HK\$8.9 million plus interest and part of the costs of the Legal Proceedings and the Appeal. Up to the date of this report, Chim Kee has received an aggregate amount of HK\$14.4 million representing the unpaid hire plus interest of HK\$12.0 million and part of the costs of the Legal Proceedings and the Appeal of HK\$2.4 million. For details of this legal proceeding, please refer to the prospectus of Hao Tian International Construction dated 30 November 2015.

On 11 July 2017, the customer lodged another claim against Chim Kee for loss and damage of more than HK\$27 million. After considering the evidence and the background facts in relation to this claim and the advice from the legal adviser in relation to this claim, the directors of Hao Tian International Construction were of the view that the chance of success of the claim against Chim Kee was remote and an application to strike out the said customer’s statement of claim was filed on 22 January 2018. The case was subsequently settled on 27 April 2018 with the customer discontinuing its claims. Up to the date of this report, Chim Kee has received from the customer in an aggregate amount of HK\$150,000 of the costs incurred to Chim Kee.

重大訴訟(續)

占記向設備租賃客戶提出之索償

於二零一二年，占記機械有限公司(「占記」)(本集團透過昊天國際建設間接持有之一間附屬公司)一名客戶就指稱違反租賃合約向占記展開訴訟(「法律程序」)。客戶提出索賠整體損失超過100百萬港元而占記向客戶索賠之爭議金額為約17.5百萬港元連同其他不確定損失。於二零一六年三月二十四日，原訟法庭頒下判決，裁定占記勝訴，且判令客戶向占記支付欠付租金加利息及費用。於二零一六年四月二十六日，客戶就原訟法庭的裁決上訴至上訴法庭(「上訴」)。

於二零一七年七月十一日，上訴法庭已就上訴作出判決。判決為占記勝訴，上訴法庭判決客戶結清欠付租金8.9百萬港元加利息以及部分法律程序及上訴費用。截至本報告日期，占記已收到合共14.4百萬港元，即欠付租金加利息12.0百萬港元及部分法律程序及上訴費用2.4百萬港元。有關此法律程序之詳情，請參閱昊天國際建設日期為二零一五年十一月三十日之招股章程。

於二零一七年七月十一日，客戶針對占記提起另一索賠，索償虧損及損失逾27百萬港元。經考慮該索賠有關的證據及背景事實以及法律顧問就該索賠提出的意見後，昊天國際建設之董事認為該針對占記之索賠勝訴的機會極低，故此於二零一八年一月二十二日提出申請剔除上述客戶之索償聲明。該案隨後於二零一八年四月二十七日和解，該客戶終止索償。截至本報告日期，占記已向客戶收取占記所產生之費用合共150,000港元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of the Listed Issuers (the “**Model Code**”) set out in Appendix 10 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) as its own code of conduct for Directors' securities transactions. The Company has made specific enquiry to all Directors and all Directors confirmed that they have fully complied with the Model Code for the year ended 31 March 2018.

EVENTS AFTER THE REPORTING PERIOD

Exercise of put option

On 9 April 2018, Rui Sheng Global Holdings Limited (“**Investor**”) exercised the put option right in respect of all the shares of Hao Tian Finance Company Limited (“**Hao Tian Finance**”), a subsidiary of the Company held by it, and the Company was obliged to acquire the same at a price of HK\$1.15 per share. Prior to the exercise of put option right, the Investor held 100,000,000 shares in Hao Tian Finance, representing approximately 8.26% of the entire issued share capital of Hao Tian Finance. The Company has completed the acquisition of the 100,000,000 shares held by the Investor at the total consideration of HK\$115,000,000. As at the date of this report, the Company held approximately 83.5% of the entire issued share capital of Hao Tian Finance. Details of the transaction were disclosed in the announcement of the Company dated 9 April 2015 and 9 April 2018 respectively.

董事進行證券交易之標準守則

本公司已採納香港聯合交易所有限公司(「**聯交所**」)證券上市規則(「**上市規則**」)附錄十所載之上市發行人董事進行證券交易的標準守則(「**標準守則**」)，作為其本身有關董事進行證券交易之行為守則。本公司已向全體董事作出具體查詢，而全體董事均已確認於截至二零一八年三月三十一日止年度全面遵守標準守則。

報告期後事項

行使股份出售權

於二零一八年四月九日，Rui Sheng Global Holdings Limited(「**投資者**」)就由其領導之本公司附屬公司昊天財務有限公司(「**昊天財務**」)所有股份行使股份出售權，而本公司有責任按每股1.15港元之價格收購股份。股份出售權獲行使前，投資者持有昊天財務100,000,000股股份，相當於昊天財務全部已發行股本約8.26%。本公司已完成收購投資者所持100,000,000股股份，總代價為115,000,000港元。於本報告日期，本公司持有昊天財務全部已發行股本約83.5%。交易之詳情於本公司日期為二零一五年四月九日及二零一八年四月九日之公告披露。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

EVENTS AFTER THE REPORTING PERIOD

(continued)

Completion of the acquisition of a company holding a mixed-use property in the United Kingdom

On 12 April 2018, the Company completed the acquisition of 100% equity interest of 55 Mark Lane S.À.R.L. (“**55 Mark Lane**”), a company incorporated in Luxembourg, which holds a mixed-use property in the United Kingdom at an initial consideration of £127,651,973 (equivalent to approximately HK\$1,381,194,348), subject to completion adjustments. Following the completion, 55 Mark Lane has become a wholly-owned subsidiary indirectly held by the Company and the financial results of 55 Mark Lane will be consolidated into the financial statements of the Group. Details of the acquisition of 55 Mark Lane were disclosed in the announcement and circular of the Company dated 7 December 2017, 21 January 2018 and 23 March 2018 respectively.

Acquisition of Done and Dusted Productions Limited engaging in media and entertainment business

On 14 April 2018, the Company entered into the sale and purchase agreement with the legal and beneficial owners (“**Vendors**”) of the Done and Dusted Production Limited (“**Done and Dusted**”), pursuant to which the Vendors have conditionally agreed to sell, and the Company has conditionally agreed to purchase, the entire issued share capital of Done and Dusted, for a total consideration of US\$89.6 million (equivalent to approximately HK\$703.4 million) (subject to adjustment). Done and Dusted is principally engaged in the business of global television and events production and has staged and filmed events such as The Victoria’s Secret Fashion Show, Stand Up To Cancer, BAFTA TV Awards, Laureus World Sports Awards, Nickelodeon Kids Choice Sports Awards, CNN Heroes and has also filmed some of the biggest names in music including Katy Perry, U2, The Rolling Stones and Beyoncé. Done and Dusted also produced the TV coverage for the 2012 London Olympic Opening & Closing Ceremonies. Upon Completion, Done and Dusted will become a wholly-owned subsidiary of the Company and its financial results will be consolidated into the accounts of the Group.

報告期後事項(續)

完成收購持有英國綜合用途物業之公司

於二零一八年四月十二日，本公司完成收購持有英國綜合用途物業之55 Mark Lane S.À.R.L. (「**55 Mark Lane**」)之100%股權，初始代價為127,651,973英鎊(相當於約1,381,194,348港元)，其受完成調整所規限。於完成後，55 Mark Lane成為本公司間接持有之全資附屬公司，而55 Mark Lane之財務業績將於本集團之財務報表內綜合入賬。收購55 Mark Lane之詳情於本公司分別日期為二零一七年十二月七日、二零一八年一月二十一日及二零一八年三月二十三日之公告及通函披露。

收購從事媒體及娛樂業務之Done and Dusted Productions Limited

於二零一八年四月十四日，本公司與Done and Dusted Production Limited (「**Done and Dusted**」)之合法及實益擁有人(「**賣方**」)訂立買賣協議，據此，賣方有條件同意出售而本公司有條件同意購買Done and Dusted全部已發行股本，總代價為89,600,000美元(相當於約703,400,000港元)(可予調整)。Done and Dusted主要從事全球電視及活動製作業務，並曾舉辦及拍攝維多利亞的秘密時裝表演(Victoria’s Secret Fashion Show)、站起來對抗癌症(Stand Up To Cancer)、英國電影及電視藝術學院(BAFTA)電視獎、勞倫斯世界體育大獎(Laureus World Sports Awards)、尼克兒童運動選擇獎(Nickelodeon Kids Choice Sports Awards)、CNN英雄(CNN Heroes)等活動，亦曾為樂壇若干著名歌手拍攝影片，包括凱蒂·佩里(Katy Perry)、U2、滾石樂隊(The Rolling Stones)及碧昂絲(Beyoncé)。Done and Dusted亦曾製作關於二零一二年倫敦奧運開幕式及閉幕式之電視廣播。於完成後，Done and Dusted將成為本公司之全資附屬公司，而其財務業績將於本集團之賬目內綜合入賬。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

EVENTS AFTER THE REPORTING PERIOD

(continued)

Acquisition of Done and Dusted Productions Limited engaging in media and entertainment business

(continued)

The consideration for the acquisition of Done and Dusted is US\$89.6 million (equivalent to approximately HK\$703.4 million) (subject to adjustment), which shall be settled as to 37.5% (i.e. US\$33.6 million, equivalent to approximately HK\$263.8 million) (subject to adjustment) by way of cash and as to 62.5% (US\$56 million, equivalent to approximately HK\$439.6 million) (subject to adjustment) by way of the allotment and issue of ordinary shares of the Company to the Vendors. 619,154,930 ordinary shares of the Company (“**Consideration Shares**”) issued at HK\$0.71 (“**Reference Price**”), being the consolidated net asset value of the Group as at 30 September 2017 as shown in the 2017 interim report of the Company, worth US\$56 million will be issued to the Vendors upon completion of the acquisition. The 619,154,930 Consideration Shares represent (i) approximately 12.6% of the total issued share capital of the Company as at 14 April 2018; and (ii) approximately 11.2% of the total issued share capital of the Company as enlarged by the Consideration Shares. The cash consideration will be paid from the internal resource of the Groups.

Details of the acquisition were disclosed in the announcements of the Company dated 15 November 2017 and 15 April 2018 respectively.

This transaction was yet to be completed up to the date of this report.

報告期後事項 (續)

收購從事媒體及娛樂業務之 Done and Dusted Productions Limited (續)

收購 Done and Dusted 之代價為 89,600,000 美元 (相當於約 703,400,000 港元) (可予調整)，其中 37.5% (即 33,600,000 美元 (相當於約 263,800,000 港元)) (可予調整) 將以現金支付，而其中 62.5% (即 56,000,000 美元 (相當於約 439,600,000 港元)) (可予調整) 將透過向賣方配發及發行本公司普通股之方式支付。於完成收購後，本公司將按 0.71 港元 (「**參考價**」，即本公司之二零一七年年中期報告所示本集團於二零一七年九月三十日之綜合資產淨值 56,000,000 美元) 向賣方發行 619,154,930 股本公司普通股 (「**代價股份**」)。619,154,930 股代價股份相當於 (i) 本公司於二零一八年四月十四日之全部已發行股本約 12.6%；及 (ii) 本公司經代價股份擴大之全部已發行股本約 11.2%。現金代價將本集團內部資源撥付。

收購之詳情於本公司分別日期為二零一七年十一月十五日及二零一八年四月十五日之公告披露。

截至本報告日期，有關交易尚未完成。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS PROSPECTS

The Group remains confident about its existing businesses in Hong Kong including its money lending business and financial services and securities business. The Group will also closely manage and monitor its investments and acquisitions from time to time.

Referring to the statistics published by Hong Kong Stock Exchanges and Clearing Limited, market capitalization of Hong Kong securities market reached HK\$34 trillion at the end of 2017, a record high and representing a year-on-year increase of 37%. The average daily turnover in 2017 was HK\$88.2 billion and total funds raised in 2017 was HK\$579.9 billion. With a view to developing financial services and securities businesses in Hong Kong, the Group announced a group restructuring of Hao Tian International Financial Holdings (昊天國際金融控股有限公司) to capture the financial market opportunity. This financial platform owns SFC license businesses including type 1 (dealing in securities), type 2 (dealing in futures contracts) and type 9 (asset management) regulated activities, business of general insurance business and long term (including linked long term) insurance with HKCIB membership and money lenders licence business.

Residential property prices in Hong Kong's housing market rose 14.9% at an annualised rate in the first quarter of 2018, according to real estate consultant Knight Frank. It reflects a steady growth of property market which in turn drives the property lending business in Hong Kong. The Group will focus on its money lending business to enjoy this organic growth.

After London property market adjustment following the Brexit, the Group completed the investment in the London property, namely "55 Mark Lane, EC3". The Group is conducting feasibility study to further enhance the building structure by constructing two additional floors to increase the leasable areas and tenant mix to further enhance its investment value.

業務展望

本集團對其香港現有業務依然充滿信心，包括放貸業務以及金融服務及證券業務。本集團亦將不時密切管理及監察其投資及收購事項。

根據香港交易及結算所有限公司所公佈之數據，香港證券市場之市值於二零一七年底達34萬億港元，創下歷史新高，按年上升37%。於二零一七年之平均每日成交額為882億港元，而於二零一七年籌得之資金總額為5,799億港元。鑑於香港金融服務及證券業務不斷發展，本集團宣佈就昊天國際金融控股有限公司進行集團重組，以把握金融市場機遇。該金融平台擁有證監會牌照業務（包括第1類（證券交易）、第2類（期貨合約交易）及第9類（提供資產管理）受規管活動）；以香港保險顧問聯會會籍從事之一般保險業務及長期（包括相連長期）保險業務以及放債人牌照業務。

根據房地產顧問萊坊（Knight Frank）的數據，香港房屋市場中之住宅物業價格於二零一八年第一季按年增長14.9%。有關數據反映，房地產市場穩定增長已推動香港物業借貸業務之發展。本集團將專注其放債業務，以尋求有機發展。

倫敦物業市場隨著脫歐而有所調整後，本集團完成投資於倫敦名為「55 Mark Lane, EC3」之物業。本集團現正進行可行性研究，藉建造額外兩個樓層增加可租用面積以改善樓宇結構，並優化租戶組合，務求進一步提高其投資價值。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS PROSPECTS (continued)

The Group is also in the process of acquisition of Done & Dusted to expand its businesses to cultural and media sector. Based on the existing production business, the Group is also exploring new self-owned intellectual property production to enrich the current business and introduce new production projects to China and Asian markets so as to further release the values of this production company.

The Group believes that its new investments and other new business opportunities will diversify and develop more promising business prospect in long term.

BONUS ISSUE OF SHARES

On 19 April 2017, the Directors proposed a bonus issue on the basis of one bonus share for every six existing shares held. The bonus issue was approved by the shareholders on 5 July 2017 and 697,694,575 bonus shares were issued on 25 July 2017.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 March 2018 (2017: Nil).

業務展望(續)

本集團亦正收購 Done & Dusted，將其業務拓展至文化及媒體領域。根據現有製作業務，本集團亦正發掘新創自有知識產權製作，藉此擴展目前之業務並將新製作項目引入中國及亞洲市場，力求進一步發揮該製作公司之價值。

本集團相信，其新投資及其他新商機長遠而言將多元化發展，業務前景向好。

紅股發行

於二零一七年四月十九日，董事建議按每持六股現有股份獲發一股紅股之基準發行紅股。紅股發行已於二零一七年七月五日獲股東批准，並於二零一七年七月二十五日發行 697,694,575 股紅股。

末期股息

董事會不建議派付截至二零一八年三月三十一日止年度之末期股息(二零一七年：無)。

REPORT OF DIRECTORS

董事會報告

The Directors of the Company present their annual report and the audited consolidated financial statements of the Group for the year ended 31 March 2018.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. As at the date of this annual report, its subsidiaries are principally engaged in the business of financial services, securities investment, trading of futures, logistics and warehousing, rental and trading of construction machinery and construction materials and the retailing of men's and women's apparels. The principal activities of its subsidiaries are set out in note 45 to the consolidated financial statements for the year ended 31 March 2018.

BUSINESS REVIEW

A review of the Group's financial and business performance

A review of the Group's business and the analysis using the financial key performance indicators are set out on page 14 to page 22 of this annual report under the paragraphs headed "Business Review" and "Financial Review" in the section headed "Management, Discussion and Analysis" of this annual report. In summary, the Group had incurred a loss attributable to the owners of the Company of approximately HK\$444.9 million for the year ended 31 March 2018 (2017: approximately HK\$3,078.9 million), which was mainly attributable to the impairment loss on goodwill of approximately HK\$316.3 million and fair value loss of listed investment held for trading of approximately HK\$154.8 million. The gearing ratio (being the ratio of total borrowings, including secured notes and obligations under finance leases, to total assets) as at 31 March 2018 was 27.3% (31 March 2017: 20.5%). Such an increase was mainly attributable to (i) the issuance of secured notes and (ii) the fair value loss on investment held for trading which reduced the asset base.

本公司董事呈列截至二零一八年三月三十一日止年度的本集團年報及經審核綜合財務報表。

主要業務

本公司為一家投資控股公司。於本年報日期，其附屬公司主要從事金融服務、證券投資、期貨交易、物流及倉儲、建築機械及建築材料租賃及銷售以及男裝女裝零售業務。本公司附屬公司的主要業務載於截至二零一八年三月三十一日止年度的綜合財務報表附註45。

業務回顧

本集團財務及業務表現回顧

有關本集團業務回顧及使用主要財務表現指標作出之分析載於本年報第14至22頁所載「管理層討論及分析」中「業務回顧」及「財務回顧」項下各段。概括而言，本集團於截至二零一八年三月三十一日止年度產生本公司擁有人應佔虧損約444.9百萬港元（二零一七年：約3,078.9百萬港元），此乃主要由於錄得商譽減值虧損約316.3百萬港元及持作買賣上市投資之公平值虧損約154.8百萬港元。於二零一八年三月三十一日，資產負債比率（即借貸總額（包括有抵押票據及融資租賃承擔）與資產總值之比率）為27.3%（二零一七年三月三十一日：20.5%）。該增加乃主要由於(i)發行有抵押票據及(ii)已抵減資產基礎之持作買賣投資之公平值虧損。

REPORT OF DIRECTORS

董事會報告

BUSINESS REVIEW (continued) Environmental, Social and Governance

The Group is committed to operate in compliance with the applicable environmental laws as well as protecting the environment by minimising the negative impact of the Group's existing business activities on the environment. During the year ended 31 March 2018, the Group strived to build an environmentally friendly enterprise with enhancement of energy usage efficiency, implementation of various emission reduction measures and improvement in resource usage efficiency. Details of the environmental policies and performance will be set out in the Environmental, Social and Governance Report of the Company which will be available on the websites of the Company and the Stock Exchange on or before the end of September 2018.

Relationship with Employees, Customers and Suppliers

The Group recognizes the importance of having good working relationship with its employees. During the year ended 31 March 2018, the Group has not experienced any significant problems with its staff or any significant labour disputes. As at 31 March 2018, the Group had a total of approximately 281 employees in Hong Kong and the PRC. The Group's remuneration policies are formulated according to market practices, experiences, skills and performance of individual employees and are reviewed every year. The Group has also adopted a share option scheme and a share award scheme, details of which are set out in the notes to the consolidated financial statement of the Group and the announcement of the Group dated 27 September 2013.

The Group understands the importance of maintaining a good relationship with its customers and suppliers to its immediate and long-term business goals. During the year ended 31 March 2018, the aggregate revenue and purchases attributable to the Group's five largest customers and suppliers were approximately 26% and 16% of the Group's total revenue and purchases respectively. As at 31 March 2018, the majority of the Group's largest five customers and suppliers have a length of relationship with the Group for more than 10 years.

Compliance with laws and regulations

Based on the best knowledge of the Directors, the Group has complied in all material respect with all relevant laws and regulations that have a significant impact on the Group.

業務回顧(續) 環境、社會及管治

本集團盡力減低本集團現有業務對環境造成之負面影響，致力於營運時遵守適用環保法規以及保護環境。截至二零一八年三月三十一日止年度，本集團矢志成為環保企業，努力提升能源使用效率、實施各種減排措施及改善資源使用效率。有關環保政策及其表現之詳情情載於本公司環境、社會及管治報告，該報告將於二零一八年九月底或之前在本公司及聯交所網站可供查閱。

與僱員、客戶及供應商之關係

本集團深明，與僱員保持良好工作關係攸關重要。截至二零一八年三月三十一日止年度，本集團並無面臨任何重大員工問題或勞資糾紛。於二零一八年三月三十一日，本集團於香港及中國僱用合共約281名僱員。本集團之薪酬政策乃根據市場慣例、經驗、技能及個別僱員之表現而釐定，並每年進行檢討。本集團亦已採納購股權計劃及股份獎勵計劃，有關詳情載於本集團綜合財務報表附註及本集團日期為二零一三年九月二十七日之公告。

本集團明白，與其客戶及供應商維持良好關係對於其實現即期及長期業務目標至為重要。截至二零一八年三月三十一日止年度，本集團五大客戶及供應商應佔總收入及採購額分別約佔本集團總收入及採購額之26%及16%。於二零一八年三月三十一日，本集團五大客戶及供應商與本集團之關係大部分已超過10年。

遵守法律及法規

據董事所深知，本集團已在所有重大方面遵守所有對本集團有重大影響之相關法律及法規。

REPORT OF DIRECTORS

董事會報告

BUSINESS REVIEW (continued)

Principal risks and Uncertainties

The Group identified and determined the major risks which may affect the operations results and financial conditions of the Group through risk management process, which including the following:

Risk in delay or default of payment in the Group's money lending business

As at 31 March 2018, the outstanding loan receivables of the money lending business of the Group (net of impairment) was approximately HK\$726 million, representing approximately 25% of the total current assets of the Group. Any delay or default in payment of the loans will have an adverse impact on the Group's working capital, cash flow and subsequently the profits of the Group.

To manage such risk, the Group requires the borrower to provide appropriate security and closely monitors the loan receivable collection cycle from time to time to get full collection of the outstanding amounts due from the customers. The Group may also consider enforcing the security provided by the relevant borrower or taking other legal action as appropriate.

Risk in diversification into new businesses sectors

The Group is traditionally engaged in the business of money lending, securities investment, trading of futures and securities brokerage. In the recent years, the Group has been actively diversifying into different business sectors through acquisition and investment in various industries. For examples, the Group invested in, inter alia, the 55 Mark Lane, EC3, a property located in London and acquired Done & Dusted, a company engaging in the business of television and event production and Hao Tian International Construction, a company engaging leasing and trading of the construction machinery. The management may not have sufficient experience and expertise in those new businesses, and the diversification exposes the Group to high risk of uncertainties, in which the Group might not able to succeed in the new business and subsequently incur a loss.

To manage such risks, the Group conducted a thorough study on the target companies and projects, including but not limited to due diligence in all material respects and relevant industry analysis before relevant acquisition and investment. The Group also used its best endeavors to retain the key personnel of the target company to ensure the management continuity and smooth transition. If the key personnel cannot be retained, the Group recruited experienced talents from the market to achieve the same purpose.

業務回顧(續)

主要風險及不明朗因素

本集團通過風險管理流程識別並確定可能影響其經營業績及財務狀況之主要風險如下：

本集團放債業務之延遲或拖欠還款風險

於二零一八年三月三十一日，本集團放債業務未償還應收貸款為約726百萬港元(扣除減值)，佔本集團流動資產總值約25%。任何延遲或拖欠貸款還款均會對本集團營運資金、現金流量及溢利造成不利影響。

為管理該等風險，本集團要求借款人提供適當之抵押品，並不時密切監控應收貸款之收款週期，以悉數收回應收客戶之未償還款項。本集團亦會考慮執行對相關借款人所提供之抵押品之權利或採取其他法律行動(如適用)。

多元化擴展新業務之風險

本集團傳統上從事放債、證券投資、期貨買賣及證券經紀業務。近年來，本集團通過收購及投資各行業，積極拓展多元化業務。例如，本集團投資於(其中包括)55 Mark Lane, EC3(一家位於倫敦的物業)，並收購Done & Dusted(從事電視及活動策劃業務之公司)，以及昊天國際建設(從事建築機械租賃及買賣的公司)。管理層可能在有關新業務領域上缺乏足夠經驗及專業知識，而多元化令本集團很可能面臨不明朗因素，致使本集團可能無法在新業務中取得成功，從而產生虧損。

為管理該等風險，本集團已於進行相關收購及投資前對目標公司及項目進行徹底研究，包括但不限於所有重大方面進行盡職調查及相關行業分析。本集團亦盡最大努力留聘目標公司的主要人員，以確保保持管理層的連續管理及平穩過渡。倘若不能保留關鍵人員，本集團會從市場招募經驗豐富之人才，以達致同樣目的。

REPORT OF DIRECTORS

董事會報告

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 March 2018 are set out in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 March 2018 on pages 79 and 80 of this annual report.

No final dividend was recommended by the Directors for the year ended 31 March 2018 (2017: Nil).

DISTRIBUTABLE RESERVES OF THE COMPANY

As at 31 March 2018, the Company's reserves available for distribution amounted to approximately HK\$2,612.5 million (2017: HK\$2,557.8 million). The distributable reserves include the Company's share premium reserve of approximately HK\$4,273.4 million (2017: HK\$4,275.5 million), which may be distributed subject to Section 34 of the Companies Law of the Cayman Islands and the Articles of Association of the Company. Details of the movements in the reserves of the Group during the year are set out in the consolidated statement of changes in equity on pages 84 and 85 of this annual report.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in the property, plant and equipment of the Group are set out in notes 16 to the consolidated financial statements for the year ended 31 March 2018.

SHARE CAPITAL

Details of the share capital of the Company are set out in note 39 to the consolidated financial statements for the year ended 31 March 2018.

PRE-EMPTIVE RIGHTS

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

業績及分派

本集團截至二零一八年三月三十一日止年度的業績載於本年報第79及80頁的截至二零一八年三月三十一日止年度的綜合損益及其他全面收益表。

董事不建議就截至二零一八年三月三十一日止年度派付任何末期股息(二零一七年:無)。

本公司的可供分派儲備

於二零一八年三月三十一日,本公司的可供分派儲備約為2,612.5百萬港元(二零一七年:2,557.8百萬港元)。可供分派儲備包括本公司的股份溢價儲備約4,273.4百萬港元(二零一七年:4,275.5百萬港元),其可根據開曼群島公司法第34條及本公司之組織章程細則作出分派。本集團儲備於年內的變動詳情載於本年報第84及85頁的綜合權益變動表。

物業、廠房及設備

本集團物業、廠房及設備的變動詳情載於截至二零一八年三月三十一日止年度的綜合財務報表附註16。

股本

本公司股本的詳情載於截至二零一八年三月三十一日止年度的綜合財務報表附註39。

優先購買權

本公司的組織章程細則及開曼群島公司法並無規定本公司須按比例向現有股東發行新股份的優先購買權條文。

REPORT OF DIRECTORS

董事會報告

FINANCIAL SUMMARY

A summary of the results and assets and liabilities of the Group for the last five financial years ended 31 March 2018 is set out on page 268 of this annual report.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 March 2018.

DIRECTORS

The Directors during the year ended 31 March 2018 and up to the date of this annual report were:

Executive Directors

Mr. Xu Hai Ying
Dr. Zhiliang Ou, J.P. (Australia)
Mr. Fok Chi Tak

Independent Non-Executive Directors

Mr. Chan Ming Sun, Jonathan
Mr. Lam Kwan Sing
Mr. Lee Chi Hwa, Joshua

According to the Company's Articles of Association, Mr. Fok Chi Tak and Mr. Lam Kwan Sing shall retire and being eligible, offer themselves for re-election at the forthcoming annual general meeting.

DIRECTORS SERVICE CONTRACTS

Each of the Directors has entered into a service contract or a letter of appointment with the Company for a term of three years, which can be terminated by not less than three months' notice in writing served by either party on the other. No Director proposed for re-election at the forthcoming annual general meeting has a service contract with any company in the Group which is not determinable by the Group within three months without compensation (other than statutory compensation).

財務概要

本集團截至二零一八年三月三十一日止的過去五個財政年度的業績與資產及負債概要載於本年報第268頁。

購買、出售或贖回證券

於截至二零一八年三月三十一日止年度內，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

董事

截至二零一八年三月三十一日止年度及直至本年報日期，董事為：

執行董事

許海鷹先生
歐志亮博士，太平紳士(澳洲)
霍志德先生

獨立非執行董事

陳銘樂先生
林君誠先生
李智華先生

根據本公司之組織章程細則，霍志德先生及林君誠先生須於應屆股東週年大會上輪值告退，並合資格及願意重選連任。

董事服務合約

各董事已與本公司訂立為期三年之服務合約或委任函，可由其中一方給予另一方不少於三個月書面通知以終止合約。建議於應屆股東週年大會上重選的董事概無與本集團任何公司訂有本集團如不給予賠償(法定賠償除外)即不可於三個月內終止的服務合約。

REPORT OF DIRECTORS

董事會報告

INDEPENDENT NON-EXECUTIVE DIRECTORS

Each of the Independent Non-executive Directors has confirmed their independence pursuant to Rule 3.13 of the Listing Rules. The Board considers all of the Independent Non-executive Directors are independent.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as provided in the paragraph headed "Connected Transaction" below, no other transaction, arrangement or contract of significance to which the Company, its ultimate holding company, any of its fellow subsidiaries or subsidiaries was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Save as provided in the paragraph headed "Connected Transaction" below, at no time during the year was the Company, its controlling shareholders, holding companies, or any of its subsidiaries or fellow subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and neither the Directors nor the chief executive, nor any of their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right.

獨立非執行董事

根據上市規則第3.13條，各獨立非執行董事已確認其獨立性。董事會認為全體獨立非執行董事均為獨立人士。

董事於重大交易、安排或合約中之權益

除下文「關連交易」一段所述者外，本公司、其最終控股公司、其任何同系附屬公司或附屬公司概無訂立於年末或年內任何時間存續且本公司董事直接或間接於其中擁有重大權益之其他重大交易、安排或合約。

購買股份或債權證之安排

除下文「關連交易」一段所述者外，本公司、其控股股東、控股公司或其任何附屬公司或同系附屬公司概無於年內任何時間訂立任何安排，致使董事可透過收購本公司或任何其他法團之股份或債券而獲取利益，且董事、行政總裁、彼等之配偶及未滿十八歲子女並無權利認購本公司之證券或並無行使任何有關權利。

REPORT OF DIRECTORS

董事會報告

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

董事及行政總裁於本公司及其相聯法團之股份及相關股份中擁有的權益及淡倉

As at 31 March 2018, the interests and short positions of the Directors and chief executives of the Company in shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules (the "Model Code"), were as follows:

於二零一八年三月三十一日，董事及本公司行政總裁於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)的股份、相關股份及債券中，擁有記入根據證券及期貨條例第352條本公司須存置登記冊的權益及淡倉，或根據上市規則上市發行人董事進行證券交易的標準守則(「標準守則」)另行知會本公司及聯交所的權益及淡倉如下：

Long positions in ordinary shares and underlying shares of the Company

於本公司普通股及相關股份的好倉

Name of Director/ chief executive	Capacity	Nature of interest	Number of shares held	Number of underlying shares held	Total interests	Approximate percentage of total issued share capital 佔已發行股本 總額概約 百分比 (Note 1) (附註1)
董事/ 行政總裁姓名	身份	權益性質	所持股份 數目	所持相關 股份數目	權益總計	
Fok Chi Tak 霍志德	Beneficial owner 實益擁有人	Personal interest 個人權益	39,607,483	–	39,607,483	0.81%
Xu Hai Ying 許海鷹	Beneficial owner 實益擁有人	Personal interest 個人權益	733,752	–	733,752	0.02%
Zhiliang Ou 歐志亮	Beneficial owner 實益擁有人	Personal interest 個人權益	733,752	–	733,752	0.02%
Chan Ming Sun, Jonathan 陳銘燊	Beneficial owner 實益擁有人	Personal interest 個人權益	733,752	–	733,752	0.02%
Lam Kwan Sing 林君誠	Beneficial owner 實益擁有人	Personal interest 個人權益	733,752	–	733,752	0.02%
Lee Chi Hwa, Joshua 李智華	Beneficial owner 實益擁有人	Personal interest 個人權益	733,752	–	733,752	0.02%

REPORT OF DIRECTORS 董事會報告

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS (continued)

Long positions in ordinary shares and underlying shares of the Company (continued)

Note:

1. The percentage of shareholding is calculated on the basis of 4,898,037,804 shares in issue as at 31 March 2018.

Other than as disclosed above, as at 31 March 2018, none of the Directors or chief executives of the Company had any interests or short positions in any shares, underlying shares and debentures of, the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SHARE OPTION SCHEMES

The Company has adopted a new share option scheme on 25 September 2015 and a share award scheme on 27 September 2013, respectively. Particulars of the Company's share option schemes and details of movements in the share options are set out in note 43 to the consolidated financial statements. There is no share award granted under the share award scheme during the year ended 31 March 2018. As at the date of this annual report, the total number of shares available for issue under the share option scheme was 5,833,333 Shares, representing approximately 0.12% of the issued Shares of the Company.

董事及行政總裁於本公司及其相聯法團之股份及相關股份中擁有的權益及淡倉(續)

於本公司普通股及相關股份的好倉(續)

附註：

1. 持股百分比乃根據於二零一八年三月三十一日已發行之4,898,037,804股股份之基準計算。

除上文所披露者外，於二零一八年三月三十一日，董事或本公司行政總裁概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的任何股份、相關股份及債券中擁有記入根據證券及期貨條例第352條須存置的登記冊，或根據標準守則另行知會本公司及聯交所的任何權益或淡倉。

購股權計劃

本公司已分別於二零一五年九月二十五日採納新購股權計劃及於二零一三年九月二十七日採納股份獎勵計劃。本公司購股權計劃及購股權變動詳情載於綜合財務報表附註43。截至二零一八年三月三十一日止年度，並無根據股份獎勵計劃授出股份獎勵。於本年報日期，購股權計劃項下可供發行股份總數為5,833,333股，相當於本公司約0.12%之已發行股份。

REPORT OF DIRECTORS

董事會報告

CONNECTED TRANSACTION

The allotment and issuance of new shares to Mr. Fok Chi Tak

On 26 September 2016, the Company and Mr. Fok Chi Tak (“**Mr. Fok**”) entered into the services agreement, pursuant to which the Company agreed to engage Mr. Fok as, and Mr. Fok agreed to accept the appointment of, the Executive Director of the Company for a term of three years commencing from 27 September 2016 (the “**Services Agreement**”).

Pursuant to the Services Agreement, the Company has agreed to allot and issued 36,452,004 Shares (which was calculated based on the aggregate value of HK\$15,000,000 and the reference closing price) to Mr. Fok, subject to the compliance with the requirements under the Listing Rules. As at 31 March 2018, 6,075,334 shares of the Company was allotted and issued to Mr. Fok. The number of shares to be allotted were adjusted from 30,376,670 to 35,439,448 as a result of bonus issue pursuant to the announcement dated 25 July 2017.

Mr. Fok, being an Executive Director of the Company, is a connected person of the Company under the Listing Rules. Accordingly, the issue of the emolument shares to Mr. Fok constituted a connected transaction of the Company under the Listing Rules. Details of such transaction were set out in the announcement dated 26 September 2016 and the circular dated 26 January 2017 of the Company.

The related party transaction regarding the subscription agreement as set out in note 44 to the consolidated financial statements constitute connected transaction of the Company.

關連交易

向霍志德先生配發及發行新股份

於二零一六年九月二十六日，本公司與霍志德先生（「**霍先生**」）訂立服務協議，據此，本公司同意委聘霍先生而霍先生同意接受委聘為本公司的執行董事，自二零一六年九月二十七日起為期三年（「**服務協議**」）。

根據服務協議，本公司同意向霍先生配發及發行 36,452,004 股股份（其股數乃根據 15,000,000 港元的總額以及參考收市價計算），惟須滿足上市規則的要求。於二零一八年三月三十一日，6,075,334 股本公司股份配發及發行予霍先生。根據二零一七年七月二十五日的公告所述，進行紅股發行後，將予配發的股份數目由 30,376,670 股調整至 35,439,448 股。

根據上市規則，本公司執行董事霍先生為本公司關連人士。因此，根據上市規則，向霍先生發行獎勵股份構成本公司之關連交易。有關交易詳情載於本公司日期為二零一六年九月二十六日之公告及日期為二零一七年一月二十六日之通函。

載於綜合財務報表附註 44 有關認購協議之關連方交易構成本公司之關連交易。

REPORT OF DIRECTORS

董事會報告

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

主要股東於本公司股份及相關股份中擁有的權益及淡倉

As at 31 March 2018, so far as is known to the Directors or chief executives of the Company, the following entities (other than a Director or chief executive of the Company) have interests or short positions of 5% or more in the shares and underlying shares of the Company which were recorded in the register of substantial shareholders maintained under Section 336 of the SFO or had otherwise notified to the Company:

於二零一八年三月三十一日，就董事或本公司行政總裁所知，以下實體（董事或本公司行政總裁除外）於本公司股份及相關股份中擁有5%或以上的權益或淡倉，有關權益或淡倉已記錄於根據證券及期貨條例第336條規定存置的主要股東登記冊內或已另行知會本公司：

Name of shareholder 股東姓名／名稱	Number of ordinary Shares held 所持普通股數目	Number of underlying Shares held 所持相關股份數目	Capacity 身份	Total interests 權益總計	Approximate percentage of total issued share capital 佔已發行股本總數概約百分比 (Note 1) (附註1)
Li Shao Yu ("Ms. Li") 李少宇(「李女士」)	3,011,748,773 (Note 2) (附註2)	–	Interest of controlled corporations 受控制公司權益	3,017,325,815	61.60%
	5,577,042 (Note 3) (附註3)	–	Beneficial owner 實益擁有人		
Asia Link Capital Investment Holdings Limited ("Asia Link") 亞聯創富控股有限公司(「亞聯」)	3,011,748,773	–	Beneficial owner 實益擁有人	3,011,748,773	61.49%
Central Huijin Investment Limited ("Central Huijin") 中央匯金投資有限責任公司(「中央匯金」)	–	454,930,000 (Note 4) (附註4)	Interest of controlled corporation 受控制公司權益	454,930,000	9.29%
China Construction Bank Corporation ("China Construction") 中國建設銀行股份有限公司(「中國建設」)	–	454,930,000 (Note 4) (附註4)	Interest of controlled corporation 受控制公司權益	454,930,000	9.29%
China Shandong Hi-Speed Financial Group Limited ("CSFG") 中國山東高速金融集團有限公司 (「中國山東金融集團」)	385,000,000 (Note 5) (附註5)	–	Interest of controlled corporation 受控制公司權益	385,000,000	6.74%

REPORT OF DIRECTORS

董事會報告

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

主要股東於本公司股份及相關股份中擁有的權益及淡倉(續)

Name of shareholder 股東姓名/名稱	Number of ordinary Shares held 所持普通股數目	Number of underlying Shares held 所持相關股份數目	Capacity 身份	Total interests 權益總計	Approximate percentage of total issued share capital 佔已發行股本總數概約百分比 (Note 1) (附註1)
Coupeville Limited	385,000,000 (Note 5) (附註5)	-	Interest of controlled corporation 受控制公司權益	385,000,000	6.74%
Safe Castle Limited ("Safe Castle") Safe Castle Limited ("Safe Castle")	385,000,000 (Note 5) (附註5)	-	Beneficial owner 實益擁有人	385,000,000	6.74%

Notes:

- The percentage of shareholding is calculated on the basis of 4,898,037,804 Shares in issue as at 31 March 2018.
- These Shares were held directly by Asia Link, which was beneficially wholly-owned by Ms. Li.
- Ms. Li held 5,577,042 Shares directly.
- China Construction, through Vandi Investment Limited, which is its indirect wholly-owned subsidiary, held the Call Option. Central Huijin held 57.13% shareholding in China Construction.
- Safe Castle Limited was directly interested in 385,000,000 Shares. Safe Castle Limited was directly wholly-owned by Coupeville Limited which was in turn directly wholly-owned by CSFG.

附註:

- 持股百分比乃根據於二零一八年三月三十一日已發行之4,898,037,804股股份之基準計算。
- 該等股份由亞聯直接持有，亞聯乃由李女士全資擁有。
- 李女士直接持有5,577,042股股份。
- 中國建設透過其間接全資附屬公司Vandi Investment Limited持有認購期權。中國匯金持有中國建設之57.13%股權。
- Safe Castle Limited於385,000,000股股份中擁有直接權益。Safe Castle Limited由Coupeville Limited直接全資擁有，而Coupeville Limited由中國山東金融集團直接全資擁有。

Other than as disclosed above, as at 31 March 2018, the Company has not been notified by any persons (other than Directors or chief executive of the Company) who have interests or short positions in any shares or underlying shares of the Company, which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO) as recorded in the register required to be kept under Section 336 of the SFO.

除上文所披露者外，於二零一八年三月三十一日，本公司並無獲任何人士（董事或本公司行政總裁除外）知會彼等於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司披露的權益或淡倉，或須記錄於本公司根據證券及期貨條例第336條規定存置的登記冊內之權益或淡倉。

REPORT OF DIRECTORS

董事會報告

MANAGEMENT CONTRACTS

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

TAX RELIEF

The Company is not aware of any relief from taxation available to shareholders by reason of their holding of the shares of the Company.

EMOLUMENT POLICY

The emolument policy of the employees of the Group is recommended by the Remuneration Committee and determined by the Board on the basis of their merit, qualifications and competence.

The emoluments of the Directors of the Company are recommended by the Remuneration Committee and determined by the Board having regard to the Company's operating results, individual performance and comparable market standards.

The Company has adopted the share option schemes and the share award scheme as incentives to the Directors and eligible employees.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the aggregate revenue and purchases attributable to the Group's five largest customers and suppliers were approximately 26% and 16% of the Group's total revenue and purchases respectively and the revenue and purchase attributable to the Group's largest customer and supplier were approximately 6% and 6% of the Group's total revenue and purchases respectively.

At no time during the year did a Director, an associate of a Director or a shareholder of the Company (which to the knowledge of the Directors owns more than 5% of the Company's share capital) have an interest in any of the Group's five largest customers or suppliers.

管理合約

年內，本公司並無就整體業務或任何重要業務之管理及行政工作簽訂或存有任何合約。

稅務寬減

本公司概不知悉任何因股東持有本公司股份而向彼等提供之稅務寬減。

酬金政策

本集團僱員之酬金政策由薪酬委員會建議以及由董事會根據彼等之表現、資歷及能力釐定。

經考慮本公司之經營業績、個人表現及可資比較市場標準後，本公司之董事酬金由薪酬委員會建議及由董事會釐定。

本公司已採納購股權計劃及股份獎勵計劃作為董事及合資格僱員之獎勵。

主要客戶及供應商

年內，本集團五大客戶及供應商應佔收益及採購額合共佔本集團總收益及採購額分別約26%及16%，而本集團最大客戶及供應商應佔收益及採購額佔本集團總收益及採購額分別約6%及6%。

董事、董事之聯繫人或本公司股東（據董事所知擁有本公司股本5%以上）概無於年內任何時間於任何本集團五大客戶或供應商中擁有權益。

REPORT OF DIRECTORS 董事會報告

DIRECTORS' INDEMNITY

According to the articles of association of the Company, the Directors for the time being of the Company shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, shall or may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty in their respective offices.

The Company has taken out appropriate insurance cover in respect of legal action against the Directors during the year ended 31 March 2018.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is public available to the Company and to the best knowledge of the Directors, during the year ended 31 March 2018, at least 25% of the Company's issued shares were held by the public as required under Rule 8.08 of the Listing Rules.

董事之彌償

根據本公司之組織章程細則，本公司當時之董事可從本公司之資產及利潤獲得彌償及擔保，使其不會因彼等或彼等任何一方於執行其各自職務之職責期間或關於執行職責而作出、同意或遺漏之任何行為而將會或可能招致或蒙受之一切訴訟、費用、收費、損失、損害及開支而蒙受損害。

截至二零一八年三月三十一日止年度，本公司已就針對董事之法律訴訟投購適當保險。

足夠公眾持股量規定

根據本公司所獲得之公開資料及就董事所知，截至二零一八年三月三十一日止年度，本公司至少25%已發行股份乃由公眾持有，符合上市規則第8.08條之規定。

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Company is committed to the establishment of good corporate governance practices and procedures that are consistent with the "Corporate Governance Code" (the "CG Code") set out in Appendix 14 to the Listing Rules. The corporate governance principles of the Company emphasize on a quality board of Directors (the "Board"), sound internal control, transparency and accountability to all shareholders of the Company.

The Company has applied the principles and complied with all relevant code provisions of the CG Code as set out in Appendix 14 to the Listing Rules during the year ended 31 March 2018, save and except Code Provisions A.2.1 and A.5.1:

(i) The position of chief executive officer was vacant since 30 September 2017

On 30 September 2017, Mr. Gao Shufang resigned as chief executive officer of the Company and the Company has not appointed a new chief executive officer. The Company does not have a chairman and the role of chairman was performed by the Board collectively. Having considered the business operation of the Group at the material time, the Directors considered that the Board, which consists of experienced professionals, can collectively achieve effective functioning of the Board, while the executive Directors along with other members of senior management of the Company are effective in overseeing the day-to-day executive management of the Group.

(ii) Nomination Committee not chaired by an independent non-executive Director

The Nomination Committee is chaired by an executive director instead of an independent non-executive director because the Board believed that an executive director involved in the daily operations of the Company may be better positioned to review the composition of the Board so as to complement the Group's corporate strategy.

企業管治常規

本公司致力建立與上市規則附錄十四所載之「企業管治守則」(「企業管治守則」)貫徹一致之良好企業管治慣例及程序。本公司之企業管治原則著重高質素之董事會(「董事會」)、良好內部監控、透明度及向本公司全體股東問責。

截至二零一八年三月三十一日止年度，本公司已應用該等原則並遵守上市規則附錄十四所載之企業管治守則之所有相關守則條文，惟守則條文第A.2.1條及第A.5.1條除外：

(i) 行政總裁職位自二零一七年九月三十日起懸空

於二零一七年九月三十日，高書方先生辭任本公司行政總裁，而本公司並無委任新任行政總裁。本公司並無主席，而主席職務乃由董事會共同履行。考慮到本集團於相關時間的業務營運，董事認為，董事會由經驗豐富的專業人士組成，可共同確保董事會有效運作，同時執行董事連同本公司其他高級管理人員則負責監督本集團日常執行管理工作。

(ii) 提名委員會並非由獨立非執行董事擔任主席

提名委員會由一名執行董事而非獨立非執行董事擔任主席，原因為董事會相信，參與本公司日常營運之執行董事或更適合檢討董事會之組成以配合本集團之企業策略。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMPOSITION AND BOARD PRACTICES

Role and function

The Board has the responsibility of promoting the success of the Company by formulating the strategic direction of the Company and supervising its operations and affairs in an effective manner. Each Director has a fiduciary duty and statutory responsibilities towards the Company. Each Director is aware of his collective and individual responsibilities to all shareholders and that he should give sufficient time and attention to the affairs of the Company.

With the objective of enhancing shareholder value, the Board is responsible for the formulation and approval of overall business strategies and policies of the Group, management of the business and affairs of the Group, and monitoring of the performance of the management of the Group and is charged with presenting a balanced, clear and understandable assessment of the Group's performance, position and prospects in its annual and interim results, other announcements containing inside information and financial disclosures of the Company required under the Listing Rules and other applicable rules.

The Board reserved for its decision or consideration matters covering significant investment proposals, major acquisitions or disposals, financial results, recommendation on appointment or reappointment of Directors, internal control and risk management, major capital transactions or other significant operational or financial matters. Daily operations and management of the Group's business are delegated to the management.

董事會組成及董事會常規

職責與職能

董事會負責透過制定本公司之策略方針以及有效監察其運作及事務狀況，促進本公司取得成功。各董事均對本公司負有受信責任及法定職責。各董事明悉彼須對全體股東共同及個別承擔責任，及彼須付出足夠時間及精力處理本公司事務。

為達致提升股東價值的目標，董事會負責制定及批准本集團的整體業務策略及政策，管理本集團業務及事務，及監察本集團管理層之表現，並須負責就本集團於其全年及中期業績方面之表現、狀況及前景、載有內幕消息的其他公告以及根據上市規則及其他適用規則須作出的本公司財務披露資料，呈報均衡、清晰及易於理解的評估。

董事會保留涉及重大投資建議、主要收購或出售、財務業績、有關委任或再度委任董事之推薦建議、內部監控及風險管理、重大資本交易或其他重大營運或財務事宜的決策或考慮權。管理層獲授權負責本集團業務的日常經營及管理。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMPOSITION AND BOARD PRACTICES

(continued)

Composition

As at the date of this annual report, the Board comprises three Executive Directors and three Independent Non-executive Directors.

董事會組成及董事會常規(續)

組成

於本年報日期，董事會包括三名執行董事及三名獨立非執行董事。

Membership of Board Committee(s)

董事委員會之成員

Executive Directors:

執行董事：

Mr. Xu Hai Ying
許海鷹先生

Member of the Executive Committee
執行委員會成員

Dr. Zhiliang Ou, J.P.
歐志亮博士，太平紳士

Chairman of the Nomination Committee
提名委員會主席
Member of the Remuneration Committee
薪酬委員會成員
Member of the Executive Committee
執行委員會成員

Mr. Fok Chi Tak
霍志德先生

Member of the Executive Committee
執行委員會成員

Independent Non-executive Directors:

獨立非執行董事：

Mr. Chan Ming Sun Jonathan
陳銘樂先生

Chairman of the Audit Committee
審核委員會主席
Member of the Nomination Committee
提名委員會成員
Chairman of the Remuneration Committee
薪酬委員會主席

Mr. Lam Kwan Sing
林君誠先生

Member of the Audit Committee
審核委員會成員
Member of the Nomination Committee
提名委員會成員
Member of the Remuneration Committee
薪酬委員會成員

Mr. Lee Chi Hwa, Joshua
李智華先生

Member of the Audit Committee
審核委員會成員

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMPOSITION AND BOARD PRACTICES

(continued)

Composition (continued)

The non-executive members of the Board bring a wide range of business and financial experience to the Board, which contributes to the effective direction of the Group and the development of the Group's strategy and policies and promotes checks and balances of the management process to safeguard shareholders' interest. The Board will review regularly the Board's composition and considers that the composition of the Board is well balanced with each Director having sound knowledge, experience and expertise relevant to the business operations and development of the Group. Their biographical details are set out on pages 5 to 11 of this annual report.

Each Board member does not have any family, financial, business or other material relations with each other.

A list of our Directors has been published on the website of the Company and that of the Stock Exchange, and is also disclosed in relevant corporate communications issued by the Company pursuant to the Listing Rules.

Appointment and re-election of Directors

The appointment, re-election and removal of Directors are governed by the articles of association of the Company.

The Company may by ordinary resolution elect any person to be a Director either to fill a casual vacancy on the Board, or as an addition to the existing Board. The Board may from time to time appoint a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed by the Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. If a shareholder wishes to propose a person for election as a Director at a general meeting of the Company, a shareholder may serve the Company a written notice and follow the designated procedures for nomination of Directors under the articles of association of the Company, which are available on the websites of the Company and the Stock Exchange.

董事會組成及董事會常規 (續)

組成 (續)

董事會之非執行董事為董事會帶來豐富之商業及財務經驗，並對本集團以及其策略及政策之發展作出有效之指引，及促進對管理程序的查核及制衡以保障股東權益。董事會將定期審閱董事會之組成，並認為董事會之成員各有所長，各董事均具備與經營及發展本集團業務有關的豐富知識、經驗及專門學問。彼等的履歷詳情載於本年報第5至11頁。

各董事會成員彼此之間並無任何家族、財務、業務或其他重大關係。

本公司的董事名單已刊載於本公司網站及聯交所網站，亦於本公司根據上市規則刊發的相關公司通訊內披露。

委任及重選董事

董事之委任、重選及罷免受本公司組織章程細則監管。

本公司可透過普通決議案推選任何人士出任董事以填補董事會之臨時空缺，或增補現有董事會成員。董事會可不時委任董事以填補臨時空缺或增補董事會成員。經董事會如此委任之任何董事，任期將僅至本公司下屆股東週年大會為止，屆時將符合資格重選連任。倘股東擬在本公司股東大會上提名人士參選董事，根據本公司組織章程細則，彼可向本公司發出書面通知，並遵照本公司及聯交所網站內所載提名董事之指定程序行事。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMPOSITION AND BOARD PRACTICES (continued)

Appointment and re-election of Directors (continued)

At each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire by rotation, and becoming eligible for re-election in accordance with the articles of association. As such, every Director shall be subject to retirement at least once every three years.

Each Director (including the Independent Non-executive Directors) has entered into a service contract or a letter of appointment with the Company for a term of three years, subject to the retirement by rotation in accordance with the provisions of the articles of association of the Company.

Supply of and access to information

All Board members have full access to relevant information both at the meetings and at regular intervals. Notices are given to all Directors for attending regular Board meetings at least fourteen days before the meetings. For other Board meetings, Directors are given as much notice as is reasonable and practicable in the circumstances. The Company Secretary assists the Board in preparing the meeting agenda and, during which, the Directors are consulted for matters to be included in the agenda for all regular meetings of the Board. It has been the practice of the Board and accepted by all members of the Board that relevant information of Board meetings will be sent to all Directors three days in advance of the relevant meetings or any reasonable time before such meetings.

Board meetings involve the active participation, either in person or through other electronic means of communication, by all of the Directors present. Board minutes are prepared and kept by the Company Secretary record in sufficient details the matters considered and decisions reached by the Board or Committees, including any concerns raised or dissenting views voiced by any Director. All draft and final minutes of Board meetings and meetings of Committees are sent to Directors or Board Committees members as appropriate for comments, approval and records. Board records are available for inspection by any Director upon request.

