



創業集團(控股)有限公司

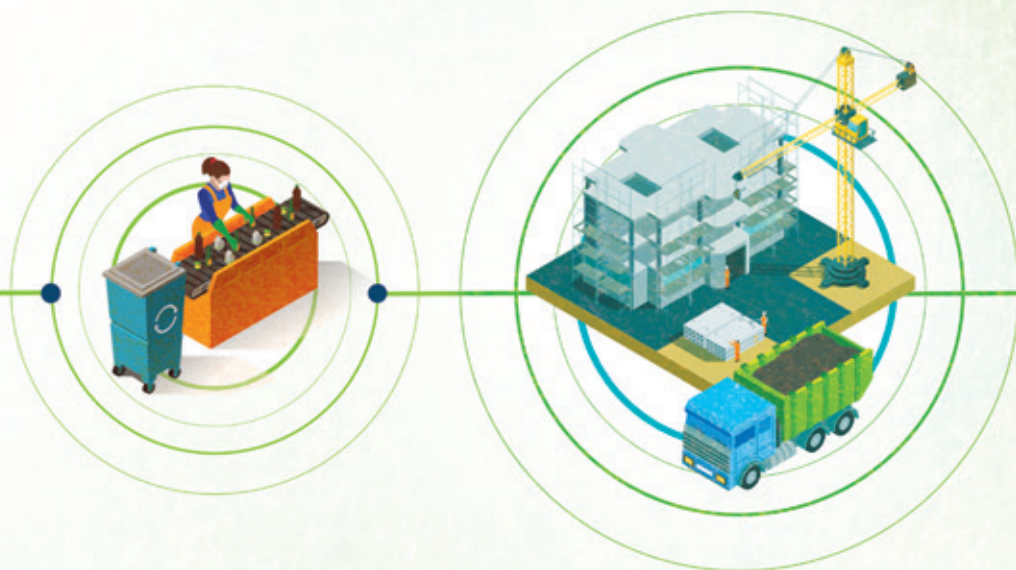
NEW CONCEPTS HOLDINGS LIMITED

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

Stock Code 股份代號 : 2221

ANNUAL REPORT 年報 2019





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CORPORATE INFORMATION

公司資料

Executive Directors

Mr. Zhu Yongjun (*Chairman of the Board*)
 Ms. Qin Shulan (*Chief Executive Officer*)
 Mr. Cai Jianwen
 Mr. Lee Tsi Fun Nicholas (appointed on 31 August 2018)

Non-executive Director

Dr. Zhang Lihui

Independent Non-executive Directors

Mr. Lo Chun Chiu, Adrian
 Dr. Tong Ka Lok
 Mr. Choy Wai Shek, Raymond, *MH, JP*

Audit Committee

Dr. Tong Ka Lok (*Chairman*)
 Mr. Lo Chun Chiu, Adrian
 Mr. Choy Wai Shek, Raymond, *MH, JP*

Nomination Committee

Mr. Lo Chun Chiu, Adrian (*Chairman*)
 Dr. Tong Ka Lok
 Mr. Choy Wai Shek, Raymond, *MH, JP*
 Mr. Zhu Yongjun

Remuneration Committee

Mr. Choy Wai Shek, Raymond, *MH, JP* (*Chairman*)
 Mr. Lo Chun Chiu, Adrian
 Dr. Tong Ka Lok
 Mr. Cai Jianwen

Company Secretary

Mr. Lee Tsi Fun Nicholas

Authorised Representatives

Mr. Cai Jianwen
 Mr. Lee Tsi Fun Nicholas

Registered Office

Clifton House, 75 Fort Street
 P.O. Box 1350, Grand Cayman
 KY1-1108
 Cayman Islands

Headquarters, Head Office and Principal Place of Business in Hong Kong

Office B, 3/F, Kingston International Centre
 19 Wang Chiu Road, Kowloon Bay, Hong Kong

Independent Auditor

BDO Limited
 25/F Wing on Centre
 111 Connaught Road
 Hong Kong

執行董事

朱勇軍先生 (*董事會主席*)
 秦妹蘭女士 (*行政總裁*)
 蔡建文先生
 李錫勛先生 (於2018年8月31日獲委任)

非執行董事

張立輝博士

獨立非執行董事

羅俊超先生
 唐嘉樂博士
 蔡偉石先生, 榮譽勳章, 太平紳士

審核委員會

唐嘉樂博士 (*主席*)
 羅俊超先生
 蔡偉石先生, 榮譽勳章, 太平紳士

提名委員會

羅俊超先生 (*主席*)
 唐嘉樂博士
 蔡偉石先生, 榮譽勳章, 太平紳士
 朱勇軍先生

薪酬委員會

蔡偉石先生, 榮譽勳章, 太平紳士 (*主席*)
 羅俊超先生
 唐嘉樂博士
 蔡建文先生

公司秘書

李錫勛先生

授權代表

蔡建文先生
 李錫勛先生

註冊辦事處

Clifton House, 75 Fort Street
 P.O. Box 1350, Grand Cayman
 KY1-1108
 Cayman Islands

總部、總辦事處及香港主要營業地點

香港九龍灣宏照道19號
 金利豐國際中心3樓B室

獨立核數師

香港立信德豪會計師事務所有限公司
 香港
 干諾道中111號
 永安中心25樓

CORPORATE INFORMATION
公司資料**Legal Advisers***As to Hong Kong law*

Loong & Yeung Solicitors
Room 1603, 16/F China Building
29 Queen's Road Central
Central, Hong Kong

K&L Gates

44/F, Edinburgh Tower
The Landmark
15 Queen's Road Central
Central, Hong Kong

As the Cayman Islands law

Appleby
2206-19, Jardine House
1 Connaught Place
Central, Hong Kong

Principal Bankers

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

Industrial and Commercial