董事會組成及董事會常規 (續)

委任及重選董事 (續)

於各股東週年大會上，當時三分之一（或倘該數目並非三之倍數，則為最接近但不少於三分之一之數目）之董事須根據組織章程細則輪席告退並符合資格重選連任。因此，每名董事須至少每三年告退一次。

各董事（包括獨立非執行董事）已與本公司訂立服務合約或委任函，為期三年，惟須受本公司組織章程細則之輪席告退條文規限。

提供及獲取資料

各董事會成員均可於會議上及定期取得全部相關資料。本公司於舉行董事會定期會議前至少十四日向全體董事發出出席有關會議之通知。就其他董事會會議而言，亦會視乎情況於切實可行之情況下給予董事合理之通知期。公司秘書協助董事會編製會議議程，而在此期間，就所有董事會定期會議之議程所包括之事項徵詢董事之意見。我們將於有關會議三日或該等會議舉行前任何合理時間向全體董事寄發董事會會議相關資料，此為董事會慣例，並獲董事會全體成員接納。

全體董事透過親身出席或其他電子通訊方法積極參與董事會會議。董事會會議記錄由公司秘書編製及保存，以充分詳盡記錄董事會或委員會所考慮事項及所達致決定，包括任何董事提出之關注事項或表達之不同觀點。所有董事會會議及委員會會議記錄草擬本及定稿均會分別寄發董事及董事委員會成員作評審、批核及記錄。董事會記錄可應要求供任何董事查閱。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMPOSITION AND BOARD PRACTICES

(continued)

Supply of and access to information (continued)

Matters on transactions where Directors are considered having a conflict of interest or material interests would not be dealt with by way of written resolutions and a separate Board meeting shall be held where Independent Non-executive Directors who have no material interests should be present at such meeting. Directors having a conflict of interest or material interests in a transaction shall, before the meeting of the Board, declare his interest(s) therein in accordance with the articles of association of the Company, and shall abstain from voting on the resolution(s) and shall not be counted in the quorum present at such Board meeting. Such declaration of interests will be duly noted in the minutes of the relevant Board meeting.

The Company Secretary shall provide professional advice on governance matters to the Directors. Members of the management have been reminded that they have an obligation to supply the Board and the Board committees with adequate information on a timely basis to enable each of them to make informed decisions. All Directors are entitled to have access to board papers, minutes and related materials. The Board and each Director have separate and independent access to the Group's senior management. In addition, the Directors are able, upon reasonable request, to seek independent professional advice under appropriate circumstances, at the Company's expense. The Board may resolve to provide appropriate independent professional advice to the Directors to assist the relevant Directors to discharge their duties.

With the support of the Company Secretary, the Executive Directors seek to ensure that all Directors are properly briefed on issues arising at Board meetings and receive adequate and reliable information in a timely manner.

董事會組成及董事會常規 (續)

提供及獲取資料 (續)

董事被視為存在利益衝突或重大權益之交易所涉及之事項，不會通過書面決議案處理，而須另外舉行董事會會議，該等會議須有不存重大權益之獨立非執行董事出席。於交易中存在利益衝突或重大權益之董事，將根據本公司組織章程細則，在董事會開會前申報其於交易中之利益，且須就有關決議案放棄投票，亦不得計入有關董事會會議之法定出席人數內。有關董事會會議記錄將充分地記錄該等利益申報。

公司秘書須向董事提供有關管治事宜之專業意見。管理層成員獲提醒其有責任向董事會及董事委員會及時提供充足資料，以便董事各自能夠作出知情決定。所有董事均有權查閱董事會文件、會議記錄及相關資料。本公司設有獨立途徑供董事會及各董事自行接觸本集團高級管理層。另董事可提出合理要求，在適當情況下諮詢獨立專業意見，有關費用由本公司支付。董事會可決議向董事提供適當之獨立專業意見，以協助有關董事履行本身職責。

在公司秘書協助下，執行董事致力確保全體董事均獲適當簡報董事會會議上提出之事宜，並適時獲得足夠及可靠資料。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMPOSITION AND BOARD PRACTICES (continued)

Independent Non-executive Directors

Pursuant to Rule 3.10(1) and Rule 3.10(2) of the Listing Rules, every listed issuer is required to have at least three Independent Non-executive Directors, at least one of whom must have appropriate professional qualifications, or accounting or related financial management expertise. The Company complied with these requirements throughout the year ended 31 March 2018, with three Independent Non-executive Directors, which represented more than one-third of the entire Board; and more than one of them has appropriate professional qualifications in accounting or related financial management expertise.

Each of the Independent Non-executive Directors has confirmed his independence pursuant to Rule 3.13 of the Listing Rules. The Board is of the view that all Independent Non-executive Directors meet the guidelines set out in Rule 3.13 of the Listing Rules and are independent pursuant to the requirements of the guidelines.

Liability insurance for the Directors

Appropriate insurance cover on directors' and officers' liabilities has been arranged and is in force to protect the Directors and officers of the Group from their risk exposure arising from the businesses of the Group and potential personal liabilities.

Induction, information and ongoing professional development

Each newly-appointed Director is provided with a package of orientation materials setting out the required duties and responsibilities of directors under the Listing Rules and other relevant statutory requirements of Hong Kong and received an orientation covering meeting with external legal adviser for a briefing on director's duties and obligations and meeting with management for an overview of the Group. Our Directors are kept informed from time to time on the latest development of any changes to the regulatory requirements and the progress of compliance of applicable rules and regulations by the Company as well as business development and operation plans of the Company.

董事會組成及董事會常規 (續)

獨立非執行董事

根據上市規則第3.10(1)及3.10(2)條，每名上市發行人均須有最少三名獨立非執行董事，而其中最少一名須具備合適之專業資格或會計或相關財務管理專長。本公司已於截至二零一八年三月三十一日止整個年度內遵守該等規定，其有三名獨立非執行董事（佔全部董事會成員超過三分之一），且超過一名獨立非執行董事具備合適之會計專業資格或相關財務管理專長。

各獨立非執行董事已根據上市規則第3.13條確認其獨立性。董事會認為，全體獨立非執行董事均符合上市規則第3.13條所載之指引，而按照指引之規定均屬獨立。

董事責任保險

已安排涵蓋董事及高級人員責任之適當生效保險，以保障董事及本集團高級人員因本集團業務及潛在個人法律責任產生之風險。

就職輔導、資訊及持續專業發展

每名新委任董事均獲得一套就職簡介資料，該等資料載列有關上市規則及香港其他相關法例規定下之董事職責及責任，並接受就職培訓，其內容涵蓋與外部法律顧問就董事職責及責任簡介會並與管理層會面了解本集團之概況。董事將不時獲提供有關監管規定任何變動之最新發展以及本公司遵守適用規則及規例之進展情況與本公司業務發展及營運計劃。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMPOSITION AND BOARD PRACTICES

(continued)

Induction, information and ongoing professional development (continued)

In compliance with code provision A.6.5, the Company has arranged for, and provided fund for, the Directors and the Company Secretary of the Company to participate in continuous professional development organized in the form of in-house training, seminars or other appropriate courses to keep them refreshed of their knowledge, skill and understanding on the Group and its business or to update their skills and knowledge on the latest development or changes in the relevant statutes, the Listing Rules and corporate governance practices.

All Directors are required to provide the Company with their training records on an annual basis. For the year ended 31 March 2018, all Directors have attended the training sessions arranged by the Company. They have also attended and/or were given speech or training materials at external seminars/training sessions.

BOARD COMMITTEES

The Board has established four committees with defined terms of reference (available on the websites of the Company and the Stock Exchange), which are on no less exacting terms than those set out in the CG Code to oversee particular aspects of the Company's affairs and to assist in the execution of the Board's responsibilities:

- Executive Committee
- Audit Committee
- Remuneration Committee
- Nomination Committee

董事會組成及董事會常規 (續)

就職輔導、資訊及持續專業發展 (續)

為遵守守則條文第A.6.5條，本公司已安排董事及本公司之公司秘書參加以內部培訓、研討會或其他適當之課程形式之持續專業發展作出安排並提供資金，使彼等重溫其知識、技能以及對本集團及其業務之理解，或增進彼等在有關法規、上市規則及企業管治常規之最新發展或變動方面之技能及知識。

全體董事須每年向本公司提供所接受培訓之記錄。截至二零一八年三月三十一日止年度，全體董事均有出席由本公司安排之培訓課程。彼等亦出席外界研討會／培訓課程及／或於該等外界研討會／培訓課程內演講或發表培訓資料。

董事委員會

董事會已設立具有界定職權範圍(均可於本公司及聯交所網站查閱)之四個委員會，其條款並不遜於企業管治守則內所載之條款，旨在監察本公司特定的事務範疇，以及協助董事會執行職責：

- 執行委員會
- 審核委員會
- 薪酬委員會
- 提名委員會

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEES (continued)

Each Committee has authority to obtain external professional advice and to seek information from employees, and the Company will provide sufficient resources to the Committees for performance of its duties and responsibilities. Minutes of the Committees meetings are kept by the Company Secretary and all decisions of the Committees are reported to the Board. To further reinforce independence and effectiveness, all Audit Committee members are Independent Non-executive Directors, and the Nomination and Remuneration Committees have been structured with a majority of Independent Non-executive Directors as members. Details and reports of the Committees are set out below.

Attendance records

The Board meets regularly, at least four times each year with a meeting scheduled at approximately quarterly intervals and additional meetings would be arranged if and when necessary. Details of Directors' attendance at the Board meetings, Committees meetings and the general meetings held during the year ended 31 March 2018 are set out as follows:

董事委員會(續)

各委員會有權獲得外部專業意見及向僱員索取資料，而本公司將向該等委員會提供充足資源以履行其職責。委員會會議之會議記錄由公司秘書存置及向董事會匯報其所有決定。為了進一步加強獨立性及有效性，所有審核委員會成員均為獨立非執行董事，而提名委員會及薪酬委員會主要由獨立非執行董事所組成。委員會之詳情及報告載於下文。

出席記錄

董事會定期召開會議，至少為每年四次，大約每季安排一次，假如及於有需要時可安排額外會議。董事於截至二零一八年三月三十一日止年度舉行的董事會會議、董事委員會會議及股東大會的出席詳情載列如下：

		Attendance/Number of meetings 出席會議次數/舉行會議次數					
		Board 董事會	Executive Committee 執行委員會	Audit Committee 審核委員會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會	General meeting 股東大會
Total number of meetings	舉行會議總次數	27	11	2	1	2	2
Executive Directors:	執行董事：						
Mr. Xu Hai Ying	許海鷹先生	27/27	9/11	N/A 不適用	N/A 不適用	N/A 不適用	2/2
Dr. Zhiliang Ou	歐志亮博士	27/27	11/11	N/A 不適用	1/1	2/2	2/2
Mr. Fok Chi Tak	霍志德先生	27/27	11/11	N/A 不適用	N/A 不適用	N/A 不適用	2/2
Independent Non-executive Directors:	獨立非執行董事：						
Mr. Chan Ming Sun Jonathan	陳銘燦先生	26/27	N/A 不適用	2/2	1/1	2/2	2/2
Mr. Lam Kwan Sing	林君誠先生	25/27	N/A 不適用	2/2	1/1	2/2	2/2
Mr. Lee Chi Hwa, Joshua	李智華先生	26/27	N/A 不適用	2/2	N/A 不適用	N/A 不適用	2/2

The Chairman of the Nomination Committee, member of the Audit Committee, Remuneration Committee and representatives of the Auditors attended the annual general meeting held on 18 September 2017 to address queries of shareholders.

提名委員會主席、審核委員會及薪酬委員會之成員以及核數師代表已出席於二零一七年九月十八日舉行之股東週年大會以解答股東之疑問。

CORPORATE GOVERNANCE REPORT

企業管治報告

EXECUTIVE COMMITTEE

An Executive Committee was set up in June 2010 and comprises all existing Executive Directors. The Executive Committee operates as a general management committee under the direct authority of the Board to enhance the efficiency for business decisions. In accordance with its terms of reference, the Executive Committee monitors the execution of the Company's strategic plans and operations of all business units of the Group and discusses and makes decisions on matters relating to the management and day-to-day operations of the Group.

AUDIT COMMITTEE

The Company established an Audit Committee in May 2006 with specific terms of reference (as amended and restated with effect from 1 January 2016). During the year ended 31 March 2018 and up to the date of this annual report, the Audit Committee comprised three independent non-executive Directors, namely Mr. Chan Ming Sun Jonathan, Mr. Lam Kwan Sing and Mr. Lee Chi Hwa, Joshua. The principal duties of the Audit Committee are to review and to supervise the Group's statutory audit, interim and annual accounts of the Group and internal control system. It also acts as an important link between the Board and the Company's auditor in matters within the scope of the Group audit. Meetings shall be held at least twice a year.

The Audit Committee members held two meetings in the year ended 31 March 2018. A summary of the work performed by the Audit Committee during the year ended 31 March 2018 and up to the date of this annual report included:

- (a) reviewing the audited accounts and final results announcement for the year ended 31 March 2018 and the interim report and the interim results announcement for the six months ended 30 September 2017;
- (b) reviewing the accounting principles and practices adopted by the Group and ensured the compliance with relevant accounting standards, the Listing Rules and other statutory requirements;

執行委員會

執行委員會成立於二零一零年六月，由所有現有執行董事組成。執行委員會為一個在董事會直接授權下運作之一般管理委員會，藉以增強業務決策之效率。根據其職權範圍，執行委員會監察本公司策略計劃之執行以及本集團全部業務單位之營運，並就本集團管理及日常營運相關事宜進行討論並作出決策。

審核委員會

本公司於二零零六年五月設立具特定職權範圍(於二零一六年一月一日修訂及重列)之審核委員會。截至二零一八年三月三十一日止年度及直至本年報日期止，審核委員會由三名獨立非執行董事，即陳銘樂先生、林君誠先生及李智華先生組成。審核委員會的主要職責為審閱及監察本集團的法定審核工作、本集團中期及年度賬目以及內部監控制度。審核委員會亦就本集團審核範圍內的事宜擔當董事會與本公司核數師之間的重要橋樑。審核委員會每年最少須舉行兩次會議。

截至二零一八年三月三十一日止年度，審核委員會成員共舉行兩次會議。審核委員會截至二零一八年三月三十一日止年度及直至本報告日期所履行的工作摘要包括：

- (a) 審閱截至二零一八年三月三十一日止年度的經審核賬目及末期業績公告以及截至二零一七年九月三十日止六個月的中期報告及中期業績公告；
- (b) 審閱本集團所採納的會計原則及慣例，並確保符合有關會計標準、上市規則及其他法定要求；

CORPORATE GOVERNANCE REPORT

企業管治報告

AUDIT COMMITTEE (continued)

- (c) reviewing the effectiveness of internal control; and
- (d) meeting with the auditors to discuss any significant audit issues or key findings noted during the audit of the Group's final results for the year ended 31 March 2018 and the unaudited interim results for the six months ended 30 September 2017.

All issues raised by the Audit Committee have been addressed by the management. The work and findings of the Audit Committee have been reported to the Board. During the year ended 31 March 2018, no issues brought to the attention of the management and the Board were of significant importance to require disclosure in this annual report.

The terms of reference of the Audit Committee require that proper whistle-blowing arrangements should be put in place by which employees can report any concerns, including misconduct, impropriety or fraud in financial reporting matters and accounting practices, in confidence and without fear of recrimination for fair and independent investigation of such matters and for appropriate follow-up action. To this end and upon recommendation of the Audit Committee, the Board adopted an internal guidelines on whistle-blowing of concerns on 21 June 2013.

In addition, the Company has also adopted a policy that subject to prior approval by Audit Committee, no employees or former employees of external auditor can be appointed as director or senior executive of internal audit or finance function of the Group, within 12 months preceding their employment by the external auditor to enhance independent reporting by external auditor.

審核委員會(續)

- (c) 審閱內部監控的有效性；及
- (d) 與核數師會面，討論本集團截至二零一八年三月三十一日止年度的末期業績及截至二零一七年九月三十日止六個月的未經審核中期業績審核過程中發現的任何重大審核事項或主要發現。

所有由審核委員會提出的事項均已得到管理層處理。審核委員會的工作及審閱結果已向董事會報告。截至二零一八年三月三十一日止年度，提請管理層及董事會垂注的事宜均不具備重大重要性，毋須在本年報內予以披露。

審核委員會職權範圍規定有適當檢舉安排，讓僱員可私下舉報任何關注事宜而毋須擔心反被控訴，包括失當行為、於財務匯報事宜及會計實務上的不當或欺詐行為，以便對此等事宜作出公平獨立的調查及採取適當跟進行動。為此及於審核委員會推薦後，董事會於二零一三年六月二十一日採用有關檢舉事項之內部指引。

此外，本公司亦採用一項政策，除獲得審核委員會的事先批准外，外聘核數師之僱員或前僱員在其受僱於外聘核數師前之十二個月內，均不可獲委任為本集團之董事或從事內部審核或財務工作之高級行政人員，增強外聘核數師作出獨立報告。

CORPORATE GOVERNANCE REPORT

企業管治報告

NOMINATION COMMITTEE

The Company set up a Nomination Committee in August 2009 with specific terms of reference (as amended and restated with effect from 21 June 2013) for the purpose of setting out formal, considered and transparent procedure for the appointment of Directors to the Board. During the year ended 31 March 2018 and up to the date of this annual report, the Nomination Committee comprised one executive Director, namely Dr. Zhiliang Ou and two independent non-executive Directors, namely Mr. Chan Ming Sun Jonathan and Mr. Lam Kwan Sing. Its written terms of reference cover recommendations to the Board on the appointment of Directors, evaluation of board composition, assessment of the independence of Independent Non-executive Directors, the management of board succession and monitoring the training and continuous professional development of Directors and senior management.

The Nomination Committee members held one meeting during the year ended 31 March 2018. A summary of the work performed by the Nomination Committee during the year ended 31 March 2018 and up to the date of this annual report included:

- (a) reviewing and discussing the Board's structure, size and composition as well as the competence, experience, academic background and qualification of its members;
- (b) reviewing retirement of Directors by rotation, the re-appointment of retiring Directors at annual general meetings; and
- (c) assessing the independence of Independent Non-executive Directors.

提名委員會

本公司於二零零九年八月設立具特定職權範圍(於二零一三年六月二十一日起經修訂及經重列)的提名委員會，旨在為董事會列明董事委任的正式、周詳及具透明度的程序。截至二零一八年三月三十一日止年度及直至本年報日期止，提名委員會由一名執行董事，即歐志亮博士以及兩名獨立非執行董事，即陳銘樂先生及林君誠先生組成。其書面職權範圍包括向董事會就委任董事、董事會組合的評估、獨立非執行董事的獨立性的評估、董事會繼承管理以及監察董事及高級管理人員的培訓及持續專業發展提出建議。

截至二零一八年三月三十一日止年度，提名委員會成員共舉行一次會議。提名委員會截至二零一八年三月三十一日止年度及直至本報告日期所履行的工作摘要包括：

- (a) 檢討及討論董事會之架構、人數及組成，以及董事會成員的能力、經驗、學歷背景及資歷；
- (b) 審閱股東週年大會上董事的輪席退任、退任董事的續任；及
- (c) 評估獨立非執行董事的獨立性。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD DIVERSITY POLICY

The Company has adopted a board diversity policy during the year. A summary of such board diversity policy, the measurable objectives set for implementing such board diversity policy, and the progress made towards achieving those objectives are disclosed as below.

Summary of the Board Diversity Policy

With a view to achieving a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. In designing the Board's composition, Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge. All Board member's appointments will be based on merit, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

Measurable Objectives

Selection of candidates will be based on a range of diversified perspectives, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of services. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board. The Board's composition will be disclosed in the corporate governance report annually in accordance with the Listing Rules.

Monitoring

The Nomination Committee is responsible for monitoring implementation of the board diversity policy.

董事會多元化政策

本公司於本年度已採納董事會多元化政策。相關董事會多元化政策摘要、為執行相關董事會多元化政策而設定的可計量目標及為達成該等目標已取得之進展披露如下。

董事會多元化政策摘要

為達致可持續均衡發展，本公司視董事會層面日益多元化為支持其達到策略目標及可持續發展之關鍵元素。本公司在謀劃董事會成員組合時，已從多方面考慮董事會成員多元化，包括但不限於性別、年齡、文化及教育背景、專業經驗、技能以及知識。董事會成員所有委任均以用人唯才為原則，並在考慮人選時以客觀條件充分顧及董事會成員多元化之裨益。

可計量目標

甄選人選將按一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、專業經驗、技能、知識及服務期限。最終將按人選之長處及可為董事會作出之貢獻而作決定。董事會組成將依照上市規則每年在企業管治報告披露。

監察

提名委員會負責監察董事會多元化政策的執行。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD DIVERSITY POLICY (continued)

Diversity of the Board

The existing Board members are of different backgrounds, qualifications and experiences, including extensive experiences in resources, auditing, accounting, investment, corporate finance, project development and management. In view of the present size and complexities of the Group's operations and the nature of the risks and challenges it faces, the Nomination Committee considers the Company has achieved a right balance of skills, experience, knowledge and diversity among the present Board members.

REMUNERATION COMMITTEE

The Company set up a Remuneration Committee in May 2006 with specific terms of reference (as amended with effect from 21 June 2013) with principal responsibility to review and give recommendation to the Board regarding the remuneration package of the Directors and the senior management of the Company taking into consideration of the market practice, competitive market position and individual performance. During the year ended 31 March 2018 and up to the date of this annual report, the Remuneration Committee comprised one executive Director, namely Dr. Zhiliang Ou and two independent non-executive Directors, namely Mr. Chan Ming Sun Jonathan and Mr. Lam Kwan Sing.

The Remuneration Committee members held two meetings during the year ended 31 March 2018. During the year, the Committee has discussed, reviewed the performance and gave recommendation to the Board on the remuneration packages for the Directors and management team, discussed on the proposal of employee incentive scheme.

During the process of consideration, no individual Director will be involved in decisions relating to his own remuneration.

董事會多元化政策(續)

董事會多元化

現有董事會成員均具備不同背景、資格及經驗，並於資源、審核、會計、投資、公司財務、項目開發及管理方面經驗豐富。鑑於本集團業務經營之現有規模及複雜程度以及其所面臨風險及挑戰之性質，提名委員會認為，在現有各董事會成員之間，本公司已達致技能、經驗、知識及多元化之恰當平衡。

薪酬委員會

本公司於二零零六年五月設立具特定職權範圍(於二零一三年六月二十一日修訂)之薪酬委員會，主要負責檢討董事及本公司高級管理層之薪酬待遇，並經考慮市場慣例、市場競爭狀況及個人表現後就此向董事會作出推薦建議。於截至二零一八年三月三十一日止年度及直至本年報日期止，薪酬委員會由一名執行董事，即歐志亮博士以及兩名獨立非執行董事，即陳銘樂先生及林君誠先生組成。

截至二零一八年三月三十一日止年度，薪酬委員會成員共舉行兩次會議。年內，薪酬委員會已討論、檢討有關表現以及就董事及管理層團隊之薪酬待遇向董事會作出推薦意見，並已討論僱員激勵計劃之建議。

於考慮過程中，任何個別董事均將不可參與訂定其本身的薪酬。

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE FUNCTION

Pursuant to the terms of reference of the corporate governance function, the Board and the Committees shall be responsible for (a) developing and reviewing the Company's policies and practices on corporate governance and make recommendations to the Board; (b) reviewing and monitoring the training and continuous professional development of Directors and senior management; (c) reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements; (d) developing, reviewing and monitoring the code of conduct applicable to employees and Directors; and (e) reviewing the Company's compliance with the code and disclosure in the corporate governance report. This corporate governance report has been reviewed by the Board in discharge of its corporate governance function.

ACCOUNTABILITY AND AUDIT

The Directors acknowledge their responsibility for preparing the financial statements of the Group which give a true and fair view of the state of affairs of the Group on a going concern basis and in presenting the interim and annual financial statements, announcements and other financial disclosures required under the Listing Rules. Members of the management have provided the Board with monthly updates and sufficient information for the Board to develop and maintain a balanced and understandable assessment of the Company's performance, position and prospects.

The Directors ensure the preparation of the financial statements of the Group is in accordance with the statutory requirements and the applicable accounting standards. The Directors also ensure that the publication of the financial statements of the Group is in a timely manner.

Currently, the Company's external auditor is Deloitte Touche Tohmatsu and for the year ended 31 March 2018, the Group paid Deloitte Touche Tohmatsu, HK\$3,063,000 and HK\$2,489,000 as audit fees and non-audit related fees (mainly including interim report review fee, fees in relation to corporate transactions and taxation service fees) respectively. Members of the Audit Committee have been satisfied with the findings of their review of the audit fees, process and effectiveness, independence and objectivity of Deloitte Touche Tohmatsu as the Company's external auditor.

企業管治職能

根據企業管治職能的職權範圍，董事會及委員會將負責(a)制訂及檢討本公司有關企業管治之政策及常規，並向董事會提出建議；(b)檢討及監察董事及高級管理層之培訓及持續專業發展；(c)檢討及監察本公司在遵守法律及監管規定方面之政策及常規；(d)制訂、檢討及監察適用於僱員及董事之操守準則；及(e)檢討本公司遵守企業管治守則之情況及企業管治報告內的披露。為履行企業管治職能，董事會已審閱本企業管治報告。

問責性及核數

董事確認彼等須就按持續經營基準編製真實及公平地反映本集團事務狀況的本集團財務報表以及呈列中期及年度財務報表、公告及上市規則規定的其他財務披露承擔責任。管理層成員已每月向董事會提供更新資料及充足資料，以供董事會制定及維持對本公司的表現、狀況及前景的公正及易於理解的評估。

董事確保本集團的財務報表乃按照法定要求及適用的會計準則編製。董事亦確保適時刊發本集團的財務報表。

目前，本公司的外聘核數師為德勤•關黃陳方會計師行，而截至二零一八年三月三十一日止年度，本集團已向德勤•關黃陳方會計師行支付審核費用及非審核相關費用(主要包括中期報告審閱費、企業交易費用及稅項服務費)分別3,063,000港元及2,489,000港元。審核委員會成員信納彼等對德勤•關黃陳方會計師行作為本公司之外聘核數師之審核費用、程序以及有效性、獨立性及客觀性所作出的檢討結果。

CORPORATE GOVERNANCE REPORT

企業管治報告

ACCOUNTABILITY AND AUDIT *(continued)*

The statement of the auditor of the Company regarding their reporting responsibilities on the financial statements for the year ended 31 March 2018 is set out in the Independent Auditor's Report on pages 72 to 78 of this annual report.

INTERNAL CONTROL, RISK MANAGEMENT AND THEIR EFFECTIVENESS

The Board has the overall responsibility for overseeing sound and effective internal controls and risk management for the Group to safeguard the interests of its shareholders and the assets of the Group at all times. In this connection, an internal control and risk management system has been established to provide reasonable, but not absolute, assurance against material misstatement or loss and to manage or mitigate rather than eliminate risks of failure to achieve the Group's business objectives.

The internal audit department is responsible for conducting independent reviews of the adequacy and effectiveness of the Group's internal control and risk management system, reporting regularly the results to the Board through the Audit Committee and making recommendations to the relevant department management for necessary actions.

During the reporting period, the internal audit department had conducted reviews on the effectiveness of the internal control system covering all material factors related to financial, operational, compliance controls, various functions for risk management and physical and information security. Internal control reports containing its findings and results were reported to the Audit Committee during the Audit Committee meetings and had been delivered to all Directors for review.

The Audit Committee had reported during the Audit Committee meetings the key findings identified by the Company's external auditors in respect of the Group's internal controls and discussed findings and actions or measures taken in addressing those findings. The Company considers the internal control systems and risk management is effective during the year under review. No material issues on the Group's internal control system have been identified by the Group's internal audit department and the Company's external auditors during the reporting period which required significant rectification measures.

問責性及核數(續)

本公司核數師就截至二零一八年三月三十一日止年度的財務報表的申報責任作出的聲明載於本年報第72至78頁的獨立核數師報告。

內部監控、風險管理及其成效

董事會有整體責任監督本集團穩健及有效的內部監控以及風險管理，以隨時保障其股東的權益和本集團的資產。本集團就此設立內部監控及風險管理制度，以合理(而非絕對)保證不會出現嚴重誤報或損失的情況，並管理或減低(而非消除)未能達到本集團業務目標的風險。

內部審核部門負責獨立檢討本集團的內部監控及風險管理制度的準確性及成效，並透過審核委員會向董事會定期報告業績及向相關部門管理層提出建議以作出必要的行動。

於報告期間內，內部審核部門曾檢討內部監控制度成效，涵蓋所有有關財務、營運、合規監控、多個風險管理功能以及實物及資訊安全的重大因素。載有其發現和結果的內部監控報告已於審核委員會會議上向審核委員會匯報，並已向所有董事提交以供審閱。

本公司外聘核數師所識別有關本集團內部監控的主要發現以及經討論的發現以及為應對該等發現而採取的行動或措施，已由審核委員會於審核委員會會議上匯報。本公司認為內部監控制度及風險管理於回顧年內行之有效。於報告期間內，本集團的內部審核部門及本公司的外聘核數師並無發現有關本集團內部監控制度的重大事宜而需要採取重大修正措施。

CORPORATE GOVERNANCE REPORT

企業管治報告

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of the Listed Issuers (the "Model Code") set out in Appendix 10 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") as its own code of conduct for Directors' securities transactions. The Company has made specific enquiry to all Directors and all Directors confirmed that they have fully complied with the Model Code for the year ended 31 March 2018.

COMPANY SECRETARY

Mr. Siu Kai Yin Edward, has been appointed as our Company Secretary immediately following the resignation by Mr. Sit Hon Wing on 27 August 2017. Both Mr. Siu and Mr. Sit possess the necessary qualification and experience under Rule 3.28 of the Listing Rules and are capable of performance of the functions of the company secretary. The Company will provide fund for Mr. Siu to take not less than 15 hours of appropriate professional training in each financial year as required under Rule 3.29 of the Listing Rules. During the year ended 31 March 2018, Mr. Siu has satisfied the requirement of the Listing Rules for receiving 15 hours of professional training.

COMMUNICATION WITH SHAREHOLDERS

The Board is committed to maintaining high degree of transparency to ensure that the investors and the shareholders receive accurate, comprehensive and timely information of the Group by publication of announcements, circulars, interim and annual reports. All shareholders' communications are also available on the Company's website at <http://www.haotianhk.com>.

The annual general meeting of the Company provides a useful forum for shareholders to exchange views with the Board. All Directors will make an effort to attend and the external auditor is also available at the annual general meeting to address shareholders' queries. In case of any general meeting to approve a connected transaction or any other transaction that is subject to independent shareholders' approval, members of the independent Board committee will also make an effort to attend to address shareholders' queries.

董事進行證券交易的標準守則

本公司已採納香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄十所載之上市發行人董事進行證券交易的標準守則(「標準守則」)，作為其本身有關董事進行證券交易之行為守則。本公司已向全體董事作出具體查詢，而全體董事均已確認於截至二零一八年三月三十一日止年度全面遵守標準守則。

公司秘書

薛漢榮先生於二零一七年八月二十七日辭任後，蕭啟彥先生已隨即委任為本公司公司秘書。蕭先生及薛先生均具備上市規則第3.28條項下之必要資格及經驗，足以履行公司秘書的職責，本公司將會向蕭先生提供資金，以使其按上市規則第3.29條規定在每個財政年度參加不少於15小時的適當專業培訓。截至二零一八年三月三十一日止年度，蕭先生已符合上市規則項下接受15小時專業培訓的規定。

股東通訊

董事會致力維持高透明度，藉發佈公告、通函、中期報告及年報，確保投資者及股東收到準確、全面並及時的資料。所有股東通訊亦可於本公司網站(<http://www.haotianhk.com>)查閱。

本公司股東週年大會是股東與董事會交換意見的實用平台。全體董事均會盡可能抽空出席，外聘核數師亦於股東週年大會上回答股東的問題。倘於股東大會上批准關連交易或須經獨立股東批准的任何其他交易，獨立董事委員會成員亦會盡可能抽空出席以回答股東的問題。

CORPORATE GOVERNANCE REPORT

企業管治報告

COMMUNICATION WITH SHAREHOLDERS

(continued)

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of the shareholders at general meetings would be taken by poll.

SHAREHOLDERS' RIGHT

Shareholders' right to convene extraordinary general meeting

Pursuant to article 58 of the articles of association of the Company, extraordinary general meetings of the Company (the "EGM") shall be convened on the requisition of any one or more shareholder(s) (the "Requisitionist(s)") 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.

The Requisitionist(s) shall have the right, by written requisition to the Board or the Company Secretary of the Company, to require an EGM to be called by the Board for the transaction of any business specified in such requisition; and the EGM shall be held within two months after the deposit of such requisition. If within twenty-one days of such deposit the Board fails to proceed to convene such meeting, the Requisitionist(s) may do so in the same manner, and shall be entitled to reimbursement of all reasonable expenses incurred by the Requisitionist(s).

股東通訊(續)

根據上市規則第13.39(4)條，於股東大會上股東的所有投票將會以投票方式進行表決。

股東權利

股東召開股東特別大會的權利

根據本公司組織章程細則第58條，本公司的股東特別大會(「股東特別大會」)須應任何一名或多名股東(「請求者」)的請求而召開，而該等股東於遞交請求書之日須持有不少於本公司有權於本公司股東大會上投票的繳足股本的十分之一。

請求者有權向董事會或本公司的公司秘書遞交書面請求，要求董事會就處理有關請求書內所述任何事務召開股東特別大會，而該股東特別大會須於有關請求書遞交日期後兩個月內舉行。倘董事會於請求書遞交日期起計二十一日內未有召開該大會，則該等請求者可按相同方式自行召開大會，並應獲償付請求者召開大會所產生的所有合理開支。

CORPORATE GOVERNANCE REPORT

企業管治報告

SHAREHOLDERS' RIGHT (continued)

Putting enquiries to the Board

To ensure effective communication between the Board and the shareholders, the Company has adopted a shareholders' communication policy (the "**Policy**"), which is available on the websites of the Company and the Stock Exchange. Under the Policy, information of the Group shall be communicated to the shareholders mainly through general meetings, including annual general meetings, financial reports, and its corporate communications and other corporate publications on the Company's website and the Stock Exchange's website. Shareholders may at any time make a request for the Company's information to the extent that such information is publicly available. Any such questions shall be first directed to Mr. Siu Kai Yin Edward, the Company Secretary:

By post

Rooms 4917-4932, 49/F
Sun Hung Kai Centre
30 Harbour Road, Wan Chai
Hong Kong

By email

edward.siu@haotianhk.com

Shareholders may also directly raise questions during the shareholders' meetings.

Putting forward proposals at Shareholders' meeting

The number of shareholders necessary for putting forward a proposal at a shareholders' meeting shall be any number of shareholders representing not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings at the date of the request. The request to put forward a proposal must be made within 30 days from the date of the relevant shareholders' meeting.

股東權利(續)

向董事會提出查詢

為確保董事會與股東保持有效溝通，本公司已採納一項股東溝通政策(「該政策」)，該政策可於本公司及聯交所網站查閱。根據該政策，本集團將主要透過股東大會(包括股東週年大會)、財務報告以及其於本公司及聯交所網站上刊登的公司通訊及其他企業刊物向股東提供其資料。股東可隨時索取本公司的公開資料。任何有關疑問可首先通過以下方式直接向公司秘書蕭啟彥先生作出任何查詢：

透過郵寄

香港
灣仔港灣道30號
新鴻基中心
49樓4917-4932室

透過電郵

edward.siu@haotianhk.com

股東亦可直接於股東大會上提問。

於股東大會上提呈議案

於股東大會上提呈議案所需股東人數為任何於遞呈請求當日持有不少於本公司有權於股東大會上投票的繳足股本的十分之一的股東。提呈議案的請求須於相關股東大會舉行日期起30日內提出。

CORPORATE GOVERNANCE REPORT

企業管治報告

INVESTOR RELATIONS

The Company believes that maintaining a high level of transparency is a key to enhancing investor relations. It is committed to a policy of open and timely disclosure of corporate information to its shareholders and public investors. The Company updates its shareholders on its latest business developments and financial performance through its annual and interim reports. The corporate website of the Company (<http://www.haotianhk.com>) has provided an effective communication platform to the public and the shareholders.

SIGNIFICANT CHANGES IN CONSTITUTIONAL DOCUMENTS

There was no changes in the constitutional document of the Company during the year ended 31 March 2018.

投資者關係

本公司相信，維持高透明度是提升投資者關係的關鍵。本公司致力保持向其股東及公眾投資者公開及適時披露公司資料的政策。本公司透過其年度及中期報告向其股東更新其最新業務發展及財務表現。本公司的公司網站(<http://www.haotianhk.com>)已為公眾人士及股東提供一個有效的溝通平台。

章程文件的重大變更

截至二零一八年三月三十一日止年度，本公司章程文件並無變動。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Deloitte.

德勤

德勤·關黃陳方會計師行
香港
金鐘道88號
太古廣場一座35樓

Deloitte Touche Tohmatsu
35/F, One Pacific Place
88 Queensway
Hong Kong

To the Shareholders of Hao Tian Development Group Limited
(incorporated in the Cayman Islands with limited liability)

致昊天發展集團有限公司股東
(於開曼群島註冊成立之有限公司)

OPINION

We have audited the consolidated financial statements of Hao Tian Development Group Limited (the "Company") and its subsidiaries (collectively referred to as "the Group") set out on pages 79 to 267, 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, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 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.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

意見

本核數師(以下簡稱「我們」)已審計列載於79至267頁的昊天發展集團有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，此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(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而中肯地反映了貴集團於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要求妥為擬備。

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(「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專業道德責任。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。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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 matter 關鍵審計事項

Impairment assessment of loan receivables 應收貸款之減值評估

We identified the impairment assessment of loan receivables as a key audit matter due to the significance of the balance to the consolidated financial statements as a whole, and the use of judgment by the management in evaluating the recoverability of the loan receivables.

我們將應收貸款之減值評估識別為關鍵審計事項，原因為結餘對綜合財務報表整體而言至關重要，及管理層於估計應收貸款之可收回性時使用判斷。

As disclosed in notes 4 and 27 to the consolidated financial statements, the carrying amount of loan receivables is HK\$726,001,000 as at 31 March 2018, which contributed to 14% of the total assets. In performing the impairment assessment of these loan receivables, the management considers the creditworthiness, past collection history, subsequent settlement of each borrower, the relevant pledge of assets and guarantees.

誠如綜合財務報表附註4及27所披露，於二零一八年三月三十一日，應收貸款之賬面值為726,001,000港元，其佔總資產之14%。在對有關應收貸款進行減值評估時，管理層會考慮各借款人之信譽、過往收款記錄及其後結算、相關抵押資產及擔保。

During the year ended 31 March 2018, allowance for bad and doubtful debts amounted to HK\$321,000 (2017: HK\$6,900,000) has been charged to profit or loss.

於截至二零一八年三月三十一日止年度，呆壞賬撥備321,000港元(二零一七年：6,900,000港元)已於損益內扣除。

關鍵審計事項

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

How our audit addressed the key audit matter 我們的審計如何對關鍵審計事項進行處理

Our procedures in relation to impairment assessment of loan receivables included:
我們有關應收貸款之減值評估之程序包括：

- Understanding management's assessment of the credit risk of entering into loan contracts with its customers and how the management evaluates the recoverability of loan receivables;
- 瞭解管理層對與其客戶訂立貸款合約的信貸風險的評估及管理層如何評估應收貸款之可收回性；
- Obtaining the list of pledged assets, comparing the value, with reference to the market prices, of those pledged assets, on a sample basis, with the carrying amounts of respective outstanding pledged loan receivables;
- 獲取已抵押資產列表，參照有關已抵押資產市價，以抽樣方式比較各尚未償還已抵押應收貸款之價值與賬面值；
- Examining agreements of loan receivables, on a sample basis, to understand relevant terms such as settlement terms and the existence of pledged assets and guarantees;
- 抽樣檢查應收貸款之協議，以瞭解結算條款等相關條款，及抵押資產的存在及擔保情況；
- Assessing the reasonableness of the management's assessment of the recoverability of loan receivables by taking account of the value of pledged assets and guarantees and past collection history of customers; and
- 透過計及抵押資產及擔保的價值以及客戶的過往收款歷史，評估管理層對應收貸款可收回性的評估的合理性；及
- Tracing the settlement records and subsequent settlement to bank receipts, on a sample basis.
- 抽樣追溯結算記錄及銀行收據的後續結算。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key audit matter

關鍵審計事項

How our audit addressed the key audit matter

我們的審計如何對關鍵審計事項進行處理

Valuation of financial liabilities at fair value through profit or loss

以公平值計量且其變化計入損益之金融負債的估值

We identified the valuation of financial liabilities at fair value through profit or loss ("FVTPL") of the Group as a key audit matter due to the significance of the balance to the consolidated financial statements as a whole, combined with the significant judgments associated with determining the carrying value.

我們將以公平值計量且其變化計入損益(「以公平值計量且其變化計入損益」)之金融負債之估值識別為關鍵審計事項，原因為結餘對綜合財務報表整體而言至關重要，以及與釐定賬面值有關的重大判斷。

In determination of the carrying value of financial liabilities at FVTPL, it requires the uses of significant judgments in selecting the appropriate valuation techniques and use of key estimates and assumptions, as disclosed in note 48(c)(i).

於釐定指定以公平值計量且其變化計入損益之金融負債之賬面值時需要於選擇適當的估值方法方面作出重大判斷及使用主要估計及假設(誠如附註48(c)(i)所披露)。

As disclosed in note 20 to the consolidated financial statements, the carrying amount of the Group's financial liabilities at FVTPL were HK\$238,893,000.

誠如綜合財務報表附註20所披露，貴集團以公平值計量且其變化計入損益之金融負債之賬面值為238,893,000港元。

Our procedures in relation to valuation of financial liabilities at FVTPL included:

我們有關以公平值計量且其變化計入損益之金融負債之估值之程序包括：

- Evaluating the competence, capabilities and objectivity of the management who is responsible for the valuation and the independent professional valuers; and
- 評估負責估值之管理人員及獨立專業估值師的資歷、能力及客觀性；及
- Obtaining an understanding from management and the independent professional valuers about the valuation techniques, significant assumptions adopted, critical judgmental areas, key inputs and data used in the valuations; and
- 向管理層及獨立專業估值師瞭解有關所採納的估值技術、重大假設、重要判斷部分及估值時使用的主要輸入數據及數據；及
- Evaluating the appropriateness of the valuation model adopted and key assumptions used in the valuation.
- 評估所採納的估值模型及估值中使用的重大假設的適當性。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

OTHER INFORMATION

The directors of the Company 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 auditor's report thereon.

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

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

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

其他資訊

貴公司董事需對其他資訊負責。其他資訊包括刊載於年報內的資訊，但不包括綜合財務報表及我們就其發出的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他資訊，我們亦不對該等其他資訊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訊，在此過程中，考慮其他資訊是否與綜合財務報表或我們在審計過程中所瞭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訊存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事及治理層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》的披露要求擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，貴公司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，除非貴公司董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

治理層須負責監督貴集團的財務報告過程。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

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

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

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

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

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，並僅向全體股東出具包括我們意見的核數師報告。除此以外，我們的報告不可用作其他用途。我們並不就本報告之內容對任何其他人士承擔任何責任或接受任何義務。合理保證是高水準的保證，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財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

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

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors of the Company.
- Evaluate the overall presentation, structure and content of 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.
- 評價 貴公司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。
- 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交易和事項。
- 就 貴集團內實體或業務活動的財務資訊獲取充足、適當的審計憑證，以對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

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

除其他事項外，我們與治理層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。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

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

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

The engagement partner on the audit resulting in the independent auditor's report is Wan Chi Lap.

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

從與治理層溝通的事項中，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專案合夥人是尹志立。

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
22 June 2018

德勤•關黃陳方會計師行
執業會計師
香港
二零一八年六月二十二日

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	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		附註		
Revenue	收入	5	330,017	206,313
Cost of sales and services	出售及服務成本		(184,291)	(36,725)
Gross profit	毛利		145,726	169,588
Other income	其他收入	6	7,012	11,777
Other gains and losses	其他收益及虧損	7	(384,123)	(3,616,561)
Administrative expenses	行政開支		(226,642)	(132,854)
Other expenses	其他開支	8	–	(29,251)
Share of result of an associate	分佔一間聯營公司業績		(769)	(1,567)
Finance costs	融資成本	9	(79,595)	(87,873)
Loss before taxation	除稅前虧損		(538,391)	(3,686,741)
Taxation credit	稅項抵免	10	12,621	497,893
Loss for the year	年內虧損	11	(525,770)	(3,188,848)
Other comprehensive (expense) income:	其他全面(開支)收益:			
Items that may be reclassified subsequently to profit or loss:	可能於其後重新分類至損益之項目:			
Available-for-sale investments:	可供出售投資:			
— fair value changes	— 公平值變動		(155,880)	(547,388)
— impairment loss recognised	— 已確認減值虧損		1,748	74,728
— reclassified to profit or loss upon disposal	— 於出售時重新分類至損益		–	(53,212)
Exchange difference arising on translation of foreign operations	換算海外業務產生之匯兌差額		20,767	(8,040)
Other comprehensive expense for the year, net of tax	年內其他全面開支，除稅後		(133,365)	(533,912)
Total comprehensive expense for the year	年內全面開支總額		(659,135)	(3,722,760)

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	2018	2017
		附註	二零一八年	二零一七年
			HK\$'000	HK\$'000
			千港元	千港元
Loss for the year attributable to:	應佔年內虧損：			
Owners of the Company	本公司擁有人		(444,906)	(3,078,901)
Non-controlling interests	非控股權益		(80,864)	(109,947)
			(525,770)	(3,188,848)
Total comprehensive expense for the year attributable to:	應佔年內全面開支總額：			
Owners of the Company	本公司擁有人		(569,116)	(3,577,978)
Non-controlling interests	非控股權益		(90,019)	(144,782)
			(659,135)	(3,722,760)
Loss per share	每股虧損	15		(restated)
— Basic and diluted (HK cents)	— 基本及攤薄(港仙)		(9.11)	(63.91)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況報表

At 31 March 2018 於二零一八年三月三十一日

			2018	2017
		Notes	二零一八年	二零一七年
		附註	HK\$'000	HK\$'000
			千港元	千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	16	540,906	563,293
Prepaid lease payment	預付租賃款項	17	33,940	31,732
Premium over prepaid lease payment	預付租賃款項之溢價	18	125,102	127,822
Available-for-sale investments	可供出售投資	19	814,059	764,488
Financial assets designated at fair value through profit or loss	指定以公平值計量且其變化計入損益之金融資產	20	–	27,779
Goodwill	商譽	21	98,914	415,164
Intangible assets	無形資產	22	178,650	178,650
Finance lease receivables	融資租賃應收款項	23	9,529	4,241
Loan receivables	應收貸款	27	195,716	123,197
Investment in an associate	於一間聯營公司之投資	28	6	767
Deferred tax assets	遞延稅項資產	33	4,743	6,364
Pledged bank deposits	已抵押銀行存款	26	4,627	4,603
Deposits	存款		2,986	5,814
Deposit paid for acquisition of a subsidiary	收購附屬公司所付訂金	24	137,761	–
			2,146,939	2,253,914
Current assets	流動資產			
Inventories	存貨	25	22,876	8,745
Trade and interest receivables	應收賬款及應收利息	26	177,157	147,345
Other receivables, deposits and prepayments	其他應收款項、訂金及預付款項	26	17,997	60,884
Loan receivables	應收貸款	27	530,285	665,393
Finance lease receivables	融資租賃應收款項	23	6,959	3,112
Consideration receivable	應收代價	30	24,980	67,680
Investments held for trading	持作買賣投資	29	1,258,246	1,241,008
Tax recoverable	可收回稅項		2,278	1,359
Prepaid lease payment	預付租賃款項	17	365	329
Pledged bank deposits	已抵押銀行存款	26	15,000	44,661
Bank balances, trust and segregated accounts	銀行結餘、信託及獨立賬戶	26	44,998	32,400
Bank balances and cash	銀行結餘及現金	26	781,431	816,372
			2,882,572	3,089,288

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況報表

At 31 March 2018 於二零一八年三月三十一日

			2018 二零一八年	2017 二零一七年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Current liabilities	流動負債			
Trade payables	應付賬款	31	76,634	61,390
Other payables, deposits received and accruals	其他應付款項、已收訂金及應計款項	31	54,571	57,079
Borrowings	借貸	34	606,580	742,982
Secured notes	有抵押票據	32	155,840	150,331
Obligations under finance leases	融資租賃承擔	35	4,340	3,877
Financial liabilities at fair value through profit and loss	以公平值計量且其變化計入損益之金融負債	20	238,893	319,350
Other liability	其他負債	36	114,420	–
Tax payables	應付稅項		3,533	6,807
			1,254,811	1,341,816
Net current assets	流動資產淨值		1,627,761	1,747,472
Total assets less current liabilities	資產總值減流動負債		3,774,700	4,001,386
Non-current liabilities	非流動負債			
Borrowings	借貸	34	247,005	196,037
Secured notes	有抵押票據	32	350,000	–
Obligations under finance leases	融資租賃承擔	35	8,341	3,015
Other liability	其他負債	36	–	106,490
Deferred tax liabilities	遞延稅項負債	33	105,920	134,360
			711,266	439,902
Net assets	資產淨值		3,063,434	3,561,484

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況報表

At 31 March 2018 於二零一八年三月三十一日

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		Notes 附註		
Capital and reserves	資本及儲備			
Share capital	股本	39	48,980	41,862
Reserves	儲備	40	2,742,650	3,282,127
Equity attributable to owners of the Company	本公司擁有人應佔權益		2,791,630	3,323,989
Non-controlling interests	非控股權益		271,804	237,495
Total equity	權益總額		3,063,434	3,561,484

The consolidated financial statements on pages 79 to 267 were approved and authorised for issue by the Board of Directors on 22 June 2018 and are signed on its behalf by:

第79至267頁的綜合財務報表已由董事會於二零一八年六月二十二日審批及授權刊發，並由下列董事代表簽署：

Fok Chi Tak

霍志德

DIRECTOR

董事

Xu Hai Ying

許海鷹

DIRECTOR

董事

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

		Share capital	Share premium	Warrant reserve	Statutory surplus reserve	Share option and emolument reserve	Asset revaluation reserve	Special reserve	Translation reserve	Other reserve	Put option reserve	Accumulated profits (loss)	Total equity of the Company	Non-controlling interests	Total equity
		股本	股份溢價	儲備	法定盈餘儲備	購股權及獎勵股份儲備	資產重估儲備	特殊儲備	匯兌儲備	其他儲備	儲備	(虧損)	本公司權益總額	非控股權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
					(note a)			(note b)		(note c)	(note d)				
					(附註 a)			(附註 b)		(附註 c)	(附註 d)				
At 1 April 2016	於二零一六年四月一日	36,423	3,647,206	386,850	3,539	4,220	1,122,426	(5,754)	(1,210)	(92,041)	5,238	1,552,984	6,659,881	208,248	6,868,129
Loss for the year	年內虧損	-	-	-	-	-	-	-	-	-	-	(3,078,901)	(3,078,901)	(109,947)	(3,188,848)
Other comprehensive expense	其他全面開支	-	-	-	-	-	(491,037)	-	(8,040)	-	-	-	(499,077)	(34,835)	(533,912)
Total comprehensive expense for the year	年內全面開支總額	-	-	-	-	-	(491,037)	-	(8,040)	-	-	(3,078,901)	(3,577,978)	(144,782)	(3,722,760)
Share options lapsed	購股權失效	-	-	-	-	(3,654)	-	-	-	-	-	3,654	-	-	-
Issue of new shares upon exercise of warrants	行使認股權證時發行新股份	5,378	625,877	(386,850)	-	-	-	-	-	-	-	-	244,405	-	244,405
Issue of emolument shares (note 39)	發行獎勵股份 (附註 39)	61	2,439	-	-	-	-	-	-	-	-	-	2,500	-	2,500
Acquisition of subsidiaries (note 41)	收購附屬公司 (附註 41)	-	-	-	-	-	-	-	-	-	-	-	-	128,450	128,450
Capital injection from non-controlling interests of a subsidiary (note 36)	一間附屬公司之非控股權益注資 (附註 36)	-	-	-	-	-	-	-	-	(5,490)	-	-	(5,490)	45,579	40,089
Recognition of equity-settled share-based payments	確認股本結算以股份形式付款	-	-	-	-	671	-	-	-	-	-	-	671	-	671
At 31 March 2017	於二零一七年三月三十一日	41,862	4,275,522	-	3,539	1,237	631,389	(5,754)	(9,250)	(97,531)	5,238	(1,522,263)	3,323,989	237,495	3,561,484
Loss for the year	年內虧損	-	-	-	-	-	-	-	-	-	-	(444,906)	(444,906)	(80,864)	(525,770)
Other comprehensive (expense) income	其他全面(開支)收益	-	-	-	-	-	(142,077)	-	17,867	-	-	-	(124,210)	(9,155)	(133,365)
Total comprehensive (expense) income for the year	年內全面(開支)收益總額	-	-	-	-	-	(142,077)	-	17,867	-	-	(444,906)	(569,116)	(90,019)	(659,135)
Share options lapsed	購股權失效	-	-	-	-	(437)	-	-	-	-	-	437	-	-	-
Issue of new shares upon bonus issue (note 39)	紅股發行時發行新股份 (附註 39)	6,976	(6,976)	-	-	-	-	-	-	-	-	-	-	-	-
Issue of emolument shares (note 39)	發行獎勵股份 (附註 39)	142	4,858	-	-	-	-	-	-	-	-	-	5,000	-	5,000
Change in the Group's ownership interest in existing subsidiaries	本集團於現有附屬公司股權的變動	-	-	-	-	-	-	-	-	31,757	-	-	31,757	124,328	156,085
At 31 March 2018	於二零一八年三月三十一日	48,980	4,273,404	-	3,539	800	489,312	(5,754)	8,617	(65,774)	5,238	(1,966,732)	2,791,630	271,804	3,063,434

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:

- (a) As stipulated by the relevant laws and regulations of the People's Republic of China ("PRC"), before distribution of the net profit each year, each of the Group's subsidiaries established in the PRC shall set aside 10% of its net profit after taxation to the statutory surplus reserve. The reserve fund can only be used, upon approval by the board of directors of these PRC established subsidiaries and by the relevant authority, to offset accumulated losses or increase capital. During the years ended 31 March 2018 and 2017, there was no transfer from accumulated profits to the statutory surplus reserve since the Group's PRC subsidiaries incurred net loss.
- (b) Special reserve of HK\$5,754,000 represents the difference between the nominal amount of share capital issued by Winbox (BVI) Limited and the Company and the nominal amount of the share capital of the acquired subsidiaries and Winbox (BVI) Limited respectively arisen from a group reorganisation occurred in prior years.
- (c) Other reserve represents (i) the difference between the fair value of the capital injections from non-controlling shareholders and the carrying amount of the subsidiary attributable to the non-controlling interests and (ii) the value of the put option arising from HTM subscription (as defined in note 36) issued by the Company. Details are set out in note 36 to the consolidated financial statements.
- (d) Put option reserve represents the fair value of the put option issued by the Company on date of issue, 13 May 2015.

附註：

- (a) 根據中華人民共和國(「中國」)相關法律及法規規定，本集團在中國成立的各附屬公司每年均須撥出除稅後純利10%作法定盈餘儲備，然後方可分派純利。儲備金僅可用於抵銷累計虧損或增加資本，惟須經該等於中國成立的附屬公司的董事會及相關機關批准。截至二零一八年及二零一七年三月三十一日止年度，由於本集團的中國附屬公司產生淨虧損，因此並無金額由累計溢利轉撥至法定盈餘儲備。
- (b) 於過往年度進行集團重組產生的特殊儲備為5,754,000港元，乃指Winbox (BVI) Limited及本公司的已發行股本面值與已收購附屬公司及Winbox (BVI) Limited股本面值之間各自的差額。
- (c) 其他儲備指(i)來自非控股股東注資之公平值與非控股權益應佔附屬公司之賬面值之差額；及(ii)本公司發行且由昊天管理認購事項(定義見附註36)所產生之認沽期權之價值。詳情載於綜合財務報表附註36。
- (d) 認沽期權儲備指本公司發行之認沽期權於發行日期二零一五年五月十三日之公平值。

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

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
OPERATING ACTIVITIES	經營業務		
Loss for the year	年內虧損	(525,770)	(3,188,848)
Adjustments for:	經以下各項調整：		
Income tax	所得稅	(12,621)	(497,893)
Interest income	利息收入	(1,249)	(7,564)
Finance costs	融資成本	79,595	87,873
Loss on early redemption of secured notes	提早贖回有抵押票據之虧損	700	2,959
Other expenses	其他費用	-	29,251
Share of result of an associate	分佔一間聯營公司業績	769	1,567
Depreciation of property, plant and equipment	物業、廠房及設備折舊	63,535	13,225
Impairment loss on property, plant and equipment	物業、廠房及設備減值虧損	9,100	-
Amortisation of prepaid lease payment	預付租賃款項攤銷	622	337
Amortisation of premium over prepaid lease payment	預付租賃款項之溢價攤銷	2,720	2,720
Dividend income from available-for-sale investments	可供出售投資的股息收入	(780)	(780)
Impairment loss on available-for-sale investments	可供出售投資的減值虧損	1,748	86,532
Share-based payments	以股份形式付款	5,000	3,171
Gain on disposal of property, plant and equipment	出售物業、廠房及設備的收益	(519)	(98)
Gain on disposal of available-for-sale investments	出售可供出售投資的收益	-	(53,212)
Reversal of allowance for bad and doubtful debts	撥回呆壞賬撥備	(9,795)	-
Allowance for bad and doubtful debts	呆壞賬撥備	921	-
Fair value (gain) loss on financial assets/liabilities at fair value through profit or loss	以公平值計量且其變化計入損益之金融資產/負債的公平值(收益)虧損	(77,679)	468,986
Impairment loss on loan and interest receivables	應收貸款及利息之減值虧損	511	8,111
Impairment loss on inventories	存貨減值虧損	5,582	-
Impairment loss on goodwill	商譽減值虧損	316,250	-
Unrealised fair value loss in investments held for trading	持作買賣投資的未變現公平值虧損	154,881	2,098,005
Issue costs of bonus share issue of a subsidiary	一間附屬公司紅股發行之發行成本	447	-

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

		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
Operating cash flows before movements in working capital	營運資金變動前的經營現金流量	13,968	(945,658)
Decrease in inventories	存貨減少	13,567	3,646
Increase in trade and interest receivables	應收賬款及應收利息增加	(20,943)	(64,150)
Decrease (increase) in other receivables, deposits and prepayments	其他應收款項、訂金及預付款項減少(增加)	44,565	(9,051)
Decrease in loan receivables	應收貸款減少	68,331	28,552
(Increase) decrease in investments held for trading	持作買賣投資(增加)減少	(157,257)	1,521,128
Increase in trade payables	應付賬款增加	–	6,987
(Decrease) increase in other payables, deposits received and accruals	其他應付款項、已收訂金及應計款項(減少)增加	(6,574)	21,826
(Increase) decrease in finance lease receivables	融資租賃應收款項(增加)減少	(9,135)	502
(Increase) decrease in bank balances, trust and segregated accounts	銀行結餘、信託及獨立賬戶(增加)減少	(12,598)	7,986
Net cash (used in) generated from operations	營運(所用)所得的現金淨額	(66,076)	571,768
Finance costs paid for money lending business	放貸業務已付融資成本	(5,741)	(13,349)
Finance costs paid for securities investment business	證券投資業務已付融資成本	(2)	(514)
Income tax paid	已付所得稅	(18,391)	(16,197)
NET CASH (USED IN) FROM OPERATING ACTIVITIES	經營業務(所用)所得的現金淨額	(90,210)	541,708

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

		2018 二零一八年	2017 二零一七年
	Note 附註	HK\$'000 千港元	HK\$'000 千港元
INVESTING ACTIVITIES	投資活動		
Purchases of property, plant and equipment	購入物業、廠房及設備	(71,483)	(24,101)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	2,061	1,202
Placement in pledged bank deposits	置存已抵押銀行存款	(24)	(9,463)
Withdrawal of pledged bank deposits	提取已抵押銀行存款	29,661	128,428
Deposit paid for acquisition of subsidiary	收購附屬公司所付訂金	(137,761)	-
Consideration paid for investment in an associate	就於一間聯營公司之投資之已付代價	-	(2,334)
Deposits paid for acquisition of property, plant and equipment	收購物業、廠房及設備所付訂金	(1,093)	(5,232)
Purchases of available-for-sale investments	購買可供出售投資	(275,202)	-
Proceeds received from redemption of financial assets designated at fair value through profit or loss	贖回指定以公平值計量且其變化計入損益之金融資產所得款項	25,000	-
Dividend income received from available-for-sale investments	收取可供出售投資的股息收入	780	780
Net cash used in acquisition of subsidiaries	收購附屬公司所用現金淨額	-	(791,945)
Proceeds from disposal of available-for-sale investments	出售可供出售投資所得款項	69,752	75,806
Collection of consideration receivable from disposal of subsidiaries	收回出售附屬公司的應收代價	35,440	-
Interest received	已收利息	1,249	7,705
NET CASH USED IN INVESTING ACTIVITIES	投資活動所用現金淨額	(321,620)	(619,154)

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

			2018 二零一八年	2017 二零一七年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
FINANCING ACTIVITIES	融資活動			
Interest paid	已付利息		(61,488)	(38,721)
Proceeds from issue of secured notes	發行有抵押票據所得款項		505,840	-
Proceeds from disposal of shares of a subsidiary	出售一間附屬公司股份所得款項		35,927	-
Borrowings raised	新增借貸		1,037,414	1,579,993
Repayment of borrowings	償還借貸		(1,122,848)	(1,408,221)
Proceeds from share placing of a subsidiary	配售一間附屬公司股份所得款項		124,000	-
Expenses on placing of shares of a subsidiary	配售一間附屬公司股份的開支		(2,630)	-
Expenses on issue of bonus shares of a subsidiary	一間附屬公司發行紅股的開支		(447)	-
Proceeds from issue of new shares upon exercise of warrants	於行使認股權證時發行新股份所得款項		-	244,405
Proceeds from HTM Subscription	來自昊天管理認購事項所得款項	36	-	311,561
Payment on early redemption of secured notes	提早贖回有抵押票據之付款	32	(155,308)	(77,493)
Repayment of obligations under finance leases	償還融資租賃責任		(5,408)	(6,047)
NET CASH FROM FINANCING ACTIVITIES	融資活動所得現金淨額		355,052	605,477

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

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物(減少)增加淨額	(56,778)	528,031
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	於年初之現金及現金等價物	816,372	295,782
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	匯率變動之影響	21,837	(7,441)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR REPRESENTED BY BANK BALANCES AND CASH	於年終之現金及現金等價物，指銀行結餘及現金	781,431	816,372

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

Hao Tian Development Group Limited (the “**Company**”) is incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). Its immediate and ultimate holding company is Asia Link Capital Investment Holdings Limited, which is incorporated in the British Virgin Islands (“**BVI**”), and the ultimate controlling shareholder is Ms. Li Shao Yu (“**Ms. Li**”). The addresses of the registered office and principal place of business of the Company are disclosed in the Corporate Information section of the annual report.

The principal activities of the Company are investment holding and provision of management service to its subsidiaries. The principal activities of its subsidiaries are set out in note 45.

The Group’s consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), which is also the functional currency of the Company.

1. 一般資料

昊天發展集團有限公司(「**本公司**」)在開曼群島註冊成立為獲豁免有限公司及其股份於香港聯合交易所有限公司(「**聯交所**」)上市。其直接及最終控股公司為於英屬處女群島(「**英屬處女群島**」)註冊成立之亞聯創富控股有限公司(「**亞聯**」)，及最終控股股東為李少宇女士(「**李女士**」)。本公司之註冊辦事處及主要營業地點之地址已披露於本年報「公司資料」一節。

本公司的主要業務為投資控股及為其附屬公司提供管理服務。其附屬公司之主要業務載於附註45。

本集團的綜合財務報表以港元(「**港元**」)呈列，而港元亦為本公司之功能貨幣。

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 AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

The Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time in current year.

Amendments to HKAS 7	Disclosure Initiative
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to HKFRS 12	As part of the Annual Improvements to HKFRSs 2014–2016 Cycle

Except as described below, 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. 應用新訂香港財務報告準則(「香港財務報告準則」)及其修訂

本集團已於本年度首次應用下列由香港會計師公會(「香港會計師公會」)頒佈之新訂香港財務報告準則之修訂：

香港會計準則第7號之修訂	披露計劃
香港會計準則第12號之修訂	就未變現虧損確認遞延稅項資產
香港財務報告準則第12號之修訂	作為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之一部分

除下文所述外，於本年度應用香港財務報告準則之修訂對本集團本年度及過往年度之財務表現及狀況及／或此等綜合財務報表所載披露事項並無重大影響。

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 AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

Amendments to HKAS 7 Disclosure Initiative

The Group has applied these amendments 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 cash and non-cash changes. In addition, the amendments also require disclosures on financial assets if cash flows from those financial assets were, or future cash flows will be, included in cash flows from financing activities.

Specifically, the amendments require the following to be disclosed: (i) changes from financing cash flow; (ii) changes arising from obtaining or losing control of subsidiaries or other business; (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 47. 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 47, the application of these amendments has had no impact on consolidated financial statements.

2. 應用新訂香港財務報告準則(「香港財務報告準則」)及其修訂(續)

香港會計準則第7號之修訂披露計劃

本集團於本年度首次應用此等修訂。修訂規定實體提供披露事項以使財務報表使用者可評估因融資活動而產生之負債變動，包括現金及非現金變動。另外，修訂亦規定，倘來自有關金融資產之現金流量或未來現金流量將計入融資活動所得現金流量，則須就金融資產作出披露。

具體而言，有關修訂規定須披露以下事項：(i) 融資現金流量變動；(ii) 因取得或失去附屬公司控制權或其他業務產生之變動；(iii) 外幣匯率變動之影響；(iv) 公平值變動；及(v) 其他變動。

附註47載有有關項目的期初及期末結餘之間的對賬。與有關修訂的過渡條款相一致，本集團尚未披露過往年度的比較資料。除附註47所述的額外披露外，應用此等修訂對綜合財務報表並無影響。

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 AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New and revised HKFRSs and interpretations in issue but not yet effective

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

HKFRS 9	Financial Instruments ¹
HKFRS 15	Revenue from Contracts with Customers and the related Amendments ¹
HKFRS 16	Leases ²
HKFRS 17	Insurance Contracts ⁴
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions ¹
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts ¹
Amendments to HKFRS 9	Prepayment Features with Negative Compensation ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement ²
Amendments to HKAS 28	Long-term Interests in Associates and Joint Joint Ventures ²
Amendments to HKAS 28	As part of the Annual Improvements to HKFRSs 2014–2016 Cycle ¹
Amendments to HKAS 40	Transfer of Investment Property ¹
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015–2017 Cycle ²
HK(IFRIC)–Int 22	Foreign Currency Transactions and Advance Consideration ¹
HK(IFRIC)–Int 23	Uncertainty over Income Tax Treatments ²

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

² Effective for annual periods beginning on or after 1 January 2019.

³ Effective for annual periods beginning on or after a date to be determined.

⁴ Effective for annual periods beginning on or after 1 January 2021.

2. 應用新訂香港財務報告準則(「香港財務報告準則」)及其修訂(續)

已頒佈但尚未生效之新訂及經修訂香港財務報告準則及詮釋

本集團並無提早應用下列已頒佈但尚未生效之新訂及經修訂香港財務報告準則及詮釋：

香港財務報告準則第9號	金融工具 ¹
香港財務報告準則第15號	客戶合約之收入及相關修訂 ¹
香港財務報告準則第16號	租賃 ²
香港財務報告準則第17號	保險合約 ⁴
香港財務報告準則第2號之修訂	以股份形式付款交易之分類及計量 ¹
香港財務報告準則第4號之修訂	香港財務報告準則第9號金融工具與香港財務報告準則第4號保險合約一併應用 ¹
香港財務報告準則第9號之修訂	具負債特點之預付款 ²
香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營企業之間之資產銷售或投入 ³
香港會計準則第19號	計劃修訂、縮減或結清 ²
香港會計準則第28號之修訂	於聯營公司及合營企業之長期權益 ²
香港會計準則第28號之修訂	作為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之一部分 ¹
香港會計準則第40號之修訂	轉讓投資物業 ¹
香港財務報告準則之修訂	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 ²
香港(國際財務報告詮釋委員會)–詮釋第22號	外幣交易及預付代價 ¹
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 ²

¹ 於二零一八年一月一日或以後開始之年度期間生效。

² 於二零一九年一月一日或以後開始之年度期間生效。

³ 於待定期日或以後開始之年度期間生效。

⁴ 於二零二一年一月一日或以後開始之年度期間生效。

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

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

HKFRS 9 Financial Instruments

HKFRS 9 introduces 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 which are relevant to the Group are:

- All recognised financial assets that are within the scope of HKFRS 9 are subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at fair value through other comprehensive income (“FVTOCI”). All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting periods. In addition, under HKFRS 9, 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. 應用新訂香港財務報告準則(「香港財務報告準則」)及其修訂(續)

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號引入有關金融資產及金融負債之分類及計量、一般對沖會計處理以及金融資產之減值要求之新規定。

與本集團有關之香港財務報告準則第9號之主要規定：

- 屬香港財務報告準則第9號範圍內所有已確認金融資產其後按攤銷成本或公平值計量。尤其是，目的是收取合約現金流量之業務模式內持有之債務投資及合約現金流量純粹為支付本金及未償還本金之利息之債務投資，一般按其後會計期末之攤銷成本計量。於目的為同時收取合約現金流量及出售金融資產之業務模式中持有之債務工具，以及合約條款令於特定日期產生之現金流量純粹為支付本金及未償還本金之利息的債務工具，均以公平值計量且其變化計入其他全面收益計量(「以公平值計量且其變化計入其他全面收益」)之方式計量。所有其他債務投資及股本投資均按其後會計期末之公平值計量。此外，根據香港財務報告準則第9號，實體可能不可撤回地選擇在其他全面收益中呈列股本投資(並非持作買賣)之其後公平值變動，並只在損益中確認股息收入。

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 AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

HKFRS 9 Financial Instruments (continued)

- 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.

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

Classification and measurement:

Debt instruments classified as loan receivables, trade and interest receivables, other receivables, deposits, consideration receivable, pledged bank deposits, bank balances, trust and segregated accounts and bank balances carried at amortised cost, these are held within a business model whose objective is to collect the contractual cash flows that are solely payments of principal and interest on the principal outstanding. Accordingly, these financial assets will continue to be subsequently measured at amortised cost upon the application of HKFRS 9;

Unlisted fund classified as available-for-sale investments carried at fair value as disclosed in note 19: the fund does not qualify for designation as measured at FVTOCI under HKFRS 9, the Group will measure these securities at fair value with subsequent fair value gains or losses to be recognised in profit or loss. Upon initial application of HKFRS 9, investments revaluation reserve of HK\$4,702,000 related to these available-for-sale investments will be transferred to accumulated profits at 1 April 2018.

2. 應用新訂香港財務報告準則(「香港財務報告準則」)及其修訂(續)

香港財務報告準則第9號金融工具(續)

- 關於金融資產減值，香港財務報告準則第9號規定按一項預期信貸虧損模型，而非根據香港會計準則第39號按一項已發生之信貸虧損模型。該預期信貸虧損模型規定實體須計算其預期信貸虧損及於各報告日期之預期信貸虧損之變動，以反映自初步確認以來所產生之信貸風險變動。換句話說，現已不再須對信用事件已發生之前的信貸虧損予以確認。

基於本集團於二零一八年三月三十一日的金融工具及風險管理政策，本公司董事預計初步應用香港財務報告準則第9號將導致下列潛在影響：

分類及計量：

債務工具分類為應收貸款、應收賬款及應收利息、其他應收款項、訂金、應收代價、已抵押銀行存款、銀行結餘、信託及獨立賬戶以及以攤銷成本計量的銀行結餘，有關款項目的為收取純粹作本金及未償還本金利息付款的合約現金流量的業務模式下持有。因此，於應用香港財務報告準則第9號後，該等金融資產其後將繼續按攤銷成本計量；

誠如附註19所披露，分類為可供出售投資的非上市基金按公平值列賬：根據香港財務報告準則第9號，基金不符合以公平值計量且其變化計入其他全面收益的指定資格，本集團將按公平值計量有關證券，隨後的公平值收益或虧損將在損益中確認。於初步應用香港財務報告準則第9號後，與該等可供出售投資有關的投資重估儲備4,702,000港元將於二零一八年四月一日轉撥至累計溢利。

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 AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

HKFRS 9 Financial Instruments (continued)

Classification and measurement: (continued)

Listed equity securities classified as available-for-sale investments carried at fair value as disclosed in note 19: these securities qualified for designation as measured at FVTOCI under HKFRS 9, however, the Group plans not to elect the option for the designation and will measure these securities at fair value with subsequent fair value gains or losses to be recognised in profit or loss. Upon initial application of HKFRS 9, investments revaluation reserve of HK\$484,610,000 related to these available-for-sale investments will be transferred to accumulated profits at 1 April 2018;

Equity securities classified as available-for-sale investments carried at cost less impairment as disclosed in note 19: these securities qualified for designation as measured at FVTOCI under HKFRS 9 and the Group will measure these securities at fair value at the end of subsequent reporting periods with fair value gains or losses to be recognised as other comprehensive income and accumulated in the investments revaluation reserve. Upon initial application of HKFRS 9, the fair value change relating to these securities would be adjusted to investments revaluation reserve as at 1 April 2018.

All other financial assets and financial liabilities will continue to be measured on the same bases as are currently measured under HKAS 39.

Impairment

In general, the directors of the Company 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.

2. 應用新訂香港財務報告準則(「香港財務報告準則」)及其修訂(續)

香港財務報告準則第9號金融工具(續)

分類及測量: (續)

附註19所披露按公平值列賬且分類為可供出售投資的上市股本證券：該等證券符合資格根據香港財務報告準則第9號指定以公平值計量且其變化計入其他全面收益計量，惟本集團計劃不作出指定選擇，而是將該等證券按公平值計量，後續公平值收益或虧損於損益確認。於初步應用香港財務報告準則第9號後，與該等可供出售投資有關的投資重估儲備484,610,000港元將轉移至二零一八年四月一日的累計溢利；

附註19所披露按成本減減值列賬且分類為可供出售投資的股本證券：該等證券符合資格根據香港財務報告準則第9號指定以公平值計量且其變化計入其他全面收益計量，本集團會於其後報告期末按公平值計量該等證券，並將公平值損益確認為其他全面收益並於投資重估儲備累計。於初步應用香港財務報告準則第9號後，與該等證券有關的公平值變動將調整至二零一八年四月一日的投資重估儲備。

全部其他金融資產及金融負債將繼續按現時按照香港會計準則第39號計量之相同基準計量。

減值

一般而言，本公司董事預計應用香港財務報告準則第9號的預期信貸虧損模式將導致在本集團應用香港財務報告準則第9號時提早就本集團按攤銷成本計量的金融資產以及其他項目(須予減值撥備)計提尚未產生的信貸虧損。

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 AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

HKFRS 9 Financial Instruments (continued)

Impairment (continued)

The trade receivables of the Group do not contain a significant financial component and hence impairment will be measured based on lifetime expected credit loss.

Based on the assessment by the directors of the Company, if the expected credit loss model were to be applied by the Group, the accumulated amount of impairment loss to be recognised by Group as at 1 April 2018 would be slightly increased as compared to the accumulated amount recognised under HKAS 39 mainly attributable to expected credit losses provision on loan receivables, trade and interest receivables, other receivables, deposits, consideration receivable, pledged bank deposits, bank balances, trust and segregated accounts and bank balances. Such further impairment recognised under expected credit loss model would reduce the opening accumulated profits and increase the deferred tax assets at 1 April 2018.

HKFRS 15 Revenue from Contracts with Customers

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.

2. 應用新訂香港財務報告準則(「香港財務報告準則」)及其修訂(續)

香港財務報告準則第9號金融工具(續)

減值(續)

由於本集團應收賬款並無載有重大財務部份，故此須基於預期信貸虧損計算減值。

根據本公司董事的評估，倘本集團須應用預期信貸虧損模式，則本集團於二零一八年四月一日將予確認的累計減值虧損金額將較根據香港會計準則第39號確認的累計金額輕微增加，主要是由於應收貸款、應收賬款及應收利息、其他應收款項、訂金、應收代價、已抵押銀行存款、銀行結餘、信託及獨立賬戶以及銀行結餘的預期信貸虧損撥備。按預期信貸虧損模式確認的進一步減值將減少於二零一八年四月一日的期初累計溢利，並增加遞延稅項資產。

香港財務報告準則第15號客戶合約之收入

香港財務報告準則第15號已頒佈，其制定一項單一全面模式供實體就客戶合約所產生之收入入賬。香港財務報告準則第15號生效後將取代現時載於香港會計準則第18號收益、香港會計準則第11號建築合約及相關詮釋之收入確認指引。

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 AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

HKFRS 15 Revenue from Contracts with Customers (continued)

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
- 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.

In 2016, the HKICPA issued clarifications to HKFRS 15 in relation to the identification of performance obligations, principal versus agent considerations, as well as licensing application guidance.

2. 應用新訂香港財務報告準則(「香港財務報告準則」)及其修訂(續)

香港財務報告準則第15號客戶合約之收入(續)

香港財務報告準則第15號之核心原則為實體所確認描述向客戶轉讓承諾貨品或服務之收入款項，應為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，該標準引入五個確認收入之步驟：

- 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
- 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：於實體達成履約責任時(或就此)確認收入

根據香港財務報告準則第15號，實體於達成履約責任時(或就此)確認收入，即於特定履約責任相關之貨品或服務之「控制權」轉讓予客戶時。香港財務報告準則第15號已就特別情況之處理方法加入更明確指引。此外，香港財務報告準則第15號規定作出詳盡之披露。

於二零一六年，香港會計師公會頒佈香港財務報告準則第15號之澄清，涉及識別履約責任、委託人相對代理人的考慮及授權申請指引。

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 AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

HKFRS 15 Revenue from Contracts with Customers (continued)

The directors of the Company anticipate that the application of HKFRS 15 in the future may result in more disclosures, however, the directors of the Company do not anticipate that the application of HKFRS 15 will have a material impact on the timing and amounts of revenue recognised in the respective reporting periods.

HKFRS 16 Leases

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 will supersede HKAS 17 Leases and the related interpretations when it becomes effective.

HKFRS 16 distinguishes leases and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

2. 應用新訂香港財務報告準則(「香港財務報告準則」)及其修訂(續)

香港財務報告準則第15號客戶合約之收入(續)

本公司董事預計，日後應用香港財務報告準則第15號可能會導致更多披露，然而，本公司董事預計應用香港財務報告準則第15號將不會對於有關報告期間內所確認收入之時間及金額造成重大影響。

香港財務報告準則第16號租賃

香港財務報告準則第16號為識別出租人及承租人之租賃安排以及會計處理引入綜合模式。一經生效，香港財務報告準則第16號將取代香港會計準則第17號租賃及相關詮釋。

香港財務報告準則第16號以客戶能否控制所識別資產區分租賃及服務合約。除短期租賃及低價值資產租賃外，經營租賃及融資租賃之差異自承租人會計處理中移除，並以承租人須就所有租賃將予確認使用權資產及相應負債之模式取代。

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 AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

HKFRS 16 Leases (continued)

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, the Group currently presents upfront prepaid lease payments as investing cash flows in relation to leasehold lands for own use while other operating lease payments are presented as operating cash flows. Upon application of HKFRS 16 by the Group, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing cash flows by the Group.

Under HKAS 17, the Group has already recognised an asset and a related finance lease liability for finance lease arrangement where the Group is a lessee. The application of HKFRS 16 may result in potential changes in classification of these assets depending on whether the Group presents right-of-use assets separately or within the same line item at which the corresponding underlying assets would be presented if they were owned.

In contrast to lessee accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

2. 應用新訂香港財務報告準則(「香港財務報告準則」)及其修訂(續)

香港財務報告準則第16號租賃(續)

使用權資產初步按成本計量，其後按成本(除若干例外情況外)減累計折舊及減值虧損計量，並就任何租賃負債重新計量作出調整。租賃負債初步按當日尚未支付租賃款項之現值計量。其後，租賃負債就利息及租賃款項以及(其中包括)租賃修訂之影響作出調整。就現金流量分類而言，本集團目前將前期預付租賃款項呈列為有關作自用之租賃土地之投資現金流量，而其他經營租賃付款呈列為經營現金流量。於本集團應用香港財務報告準則第16號後，有關租賃負債之租賃款項將由本集團分配呈列為融資現金流量之本金及利息部分。

根據香港會計準則第17號，本集團已就以本集團為承租人的融資租賃安排確認資產及相關融資租賃負債。應用香港財務報告準則第16號可能導致該等資產的分類出現變動，視乎本集團是否單獨呈列使用權資產或在相應相關資產(倘擁有)所在的同一項目內呈列。

較承租人會計處理方法而言，香港財務報告準則第16號大致轉承了香港會計準則第17號的出租人會計處理方法的規定，並繼續規定出租人將其租賃分類為經營租賃或融資租賃。

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

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

HKFRS 16 Leases (continued)

Furthermore, extensive disclosures are required by HKFRS 16.

As set out in note 42, total operating lease commitment of the Group in respect of leased premises as at 31 March 2018 is amounted to HK\$32,171,000. Upon the adoption of HKFRS 16, the directors of the Company expect that the commitments in the future in respect of leased premises with the terms of more than twelve months will be required to be recognised in the consolidated financial statements of the Group in the future as right-of-use assets and lease liabilities and 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.

In addition, the Group currently considers refundable rental deposits paid of HK\$7,246,000 as at 31 March 2018 as rights and obligations under leases to which HKAS 17 applies. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use the underlying assets, accordingly, the carrying amounts of such deposits may be adjusted to amortised cost and such adjustments are considered as additional lease payments. Adjustments to refundable rental deposits paid would be included in the carrying amount of right-of-use assets.

Furthermore, the application of new requirements may result in changes in measurement, presentation and disclosure as indicated above.

The directors of the Company do not anticipate that the application of the other amendments to HKFRSs and the interpretation will have a material impact on the consolidated financial statements.

2. 應用新訂香港財務報告準則(「香港財務報告準則」)及其修訂(續)

香港財務報告準則第16號租賃(續)

此外，香港財務報告準則第16號要求作出詳盡披露。

誠如附註42所披露，於二零一八年三月三十一日，本集團有關租賃物業的總經營租賃承擔為32,171,000港元。於採納香港財務報告準則第16號後，本公司董事預期日後有關期限超過十二個月之租賃物業之未來承擔須於本集團之綜合財務報表內確認為使用權資產及租賃負債，而本公司董事預期採納香港財務報告準則第16號較目前會計政策而言不會對本集團之業績產生重大影響。

此外，本集團目前將於二零一八年三月三十一日已付的可退還租金按金7,246,000港元視為香港會計準則第17號所適用的租賃的權利及責任。根據香港財務報告準則第16號的租賃付款定義，該等按金並非與相關資產使用權有關的付款，因此，該等按金的賬面值可調整至攤餘成本，而該等調整被視為額外租賃付款。已付的可退還租金按金的調整將包括在使用權資產的賬面值中。

此外，如上所述，應用新規定可能導致計量、呈列及披露出現變動。

本公司董事預期應用香港財務報告準則之其他修訂及詮釋將不會對綜合財務報表造成重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

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

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as explained in the accounting policies set out below.

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants 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 the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. Fair value under HKFRS 13 Fair Value Measurement is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. 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 Share-based Payment, 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 Inventories or value in use in HKAS 36 Impairment of Assets.

3. 主要會計政策

綜合財務報表已根據香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表載有聯交所證券上市規則(「上市規則」)及香港公司條例所規定之適用披露事項。

綜合財務報表已根據歷史成本基準編製，惟按公平值計量之若干金融工具除外，具體解釋見下文所載會計政策。

歷史成本一般根據換取貨品及服務之代價的公平值計算。

公平值為市場參與者間於計量日期進行的有序交易中，出售資產所收取或轉讓負債所支付的價格，而不論該價格是直接觀察所得或使用另一種估值技術估計。於估計資產或負債的公平值時，本集團會考慮市場參與者在計量日期為該資產或負債進行定價時將會考慮的特徵。非金融資產的公平值計量計入市場參與者透過使用其資產的最高及最佳用途或透過將資產出售予將使用其最高及最佳用途的另一名市場參與者而能夠產生經濟利益的能力。根據香港財務報告準則第13號公平值計量，公平值為平倉價格，不論該價格是否可以直接或利用其他估值技術估計得出。在該等綜合財務報表中計量及／或披露的公平值均在此基礎上予以釐定，但香港財務報告準則第2號以股份形式付款範圍內的以股份形式付款交易、香港會計準則第17號範圍內的租賃交易、以及與公平值類似但並非公平值的計量(例如香港會計準則第2號存貨中的可變現淨值或香港會計準則第36號資產減值中的使用價值)除外。

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. SIGNIFICANT ACCOUNTING POLICIES (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 its subsidiaries. Control is achieved when the Company:

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

3. 主要會計政策(續)

此外，就財務報告而言，公平值計量乃按公平值計量輸入數據的可觀察程度及輸入數據對整體公平值計量的重要程度劃分為下述第一、第二或第三層：

- 第一層輸入數據為於計量日期實體可取得的相同資產或負債於活躍市場的所報價格(未經調整)；
- 第二層輸入數據為除第一層所包括的報價外，可就資產或負債直接或間接觀察得到的輸入數據；及
- 第三層輸入數據為就資產或負債不可觀察的輸入數據。

主要會計政策載列如下：

綜合基準

綜合財務報表包含本公司及其附屬公司的財務報表。當本公司達致以下各項時，即屬取得控制權：

- 對投資對象擁有權力；
- 透過其參與承擔或享有投資對象可變回報的風險或權利；及
- 能夠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. 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.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary 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 statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests.

Total comprehensive income and expense of a subsidiary 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.

Where 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 transactions, balances, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein.

3. 主要會計政策(續)

綜合基準(續)

倘事實及情況顯示上文所列的控制權三項元素其中一項或多項有所變動，則本集團重新評估其是否控制投資對象。

本集團於取得附屬公司控制權時開始對該附屬公司綜合入賬，並於失去附屬公司控制權時停止就該附屬公司綜合入賬。具體而言，年內收購或出售附屬公司的收入及開支於本集團獲得控制權日期起至本集團不再控制附屬公司當日止期間計入綜合損益及其他全面收益表。

損益及其他全面收益的每個項目應歸屬於本公司擁有人及非控股權益。

附屬公司全面收益及開支總額應歸屬於本公司擁有人及非控股權益，即使其導致非控股權益擁有虧絀結餘。

如有必要，會對附屬公司的財務報表作出調整，致使其會計政策與本集團之會計政策一致。

所有有關本集團成員公司間交易的集團內公司間資產及負債、權益交易、結餘、收入、開支及現金流量均於綜合時悉數對銷。

於附屬公司的非控股權益與本集團於其中的權益分開呈列。

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. 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 relevant components of equity including reserves and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the proportionate share of net assets attributable to the non-controlling interests are adjusted after re-attribution of the relevant equity component, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

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.

3. 主要會計政策(續)

綜合基準(續)

本集團於現有附屬公司擁有權權益的變動

並無導致本集團失去附屬公司控制權的本集團於現有附屬公司的擁有權權益變動，乃按權益交易入賬。本集團的相關權益部分(包括儲備)及非控股權益的賬面值，乃予以調整以反映彼等於附屬公司相關權益的變動。非控股權益按比例應佔之資產淨值與已付或已收代價公平值之間的差額乃於重新歸屬相關權益部分後予以調整，乃於權益直接確認，並歸屬於本公司擁有人。

業務合併

業務收購乃採用收購法列賬。業務合併轉讓代價乃按公平值計算，計算方式為轉讓予本集團的資產、本集團結欠收購對象前擁有人之負債及本集團為換取收購對象的控制權發行的股權的收購日期公平值總和。收購相關成本通常於產生時在損益中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations (continued)

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 at the acquisition date (see the accounting policy below); 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.

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 amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, the net amount 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.

3. 主要會計政策 (續)

業務合併 (續)

於收購日期，所收購可識別資產及所承擔負債按其公平值確認，惟下列者除外：

- 遞延稅項資產或負債以及有關僱員福利安排之資產或負債分別根據香港會計準則第12號所得稅及香港會計準則19號僱員福利確認及計量；
- 有關收購對象以股份形式付款安排或本集團為替換收購對象以股份形式付款安排而訂立的以股份形式付款安排有關的負債或權益工具，乃於收購日期按香港財務報告準則第2號予以計量（見下文會計政策）；及
- 根據香港財務報告準則第5號持作出售非流動資產及已終止經營業務分類為持作出售資產（或出售組別）乃根據該準則計量。

轉讓代價、收購對象的任何非控股權益金額及收購方過往於收購對象持有的股權公平值（如有）的總和超出所收購可識別資產及所承擔負債於收購日期的金額淨值之差額計算作商譽。倘若經重估後，所收購可識別資產與所承擔負債金額淨值超過轉讓代價、收購對象的任何非控股權益金額及收購方過往於收購對象持有的股權公平值（如有）總和，則差額即時於損益確認作議價收購收益。

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. SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations (continued)

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary'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.

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, and additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) 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 cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than operating segment.

3. 主要會計政策 (續)

業務合併 (續)

非控股權益為現有所有權權益，授權持有人於清盤時按比例分佔有關附屬公司資產淨值，其可初步按公平值或非控股權益按比例分佔收購對象可識別資產淨值之已確認數額計量。計量基準可按個別交易選擇。

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

商譽

收購業務產生之商譽按於收購業務當日確定的成本（見上文會計政策）減累計減值虧損（如有）列賬。

就減值測試而言，商譽會分配至預期將自合併協同效益獲益之本集團各現金產生單位（或現金產生單位組別），而該單位或單位組別指就內部管理目的監控商譽的最低水平且規模不超過經營分部。

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. SIGNIFICANT ACCOUNTING POLICIES (continued)

Goodwill (continued)

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually or more frequently there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or group of cash-generating units).

Revenue recognition

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

Revenue is recognised when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities, as described below.

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed.

Finance lease interest income including handling fees (if any) represents interest income from financial leasing business, is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

3. 主要會計政策 (續)

商譽 (續)

獲分配商譽之現金產生單位(或現金產生單位組別)將每年進行減值測試或於有跡象顯示單位可能出現減值時更頻密地進行減值測試。就於報告期間內收購產生之商譽而言, 所獲分配商譽之現金產生單位(或現金產生單位組別)於報告期末前進行減值測試。倘可收回金額少於其賬面值, 則首先分配減值虧損以調低任何商譽賬面值, 然後根據單位(或現金產生單位組別)內各資產之賬面值按比例分配至單位之其他資產。

收入確認

收入乃按於日常業務過程中已提供服務的已收代價或應收代價的公平值扣除折扣以及有關的銷售稅及回報計量。

當收入數額能可靠地計量、而未來經濟利益可能流入本集團, 且符合以下本集團各業務的特定準則時, 本集團便會確認收入。

銷售貨品之收入於交付貨品及所有權轉移時確認。

融資租賃利息收入(包括手續費, 如有)指融資租賃業務的利息收入, 會在會計期間作出分配, 從而反映有關租賃未償付的本集團投資淨額的固定定期回報率。

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Service income generated from provision of transportation and other services is recognised when services are provided.

Commission income on securities dealing and broking, futures and options dealing and broking and bullion contracts dealing are recorded as income on a trade date basis when the relevant contract notes are executed.

Dividend income from investments is recognised when the Group's rights to receive payment have been established.

Property, plant and equipment

Property, plant and equipment including land and buildings held for use in the production or supply of goods or services, or for administrative purposes (other than art works as described below) are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Art works are stated at cost less subsequent accumulated impairment losses, if any.

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

3. 主要會計政策 (續)

收入確認 (續)

利息收入參考未償還本金以實際適用利率按時間基準累計，該利率乃將估計未來現金收入於金融資產的預計年期準確貼現至初步確認時資產賬面淨值的利率。

來自提供運輸及其他服務的服務費收入於提供服務時確認。

證券買賣及經紀、期貨及期權買賣及經紀以及黃金合約買賣之佣金收入乃於有關成交單據簽立當日按買賣日期基準確認為收入。

投資的股息收入乃於本集團收取付款的權利確立時確認。

物業、廠房及設備

物業、廠房及設備(包括用於生產或供應貨品或服務或行政用途而持有的土地及樓宇，下文所述之藝術品除外)按成本減其後的累計折舊及其後累計減值虧損(如有)列賬於綜合財務狀況報表內。

藝術品按成本減其後累計減值虧損(如有)列賬。

物業、廠房及設備項目會以直線法在其估計可使用年期內確認折舊以撇銷其成本減剩餘價值。估計可使用年期、剩餘價值及折舊方法會在每個報告期末複核，並採用未來適用法對任何估計變更的影響進行核算。

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. SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment (continued)

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets.

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

Investment in an associate

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

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of the associate used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

3. 主要會計政策 (續)

物業、廠房及設備 (續)

根據融資租賃持有的資產按與自有資產相同的基準於預計可使用年期折舊。

物業、廠房及設備項目將於出售後或預期持續使用該資產不再產生未來經濟利益時取消確認。在取消確認資產時產生的任何收益或虧損乃按出售所得款項與該資產賬面值的差額釐定並於損益確認。

於一間聯營公司之投資

聯營公司為本集團對其具有重大影響力的實體。重大影響力指有權參與投資對象的財務及經營政策決定但非控制或共同控制該等政策。

聯營公司的業績與資產及負債，乃採用權益會計法列入該等綜合財務報表。聯營公司採用權益會計法的財務報表，乃採用與本集團在類似交易及相若情況事項所用的統一會計政策編製。根據權益法，於一間聯營公司的投資初步於綜合財務狀況報表按成本確認，並於其後就確認本集團應佔該聯營公司的損益及其他全面收益而作出調整。當本集團應佔一間聯營公司的虧損超出本集團於該聯營公司的權益時（包括實質上構成本集團於聯營公司之投資淨值一部分的任何長期權益），本集團會終止確認其應佔的進一步虧損。額外虧損僅於本集團已產生法定或推定責任或代表該聯營公司付款時方予確認。

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. SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment in an associate (continued)

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of HKAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

3. 主要會計政策(續)

於一間聯營公司之投資(續)

於聯營公司的投資自投資對象成為聯營公司當日起採用權益法入賬。於收購於聯營公司的投資時，投資成本超過本集團分佔該投資對象可識別資產及負債公平淨值的任何部分乃確認為商譽，並計入投資的賬面值。倘本集團所佔可識別資產及負債於重新評估後的公平淨值高於投資成本，則會於收購投資的期間即時在損益確認。

香港會計準則第39號的規定獲應用以釐定是否需要確認有關本集團投資於聯營公司的任何減值虧損。於有需要時，投資的全部賬面值(包括商譽)將會根據香港會計準則第36號作為單一資產進行減值測試，方法為比較其可收回金額(使用價值及公平值減出售成本的較高者)與其賬面值。已確認的任何減值虧損均構成投資賬面值的一部分。該減值虧損的任何撥回根據香港會計準則第36號確認，惟以隨後增加之可收回投資金額為限。

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. SIGNIFICANT ACCOUNTING POLICIES (continued)

Intangible assets

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at cost less accumulated amortisation and any accumulated impairment losses, on the same basis as intangible assets that are acquired separately. Intangible assets acquired in a business combination with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses (see the accounting policy in respect of impairment losses on tangible and intangible assets below).

Impairment on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above)

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with indefinite 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 cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, 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. 主要會計政策 (續)

無形資產

於業務合併中所收購的無形資產

於業務合併中所收購的無形資產與商譽分開確認並初步按收購日期的公平值(視為其成本)確認。

於初步確認後，於業務合併中所收購具有有限可使用年期的無形資產乃以基於與單獨收購的無形資產相同的基準按成本減累計攤銷及任何累計減值虧損入賬。於具有無限使用年期的業務合併中收購的無形資產乃按成本減任何後續累計減值虧損列賬。(見下文有關有形及無形資產減值虧損的會計政策)。

有形及無形資產減值(商譽除外)(見上文有關商譽之會計政策)

於報告期末，本集團審閱其具無限可使用年期的有形及無形資產之賬面值，以釐定有否任何跡象顯示該等資產出現減值虧損。如果存在任何此類跡象，則會對資產的可收回金額作出估計，以確定減值虧損(如有)的程度。如果無法估計單項資產的可收回金額，本集團會估計該資產所屬的現金產生單位的可收回金額。如果可以識別一個合理且一致的分配基準，公司資產亦分配至單個現金產生單位，若不能分配至單個現金產生單位，則應將公司資產按能識別的合理且一致的基準分配至最小的現金產生單位組別。

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. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above) (continued)

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 (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the relevant asset (or a cash-generating unit) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit. An impairment loss is recognised immediately in profit or loss.

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

3. 主要會計政策(續)

有形及無形資產減值(商譽除外)(見上文有關商譽之會計政策)(續)

可收回金額指公平值減出售成本與使用價值兩者中之較高者。評估使用價值時，採用除稅前貼現率將估計未來現金流量貼現至其現值，該貼現率反映目前貨幣時間值之市場評估及與未經調整未來現金流量估計之資產(或現金產生單位)有關之特定風險。

倘資產(或現金產生單位)之可收回金額估計低於其賬面值，則將相關資產(或現金產生單位)之賬面值下調至其可收回金額。分配減值虧損時，減值虧損首先分配，以削減任何商譽的賬面值(倘適用)，再根據單位內各資產的賬面值按比例分配至其他資產。資產的賬面值不會削減至低於下列最高者：公平值減出售成本(如可計量)、其使用價值(如可釐定)及零。已另行分配至資產的減值虧損數額按比例分配至該單位其他資產。減值虧損乃即時於損益確認。

倘其後撥回減值虧損，則將資產(或現金產生單位)之賬面值上調至其經修訂之可收回金額，惟增加之賬面值不得超過假設該資產(或現金產生單位)於過往年度並無確認減值虧損而釐定之賬面值。減值虧損撥回即時於損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leasing

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

The Group as lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and such costs are 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 expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs (see the accounting policy below). Contingent rentals are recognised as expenses in the periods in which they are incurred.

3. 主要會計政策 (續)

租賃

凡租賃條款將擁有權的絕大部分風險及回報轉移至承租人時，則有關租賃獲分類為融資租賃。所有其他租賃則分類為經營租賃。

本集團作為出租人

根據融資租賃應收承租人之款額按本集團於該等租賃之投資淨額確認為應收款項。融資租賃收入分配予各會計期間，以反映本集團就該等租賃尚餘投資淨額之固定定期回報率。

經營租賃之租金收入乃按相關租期以直線法確認。於磋商及安排經營租賃引起之初步直接成本乃加至租賃資產之賬面值，而有關成本按租期以直線法確認為開支。

本集團作為承租人

根據融資租賃持有的資產按租賃開始時的公平值或(倘為較低者)按最低租賃付款的現值確認為本集團資產。出租人的相應負債於綜合財務狀況報表列作融資租賃責任。

租賃款項按比例分攤為財務開支及減少租賃債務，從而達到負債餘額的固定定期利率。財務開支立即於損益確認，除非是直接歸屬於合資格資產，在該情況下其按照本集團就借貸成本採取的一般政策資本化(見下文會計政策)。或然租金於產生期間確認為開支。

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. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leasing (continued)

The Group as lessee (continued)

Operating lease payments, including the cost acquiring land held under operating lease, are recognised as an expense on a straight-line basis over the lease term.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Leasehold land and building

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

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as "prepaid lease payments" in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease.

3. 主要會計政策 (續)

租賃 (續)

本集團作為承租人 (續)

經營租賃款項(包括收購根據經營租賃持有的土地的成本)按有關租期以直線法確認為開支。

倘就訂立經營租賃獲得租賃優惠，則該等優惠確認為負債。優惠利益總額乃按直線法確認為租金開支之扣減。

租賃土地及樓宇

當租賃包括土地及樓宇部分，除非顯然兩部分均為經營租賃(在該情況下，整項租賃分類為經營租賃)，否則本集團根據對各部分的擁有權所承擔的絕大部分風險及回報是否已轉移本集團進行的評估，獨立評估各部分分類為融資或經營租賃。具體而言，最低租賃款項(包括任何一次性預付款)乃按租賃開始時按租賃的土地部分及樓宇部分中租賃權益的相對公平值比例，在土地及樓宇部分之間作出分配。

倘能可靠地分配租賃費用，則列作經營租賃的租賃土地的權益將作為「預付租賃款項」於綜合財務狀況報表列賬，並按租期以直線法攤銷。倘不能可靠地分配土地及樓宇部分的租賃款項，整項租賃一般分類為融資租賃。

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. SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies

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

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for exchange differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income, in which cases, the exchange differences are also recognised directly in other comprehensive income.

For the purpose of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HK\$) at the rate of exchange prevailing at the end of the reporting period. Income and expenses items are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of the translation reserve.

3. 主要會計政策(續)

外幣

於編製各集團個別實體的財務報表時，以該實體功能貨幣以外的貨幣(外幣)進行的交易，乃按其交易日期當日的匯率確認。於報告期末，以外幣為單位的貨幣項目按該日的匯率重新換算。以外幣為單位及以公平值計量的非貨幣項目按釐定公平值當日的匯率重新換算。以外幣為單位及以歷史成本計量的非貨幣項目，則毋須重新換算。

因結算及換算貨幣項目所產生的匯兌差額，於其產生的期間內於損益內確認。按公平值入賬的非貨幣項目於重新換算時產生的匯兌差額則計入該期間的損益，惟因重新換算直接於其他全面收益確認損益的非貨幣項目而產生的匯兌差額則除外，於該情況下，匯兌差額亦直接於其他全面收益確認。

就呈報綜合財務報表而言，本集團海外業務的資產及負債乃以報告期末的適用匯率換算為本集團的呈列貨幣(即港元)，而收入及開支項目則以年內的平均匯率換算，惟倘期內匯率出現大幅波動，於該情況下，則以交易日期當日的適用匯率換算。所產生的匯兌差額(如有)於其他全面收益內確認並於匯兌儲備項下權益內累計。

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. SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, 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.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

Retirement benefit costs

Payments to state-managed retirement benefit scheme and the Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-term and other long-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

3. 主要會計政策 (續)

外幣 (續)

於出售海外業務(即出售本集團於海外業務之全部權益、或導致失去對附屬公司(包括海外業務)控制權的出售、或出售合營安排或聯營公司(包括海外業務)之部分權益,而其保留權益成為金融資產)時,所有有關本公司擁有人應佔業務且於權益累計的匯兌差額,均重新分類至損益。

借貸成本

收購、建設或生產合資格資產(即必須等待一段長時間始能作擬定用途或出售之資產)直接應佔的借貸成本,將計入該等資產的成本內,直至該等資產大致上可用作擬定用途或出售為止。特定借貸於撥作合資格資產的支出前用作短暫投資所賺取的投資收入,將自合資格資本化的借貸成本中扣除。

所有其他借貸成本於其產生期間於損益內確認。

退休福利成本

向國家管理的退休福利計劃及強制性公積金計劃作出的付款於員工提供服務而有權獲得供款時確認為開支。

短期和其他長期員工福利

短期員工福利是按員工提供服務時預期支付的福利的未貼現金額確認。所有短期員工福利均確認為費用,除非另有香港財務報告準則要求或允許在資產成本中納入福利。

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. SIGNIFICANT ACCOUNTING POLICIES (continued)

Short-term and other long-term employee benefits (continued)

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date. Any changes in the liabilities' carrying amounts resulting from service cost, interest and remeasurements are recognised in profit or loss except to the extent that another HKFRS requires or permits their inclusion in the cost of an asset.

Taxation

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

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

3. 主要會計政策 (續)

短期和其他長期員工福利 (續)

在扣除任何已支付的金額後，員工應計福利(如工資和薪金、年假和病假)確認為負債。

就其他長期員工福利確認的負債，按本集團預計在截至報告日期就員工提供的服務預計未來現金流出的現值計量。由於服務成本、利息和重新計量產生的任何負債賬面值變動於損益確認，除非另有香港財務報告準則要求或允許將其納入資產成本。

稅項

所得稅開支指目前應繳的稅項及遞延稅項的總額。

目前應繳稅項乃按年內應課稅溢利計算。由於應課稅溢利不包括其他年度的應課稅或可扣稅的收支項目，亦不包括毋須課稅或不可扣稅項目，故應課稅溢利有別於綜合損益及其他全面收益表內所呈報的「除稅前虧損」。本集團目前的稅項負債乃採用於報告期末已頒佈或實際上已頒佈的稅率計算。

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. SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation (continued)

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

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

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

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

3. 主要會計政策 (續)

稅項 (續)

遞延稅項按綜合財務報表內資產及負債的賬面值與計算應課稅溢利所採用的相應稅基之間的暫時差額而確認。一般會就所有應課稅暫時差額確認遞延稅項負債。遞延稅項資產一般會以該等可扣減暫時差額將可能抵銷應課稅溢利為限，就所有可扣減暫時差額而確認。倘暫時差額乃因商譽或因在一項不影響應課稅溢利或會計溢利的交易中初步確認的其他資產及負債(業務合併除外)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投資的相關應課稅暫時差額而確認，惟倘本集團能夠控制暫時差額撥回及暫時差額有可能不會於可見將來撥回則除外。與該等投資及權益相關的可扣稅暫時差額所產生的遞延稅項資產，僅於可能有足夠應課稅溢利可以應用暫時差額的利益且預計於可見將來可以撥回時方會確認。

遞延稅項資產的賬面值會於報告期末檢討及扣減，直至不再可能有足夠應課稅溢利可供收回全部或部分資產為止。

遞延稅項資產及負債根據於報告期末已頒佈或實際上已頒佈之稅率(及稅法)，按清償負債或變現資產期間的預期適用稅率計量。

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. SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation (continued)

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

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

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Costs of inventories are calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs to completion and costs necessary to make the sale.

Financial instruments

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

3. 主要會計政策 (續)

稅項 (續)

遞延稅項負債及資產的計量反映按照本集團預期於報告期末收回或清償其資產及負債賬面值的方式而得出的稅務後果。

即期及遞延稅項均於損益內確認，惟倘其與於其他全面收益確認或直接於權益確認的項目有關則除外，在此情況下，即期及遞延稅項亦分別於其他全面收益確認或直接於權益確認。倘即期或遞延稅項來自業務合併的初步入賬，稅項影響包含於該業務合併的入賬中。

存貨

存貨按成本與可變現淨值兩者中較低者列賬。成本包括直接物料及(倘適用)直接勞工成本以及將存貨運抵現有位置及達致現有狀況的經常費用。存貨成本採用加權平均法計算。可變現淨值指估計售價減所有估計完成成本以及銷售所需成本。

金融工具

如一個集團實體成為工具合約條文的訂約方，則金融資產及金融負債於綜合財務狀況報表內確認。

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. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

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

Financial assets

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

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset 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 financial asset, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments, other than those financial assets classified as FVTPL, of which interest income is included in net gains or losses.

3. 主要會計政策(續)

金融工具(續)

金融資產及金融負債初步按公平值計量。收購或發行金融資產及金融負債(以公平值計量且其變化計入損益的金融資產及金融負債除外)直接應佔的交易成本於初步確認時加入金融資產或金融負債的公平值，或從金融資產或金融負債的公平值扣除(視情況而定)。收購以公平值計量且其變化計入損益的金融資產或金融負債直接應佔的交易成本，會即時於損益內確認。

金融資產

本集團的金融資產分為以公平值計量且其變化計入損益的金融資產、貸款及應收款項以及可供出售金融資產。分類取決於金融資產的性質及目的，並於初步確認時確定。金融資產的所有日常買賣乃按交易日期基準確認及取消確認。日常買賣指須於市場規則或慣例確立的時間內交付資產的金融資產買賣。

實際利率法

實際利率法為計算金融資產的攤銷成本以及於相關期間分配利息收入的方法。實際利率乃為能夠精確地將金融資產的預計年期或(如適用)較短期間內估計未來現金收入(包括構成實際利率整體一部分的所有已付或已收費用及點子、交易成本以及其他溢價或折讓)貼現至初步確認賬面淨值的利率。

除分類為以公平值計量且其變化計入損益的金融資產的利息收入計入盈虧淨額外，債務工具的利息收入按實際利率基準確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial asset is (i) held for trading; or (ii) it is designated as at FTVPL.

A financial asset is classified as held for trading if:

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

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract (asset or liability) to be designated as at FVTPL.

3. 主要會計政策 (續)

金融工具 (續)

以公平值計量且其變化計入損益的金融資產

倘金融資產乃(i)持作買賣；或(ii)其指定以公平值計量且其變化計入損益，則金融資產分類為以公平值計量且其變化計入損益。

金融資產在以下情況下分類為持作買賣：

- 購入主要為於短期內出售；或
- 構成本集團合併管理的金融工具的已識別組合的一部分及具有最近實際短期獲利模式；或
- 為未被指定及實際作為對沖工具的衍生工具。

倘發生下列情況，持作買賣的金融資產以外的金融資產可於初步確認時指定以公平值計量且其變化計入損益：

- 該指定消除或大幅減少可能另外產生的計量或確認不一情況；或
- 金融資產構成金融資產或金融負債或兩者的組別的一部分，並根據本集團的已定風險管理或投資策略按公平值基準管理及評估其表現，該組別的資料按該基準內部提供；或
- 其構成包括一項或多項嵌入式衍生工具的合約的一部分，香港會計準則第39號允許全部合併合約(資產或負債)指定以公平值計量且其變化計入損益。

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. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets at FVTPL (continued)

Financial assets at FVTPL are measured at fair value, with changes in fair value arising from remeasurement recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial assets. Fair value is determined in the manner described in note 48.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including deposits, trade and interest receivables, other receivables, loan receivables, finance lease receivables, consideration receivable, pledged bank deposits, bank balances, trust and segregated accounts and bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment loss on financial assets below).

3. 主要會計政策(續)

金融工具(續)

以公平值計量且其變化計入損益的金融資產(續)

以公平值計量且其變化計入損益的金融資產將按公平值計量，而重新計量產生的公平值變動將於其產生期間直接在損益內確認。於損益確認的盈虧淨值不包括就金融資產所賺取的任何股息或利息。公平值乃按附註48所述之方式釐定。

貸款及應收款項

貸款及應收款項乃於活躍市場並無報價的固定或可釐定付款的非衍生金融資產。於初步確認後，貸款及應收款項(包括存款、應收賬款及應收利息、其他應收款項、應收貸款、融資租賃應收款項、應收代價、已抵押銀行存款、銀行結餘、信託及獨立賬戶以及銀行結餘及現金)均按以實際利率法計算的已攤銷成本減任何已識別減值虧損(見下文有關金融資產減值虧損的會計政策)入賬。

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. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated as available-for-sale or are not classified as financial assets at FVTPL, loans and receivables or held-to-maturity investments. Equity securities held by the Group that are classified as available-for-sale financial assets are measured at fair value at the end of each reporting period except for unlisted equity securities whose fair value cannot be reliably measured. Changes in the carrying amount of available-for-sale monetary financial assets relating to interest income calculated using the effective interest method and dividends on available-for-sale equity investments are recognised in profit or loss. Dividends on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established. Other changes in the carrying amount of available-for-sale financial assets are recognised in other comprehensive income and accumulated under the heading of asset revaluation reserve. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the asset revaluation reserve is reclassified to profit or loss (see the accounting policy in respect of impairment loss on financial assets below).

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured (i.e. unlisted equity securities) are measured at cost less any identified impairment losses at the end of the reporting period (see accounting policy on impairment loss on financial assets below).

3. 主要會計政策 (續)

金融工具 (續)

可供出售金融資產

可供出售金融資產乃非衍生工具，指定為可供出售或未獲分類為以公平值計量且其變化計入損益的金融資產、貸款及應收款項或持至到期投資。於各報告期末，本集團所持有分類為可供出售金融資產之股本證券以公平值計量，惟公平值不能可靠計量的未上市股本證券則除外。可供出售貨幣金融資產的賬面值變動與按實際利率法計算的利息收入及可供出售股本投資的股息有關，於損益中確認。可供出售權益工具的股息於本集團確立收取股息的權利時於損益中確認。可供出售金融資產賬面值的其他變動於其他全面收益內確認及於資產重估儲備累計。當投資被出售或確認減值時，過往於資產重估儲備累計的累計盈虧，重新分類至損益（見下文有關金融資產減值虧損的會計政策）。

倘在活躍市場並無市場報價且其公平值未能可靠地計量之可供出售股本投資（即非上市股本證券），則其於報告期末按成本減任何已識別減值虧損計量（見下文有關金融資產減值虧損的會計政策）。

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. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Impairment of financial assets

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

For an available-for sale equity investment, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

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 default or delinquency in interest or principal payments;
- 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 asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 90 to 180 days, observable changes in national or local economic conditions that correlate with default on receivables.

3. 主要會計政策 (續)

金融工具 (續)

金融資產減值

金融資產(以公平值計量且其變化計入損益之金融資產除外)於報告期末評估是否有減值跡象。倘有客觀證據證明初步確認金融資產後發生的一項或多項事件令金融資產的估計未來現金流量受到影響，則金融資產被視為已減值。

就可供出售股本投資而言，若該投資的公平值大幅或持續跌至低於其成本，此情況視為減值的客觀證據。

就所有其他金融資產而言，減值的客觀證據可包括：

- 發行人或交易對方遇到嚴重財政困難；或
- 違約，如逾期或拖欠利息或本金還款；
- 借款人有可能破產或進行財務重組；或
- 該金融資產的活躍市場因財政困難而消失。

就若干金融資產類別(如應收賬款)而言，被評估為未個別減值之資產另行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包括本集團的過往收款經驗、組合內延遲還款至超逾平均信貸期90至180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的可觀察改變。

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. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (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, including those available-for-sale equity investments carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

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

When an available-for-sale financial asset (other than those carried at cost less accumulated impairment) is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

3. 主要會計政策 (續)

金融工具 (續)

金融資產減值 (續)

就按攤銷成本列賬的金融資產而言，確認的減值虧損金額乃按該資產的賬面值與按該金融資產原先實際利率貼現的估計未來現金流量現值間的差額。

就按成本列賬的金融資產(包括該等可供出售以成本列賬的股本投資)而言，減值虧損按資產賬面值與類似金融資產按現行市場回報率貼現的估計未來現金流量現值間的差額計量。該項減值虧損將不會於往後期間撥回。

就所有金融資產而言，金融資產之賬面值因應減值虧損直接減少，惟應收賬款除外，其賬面值乃透過使用撥備賬而削減。撥備賬的賬面值變動於損益內確認。倘應收賬款被視為無法收回，則於撥備賬撇銷。至於其後收回的過往撇銷款項，則計入損益內。

如可供出售金融資產(按成本減累計減值列賬者則除外)被視為減值，先前於其他全面收益中確認的累計收益或虧損會重新分類至期內損益。

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. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Impairment of financial assets (continued)

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

Impairment losses on available-for-sale equity investments previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to impairment loss is recognised directly in other comprehensive income and accumulated under the heading of asset revaluation reserve.

Financial liabilities and equity instruments

Financial liabilities and equity instruments issued by a group entity are classified as either financial liabilities or as equity instruments 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 the Group after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

3. 主要會計政策(續)

金融工具(續)

金融資產減值(續)

對於以攤銷成本計量的金融資產而言，倘於往後期間，減值虧損金額減少，而該減少可客觀地與確認減值虧損後發生的事件有關，則先前確認的減值虧損透過損益撥回，惟該資產於撥回減值日期的賬面值不得超過在並無確認減值之情況下應有的攤銷成本。

過往於損益內確認之可供出售股本投資的減值虧損不會於損益內撥回。減值虧損其後公平值的任何增加直接於其他全面收益中確認並於資產重估儲備項下累計。

金融負債及權益工具

集團實體發行的金融負債及權益工具乃根據所訂立合約安排的內容及金融負債和權益工具的定義分類為金融負債或權益工具。

權益工具

權益工具指證明本集團於扣除其所有負債後資產剩餘權益的任何合約。由本公司發行的權益工具按收取的所得款項減直接發行成本確認。

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. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other 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, other than those financial liabilities classified as at FVTPL, for which the interest expense is included in net gains or losses.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- (i) the amount of obligation under the contract, as determined in accordance with HKAS 37 Provisions, Contingent Liabilities and Contingent Assets; and
- (ii) the amount initially recognised less, where appropriate, cumulative amortisation recognised over the guarantee period.

3. 主要會計政策 (續)

金融工具 (續)

實際利率法

實際利率法為計算金融負債的攤銷成本以及於相關期間分配利息開支的方法。實際利率乃為能夠精確地將金融負債的預計年期或(如適用)較短期間內估計未來現金付款(包括構成實際利率整體一部分的所有已付或已收費用及點子、交易成本以及其他溢價或折讓)貼現至初步確認賬面淨值的利率。

利息開支按實際利率基準確認，惟分類為以公平值計量且其變化計入損益的該等金融負債除外，其利息開支計入盈虧淨額內。

財務擔保合約

財務擔保合約為規定發行人須作出指定付款以償付持有人因指定債務人未能根據債務工具條款於到期時支付款項所產生的損失的合約。

由本集團發行的財務擔保合約初步按公平值計量，及倘並無指定為按公平值計量且其變化計入損益，隨後按以下各項的較高者計量：

- (i) 根據香港會計準則第37號撥備、或然負債及或然資產釐定的合約項下責任金額；及
- (ii) 初步確認的金額減(如適用)擔保期間確認的累計攤銷。

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. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) held for trading; or (ii) it is designated as at FVTPL.

A financial liability is classified as held for trading if:

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

A financial liability other than a financial liability held for trading (or contingent consideration that may be paid by an acquirer as part of a business combination) may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract (asset or liability) to be designated as at FVTPL.

3. 主要會計政策 (續)

金融工具 (續)

以公平值計量且其變化計入損益的金融負債

當金融負債乃(i)持作買賣；或(ii)其指定以公平值計量且其變化計入損益，則金融負債被分類為以公平值計量且其變化計入損益。

金融負債在以下情況下分類為持作買賣：

- 購入主要為於短期內購回；或
- 初步確認時構成本集團合併管理的金融工具的已識別組合的一部分及具有最近實際短期獲利模式；或
- 為未被指定及實際作為對沖工具的衍生工具。

倘發生下列情況，持作買賣的金融負債以外的金融負債(或收購方作為業務合併一部分而可能支付之或然代價)可於初步確認時指定以公平值計量且其變化計入損益：

- 該指定消除或大幅減少可能會出現的計量或確認方面的一致情況；或
- 該金融負債構成一組金融資產或金融負債或兩者組別的一部分，而根據本集團制定的風險管理或投資策略，該項金融負債的管理及表現評估乃以公平值為基礎進行，且有關組別之資料乃按此基準向內部提供；或
- 其構成包含一項或多項嵌入衍生工具的合約的一部分，而香港會計準則第39號允許將整份合併合約(資產或負債)指定以公平值計量且其變化計入損益。

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. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial liabilities at FVTPL (continued)

Financial liabilities at FVTPL are measured at fair value, with changes in fair value arising from remeasurement recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss includes any interest paid on the financial liabilities. Fair value is determined in the manner described in note 48.

Financial liabilities at amortized cost

Financial liabilities including trade payables, other payables and accruals, borrowings, secured notes and other liability are subsequently measured at amortised cost, using the effective interest method.

Warrants

Warrants issued by the Company that will be settled by a fixed amount of cash for a fixed number of the Company's own equity instruments are equity instruments. The net proceeds received from the issue of warrants are recognised in equity (warrant reserve). The warrant reserve will be transferred to share capital and share premium accounts upon the exercise of the warrants. When the warrants are still not exercised at the expiry date, the amount previously recognised in the warrant reserve will be transferred to accumulated profits (losses).

Derivative financial instruments

Derivatives are initially recognised at fair value at the date when derivative contracts are entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately.

3. 主要會計政策(續)

金融工具(續)

以公平值計量且其變化計入損益的金融負債(續)

以公平值計量且其變化計入損益的金融負債將按公平值計量，而重新計量產生的公平值變動將於其產生期間直接在損益內確認。於損益確認的盈虧淨額包括就金融負債所支付的任何利息。公平值按附註48所述之方式釐定。

按攤銷成本計量的金融負債

金融負債包括應付賬款、其他應付款項及應計費用、借貸、有抵押票據及其他負債，其後以實際利率法按攤銷成本計量。

認股權證

由本公司發行，並將以固定數額現金兌換為固定數目的本公司本身權益工具結算的認股權證，屬於權益工具。發行認股權證所收取的所得款項淨額於權益(認股權證儲備)內確認。認股權證獲行使時，認股權證儲備將轉撥至股本及股份溢價賬。倘認股權證於到期日仍未行使，則先前於認股權證儲備確認的金額將會轉撥至累計溢利(虧損)。

衍生金融工具

衍生工具按訂立衍生工具合約當日的公平值初步確認，其後按報告期末的公平值重新計量。所導致的盈虧隨即於損益內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Call option on subscription of the shares of the Company

Call options on subscription of the shares of the Company written to a non-controlling shareholder of a subsidiary, which will be settled other than by exchange of fixed amount of cash for a fixed number of shares in a subsidiary is treated as derivative and is recognised at fair value upon initial recognition. Any changes in fair value in subsequent reporting dates are recognised in profit or loss.

Obligation arising from put options on shares of a subsidiary written to a non-controlling shareholder

The gross financial liability arising from the put option is recognised when contractual obligation to repurchase the shares of a subsidiary is established even if the obligation is conditional on the counterparty exercising a right to sell back the shares to the Group. The liability for the share redemption amount is initially recognised and measured at present value of the estimated repurchase price with the corresponding debit to the non-controlling interests. In subsequent years, the remeasurement of the present value of the estimated gross obligation under the written put option to the non-controlling shareholder is recognised in profit or loss.

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.

On derecognition of a financial asset, 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. 主要會計政策 (續)

金融工具 (續)

認購本公司股份之認購期權

認購出售予一間附屬公司非控股股東之本公司股份之認購期權將不會按透過固定金額現金交換一間附屬公司之固定數目股份之方式結算，其將被視為衍生工具及於初步確認時按公平值確認。於其後報告日期發生之任何公平值變動於損益確認。

出售附屬公司股份之認沽期權予非控股股東產生之債務

認沽期權產生之金融負債總額於確立購回附屬公司股份之合約責任時確認，即使有關責任須待交易對方行使權力向本集團售回股份後方可作實。股份贖回金額所涉及負債初步按估計購回價之現值確認及計量，相應賬項則計入非控股權益。於往後年度，出售認沽期權予非控股股東之估計總債務之現值之重新計量於損益確認。

取消確認

本集團僅於資產現金流量的合約權利屆滿時，或當其將金融資產以及資產擁有權的絕大部分風險及回報轉移至另一實體時，取消確認金融資產。

於取消確認一項金融資產時，資產賬面值與已收及應收代價以及已於其他全面收益確認並累計於權益的累計盈虧的總和之間的差額，乃於損益內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Derecognition (continued)

Financial liabilities are derecognised when the obligations specified in the relevant contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Equity-settled share-based payment transactions

Share options granted to employees

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share option reserve).

At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share option reserve.

When share options are exercised, the amount previously recognised in share option reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to accumulated profits (losses).

Share award scheme and emolument shares

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

3. 主要會計政策 (續)

金融工具 (續)

取消確認 (續)

當相關合約所訂明責任獲解除、註銷或屆滿時，金融負債會取消確認。獲取消確認的金融負債的賬面值與已付及應付代價間的差額於損益內確認。

股本結算以股份形式付款交易

向員工授出購股權

於以股本結算以股份形式付款之授出日期釐定之公平值以直線法於歸屬期間基於本集團估計將最終歸屬之權益工具支銷，權益(購股權儲備)亦會相應增加。

於各報告期末，本集團修訂其預期歸屬的估計權益工具數目。修訂原有估計的影響(如有)於損益內確認，令累計開支反映經修訂估計，並對購股權儲備作出相應調整。

購股權獲行使時，先前於購股權儲備確認的金額將轉撥至股份溢價。倘購股權於歸屬日期後遭沒收或於屆滿日期尚未獲行使，則先前於購股權儲備確認的金額，將轉撥至累計溢利(虧損)。

股份獎勵計劃及獎勵股份

於以權益結算以股份形式付款之授出日期釐定之公平值以直線法於歸屬期間基於本集團估計將最終歸屬之權益工具支銷，權益亦會相應增加。

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. SIGNIFICANT ACCOUNTING POLICIES (continued)

Equity-settled share-based payment transactions (continued)

Share award scheme and emolument shares (continued)

At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate.

Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are 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 associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

3. 主要會計政策(續)

股本結算以股份形式付款交易(續)

股份獎勵計劃及獎勵股份(續)

於各報告期末，本集團修訂其預期歸屬之估計權益工具數目。修訂原有估計之影響(如有)於損益中確認，令累計開支反映經修訂估計。

撥備

倘本集團因過往事件而承擔現有責任，而本集團可能須清償該項責任且該項責任之所涉金額可作出可靠估計，則確認撥備。撥備乃根據於報告期末對清償現有責任所需代價的最佳估計計量，並計及有關該責任的風險及不確定性。倘撥備乃按清償現有責任的估計現金流量計量，其賬面值則為該等現金流量之現值(倘貨幣時間價值影響屬重大)。

4. 估計不明朗因素的主要來源

於應用載於附註3的本集團會計政策時，本公司董事須對未能依循其他途徑取得的資產及負債賬面值作出判斷、估計及假設。估計及相關假設乃根據過往經驗及其他視為相關的因素作出。實際結果可能有別於該等估計。

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. KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

The estimates and underlying assumptions are reviewed on an on-going 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.

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

Impairment assessment of loan receivables

As at 31 March 2018, the carrying amount of total outstanding loan receivables in respect to the money lending business was HK\$726,001,000 (2017: HK\$788,590,000). The Group assesses the recoverability of the loan receivables on an individual basis, when there is objective evidence of an impairment loss on loan receivables, by considering the creditworthiness, past collection history, subsequent settlement of each borrower and relevant pledge of assets and guarantees. For impairment testing purpose, the amount of the impairment loss is measured as the difference between the loan receivable's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). Where the actual future cash flows or a change in facts and circumstances which results in downward revision of future cash flows, are less than expected, a material impairment loss may arise in future financial periods. During the year ended 31 March 2018, allowance for bad and doubtful debts amounted to HK\$321,000 (2017: HK\$6,900,000) has been charged to profit or loss.

4. 估計不明朗因素的主要來源 (續)

本集團持續檢討估計及相關假設。倘修訂會計估計僅影響某一期間，則於修訂有關估計的期間內確認有關修訂，或倘修訂影響本期間及未來期間，則於作出修訂的期間及未來期間確認有關修訂。

涉及未來的主要假設及於報告期末估計不明朗因素的其他主要來源(其有導致下一財政年度的資產及負債賬面值出現大幅調整的重大風險)乃討論如下。

應收貸款減值評估

於二零一八年三月三十一日，放貸業務的尚未償還應收貸款總額的賬面值為726,001,000港元(二零一七年：788,590,000港元)。本集團按個別準則評估可收回的應收貸款，當有客觀證據顯示應收貸款需要作減值，通過考慮每個借款人的信譽、過往收款記錄、其後結算以及有關資產抵押及擔保。就減值測試而言，減值虧損金額按應收貸款的賬面值與估計未來現金流量(不包括未產生之未來信貸虧損)按金融資產的原先實際利率(即於初步確認時計算的實際利率)貼現的現值間的差額計量。當實際將來現金流量或導致未來現金流量向下修訂的事實及情況變動，於未來的財政期間或會出現重大之減值虧損。截至二零一八年三月三十一日止年度，呆壞賬撥備321,000港元(二零一七年：6,900,000港元)已於損益扣除。

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

4. KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Carrying value of financial instruments not quoted in an active market

As at 31 March 2018, the carrying value of the Group's financial liabilities at FVTPL (2017: financial assets designated at FVTPL and liabilities at FVTPL) were determined by valuation technique as these financial instruments do not have a quoted market price. The directors of the Company use their judgments in selecting an appropriate valuation technique. Valuation techniques commonly used by market practitioners are applied. In determining the carrying value of these instruments, assumptions are made based on currently available market data adjusted for specific features of these instruments (see note 20 for details).

Impairment assessment on goodwill

In impairment testing, the Group determines the recoverable amount of the cash generating unit to which the assets belong. Determining whether impairment needs to be provided requires an estimation of future cash flows expected to arise from the cash generating units. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash generating unit and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, or a change in facts and circumstances which results in downward revision of future cash flows, a material impairment loss may arise. Details of the recoverable amount calculation for cash generating units are set out in note 21.

Estimated impairment loss of intangible assets

At the end of the reporting period, the Group reviews the carrying amount of the intangible assets to determine whether there is any indication that they have suffered an impairment loss respectively. If any such indication exists, the recoverable amount of the intangible assets are estimated in order to determine the extent of the impairment loss, if any.

4. 估計不明朗因素的主要來源 (續)

在活躍市場並無報價的金融工具的賬面值

於二零一八年三月三十一日，由於本集團的以賬面值計量且其變化計入損益之金融負債(二零一七年：指定以公平值計量且其變化計入損益之金融資產及以公平值計量且其變化計入損益之金融負債)並無市場報價，故該等金融工具的公平值乃使用估值技術釐定。本公司董事於選用適當估值技術時行使判斷。董事應用市場從業者普遍使用之估值技術。於釐定該等工具的賬面值時，會根據就該等工具的獨有特色作出調整的現有可用市場數據作出假設(詳情見附註20)。

商譽減值

於減值測試中，本集團決定該資產所屬現金產生單位之可回收金額。於決定是否需要計提減值要求估計現金產生單位預計產生之未來現金流量。使用價值計算要求本集團估計現金產生單位預計產生之未來現金流量及合適之貼現率以計算現值。當實際未來現金流量少於預期或導致未來現金流量向下修訂的事實及情況變動，會產生重大減值虧損。現金產生單位之可回收金額之計算詳情載於附註21。

無形資產的估計減值虧損

於報告期末，本集團審閱無形資產之賬面值，以釐定其是否出現任何減值虧損跡象。倘出現任何有關跡象，則估計無形資產之可收回金額，以釐定減值虧損(如有)之程度。

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. KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Estimated impairment loss of intangible assets (continued)

Determining whether the intangible assets are impaired require an estimation of the recoverable amount of the respective cash-generating unit (“CGU”) to which the intangible assets have been allocated. Recoverable amount of the respective CGU is determined based on higher of value in use calculation and fair value less cost to sell. The key assumptions for the value in use calculations are those regarding discount rates, growth rates and expected changes to service fee and rental income and direct costs. Where the actual cash flows are less than expected, a material impairment loss may arise.

4. 估計不明朗因素的主要來源 (續)

無形資產的估計減值虧損 (續)

釐定無形資產是否減值須對獲分配無形資產的各現金產生單位(「現金產生單位」)可收回金額作出估計。各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之較高者而釐定。使用價值計算的主要假設為該等有關服務費及租金收入以及直接成本的貼現率、增長率及預期變動。倘實際現金流量低於預期，則可能產生重大減值虧損。

5. REVENUE AND SEGMENT INFORMATION

5. 收入及分部資料

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Interest income generated from money lending	自放貸賺取之利息收入	118,006	138,141
Commission income generated from commodities, futures and securities brokerage	自商品、期貨及證券經紀賺取之佣金收入	11,524	7,617
Revenue generated from retailing of men's and women's apparels	自男裝及女裝零售賺取之收入	34,618	9,323
Rental and other service income generated from construction machinery and sales of construction materials business (Note a)	自建築機械及建築物料銷售業務賺取之租金及其他服務收入(附註a)	117,870	20,327
Trading income generated from construction machinery and sales of construction materials business (Note b)	自建築機械及建築物料銷售業務賺取之貿易收入(附註b)	47,999	30,905
		330,017	206,313

Notes:

(a) Amount represents revenue generated from leasing and sub-leasing of machinery and other service income.

(b) Amount represents revenue generated from sales of machinery and spare parts.

附註:

(a) 該金額指自租賃及轉租機械產生之收益及其他服務收入。

(b) 該金額指自銷售機械及備用零件產生之收益。

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. REVENUE AND SEGMENT INFORMATION (continued)

Summary of revenue and gross proceeds from the sales of investments held for trading

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Revenue	收入	330,017	206,313
Gross proceed from the sale of investments held for trading	來自出售持作買賣投資之所得款項總額	574,003	674,697
Total	總計	904,020	881,010

The Group is currently organised into below operating divisions and carried out by the following subsidiaries:

- (a) Money lending division carried out by Hao Tian Finance Company Limited (“**Hao Tian Finance**”) and Hao Tian Credit Company Limited
- (b) Securities investment division carried out by Hao Tian Management (Hong Kong) Limited (“**Hao Tian Management**”) and Esteem Ocean Limited
- (c) Trading of futures division carried out by Hong Kong Energy & Mining Investment Management Limited
- (d) Commodities, futures and securities brokerage division carried out by Hao Tian International Bullion Limited, Hao Tian International Futures Limited, Hao Tian Asset Management Limited, Hao Tian International Wealth Management Limited and Hao Tian International Securities Limited (“**Hao Tian Securities**”) and its subsidiaries
- (e) Construction machinery and sales of construction materials division carried out by Hao Tian International Construction Investment Group Limited (“**Hao Tian International Construction**”) and its subsidiaries

收入及來自出售持作買賣投資之所得款項總額之概要

本集團目前劃分為以下經營分部並由以下附屬公司經營：

- (a) 放貸部，由昊天財務有限公司(「**昊天財務**」)及昊天信貸有限公司經營
- (b) 證券投資部，由昊天管理(香港)有限公司(「**昊天管理**」)及尚洋有限公司經營
- (c) 期貨買賣部，由香港能源礦業投資管理有限公司經營
- (d) 商品、期貨及證券經紀分部，由昊天國際金業有限公司、昊天國際期貨有限公司、昊天資產管理有限公司、昊天國際財富管理有限公司及昊天國際證券有限公司(「**昊天證券**」)經營
- (e) 建築機械及建築物料銷售分部，由昊天國際建設投資集團有限公司(「**昊天國際建設**」)及其附屬公司經營

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. REVENUE AND SEGMENT INFORMATION (continued)

Summary of revenue and gross proceeds from the sales of investment held for trading (continued)

- (f) Retailing of men's and women's apparels division carried out by Fujian Nuoqi Co. Ltd., ("**Fujian Nuoqi**") and its subsidiaries

These operating divisions are the basis of internal reports about components of the Group that are regularly reviewed by the executive directors of the Company, being the chief operating decision maker, in order to allocate resources to segments and to assess their performance.

No segment assets and liabilities are presented as the chief operating decision maker does not regularly review segment assets and liabilities.

5. 收入及分部資料(續)

收入及來自出售持作買賣投資之所得款項總額之概要(續)

- (f) 男裝及女裝零售分部，由福建諾奇股份有限公司(「**福建諾奇**」)及其附屬公司經營

該等經營分部乃本集團各部分內部報告的基準，本公司執行董事(即主要營運決策者)會定期審閱，以分配資源至各分部並評估各分部之表現。

由於主要營運決策者並無定期審閱分部資產及負債，故並無呈列分部資產及負債。

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. REVENUE AND SEGMENT INFORMATION (continued)

Segment revenue and results

The following is an analysis of the Group's revenue and results by operating and reportable segment.

For the year ended 31 March 2018

	Money lending	Securities investment	Trading of futures	Commodities, futures and securities brokerage	Construction machinery and sales of construction materials	Retailing of men's and women's apparels	Consolidated	
	放貸 HK\$'000 千港元	證券投資 HK\$'000 千港元	期貨買賣 HK\$'000 千港元	商品、 期貨及 證券經紀 HK\$'000 千港元	建築機械 及建築 物料銷售 HK\$'000 千港元	男裝及 女裝零售 HK\$'000 千港元	綜合 HK\$'000 千港元	
Gross proceeds from sale of investments held for trading	來自出售持作買賣投資之所得款項總額	-	574,003	-	-	-	574,003	
Segment revenue	分部收益	118,006	-	-	11,524	165,869	34,618	330,017
Segment results	分部業績	81,984	(145,149)	(3,793)	(12,168)	(200,701)	(158,516)	(438,343)
Other income	其他收入							6,626
Other gains and losses	其他收益及虧損							81,353
Central administration costs	中央行政費用							(107,663)
Share of result of an associate	分佔一間聯營公司業績							(769)
Finance costs	融資成本							(79,595)
Loss before taxation	除稅前虧損							(538,391)

5. 收入及分部資料 (續)

分部收益及業績

下文為本集團按經營及可呈報分部劃分之收益及業績分析。

截至二零一八年三月三十一日止年度

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. REVENUE AND SEGMENT INFORMATION (continued)

5. 收入及分部資料 (續)

Segment revenue and results (continued)

分部收益及業績 (續)

For the year ended 31 March 2017

截至二零一七年三月三十一日止年度

		Money lending	Securities investment	Trading of futures	Commodities, futures and securities brokerage	Construction machinery and sales of construction materials	Retailing of men's and women's apparels	Consolidated
		放貸	證券投資	期貨買賣	商品、 期貨及 證券經紀	建築機械 及建築 物料銷售	男裝及 女裝零售	綜合
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
Gross proceeds from sale of investments held for trading	來自出售持作買賣投資 之所得款項總額	-	674,697	-	-	-	-	674,697
Segment revenue	分部收益	138,141	-	-	7,617	51,232	9,323	206,313
Segment results	分部業績	108,252	(3,060,503)	(16,210)	(14,214)	13,427	4,567	(2,964,681)
Other income	其他收入							11,777
Other gains and losses	其他收益及虧損							(540,256)
Central administration costs	中央行政費用							(74,890)
Other expenses	其他開支							(29,251)
Share of result of an associate	分佔一間聯營公司業績							(1,567)
Finance costs	融資成本							(87,873)
Loss before taxation	除稅前虧損							(3,686,741)

All of the segment revenue reported for both years were from external customers. The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3.

Segment results represent the profits earned or losses incurred by each segment without allocation of certain other income, certain other gains and losses, central administration costs, other expenses, finance costs and share of result of an associate, except for those directly related to operating segment. This is the measure reported to the chief operating decision maker for the purpose of resource allocation and performance assessment.

所呈報之兩個年度之所有分部收益均來自外部客戶。有關經營分部之會計政策與於附註3所述之本集團會計政策相同。

分部業績指各分部在未分配若干其他收入、若干其他收益及虧損、中央行政費用、其他開支、融資成本及分佔一間聯營公司業績之情況下賺取之溢利或產生之虧損，惟與經營分部直接相關者除外。此為就分配資源及評估表現向主要營運決策者報告之方式。

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. REVENUE AND SEGMENT INFORMATION (continued)

5. 收入及分部資料 (續)

Other segment information

其他分部資料

	Money lending	Securities investment	Trading of futures	Commodities, futures and securities brokerage	Construction machinery and sales of construction materials	Retailing of men's and women's apparels	Segment total	Unallocated	Consolidated
	放貸	證券投資	期貨買賣	商品、期貨 及證券經紀	建築機械 及建築物料 銷售業務	男裝及 女裝零售	分部總計	未分配	綜合
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
For the year ended 31 March 2018	截至二零一八年 三月三十一日止年度								
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or loss:	定期提供予主要營運 決策者但於計量 分部損益時 不予計入之金額：								
Interest income	利息收入	-	-	-	-	-	-	1,249	1,249
Share of result of an associate	分佔一間聯營公司業績	-	-	-	-	-	-	769	769
Gain on disposal of property, plant and equipment	出售物業、廠房及 設備的收益	-	-	-	-	466	26	492	519
Impairment loss on property, plant and equipment	物業、廠房及設備 減值虧損	-	-	-	-	9,100	-	9,100	9,100
Depreciation	折舊	-	-	-	-	50,320	8,127	58,447	63,535
Allowance for bad and doubtful debts	呆壞賬撥備	-	-	-	-	921	-	921	921
Reversal of allowance for bad and doubtful debts	撥回呆壞賬撥備	-	-	-	-	9,795	-	9,795	9,795
Finance costs	融資成本	5,741	-	-	2	7,630	5,235	18,608	60,987

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

5. REVENUE AND SEGMENT INFORMATION (continued)

5. 收入及分部資料 (續)

Other segment information (continued)

其他分部資料 (續)

	Money lending	Securities investment	Trading of futures	Commodities, futures and securities brokerage	Construction machinery and sales of construction materials	Retailing of men's and women's apparels	Segment total	Unallocated	Consolidated
	放貸	證券投資	期貨買賣	商品、期貨 及證券經紀	建築機械 及建築物料 銷售業務	男裝及 女裝零售	分部總計	未分配	綜合
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
For the year ended 31 March 2017									
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or loss:									
Interest income	-	-	-	-	-	-	-	5,737	5,737
Share of result of an associate	-	-	-	-	-	-	-	1,567	1,567
Depreciation	-	-	-	-	7,235	696	7,931	5,294	13,225
Finance costs	20,069	514	-	29	978	-	21,590	66,283	87,873
Gain on disposal of property, plant and equipment	-	-	-	-	98	-	98	-	98

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. REVENUE AND SEGMENT INFORMATION (continued)

Geographical information

The information about the Group's revenue by location of operations of the relevant group's entities and the Group's non-current assets by geographical area in which the assets physically are located is detailed below:

		Revenue 收入		Non-current assets (note) 非流動資產(附註)	
		2018 二零一八年	2017 二零一七年	2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Hong Kong	香港	295,399	196,990	847,847	912,565
The PRC	中國	34,618	9,323	270,418	410,677
		330,017	206,313	1,118,265	1,323,242

Note: Non-current assets excluded available-for-sale investments, financial assets designated at fair value through profit or loss, loan receivables, finance lease receivables, pledged bank deposits and deferred tax assets.

地區資料

本集團按相關集團實體之經營地點劃分之收入及本集團按資產所在地區劃分之非流動資產之資料詳情如下：

附註：非流動資產不包括可供出售投資、指定以公平值計量且其變化計入損益之金融資產、應收貸款、融資租賃應收款項、已抵押銀行存款及遞延稅項資產。

Information about major customers

There was nil (2017: one) customer contributing over 10% of total revenue of the Group and are as follows (note):

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Customer A	客戶 A	- ¹	30,209

¹ The corresponding revenue did not contribute over 10% of the total revenue of the Group.

Note: Revenue from money lending business.

關於主要客戶之資料

概無佔本集團總收入10%以上的客戶(二零一七年：一名)(附註)：

¹ 相應收入並無超過本集團總收入的10%。

附註：來自放貸業務之收入。

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. OTHER INCOME

6. 其他收入

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Interest earned on bank deposits	銀行存款所賺取之利息	1,249	5,737
Interest earned on financial assets designated at FVTPL	指定以公平值計量且其變化計入損益 的金融資產所賺取之利息	–	1,827
Sundry income	雜項收入	4,983	3,433
Dividend income from available-for-sale investments	來自可供出售投資之股息收入	780	780
		7,012	11,777

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. OTHER GAINS AND LOSSES

7. 其他收益及虧損

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Fair value loss on investments held for trading	持作買賣投資的公平值虧損	(148,942)	(3,076,305)
Fair value gain (loss) on financial assets/liabilities at FVTPL	以公平值計量且其變化計入損益的金融資產/負債的公平值收益(虧損)	77,679	(468,986)
Gain on disposal of property, plant and equipment	出售物業、廠房及設備的收益	519	98
Impairment loss on property, plant and equipment	物業、廠房及設備的減值虧損	(9,100)	-
Gain on disposal of available-for-sale investments	出售可供出售投資的收益	-	53,212
Net foreign exchange gain (loss)	匯兌收益(虧損)淨額	6,114	(26,978)
Impairment loss on available-for-sale investments	可供出售投資的減值虧損	(1,748)	(86,532)
Loss on early redemption of secured notes (note 32)	提早贖回有抵押票據之虧損(附註32)	(700)	(2,959)
Impairment loss on loan and interest receivables (notes 27 and 26)	應收貸款及利息的減值虧損(附註27及26)	(511)	(8,111)
Allowance for bad and doubtful debts	呆壞賬撥備	(921)	-
Reversal of allowance for bad and doubtful debts and receipt of related interest (Note)	撥回呆壞賬撥備及收取相關利息(附註)	12,961	-
Refund of costs incurred for a litigation (Note)	訴訟成本退款(附註)	2,358	-
Impairment loss on inventories	存貨減值虧損	(5,582)	-
Impairment loss on goodwill (note 21)	商譽減值虧損(附註21)	(316,250)	-
		(384,123)	(3,616,561)

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. OTHER GAINS AND LOSSES (continued)

Note: The Company impaired a trade receivable due from a customer of HK\$8,885,000 due to the uncertainty of recovery of the receivable in previous years. The Group filed litigation against this customer. On 11 July 2017, the Court of Appeal ruled in favour of the Group and the customer has to pay the unsettled trade receivable HK\$8,885,000 and HK\$3,166,000 interests on the unsettled trade receivable to the Group. The Group was also entitled to receive the costs of the appeal in the sum of HK\$2,358,000 from the customer. The amount was fully settled during the year ended 31 March 2018.

Besides, the Group also received HK\$910,000 long-outstanding trade receivables from customers. The amounts were written-off in prior years.

7. 其他收益及虧損 (續)

附註：由於過往年度並不確定是否可收回應收賬款，故此本公司對應收一名客戶的應收賬款8,885,000港元作出減值。本集團已對該客戶提出訴訟。於二零一七年七月十一日，上訴法庭裁定本集團勝訴，而客戶須支付未償還應收賬款8,885,000港元加有關本集團未償還應收賬款3,166,000港元的利息。本集團亦有權向客戶收取上訴費用2,358,000港元。有關款項已於截至二零一八年三月三十一日止年度悉數償付。

此外，本集團亦收到來自客戶的長期未償還的應收賬款910,000港元。該金額在過往年度已被撇銷。

8. OTHER EXPENSES

As detailed in note 41, the Group incurred professional fee of HK\$16,386,000 and HK\$12,865,000 in relation to Clear Lift Acquisition and Fujian Nuoqi Acquisition (as defined in notes 41B and 41C) respectively, which were charged to the profit or loss during the year ended 31 March 2017.

8. 其他開支

誠如附註41所詳述，本集團分別就焯陸收購事項及福建諾奇收購事項(定義見附註41B及41C)產生專業費用16,386,000港元及12,865,000港元，該等費用於截至二零一七年三月三十一日止年度內於損益扣除。

9. FINANCE COSTS

9. 融資成本

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Interest expense on borrowings	借貸之利息開支	71,339	79,899
Interest expense on other liability	其他負債之利息開支	7,930	7,930
Interest expense of obligations under finance leases	融資租賃承擔之利息開支	326	44
		79,595	87,873

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

10. TAXATION CREDIT

10. 稅項抵免

		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：		
Current tax	即期稅項	15,614	18,354
Overprovision in prior years	於過往年度超額撥備	(1,416)	(41)
		14,198	18,313
Hong Kong:	香港：		
Deferred tax (note 33)	遞延稅項(附註33)	(26,819)	(516,206)
Income tax credit	所得稅抵免	(12,621)	(497,893)

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

香港利得稅按兩個年度之估計應課稅溢利之16.5%計算。

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

其他司法權區所產生之稅項乃按有關司法權區之現行稅率計算。

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

10. TAXATION CREDIT (continued)

The taxation credit for the year can be reconciled to the loss before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

10. 稅項抵免(續)

年內稅項抵免與綜合損益及其他全面收益表內之除稅前虧損對賬如下：

		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	(538,391)	(3,686,741)
Tax at Hong Kong Profits Tax rate of 16.5%	按香港利得稅率 16.5% 計算之稅項	(88,835)	(608,312)
Tax effect of expenses not deductible for tax purposes	不可扣稅開支之稅務影響	77,061	110,776
Tax effect of income not taxable for tax purposes	毋須課稅收入之稅務影響	(17,675)	(15,420)
Overprovision in respect of prior years	過往年度超額撥備	(1,416)	(41)
Tax effect of estimated tax losses not recognised	未確認估計稅項虧損之稅務影響	17,706	14,845
Tax effect of share of results of an associate	分佔一間聯營公司業績之稅務影響	127	259
Tax effect of different jurisdictions	不同司法權區之稅務影響	180	-
Others	其他	231	-
Taxation credit for the year	年內稅項抵免	(12,621)	(497,893)

As at 31 March 2018, the Group has unused tax losses of HK\$550,230,000 (2017: HK\$442,921,000) available for offset against future profits. A deferred tax asset has been recognised in respect of HK\$28,745,000 (2017: HK\$38,570,000) of such losses. No deferred tax asset has been recognised in respect of the remaining HK\$521,485,000 (2017: HK\$404,351,000) due to unpredictability of future profit streams. All tax losses may be carried forward indefinitely.

於二零一八年三月三十一日，本集團有未動用稅項虧損 550,230,000 港元（二零一七年：442,921,000 港元）可用於抵銷未來溢利。已就該等虧損 28,745,000 港元（二零一七年：38,570,000 港元）確認遞延稅項資產。因未來溢利流的不可預測性，概無就剩餘之 521,485,000 港元（二零一七年：404,351,000 港元）確認遞延稅項資產。所有稅項虧損均可無限期結轉。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

11. LOSS FOR THE YEAR

11. 年內虧損

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Loss for the year has been arrived at after charging:	年內虧損乃經扣除下列各項後達致：		
Auditor's remuneration	核數師酬金	3,000	2,134
Amortisation of prepaid lease payment	預付租賃款項攤銷	622	337
Amortisation of premium over prepaid lease payment	預付租賃款項之溢價攤銷	2,720	2,720
Cost of inventories recognised as expenses	確認為開支之存貨成本	47,383	15,205
Depreciation of property, plant and equipment	物業、廠房及設備折舊	63,535	13,225
Impairment loss on property, plant and equipment	物業、廠房及設備的減值虧損	9,100	-
Operating lease rentals in respect of rented premises	租用物業之經營租賃租金	24,962	20,702
Staff costs:	員工成本：		
Directors' emoluments	董事酬金	10,994	6,399
Chief executive's emoluments	行政總裁酬金	1,221	1,594
Other staff costs	其他員工成本		
— salaries, bonus and other allowances	— 薪金、花紅及其他津貼	117,572	48,347
— retirement benefit scheme contributions	— 退休福利計劃供款	3,145	1,535
— share-based payments	— 以股份形式付款	-	671
		132,932	58,546

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. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

The emoluments paid or payable to each of the directors, chief executive and senior consultant of the Company were as follows:

12. 董事及行政總裁酬金

已付或應付予本公司各董事、行政總裁及高級顧問之酬金如下：

		2018 二零一八年					2017 二零一七年					
		Fee	Salaries and other allowances	Performance based bonuses	Retirement benefit scheme contributions	Emolument shares	Total	Fee	Salaries and other allowances	Retirement benefit scheme contributions	Emolument shares	Total
		袍金	薪金及其他津貼	按表現釐定之花紅	退休福利計劃供款	獎勵股份	總額	袍金	薪金及其他津貼	退休福利計劃供款	獎勵股份	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Executive directors	執行董事											
Xu Hai Ying (note b)	許海鷹(附註b)	-	600	-	-	-	600	-	600	-	-	600
Zhiliang Ou (note b)	歐志亮(附註b)	-	600	50	-	-	650	-	650	-	-	650
Fok Chi Tak ("Mr. Fok") (note b)	霍志德(「霍先生」)(附註b)	-	3,996	176	32	5,000	9,204	-	2,091	18	2,500	4,609
		-	5,196	226	32	5,000	10,454	-	3,341	18	2,500	5,859
Independent non-executive directors	獨立非執行董事											
Chan Ming Sun, Jonathan	陳銘燊	180	-	-	-	-	180	180	-	-	-	180
Lam Kwan Sing	林君誠	180	-	-	-	-	180	180	-	-	-	180
Lee Chi Hwa, Joshua	李智華	180	-	-	-	-	180	180	-	-	-	180
		540	-	-	-	-	540	540	-	-	-	540
Sub-total	小計	540	5,196	226	32	5,000	10,994	540	3,341	18	2,500	6,399
Chief executive	行政總裁											
Gao Shufang (note c)	高書方(附註c)	-	1,212	-	9	-	1,221	-	1,582	12	-	1,594
Senior consultant/controlling shareholder	高級顧問/控股股東											
Ms. Li (note a)	李女士(附註a)	-	11,000	1,280	18	-	12,298	-	2,301	18	-	2,319
Total	合計	540	17,408	1,506	59	5,000	24,513	540	7,224	48	2,500	10,312

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. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (continued)

Notes:

- (a) Ms. Li is a controlling shareholder of the Group.
- (b) The emoluments of executive directors of the Company, including Mr. Xu Hai Ying, Mr. Zhiliang Ou and Mr. Fok were for their services in connection with the management of the affairs of the Company and the Group. The emoluments of remaining directors of the Company were for their services as directors of the Company.
- (c) Mr. Gao Shufang was appointed as the chief executive of the Company on 15 August 2016 and he resigned as the chief executive of the Company on 30 September 2017.

During both years, no emoluments were paid by the Group to any of the directors or chief executive of the Company as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors or chief executive of the Company has waived any emoluments during both years.

13. EMPLOYEE'S EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, three (2017: two) were director, the chief executive or senior consultant of the Company whose emoluments were included in the disclosures in note 12 above. The emoluments of the remaining two (2017: three) individuals were 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 allowances	薪金及其他津貼	2,597	6,399
Discretionary or performance based bonus	酌情或按表現釐定之花紅	183	275
Retirement benefit scheme contributions	退休福利計劃供款	35	54
		2,815	6,728

12. 董事及行政總裁酬金(續)

附註：

- (a) 李女士為本集團控股股東。
- (b) 本公司的執行董事(包括許海鷹先生、歐志亮先生及霍先生)之酬金為彼等就本公司及本集團管理事務方面已提供的服務而獲得。本公司的餘下董事之薪酬為彼等就擔任本公司董事所提供之服務而獲得。
- (c) 高書方先生於二零一六年八月十五日獲委任為本公司之行政總裁，彼於二零一七年九月三十日辭任本公司之行政總裁。

於兩個年度內，本集團並無向本公司的任何董事或行政總裁支付酬金作為加入本集團或入職時之鼓勵或離職補償。於兩個年度內並無本公司的董事或行政總裁放棄任何酬金。

13. 僱員酬金

於本集團五名最高酬金人士中，三名(二零一七年：兩名)為本公司董事、行政總裁或高級顧問，其酬金之詳情已於上文附註12披露。其餘兩名(二零一七年：三名)人士之酬金如下：

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. EMPLOYEE'S EMOLUMENTS (continued)

The emoluments were within the following bands:

		2018 二零一八年 Number of employees 僱員人數	2017 二零一七年 Number of employees 僱員人數
HK\$1,000,001 to HK\$1,500,000	1,000,001 港元至 1,500,000 港元	1	–
HK\$1,500,001 to HK\$2,000,000	1,500,001 港元至 2,000,000 港元	1	–
HK\$2,000,001 to HK\$2,500,000	2,000,001 港元至 2,500,000 港元	–	2
HK\$2,500,001 to HK\$3,000,000	2,500,001 港元至 3,000,000 港元	–	1

During both years, no emoluments or discretionary bonus were paid by the Group to the above highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

於兩個年度內，本集團並無向上述最高酬金人士支付酬金或酌情花紅作為加入本集團或入職時之鼓勵或離職補償。

14. DIVIDEND

No dividend was paid or proposed by the directors of the Company for both years nor has any dividend been proposed since the end of the reporting period.

14. 股息

本公司董事於兩個年度均無支付或建議派發股息，自報告期末起亦無建議派發任何股息。

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. LOSS PER SHARE

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

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Loss	虧損		
Loss for the purposes of basic and diluted loss per share (loss for the year attributable to the owners of the Company)	用以計算每股基本及攤薄虧損之虧損(本公司擁有人應佔之年內虧損)	(444,906)	(3,078,901)

15. 每股虧損

本公司擁有人應佔每股基本及攤薄虧損乃按下列數據計算：

		2018 二零一八年 '000 千股	2017 二零一七年 '000 千股 (restated) (經重列)
Number of shares	股份數目		
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	用以計算每股基本及攤薄虧損之普通股加權平均數	4,884,056	4,817,265

The weighted average number of ordinary shares for the purposes of calculating basic loss per share for the year ended 31 March 2017 has been adjusted to reflect the impact of bonus issue of the Company's shares took place on 25 July 2017.

For the year ended 31 March 2018, the computation of diluted loss per share does not assume the exercise of the Company's outstanding share options and emolument shares since their assumed exercise would result in a decrease in loss per share.

For the year ended 31 March 2017, the computation of diluted loss per share does not assume the exercise of the Company's outstanding share options and emolument shares since their assumed exercise would result in a decrease in loss per share.

截至二零一七年三月三十一日止年度，就計算每股基本虧損之普通股加權平均數已作出調整，以反映於二零一七年七月二十五日本公司股份紅股發行之影響。

截至二零一八年三月三十一日止年度，計算每股攤薄虧損並無假設會行使本公司尚未行使之購股權及獎勵股份，因為假設行使該等購股權及獎勵股份將導致每股虧損減少。

截至二零一七年三月三十一日止年度，計算每股攤薄虧損並無假設會行使本公司尚未行使之購股權及獎勵股份，因為假設行使該等購股權及獎勵股份將導致每股虧損減少。

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. PROPERTY, PLANT AND EQUIPMENT

16. 物業、廠房及設備

		Leasehold land and building 租賃土地及 樓宇 HK\$'000 千港元	Leasehold improvements 租賃物業 裝修 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、裝置 及設備 HK\$'000 千港元	Art works 藝術品 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Machinery 機械 HK\$'000 千港元	Yacht 遊艇 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST	成本								
At 1 April 2016	於二零一六年四月一日	-	4,153	3,016	18,796	9,879	-	65,033	100,877
Exchange adjustments	匯兌調整	(6)	(12)	(65)	-	(175)	-	-	(258)
Additions	添置	-	1,980	2,786	161	1,423	17,453	298	24,101
Reclassification to inventories	重新分類至存貨	-	-	-	-	-	(7,983)	-	(7,983)
Disposals	出售	-	-	(25)	-	(1,467)	-	-	(1,492)
Acquisition of subsidiaries (note 41)	收購附屬公司 (附註41)	171,864	1,222	881	-	4,742	300,767	-	479,476
At 31 March 2017	於二零一七年 三月三十一日	171,858	7,343	6,593	18,957	14,402	310,237	65,331	594,721
Exchange adjustments	匯兌調整	7,246	132	179	-	270	-	-	7,827
Additions	添置	6,704	2,897	1,387	-	631	64,419	218	76,256
Reclassification to inventories	重新分類至存貨	-	-	-	-	-	(36,834)	-	(36,834)
Disposals	出售	-	-	(1,040)	-	(3,040)	-	-	(4,080)
At 31 March 2018	於二零一八年 三月三十一日	185,808	10,372	7,119	18,957	12,263	337,822	65,549	637,890
DEPRECIATION AND IMPAIRMENT	折舊及減值								
At 1 April 2016	於二零一六年四月一日	-	3,029	1,546	-	4,323	-	9,777	18,675
Exchange adjustments	匯兌調整	-	-	(26)	-	(58)	-	-	(84)
Provided for the year	年內撥備	1,035	179	795	-	1,395	6,469	3,352	13,225
Disposal	出售	-	-	(11)	-	(377)	-	-	(388)
At 31 March 2017	於二零一七年 三月三十一日	1,035	3,208	2,304	-	5,283	6,469	13,129	31,428
Exchange adjustments	匯兌調整	314	22	107	-	129	-	-	572
Impairment loss	減值虧損	-	-	-	-	-	9,100	-	9,100
Provided for the year	年內撥備	10,293	764	1,200	-	2,378	45,504	3,396	63,535
Reclassification to inventories	重新分類至存貨	-	-	-	-	-	(5,079)	-	(5,079)
Disposals	出售	-	-	(583)	-	(1,989)	-	-	(2,572)
At 31 March 2018	於二零一八年 三月三十一日	11,642	3,994	3,028	-	5,801	55,994	16,525	96,984
CARRYING VALUES	賬面值								
At 31 March 2018	於二零一八年 三月三十一日	174,166	6,378	4,091	18,957	6,462	281,828	49,024	540,906
At 31 March 2017	於二零一七年 三月三十一日	170,823	4,135	4,289	18,957	9,119	303,768	52,202	563,293

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. PROPERTY, PLANT AND EQUIPMENT (continued)

Depreciation is provided to write off the cost of items of property, plant and equipment (other than art works) over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method, at the following rates per annum:

Leasehold land and building	Over the lease terms
Leasehold improvements	10% to 20%
Furniture, fixtures and equipment	20% to 25%
Motor vehicles	10% to 25%
Machinery	10%
Yacht	5%

Art works are stated at cost less any identified impairment loss (if any).

The leasehold land and building of the Group are held under medium-term lease in Hong Kong and amortised over the term of lease of 30 years.

As at 31 March 2018, the carrying value of machinery and motor vehicles includes amount of HK\$151,864,000 and HK\$2,537,000 (2017: HK\$115,438,000 and HK\$3,652,000) in respect of assets held under finance lease arrangement, respectively. The liabilities arising from finance lease arrangements were either classified as borrowings or obligation under finance leases as at the end of reporting period. During the year ended 31 March 2018, HK\$9,100,000 (2017: nil) impairment loss has been provided for certain of machinery.

As at 31 March 2018, leasehold land and building with a carrying amount of HK\$6,296,000 (2017: HK\$6,316,000) to secure bank borrowings granted to the Group.

16. 物業、廠房及設備(續)

物業、廠房及設備項目(藝術品除外)的折舊以直線法基準,經計及其估計剩餘價值於其估計可使用年期撇銷其成本,採用的年率如下:

租賃土地及樓宇	按租期
租賃物業裝修	10%至20%
傢俬、裝置及設備	20%至25%
汽車	10%至25%
機械	10%
遊艇	5%

藝術品按成本減任何所識別減值虧損(如有)列賬。

本集團於香港之租賃土地及樓宇乃按中期租約持有並按30年之租期攤銷。

於二零一八年三月三十一日,機械及汽車之賬面值包括與融資租賃安排持有之資產相關之金額分別約151,864,000港元及2,537,000港元(二零一七年:115,438,000港元及3,652,000港元)。融資租賃安排產生之負債已於報告期末分類為借貸或融資租賃承擔。截至二零一八年三月三十一日止年度,已就若干機械計提減值虧損9,100,000港元(二零一七年:零元)

於二零一八年三月三十一日,本集團已抵押賬面值6,296,000港元(二零一七年:6,316,000港元)之租賃土地及樓宇以取得本集團獲授之銀行借貸。

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

17. PREPAID LEASE PAYMENT

The prepaid lease payment comprises:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Leasehold land outside Hong Kong	香港境外租賃土地	34,305	32,061
Analysed for reporting purposes as:	就報告目的分析為：		
Current portion	即期部分	365	329
Non-current portion	非即期部分	33,940	31,732
		34,305	32,061

The leasehold land is amortised on a straight-line basis over the remaining term of the lease.

預付租賃款項包括：

租賃土地按餘下租期以直線法攤銷。

18. PREMIUM OVER PREPAID LEASE PAYMENT**18. 預付租賃款項之溢價**

		HK\$'000 千港元
COST	成本	
At 1 April 2016, 31 March 2017 and 2018	於二零一六年四月一日、二零一七年 及二零一八年三月三十一日	133,261
AMORTISATION	攤銷	
At 1 April 2016	於二零一六年四月一日	2,719
Provided for the year	年內撥備	2,720
At 31 March 2017	於二零一七年三月三十一日	5,439
Provided for the year	年內撥備	2,720
At 31 March 2018	於二零一八年三月三十一日	8,159
CARRYING VALUES	賬面值	
At 31 March 2018	於二零一八年三月三十一日	125,102
At 31 March 2017	於二零一七年三月三十一日	127,822

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. PREMIUM OVER PREPAID LEASE PAYMENT (continued)

During the year ended 31 March 2015, the Group acquired the entire interest of Access Profit Global Enterprises Group Limited (“**Access Profit**”) and its subsidiaries (collectively referred as the “**Access Profit Group**”) at a consideration of HK\$150,000,000 from Sunshine Zhong Xing Capital Holdings Limited (“**Vendor**”). The principal asset of the Access Profit Group is a plot of land located in Urumqi, the capital city of the Uyghur Autonomous Region of Xinjiang in the PRC. The land is designated for logistics and warehousing development purpose. In the opinion of the directors of the Company, it is probable that the future economic benefits will flow to the Group as a result of engaging in the logistics and warehousing development on this land. At the date of acquisition, the excess of the fair value of the land, determined based on a valuation performed as on 31 March 2015 by Roma Appraisals Limited, over the amount prepaid by Access Profit Group when it acquired the land use right, is recognised as premium over prepaid lease payment in accordance with HKAS 38 Intangible Assets.

At the date of the completion of the acquisition, the Group recorded HK\$18,131,000 and HK\$133,261,000 as prepaid lease payment and premium over prepaid lease payment respectively. The premium over prepaid lease payment is amortised on a straight-line basis over the remaining term of the leases of the prepaid lease payment of 49 years.

As detailed in the circular issued by the Company on 23 January 2015 (the “**Logistics Circular**”), the Vendor undertakes, amongst others,

- (i) the net profit after tax of Access Profit Group for the year ending 31 December 2018 is not less than RMB25 million (the “**Guaranteed Profit**”), the Vendor agrees and undertakes to pay the Group a compensation in the amount equivalent to the shortfall between the actual net profit after tax and the Guaranteed Profit of the Access Profit Group; and

18. 預付租賃款項之溢價(續)

截至二零一五年三月三十一日止年度，本集團以代價150,000,000港元自陽光忠興資本控股有限公司(「賣方」)收購加裕國際企業集團有限公司(「加裕」)及其附屬公司(統稱「加裕集團」)之全部權益。加裕集團之主要資產為位於中國新疆維吾爾自治區省會城市烏魯木齊一幅土地。該土地指定作物流及倉儲發展用途。本公司董事認為，由於參與該土地上之物流及倉儲發展，未來將很有可能將有經濟利益流向本集團。於收購當日，該土地之公平值超逾加裕集團於其收購該土地使用權時預付之金額之部分(根據羅馬國際評估有限公司於二零一五年三月三十一日進行之估值釐定)根據香港會計準則第38號無形資產確認為預付租賃款項之溢價。

於完成收購當日，本集團錄得預付租賃款項及預付租賃款項之溢價分別18,131,000港元及133,261,000港元。預付租賃款項之溢價按預付租賃款項之餘下租期49年以直線法攤銷。

誠如本公司於二零一五年一月二十三日所刊發之通函(「**物流通函**」)所詳述，賣方承諾(其中包括)：

- (i) 截至二零一八年十二月三十一日止年度，加裕集團之除稅後純利不少於人民幣25,000,000元(「**保證溢利**」)，賣方同意並承諾向本集團支付金額相等於加裕集團實際除稅後純利與保證溢利之差額的補償；及

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. PREMIUM OVER PREPAID LEASE PAYMENT (continued)

- (ii) in case the valid permit for commencement of the construction works or the land title certificate or any of the requisite permits, licenses, approvals, authorisations, consents, registrations and filings referred to the Logistics Circular is not obtained, or made as the case may be, by the Access Profit Group by 31 December 2018, the Vendor agrees and undertakes to pay RMB25 million to the Group as compensation and the parties agreed to unwind the transaction, whereupon, the entire issued share capital of the Access Profit will be transferred to the Vendor without consideration and HK\$150,000,000, representing the consideration paid by the Group, will be returned to the Group.

18. 預付租賃款項之溢價(續)

- (ii) 倘加裕集團並無於二零一八年十二月三十一日前取得或進行(視乎情況而定)物流通函所述之有效建築工程施工許可證或土地業權證書或任何必要許可證、牌照、批准、授權、同意、登記及備案，則賣方同意並承諾將向本集團支付人民幣25,000,000元作為補償，而訂約方同意解除交易，據此，加裕集團之全部已發行股本將無償轉讓予賣方，及150,000,000港元(相當於本集團支付之代價)將退回予本集團。

19. AVAILABLE-FOR-SALE INVESTMENTS

19. 可供出售投資

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Available-for-sale investments include: Equity securities listed in Hong Kong, at fair value	可供出售投資包括： 於香港上市的股本證券， 按公平值	463,977	694,310
Unlisted fund investment, at fair value	非上市基金投資，按公平值	237,994	-
Unlisted equity securities, at cost Less: accumulated impairment loss	非上市股本證券，按成本 減：累計減值虧損	405,145 (293,057)	363,235 (293,057)
Unlisted equity securities, at cost less accumulated impairment loss	非上市股本證券，按成本 減累計減值虧損	112,088	70,178
		814,059	764,488

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. AVAILABLE-FOR-SALE INVESTMENTS (continued)

During the year ended 31 March 2018, the Group invested HK\$233,292,000 to a fund which is principally invested in listed securities.

During year ended 31 March 2018, the Group invested RMB33,555,000 (equivalent to HK\$41,910,000) into a private entity, which is indirectly holding of 0.15% of electronic bank in PRC.

Fair values of listed equity securities are based on quoted market bid prices in the active market.

Unlisted equity securities represent investments in unlisted equity securities issued by three (2017: two) private entities. The business of these companies is investments holding. They are measured at cost less impairment at the end of the reporting period because the variability in the range of reasonable fair value measurements is so significant and the probabilities of the various estimates with the range cannot be reasonably assessed that the directors of the Company are of the opinion that their fair values cannot be measured reliably.

As at 31 March 2018, the Group has pledged available-for-sale investments HK\$58,878,000 (2017: nil) and HK\$405,098,680 (2017: HK\$136,266,000) to secured notes and secure bank loans granted to the Group. Details are set out in notes 32 and 34.

19. 可供出售投資(續)

截至二零一八年三月三十一日止年度，本集團向主要投資於上市證券的基金投資233,292,000港元。

截至二零一八年三月三十一日止年度，本集團向一間私人實體投資人民幣33,555,000元(相當於41,910,000港元)，該實體間接持有中國電子銀行0.15%。

上市股本證券之公平值乃根據活躍市場之市場買入報價計算。

非上市股本證券指於三間(二零一七年：兩間)私人實體發行之非上市股本證券之投資。該等公司之業務為投資控股。由於非上市股本證券的合理公平值計量範圍之波幅甚大，有關範圍的若干估計的可能性不能合理計量，本公司董事認為其公平值無法可靠地計量，故於報告期末按成本扣除減值計量。

於二零一八年三月三十一日，本集團已抵押58,878,000港元(二零一七年：無)及405,098,680港元(二零一七年：136,266,000港元)之可供出售投資，以擔保有抵押票據及本集團獲授出之銀行貸款。詳情載於附註32及34。

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. FINANCIAL ASSET DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS/ FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

20. 指定以公平值計量且其變化計入損益之金融資產／以公平值計量且其變化計入損益之金融負債

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Financial assets designated at FVTPL	指定以公平值計量且其變化計入損益之金融資產		
Jimei Bond (note i)	集美債券(附註i)	-	27,779
Financial liabilities at FVTPL:	以公平值計量且其變化計入損益之金融負債：		
CSFG Option (note ii)	中國山東金融集團期權(附註ii)	-	1,381
HTF Warrants (note ii)	昊天財務認股權證(附註ii)	11,750	33,180
Option arising from HTM Subscription (note iii)	昊天管理認購事項所產生之期權(附註iii)	227,143	284,789
		238,893	319,350

Notes:

- (i) On 5 November 2015, the Group subscribed for an unlisted 8% coupon convertible bond issued by Jimei International Entertainment Group Limited, a company listed on the Stock Exchange ("Jimei Bond") with principal amount of HK\$25 million at a consideration of HK\$25 million. The Jimei Bond is denominated in HK\$ and will mature on 2 December 2018. The Group had the right to convert the Jimei Bond to ordinary shares of Jimei International Entertainment Group Limited, at any time before the maturity date, at a conversion price of HK\$5 per share. Jimei International Entertainment Group Limited may also redeem part or all of the Jimei Bond at any time before the maturity date at principal amount. The Group designated the entire Jimei Bond as financial assets designated at FVTPL at initial recognition.

During year ended 31 March 2018, Jimei International Entertainment Group Limited redeemed the Jimei Bond at principal amount of HK\$25 million.

附註：

- (i) 於二零一五年十一月五日，本集團認購由集美國際娛樂集團有限公司（一間於聯交所上市之公司）發行之本金額為25,000,000港元之非上市8厘息票可換股債券（「集美債券」），代價為25,000,000港元。集美債券乃以港元計值並將於二零一八年十二月二日到期。本集團有權於到期日前任何時間按轉換價每股5港元將集美債券轉換為集美國際娛樂集團有限公司之普通股。集美國際娛樂集團有限公司亦可於到期日前任何時間按本金額贖回部分或全部集美債券。本集團於初步確認時將全部集美債券指定以公平值計量且其變化計入損益之金融資產。

截至二零一八年三月三十一日止年度，集美國際娛樂集團有限公司贖回本金額為25,000,000港元之集美債券。

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. FINANCIAL ASSET DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS/ FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

Notes: (continued)

- (ii) During the year ended 31 March 2016, the Group granted the CSFG Option and HTF Warrants (as defined and detailed in note 32) to an independent third party. The fair value of the CSFG Option was calculated using the Binomial Option Pricing Model. The inputs into the valuations were as follows:

CSFG Option

中國山東金融集團期權

Share price of China Shangdong Hi-Speed Financial Group Limited ("CSFG")	中國山東高速金融集團有限公司 (「中國山東金融集團」) 之股價
Strike price	行使價
Risk free rate (note a)	無風險利率 (附註 a)
Expected life (note b)	預期年期 (附註 b)
Expected volatility (note c)	預期波幅 (附註 c)

Notes:

- (a) Risk free rate is determined by reference to the yield of the Hong Kong Exchange Fund Notes with duration similar to the expected life of the option.
- (b) Expected life is the expected remaining life of the option.
- (c) Expected volatility is estimated by calculating the historical daily share price volatility of the stock price of CSFG.

20. 指定以公平值計量且其變化計入損益之金融資產／以公平值計量且其變化計入損益之金融負債 (續)

附註：(續)

- (ii) 截至二零一六年三月三十一日止年度，本集團向一名獨立第三方授出中國山東金融集團期權及昊天財務認股權證 (定義及詳情見附註32)。中國山東金融集團期權的公平值乃使用二項式期權定價模式計算。估值的輸入數據如下：

At 31 March 2018 於二零一八年 三月三十一日	At 31 March 2017 於二零一七年 三月三十一日
--------------------------------------	--------------------------------------

HK\$0.300 港元	HK\$0.330 港元
HK\$1.440 港元	HK\$1.440 港元
0.962%	0.682%
0.286 years 年	1.286 years 年
31.350%	85.000%

附註：

- (a) 無風險利率乃經參考年期與期權的預期年期類似的香港外匯基金票據的收益釐定。
- (b) 預期年期指期權的預期剩餘年期。
- (c) 預期波幅乃經計算中國山東金融集團的股價的每日歷史股價波幅而作出估計。

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. FINANCIAL ASSET DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS/ FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

Notes: (continued)

(ii) (continued)

The fair value of the HTF Warrants was calculated using the Binomial Option Pricing Model. The inputs into the valuations were as follows:

HTF Warrants 昊天財務認股權證

		At 31 March 2018 於二零一八年 三月三十一日	At 31 March 2017 於二零一七年 三月三十一日
Equity value (note a)	股權價值(附註a)	HK\$0.828 港元	HK\$1.125 港元
Risk free rate (note b)	無風險利率(附註b)	0.964%	0.683%
Expected life (note c)	預期年期(附註c)	0.291 years 年	1.291 years 年
Expected volatility (note d)	預期波幅(附註d)	24.033%	24.078%

Notes:

- (a) Being equity value of Hao Tian Finance determined by reference to the net asset value of Hao Tian Finance as at 31 March 2018 and 2017 respectively with adjustment on marketability and minority discount.
- (b) Risk free rate is determined by reference to the yield of the Hong Kong Exchange Fund Notes with duration similar to the expected life of the warrants.
- (c) Expected life is the expected remaining life of the warrants.
- (d) Expected volatility is estimated by reference to the volatility of other companies which shares are listed on the Stock Exchange and engaged in similar industry of Hao Tian Finance.

20. 指定以公平值計量且其變化計入損益之金融資產／以公平值計量且其變化計入損益之金融負債(續)

附註：(續)

(ii) (續)

昊天財務認股權證的公平值乃使用二項式期權定價模式計算。估值的輸入數據如下：

	At 31 March 2018 於二零一八年 三月三十一日	At 31 March 2017 於二零一七年 三月三十一日
股權價值(附註a)	HK\$0.828 港元	HK\$1.125 港元
無風險利率(附註b)	0.964%	0.683%
預期年期(附註c)	0.291 years 年	1.291 years 年
預期波幅(附註d)	24.033%	24.078%

附註：

- (a) 昊天財務之股權價值乃經參考昊天財務分別於二零一八年及二零一七年三月三十一日之資產淨值(就流通性及少數折讓作出調整)而釐定。
- (b) 無風險利率乃經參考年期與認股權證的預期年期類似的香港外匯基金票據的收益釐定。
- (c) 預期年期指認股權證的預期剩餘年期。
- (d) 預期波幅乃經參考股份於聯交所上市及所從事行業與昊天財務類似之業務之其他公司之波幅而作出估計。

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. FINANCIAL ASSET DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS/ FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

Notes: (continued)

- (iii) During the year ended 31 March 2017, the Group issued HTD Option to Vandi (as detailed and defined in note 36B), an independent third party. According to the HTD Option Deed (as defined in note 36B), Vandi has the right to subscribe up to 389,940,000 shares, representing 9.53% of the issued share capital of the Company as enlarged by the allotment and issue of shares upon exercising the HTD Option, of the Company at an exercise price of HK\$0.8 per share (adjusted to 454,930,000 shares and HK\$0.69 per share after completion of the Year 2017 Bonus Issue) (the "HTD Option Price"). Upon the exercise of the HTD Option, the HTD Option Price will be settled by: (i) cash; (ii) transfer of Hao Tian Management's shares owned by Vandi at a fixed price of US\$48,721 per Hao Tian Management share; or (iii) a combination of payment of (i) and (ii).

The option arising from HTM Subscription carried in the consolidated statement of financial position as financial liabilities at FVTPL.

The fair value of the HTD Option was calculated using the Monte-Carlo Simulation Model. The inputs into the valuations were as follows:

		At 31 March 2018 於二零一八年 三月三十一日	At 31 March 2017 於二零一七年 三月三十一日
Equity value of Hao Tian Management (note a)	昊天管理股權價值(附註a)	HK\$56,351 港元	HK\$88,344 港元
Stock price of the Company	本公司股價	HK\$0.285 港元	HK\$0.405 港元
Strike price	行使價	HK\$0.690 港元	HK\$0.800 港元
Risk free rate (note b)	無風險利率(附註b)	1.529%	1.217%
Expected life (note c)	預期年期(附註c)	3.40 years 年	4.40 years 年
Expected volatility of the Company (note d)	本公司預期波幅(附註d)	79.97%	93.71%

Notes:

- (a) Being equity value of Hao Tian Management determined by reference to the net asset value of Hao Tian Management as at 31 March 2018 and 2017 respectively with adjustment on marketability and minority discount.
- (b) Risk free rate is determined by reference to the yield of the Hong Kong Exchange Fund Notes with duration similar to the expected life of the option.
- (c) Expected life is the expected remaining life of the option.
- (d) Expected volatility is estimated by calculating the historical weekly share price volatility of the stock price of the Company.

20. 指定以公平值計量且其變化計入損益之金融資產／以公平值計量且其變化計入損益之金融負債(續)

附註：(續)

- (iii) 截至二零一七年三月三十一日止年度，本集團向獨立第三方Vandi發行HTD期權(詳情及定義見附註36B)。根據HTD期權契據(定義見附註36B)，Vandi有權按行使價每股0.8港元(於完成二零一七年度紅股發行後調整為454,930,000股股份及每股0.69港元)(「HTD期權價」)認購最多389,940,000股本公司股份，相當於本公司於HTD期權獲行使後，透過配發及發行股份經擴大之已發行股本9.53%。於行使HTD期權後，HTD期權價將按以下方式支付：(i)現金；(ii)按固定價每股昊天管理股份48,721美元轉讓Vandi擁有之昊天管理股份；或(iii)(i)與(ii)相結合之方式支付。

昊天管理認購事項所產生之期權按以公平值計量且其變化計入損益之金融負債於綜合財務狀況報表內列賬。

HTD期權之公平值乃使用蒙地卡羅模擬模式計算。估值的輸入數據如下：

	At 31 March 2018 於二零一八年 三月三十一日	At 31 March 2017 於二零一七年 三月三十一日
Equity value of Hao Tian Management (note a)	HK\$56,351 港元	HK\$88,344 港元
Stock price of the Company	HK\$0.285 港元	HK\$0.405 港元
Strike price	HK\$0.690 港元	HK\$0.800 港元
Risk free rate (note b)	1.529%	1.217%
Expected life (note c)	3.40 years 年	4.40 years 年
Expected volatility of the Company (note d)	79.97%	93.71%

附註：

- (a) 昊天管理之股權價值乃經參考昊天管理分別於二零一八及二零一七年三月三十一日之資產淨值(就流通性及少數折讓作出調整)而釐定。
- (b) 無風險利率乃經參考年期與期權的預期年期類似的香港外匯基金票據的收益釐定。
- (c) 預期年期指期權的預期剩餘年期。
- (d) 預期波幅乃經計算本公司股價的每周歷史股價波幅而作出估計。

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

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
The amount arises on acquisition of: 收購以下項目所產生金額：			
(i) Hao Tian International Construction (Note a)	(i) 昊天國際建設(附註a)		
— Original amount (note 41B)	— 原先金額(附註41B)	271,670	271,670
— Impairment loss	— 減值虧損	(172,756)	—
		98,914	271,670
(ii) Fujian Nuoqi (Note b)	(i) 福建諾奇(附註b)		
— Original amount (note 41C)	— 原先金額(附註41C)	143,494	143,494
— Impairment loss	— 減值虧損	(143,494)	—
		—	143,494
Total carrying amount	總賬面值	98,914	415,164

Notes:

(a) The recoverable amount of Hao Tian International Construction has been determined based on a value in use calculation prepared by an independent valuer, Avista Valuation Advisory Limited ("Avista"). That calculation uses cash flow projections based on financial budgets approved by management covering a five-year period with a discount rate of 12.7% (31 March 2017: 12.8%). Cash flows after the five-year period are extrapolated at 3% (31 March 2017: 3%) growth rate. Another key assumption for the value in use calculation is the budgeted revenue and gross margin, which is determined based on the unit's past performance and management's expectations for the market development. An impairment test in relation to the goodwill allocated to Hao Tian International Construction and the related intangible asset has been performed by the Group. Due to the unfavorable market situation, the directors of the Company reduced the budgeted revenue estimation, which caused the carrying amount of Hao Tian International Construction as at 30 September 2017 exceeded its value in use based on cash flow projections. Accordingly, an impairment loss of HK\$172,756,000 was recognised to goodwill allocated to Hao Tian International Construction during the current year. As at 31 March 2018, the recoverable amount as determined by the market price of Hao Tian International Construction exceeds its carrying amount, no further impairment is required.

附註：

(a) 昊天國際建設之可收回金額乃基於獨立估值師艾華迪評估諮詢有限公司(「艾華迪」)所編製使用價值之計算釐定。計算方法使用經管理層批核以12.7%(二零一七年三月三十一日：12.8%)貼現率計算的五年財政預算所得的現金流量預測。五年後之現金流量推定為3%(二零一七年三月三十一日：3%)增長率。使用價值計算的另一項主要假設為預算收入及毛利率，乃按該單位過往之表現及管理層對市場發展之預期釐定。本集團已就分配予昊天國際建設及相關無形資產的商譽進行減值測試。鑒於不利市況，本公司董事調低預算收入估計，導致昊天國際建設於二零一七年九月三十日的賬面值超過其根據現金流量預測計算的使用價值。因此，本年度已就分配至昊天國際建設的商譽確認減值虧損172,756,000港元。於二零一八年三月三十一日，由昊天國際建設的市價釐定的可收回金額超過其賬面值，故此毋須進一步減值。

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

21. GOODWILL (continued)

Notes: (Continued)

- (b) The recoverable amount of Fujian Nuoqi has been determined based on a value in use calculation by management. The key assumption for the value in use calculation is the budgeted revenue and gross margin, which is determined based on management's expectations for the market development.

During the current year, the directors of the Company reassessed the financial budgets of the existing business of Fujian Nuoqi, taking into account the Proposed Nuoqi Transaction (as defined at below). After the budget reassessment, the carrying amount allocated to Fujian Nuoqi as at 31 March 2018 exceeds its value in use based on cash flow projections. Accordingly, an impairment of HK\$143,494,000 was recognised to goodwill allocated to Fujian Nuoqi during the current year.

Proposed Nuoqi Transaction

On 6 November 2017, Fujian Nuoqi, Zhong Hong Holdings Group Limited, a company incorporated in the Cayman Islands ("Zhong Hong") and Mr. Hu Yulin entered into a sale and purchase agreement (the "**Sale and Purchase Agreement**"), pursuant to which Fujian Nuoqi has conditionally agreed to acquire, and Zhong Hong has conditionally agreed to sell, the entire issued share capital in Zhong Hong International Limited (the "**Target Company**"), a company incorporated in the BVI (the "**Proposed Nuoqi Transaction**"). The consideration payable by Fujian Nuoqi shall be HK\$1,053,024,128 and shall be satisfied by Fujian Nuoqi by allotment and issue to the Zhong Hong of 1,541,878,659 new H Shares (the "**Consideration Shares**"), credited as fully paid, at an issue price of HK\$0.6829 per Consideration Share.

Assuming the Consideration Shares are fully issued, the shareholding interest of the Company in Fujian Nuoqi will be diluted from 59.93% to 17.00% and the Proposed Nuoqi Transaction will constitute a deemed disposal of the Company under the Listing Rules.

21. 商譽 (續)

附註：(續)

- (b) 福建諾奇之可收回金額已由管理層根據使用價值計算釐定。使用價值計算之主要假設為預算收入及毛利率，乃按管理層對市場發展之預期釐定。

於本年度，經計及建議諾奇交易(定義見下文)後，本公司董事已重估福建諾奇現有業務的財政預算。於重估預算後，於二零一八年三月三十一日分配至福建諾奇的賬面值超過其根據現金流量預測計算的使用價值。因此，本年度已就分配至福建諾奇的商譽確認減值143,494,000港元。

建議諾奇交易

於二零一七年十一月六日，福建諾奇、中宏控股集團有限公司(一間於開曼群島註冊成立之公司，「中宏」)與胡玉林先生訂立買賣協議(「買賣協議」)，據此，福建諾奇已有條件同意收購而中宏已有條件同意出售中宏國際有限公司(「目標公司」，一間於英屬處女群島註冊成立之公司)之全部已發行股本(「建議諾奇交易」)。福建諾奇應付之代價將為1,053,024,128港元，並將由福建諾奇以按發行價每股代價股份0.6829港元配發及發行其1,541,878,659股新H股(「代價股份」)(入賬列作繳足)予中宏之方式償付。

假設代價股份獲悉數發行，則本公司於福建諾奇之股權將由59.93%攤薄至17.00%，而建議諾奇交易將構成上市規則項下之本公司視作出售事項。

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)

Proposed Nuoqi Transaction (continued)

The Proposed Nuoqi Transaction is also subject to a number of conditions precedent, including, in particular:

- the grant of approval by the Stock Exchange to the resumption proposal and the resumption of trading in the H Shares of Fujian Nuoqi;
- the Chinese Securities Regulatory Commission granting the approval(s) necessary for the issue and allotment of the Consideration Shares; and
- the Executive of the Securities and Futures Commission granting a waiver to Zhong Hong to the effect that neither Zhong Hong nor any party acting in concert (as defined in the Code on Takeovers and Mergers) (the "Takeovers Code") with it will be obliged to make a general offer for the shares of Fujian Nuoqi under the Takeovers Code as a result of the allotment and issue of the Consideration Shares to Zhong Hong.

The Proposed Nuoqi Transaction was yet to be completed up to the date of this report.

21. 商譽 (續)

建議諾奇交易 (續)

建議諾奇交易亦須待若干先決條件獲達成後，方可作實，當中包括(尤其是)：

- 聯交所批准復牌建議及福建諾奇之H股恢復買賣；
- 中國證券監督管理委員會就發行及配發代價股份授出必要批准；及
- 證券及期貨事務監察委員會之執行人員向中宏授出豁免，致使中宏或任何與其一致行動之人士(定義見公司收購及合併守則(「收購守則」))將毋須因向中宏配發及發行代價股份而根據收購守則就福建諾奇股份提出全面要約。

截至本報告日期，建議諾奇交易尚未完成。

22. INTANGIBLE ASSETS

22. 無形資產

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
The amount represents:	有關金額為：		
Customer list and the securities brokerage licenses (Note i)	客戶清單及證券經紀牌照 (附註i)	11,000	11,000
Brand name (Note ii)	品牌名稱(附註ii)	167,650	167,650
		178,650	178,650

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. INTANGIBLE ASSETS (continued)

Notes:

- (i) HK\$11,000,000 of the total amounts represents amount paid for the customer list and the securities brokerage licenses acquired by the Group, which amounted to HK\$7,500,000 and HK\$3,500,000 respectively, through its acquisition of Hao Tian Securities.

The recoverable amount of intangible asset has been determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by management covering a five-year period with a discount rate of 11.8% (2017: 13.9%). Cash flows after five years period are extrapolated at 1% (2017: 1%) growth rate. Another key assumption for the value in use calculation is the budgeted revenue and gross margin, which is determined based on the units' past performance and management's expectations for the market development.

- (ii) HK\$167,650,000 of the total amounts represents for the brand name acquired by the Group through its acquisition of Hao Tian International Construction. The directors of the Company consider the brand name acquired has indefinite useful life. The recoverable amount of the intangible asset has been determined based on basis detailed in note 21.

22. 無形資產(續)

附註：

- (i) 總金額 11,000,000 港元指本集團透過收購昊天證券而獲得金額分別為 7,500,000 港元及 3,500,000 港元之客戶清單及證券經紀牌照而支付之金額。

無形資產之可收回金額乃基於計算使用價值釐定。計算方法使用經管理層批核以 11.8% (二零一七年：13.9%) 貼現率計算的五年財政預算所得的現金流量預測。五年後之現金流量推定為 1% (二零一七年：1%) 增長率。使用價值計算的另一項主要假設為預算收入及毛利率，乃按該單位過往之表現及管理層對市場發展之預期釐定。

- (ii) 總金額 167,650,000 港元指本集團透過收購昊天國際建設而收購之品牌名稱。本公司董事認為，所獲得之品牌名稱具無限可使用年期。無形資產之可收回金額乃基於附註 21 所詳述之基準釐定。

23. FINANCE LEASE RECEIVABLES

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Non-current finance lease receivables	非即期融資租賃應收款項	9,529	4,241
Current finance lease receivables	即期融資租賃應收款項	6,959	3,112
		16,488	7,353

Leasing arrangements

Certain of the Group's machinery are leased out under finance leases. All leases are denominated in HK\$. The term of finance leases entered into ranges from 1 month to 5 years (2017: 3.9 years to 5 years).

23. 融資租賃應收款項

租賃安排

本集團若干機械已根據融資租賃出租。所有租賃均以港元計值。所訂立融資租賃之期限介乎 1 個月至 5 年 (二零一七年：3.9 年至 5 年)。

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. FINANCE LEASE RECEIVABLES (continued)

23. 融資租賃應收款項(續)

Amounts receivable under finance leases

融資租賃應收款項金額

		Minimum lease payments 最低租賃付款		Present value of lease payments 租賃付款現值	
		2018	2017	2018	2017
		二零一八年	二零一七年	二零一八年	二零一七年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Not later than one year	不遲於一年	8,042	3,468	6,959	3,112
Later than one year and not later than five years	遲於一年但不遲於五年	10,226	4,518	9,529	4,241
		18,268	7,986	16,488	7,353
Less: unearned finance income	減：未賺取的融資收入	(1,780)	(633)	N/A 不適用	N/A 不適用
Present value of minimum lease payments receivable	最低應收租賃付款現值	16,488	7,353	16,488	7,353

The effective interest rates of the finance leases as at 31 March 2018 range from 4.55% to 10.20% per annum (2017: 4.55% to 7.47% per annum).

於二零一八年三月三十一日，融資租賃之實際利率介乎每年4.55%至10.20%（二零一七年：每年4.55%至7.47%）。

There was no unguaranteed residual value in connection with finance lease arrangements or contingent lease arrangements of the Group that needed to be recorded as at the end of the reporting period.

於報告期末，本集團並無有關融資租賃安排或或然租賃安排之未擔保剩餘價值須予以記錄。

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. DEPOSIT PAID FOR ACQUISITION OF A SUBSIDIARY

On 20 January 2018, the Group entered into a sales and purchase agreement with an independent third party to acquire the entire share capital of 55 Mark Lane S.A R.L. (“**55 Mark Lane**”), a company incorporated under the laws of the Grand Duchy of Luxembourg with limited liability, for a total consideration of GBP 130,000,000 (equivalent to approximately HK\$1,402,422,000) (the “**55 Acquisition**”). A non-refundable deposit of GBP 12,770,000 (equivalent to approximately HK\$137,761,000) was paid by the Group during the year ended 31 March 2018. The details of the 55 Acquisition are set out in the circular issued by the Company on 22 March 2018.

55 Mark Lane is holding a mixed-use property in London, United Kingdom and the 55 Acquisition has been completed on 12 April 2018.

The initial accounting for the 55 Acquisition is incomplete at the time the consolidated financial statements of the Company are authorised for issue.

25. INVENTORIES

Consumables and others	消耗品及其他
Machinery	機械
Spare parts	備用零件
Construction materials	建築材料
Men’s and women’s apparels	男裝及女裝

24. 收購附屬公司所付訂金

於二零一八年一月二十日，本集團與一名獨立第三方訂立買賣協議，以收購一間根據盧森堡大公國的法律註冊成立的有限公司55 Mark Lane S.A R.L.（「**55 Mark Lane**」）的全部股本，總代價為130,000,000英鎊（相當於約1,402,422,000港元）（「**55收購事項**」）。截至二零一八年三月三十一日止年度，本集團已支付不可退還訂金12,770,000英鎊（相當於約137,761,000港元）。有關55收購事項的詳情載於本公司於二零一八年三月二十二日所刊發的通函。

55 Mark Lane 持有英國倫敦一間混合用途物業，55收購事項已於二零一八年四月十二日完成。

55收購事項的初步會計處理於本公司綜合財務報表獲授權刊發時尚未完成。

25. 存貨

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Consumables and others	6,433	3,895
Machinery	559	1,203
Spare parts	1,333	815
Construction materials	12,518	-
Men’s and women’s apparels	2,033	2,832
	22,876	8,745

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. OTHER CURRENT FINANCIAL ASSETS

26. 其他流動金融資產

Trade and interest receivables

應收賬款及應收利息

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Trade receivables from clients arising from	以下項目產生之客戶應收賬款		
— construction machinery and sales of construction materials business	— 建築機械及建築物料銷售業務	81,595	74,261
— commodities and futures brokerage	— 商品及期貨經紀	321	6,029
— securities brokerage	— 證券經紀	41,263	403
— retailing of men's and women's apparels	— 男裝及女裝零售	97	4,614
Margin and other trade related deposits with brokers and financial institutions arising from	以下項目產生之存放於經紀及金融機構之保證金及其他買賣相關按金		
— commodities brokerage	— 商品經紀	2,435	14,208
— futures brokerage	— 期貨經紀	1,170	—
— securities brokerage	— 證券經紀	—	156
		126,881	99,671
Interest receivables in relation to money lending business	與放貸業務有關之應收利息	50,276	47,674
		177,157	147,345

As at 31 March 2018, included in the Group's trade and interest receivables were receivables of HK\$14,558,000 (2017: HK\$22,280,000) denominated in the currency other than the functional currency of the respective group entities.

The Group allows an average credit period of 0–30 days to its trade customers arising from construction machinery and sales of construction materials business and 0–90 days for retailing of men's and women's apparels business. The credit period provided to customers can be longer based on a number of factors including the customer's credit profile and relationship with the customers.

於二零一八年三月三十一日，本集團應收賬款及應收利息包括14,558,000港元(二零一七年：22,280,000港元)的應收款項，乃以各集團實體功能貨幣以外之貨幣計值。

本集團分別向建築機械及建築物料銷售業務以及男裝及女裝零售業務的客戶授出平均0至30日以及0至90日的信貸期。向客戶授出之信貸期或會因客戶的信用檔案及與客戶的關係等多個因素有所延長。

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. OTHER CURRENT FINANCIAL ASSETS (continued)

Trade and interest receivables (continued)

The following is an aging analysis of trade receivables from client arising from construction machinery and sales of construction materials and retailing of men's and women's apparels business, net of allowance for bad and doubtful debts, presented based on invoice dates at the end of the reporting period:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
0–30 days	0–30 日	37,852	44,968
31–90 days	31–90 日	20,408	21,286
91–180 days	91–180 日	8,059	5,728
181–365 days	181–365 日	13,496	3,541
Over 365 days	超過 365 日	1,877	3,352
		81,692	78,875

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. Limits attributed to customers are reviewed regularly. The Group has policy for allowance of bad and doubtful debts which is based on an evaluation of the collectability and aging analysis of accounts on every individual trade debtor basis and on management's judgment including creditworthiness and the past collection history of each customer.

26. 其他流動金融資產 (續)

應收賬款及應收利息 (續)

以下為於報告期末自建築機械及建築物料銷售業務以及男裝及女裝零售業務產生之應收客戶賬款(扣除呆壞賬撥備)根據發票日期呈列之賬齡分析:

在接受任何新客戶前，本集團評估潛在客戶信貸質素及按客戶界定信貸限額。客戶的限額將會定期審閱。本集團設有呆壞賬撥備政策，其乃基於對每名獨立貿易債務人賬目的可回收性及賬齡分析作出之評估，及由管理層對每名客戶的信譽及過往收款記錄等作出之判斷而設立。

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. OTHER CURRENT FINANCIAL ASSETS (continued)

Trade and interest receivables (continued)

Included in the Group's trade receivable balances were debtors with aggregate carrying amount of HK\$43,840,000 (2017: HK\$33,907,000) which were past due for which the Group had not provided for allowance for bad and doubtful debts. Based on past experience, the directors of the Company are of the opinion that no further provision is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group did not hold any collateral over these balances. The average age of these receivables was 103 days (2017: 72 days).

Aging of trade receivables from clients arising from construction machinery and sales of construction materials and retailing of men's and women's apparels business which are past due but not impaired:

26. 其他流動金融資產(續)

應收賬款及應收利息(續)

本集團之應收賬款結餘包括總賬面值為43,840,000港元(二零一七年: 33,907,000港元)之應收賬款, 其已到期, 而本集團並未作出呆壞賬撥備。根據過往經驗, 本公司董事認為, 由於該等結餘的信貸質素並無發生重大變動, 且結餘仍被視為可悉數收回, 因此毋須就該等結餘作出進一步撥備。本集團並無就該等結餘持有任何抵押品。該等應收賬款之平均賬齡為103日(二零一七年: 72日)。

自建築機械及建築物料銷售業務以及男裝及女裝零售業務產生之已逾期但未減值之應收客戶賬款之賬齡:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Overdue:	已逾期:		
1-90 days	1-90日	20,794	21,877
91-180 days	91-180日	10,004	7,262
181-365 days	181-365日	11,447	1,438
Over 365 days	超過365日	1,595	3,330
		43,840	33,907

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. OTHER CURRENT FINANCIAL ASSETS (continued)

Trade and interest receivables (continued)

Movement in the allowance for bad and doubtful debts

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At beginning of the year	於年初	16,339	–
Impairment losses recognised	已確認減值虧損	921	–
Amount written-off as uncollectible	因無法收回而撇銷的金額	(3,214)	–
Recovery of bad debts	收回壞賬	(8,885)	–
Acquisition of subsidiaries	收購附屬公司	–	16,339
At end of the year	於年終	5,161	16,339

For those commodities, futures and securities trading clients, it normally takes two to three days to settle after trade date of those transactions. These outstanding unsettled trades due from clients are reported as trade receivables from clients.

The margin clients of the commodities, futures and securities brokerage business are required to pledge their investments to the Group for credit facilities for commodities, futures and securities trading.

The settlement terms of trade receivables from clearing houses are usually one to two days after the trade date.

Trade receivables from cash and margin clients arising from the commodities, futures and securities brokerage business are repayable on demand subsequent to settlement date. No aging analysis is disclosed as in the opinion of directors, the aging analysis does not provide additional value in view of the nature of commodities, futures and securities dealing business.

26. 其他流動金融資產(續)

應收賬款及應收利息(續)

呆壞賬撥備變動

就該等商品、期貨及證券買賣客戶而言，一般於該等交易之交易日期後兩至三日內結算。該等尚未結付之應收客戶貿易賬款列為應收客戶賬款。

商品、期貨及證券經紀業務之保證金客戶須向本集團抵押彼等之投資以取得信貸融資作商品、期貨及證券買賣。

應收結算所賬款之結算期通常為交易日期後之一至兩日。

源自商品、期貨及證券經紀業務之應收現金及保證金客戶賬款須於結算日後按要求償還。董事認為毋須披露賬齡分析，原因是賬齡分析就商品、期貨及證券交易業務之性質而言，並不能提供額外價值。

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

26. OTHER CURRENT FINANCIAL ASSETS (continued)

Trade and interest receivables (continued)

Credit is extended to brokerage clients on a case-by-case basis in accordance with the financial status of clients such as their financial conditions, trading records, business profile and collateral available to the Group. Clients trading in commodities and futures and obtaining securities margin financing from the Group are required to observe the Group's margin policies. For commodities and futures, initial margins are required before trading and thereafter clients are required to keep the equity position at a prescribed maintenance margin level.

Interest in relation to money lending business is accrued on a time basis, by reference to the principal outstanding (see note 27) and at effective interest rate applicable. Settlement of interest receivables is in accordance with the terms stated in agreements entered with its customers ranges from 1 month to 6 months (2017: 1 month to 6 months).

As at 31 March 2018, HK\$8,546,000 (2017: HK\$8,389,000) interest receivables in relation to money lending business was past due of which HK\$2,835,000 was settled up to the date of report.

At 31 March 2018, the Group had determined approximately HK\$190,000 (2017: HK\$1,211,000) of interest receivables as together with their respective loan receivables of HK\$321,000 (2017: HK\$6,900,000) (note 27), individually impaired respectively as the debtors were in financial difficulties.

Other receivables, deposits and prepayments

Other receivables and deposits comprise amounts receivable from third parties and recoverable within one year.

Included in the Group's other receivables, deposits and prepayments are the funds deposits to financial institutions for securities investment and trading of futures purposes of HK\$4,735,000 (2017: HK\$44,985,000).

26. 其他流動金融資產(續)

應收賬款及應收利息(續)

經紀客戶之信貸額可根據客戶之財務狀況個別予以延長，包括客戶之財務狀況、交易記錄、業務組合及可抵押予本集團之抵押品。從事商品及期貨買賣以及自本集團獲取證券保證金融資之客戶均須遵守本集團之保證金政策。就商品及期貨而言，於買賣前須繳付初步保證金，其後客戶之持倉須保持在指定的保證金水平。

有關放貸業務之利息乃參考尚未償還本金額(見附註27)按時間基準根據適用實際利率計算。應收利息乃根據與其客戶所訂立之協議所載介乎1個月至6個月(二零一七年：1個月至6個月)之期限結算。

於二零一八年三月三十一日，有關放貸業務之應收利息8,546,000港元(二零一七年：8,389,000港元)已逾期，其中2,835,000港元直至本報告日期已結算。

於二零一八年三月三十一日，由於債務人財政困難，本集團已釐定約190,000港元(二零一七年：1,211,000港元)之應收利息連同其321,000港元(二零一七年：6,900,000港元)之有關應收貸款(附註27)個別減值。

其他應收款項、訂金及預付款項

其他應收款項及訂金包括應收第三方款項及可於一年內收回的款項。

本集團之其他應收款項、訂金及預付款項包括支付予金融機構作證券投資及期貨買賣用途之資金訂金4,735,000港元(二零一七年：44,985,000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

26. OTHER CURRENT FINANCIAL ASSETS (continued)

Other receivables, deposits and prepayments (continued)

Other receivables, deposit and prepayments of HK\$1,440,000 (2017: HK\$18,080,000) are denominated in currencies other than the functional currency of the respective group entities.

Bank balances and cash and pledged bank deposits

As at 31 March 2018, bank deposits amounting to HK\$19,627,000 (2017: HK\$49,264,000) have been pledged to banks as security, carrying effective interests range from 0.3% to 0.52% (2017: range from 0.3% to 0.54%) per annum.

Bank balances and cash comprise cash held by the Group and short-term bank deposits with original maturity date less than three months, carrying effective interest at 0.2% (2017: 1%) per annum.

The bank balances and cash of HK\$396,311,000 (2017: HK\$7,270,000) are denominated in currencies other than the functional currency of the respective group entities.

Bank balances, trust and segregated accounts

The Group maintains segregated trust accounts with authorised institutions to hold clients' monies arising from its normal course of business. The Group has classified the clients' monies as bank balances, trust and segregated accounts under the current assets section of the consolidated statement of financial position and recognised the corresponding trade payables (note 31) to respective clients on the grounds that it is liable for any loss or misappropriation of clients' monies. The clients' monies as bank balances, trust and segregated accounts is restricted and governed by the Securities and Futures (Client Money) Rules under the Securities and Futures Ordinance.

26. 其他流動金融資產(續)

其他應收款項、訂金及預付款項(續)

其他應收款項、訂金及預付款項1,440,000港元(二零一七年: 18,080,000港元)乃以各集團實體功能貨幣以外的貨幣計值。

銀行結餘及現金以及已抵押銀行存款

於二零一八年三月三十一日,金額為19,627,000港元(二零一七年: 49,264,000港元)之銀行存款已抵押予銀行作為抵押,實際年利率介乎0.3%至0.52%(二零一七年: 介乎0.3%至0.54%)。

銀行結餘及現金包括本集團持有的現金以及原到期日少於三個月按實際年利率0.2%(二零一七年: 1%)計息的短期銀行存款。

銀行結餘及現金396,311,000港元(二零一七年: 7,270,000港元)乃以各集團實體功能貨幣以外的貨幣計值。

銀行結餘、信託及獨立賬戶

本集團於認可機構開設獨立信託賬戶,以存放客戶於正常業務過程中所產生的款項。本集團將此等客戶的款項分類為綜合財務狀況報表之流動資產項下之銀行結餘、信託及獨立賬戶,並基於其須就客戶款項的任何損失或挪用負上責任的事實而確認應付相關客戶的相應應付賬款(附註31)。銀行結餘、信託及獨立賬戶等客戶款項受證券及期貨條例項下之證券及期貨(客戶款項)規則所限制及規管。

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. LOAN RECEIVABLES

27. 應收貸款

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Non-current:	非即期：		
Secured, fixed-rate loan receivables (Note)	有抵押、應收固定利率貸款 (附註)	192,615	120,870
Unsecured and guaranteed, fixed-rate loan receivables	無抵押及有擔保、 應收固定利率貸款	3,101	2,327
		195,716	123,197
Current:	即期：		
Secured, fixed-rate loan receivables (Note)	有抵押、應收固定利率貸款 (附註)	362,004	507,480
Unsecured and guaranteed, fixed-rate loan receivables	無抵押及有擔保、 應收固定利率貸款	168,281	157,913
		530,285	665,393
		726,001	788,590

Note: The loan receivables are secured by properties and equity securities held by the borrowers.

附註：應收貸款以借款人持有的物業及股本證券作抵押。

Included in the Group's loan receivables are debtors, with carrying amount of HK\$86,520,000 (2017: HK\$47,450,000) which are past due at the reporting date. The loan receivables are secured by properties and equity securities pledged to the Group. The Group assessed the recoverability of these loan receivables and concluded that the risk of non-recoverability of the amounts is minimum, and no impairment is considered necessary except for HK\$321,000 (2017: HK\$6,900,000) of loan receivables which were individually impaired during the year ended 31 March 2018 as the debtors were in financial difficulties.

本集團之應收貸款包括賬面值為86,520,000港元(二零一七年：47,450,000港元)之應收賬款，有關款項於報告日期已逾期。應收貸款以抵押予本集團的物業及股本證券作抵押。本集團評估該等應收貸款的可收回程度，並認為該等金額不可收回的風險極低，且除截至二零一八年三月三十一日止年度內個別減值的應收貸款321,000港元(二零一七年：6,900,000港元)外，毋須進行減值，此乃由於債務人已陷入財務困境。

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

28. INVESTMENT IN AN ASSOCIATE

28. 於一間聯營公司之投資

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cost of investment in an associate	於一間聯營公司投資之成本	2,334	2,334
Share of post-acquisition loss and other comprehensive expense	分佔收購事項後虧損及其他全面開支	(2,328)	(1,567)
		6	767

Name of entity 實體名稱	Country of registration 註冊國家	Principal place of business 主要營業地點	Proportion of ownership by the Group 本集團所佔擁有權比例		Principal activity 主要業務
			2018 二零一八年	2017 二零一七年	
Fujian Province Qingliu County Jiuli Youzhi Co., Limited ("Jiuli Youzhi")# 福建省清流縣九利油脂有限公司(「九利油脂」)#	PRC 中國	PRC 中國	49%	49%	Manufacturing and trading of Camellia Oleifera related products. 生產及買賣油茶相關產品。

One out of three directors of the entity is appointed by the Group. In the opinion of the directors, the Group has significant influence over this entity.

該實體三名董事中之一名乃由本集團委任。董事認為，本集團對該實體有重大影響力。

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

28. INVESTMENT IN AN ASSOCIATE (continued)

On 27 May 2016, Hao Tian China acquired 49% of issued equity interest of Jiuli Youzhi for a total consideration of RMB2,009,000 (equivalent to HK\$2,334,000).

Summarised financial information of material associate

Summarised financial information in respect of the Group's associate is set out below. The summarised financial information below represents amounts shown in the associate's financial statements prepared in accordance with HKFRSs.

The associate is accounted for using the equity method in these consolidated financial statements.

28. 於一間聯營公司之投資(續)

於二零一六年五月二十七日，昊天中國收購九利油脂之49%已發行股權，總代價為人民幣2,009,000元(相當於2,334,000港元)。

重大聯營公司的財務資料概要

有關本集團聯營公司之財務資料概要載列如下。以下財務資料概要指於根據香港財務報告準則編製之聯營公司財務報表內所列示之金額。

聯營公司使用權益法於該等綜合財務報表入賬。

		Jiuli Youzhi 九利油脂	
		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	7,011	6,771
Non-current assets	非流動資產	6,793	3,067
Current liabilities	流動負債	(13,792)	(8,273)
Revenue	收入	2,299	888
Loss and total comprehensive expense for the year	年內虧損及全面開支總額	(1,569)	(3,198)

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

28. INVESTMENT IN AN ASSOCIATE (continued)

Summarised financial information of material associate (continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements:

28. 於一間聯營公司之投資(續)

重大聯營公司的財務資料概要(續)

上文的財務資料概要與於綜合財務報表內確認的於聯營公司的權益賬面值對賬如下：

		Jiuli Youzhi 九利油脂	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Net assets	資產淨值	12	1,565
Proportion of the Group's ownership interest	本集團所有權權益之比例	49%	49%
Carrying amount of the Group's interest	本集團權益之賬面值	6	767

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

29. INVESTMENTS HELD FOR TRADING

29. 持作買賣投資

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Investments held for trading include:	持作買賣投資包括：		
Equity securities listed in Hong Kong, at fair value	於香港上市的股本證券， 按公平值	1,258,195	1,237,200
Derivatives listed outside Hong Kong, at fair value (Note)	於香港境外上市的衍生工具， 按公平值(附註)	51	3,808
		1,258,246	1,241,008

Note: Amount represents the fair value of the Group's outstanding position of trading of futures related to commodities and currencies as at 31 March 2018 and 2017.

附註：該金額指本集團於二零一八年及二零一七年三月三十一日有關商品及貨幣之未平倉期貨買賣之公平值。

Fair values of listed investments held for trading were based on quoted market bid price in the active market.

持作買賣上市投資的公平值乃根據活躍市場的市場買入報價計算。

As at 31 March 2018, included in the Group's investments held for trading, carrying amount of HK\$628,580,000 (2017: HK\$675,501,000), HK\$418,740,000 (2017: HK\$459,380,000) and HK\$204,800,000 (2017: nil) (the "Pledged Shares") are pledged to secure banking facilities of HK\$621,604,000 (2017: HK\$600,000,000) with a term of twelve months, the secured notes and a securities margin loan respectively. The Pledged Shares as security will be released upon the full repayment of the loans. Details of the secured notes, the banking facilities and the securities margin loan are disclosed in notes 32 and 34 respectively.

於二零一八年三月三十一日，計入本集團持作買賣投資之賬面值分別為628,580,000港元(二零一七年：675,501,000港元)、418,740,000港元(二零一七年：459,380,000港元)及204,800,000港元(二零一七年：無)之股份(「已抵押股份」)已抵押以獲授為期十二個月之銀行融資621,604,000港元(二零一七年：600,000,000港元)、有抵押票據及證券保證金貸款。已抵押股份作為抵押將於貸款悉數償還後解除。有關有抵押票據、銀行融資及證券保證金貸款之詳情分別披露於附註32及34。

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. CONSIDERATION RECEIVABLE

30. 應收代價

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Consideration receivable in respect of:	應收有關以下項目之代價：		
Menggang Group Disposal	蒙港集團出售事項	24,980	67,680

On 7 September 2011, the Group entered into a sale and purchase agreement with an independent third party not connected with the Group, Inner-Mongolia Shuangxin Resources Group Co., Ltd. (the "Purchaser"). Pursuant to this sale and purchase agreement, the Group agreed to dispose of Wuhai City Menggang Industrial Development Co., Ltd. and its subsidiaries (collectively referred to as the "Menggang Group") (the "Menggang Group Disposal"), which operated the Group's coal mines in the Inner-Mongolia Autonomous Region in the PRC (the "Inner-Mongolia Coal Mining Operation"), for a cash consideration of RMB1,503,000,000 ("Total Consideration"). The Menggang Group Disposal was completed on 30 May 2012. The Total Consideration shall be satisfied by four installments: RMB781,560,000 by completion; RMB420,840,000 by 90 days subsequent to the completion; RMB225,450,000 by 180 days subsequent to the completion and the remaining RMB75,150,000 by fifteen months subsequent to the completion. On 19 November 2012, the Group and the Purchaser entered into a supplemental agreement in relation to the Menggang Group Disposal, pursuant to which the Group and the Purchaser agreed to reduce the Total Consideration by RMB75,000,000. Such reduction shall be settled by deducting the third installment by RMB40,000,000 and deducting the final installment by RMB35,000,000.

於二零一一年九月七日，本集團與一名與本集團並無關連之獨立第三方內蒙古雙欣資源集團有限公司(「買方」)訂立買賣協議。根據此買賣協議，本集團同意以人民幣1,503,000,000元之現金代價(「總代價」)出售烏海市蒙港投資有限公司及其附屬公司(統稱「蒙港集團」)(「蒙港集團出售事項」)，蒙港集團營運本集團於中國內蒙古自治區之煤礦(「內蒙古煤礦營運」)。蒙港集團出售事項已於二零一二年五月三十日完成。總代價原應分四筆分期付款支付：於完成前應支付人民幣781,560,000元；於完成後90日內支付人民幣420,840,000元；於完成後180日內支付人民幣225,450,000元及於完成後十五個月內支付餘下之人民幣75,150,000元。於二零一二年十一月十九日，本集團與買方訂立一份有關蒙港集團出售事項之補充協議，據此，本集團與買方同意將總代價減少人民幣75,000,000元。有關減少將透過扣減第三筆分期付款人民幣40,000,000元及扣減最後一筆分期付款人民幣35,000,000元償付。

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. CONSIDERATION RECEIVABLE (continued)

On 6 December 2012, the Purchaser received a notice (the “**Notice**”) from the tax bureau of Wuhai City Hainan District in the Inner Mongolia Autonomous Region (the “**Tax Bureau**”), pursuant to which, the Tax Bureau requested the Purchaser to withhold additional business tax of RMB80 million. The directors of the Company are of the view that such additional business tax is not applicable to this transaction. Hence the Group negotiated with the Tax Bureau and finally the Tax Bureau revoked the Notice on 3 April 2013. However, the Purchaser continues to withhold this RMB80 million.

On 16 May 2013, an arbitration (the “**First Arbitration**”) was filed by the Group to China International Economic and Trade Arbitration Commission (the “**Commission**”) to claim this unsettled amount. On 8 August 2013, the Purchaser provided its written defence to the Commission and argued that the Notice issued by the Tax Bureau did not clearly state that additional business tax is not applicable to this transaction and the Tax Bureau’s revocation of the Notice could not remove the obligation for the Purchaser to withhold and pay the additional business tax.

On 30 August 2013, the final installment of the Total Consideration, RMB40,150,000 has been due. On 8 October 2013, the Purchaser filed a counter arbitration (the “**Counterclaim**”) request to the Commission and claimed that the Group had failed to fulfil certain terms and obligations in accordance with the sale and purchase agreement. Due to this non-compliance, the Purchaser has to incur additional costs before the Menggang Group’s coal mines could be put into operations. Therefore, the Purchaser withheld the final installment of the Total Consideration and claimed an aggregate compensation amount of approximately RMB65 million (approximately equivalent to HK\$82 million).

On 13 January 2014, the Group filed another arbitration to the Commission to claim the unsettled final installment (the “**Second Arbitration**”).

30. 應收代價(續)

於二零一二年十二月六日，買方自內蒙古自治區烏海市海南區稅務局(「**稅務局**」)接獲通知(「**該通知**」)，據此，稅務局要求買方預扣額外營業稅人民幣80,000,000元。本公司董事認為，有關額外營業稅並不適用於本交易。因此，本集團與稅務局進行協商，最終稅務局於二零一三年四月三日撤銷該通知。然而，買方繼續預扣該筆人民幣80,000,000元。

於二零一三年五月十六日，本集團已向中國國際經濟貿易仲裁委員會(「**委員會**」)提出仲裁(「**首次仲裁**」)，以索回該筆未償付金額。於二零一三年八月八日，買方已向委員會提供其書面答辯並辯稱稅務局發出之該通知並無清楚列示額外營業稅並不適用於本交易，而稅務局撤銷該通知不可免除買方預扣及支付額外營業稅之責任。

於二零一三年八月三十日，總代價之最後一筆分期付款人民幣40,150,000元到期。於二零一三年十月八日，買方向委員會提出反仲裁要求(「**反索償**」)並聲稱本集團未能根據買賣協議履行若干條款及責任。由於該未能履約事宜，買方於蒙港集團之煤礦可投入營運前不得不產生額外成本。因此，買方扣押總代價之最後一筆分期付款並索償賠償總額約人民幣65,000,000元(相當於約82,000,000港元)。

於二零一四年一月十三日，本集團再次向委員會提出仲裁索回未償付最後一筆分期付款(「**二次仲裁**」)。

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. CONSIDERATION RECEIVABLE (continued)

On 27 June 2014, the decision of the First Arbitration was concluded by the Commission. The decision is in favour of the Group and the Commission ordered the Purchaser to settle the unsettled portion of the third installment of RMB80 million and dismissed the Counterclaim. The Purchaser, however, filed a litigation to the Beijing Second Intermediate People's Court (the "**Beijing Court**") to request the Beijing Court to set aside the decision made in the First Arbitration and applied to temporarily suspend the Second Arbitration.

On 22 September 2014, the Purchaser revoked its request about the temporarily suspension of the Second Arbitration.

On 23 October 2014, the Group requested the Commission to re-open the Second Arbitration. On 18 December 2014, the Beijing Court rejected the request from the Purchaser to set aside the decision made in the First Arbitration.

On 6 February 2015, the Group has submitted a mandatory enforcement application to Ordos Intermediate People's Court (the "**Ordos Court**") to execute the decision of the First Arbitration (the "**First Execution**"), which requires the Purchaser to settle the remaining portion of the third installment of RMB80 million. On 22 September 2015, RMB20 million (approximately HK\$24,358,000) as part of unsettled portion of the third installment was received by the Group.

On 22 March 2016, the Purchaser applied to the Mongolia Autonomous Regional Higher People's Court ("**Inner-Mongolia Court**") to temporarily suspend the First Execution and the decision of the Inner-Mongolia Court is in favour of the Purchaser. The First Execution is temporarily suspended.

30. 應收代價(續)

於二零一四年六月二十七日，委員會已作出首次仲裁之裁決。委員會裁定本集團勝訴，並令買方支付未償付之部分第三筆分期付款人民幣80,000,000元及駁回反索償。然而，買方向北京市第二中級人民法院(「**北京法院**」)提出訴訟，要求北京法院撤銷首次仲裁之裁決並申請暫停二次仲裁。

於二零一四年九月二十二日，買方撤回其有關暫停二次仲裁之要求。

於二零一四年十月二十三日，本集團要求委員會重新進行二次仲裁。於二零一四年十二月十八日，北京法院駁回買方要求法院撤銷首次仲裁之裁決。

於二零一五年二月六日，本集團已向鄂爾多斯中級人民法院(「**鄂爾多斯法院**」)提交一份強制執行申請以執行首次仲裁之裁決(「**首次執行書**」)，要求買方支付餘下部分之第三筆分期付款人民幣80,000,000元。於二零一五年九月二十二日，本集團收到人民幣20,000,000元(約24,358,000港元)作為第三筆分期付款之未償付部分之一部分。

於二零一六年三月二十二日，買方向內蒙古自治區高級人民法院(「**內蒙古法院**」)申請暫停首次執行書及內蒙古法院判決買方勝訴。首次執行書獲暫停。

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. CONSIDERATION RECEIVABLE (continued)

On 30 March 2016, the Group filed an appeal to the Inner-Mongolia Court and requested to set aside the decision on temporarily suspending the First Execution. The appeal was dismissed on 5 May 2016. As a result of the suspension of execution, the execution procedures for enforcing the court order for the remaining RMB60,000,000 unsettled portion of the third installment are yet to take effect. According to opinion by the Group's legal counsel, it is anticipated that enforcement of execution may be able to be resumed following final resolution of the New Civil Claim (as defined below).

On 3 August 2015, the decision of the Second Arbitration was made by the Commission. The decision is in favour of the Group and the Commission ordered the Purchaser to settle the unsettled final installment of RMB40 million. On 8 September 2015, the Group has submitted a mandatory enforcement to Ordos Court to execute the decision of the Second Arbitration (the "Second Execution").

Following the Second Execution, on 29 December 2015, the Purchaser settled the final installment of RMB40 million and withheld the Enterprise Income Tax of RMB10 million, which previously the Group provided and included in tax payable. Net cash inflow from this settlement was RMB30 million (approximately HK\$36,027,000). Overdue interests, penalty and relevant arbitration expenses of RMB4,115,000 (approximately HK\$4,896,000) were received by the Group from the Purchaser and were recognised as other income during the year ended 31 March 2016.

On 21 August 2014, the Purchaser, however, filed a litigation (the "New Civil Claim") to the Inner-Mongolia Court and claimed for an aggregate amount of approximately RMB103 million (approximately HK\$131 million), based on similar facts under the Counterclaim. On 6 February 2015, the Group received a writ of summons from the Inner-Mongolia Court regarding this litigation dated 29 December 2014. On 8 May 2015, the Group submitted an application of objection to the jurisdiction at the Inner-Mongolia Court (the "Objection").

30. 應收代價(續)

於二零一六年三月三十日，本集團向內蒙古法院提出上訴，要求撤銷有關暫停首次執行書之判決。上訴於二零一六年五月五日被駁回。由於暫緩執行，執行有關第三筆分期付款餘下未結算部分人民幣60,000,000元之法院頒令之執行程序尚未生效。根據本集團法律顧問之意見，預計強制執行可能於新民事索償(定義見下文)之最終判決後恢復執行。

於二零一五年八月三日，委員會已作出二次仲裁之裁決。委員會裁定本集團勝訴，並令買方支付未償付之最後一筆分期付款人民幣40,000,000元。於二零一五年九月八日，本集團已向鄂爾多斯法院提交一份強制執行申請以執行二次仲裁之裁決(「二次執行書」)。

於二次執行書後，於二零一五年十二月二十九日，買方清償最後一期分期付款人民幣40,000,000元並預扣企業所得稅人民幣10,000,000元(其先前由本集團計提並計入應付稅項內)。本次和解之現金流入淨額為人民幣30,000,000元(約36,027,000港元)。截至二零一六年三月三十一日止年度，逾期利息、罰款及相關仲裁開支人民幣4,115,000元(約4,896,000港元)由本集團自買方收取並確認為其他收入。

然而，於二零一四年八月二十一日，買方向內蒙古法院提起訴訟(「新民事索償」)及基於反索償之類似事實索回總額約人民幣103,000,000元(約131,000,000港元)。於二零一五年二月六日，本集團收到內蒙古法院關於該訴訟之日期為二零一四年十二月二十九日之訴訟狀。於二零一五年五月八日，本集團向內蒙古法院提出管轄權異議申請(「異議」)。

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. CONSIDERATION RECEIVABLE (continued)

On 2 June 2015, the Inner-Mongolia Court dismissed the Group's Objection. On 7 August 2015, the Group filed an appeal to the Inner-Mongolia Court and reaffirmed its Objection. On 25 December 2015, the Inner-Mongolia Court dismissed the Group's Objection. The Inner-Mongolia Court commenced the hearing of the New Civil Claim case on 13 April 2016 and completed on 20 June 2016. On 7 July 2017, the Inner Mongolia Court dismissed all claims submitted by the Purchaser against the Group under the New Civil Claim.

On 15 September 2017, the Purchaser appealed the Inner Mongolia Court's decision on the New Civil Claim to the Supreme Peoples' Court of the PRC and the appeal is being reviewed by a collegiate panel convened by the Supreme People's Court. On 12 January 2018, the Group successfully obtained the judgment of the Inner-Mongolia Autonomous Regional Higher People's Court ordering that the suspension of First Execution be lifted.

During the year ended 31 March 2018, RMB40,000,000 was received by the Company under the First Execution. As at 31 March 2018, the remaining unsettled consideration of RMB20,000,000 (or equivalent to HK\$24,980,000) (2017: HK\$67,680,000) was included in the consolidated statement of financial position as consideration receivable.

In view of the Notice having been revoked by the Tax Bureau, the decision of the First Arbitration, Second Arbitration, the Beijing Court and the Inner Mongolia Court, the directors of the Company considered that the Group had fully complied with the terms of the sale and purchase agreement. After taking legal advice, in the opinion of the directors of the Company, the Group has a meritorious ground on the arbitration and litigation, so the risk of not able to recover the amount is minimal, and no impairment loss is required as at 31 March 2018.

30. 應收代價(續)

於二零一五年六月二日，內蒙古法院駁回本集團之異議。於二零一五年八月七日，本集團向內蒙古法院提出上訴並重申其異議。於二零一五年十二月二十五日，內蒙古法院駁回本集團之異議。內蒙古法院於二零一六年四月十三日開始進行新民事索償之聆訊及於二零一六年六月二十日完成。於二零一七年七月七日，內蒙古法院駁回買方對本集團所提出新民事索償項下之所有訴訟請求。

於二零一七年九月十五日，買方就內蒙古法院有關新民事索償之判決向中國最高人民法院提出上訴，有關上訴現由最高人民法院所召開的合議庭審理。於二零一八年一月十二日，本集團成功取得內蒙古自治區高級人民法院解除暫緩執行首次執行書的判決。

截至二零一八年三月三十一日止年度，本公司已根據首次執行書收取人民幣40,000,000元。於二零一八年三月三十一日，餘下未償付代價人民幣20,000,000元(或相當於24,980,000港元)(二零一七年：67,680,000港元)於綜合財務狀況報表列作應收代價。

鑑於該通知已被稅務局撤銷、首次仲裁、二次仲裁、北京法院及內蒙古法院之裁決，本公司董事認為本集團已完全遵守買賣協議之條款。於尋求法律意見後，本公司董事認為，因本集團於仲裁中具有利理據，無法收回該金額之風險極微，因此，於二零一八年三月三十一日毋須作出減值虧損。

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

31. OTHER CURRENT FINANCIAL LIABILITIES

31. 其他流動金融負債

Trade payables

應付賬款

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Margin and other deposits payable to clients arising from commodities, futures and securities brokerage	商品、期貨及證券經紀產生之應付客戶之保證金及其他按金	11,754	48,470
Trade payables to brokers and clearing houses arising from commodities, futures and securities brokerage	商品、期貨及證券經紀產生之應付經紀及結算所賬款	42,092	1,303
Trade payables arising from construction machinery and sales of construction materials	建築機械及建築物料銷售業務產生之應付賬款	21,980	8,050
Trade payables arising from men's and women's apparel	男裝及女裝產生之應付賬款	808	3,567
		76,634	61,390

The settlement terms of payable to brokers, clearing houses and securities trading clients from the ordinary course of business of brokerage in securities range from two to three days after the trade date of those transactions. Margin and other deposits received from clients for their trading of commodities and futures contracts were payable on demand.

Trade payables arising from construction machinery and sales of construction materials business and men's and women's apparel principally comprise amounts outstanding for trade purchases. The normal credit period taken for trade purchases is 0–45 days.

根據日常證券經紀業務產生之應付經紀、結算所及買賣證券之客戶賬款的清償期限為該等交易日期後兩日至三日。向商品及期貨合約買賣之客戶收取之保證金及其他按金須於客戶要求時償還。

建築機械及建築物料銷售業務以及男裝及女裝產生之應付賬款主要包括貿易購買之尚未償還款項。貿易購買之一般信貸期為0至45日。

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 CURRENT FINANCIAL LIABILITIES (continued)

Trade payables (continued)

An aging analysis of the Group's trade payables arising from construction machinery and sales of construction materials business and men's and women's apparel business at the end of the reporting period presented based on the invoice dates 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
0–30 days	0–30 日	17,188	7,338
31–60 days	31–60 日	2,698	2,383
61–180 days	61–180 日	1,987	1,274
181–365 days	181–365 日	769	177
Over 365 days	超過 365 日	146	445
		22,788	11,617

The trade payables of HK\$19,005,000 (2017: HK\$21,290,000) are denominated in currencies other than the functional currency of the respective group entities.

Other payables, deposits received and accruals

Other payables principally comprise amounts outstanding for ongoing costs.

Included in the Group's other payables, deposits received and accruals are other payables of HK\$7,275,000 (2017: HK\$702,000) denominated in the currency other than the functional currency of the respective group entities.

31. 其他流動金融負債(續)

應付賬款(續)

本集團於報告期末自建築機械及建築物料銷售業務以及男裝及女裝業務產生之應付賬款根據發票日期呈列之賬齡分析如下：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
0–30 日	17,188	7,338
31–60 日	2,698	2,383
61–180 日	1,987	1,274
181–365 日	769	177
超過 365 日	146	445
	22,788	11,617

應付賬款 19,005,000 港元(二零一七年：21,290,000 港元)乃以各集團實體功能貨幣以外之貨幣計值。

其他應付款項、已收訂金及應計費用

其他應付款項主要包括持續成本的未償付款項。

本集團其他應付款項、已收訂金及應計費用包括 7,275,000 港元(二零一七年：702,000 港元)的其他應付款項，乃以各集團實體功能貨幣以外之貨幣計值。

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

32. SECURED NOTES

32. 有抵押票據

		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
Non-current:	非即期：		
— SN3 Notes (note c)	— 第三份有抵押票據(附註c)	350,000	—
Current:	即期：		
— SN1 Notes (note a)	— 第一份有抵押票據(附註a)	—	150,331
— SN2 Notes (note b)	— 第二份有抵押票據(附註b)	155,840	—
		155,840	150,331
		505,840	150,331

Notes:

- (a) On 6 July 2015, the Group entered into a subscription agreement (the “**SN1 Subscription Agreement**”) with an independent third party (the “**SN1 Subscriber**”). Pursuant to the SN1 Subscription Agreement, the Group agreed to issue and the SN1 Subscriber agreed to subscribe for notes (the “**SN1 Notes**”) in the aggregate principal amount of up to US\$30,000,000 (or approximately HK\$232,499,000). The maturity date of the SN1 Notes is two years after the issue date. The SN1 Notes bear fixed coupon rate at 9% per annum. As at 31 March 2017, the SN1 Notes were secured by certain of the Group’s investments held for trading with fair value of HK\$459,380,000. During the year ended 31 March 2018, the pledge was released after the Group fully redeemed the SN1 Notes.

Pursuant to the SN1 Subscription Agreement, the SN1 Subscriber had the right to request the Group to redeem the SN1 Notes in whole or in part at the sum of (a) the principal amount outstanding on the SN1 Notes; (b) the outstanding interest up to the date of redemption; (c) any default interest; and (d) any other outstanding amount due but unpaid under that SN1 Notes at any time but no later than 45 days before maturity. Hence, the SN1 Notes were recognised as current liabilities in the consolidated statement of financial position.

附註：

- (a) 於二零一五年七月六日，本集團與一名獨立第三方(「**第一份有抵押票據認購人**」)訂立認購協議(「**第一份有抵押票據認購協議**」)。根據第一份有抵押票據認購協議，本集團同意發行而第一份有抵押票據認購人同意認購本金總額最多為30,000,000美元(或約232,499,000港元)之票據(「**第一份有抵押票據**」)。第一份有抵押票據之到期日為發行日期後兩年。第一份有抵押票據按每年9%之固定票面利率計息。於二零一七年三月三十一日，第一份有抵押票據分別以本集團公平值為459,380,000港元之若干持作買賣投資作抵押。截至二零一八年三月三十一日止年度，於本集團悉數贖回第一份有抵押票據後，抵押已獲解除。

根據第一份有抵押票據認購協議，第一份有抵押票據認購人有權要求本集團隨時但不得遲於到期日前四十五日按(a)第一份有抵押票據之尚未償還本金額；(b)直至贖回日期止之尚未償還利息；(c)任何拖欠利息；及(d)第一份有抵押票據項下過期但未支付之任何其他尚未償還金額之總和贖回全部或部分第一份有抵押票據。因此，第一份有抵押票據於綜合財務狀況報表內按流動負債予以確認。

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

32. SECURED NOTES (continued)

Notes: (continued)

(a) (continued)

As part of the SN1 Subscription Agreement, the Group entered into a call option deed (the “**CSFG Call Option Deed**”) and a warrant agreement (the “**HTF Warrant Agreement**”) with the SN1 Subscriber. Pursuant to the CSFG Call Option Deed, the SN1 Subscriber was granted a right to purchase up to 80,729,170 shares of CSFG at an exercise price of HK\$1.44 per share (the “**CSFG Option**”). The SN1 Subscriber was entitled to exercise the option at any time before 14 July 2018.

Pursuant to the HTF Warrant Agreement, the SN1 Subscriber was granted a right to subscribe in aggregate up to a maximum amount of US\$15,000,000 worth of the shares of Hao Tian Finance (the “**HTF Warrants**”) in the period from the grant date of the HTF Warrants until three years after such grant. The exercise price will be determined (i) if the HTF Warrants are exercised before the consolidated audited accounts of the Group for the year ended 31 March 2017 are delivered by the Group, the net assets value per Hao Tian Finance share as at 31 March 2016; or (ii) if the HTF Warrants are exercised after the consolidated audited accounts of the Group for the year ended 31 March 2017 are delivered by the Group, the lower of (a) the net assets value per Hao Tian Finance share as at 31 March 2016; or (b) net assets value per Hao Tian Finance share as at 31 March 2017.

As at date of issue, the fair value of the SN1 Notes, the CSFG Option and the HTF Warrants were HK\$188,198,000, HK\$24,253,000 and HK\$20,048,000 respectively.

The SN1 Notes represented the present value of the contractually determined stream of future cash flows discounted at the rate of interests, on initial recognition, of instruments of comparable credit status and providing substantially the same cash flows, on the same terms, but without the CSFG Option and the HTF Warrants. The effective interest rate of the SN1 Notes was 21.157% per annum. The SN1 Notes also included the value of the early repayment option as the option was closely related to the host debt instrument. The SN1 Notes were classified as financial liabilities as defined under HKAS 39 and were carried in the consolidated statement of financial position at amortised cost in accordance with HKAS 39.

32. 有抵押票據 (續)

附註：(續)

(a) (續)

作為第一份有抵押票據認購協議之部分，本集團已與第一份有抵押票據認購人訂立認購期權契據（「**中國山東金融集團認購期權契據**」）及認股權證協議（「**昊天財務認股權證協議**」）。根據中國山東金融集團認購期權契據，第一份有抵押票據認購人被授權按行使價每股1.44港元購買中國山東金融集團之最多80,729,170股股份（「**中國山東金融集團期權**」）。第一份有抵押票據認購人有權於二零一八年七月十四日前任何時間行使期權。

根據昊天財務認股權證協議，第一份有抵押票據認購人被授權於自授出昊天財務認股權證之日起直至有關授出後三年之期間內，認購合共最多價值15,000,000美元之昊天財務股份（「**昊天財務認股權證**」）。(i)倘昊天財務認股權證於本集團寄發本集團截至二零一七年三月三十一日止年度之綜合經審核賬目前獲行使，則行使價將釐定為每股昊天財務股份於二零一六年三月三十一日之資產淨值；或(ii)倘昊天財務認股權證於本集團寄發本集團截至二零一七年三月三十一日止年度之綜合經審核賬目後獲行使，則行使價將釐定為(a)每股昊天財務股份於二零一六年三月三十一日之資產淨值；或(b)每股昊天財務股份於二零一七年三月三十一日之資產淨值之較低者。

於發行日期，第一份有抵押票據、中國山東金融集團期權及昊天財務認股權證之公平值分別為188,198,000港元、24,253,000港元及20,048,000港元。

第一份有抵押票據指按信用狀況相近並以相同條款提供大致相同現金流量之工具之利率（於初步確認）貼現之訂約釐定之未來現金流量之現值，而不考慮中國山東金融集團期權及昊天財務認股權證。第一份有抵押票據之實際利率為每年21.157%。由於期權與主債務工具密切相關，故第一份有抵押票據亦包括提早償還選擇權之價值。第一份有抵押票據分類為香港會計準則第39號項下定義之金融負債，並根據香港會計準則第39號按攤銷成本於綜合財務狀況報表內列賬。

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

32. SECURED NOTES (continued)

Notes: (continued)

(a) (continued)

The CSFG Option and the HTF Warrants were carried in the consolidated statement of financial position as financial liabilities at FVTPL. The fair values of the CSFG Option and the HTF Warrants were detailed in note 20(ii).

During the year ended 31 March 2018, an imputed interest on the SN1 Notes of HK\$3,700,000 (2017: HK\$21,791,000) was recognised as finance costs in the consolidated statement of profit or loss and other comprehensive income.

During the year ended 31 March 2018, the SN1 Notes with the carrying value of HK\$154,608,000 (2017: HK\$74,534,000) were redeemed at the principal amount of HK\$155,308,000 (2017: HK\$77,493,000). Loss on early redemption of secured notes of approximately HK\$700,000 (2017: HK\$2,959,000) was charged to profit or loss.

(b) On 10 October 2017, the Group entered into a subscription agreement (the “**SN2 Subscription Agreement**”) with an independent third party (the “**SN2 Subscriber**”). Pursuant to the SN2 Subscription Agreement, the Group agreed to issue and the SN2 Subscriber agreed to subscribe for notes (the “**SN2 Notes**”) in the aggregate principal amount of up to US\$20,000,000 (or approximately HK\$155,840,000). The maturity date of the SN2 Notes is one year after the issue date. The SN2 Notes bears fixed coupon rate at 8% per annum. As at 31 March 2018, the SN2 Notes is secured by certain of the Group’s investments held for trading and available-for-sale investments with fair value of HK\$418,740,000 and HK\$58,878,000.

The SN2 Notes is classified as financial liabilities as defined under HKAS 39 and is carried in the consolidated statement of financial position at amortised cost in accordance with HKAS 39.

32. 有抵押票據(續)

附註：(續)

(a) (續)

中國山東金融集團期權及昊天財務認股權證以公平值計且其變化計入損益的金融負債於綜合財務狀況報表內列賬。中國山東金融集團期權及昊天財務認股權之公平值詳述於附註20(ii)。

截至二零一八年三月三十一日止年度，第一份有抵押票據之估算利息3,700,000港元(二零一七年：21,791,000港元)已於綜合損益及其他全面收益表內確認為融資成本。

截至二零一八年三月三十一日止年度，賬面值為154,608,000港元(二零一七年：74,534,000港元)的第一份有抵押票據已按本金額為155,308,000港元(二零一七年：77,493,000港元)贖回。提前贖回有抵押票據虧損約700,000港元(二零一七年：2,959,000港元)已計入損益。

(b) 於二零一七年十月十日，本集團與一名獨立第三方(「**第二份有抵押票據認購人**」)訂立認購協議(「**第二份有抵押票據認購協議**」)。根據第二份有抵押票據認購協議，本集團同意發行而第二份有抵押票據認購人同意認購本金總額最多為20,000,000美元(或約155,840,000港元)之票據(「**第二份有抵押票據**」)。第二份有抵押票據之到期日為發行日期後一年。第二份有抵押票據按每年8%之固定票面利率計息。於二零一八年三月三十一日，第二份有抵押票據以本集團公平值分別為418,740,000港元及58,878,000港元之若干持作買賣投資及可供出售投資作抵押。

第二份有抵押票據分類為香港會計準則第39號項下定義之金融負債，並根據香港會計準則第39號按攤銷成本於綜合財務狀況報表內列賬。

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

32. SECURED NOTES (continued)

Notes: (continued)

- (c) On 10 January 2018, the Group entered into a subscription agreement (the “**SN3 Subscription Agreement**”) with an independent third party (the “**SN3 Subscriber**”). Pursuant to the SN3 Subscription Agreement, the Group agreed to issue and the SN3 Subscriber agreed to subscribe for notes (the “**SN3 Notes**”) in the aggregate principal amount of up to HK\$350,000,000. The maturity date of the SN3 Notes is five years after the issue date without repayable on demand clause. The SN3 Notes bears fixed coupon rate at 9.75% per annum. As at 31 March 2018, the SN3 Notes is secured by the entire issued share capital of a subsidiary of the Company.

Pursuant to the terms of SN3 Subscription Agreement, the Group may redeem the SN3 Notes within five years from the issue date. The redemption amount of the SN3 Notes will be: i) 103% of the principal amount if the redemption is made on the date falling the first anniversary of the issue date; ii) 106.35% of the principal amount if the redemption is made on the date falling the second anniversary of the issue date; iii) 110.15% of the principal amount if the redemption is made on the date falling the third anniversary of the issue date; iv) 114.35% of the principal amount if the redemption is made on the date falling the fourth anniversary of the issue date; and v) 119.1% of the principal amount if the redemption is made on the date falling the fifth anniversary of the issue date.

The effective interest rate of SN3 Notes is 12.68% per annum.

The SN3 Notes is classified as financial liabilities as defined under HKAS 39 and is carried in the consolidated statement of financial position at amortised cost in accordance with HKAS 39.

32. 有抵押票據 (續)

附註：(續)

- (c) 於二零一八年一月十日，本集團與一名獨立第三方(「**第三份有抵押票據認購人**」)訂立認購協議(「**第三份有抵押票據認購協議**」)。根據第三份有抵押票據認購協議，本集團同意發行而第三份有抵押票據認購人同意認購本金總額最多為350,000,000港元之票據(「**第三份有抵押票據**」)。第三份有抵押票據之到期日為發行日期後五年(沒有隨時按要求償還條款)。第三份有抵押票據按每年9.75%之固定票面利率計息。於二零一八年三月三十一日，第三份有抵押票據以本公司附屬公司全部已發行股本作抵押。

根據第三份有抵押票據認購協議的條款，本集團可於發行日期起計五年內贖回第三份有抵押票據。第三份有抵押票據的贖回金額將為：i) 倘在發行日期的第一個週年日進行贖回，則為本金額的103%；ii) 倘在發行日期的第二個週年日進行贖回，則為本金額的106.35%；iii) 倘在發行日期的第三個週年日進行贖回，則為本金額的110.15%；iv) 倘在發行日期的第四個週年日進行贖回，則為本金額的114.35%；及v) 倘在發行日期的第五個週年日進行贖回，則為本金額的119.1%。

第三份有抵押票據的實際年利率為12.68%。

第三份有抵押票據分類為香港會計準則第39號項下定義之金融負債，並根據香港會計準則第39號按攤銷成本於綜合財務狀況報表內列賬。

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

33. DEFERRED TAX ASSETS AND LIABILITIES

The following is the major deferred tax (liabilities) assets recognised and movement thereon during the current year:

33. 遞延稅項資產及負債

於本年度內確認的主要遞延稅項(負債)資產及其變動如下：

		Accelerated tax depreciation	Tax losses	Fair value change of investments held for trading	Fair value adjustment on property, plant and equipment and intangible assets on acquisition of subsidiaries 於收購 附屬公司時 物業、廠房 及設備以及 無形資產之 公平值調整	Total
		加速 稅項折舊 HK\$'000 千港元	稅項虧損 HK\$'000 千港元	持作 買賣投資之 公平值變動 HK\$'000 千港元	公平值調整 HK\$'000 千港元	總額 HK\$'000 千港元
At 1 April 2016	於二零一六年四月一日	-	-	(567,335)	-	(567,335)
Acquisition of subsidiaries (note 41)	收購附屬公司(附註41)	(29,393)	5,080	-	(52,554)	(76,867)
(Charge) credit to profit or loss (note 10)	於損益(扣除)抵免 (附註10)	(1,388)	1,284	516,310	-	516,206
At 31 March 2017	於二零一七年 三月三十一日	(30,781)	6,364	(51,025)	(52,554)	(127,996)
Credit (charge) to profit or loss (note 10)	於損益抵免(扣除) (附註10)	2,023	(1,586)	21,253	5,129	26,819
At 31 March 2018	於二零一八年 三月三十一日	(28,758)	4,778	(29,772)	(47,425)	(101,177)

The following is the analysis of the deferred tax balances for financial reporting purposes:

以下為就財務報告而言之遞延稅項餘額分析：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Deferred tax assets	遞延稅項資產	4,743	6,364
Deferred tax liabilities	遞延稅項負債	(105,920)	(134,360)
		(101,177)	(127,996)

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. BORROWINGS

34. 借貸

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Bank overdrafts — secured (note a)	銀行透支 — 有抵押(附註a)	–	19,825
Bank loans — secured (note b)	銀行貸款 — 有抵押(附註b)	394,355	373,085
Corporate bonds and notes — unsecured (note c)	企業債券及票據 — 無抵押(附註c)	162,550	164,550
Securities margin loans — secured (note d)	證券保證金貸款 — 有抵押(附註d)	148,000	320,412
Other borrowings — secured (note e)	其他借貸 — 有抵押(附註e)	108,680	61,147
Other borrowings — unsecured (note f)	其他借貸 — 無抵押(附註f)	40,000	–
		853,585	939,019
Carrying amounts repayable (based on the scheduled repayment dates set out in loan agreements):	應償還之賬面金額 (根據貸款協議所載之預定償還日期計算):		
Within one year	一年之內	547,685	688,971
More than one year but not exceeding two years	超過一年但未超過兩年	57,355	34,790
More than two years but not exceeding five years	超過兩年但未超過五年	244,776	170,666
More than five years	超過五年	3,769	44,592
		853,585	939,019
Less: Amounts due within one year shown under current liabilities:	減: 於一年之內到期並列為流動負債之金額:		
— the carrying amounts of bank loans that contain a repayment on demand clause (shown under current liabilities) but repayable:	— 附有須按要求還款條款之銀行貸款之賬面金額 (列為流動負債), 惟須於以下日期償還:		
Within one year	一年之內	508,163	642,185
More than one year but not exceeding two years	超過一年但未超過兩年	18,220	11,509
More than two years but not exceeding five years	超過兩年但未超過五年	36,906	27,910
More than five years	超過五年	3,769	14,592
		567,058	696,196
— carrying amounts due within one year without repayable on demand clause	— 並無附有須按要求還款條款之於一年之內到期之賬面金額	39,522	46,786
		606,580	742,982
Amounts shown under non-current liabilities	列為非流動負債之金額	247,005	196,037

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. BORROWINGS (continued)

Notes:

- (a) As at 31 March 2017, the bank overdrafts were secured by pledged bank deposits of HK\$20,231,000. The bank overdrafts carried floating rates of Hong Kong Interbank Offered Rate (the "HIBOR") plus 1% or 1% per annum below prime rate, i.e. effective interest rate of 2.43% to 4% per annum.
- (b) As at 31 March 2018, the Group's bank borrowings approximately of HK\$20,000,000 (2017: HK\$20,000,000) were secured by pledged bank deposits of HK\$15,000,000 (2017: HK\$15,000,000). The bank borrowings carried floating rates of prime rate plus 1% (2017: 1%) per annum, i.e. effective interest of 6% (2017: 6%) per annum.

As at 31 March 2018, the Group's bank loans and other banking facilities approximately of HK\$56,590,000 (2017: HK\$91,085,000) were secured by leasehold land and building of HK\$6,296,000 (2017: HK\$6,316,000) and pledged bank deposits of HK\$4,627,000 (2017: HK\$4,603,000). The bank borrowings carried floating rates ranged from 3.5% to 4.88% (2017: 3% to 5.59%) per annum.

As at 31 March 2018, the Group's bank borrowings approximately of HK\$70,000,000 (2017: HK\$70,000,000) were secured by the Group's investments held for trading of HK\$270,000,000 (2017: HK\$297,000,000). The bank borrowings carried fixed rates of 6.5% (2017: 6.5%) per annum.

As at 31 March 2018, the Group's bank borrowing approximately of HK\$247,765,000 (2017: nil) was secured by the Group's investments held for trading and available-for-sale investments of HK\$358,580,000 and HK\$405,098,680. The bank borrowing carried interest at HIBOR plus 5.6% per annum.

As at 31 March 2017, the Group's bank borrowings approximately of HK\$50,000,000 were secured by pledged bank deposits of HK\$9,430,000, available-for-sale investments of HK\$71,500,000 and investments held for trading of HK\$1,472,000. The bank borrowings carried floating rates of HIBOR plus 2.7% per annum, i.e. effective interest of 3.11% per annum.

As at 31 March 2017, the Group's bank borrowings of HK\$142,000,000 were secured by certain assets of the Group, including the Group's available-for-sale investments of HK\$64,766,000, investments held for trading of HK\$377,029,000, and the entire issued share capital of the Group's subsidiaries, Hao Tian Finance and Guo Guang Limited. The bank borrowings carry floating rates of HIBOR plus 2.7% per annum, i.e. effective interest of 3.76% per annum.

34. 借貸(續)

附註：

- (a) 於二零一七年三月三十一日，銀行透支乃由已抵押銀行存款20,231,000港元作抵押。銀行透支以浮動利率按香港銀行同業拆息(「香港銀行同業拆息」)加1%或最優惠貸款年利率減1%計息，即實際利率為每年2.43%至4%。
- (b) 於二零一八年三月三十一日，本集團的銀行借貸約20,000,000港元(二零一七年：20,000,000港元)以已抵押銀行存款15,000,000港元(二零一七年：15,000,000港元)作抵押。銀行借貸以浮動利率每年按最優惠利率加1%計息，即實際利率為每年6%(二零一七年：6%)。

於二零一八年三月三十一日，本集團的銀行貸款及其他銀行融資約56,590,000港元(二零一七年：91,085,000港元)以租賃土地及樓宇6,296,000港元(二零一七年：6,316,000港元)及已抵押銀行存款4,627,000港元(2017年：4,603,000港元)作抵押。銀行借貸以浮動利率每年按3.5%至4.88%(二零一七年：3%至5.59%)計息。

於二零一八年三月三十一日，本集團的銀行借貸約70,000,000港元(二零一七年：70,000,000港元)以本集團的持作買賣投資270,000,000港元(二零一七年：297,000,000港元)作抵押。銀行借貸以固定利率每年按6.5%(二零一七年：6.5%)計息。

於二零一八年三月三十一日，本集團的銀行借貸約247,765,000港元(二零一七年：無)以本集團的持作買賣投資358,580,000港元及可供出售投資405,098,680港元作抵押。銀行借貸每年按香港銀行同業拆息加5.6%計息。

於二零一七年三月三十一日，本集團的銀行借貸約50,000,000港元以已抵押銀行存款9,430,000港元、可供出售投資71,500,000港元及持作買賣投資1,472,000港元作抵押。銀行借貸以浮動利率每年按香港銀行同業拆息另加2.7%計息，即實際利率為每年3.11%。

於二零一七年三月三十一日，本集團的銀行借貸142,000,000港元以本集團若干資產作抵押，當中包括本集團可供出售投資64,766,000港元、持作買賣投資377,029,000港元及本集團附屬公司昊天財務及國光有限公司全部已發行股本。銀行借貸以浮動利率每年按香港銀行同業拆息加2.7%計息，即實際利率為每年3.76%。

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. BORROWINGS (continued)

Notes: (continued)

(c) The borrowings are unsecured, carried fixed rate ranges from 3.25% to 7.5% per annum (2017: 2.25% to 7.5% per annum) and will mature in year 2018 to 2023 (2017: year 2017 to 2023).

(d) As at 31 March 2018, amount represented loan facilities received from securities broking house and were secured by investments held for trading of HK\$204,800,000. The entire loans were repayable on demand and carried fixed interest rate of 3.75% per annum.

As at 31 March 2017, 750,000,000 shares of Hao Tian International Construction held by the Group were pledged to a securities broking house. The entire loans were repayable on demand and carried fixed interest rate of 8% per annum. The pledge was released during the year ended 31 March 2018.

(e) It is the Group policy to lease certain of its motor vehicles and machinery under financing arrangement. The Group entered into financing arrangement with several financial institutions, pursuant to which the Group transferred the legal title of certain machinery of the Group to these financial institutions at net consideration of HK\$87,817,000 (2017: HK\$46,551,000). The Group is obligated to pay monthly instalments in accordance with respective agreements. Upon the maturity of the lease, the Group is entitled to purchase back the machinery at cash considerations in accordance with respective agreements which are expected lower than the market values of respective machinery. Despite the fact that the arrangement involves a legal form of a lease, the Group accounted for the arrangement as a collateralised borrowing at amortised cost using effective interest method, in accordance with the substance of the arrangement.

34. 借貸 (續)

附註：(續)

(c) 借貸為無抵押，按介乎每年3.25%至7.5%（二零一七年：每年2.25%至7.5%）之固定利率計息，並將於二零一八年至二零二三年（二零一七年：二零一七年至二零二三年）到期。

(d) 於二零一八年三月三十一日，金額為來自證券經紀公司的貸款融資，有關融資以持作買賣投資204,800,000港元作抵押。全部貸款均按要求償還，並以固定利率每年按3.75%計息。

於二零一七年三月三十一日，本集團持有的750,000,000股昊天國際建設股份已抵押予證券經紀公司。該抵押於截至二零一八年三月三十一日止年度解除。全部貸款均為按要求償還，並每年按固定利率8%計息。

(e) 本集團的政策為根據融資安排租賃若干汽車及機械。本集團與多家金融機構訂立融資安排，據此，本集團以淨代價87,817,000港元（二零一七年：46,551,000港元）將其若干機械的法定業權轉讓予該等金融機構。本集團有義務按照各自的協議按月分期付款。於租賃到期後，本集團有權按照各自的協議以預期低於相關機械市值的現金代價購回機械。儘管該安排涉及租賃的法律形式，惟本集團根據該安排實質，採用實際利率法按攤銷成本將該安排入賬為抵押借貸。

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. BORROWINGS (continued)

Notes: (continued)

(e) (continued)

The lease terms range from 3 to 5 years (2017: 3 to 5 years) under sale and leaseback arrangement. Interest rates underlying all arrangements are either fixed ranging from 7.14% to 11.97% per annum (2017: ranging from 7.50% to 11.97% per annum) or variable ranging from 5.49% to 9.82% per annum (2017: ranging from 6.69% to 9.65% per annum) at respective contract dates. None of the leases include contingent rentals.

		Present value of minimum lease payments 最低租賃付款現值	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Principal amount:	本金額：		
Within one year	一年之內	42,399	27,660
Within a period of more than one year but not more than two years	超過一年但未超過兩年	34,513	15,731
Within a period of more than two years but not more than five years	超過兩年但未超過五年	31,768	17,756
		108,680	61,147
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：於十二個月內到期結清的款項(列為流動負債)	(56,675)	(27,660)
Amount due for settlement after 12 months	於十二個月後到期結清的款項	52,005	33,487

Other borrowings are effectively secured by the underlying assets of HK\$165,787,000 (2017: HK\$107,057,000) as the rights to the leased assets would be reverted to the lessor in the event of default by repayment by the Group.

(f) Amount represents a borrowing from a director of a subsidiary of the Company. The borrowing carried a fixed interest of 2% per annum, unsecured and without repayable on demand clause.

Included in the Group's borrowings are borrowings of nil (2017: HK\$126,742,000) denominated in the currency other than the functional currency of the respective group entities.

34. 借貸(續)

附註：(續)

(e) (續)

根據售後租回安排，租期介乎3至5年(二零一七年：3至5年)。所有有關安排的利率於各合約日期釐定，年利率為7.14%至11.97%(二零一七年：年利率7.50%至11.97%)或為年利率5.49%至9.82%(二零一七年：年利率6.69%至9.65%)。租賃均不包括或然租金。

其他借貸由相關資產165,787,000港元(二零一七年：107,057,000港元)作有效抵押，此乃由於倘若本集團拖欠還款，則租賃資產的權利將歸還予出租人。

(f) 金額為來自本公司附屬公司董事的借貸。借貸每年按固定利率2%計息、無抵押且沒有隨時按求償還條款。

本集團借貸包括以各集團實體的功能貨幣以外的貨幣計值的零元(二零一七年：126,742,000港元)借貸。

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

35. OBLIGATIONS UNDER FINANCE LEASES

35. 融資租賃承擔

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Analysed for reporting purposes as:	就報告用途分析為：		
Current liabilities	流動負債	4,340	3,877
Non-current liabilities	非流動負債	8,341	3,015
		12,681	6,892

It is the Group's policy to lease certain of its motor vehicles and machineries under financing arrangement. The lease terms ranged from 3 to 5 years (2017: 1 to 5 years). Interest rates underlying all obligations under finance leases are either fixed ranging from 8.68% to 9.35% per annum (2017: 2.17% to 11.27% per annum) at respective contract dates. None of the leases include contingent rentals.

本集團之政策為根據融資安排租賃其若干汽車及機械。租期介乎3至5年(二零一七年：1至5年)，所有融資租賃承擔相關利率為按各合約日期介乎每年8.68%至9.35%(二零一七年：2.17%至11.27%)之固定利率。租賃不包括或然租金。

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

35. OBLIGATIONS UNDER FINANCE LEASES (continued)

35. 融資租賃承擔(續)

		Minimum lease payments 最低租賃付款		Present value of minimum lease payments 最低租賃付款之現值	
		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
Obligations under finance leases payable:	應付融資租賃承擔：				
Within one year	一年之內	4,776	4,225	4,340	3,877
Within a period of more than one year but not more than two years	超過一年但未超過兩年	3,846	1,648	3,445	1,571
Within a period of more than two years but not more than five years	超過兩年但未超過五年	4,906	1,483	4,896	1,444
		13,528	7,356	12,681	6,892
Less: future finance charges	減：日後融資支出	(847)	(464)	N/A 不適用	N/A 不適用
Present value of lease obligations	租賃承擔之現值	12,681	6,892	12,681	6,892
Less: Amount due for settlement with twelve months (shown under current liabilities)	減：於十二個月內到期償還款項 (列為流動負債)			(4,340)	(3,877)
Amount due for settlement after twelve months	於十二個月後到期償還款項			8,341	3,015

Obligations under finance leases are effectively secured by the underlying assets as the rights to the leased assets would be reverted to the lessor in the event of default of repayment by the Group.

在本集團拖欠還款的情況下，租賃資產的權利將歸還出租人，故融資租賃責任實際以相關資產抵押。

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

36. CHANGE OF GROUP'S INTEREST IN SUBSIDIARIES/OTHER LIABILITY

(A) During the year ended 31 March 2018, the Group's interests in Hao Tian International Construction was decreased from 80.79% to 62.50% as a result of the following transactions:

- (i) On 21 April 2017, the Group disposed of 57,947,000 shares of Hao Tian International Construction at an average price of HK\$0.62 per share in the secondary market (the "**Secondary Market Disposal**"). Upon completion of the Secondary Market Disposal, the Group's interests in Hao Tian International Construction was reduced from 80.79% to 75%; and
- (ii) On 26 May 2017, Hao Tian International Construction completed the Placing of 200,000,000 shares of HK\$0.62 per share to independent third parties (the "**Placing**") and the Group's interests in Hao Tian International Construction was reduced from 75% to 62.50%.

As at 31 March 2018, the Group owns 62.50% of issued share capital of Hao Tian International Construction.

As the above transactions do not result in the Group losing control over Hao Tian International Construction, they are accounted for as equity transactions.

36. 本集團於附屬公司之權益變動／其他負債

(A) 截至二零一八年三月三十一日止年度，在以下交易完成後，本集團於昊天國際建設之權益由80.79%減少至62.50%：

- (i) 於二零一七年四月二十一日，本集團於二手市場按每股0.62港元之平均價出售57,947,000股昊天國際建設股份（「**二手市場出售事項**」）。於完成二手市場出售事項後，本集團於昊天國際建設之權益由80.79%減少至75%；及
- (ii) 於二零一七年五月二十六日，昊天國際建設以每股0.62港元向獨立第三方完成配售200,000,000股股份（「**配售事項**」），本集團於昊天國際建設之權益由75%減少至62.50%。

於二零一八年三月三十一日，本集團擁有昊天國際建設已發行股本之62.50%。

由於上述交易並無導致本集團失去對昊天國際建設的控制權，故此有關交易乃入賬為股本交易。

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

36. CHANGE OF GROUP'S INTEREST IN SUBSIDIARIES/OTHER LIABILITY (continued)

(B) Hao Tian Management

On 22 May 2016, Hao Tian Management, an indirect wholly-owned subsidiary of the Company, entered into a subscription agreement (the “**HTM Subscription Agreement**”) with Vandi Investments Limited (“**Vandi**”), an independent third party, pursuant to which, Vandi agreed to subscribe for, and Hao Tian Management agreed to issue, 821 new ordinary shares for a consideration of US\$40 million (equivalent to HK\$311,561,000) (the “**HTM Subscription**”). The HTM Subscription was completed on 23 August 2016. Upon the completion of the HTM subscription, Hao Tian Management remains as an indirect non-wholly owned subsidiary of the Company and will be owned as to approximately 92.41% and approximately 7.59% by the Company and Vandi respectively. As part of the HTM Subscription Agreement, upon the completion of the HTM Subscription, the Company entered into a call option deed (“**HTD Option Deed**”) with Vandi, pursuant to which, the Company granted a call option to Vandi to subscribe up to 389,940,000 shares of the Company (the “**HTD Option**”) at an exercise price of HK\$0.8 per share (adjusted to 454,930,000 shares and HK\$0.69 per share after completion of the Year 2017 Bonus Issue, as defined in note 39).

The difference between the increase in non-controlling interests of HK\$45,579,000, the cash consideration of HK\$311,561,000, and the aggregated carrying value of the option arising from HTM Subscription of HK\$271,472,000, i.e. HK\$5,490,000, has been debited to other reserve at initial recognition.

36. 本集團於附屬公司之權益變動／其他負債 (續)

(B) 昊天管理

於二零一六年五月二十二日，本公司之間接全資附屬公司昊天管理與獨立第三方Vandi Investments Limited (「**Vandi**」) 訂立認購協議(「**昊天管理認購協議**」)，據此，Vandi同意認購，而昊天管理同意發行821股新普通股，代價為40,000,000美元(相當於311,561,000港元)(「**昊天管理認購事項**」)。昊天管理認購事項已於二零一六年八月二十三日完成。於昊天管理認購事項完成後，昊天管理仍為本公司之間接非全資附屬公司，並由本公司及Vandi分別擁有約92.41%及約7.59%權益。作為昊天管理認購協議之一部分，於完成昊天管理認購事項後，本公司與Vandi訂立一份認購期權契據(「**HTD期權契據**」)，據此，本公司向Vandi授出認購期權，以按行使價每股0.8港元認購最多389,940,000股本公司股份(「**HTD期權**」)(於完成二零一七年度紅利發行後調整為454,930,000股股份及每股0.69港元(定義見附註39))。

非控股權益增加45,579,000港元、現金代價311,561,000港元與昊天管理認購事項所產生之期權賬面值總額271,472,000港元之差額，即5,490,000港元，已於初步確認時計入其他儲備。

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

36. CHANGE OF GROUP'S INTEREST IN SUBSIDIARIES/OTHER LIABILITY (continued)

(C) Hao Tian Finance

On 9 April 2015, Hao Tian Finance, entered into a subscription agreement (the “**First Subscription Agreement**”) with Rui Sheng Global Holdings Limited (“**RSGHL**”), an independent third party. Pursuant to the First Subscription Agreement, RSGHL agreed to subscribe for and Hao Tian Finance agreed to issue, Hao Tian Finance’s new shares at a consideration of HK\$100 million (the “**First Subscription**”). The First Subscription was completed on 13 May 2015.

As part of the First Subscription Agreement, the Company granted RSGHL a right with a consideration of HK\$1.00 that on the occurrence of Hao Tian Finance and the Company fails to have all the shares of Hao Tian Finance to be listed on either the Main Board or the GEM of the Stock Exchange within three years after the completion of the First Subscription (the “**Event**”), i.e. 8 April 2018, RSGHL shall have the right to request the Company to purchase all or part of the shares at a price of HK\$1.15 per share (the “**HTF Put Option**”) at any time within three months after occurrence of the Event. As at date of issue, the present value of gross liability of HK\$91,291,000 of the HTF Put Option has been accounted for as other liability in the consolidated statement of financial position. The effective interest rate of the other liability is 8.00% per annum.

During the year ended 31 March 2018, an imputed interest on the other liability of HK\$7,930,000 (2017: HK\$7,930,000) is recognised as finance costs in the consolidated statement of profit or loss and other comprehensive income.

As at 31 March 2018, the present value of the other liability is HK\$114,420,000 (2017: HK\$106,490,000).

On 9 April 2018, the HTF Put Option was exercised by RSGHL.

36. 本集團於附屬公司之權益變動／其他負債(續)

(C) 昊天財務

於二零一五年四月九日，昊天財務與獨立第三方瑞陞控股有限公司(「**瑞陞控股**」)訂立認購協議(「**第一項認購協議**」)。根據第一項認購協議，瑞陞控股同意認購而昊天財務同意發行昊天財務之新股份，代價為100,000,000港元(「**第一項認購事項**」)。第一項認購事項已於二零一五年五月十三日完成。

作為第一項認購協議之一部分，本公司以代價1.00港元向瑞陞控股授出權利，即倘昊天財務及本公司未能於第一項認購事項完成後三年(即二零一八年四月八日)內使昊天財務之全部股份於聯交所主板或GEM上市(「**事件**」)，瑞陞控股將有權要求本公司於事件發生後三個月內任何時間按每股1.15港元之價格購買全部或部分該等股份(「**昊天財務認沽期權**」)。於發行日期，昊天財務認沽期權總負債之現值91,291,000港元已於綜合財務狀況報表內入賬列為其他負債。其他負債之實際利率為每年8.00%。

截至二零一八年三月三十一日止年度，其他負債之推算利息7,930,000港元(二零一七年：7,930,000港元)按融資成本於綜合損益及其他全面收益表中確認。

於二零一八年三月三十一日，其他負債的現值為114,420,000港元(二零一七年：106,490,000港元)。

於二零一八年四月九日，昊天財務認沽期權已獲瑞陞控股行使。

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. RETIREMENT BENEFIT SCHEMES

The Group operates a Mandatory Provident Fund Scheme (the “Scheme”) for all qualifying employees of the Group in Hong Kong. The assets of the Scheme are held separately in an independently administrated fund. The Group has chosen to follow the minimum statutory contribution requirement of 5% of eligible Hong Kong employees’ monthly relevant income but limited to the cap of HK\$1,500 per month. The contributions are charged to profit or loss.

The employees of the Group’s subsidiaries in the PRC are members of state-managed retirement benefit schemes operated by respective local governments. The subsidiaries are required to contribute a specific percentage of their payroll costs to the retirement benefit schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions.

During the year, the total amounts contributed by the Group to the schemes and cost charged to profit or loss of HK\$3,186,000 (2017: HK\$1,565,000) represent contribution paid or payable to the schemes by the Group at rates specified in the rules of the schemes.

38. CONTINGENT LIABILITIES

As at 31 March 2018, the Group provided corporate guarantees and performance guarantee amounting to approximately HK\$330,000 (2017: HK\$2,262,000) and HK\$11,200,000 (2017: HK\$11,200,000) to banks in respect of obligations under finance leases and the Group’s obligations under contracts with certain third party customers. Under the guarantees, the Group would be liable to make payments to the banks if the bank is unable to recover the amounts under these finance leases from these customers or the Group failed to perform the relevant obligations to these customers. As at 31 March 2018, no provision for the Group’s obligation under the guarantee contracts has been made as the directors of the Company considered that it was not probable that the repayment of the finance lease obligations would be in default and it was not probable that a claim will be made against the Group.

37. 退休福利計劃

本集團為所有本集團於香港之合資格僱員設立一項強制性公積金計劃(「該計劃」)。該計劃的資產由獨立管理基金分開持有。本集團選擇遵從按合資格香港僱員每月相關收入5%的最低法定供款(但上限為每月1,500港元)規定。有關供款於損益內扣除。

本集團於中國的附屬公司的僱員均為各自地方政府設立的國家管理退休福利計劃的成員。該等附屬公司須按彼等薪酬成本的特定百分比向退休福利計劃作出供款。本集團就退休福利計劃的唯一責任為作出特定供款。

年內，本集團向計劃作出的供款總額及於損益內扣除的成本為3,186,000港元(二零一七年：1,565,000港元)，相當於本集團按計劃規則規定的比率已付或應付的計劃供款。

38. 或然負債

於二零一八年三月三十一日，本集團就融資租賃責任及本集團於與若干第三方客戶訂立之合約項下之責任向銀行提供公司擔保及履約擔保分別約330,000港元(二零一七年：2,262,000港元)及11,200,000港元(二零一七年：11,200,000港元)。根據擔保，倘該銀行未能自該等客戶收到該等融資租賃下的款項或倘本集團未能履行其對該等客戶之相關責任，本集團須向銀行支付有關款項。於二零一八年三月三十一日，由於本公司董事認為在償還融資租賃責任方面不大可能遭違約及不大可能會有針對本集團作出之索償，故並未就本集團於擔保合約下的責任作出撥備。

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

39. SHARE CAPITAL

39. 股本

		Nominal value per share 每股面值 HK\$ 港元	Number of shares 股份數目	Share capital 股本 HK\$'000 千港元
Ordinary shares	普通股			
Authorised:	法定：			
At 1 April 2016, 31 March 2017 and 31 March 2018	於二零一六年四月一日、 二零一七年三月三十一日 及二零一八年三月三十一日	0.01	50,000,000,000	500,000
Issued and fully paid:	已發行及繳足：			
At 1 April 2016	於二零一六年四月一日	0.01	3,642,348,316	36,423
Shares issued upon exercise of warrants (note a)	行使認股權證時發行之 股份(附註a)	0.01	537,743,800	5,378
Issue of emolument shares (note b)	發行獎勵股份(附註b)	0.01	6,075,334	61
At 31 March 2017	於二零一七年 三月三十一日	0.01	4,186,167,450	41,862
Issue of shares by bonus issue (note c)	紅股發行發行之股份 (附註c)	0.01	697,694,575	6,976
Issue of emolument shares (note b)	發行獎勵股份(附註b)	0.01	14,175,779	142
At 31 March 2018	於二零一八年三月三十一日	0.01	4,898,037,804	48,980

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

39. SHARE CAPITAL (continued)

Details of the changes in the Company's share capital for the years ended 31 March 2018 and 2017 are as follows:

- (a) During the year ended 31 March 2017, a total of 537,743,800 new ordinary shares of the Company of HK\$0.01 each were issued upon the exercise of 537,743,800 warrants at HK\$0.4545 per share.
- (b) On 26 September 2016, the Company entered into a director's services agreement with Mr. Fok covering period from 27 September 2016 to 26 September 2019. Pursuant to the announcement dated 25 July 2017, a bonus issue on the basis of one bonus share for every six existing shares was approved and issued, 41,514,782 shares (2017: 36,452,004 shares) of the Company will be allotted and issued to Mr. Fok during his service period. The aggregate value of these shares is HK\$15,000,000 which was determined by reference to the Company's average share price of the last ten consecutive trading dates immediately prior to 27 September 2016, i.e. HK\$0.4115. Details of which are set out in the Company's circular issued on 25 January 2017. The services agreement was approved by the shareholders on 17 February 2017, 14,175,779 shares (2017: 6,075,334 shares) has been allotted and issued on 28 March 2018. If Mr. Fok ceases to be an executive director of the Company before the allotment dates specified in the circular, his entitlement will be calculated on a pro rata basis.
- (c) On 19 April 2017, the directors of the Company proposed a bonus issue on the basis of one bonus share for every six existing shares held. The bonus issue was approved by the shareholders on 5 July 2017 and 697,694,575 bonus shares were issued on 25 July 2017 ("**Year 2017 Bonus Issue**").

All the shares which were issued during both years rank pari passu with the then existing shares in all respects.

39. 股本 (續)

本公司截至二零一八年及二零一七年三月三十一日止年度之股本變動詳情如下：

- (a) 截至二零一七年三月三十一日止年度，合共537,743,800股每股面值0.01港元之本公司新普通股已因537,743,800份認股權證按每股0.4545港元獲行使而發行。
- (b) 於二零一六年九月二十六日，本公司與霍先生訂立一份董事服務協議，任期自二零一六年九月二十七日至二零一九年九月二十六日期間。根據日期為二零一七年七月二十五日之公告，按每六股現有股份獲發一股紅股股份之基準而進行之紅股發行已獲批准及發行，本公司41,514,782股股份(二零一七年：36,452,004股股份)將於霍先生服務期間向其配發及發行。該等股份之價值總額為15,000,000港元，其乃經參考本公司緊接二零一六年九月二十七日前最後連續十個交易日期之平均股價(即0.4115港元)而釐定。其詳情載於本公司於二零一七年一月二十五日刊發之通函內。該服務協議已獲股東於二零一七年二月十七日批准，14,175,779股(二零一七年：6,075,334股)股份已於二零一八年三月二十八日獲配發及發行。若霍先生於通函指定配發日期前不再擔任本公司執行董事，彼所應得的股份將按比例計算。
- (c) 於二零一七年四月十九日，本公司董事建議按每持有六股現有股份獲發一股紅股之基準發行紅股，且已於二零一七年七月五日獲股東批准，及697,694,575股紅股已於二零一七年七月二十五日獲發行(「二零一七年紅股發行」)。

於兩個年度內發行之所有股份於所有方面與當時現有股份享有同等權益。

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. RESERVES

Share premium

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At the beginning of year	於年初	4,275,522	3,647,206
Issue of emolument shares	發行獎勵股份	4,858	2,439
Issue of new shares upon exercise of warrants	行使認股權證時發行新股份	-	625,877
Issue of new shares upon bonus issue	因紅股發行而發行新股份	(6,976)	-
At the end of year	於年終	4,273,404	4,275,522

40. 儲備

股份溢價

Warrant reserve

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At the beginning of year	於年初	-	386,850
Exercise of warrants	行使認股權證	-	(386,850)
At the end of the year	於年終	-	-

認股權證儲備

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

40. RESERVES (continued)**Statutory surplus reserve**

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At the beginning and the end of year	於年初及年終	3,539	3,539

40. 儲備 (續)**法定盈餘儲備****Share option and emolument share reserve**

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At the beginning of year	於年初	1,237	4,220
Transfer to accumulated profits upon forfeiture of share options lapsed	於沒收失效購股權時轉撥至累計溢利	(437)	(3,654)
Recognition of equity-settled share-based payments	確認股本結算以股份形式付款	-	671
At the end of year	於年終	800	1,237

購股權及獎勵股份儲備

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

40. RESERVES (continued)

Asset revaluation reserve

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At the beginning of year	於年初	631,389	1,122,426
Fair value changes on available-for-sale investments	可供出售投資的公平值變動	(155,880)	(547,388)
Reclassification adjustment to profit or loss on impairment loss	就減值虧損重新分類調整至損益	1,748	74,728
Reclassification adjustment to profit or loss upon disposal	於出售時重新分類調整至損益	-	(53,212)
Share to non-controlling interests	分佔非控股權益	12,055	34,835
At the end of year	於年終	489,312	631,389

40. 儲備(續)

資產重估儲備

Special reserve

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At the beginning and the end of year	於年初及年終	(5,754)	(5,754)

特殊儲備

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

40. RESERVES (continued)**Translation reserve**

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At the beginning of year	於年初	(9,250)	(1,210)
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額	20,767	(8,040)
Share to non-controlling interest	分佔非控股權益	(2,900)	-
At the end of year	於年終	8,617	(9,250)

40. 儲備 (續)**匯兌儲備****Other reserve**

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At the beginning of year	於年初	(97,531)	(92,041)
Capital injection from non-controlling interests	非控股權益注資	-	(5,490)
Change in the Group's ownership interest in existing subsidiaries	本集團於現有附屬公司股權變動	31,757	-
At the end of year	於年終	(65,774)	(97,531)

其他儲備**Put option reserve**

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At the beginning and the end of year	於年初及年終	5,238	5,238

認沽期權儲備

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

41. ACQUISITION OF SUBSIDIARIES

(A) Acquisition of Hao Tian Securities

On 8 August 2016, the Group acquired the entire issued share capital of Hao Tian Securities from an independent third party at a consideration of HK\$29,158,000. This acquisition was accounted for using the purchase method. Hao Tian Securities is engaged in the provision of securities brokerage service in Hong Kong.

Consideration transferred

		HK\$'000 千港元
Cash	現金	29,158
Less: Bank balances and cash acquired	減：已收購銀行結餘及現金	(18,833)
Net cash used in acquisition	收購所用現金淨額	10,325

Assets acquired and liabilities recognised at the date of acquisition:

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	125
Intangible assets	無形資產	11,000
Deposits	按金	200
Trade and other receivables	應收賬款及其他應收款項	2,259
Bank balances, trust and segregated accounts	銀行結餘、信託及獨立賬戶	40,386
Bank balances and cash	銀行結餘及現金	18,833
Trade and other payables	應付賬款及其他應付款項	(43,636)
Tax payable	應付稅項	(9)
		29,158

The fair value as well as the gross contractual amounts of the trade and other receivables acquired amounted to HK\$2,259,000 at the date of acquisition.

41. 收購附屬公司

(A) 收購昊天證券

於二零一六年八月八日，本集團以代價29,158,000港元向獨立第三方收購昊天證券之全部已發行股本。此收購事項已按收購法入賬。昊天證券於香港從事提供證券經紀服務。

已轉讓代價

		HK\$'000 千港元
Cash	現金	29,158
Less: Bank balances and cash acquired	減：已收購銀行結餘及現金	(18,833)
Net cash used in acquisition	收購所用現金淨額	10,325

於收購日期收購之資產及確認之負債：

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	125
Intangible assets	無形資產	11,000
Deposits	按金	200
Trade and other receivables	應收賬款及其他應收款項	2,259
Bank balances, trust and segregated accounts	銀行結餘、信託及獨立賬戶	40,386
Bank balances and cash	銀行結餘及現金	18,833
Trade and other payables	應付賬款及其他應付款項	(43,636)
Tax payable	應付稅項	(9)
		29,158

已收購應收賬款及其他應收款項之公平值以及總合約金額於收購日期為2,259,000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

41. ACQUISITION OF SUBSIDIARIES (continued)

(A) Acquisition of Hao Tian Securities (continued)

Impact of acquisition on the results of the Group

During the year ended 31 March 2017, Hao Tian Securities contributed HK\$852,000 to the Group's revenue and HK\$2,940,000 to the loss for the period between the respective date of acquisition and 31 March 2017.

(B) Acquisition of Hao Tian International Construction

On 6 February 2017, the Group acquired 75% issued share capital of Clear Lift Holdings Limited (subsequently changed its name to Hao Tian International Construction) ("**Clear Lift Acquisition**") from an independent third party at a consideration of HK\$592,500,000.

On 13 March 2017, the Group further acquired 5.79% issued share capital of Hao Tian International Construction at a total consideration of HK\$45,778,000 under the general offer required by Takeover Code (the "**Clear Lift General Offer**"). As at 31 March 2017, the Group held 80.79% of total issued share capital of Hao Tian International Construction.

As Clear Lift General Offer was triggered by Clear Lift Acquisition, they were considered as one single acquisition.

In determination of the total consideration transferred in this transaction, the consideration paid in Clear Lift Acquisition and Clear Lift General Offer were considered together.

41. 收購附屬公司(續)

(A) 收購昊天證券(續)

收購對本集團業績之影響

截至二零一七年三月三十一日止年度，昊天證券於各收購日期至二零一七年三月三十一日期間向本集團貢獻852,000港元收入及2,940,000港元虧損。

(B) 收購昊天國際建設

於二零一七年二月六日，本集團以代價592,500,000港元向獨立第三方收購焯陞企業控股有限公司(其後更改其名稱為昊天國際建設)之75%已發行股本(「焯陞收購事項」)。

於二零一七年三月十三日，本集團根據收購守則規定之全面要約以總代價45,778,000港元進一步收購昊天國際建設之5.79%已發行股本(「焯陞全面要約」)。於二零一七年三月三十一日，本集團持有昊天國際建設已發行股本總額之80.79%。

由於焯陞全面要約乃由焯陞收購事項所引起，故彼等被視為一項單一收購事項。

於釐定在此交易中已轉讓之總代價時，於焯陞收購事項及焯陞全面要約已付之代價已一併考慮。

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. ACQUISITION OF SUBSIDIARIES (continued)

(B) Acquisition of Hao Tian International Construction (continued)

This acquisition was accounted for using the acquisition method. Hao Tian International Construction is an investment holding company and its subsidiaries are principally engaged in construction machinery and sales of construction materials business, including rental of construction machinery, trading of construction machinery and spare parts, and provision of repair and maintenance and transportation services.

Consideration transferred

		HK\$'000 千港元
Cash	現金	638,278

Acquisition-related costs amounting to HK\$16,386,000 were excluded from the consideration transferred and were recognised as other expenses during the year ended 31 March 2017.

41. 收購附屬公司(續)

(B) 收購昊天國際建設(續)

此收購事項已按收購法入賬。昊天國際建設為一間投資控股公司及其附屬公司主要從事建築機械及建築物料銷售業務，包括租賃建築機械、建築機械及備用零件銷售及提供維修及保養以及運輸服務。

已轉讓代價

收購事項相關成本 16,386,000 港元不包括在已轉讓代價內，並於截至二零一七年三月三十一日止年度確認為其他開支。

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. ACQUISITION OF SUBSIDIARIES (continued)**41. 收購附屬公司 (續)****(B) Acquisition of Hao Tian International Construction (continued)****(B) 收購昊天國際建設 (續)****Assets acquired and liabilities recognised at the date of acquisition:**

於收購日期收購之資產及確認之負債：

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	378,700
Intangible assets	無形資產	167,650
Deferred tax assets	遞延稅項資產	5,080
Finance lease receivables	融資租賃應收款項	7,855
Inventories	存貨	1,169
Trade and other receivables	應收賬款及其他應收款項	51,880
Tax recoverable	可收回稅項	1,766
Pledged bank deposits	已抵押銀行存款	4,597
Bank balances and cash	銀行結餘及現金	88,216
Trade and other payables	應付賬款及其他應付款項	(28,624)
Borrowings	借貸	(77,656)
Obligations under finance leases	融資租賃承擔	(74,086)
Deferred tax liabilities	遞延稅項負債	(72,697)
Tax payable	應付稅項	(71)
		453,779

The fair value of the trade and other receivables acquired amounted to HK\$51,880,000 at the date of acquisition. The gross contractual amount of those trade and other receivables acquired amounted to HK\$52,226,000 at the date of acquisition. The best estimate at acquisition date of the contractual cash flows not expected to be collected amounted to HK\$346,000.

於收購日期，已收購應收賬款及其他應收款項之公平值為51,880,000港元。該等已收購應收賬款及其他應收款項之總合約金額於收購日期為52,226,000港元。於收購日期，合約現金流量之最佳估計預測不會收回346,000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

41. ACQUISITION OF SUBSIDIARIES (continued)

(B) Acquisition of Hao Tian International Construction (continued)

Goodwill arising on acquisition:

		HK\$'000 千港元
Consideration transferred	已轉讓代價	638,278
Plus: non-controlling interests	加：非控股權益	87,171
Less: net assets acquired	減：已收購資產淨值	(453,779)
Goodwill arising on acquisition	收購事項產生之商譽	271,670

The non-controlling interests in Hao Tian International Construction was measured by the proportionate share of the carrying amount of its net assets.

Net cash outflow on acquisition of Hao Tian International Construction:

		HK\$'000 千港元
Cash consideration paid	已付現金代價	638,278
Acquisition-related cost paid	已付收購事項相關成本	16,386
Bank balances and cash acquired	已收購銀行結餘及現金	(88,216)
		566,448

During the year ended 31 March 2017, Hao Tian International Construction contributed HK\$51,232,000 to the Group's revenue and HK\$12,925,000 to the profit for the period between the respective date of acquisition and 31 March 2017.

41. 收購附屬公司(續)

(B) 收購昊天國際建設(續)

收購事項產生之商譽：

		HK\$'000 千港元
Consideration transferred	已轉讓代價	638,278
Plus: non-controlling interests	加：非控股權益	87,171
Less: net assets acquired	減：已收購資產淨值	(453,779)
Goodwill arising on acquisition	收購事項產生之商譽	271,670

於昊天國際建設之非控股權益乃按分佔其資產淨值之賬面值之比例計算。

收購昊天國際建設產生之現金流出淨額：

		HK\$'000 千港元
Cash consideration paid	已付現金代價	638,278
Acquisition-related cost paid	已付收購事項相關成本	16,386
Bank balances and cash acquired	已收購銀行結餘及現金	(88,216)
		566,448

截至二零一七年三月三十一日止年度，昊天國際建設於各收購日期至二零一七年三月三十一日期間向本集團貢獻51,232,000港元收益及12,925,000港元溢利。

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. ACQUISITION OF SUBSIDIARIES (continued)

(C) Acquisition of Fujian Nuoqi

On 22 July 2016, the Group entered into a restructuring agreement with Fujian Nuoqi, a company incorporated in the PRC and with its H-shares listed on the Main Board of the Stock Exchange (“**HT China Restructuring Agreement**”). Pursuant to the HT China Restructuring Agreement, the Group conditionally agreed to participate in the restructuring of Fujian Nuoqi through acquiring 51% of equity interest of Fujian Nuoqi for a total consideration of approximately RMB151,000,000 (equivalent to approximately HK\$174,540,000) (the “**Fujian Nuoqi Acquisition**”). The Fujian Nuoqi Acquisition was completed on 5 September 2016. As at 5 September 2016, the Group held 51% of the total issued shares of the Company.

Pursuant to Rule 26.1 of the Takeovers Code, the Group was required to make mandatory unconditional cash offers to all shareholders of Fujian Nuoqi (other than the Group and parties acting in concert with it) (the “**General Offer**”). Pursuant to Rule 26.4 of the Takeovers Code “Restrictions on control by offeror”, the Group was restricted to appoint its nominee or persons acting in concert with it as director of Fujian Nuoqi or exercise its voting rights in Fujian Nuoqi until the offer document for the General Offer (the “**Offer Document**”) had been posted.

The directors of the Company were of the view that the Group did not have control or significant influence over Fujian Nuoqi prior to the appointment of the Group’s nominee or person acting in concert with it as directors of Fujian Nuoqi and the Group may not exercise its shareholders’ voting rights in Fujian Nuoqi until the Offer Document had been posted, except with the consent of the Securities and Futures Commission. Consequently, investment in Fujian Nuoqi was classified as available-for-sale investments at its initial recognition.

41. 收購附屬公司(續)

(C) 收購福建諾奇

於二零一六年七月二十二日，本集團與福建諾奇（一間於中國註冊成立之公司及其H股於聯交所主板上市）訂立重組協議（「**昊天中國重組協議**」）。根據昊天中國重組協議，本集團已有條件同意透過以總代價約人民幣151,000,000元（相當於約174,540,000港元）收購福建諾奇之51%股權參與福建諾奇之重組（「**福建諾奇收購事項**」）。福建諾奇收購事項已於二零一六年九月五日完成。於二零一六年九月五日，本集團持有本公司已發行股份總數之51%。

根據收購守則規則26.1，本集團須向福建諾奇所有股東（本集團及其一致行動人士除外）作出強制性無條件現金要約（「**全面要約**」）。根據收購守則規則26.4「對要約人控制權的限制」，本集團受限委任其提名人或與其一致行動人士為福建諾奇之董事或行使其於福建諾奇之投票權，直至有關全面要約之要約文件（「**要約文件**」）刊載為止。

本公司董事認為於本集團之提名人或與其一致行動人士獲委任為福建諾奇之董事及本集團不可行使其於福建諾奇之股東投票權前直至已刊載要約文件（證券及期貨事務監察委員會同意除外）為止，本集團對福建諾奇並無擁有控制權或具有重大影響。因此，於福建諾奇之投資於初始確認時分類為可供出售投資。

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. ACQUISITION OF SUBSIDIARIES (continued)

(C) Acquisition of Fujian Nuoqi (continued)

On 8 February 2017, the Offer Document was posted. The directors of the Company are of the view that the Group, after considering the Group has the right to request for an extraordinary general meeting and exercise its shareholder's right in such meeting for the purposes of i) removal of existing directors of Fujian Nuoqi; ii) nominating and appointing new directors of Fujian Nuoqi, and; iii) the Group's dominance in shareholder's meeting of Fujian Nuoqi with its 51% of total issued equity interest in Fujian Nuoqi, has control over Fujian Nuoqi. Since then, Fujian Nuoqi has become an indirect and non-wholly owned subsidiary of the Company.

On 1 March 2017, the Group further acquired 8.93% issued share capital of Fujian Nuoqi at a total consideration of approximately HK\$30,693,000 under the general offer required by Takeovers Code (the "Fujian Nuoqi General Offer"). As at 31 March 2017, the Group held 59.93% of total issued share capital of Fujian Nuoqi.

As Fujian Nuoqi General Offer was triggered by Fujian Nuoqi Acquisition, they were considered as one single acquisition.

In determination of the total consideration transferred in this transaction, the consideration paid in Fujian Nuoqi Acquisition and Fujian Nuoqi General Offer were considered together.

On 21 April 2017, an extraordinary general meeting was held by Fujian Nuoqi and certain resolutions were passed, including, amongst others, i) removal of one of the existing directors of Fujian Nuoqi; and ii) electing new directors of Fujian Nuoqi.

41. 收購附屬公司(續)

(C) 收購福建諾奇(續)

於二零一七年二月八日，要約文件已刊載。本公司董事認為，經考慮本集團有權要求召開股東特別大會及行使其於有關大會之股東權利以i) 罷免福建諾奇之現任董事；ii) 提名及委任福建諾奇之新董事；及iii) 本集團於福建諾奇之股東大會上有主導權，其擁有福建諾奇已發行股權總額之51%，本集團對福建諾奇擁有控制權。自此，福建諾奇已成為本公司之間接及非全資附屬公司。

於二零一七年三月一日，本集團根據收購守則規定之全面要約(「福建諾奇全面要約」)以總代價約30,693,000港元進一步收購福建諾奇之8.93%已發行股本。於二零一七年三月三十一日，本集團持有福建諾奇已發行股本總額之59.93%。

由於福建諾奇全面要約乃由福建諾奇收購事項所引起，故彼等被視為一項單一收購事項。

於釐定此交易中已轉讓之總代價時，於福建諾奇收購事項及福建諾奇全面要約已付之代價已一併考慮。

於二零一七年四月二十一日，福建諾奇召開股東特別大會並通過若干決議案，包括(其中包括)i) 罷免福建諾奇之現任其中一名董事；及ii) 選出福建諾奇之新董事。

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

41. ACQUISITION OF SUBSIDIARIES (continued)**41. 收購附屬公司(續)****(C) Acquisition of Fujian Nuoqi (continued)****(C) 收購福建諾奇(續)****Assets acquired and liabilities recognised at the date of acquisition:**

於收購日期收購之資產及確認之負債：

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	100,651
Prepaid lease payments	預付租賃款項	16,623
Inventories	存貨	2,714
Trade and other receivables	應收賬款及其他應收款項	2,753
Bank balances and cash	銀行結餘及現金	2,926
Trade and other payables	應付賬款及其他應付款項	(4,374)
Amount due to shareholder	應付股東款項	(9,025)
Deferred tax liabilities	遞延稅項負債	(9,250)
		103,018

The fair value as well as the gross contractual amounts of the trade and other receivables acquired amounted to HK\$2,753,000 at the date of acquisition.

已收購應收賬款及其他應收款項之公平值以及總合約金額於收購日期為2,753,000港元。

Consideration transferred

已轉讓代價

		HK\$'000 千港元
Cash	現金	205,233

Acquisition-related costs amounting to HK\$12,865,000 have been excluded from the consideration transferred and have been recognised as other expenses during the year ended 31 March 2017.

收購事項相關成本12,865,000港元不包括在已轉讓代價內，並於截至二零一七年三月三十一日止年度確認為其他開支。

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. ACQUISITION OF SUBSIDIARIES (continued)

(C) Acquisition of Fujian Nuoqi (continued)

Goodwill arising on acquisition:

		HK\$'000 千港元
Consideration transferred	已轉讓代價	205,233
Plus: non-controlling interests	加：非控股權益	41,279
Less: net assets acquired	減：已收購資產淨值	(103,018)
Goodwill arising on acquisition	收購事項產生之商譽	143,494

The non-controlling interests in Fujian Nuoqi was measured by the proportionate share of the carrying amount of its net assets.

收購事項產生之商譽：

		HK\$'000 千港元
Consideration transferred	已轉讓代價	205,233
Plus: non-controlling interests	加：非控股權益	41,279
Less: net assets acquired	減：已收購資產淨值	(103,018)
Goodwill arising on acquisition	收購事項產生之商譽	143,494

於福建諾奇之非控股權益乃按佔其資產淨值之賬面值之比例計算。

Net cash outflow on acquisition of Fujian Nuoqi:

		HK\$'000 千港元
Cash consideration paid	已付現金代價	205,233
Acquisition-related cost paid	已付收購相關成本	12,865
Bank balances and cash acquired	已收購銀行結餘及現金	(2,926)
		215,172

During the year ended 31 March 2017, Fujian Nuoqi contributed HK\$9,323,000 to the Group's revenue and HK\$992,000 to the profit for the period between the respective date of acquisition and 31 March 2017.

收購福建諾奇產生之現金流出淨額：

		HK\$'000 千港元
Cash consideration paid	已付現金代價	205,233
Acquisition-related cost paid	已付收購相關成本	12,865
Bank balances and cash acquired	已收購銀行結餘及現金	(2,926)
		215,172

截至二零一七年三月三十一日止年度，福建諾奇於各收購日期至二零一七年三月三十一日期間向本集團貢獻9,323,000港元收益及992,000港元溢利。

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. COMMITMENTS

(a) Operating lease commitments

The Group as lessor

The Group sub-leased vacant space of its leased warehouse and leased and sub-leased its owned and leased machinery under operating lease agreements. Income earned from the leasing during the year is HK\$118,302,000 (2017: HK\$18,770,000).

The minimum rent receivables under non-cancellable operating leases 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
Not later than one year	不遲於一年	1,912	3,023

The Group as lessee

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of rented premises 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	22,786	21,762
In the second to fifth year inclusive	第二年至第五年(首尾兩年包括在內)	9,385	23,824
		32,171	45,586

42. 承擔

(a) 經營租賃承擔

本集團作為出租人

本集團根據經營租賃協議分租其租賃倉庫的空置部分並租賃及分租其擁有及租賃的機械。年內租賃所得收入為118,302,000港元(二零一七年: 18,770,000港元)。

不可撤銷經營租賃的應收最低租賃款項如下:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Not later than one year	不遲於一年	1,912	3,023

本集團作為承租人

於報告期末，本集團就租用物業的不可撤銷經營租賃而須承擔於下列期間到期支付的未來最低租賃付款如下:

		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	22,786	21,762
In the second to fifth year inclusive	第二年至第五年(首尾兩年包括在內)	9,385	23,824
		32,171	45,586

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. COMMITMENTS (continued)

(a) Operating lease commitments (continued)

The Group as lessee (continued)

Operating lease payments represent rentals payable by the Group for certain of its office and residential premises. Leases are negotiated for lease term of one to five years (2017: one to five years) and rentals are fixed over the relevant lease term.

(b) Capital commitment:

42. 承擔 (續)

(a) 經營租賃承擔 (續)

本集團作為承租人 (續)

經營租賃付款指本集團就其若干辦公室及住宅物業應付的租金。所議定租賃的租期為一至五年(二零一七年：一至五年)，而租金於相關租期內為固定。

(b) 資本承擔：

		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
Capital expenditure in respect of addition of property, plant and equipment:	就添置物業、廠房及設備的資本開支：		
— contracted for but not provided in the consolidated financial statements (Note)	— 已訂約但並未於綜合財務報表撥備(附註)	145,886	154,035
Capital expenditure in respect of acquisition of 55 Mark Lane (Note 24)	就收購55 Mark Lane的資本開支(附註24)	1,289,211	—

Note: During the year ended 31 March 2015, a wholly-owned subsidiary of the Group has entered into contractual agreement for the development of the logistics warehousing business in the PRC. Total contract sum of approximately RMB116,803,000 or equivalent to HK\$145,886,000 (2017: RMB116,803,000 or equivalent to HK\$131,753,000) is included in the above amounts.

附註：截至二零一五年三月三十一日止年度，本集團之一間全資附屬公司已就於中國發展物流倉儲業務訂立合約協議。總合約金額約為人民幣116,803,000元或相當於145,886,000港元(二零一七年：人民幣116,803,000元或相當於131,753,000港元)包括在上述金額內。

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

43. SHARE OPTION SCHEMES/AWARD SCHEME/EMOLUMENT SHARES

(a) Share Option Schemes

Upon passing of an ordinary resolution on 25 September 2015, the Company adopted a share option scheme (the “**New Share Option Scheme**”) which will remain valid for a period of 10 years commencing on 25 September 2015 and whereupon the Share Option Scheme (as defined below) adopted on 16 May 2006 was terminated, while the options granted under the Share Option Scheme are still exercisable until their expiry. The major terms of the New Share Option Scheme are set out below:

- (i) The purpose was to provide incentives to the participants;
- (ii) The participants included any full-time or part-time employees, executives and officers of the Company and any of its subsidiaries (including executives, non-executive directors and independent non-executive directors of the Company and any of its subsidiaries) and business consultants and legal and other professional advisors of the Company or its subsidiaries which, in the opinion of the Company’s board of directors, has or had made contribution to the Group;
- (iii) The maximum number of shares in respect of which options might be granted under the New Share Option Scheme must not exceed 30% of the issued share capital of the Company from time to time. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any 12-month period is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company’s shareholders. Options granted to a substantial shareholder or an independent non-executive director in excess of 0.1% of the Company’s share capital or with a value in excess of HK\$5 million must be approved in advance by the Company’s shareholders;

43. 購股權計劃／股份獎勵計劃／獎勵股份

(a) 購股權計劃

於二零一五年九月二十五日通過一項普通決議案後，本公司已採納一項購股權計劃（「**新購股權計劃**」），新購股權計劃將自二零一五年九月二十五日起為期十年有效，據此，於二零零六年五月十六日採納之購股權計劃（誠如下文所定義）已獲終止，惟根據購股權計劃授出之購股權仍可於其有效期內行使。新購股權計劃的主要條款載列如下：

- (i) 旨在激勵參與者；
- (ii) 參與者包括本公司董事會認為對或曾對本集團作出貢獻的本公司及其任何附屬公司的任何全職或兼職僱員、行政人員及高級職員（包括本公司及其任何附屬公司的執行董事、非執行董事及獨立非執行董事）及本公司或其附屬公司的業務顧問以及法律及其他專業顧問；
- (iii) 根據新購股權計劃可能授出的購股權涉及的股份最高數目不得超過本公司不時已發行股本的30%。未經本公司股東事先批准，於任何十二個月期間內向任何個人授出及可能授出的購股權所涉及的已發行及將發行股份數目不得超過本公司於任何時間的已發行股份的1%。向一名主要股東或一名獨立非執行董事授予超過本公司股本的0.1%或價值超過5,000,000港元的購股權須事先經本公司股東批准；

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

43. SHARE OPTION SCHEMES/AWARD SCHEME/ EMOLUMENT SHARES (continued)

(a) Share Option Schemes (continued)

- (iv) In relation to each grantee of the options granted under the New Share Option Scheme, the right of the grantee to exercise the option shall be in accordance with the terms of the New Share Option Scheme and the period to be notified by the board of directors of the Company to each grantee which shall not exceed 10 years from the date upon which the options is deemed to be granted and accepted;
- (v) The exercise price of an option will be determined by the board of directors of the Company and will not be less than the highest of:
- the closing price of the share on the date of grant;
 - the average closing price of the share for the five business days immediately preceding the date of grant; and
 - the nominal value of the share.
- (vi) A consideration of HK\$1 is payable on acceptance of the offer of grant of options.

43. 購股權計劃／股份獎勵計劃／獎勵股份(續)

(a) 購股權計劃(續)

- (iv) 就根據新購股權計劃獲授購股權的各承授人而言，承授人行使購股權的權利將遵照新購股權計劃的條款及本公司董事會通知各承授人的期間，有關期間由購股權被視為授出及接納日期起計不超過十年；
- (v) 購股權的行使價將由本公司董事會釐定，惟將不得低於下列三者中的最高者：
- 股份於授出日期的收市價；
 - 股份於緊接授出日期前五個營業日的平均收市價；及
 - 股份面值。
- (vi) 須於接納授予購股權要約時支付1港元的代價。

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

43. SHARE OPTION SCHEMES/AWARD SCHEME/ EMOLUMENT SHARES (continued)

(a) Share Option Schemes (continued)

The Company's share option scheme (the "Share Option Scheme") was adopted on 16 May 2006. The Share Option Scheme was expired and terminated on 25 September 2015 and was replaced by the New Share Option Scheme. The major terms of the Share Option Scheme are set out below:

- (i) The purpose was to provide incentives to the participants;
- (ii) The participants included any full-time or part-time employees, executives and officers of the Company and any of its subsidiaries (including executives, non-executive directors and independent non-executive directors of the Company and any of its subsidiaries) and business consultants and legal and other professional advisors of the Company or its subsidiaries which, in the opinion of the Company's board of directors, has or had made contribution to the Group;
- (iii) The maximum number of shares in respect of which options might be granted under the Share Option Scheme must not exceed 30% of the issued share capital of the Company from time to time. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any 12-month period is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. Options granted to a substantial shareholder or an independent non-executive director in excess of 0.1% of the Company's share capital or with a value in excess of HK\$5 million must be approved in advance by the Company's shareholders;

43. 購股權計劃／股份獎勵計劃／獎勵股份(續)

(a) 購股權計劃(續)

本公司已於二零零六年五月十六日採納購股權計劃(「購股權計劃」)。購股權計劃已於二零一五年九月二十五日屆滿及終止及由新購股權計劃取代。購股權計劃的主要條款載列如下：

- (i) 旨在激勵參與者；
- (ii) 參與者包括本公司董事會認為對或曾對本集團作出貢獻的本公司及其任何附屬公司的任何全職或兼職僱員、行政人員及高級職員(包括本公司及其任何附屬公司的執行董事、非執行董事及獨立非執行董事)及本公司或其附屬公司的業務顧問以及法律及其他專業顧問；
- (iii) 根據購股權計劃可能授出的購股權涉及的股份最高數目不得超過本公司不時已發行股本的30%。未經本公司股東事先批准，於任何十二個月期間內向任何個人授出及可能授出的購股權所涉及的已發行及將發行股份數目不得超過本公司於任何時間的已發行股份的1%。向一名主要股東或一名獨立非執行董事授出超過本公司股本的0.1%或價值超過5,000,000港元的購股權須事先經本公司股東批准；

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

43. SHARE OPTION SCHEMES/AWARD SCHEME/EMOLUMENT SHARES (continued)

(a) Share Option Schemes (continued)

- (iv) In relation to each grantee of the options granted under the Share Option Scheme, the right of the grantee to exercise the option shall vest in three stages: 30% of share options granted (rounded down to the nearest whole number of shares) will vest from the expiry of one year from the acceptance date of the option (the “**Acceptance Date**”) up to the day immediately before the fourth anniversary of the Acceptance Date; 30% of share options granted (rounded down to the nearest whole number of shares) will vest from the expiry of two years from the Acceptance Date up to the day immediately before the fifth anniversary of the Acceptance Date; and 40% of the share options granted (round down to the nearest whole number of shares) will vest from the expiry of three years from the Acceptance Date up to the day immediately before the sixth anniversary of the Acceptance Date;
- (v) The exercise price of an option will be determined by the board of directors of the Company and will not be less than the highest of:
- the closing price of the share on the date of grant;
 - the average closing price of the share for the five business days immediately preceding the date of grant; and
 - the nominal value of the share.
- (vi) A consideration of HK\$1 is payable on acceptance of the offer of grant of options.

43. 購股權計劃／股份獎勵計劃／獎勵股份(續)

(a) 購股權計劃(續)

- (iv) 就根據購股權計劃獲授購股權的各承授人而言，承授人行使購股權的權利須分三個階段歸屬：獲授購股權的30%（調低至最接近整數的股份數目）將由購股權接納日期（「**接納日期**」）起計滿一年至緊接接納日期滿四週年前當日止歸屬；獲授購股權的30%（調低至最接近整數的股份數目）將由接納日期起計滿兩年至緊接接納日期滿五週年前當日止歸屬；及獲授購股權的40%（調低至最接近整數的股份數目）將由接納日期起計滿三年至緊接接納日期滿六週年前當日止歸屬；
- (v) 購股權的行使價將由本公司董事會釐定，惟將不得低於下列三者中的最高者：
- 股份於授出日期的收市價；
 - 股份於緊接授出日期前五個營業日的平均收市價；及
 - 股份面值。
- (vi) 須於接納授予購股權要約時支付1港元的代價。

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

43. SHARE OPTION SCHEMES/AWARD SCHEME/ EMOLUMENT SHARES (continued)

(a) Share Option Schemes (continued)

Details of the share options outstanding under the Share Option Scheme and the New Share Option Scheme and movements during the two years were as follows:

Grantee	Date of grant	Exercising period	Exercise price per share	Number of share options					
				Outstanding at 1 April 2016	Lapsed during the year	Outstanding at 31 March 2017	Lapsed during the year	Adjusted during the year	Outstanding at 31 March 2018
承授人	授出日期	行使期	每股行使價 HK\$ 港元	於二零一六年 四月一日 尚未行使	年內失效	於二零一七年 三月三十一日 尚未行使	年內失效	年內調整 (note ii) (附註ii)	於二零一八年 三月三十一日 尚未行使
Director									
董事									
Mr. Fok	8.4.2011	8.4.2014 to 至 8.4.2016	0.74	499,752	(499,752)	-	-	-	-
霍先生	8.4.2011	8.4.2015 to 至 8.4.2017	0.74	666,336	-	666,336	(666,336)	-	-
Senior Consultant									
高級顧問									
Ms. Li (note i)	27.9.2010	27.9.2014 to 至 26.9.2016	0.82	6,330,192	(6,330,192)	-	-	-	-
李女士(附註i)									
Other employees	27.9.2010	27.9.2014 to 至 26.9.2016	0.82	10,694,693	(10,694,693)	-	-	-	-
其他僱員	8.4.2011	8.4.2014 to 至 8.4.2016	0.74	124,938	(124,938)	-	-	-	-
	8.4.2011	8.4.2015 to 至 8.4.2017	0.74	166,584	-	166,584	(166,584)	-	-
	29.1.2016	3.2.2017 to 至 2.2.2020	0.28	5,000,000	-	5,000,000	-	833,333	5,833,333
				23,482,495	(17,649,575)	5,832,920	(832,920)	833,333	5,833,333
Weighted average exercise price									
加權平均行使價					0.70	0.34			0.28
Exercisable at the end of the year									
於年終可行使					18,482,495	5,832,920			5,833,333

43. 購股權計劃／股份獎勵計劃／獎勵股份(續)

(a) 購股權計劃(續)

於兩年內購股權計劃及新購股權計劃項下的尚未行使購股權及其變動詳情如下：

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

43. SHARE OPTION SCHEMES/AWARD SCHEME/ EMOLUMENT SHARES (continued)

(a) Share Option Schemes (continued)

Notes:

- (i) Ms. Li is a controlling shareholder and a senior consultant of the Company.
- (ii) The numbers of share options were adjusted upon the bonus issue.

In the current year, share option expenses of approximately nil (2017: HK\$671,000) were recognised in profit or loss with a corresponding credit in the Group's share option and emolument share reserve.

(b) Share Award Scheme

The Company's share award scheme (the "Share Award Scheme") was adopted on 27 September 2013. The major terms of the Share Award Scheme are set out below:

- (i) The purpose was to provide incentives to the participants;
- (ii) The participants included any full-time or part-time employees, executives and officers of the Company and any of its subsidiaries (including executives, non-executive directors and independent non-executive directors of the Company and any of its subsidiaries) and business consultants and legal and other professional advisors of the Company or its subsidiaries which, in the opinion of the Company's board of directors, has or had made contribution to the Group;

43. 購股權計劃／股份獎勵計劃／獎勵股份(續)

(a) 購股權計劃(續)

附註：

- (i) 李女士為本公司之控股股東及高級顧問。
- (ii) 購股權數目已於紅股發行時調整。

在本年度，已於損益內確認約為零元(二零一七年：671,000港元)的購股權開支，並已於本集團的購股權及獎勵股份儲備中計入相應金額。

(b) 股份獎勵計劃

本公司之股份獎勵計劃(「股份獎勵計劃」)乃於二零一三年九月二十七日獲採納。股份獎勵計劃的主要條款載列如下：

- (i) 旨在激勵參與者；
- (ii) 參與者包括本公司董事會認為對或曾對本集團作出貢獻的本公司及其任何附屬公司的全職或兼職僱員、行政人員及高級職員(包括本公司及其任何附屬公司的執行董事、非執行董事及獨立非執行董事)及本公司或其附屬公司的業務顧問以及法律及其他專業顧問；

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

43. SHARE OPTION SCHEMES/AWARD SCHEME/ EMOLUMENT SHARES (continued)

(b) Share Award Scheme (continued)

- (iii) The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any 12-month period is not permitted to exceed 1% of the shares of the Company in issue at the date of passing of the issue mandated at the annual general meeting of the Company for a financial year during the term of the Share Award Scheme. The aggregate value of shares which may be issued to any individual at any one time shall not exceed HK\$5,000,000 as at the date of such award granted under the Share Award Scheme (the “Awards”). The number of shares to satisfy the Awards shall be allotted and issue by the directors of the Company by obtaining a separate shareholder’s approval at a general meeting or utilising the general mandate granted by shareholders at a general meeting of the Company from time to time;
- (iv) In relation to each grantee of the awards granted under the Share Award Scheme, the Awards shall vest in a period to be determined by the directors of the Company where the period must be at least six months;
- (v) The number of shares to be granted will be determined by the board of directors of the Company by reference to:
- monthly salary of eligible employee;
 - the average closing price of the share for the five business days immediately preceding the date of grant; and
 - duration of employment of eligible employee.

43. 購股權計劃／股份獎勵計劃／獎勵股份(續)

(b) 股份獎勵計劃(續)

- (iii) 於任何十二個月期間內向任何個人授出及可能授出的獎勵所涉及的已發行及將發行股份數目不得超過本公司於本公司就股份獎勵計劃期限內之一個財政年度舉行之股東週年大會上通過發行授權當日已發行股份的1%。可於任何一次向任何個人發行之股份於根據股份獎勵計劃授出有關獎勵日期之總值不得超過5,000,000港元(「該獎勵」)。本公司董事將於股東大會上另行取得股東批准或動用股東於本公司不時舉行之股東大會上所授予之一般授權，以配發及發行用以履行已授出獎勵之股份數目；
- (iv) 就根據股份獎勵計劃獲授獎勵的各承授人而言，獎勵將於本公司董事釐定之期間內歸屬，惟該期間至少為六個月；
- (v) 將授出之股份數目將由本公司董事會經參考下列情況後釐定：

- 合資格僱員之月薪；
- 股份於緊接授出日期前五個營業日的平均收市價；及
- 合資格僱員之僱傭期間。

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

43. SHARE OPTION SCHEMES/AWARD SCHEME/ EMOLUMENT SHARES (continued)

(c) Emolument Shares

On 26 September 2016, the Company entered into a director's services agreement with Mr. Fok covering period from 27 September 2016 to 26 September 2019. Pursuant to which, 36,452,004 shares (adjusted to 41,514,782 shares as result of Year 2017 Bonus Issue) of the Company will be allotted and issued to Mr. Fok during his service period. Details of which are set out in note 39(b).

44. RELATED PARTY TRANSACTIONS

The remuneration of directors of the Company and other members of key management during the year was 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 short-term benefits	薪金及其他短期福利	22,354	14,457
Post-employment benefits	聘用後福利	93	83
Share-based payments	以股份形式付款	5,000	2,500
		27,447	17,040

The remuneration of directors of the Company and key executive is determined by the remuneration committee having regard to the performance of individuals and market trends.

43. 購股權計劃／股份獎勵計劃／獎勵股份(續)

(c) 獎勵股份

於二零一六年九月二十六日，本公司與霍先生訂立董事服務協議，任期自二零一六年九月二十七日至二零一九年九月二十六日止。據此，將於霍先生之任期內向彼配發及發行36,452,004股(因二零一七年度紅股發行而調整為41,514,782股)本公司股份。有關詳情載於附註39(b)。

44. 關連方交易

本公司董事及其他主要管理層成員於年內的薪酬如下：

本公司董事及主要行政人員的薪酬由薪酬委員會考慮個人表現及市場趨勢而釐定。

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

45. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(a) Details of the Company's principal subsidiaries at 31 March 2018 and 2017 are as follows:

45. 本公司主要附屬公司的詳情

(a) 本公司於二零一八年及二零一七年三月三十一日的主要附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ 註冊成立或註冊/營運地點	Class of shares held 持有股份類別	Issued and fully paid up share capital/ registered capital 已發行及繳足股本/註冊資本	Proportion of nominal value of issued share capital/registered capital held by the Company 本公司持有之已發行股本/註冊資本面值的比例				Principal activities 主要業務
				2018 二零一八年		2017 二零一七年		
				Directly 直接	Indirectly 間接	Directly 直接	Indirectly 間接	
Win Team Investments Limited 英屬處女群島	BVI 英屬處女群島	Ordinary 普通股	US\$1 1美元	100%	-	100%	-	Investment holding 投資控股
Merrymaking Investment Limited 英屬處女群島	BVI 英屬處女群島	Ordinary 普通股	US\$10,000 10,000美元	-	100%	-	100%	Investment holding 投資控股
Pleasing Results Limited 英屬處女群島	BVI 英屬處女群島	Ordinary 普通股	US\$50,000 50,000美元	-	100%	-	100%	Investment holding 投資控股
Hao Tian Management 昊天管理	Hong Kong 香港	Ordinary 普通股	HK\$10,821 10,821港元	-	92.41%	-	92.41%	Securities investment, investment holding and provision of management services 證券投資、投資控股及 提供管理服務
Hao Tian Finance 昊天財務	Hong Kong 香港	Ordinary 普通股	HK\$1,210,000,000 1,210,000,000港元	-	75.21%	-	75.21%	Money lending 放貸
Esteem Ocean Limited 尚洋有限公司	BVI 英屬處女群島	Ordinary 普通股	US\$1 1美元	-	75.21%	-	75.21%	Investment holding 投資控股
Hong Kong Energy & Mining Investment Management Limited 香港能源礦業投資管理有限公司	Hong Kong 香港	Ordinary 普通股	HK\$1 1港元	-	100%	-	100%	Trading of futures 期貨買賣
Hao Tian Oil & Gas Development Group Limited 昊天石油天然氣開發集團有限公司	Hong Kong 香港	Ordinary 普通股	HK\$1 1港元	-	100%	-	100%	Investment holding 投資控股

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

45. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued)

45. 本公司主要附屬公司的詳情 (續)

(a) (continued)

(a) (續)

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ 註冊成立或 註冊/營運地點	Class of shares held 持有股份類別	Issued and fully paid up share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of nominal value of issued share capital/registered capital held by the Company 本公司持有之已發行股本/ 註冊資本面值的比例				Principal activities 主要業務
				2018 二零一八年		2017 二零一七年		
				Directly 直接	Indirectly 間接	Directly 直接	Indirectly 間接	
Access Profit Global Enterprises Group Limited 加裕國際企業集團有限公司	BVI 英屬處女群島	Ordinary 普通股	US\$1,000 1,000美元	-	100%	-	100%	Investment holding 投資控股
New Style Corporation Limited 新品有限公司	Hong Kong 香港	Ordinary 普通股	HK\$1,000 1,000港元	-	100%	-	100%	Investment holding 投資控股
Xinjiang Xinpin Logistics Co., Ltd. (note)* 新疆新品物流有限公司(附註)*	PRC 中國	Registered 登記股份	RMB15,000,000 人民幣15,000,000元	-	100%	-	100%	Inactive 尚未營業
Hao Tian International Construction 昊天國際建設	Cayman Island 開曼群島	Ordinary 普通股	HK\$1,000,000 1,000,000港元	-	62.5%	-	80.79%	Investment holding 投資控股
Hao Tian International (China) Co., Limited (note)* 昊天國際(中國)有限公司(附註)*	PRC 中國	Registered 登記股份	RMB50,000,000 人民幣50,000,000元	-	100%	-	100%	Investment holding 投資控股
Beijing Hao Tian Investment Fund Management Co., Limited (note ii)* 北京昊天投資基金管理有限公司(附註ii)*	PRC 中國	Registered 登記股份	US\$370,000 370,000美元	-	100%	-	100%	Investment holding 投資控股
Hao Tian Hua Tong (Beijing) Trading Co., Limited (note)* 昊天華通(北京)貿易有限公司(附註)*	PRC 中國	Registered 登記股份	RMB5,000,000 人民幣5,000,000元	-	100%	-	100%	Investment holding 投資控股
Hao Tian International Bullion Limited 昊天國際金業有限公司	Hong Kong 香港	Ordinary 普通股	HK\$10,000,000 10,000,000港元	-	100%	-	100%	Commodities brokerage 商品經紀

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

45. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued)

(a) (continued)

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operations 註冊成立或 註冊/營運地點	Class of shares held 持有股份類別	Issued and fully paid up share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of nominal value of issued share capital/registered capital held by the Company 本公司持有之已發行股本/ 註冊資本面值的比例				Principal activities 主要業務
				2018 二零一八年		2017 二零一七年		
				Directly 直接	Indirectly 間接	Directly 直接	Indirectly 間接	
Fujian Nuogqi (note)* 福建諾奇(附註)*	PRC	Registered 登記股份	RMB122,158,800 人民幣122,158,800元	-	59.93%	-	59.93%	Retailing of men's and women's apparels 男裝及女裝零售
Chim Kee Company Limited 占記有限公司	Hong Kong 香港	Ordinary 普通股	HK\$1,000,000 1,000,000港元	-	62.44%	-	80.71%	Construction machinery and sales of construction materials business 建築機械及建築物料銷售業務
Chim Kee Machinery Co., Limited 占記機械有限公司	Hong Kong 香港	Ordinary 普通股	HK\$1 1港元	-	62.44%	-	80.71%	Construction machinery and sales of construction materials business 建築機械及建築物料銷售業務
Hao Tian Securities 昊天證券	Hong Kong 香港	Ordinary 普通股	HK\$10,000 10,000港元	-	100%	-	100%	Securities brokerage business 證券投資

* English names are translated for identification purpose only.

Note:

These entities are wholly foreign owned enterprises established in the PRC.

None of the subsidiaries had any debt securities outstanding at the end of the year or at any time during the year.

* 英文名稱之翻譯僅供識別。

附註：

該等實體為於中國成立之外商獨資企業。

於年末或於年內任何時間，並無附屬公司有任何未償還債券。

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

45. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued)

(a) (continued)

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

At the end of the reporting period, the Company has other subsidiaries that are not material to the Group. A majority of these subsidiaries operate in Hong Kong and PRC. The principal activities of these subsidiaries are summarised as follows:

Principal activity 主要業務	Principal place of business 主要營業地點	Number of subsidiaries 附屬公司數目	
		2018 二零一八年	2017 二零一七年
Investment holding 投資控股	Hong Kong 香港	36	31
	PRC 中國	4	3
		40	34

45. 本公司主要附屬公司的詳情 (續)

(a) (續)

上表列出本公司董事認為主要影響本集團業績或資產的本公司附屬公司。本公司董事認為，提供其他附屬公司之詳情會導致內容過於冗長。

於報告期末，本公司有對本集團並不重大之其他附屬公司。大部分該等附屬公司於香港及中國營運。該等附屬公司之主要業務概述如下：

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

45. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued)

45. 本公司主要附屬公司的詳情 (續)

(b) Details of non-wholly owned subsidiaries that have material non-controlling interests

(b) 具有重大非控股權益之非全資附屬公司詳情

The table below shows details of non-wholly owned subsidiary of the Group that have material non-controlling interests:

下表列示本集團之具有重大非控股權益之非全資附屬公司詳情：

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 interests and voting rights held by non-controlling interests 非控股權益持有之所有權權益及投票權的比例		Profit (loss) allocated to non-controlling interests 分配至非控股權益的溢利(虧損)		Accumulated non-controlling interests 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	2017 二零一七年	2018 二零一八年	2017 二零一七年
				HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Hao Tian Finance 昊天財務	Hong Kong 香港	24.79%	24.79%	16,721	10,144	210,943	194,222
Hao Tian Management 昊天管理	Hong Kong 香港	7.59%	7.59%	(15,097)	(122,119)	(114,357)	(87,205)
Hao Tian International Construction 昊天國際建設	Cayman Island 開曼群島	37.50%	19.21%	(76,151)	1,631	136,977	88,802
Fujian Nuoqi 福建諾奇	PRC 中國	40.07%	40.07%	(6,337)	397	38,241	41,676
				(80,864)	(109,947)	271,804	237,495

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

45. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued)

(b) (continued)

During the year ended 31 March 2018, the Group recognised impairment loss of HK\$172,756,000 on goodwill arising from the Clear Lift Acquisition. HK\$64,783,000 of the impairment loss is allocated to the non-controlling interests of Hao Tian International Construction.

Summarised financial information in respect of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

During the year ended 31 March 2018, the shareholding of non-controlling interest of Hao Tian International Construction is changed due to the Secondary Market Disposal and the Placing which are detailed in note 36(A).

Hao Tian Finance and its subsidiaries

		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	1,775,459	1,961,262
Non-current assets	非流動資產	265,894	264,875
Current liabilities	流動負債	(924,479)	(1,184,644)
Non-current liabilities	非流動負債	(114,420)	(106,490)
Equity attributable to owners of the Company	本公司擁有人應佔權益	791,511	740,781
Non-controlling interests	非控股權益	210,943	194,222

45. 本公司主要附屬公司的詳情 (續)

(b) (續)

截至二零一八年三月三十一日止年度，本集團已於商譽確認來自焯陞收購事項的減值虧損172,756,000港元。減值虧損64,783,000港元已分配至昊天國際建設的非控股權益。

有關本集團之具有重大非控股權益之附屬公司之財務資料概要載列如下。該財務資料概要為集團內部抵銷前金額。

截至二零一八年三月三十一日止年度，昊天國際建設的非控股權益的股權因二級市場出售事項及配售事項而有所變動，有關詳情載於附註36(A)。

昊天財務及其附屬公司

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

45. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued)

45. 本公司主要附屬公司的詳情 (續)

(b) (continued)

(b) (續)

Hao Tian Finance and its subsidiaries (continued)**昊天財務及其附屬公司** (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	108,464	132,756
Profit for the year	年內溢利	67,451	40,916
Profit for the year attributable to:	應佔年內溢利：		
— owners of the Company	— 本公司擁有人	50,730	30,772
— non-controlling interests	— 非控股權益	16,721	10,144
Profit for the year	年內溢利	67,451	40,916
Total comprehensive income (expense) attributable to:	應佔全面收益(開支)總額：		
— owners of the Company	— 本公司擁有人	50,730	(42,558)
— non-controlling interests	— 非控股權益	16,721	(14,026)
Total comprehensive income (expense) for the year	年內全面收益(開支)總額	67,451	(56,584)
Net cash inflow from operating activities	經營業務所得現金流入淨額	189,604	93,988
Net cash outflow from investing activities	投資活動所得現金流出淨額	(252,446)	(273,985)
Net cash (outflow) inflow from financing activities	融資活動所得現金(流出)流入淨額	(142,000)	267,720
Net cash (outflow) inflow	現金(流出)流入淨額	(204,842)	87,723

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

45. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued) 45. 本公司主要附屬公司的詳情(續)

(b) (continued)

(b) (續)

Hao Tian Management and its subsidiaries**昊天管理及其附屬公司**

		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	2,592,794	2,319,997
Non-current assets	非流動資產	536,920	696,125
Current liabilities	流動負債	(2,478,613)	(2,007,287)
Non-current liabilities	非流動負債	-	-
Equity attributable to owners of the Company	本公司擁有人應佔權益	601,683	932,265
Non-controlling interests	非控股權益	49,418	76,570
Revenue	收益	-	-
Loss for the year/period	年/期內虧損	(198,901)	(1,608,948)
Loss for the year/period attributable to:	應佔年/期內虧損：		
— owners of the Company	— 本公司擁有人	(183,804)	(1,486,829)
— non-controlling interests	— 非控股權益	(15,097)	(122,119)
Loss for the year/period	年/期內虧損	(198,901)	(1,608,948)

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

45. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued) 45. 本公司主要附屬公司的詳情 (續)

(b) (continued)

Hao Tian Management and its subsidiaries (continued)

(b) (續)

昊天管理及其附屬公司 (續)

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Total comprehensive expense attributable to:	應佔全面開支總額：		
— owners of the Company	— 本公司擁有人	(330,582)	(1,904,536)
— non-controlling interests	— 非控股權益	(27,152)	(132,784)
Total comprehensive expense for the year/period	年／期內全面開支總額	(357,735)	(2,037,320)
Net cash (outflow) inflow from operating activities	經營業務所得現金(流出)流入淨額	(318,188)	436,764
Net cash outflow from investing activities	投資活動所得現金流出淨額	(1,590)	(419,995)
Net cash inflow from financing activities	融資活動所得現金流入淨額	308,777	64,124
Net cash (outflow) inflow	現金(流出)流入淨額	(11,001)	80,893

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

45. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued) 45. 本公司主要附屬公司的詳情 (續)

(b) (continued)

Hao Tian International Construction and its subsidiaries

(b) (續)

昊天國際建設及其附屬公司

		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	228,996	157,114
Non-current assets	非流動資產	405,290	578,988
Current liabilities	流動負債	(152,885)	(150,606)
Non-current liabilities	非流動負債	(128,409)	(122,260)
Equity attributable to owners of the Company	本公司擁有人應佔權益	216,015	373,468
Non-controlling interests	非控股權益	136,977	88,802
Revenue	收益	165,869	51,232
(Loss) profit for the year/period	年/期內(虧損)溢利	(12,526)	9,457
(Loss) profit for the year/period attributable to:	應佔年/期內(虧損)溢利：		
— owners of the Company	— 本公司擁有人	(7,904)	7,826
— non-controlling interests	— 非控股權益	(4,622)	1,631
(Loss) profit for the year/period	年/期內(虧損)溢利	(12,526)	9,457

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

45. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued) 45. 本公司主要附屬公司的詳情 (續)

(b) (continued)

Hao Tian International Construction and its subsidiaries (continued)

(b) (續)

昊天國際建設及其附屬公司 (續)

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Total comprehensive (expense) income attributable to:	應佔全面(開支)收益總額：		
— owners of the Company	— 本公司擁有人	(7,904)	7,826
— non-controlling interests	— 非控股權益	(4,622)	1,631
Total comprehensive (expense) income for the year/period	年/期內全面(開支)收益總額	(12,526)	9,457
Net cash inflow (outflow) from operating activities	經營業務所得現金流入(流出)淨額	45,452	(13,476)
Net cash outflow from investing activities	投資活動所得現金流出淨額	(158,631)	(10,836)
Net cash inflow from financing activities	融資活動所得現金流入淨額	161,609	7,381
Net cash inflow (outflow)	現金流入(流出)淨額	48,430	(16,931)

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

45. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued) 45. 本公司主要附屬公司的詳情(續)

(b) (continued)

Fujian Nuoqi and its subsidiaries

(b) (續)

福建諾奇及其附屬公司

		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	12,047	1,148
Non-current assets	非流動資產	112,018	116,885
Current liabilities	流動負債	(28,630)	(14,773)
Non-current liabilities	非流動負債	–	(9,250)
Equity attributable to owners of the Company	本公司擁有人應佔權益	(57,194)	(62,334)
Non-controlling interests	非控股權益	(38,241)	(41,676)
Revenue	收益	34,618	9,323
(Loss) profit for the year/period	年/期內(虧損)溢利	(15,815)	992
(Loss) profit for the year/period attributable to:	應佔年/期內(虧損)溢利：		
— owners of the Company	— 本公司擁有人	(9,478)	595
— non-controlling interests	— 非控股權益	(6,337)	397
(Loss) profit for the year/period	年/期內(虧損)溢利	(15,815)	992

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

45. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued) 45. 本公司主要附屬公司的詳情 (續)

(b) (continued)

Fujian Nuoqi and its subsidiaries (continued)

(b) (續)

福建諾奇及其附屬公司 (續)

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Total comprehensive (expense) income attributable to:	應佔全面(開支)收益總額：		
— owners of the Company	— 本公司擁有人	(5,137)	595
— non-controlling interests	— 非控股權益	(3,435)	397
Total comprehensive (expense) income for the year/period	年/期內全面(開支)收益總額	(8,572)	992
Net cash outflow from operating activities	經營業務所得現金流出淨額	(10,710)	(3,671)
Net cash outflow from investing activities	投資活動所得現金流出淨額	(1,369)	(359)
Net cash inflow from financing activities	融資活動所得現金流入淨額	16,505	6,203
Net cash inflow	現金流入淨額	4,426	2,173

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. CAPITAL RISK MANAGEMENT

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

The Group is not subject to any externally imposed capital requirements except for certain subsidiaries engaged in securities and futures dealings and broking, which are regulated by the Hong Kong Securities and Futures Commission.

During the year, the subsidiaries of the Group which are subject to minimum capital requirements imposed by respective regulatory authorities, complied with all the minimum capital requirements.

As at 31 March 2018, the capital structure of the Group consists of debt, which include borrowings, secured notes and equity attributable to owners of the Company, comprising issued share capital, reserves, set off with accumulated loss.

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

46. 資本風險管理

本集團管理其資本，以確保本集團的實體可持續經營，並透過優化債務與權益之間的均衡狀態為股東帶來最大回報。本集團的整體策略自上年度起維持不變。

本集團並無被施加任何外在資本規定，惟若干從事證券及期貨買賣及經紀服務並為受香港證券及期貨條例規管之附屬公司除外。

於本年度，本集團之附屬公司受各監管機構施加之最低資本要求所規限，並符合所有最低資本要求。

於二零一八年三月三十一日，本集團的資本結構包括債務，而債務包括借貸、有擔保票據及本公司擁有人應佔權益（包括已發行股本、儲備、抵銷累計虧損）。

本公司董事持續檢討資本結構。作為此檢討的一部分，本公司董事會考慮資本成本及與各類別資本相關的風險。本集團將根據本公司董事的意見，透過發行新股及新增債務或贖回現有債務以平衡其整體資本結構。

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

47. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

47. 融資活動所產生負債的對賬

	As at 1 April 2017 於二零一七年 四月一日 HK\$'000 千港元	Financing cash flows 融資現金 流量 HK\$'000 千港元 (Note) (附註)	Finance cost recognised 已確認的 融資成本 HK\$'000 千港元	Purchase of property, plant and equipment 購買物業、 廠房及設備 HK\$'000 千港元	Non-cash changes 非現金變動			As at 31 March 2018 於二零一八年 三月三十一日 HK\$'000 千港元
					Exchange loss 匯率虧損 HK\$'000 千港元	Share issue cost 股份 發行成本 HK\$'000 千港元	Loss on early redemption 提早贖回 虧損 HK\$'000 千港元	
Borrowings	939,019	(146,596)	61,162	-	-	-	853,585	
Obligations under finance leases	6,892	(5,734)	326	11,197	-	-	12,681	
Secured notes	150,331	350,532	3,700	-	577	-	505,840	
Accrual — interest payable	-	-	6,477	-	-	-	6,477	
Other liability	106,490	-	7,930	-	-	-	114,420	
Accrued issue cost	-	(3,077)	-	-	-	3,077	-	

Note: The cash flows represent the proceeds from new borrowings, repayment of borrowings, obligation under finance leases, secured notes and cost incurred for share placing and issue of bonus shares of a subsidiary.

附註：現金流量指新借貸所得款項、償還借貸、融資租賃承擔、有抵押票據以及附屬公司股份配售及發行紅股所產生之成本。

48. FINANCIAL INSTRUMENTS

48. 金融工具

(a) Categories of financial instruments

(a) 金融工具的類別

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Financial assets	金融資產		
Financial assets at FVTPL	以公平值計量且其變化計入 損益的金融資產		
— Held for trading	— 持作買賣	1,258,246	1,241,008
— Designated as FVTPL	— 指定以公平值計量且 其變化計入損益	-	27,779
Loans and receivables (including cash and cash equivalents)	貸款及應收款項(包括現金 及現金等值項目)	1,799,625	1,964,730
Available-for-sale investments	可供出售投資	814,059	764,488
		3,871,930	3,998,005

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

48. FINANCIAL INSTRUMENTS (continued)

(a) Categories of financial instruments (continued)

		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
Financial liabilities	金融負債		
Financial liabilities at FVTPL	以公平值計量且其變化計入損益的金融負債	238,893	319,350
Amortised cost	攤銷成本	1,617,731	1,321,201
		1,856,624	1,640,551

(b) Financial risk management objectives and policies

As at 31 March 2018, the Group's financial instruments include deposits, pledged bank deposits, trade and interest receivables, other receivables, loan receivables, finance lease receivables, consideration receivable, investments held for trading, available-for-sale investments, bank balances, trust and segregated accounts, bank balances and cash, trade payables, other payables and accruals, borrowings, obligations under finance leases, secured notes and other liability (2017: deposits, pledged bank deposits, trade and interest receivables, other receivables, loan receivables, finance lease receivables, consideration receivable, investments held for trading, financial assets designated at FVTPL, available-for-sale investments, bank balances, trust and segregated accounts, bank balances and cash, trade payables, other payables and accruals, borrowings, obligations under finance leases, secured notes and other liability). 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.

There has been no significant change to the Group's exposure to market risks or the manner in which it manages and measures the risk from prior year.

48. 金融工具(續)

(a) 金融工具的類別(續)

於二零一八年三月三十一日，本集團的金融工具包括存款、已抵押銀行存款、應收賬款及應收利息、其他應收款項、應收貸款、融資租賃應收款項、應收代價、持作買賣投資、可供出售投資、銀行結餘、信託及獨立賬戶、銀行結餘及現金、應付賬款、其他應付款項及應計費用、借貸、融資租賃承擔、有抵押票據及其他負債(二零一七年：存款、已抵押銀行存款、應收賬款及應收利息、其他應收款項、應收貸款、融資租賃應收款項、應收代價、持作買賣投資、指定以公平值計量且其變化計入損益之金融資產、可供出售投資、銀行結餘、信託及獨立賬戶銀行結餘及現金、應付賬款、其他應付款項及應計費用、借貸、融資租賃承擔、有抵押票據及其他負債)。該等金融工具的詳情已於有關附註中披露。有關該等金融工具的風險及如何減低該等風險的政策載於下文。管理層管理及監控該等風險，以確保及時有效地執行適當措施。

本集團面對的市場風險或其管理及計量風險的方式與去年相比並無重大變動。

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

48. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Market risk

Foreign currency risk management

Several subsidiaries of the Company have foreign currency sales and purchases, which expose the Group to foreign currency risk. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

The carrying amounts of the Group's foreign currency denominated monetary assets and liabilities excluding intra-group balances at the end of the reporting period are as follows:

48. 金融工具(續)

(b) 金融風險管理目標及政策(續)

市場風險

外幣風險管理

本公司數家附屬公司進行外幣買賣，令本集團面臨外幣風險。本集團目前並無外幣對沖政策。然而，管理層監控外匯風險，並將於需要時考慮對沖重大外幣風險。

於報告期末，本集團以外幣計值的貨幣資產及負債(不包括集團內結餘)的賬面值如下：

	Assets		Liabilities	
	資產		負債	
	2018	2017	2018	2017
	二零一八年	二零一七年	二零一八年	二零一七年
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元
United States Dollars ("US\$") 美元(「美元」)	7,028	40,130	186,245	234,860
Renminbi ("RMB") 人民幣(「人民幣」)	25,241	68,404	–	–
Euro ("EURO") 歐元(「歐元」)	11,133	1,759	–	83
Japanese dollar ("JPY") 日元(「日元」)	5,203	4,404	1,606	17,345
Singapore dollar ("SGD") 新加坡元(「新加坡元」)	28	–	–	6,777
Macau Pataca ("MOP") 澳門元(「澳門元」)	383	613	–	–
British Pound ("GBP") 英鎊(「英鎊」)	386,394	–	1,527	–

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

48. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

Foreign currency risk management (continued)

In addition, as at 31 March 2018, the directors of the Company considered that the Group's exposure to foreign currency risk arose from intra-group balances due to foreign operation of HK\$300,288,000 (2017: HK\$246,083,000), which were not denominated in the functional currency of the respective group entities. These intra-group loans do not form part of the Group's net investment in foreign operations.

Sensitivity analysis

The Group is mainly exposed to exchange rate fluctuation of HK\$, US\$, EUR, JPY, SGD, MOP, GBP and RMB against the functional currency of respective group entities, which is mainly HK\$ and RMB. The directors of the Company considered that, as HK\$ is pegged to US\$, the subsidiaries with HK\$ as functional currency, are subject to insignificant foreign currency risk from change in foreign exchange rate of HK\$ against US\$, therefore US\$ is not considered in the sensitivity analysis.

48. 金融工具(續)

(b) 金融風險管理目標及政策(續)

市場風險(續)

外幣風險管理(續)

此外，於二零一八年三月三十一日，本公司董事認為，本集團所承受的外幣風險來自應付境外業務的集團內結餘300,288,000港元(二零一七年：246,083,000港元)，此等貸款均非以各集團實體的功能貨幣計值。該等集團內貸款並不構成本集團對境外業務的投資淨額的一部分。

敏感度分析

本集團主要就港元、美元、歐元、日元、新加坡元、澳門元、英鎊及人民幣兌各集團實體功能貨幣(主要為港元及人民幣)承受匯率波動風險。本公司董事認為，由於港元與美元掛鈎，因此以港元為功能貨幣的附屬公司因港元兌美元的匯率發生變動而承受的外幣風險微不足道，故美元並無於敏感度分析中考慮。

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

48. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

Sensitivity analysis (continued)

5% is the sensitivity rate used by the directors of the Company in the assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis below demonstrates the effect of the foreign exchange differences by a 5% change in exchange rate of the functional currencies against the relevant foreign currencies of the Company and respective subsidiaries, other than US\$ for those with HK\$ functional currency, assuming all other variables were held constant. The sensitivity analysis includes external loans as well as loans to foreign operations within the Group where the denomination of the loan is in a currency other than the functional currency of the lender or borrower. A negative number below indicates an increase in post-tax loss (2017: an increase in post-tax loss) where the functional currencies strengthening 5% against the relevant foreign currencies of the Company and respective subsidiaries, other than US\$ (for those with HK\$ functional currency). For a 5% weaken of the functional currencies of the Company and respective subsidiaries, there would be an equal and opposite impact on the results for the year.

48. 金融工具(續)

(b) 金融風險管理目標及政策(續)

市場風險(續)

敏感度分析(續)

本公司董事評估外匯匯率可能發生合理變動時使用的敏感度為5%。下述的敏感度分析列示本公司及其附屬公司的功能貨幣兌有關外幣(倘功能貨幣為港元,則不包括美元)匯率變動5%(假設所有其他變量保持不變)對本公司及各附屬公司的匯兌差異帶來的影響。敏感度分析包括外部貸款及給予本集團內境外業務之貸款(倘貸款之計值單位為除貸款人或借款人之功能貨幣以外之貨幣)。以下的負數表示當本公司及其各附屬公司的功能貨幣兌有關外幣(倘功能貨幣為港元,則不包括美元)升值5%時,稅後虧損將增加(二零一七年:稅後虧損將上升),而當本公司及各附屬公司的功能貨幣貶值5%時,將會對本年度的業績帶來相等但相反的影響。

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Increase in post-tax loss for the year	年度稅後虧損增加	(17,754)	(2,128)

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

48. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

Interest rate risk management

As at 31 March 2018, the Group is exposed to cash flow interest rate risk in relation to pledged bank deposits, bank balances, secured notes and variable-rate borrowings (2017: pledged bank deposits, bank balances and variable-rate borrowings) carrying prevailing market interest rate.

As at 31 March 2018 and 2017, the Group is also exposed to fair value interest rate risk in relation to fixed-rate borrowings, obligations under finance leases and loan receivables.

The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to the variable rate pledged bank deposits, bank balances, secured notes and borrowings at the end of the reporting period. 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 (2017: 50 basis point) increase or decrease is used on variable-rate borrowings after considering the impact of volatile financial market conditions. The directors of the Company used 10 basis points (2017: 10 basis points) for assessing interest rate risk on pledged bank deposits and bank balances because they considered that the fluctuations on interest rate on pledged bank deposits and bank balances would be less significant.

48. 金融工具(續)

(b) 金融風險管理目標及政策(續)

市場風險(續)

利率風險管理

於二零一八年三月三十一日，本集團就以當前市場利率計息的已抵押銀行存款、銀行結餘、有抵押票據及浮息借貸(二零一七年：已抵押銀行存款、銀行結餘及浮息借貸)承受現金流量利率風險。

於二零一八年及二零一七年三月三十一日，本集團亦承擔與定息借貸、融資租賃責任及應收貸款有關的公平值利率風險。

本集團現時並無利率對沖政策。然而，管理層會監管利率風險，並於需要時考慮對沖重大利率風險。

敏感度分析

以下敏感度分析乃根據於報告期末承受之浮息已抵押銀行存款、銀行結餘、有抵押票據及借貸釐定。分析乃假設於報告期末尚未償還之金融工具於整個年度尚未償還而釐定。增加或減少50個基點(二零一七年：50個基點)乃於考慮金融市況波動之影響後用於浮息借貸。本公司董事使用10個基點(二零一七年：10個基點)以評估已抵押銀行存款及銀行結餘之利率風險，原因為彼等認為已抵押銀行存款及銀行結餘之利率波動並不重大。

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

48. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

Sensitivity analysis (continued)

If interest rates had been 50 basis points (2017: 50 basis points) higher/lower for variable-rate borrowings and 10 basis points (2017: 10 basis points) higher/lower for pledged bank deposits and balances and all other variables were held constant, the Group's post-tax loss for the year ended 31 March 2018 would increase/decrease by HK\$1,757,000 (2017: HK\$2,067,000).

Price risk management

The management would manage its exposure arising from these investments by closely monitoring the performance of respective listed equity security and derivatives and market conditions. The management would consider diversifying the portfolio of these investments as they consider appropriate.

Price risk equity investments

The Group is exposed to other price risk through its available-for-sale investments and investments held for trading. For available-for-sale investments measured at cost less impairment as the fair value could not be measured reliably, they have not been included in the sensitivity analysis.

48. 金融工具(續)

(b) 金融風險管理目標及政策(續)

市場風險(續)

敏感度分析(續)

倘浮息借貸之利率上升/下跌50個基點(二零一七年: 50個基點)及已抵押銀行存款及結餘之利率上升/下跌10個基點(二零一七年: 10個基點), 而所有其他變量保持不變, 則本集團截至二零一八年三月三十一日止年度之稅後虧損將增加/減少1,757,000港元(二零一七年: 2,067,000港元)。

價格風險管理

管理層將透過密切監控上市股本證券及衍生工具之表現及市況以管理其來自該等投資之風險。管理層將於其認為適當時考慮多元化該等投資之組合。

股本投資之價格風險

本集團就其可供出售投資及持作買賣投資而承受其他價格風險。就因公平值不能可靠計量而按成本扣除減值計量之可供出售投資而言, 彼等並未計入敏感度分析。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

48. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to equity and debt price risks at the end of the reporting period. The sensitivity analysis included those available-for-sale investments and investments held for trading carried at fair values. If the prices of the respective available-for-sale investments in listed equity securities and investments held for trading had been 10% (2017: 10%) higher, assuming all other variables were held constant, the impact to the Group would be:

48. 金融工具(續)

(b) 金融風險管理目標及政策(續)

市場風險(續)

敏感度分析

以下敏感度分析乃根據報告期末承受之股本及債務價格風險釐定。敏感度分析包括以公平值列賬的可供出售投資及持作買賣投資。假設所有其他變數保持不變，倘可供出售上市股本證券投資及持作買賣投資各自之價格上升10%(二零一七年：10%)，將對本集團造成以下影響：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Decrease in loss for the year	年內虧損減少	105,064	103,624
Decrease in other comprehensive expense for the year	年內其他全面開支減少	70,197	69,431

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

48. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

Sensitivity analysis (continued)

If the prices of respective available-for-sale investments and held for trading investments had been 10% (2017: 10%) lower, assuming all other variables were held constant, the impact to the Group would be:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Increase in loss for the year	年內虧損增加	112,082	110,774
Increase in other comprehensive expenses for the year	年內其他全面開支增加	63,179	62,281

10% (2017: 10%) change in price represents the directors of the Company's assessment of the reasonably possible change in price.

As at 31 March 2018 and 2017, the Group was exposed to concentration risk on the listed available-for-sale investments and investments held for trading as they comprise equity shares issued by several companies listed in Hong Kong.

48. 金融工具(續)

(b) 金融風險管理目標及政策(續)

市場風險(續)

敏感度分析(續)

假設所有其他變數保持不變，倘可供出售投資及持作買賣投資各自的價格下降10%(二零一七年：10%)，將對本集團造成以下影響：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Increase in loss for the year	年內虧損增加	112,082	110,774
Increase in other comprehensive expenses for the year	年內其他全面開支增加	63,179	62,281

10%(二零一七年：10%)價格變動為本公司董事所評估價格可能發生的合理變動。

於二零一八年及二零一七年三月三十一日，本集團承受上市可供出售投資及持作買賣投資之集中風險，原因為彼等包括由香港數間上市公司發行之股本股份。

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

48. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

Price risk on financial assets designated at FVTPL and financial liabilities at FVTPL

As at 31 March 2018, the Group was also exposed to price risk through its financial liabilities at FVTPL (2017: financial assets designated at FVTPL and financial liabilities at FVTPL).

The sensitivity analysis below has been determined based on the exposure to price risk at the end of the reporting period. If the prices of the listed equity securities, which was used as key input in the valuation of financial assets designated at FVTPL and financial liabilities at FVTPL (particulars are set out in note 20), had been 10% higher/lower, assuming all other variables were held constant, the impact to the Group would be:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Increase in post-tax loss for the year	年度稅後虧損增加	(19,948)	(24,346)
Decrease in post-tax loss for the year	年度稅後虧損減少	19,948	24,346

In opinion of the directors of the Company, the sensitivity analysis above is unrepresentative of the inherent market risk as the pricing model used in the fair value valuation of financial liabilities at FVTPL (2017: financial assets designated at FVTPL and financial liabilities at FVTPL) involves multiple variables and certain variables are interdependent.

48. 金融工具(續)

(b) 金融風險管理目標及政策(續)

市場風險(續)

指定以公平值計量且其變化計入損益之金融資產及以公平值計量且其變化計入損益之金融負債之價格風險

於二零一八年三月三十一日，本集團亦就其以公平值計量且其變化計入損益之金融負債而承受價格風險(二零一七年：指定以公平值計量且其變化計入損益之金融資產及以公平值計量且其變化計入損益之金融負債)。

以下敏感度分析乃根據報告期末承受之價格風險釐定。假設所有其他變數保持不變，倘上市股本證券之價格(其已用作評估指定以公平值計量且其變化計入損益之金融資產及以公平值計量且其變化計入損益之金融負債之主要輸入參數(詳情載於附註20))上升/下降10%，將對本集團造成以下影響：

本公司董事認為，上述敏感度分析對內在市場風險而言並不具代表性，原因為對以公平值計量且其變化計入損益之金融負債(二零一七年：指定以公平值計量且其變化計入損益之金融資產及以公平值計量且其變化計入損益之金融負債)進行公平估值採用之定價模式涉及許多變數且若干變數為相互依存。

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

48. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk

As at 31 March 2018, other than trade and interest receivables, other receivables and deposits, loan receivables, considerable receivable, pledged bank deposits, bank balances, trust and segregated accounts and bank balances and cash, whose carrying amounts best represent the maximum exposure to credit risk, the Group's maximum exposure to credit risk which will cause a financial loss to the Group arising from the amount of contingent liabilities in relation to financial guarantees provided by the Group is disclosed in note 38.

As at 31 March 2018, the Group has concentration of credit risk in respect of loan receivables and consideration receivable (2017: financial assets designated at FVTPL, loan receivables, consideration receivables). As at 31 March 2018, the Group's loan receivables were due from 143 (2017: 116) counterparties (see note 27); and the Group's consideration receivable was due from 1 (2017: 1) counterparty (see note 30). In order to minimise the credit risk, the Group has monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The Group has a concentration of credit risk on liquid funds deposited with a few major banks. The credit risk on liquid funds is limited because the counterparties are banks with good reputation.

48. 金融工具(續)

(b) 金融風險管理目標及政策(續)

信貸風險

於二零一八年三月三十一日，除其賬面值最能代表面對最高信貸風險之應收賬款及應收利息、其他應收款項及訂金、應收貸款、應收代價、已抵押銀行存款、銀行結餘、信託及獨立賬戶以及銀行結餘及現金外，本集團面對因與本集團所提供的財務擔保有關係的或然負債金額而可能對本集團造成財務損失的最高信貸風險載於附註38。

於二零一八年三月三十一日，本集團之應收貸款及應收代價(二零一七年：指定以公平值計量且其變化計入損益之金融負債、應收貸款及應收代價)有信貸集中風險。於二零一八年三月三十一日，本集團之應收貸款乃應收143名(二零一七年：116名)交易對方(見附註27)；及本集團之應收代價乃應收一名(二零一七年：一名)交易對方(見附註30)。為將信貸風險降至最低，本集團設有監控程式，以確保採取跟進行動收回逾期未付的債務。此外，本集團於報告期末檢討各個別債務的可收回金額，以確保為不可收回金額作出充分減值虧損。就此而言，本公司董事認為本集團的信貸風險已大幅減少。

本集團存放在少數主要銀行的流動資金有信貸集中風險。由於對手方為獲授予優良信用評級之銀行，故流動資金的信貸風險有限。

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

48. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk (continued)

As at 31 March 2018, the Group had outstanding consideration receivable of HK\$24,980,000 (2017: HK\$67,680,000) due from 1 (2017: 1) counterparty buyer in respect to the disposal of subsidiaries (2017: disposal of subsidiaries). The Group is exposed to credit risk for the amount of HK\$24,980,000 (2017: HK\$67,680,000) which had been due as at 31 March 2018. The management of the Group takes active negotiation and follow-up action to recover the consideration receivables in order to minimise the credit risk. Details are set out in note 30.

As at 31 March 2018, loan receivables of HK\$86,520,000 (2017: HK\$47,450,000) were past due. The Group is exposed to credit risk in the event that the loan borrowers fail to perform its obligation to repay the amount in full. The management of the Group takes active negotiation and follow-up action to recover the loan receivables in order to minimise the credit risk. In the opinion of the directors of the Company, the risk of non-recoverability of the amount is minimal, as the loan receivables were secured by sufficient collateral which could recover the amount of the loan receivables in case the loan borrowers fail to perform its obligation. Details are set out in note 27.

Liquidity risk

The Group manages its liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of borrowings and ensures compliance with loan covenants.

48. 金融工具(續)

(b) 金融風險管理目標及政策(續)

信貸風險(續)

於二零一八年三月三十一日，本集團就出售附屬公司(二零一七年：出售附屬公司)而有應收一名(二零一七年：一名)交易對方買家之尚未償還應收代價24,980,000港元(二零一七年：67,680,000港元)。本集團就該等已於二零一八年三月三十一日到期之金額24,980,000港元(二零一七年：67,680,000港元)承貸風險。本集團管理層為收回應收代價會進行積極磋商及採取跟進措施以降低信貸風險。詳情載於附註30。

於二零一八年三月三十一日，應收貸款86,520,000港元(二零一七年：47,450,000港元)已逾期。倘貸款借款人未能履行其責任悉數償還金額，則本集團會承受信貸風險。本集團管理層進行積極磋商及採取跟進措施收回應收貸款以降低信貸風險。本公司董事認為，因應收貸款由足夠抵押品抵押，倘貸款借款人未能履行其責任則可收回應收貸款金額，故款項的不可收回性的風險甚微。詳情載於附註27。

流動資金風險

本集團通過監管及將現金及現金等值項目維持於管理層認為足以應付本集團營運之水平管理流動資金風險，以及減低現金流量波動之影響。管理層監管動用借貸的情況並確保遵守貸款契諾。

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

48. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Liquidity risk (continued)

The following table details the Group's remaining contractual maturity for its financial liabilities. It has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. Specifically, bank loans with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other financial liabilities are based on the agreed repayment dates. The table includes both interest and principal cash flows.

		Weighted average effective interest rate	On demand or between 1 to 3 months	Between 4 to 12 months	Over 1 year	Total undiscounted cash flows	Carrying amount at 31 March 於 三月三十一日 之賬面值 HK\$'000 千港元
		加權平均 實際利率 %	按要求或 1至3個月 HK\$'000 千港元	4至12個月 HK\$'000 千港元	一年以上 HK\$'000 千港元	未折現現金 流量總額 HK\$'000 千港元	
2018	二零一八年						
Trade payables	應付賬款	N/A 不適用	76,634	-	-	76,634	76,634
Other payables and accruals	其他應付款項及 應計款項	N/A 不適用	54,571	-	-	54,571	54,571
Borrowings	借貸	4.70	516,574	97,137	287,656	901,367	853,585
Secured notes	有抵押票據	10.45	14,280	188,152	545,672	748,104	505,840
Other liability	其他長期負債	8.00	115,000	-	-	115,000	114,420
Obligations under finance leases	融資租賃承擔	8.70	1,194	3,582	8,752	13,528	12,681
			778,253	288,871	842,080	1,909,204	1,617,731
Financial guarantees issued — Maximum amount guaranteed	所發行財務擔保 — 最高擔保金額	N/A 不適用	11,533	-	-	11,533	-

48. 金融工具(續)

(b) 金融風險管理目標及政策(續)

流動資金風險(續)

下表詳列本集團金融負債的剩餘合約期限。下表為基於本集團可能需要支付金融負債的未折現現金流量的最早日期而制訂。特別是，按應要求償還條款償還之銀行貸款計入最早時間範疇(不論銀行選擇行使其權利之可能性)。其他金融負債之到期日乃根據協定償還日期而定。該表同時包括利息及本金的現金流量。

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

48. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Liquidity risk (continued)

		Weighted average effective interest rate	On demand or between 1 to 3 months	Between 4 to 12 months	Over 1 year	Total undiscounted cash flows	Carrying amount at 31 March 於 三月三十一日 之賬面值 HK\$'000
		加權平均 實際利率 %	按要求或 1至3個月 HK\$'000 千港元	4至12個月 HK\$'000 千港元	一年以上 HK\$'000 千港元	未折現現金 流量總額 HK\$'000 千港元	三月三十一日 之賬面值 HK\$'000 千港元
2017	二零一七年						
Trade payables	應付賬款	N/A	不適用	61,390	–	61,390	61,390
Other payables and accruals	其他應付款項及 應計款項	N/A	不適用	57,079	–	57,079	57,079
Borrowings	借貸	6.36	707,947	39,995	237,269	985,211	939,019
Secured notes	有抵押票據	21.15	–	20,400	159,154	179,554	150,331
Other liability	其他負債	8.0	–	–	115,000	115,000	106,490
Obligations under finance leases	融資租賃承擔	8.1	1,056	3,169	3,131	7,356	6,892
			827,472	63,564	514,554	1,405,590	1,321,201
Financial guarantees issued	所發行財務擔保						
— Maximum amount guaranteed	— 最高擔保金額	N/A	不適用	13,462	–	–	13,462

48. 金融工具(續)

(b) 金融風險管理目標及政策(續)

流動資金風險(續)

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

48. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Liquidity risk (continued)

Bank loans with a repayment on demand clause are included in the "on demand or between 1 to 3 months" time band in the above maturity analysis. As at 31 March 2018, the aggregate undiscounted principal amounts of these bank loans amounted to HK\$567,058,000 (2017: HK\$696,196,000). Taking into account the Group's financial position, the directors of the Company do not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment. The directors of the Company believe that such bank loans will be repaid after the end of the reporting period in accordance with the scheduled repayment dates set out in the loan agreements. At that time, the aggregate principal and interest cash outflows are set out as follows:

		Weighted average effective interest rate	On demand or between 1 to 3 months	Between 4 to 12 months	Over 1 year	Total undiscounted cash flows	Carrying amount at 31 March 於 三月三十一日 之賬面值
		加權平均 實際利率 %	按要求或 1至3個月 HK\$'000 千港元	4至12個月 HK\$'000 千港元	一年以上 HK\$'000 千港元	未折現現金 流量總額 HK\$'000 千港元	三月三十一日 之賬面值 HK\$'000 千港元
Borrowings	借貸						
At 31 March 2018	於二零一八年 三月三十一日	5.47	492,658	17,267	63,980	573,905	567,058
At 31 March 2017	於二零一七年 三月三十一日	6.23	649,420	16,753	59,623	725,796	696,196

48. 金融工具(續)

(b) 金融風險管理目標及政策(續)

流動資金風險(續)

按應要求償還條款償還之銀行貸款計入上述到期情況分析之「按要求或1至3個月」時間範疇。於二零一八年三月三十一日，該等銀行貸款之未折現本金總額為567,058,000港元(二零一七年：696,196,000港元)。經考慮本集團之財務狀況後，本公司董事認為，銀行不可能行使其酌情權要求即時償還。本公司董事認為，根據貸款協議所載之計劃償還日期，有關銀行貸款將於報告期末後償還。當時，本金及利息現金流出總額載列如下：

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

48. FINANCIAL INSTRUMENTS (continued)

(c) Fair value measurement of financial instruments

This note provides information about how the Group determines fair values of various financial assets and financial liabilities.

(i) Fair value of the Group's financial instruments that are measured at fair value on a recurring basis

Some of the Group's financial instruments are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial instruments are determined (in particular, the valuation technique(s) and inputs used).

Financial assets 金融資產	Fair value as at 31 March 於三月三十一日的公平值		Fair value hierarchy 公平值級別	Valuation techniques and key inputs 估值技術及主要輸入數據
	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元		
Listed equity securities classified as available-for-sale investments 分類為可供出售投資之上市股本證券	463,977	694,310	Level 1 第一級	Quoted prices in an active market 於活躍市場的報價
Unlisted fund investment classified as available-for-sale investment 分類為可供出售投資之非上市基金投資	237,994	-	Level 2 第二級	Estimated based on the quoted price of underlying equity securities 根據相關股本證券的報價估計
Listed equity securities classified as investments held for trading 分類為持作買賣投資之上市股本證券	1,258,195	1,237,200	Level 1 第一級	Quoted prices in an active market 於活躍市場的報價
Overseas listed derivatives classified as investments held for trading 分類為持作買賣投資之 海外上市衍生工具	51	3,808	Level 1 第一級	Quoted prices in an active market 於活躍市場的報價
Convertible bond classified as financial assets designated at FVTPL 分類為指定以公平值計量且其變化計入損益之金融資產的 可換股債券	-	27,779	Level 3 第三級	Discounted cash flow and Binomial Option Pricing Model. Future cash flows are estimated based on the prevailing market rate of interest of similar instruments. The unobservable key input is expected volatility and discount rate. 已折現現金流量及二項式期權定價模式。未來現金流量乃根據類似工具的現行市場利率估算。主要不可觀察輸入數據為預期波幅及貼現率。

48. 金融工具(續)

(c) 金融工具的公平值計量

本附註提供本集團如何釐定多項金融資產及金融負債公平值的資料。

(i) 以經常性基準按公平值計量的本集團金融工具的公平值

本集團若干金融工具於各報告期末按公平值計量。下表提供有關如何釐定該等金融工具的公平值(特別是所使用的估值技術及輸入數據)之資料。

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

48. FINANCIAL INSTRUMENTS (continued)

(c) Fair value measurement of financial instruments (continued)

(i) Fair value of the Group's financial instruments that are measured at fair value on a recurring basis (continued)

Financial liabilities 金融負債	Fair value as at 31 March 於三月三十一日的公平值		Fair value hierarchy 公平值級別	Valuation techniques and key inputs 估值技術及主要輸入數據
	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元		
CSFG Option and HTF Warrants 中國山東金融集團期權及 昊天財務認股權證	11,750	34,561	Level 3 第三級	Binomial Option Pricing Model. The unobservable key input is expected volatility detailed in note 20 (note ii) 二項式期權定價模式。主要不可觀察輸入數據為附註20(附註ii)內詳述之預期波幅
Option arising from HTM Subscription 昊天管理認購事項所產生之期權	227,143	284,789	Level 3 第三級	The present value and Monte-Carlo Simulation Model. The unobservable key input are expected volatility of the Company, expected volatility of Hao Tian Management and correlation detailed in note 20 (note iii) 現值及蒙特卡羅模擬模式。主要不可觀察輸入數據為附註20(附註iii)內詳述之本公司之預期波幅、昊天管理之預期波幅及相關性

48. 金融工具(續)

(c) 金融工具的公平值計量(續)

(i) 以經常性基準按公平值計量的本集團金融工具的公平值(續)

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

48. FINANCIAL INSTRUMENTS (continued)

(c) Fair value measurement of financial instruments (continued)

(i) Fair value of the Group's financial instruments that are measured at fair value on a recurring basis (continued)

Notes:

- (a) If the expected volatility of the share price to the valuation model had been 5% higher/lower while all other variables were held constant, the aggregate carrying amount of CSFG Option and HTF Warrants would increase/decrease by approximately HK\$1,149,000/HK\$1,077,000 (2017: HK\$2,590,000/HK\$2,251,000). In the opinion of the directors of the Company, the sensitivity analysis is unrepresentative of the inherent price risk as the period end exposure does not reflect the exposure during the year.
- (b) If the expected volatility of the Company to the valuation model had been 5% higher/lower while all other variables were held constant, the carrying amount of HTD Option would increase/decrease by approximately HK\$984,000/HK\$383,000 (2017: HK\$684,000/HK\$936,000). If the expected volatility of Hao Tian Management to the valuation model had been 5% higher/lower while all other variables were held constant, the carrying amount of HTD Option would increase/decrease by approximately HK\$1,181,000/HK\$602,000 (2017: HK\$864,000/HK\$1,928,000). If the correlation to the valuation model had been 5% higher/lower while all other variables were held constant, the carrying amount of HTD Option would decrease/increase by approximately HK\$711,000/HK\$696,000 (2017: HK\$198,000/HK\$206,000). In the opinion of the directors of the Company, the sensitivity analysis is unrepresentative of the inherent price risk as the period end exposure does not reflect the exposure during the period.

48. 金融工具(續)

(c) 金融工具的公平值計量(續)

(i) 以經常性基準按公平值計量的本集團金融工具的公平值(續)

附註：

- (a) 倘股價預期估值模式的波幅上升/下跌5%，而所有其他變數維持不變，則中國山東金融集團期權及昊天財務認股權證的總賬面值將增加/減少約1,149,000港元/1,077,000港元(二零一七年：2,590,000港元/2,251,000港元)。本公司董事認為，由於期末風險並不反映年內的風險，故敏感度分析並不代表固有價格風險。
- (b) 倘本公司預期估值模式的波幅上升/下跌5%，而所有其他變數維持不變，則HTD期權的賬面值將增加/減少約984,000港元/383,000港元(二零一七年：684,000港元/936,000港元)。倘昊天管理之預期估值模式的波幅上升/下跌5%，而所有其他變數維持不變，則HTD期權的賬面值將增加/減少約1,181,000港元/602,000港元(二零一七年：864,000港元/1,928,000港元)。倘估值模型之相關性上升/下跌5%，而所有其他變數維持不變，則HTD期權的賬面值將減少/增加約711,000港元/696,000港元(二零一七年：198,000港元/206,000港元)。本公司董事認為，由於期末風險並不反映期內的風險，故敏感度分析並不代表固有價格風險。

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

48. FINANCIAL INSTRUMENTS (continued)

(c) Fair value measurement of financial instruments (continued)

(i) Fair value of the Group's financial instruments that are measured at fair value on a recurring basis (continued)

Of the total gains and losses for the year included in profit or loss, net gain of HK\$77,679,000 (2017: net loss of HK\$468,986,000) relates to financial assets designated as at FVTPL and financial liabilities at FVTPL held at the end of the current year. Fair value gains or losses on financial assets designated as at FVTPL and financial liabilities at FVTPL are included in 'other gains and losses'.

Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The board of directors of the Company has set up an investment committee, which is headed up by the Chief Financial Officer of the Company, to determine the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent they are available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. The investment committee works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. The Chief Financial Officer reports the investment committee's findings to the board of directors of the Company every half year to explain the cause of fluctuations in the fair value of the assets and liabilities.

48. 金融工具(續)

(c) 金融工具的公平值計量(續)

(i) 以經常性基準按公平值計量的本集團金融工具的公平值(續)

於損益內所載之本年度收益及虧損總額中，淨收益77,679,000港元(二零一七年：淨虧損468,986,000港元)與本年度末持有之指定以公平值計量且其變化計入損益的金融資產及以公平值計量且其變化計入損益之金融負債相關。指定以公平值計量且其變化計入損益的金融資產及以公平值計量且其變化計入損益之金融負債的公平值收益或虧損載列於「其他收益及虧損」中。

公平值計量及估值過程

本集團部分資產及負債就財務申報目的而言乃以公平值計量。本公司董事會已成立投資委員會，由本公司首席財務官領導，以釐定公平值計量之適當估值技術及輸入數據。

於估計資產或負債之公平值時，本集團使用可獲得之市場可觀察數據。倘第一級輸入數據不可用，則本集團委聘第三方合資格估值師進行估值。投資委員會與合資格外聘估值師密切合作以制定合適之估值技術及模式輸入數據。為說明資產及負債公平值波動之原因，首席財務官每半年向本公司董事會報告投資委員會之調查結果。

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

48. FINANCIAL INSTRUMENTS (continued)

(c) Fair value measurement of financial instruments (continued)

(i) Fair value of the Group's financial instruments that are measured at fair value on a recurring basis (continued)

Fair value measurements and valuation processes (continued)

The Group uses valuation techniques that include inputs that are not based on observable market data to estimate the fair value of certain types of financial instruments. Note 20 provides detailed information about the valuation techniques, inputs and key assumptions used in the determination of the fair value of various assets and liabilities.

48. 金融工具(續)

(c) 金融工具的公平值計量(續)

(i) 以經常性基準按公平值計量的本集團金融工具的公平值(續)

公平值計量及估值過程(續)

本集團採用包括並非基於可觀察市場數據之輸入數據之估值技術估計若干類型金融工具之公平值。附註20載列釐定各類資產及負債公平值時所使用之估值技術、輸入數據及主要假設之詳細資料。

31 March 2018
二零一八年三月三十一日

		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Available-for-sale investments	可供出售投資	463,977	237,994	–	701,971
Investments held for trading	持作買賣投資	1,258,246	–	–	1,258,246
Financial liabilities at FVTPL	以公平值計量且其變化計入損益之金融負債	–	–	(238,893)	(238,893)
		1,722,223	237,994	(238,893)	1,721,324

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

48. FINANCIAL INSTRUMENTS (continued)**48. 金融工具(續)****(c) Fair value measurement of financial instruments (continued)****(c) 金融工具的公平值計量(續)****(i) Fair value of the Group's financial instruments that are measured at fair value on a recurring basis (continued)****(i) 以經常性基準按公平值計量的本集團金融工具的公平值(續)**

		31 March 2017 二零一七年三月三十一日			
		Level 1	Level 2	Level 3	Total
		第一級	第二級	第三級	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Available-for-sale investments	可供出售投資	694,310	–	–	694,310
Investments held for trading	持作買賣投資	1,241,008	–	–	1,241,008
Financial assets designated at FVTPL	指定以公平值計量且其變化計入損益之金融資產	–	–	27,779	27,779
Financial liabilities at FVTPL	以公平值計量且其變化計入損益之金融負債	–	–	(319,350)	(319,350)
		1,935,318	–	(291,571)	1,643,747

There were no transfer between Level 1 and 2 in both years.

第一級與第二級之間於兩個年度內並無進行任何轉撥。

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

48. FINANCIAL INSTRUMENTS (continued)

(c) Fair value measurement of financial instruments (continued)

(i) Fair value of the Group's financial instruments that are measured at fair value on a recurring basis (continued)

Reconciliation of Level 3 fair value measurements of financial assets and financial liabilities

48. 金融工具(續)

(c) 金融工具的公平值計量(續)

(i) 以經常性基準按公平值計量的本集團金融工具的公平值(續)

金融資產及金融負債之第三級公平值計量之對賬

		Financial assets designated at FVTPL 指定以公平值 計量且其變化 計入損益之 金融資產 HK\$'000 千港元	Financial liabilities at FVTPL 以公平值 計量且其變化 計入損益之 金融負債 HK\$'000 千港元
At 1 April 2016	於二零一六年四月一日	490,402	(41,515)
Addition	添置	–	(271,472)
Total gains or losses recognised in profit or loss	於損益中確認之盈虧總額		
— Change in fair value	— 公平值變動	(462,623)	(6,363)
At 31 March 2017	於二零一七年三月三十一日	27,779	(319,350)
Redemption	贖回	(25,000)	–
Total gains or losses recognised in profit or loss	於損益中確認之盈虧總額		
— Change in fair value	— 公平值變動	(2,779)	80,457
At 31 March 2018	於二零一八年三月三十一日	–	(238,893)

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

48. FINANCIAL INSTRUMENTS (continued)

(c) Fair value measurement of financial instruments (continued)

(ii) *Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis*

The management of the Group estimates the fair value of its financial assets and financial liabilities measured at amortised cost using the discounted cash flows analysis.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

48. 金融工具(續)

(c) 金融工具的公平值計量(續)

(ii) 並非以經常性基準按公平值計量的金融資產及金融負債的公平值

本集團管理層使用折現現金流量分析法估計其按攤銷成本計量的金融資產及金融負債的公平值。

本公司董事認為於綜合財務報表中以攤銷成本入賬的金融資產及金融負債的賬面值與其公平值相若。

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

49. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

49. 本公司財務狀況表及儲備

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Non-current assets	非流動資產		
Amounts due from subsidiaries	應收附屬公司款項	2,717,304	2,233,719
Current assets	流動資產		
Other receivables	其他應收款項	–	569
Amounts due from subsidiaries	應收附屬公司款項	1,611,349	1,681,663
Pledged bank deposits	已抵押銀行存款	–	9,430
Bank balances and cash	銀行結餘及現金	460,966	229,065
		2,072,315	1,920,727
Current liabilities	流動負債		
Other creditors & accruals	其他應付賬款及應計款項	9,828	1,893
Borrowings	借貸	325,315	120,000
Amounts due to subsidiaries	應付附屬公司款項	892,685	797,626
Secured notes	有抵押票據	155,840	150,331
Financial liabilities at FVTPL	以公平值計量且其變化計入損益之金融負債	238,893	319,351
		1,622,561	1,389,201
Net current assets	流動資產淨值	449,754	531,526
Non-current liabilities	非流動負債		
Borrowings	借貸	155,000	164,550
Secured notes	有抵押票據	350,000	–
		505,000	164,550
Net assets	資產淨值	2,662,058	2,600,695
Equity	權益		
Share capital	股本	48,980	41,862
Reserves	儲備	2,613,078	2,558,833
Total equity	權益總額	2,662,058	2,600,695

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

49. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (continued)

Note: As at 31 March 2018, reserves of the Company included share capital of HK\$48,980,000 (2017: HK\$41,862,000), share premium of HK\$4,273,404,000 (2017: HK\$4,275,522,000), share option and emolument share reserve of HK\$800,000 (2017: HK\$1,237,000), debit of other reserve of HK\$5,490,000 (2017: debit of HK\$5,490,000), put option reserve of HK\$5,238,000 (2017: HK\$5,238,000) and accumulated losses of HK\$1,660,874,000 (2017: HK\$1,717,674,000). Movements of the Company's share capital, share premium and share option and emolument share reserve are disclosed in the consolidated statement of changes in equity. The movements of the Company's accumulated losses is attributable to losses for the respective financial years.

50. EVENTS AFTER THE REPORTING PERIOD

- (i) On 14 April 2018, the Company entered into a sales and purchase agreement with independent third parties (the "D&D Vendors"), pursuant to which the D&D Vendors have conditionally agreed to sell, and the Company has conditionally agreed to purchase the entire issued share capital of Done and Dusted Productions Limited ("D&D"), for a total consideration of US\$89,600,000 (equivalent to approximately HK\$703,400,000) (the "D&D Acquisition").

The details of D&D Acquisition have been disclosed in the announcement of the Company issued on 15 April 2018 and the D&D Acquisition has not yet completed at the date of this report.

- (ii) On 12 April 2018, the 55 Acquisition was completed and 55 Mark Lane has become a subsidiary of the Company.
- (iii) On 9 April 2018, the HTF Put Option was exercised by RSGHL.

49. 本公司財務狀況表及儲備(續)

附註：於二零一八年三月三十一日，本公司的儲備包括股本48,980,000港元(二零一七年：41,862,000港元)、股份溢價4,273,404,000港元(二零一七年：4,275,522,000港元)、購股權及獎勵股份儲備800,000港元(二零一七年：1,237,000港元)、其他儲備之借方5,490,000港元(二零一七年：借方5,490,000港元)、認沽期權儲備5,238,000港元(二零一七年：5,238,000港元)及累計虧損1,660,874,000港元(二零一七年：1,717,674,000港元)。本公司股本、股份溢價及購股權及獎勵股份儲備的變動披露於綜合權益變動表中。本公司累計虧損出現變動，乃歸因於各財政年度的虧損。

50. 報告期後事項

- (i) 於二零一八年四月十四日，本公司與獨立第三方(「D&D賣方」)訂立買賣協議，據此D&D賣方已有條件同意出售，而本公司已有條件同意購買Done and Dusted Productions Limited(「D&D」)全部已發行股本，總代價為89,600,000美元(相當於約703,400,000港元)(「D&D收購事項」)。

有關D&D收購事項之詳情已披露於本公司於二零一八年四月十五日所之公告中，而D&D收購事項於本報告日期尚未完成。

- (ii) 55收購事項已於二零一八年四月十二日完成，55 Mark Lane已成為本公司附屬公司。
- (iii) 瑞陞控股於二零一八年四月九日行使昊天財務認沽期權。

FINANCIAL SUMMARY

財務概要

Year ended 31 March 截至三月三十一止年度

RESULTS

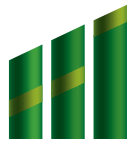
業績

		2014 二零一四年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2016 二零一六年 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
Revenue	收益	201,768	60,899	129,986	206,313	330,017
(Loss) profit for the year attributable to:	下列人士應佔年內(虧損)溢利：					
— owners of the Company	— 本公司擁有人	(12,415)	1,522,565	524,398	(3,078,901)	(444,906)
— non-controlling interests	— 非控股權益	(44)	(187)	(58,424)	(109,947)	(80,864)
(Loss) profit for the year	年內(虧損)溢利	(12,459)	1,522,378	465,974	(3,188,848)	(525,770)

ASSETS AND LIABILITIES

資產及負債

		As at 31 March 於三月三十一日				
		2014 二零一四年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2016 二零一六年 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
Total assets	資產總值	2,830,127	6,193,193	8,428,362	5,343,202	5,029,511
Total liabilities	負債總額	(276,270)	(1,267,883)	(1,560,233)	(1,781,718)	(1,966,077)
		2,553,857	4,925,310	6,868,129	3,561,484	3,063,434
Equity attributable to owners of the Company	本公司擁有人應佔權益	2,548,903	4,925,310	6,659,881	3,323,989	2,791,630



昊天發展集團有限公司
Hao Tian Development Group Limited

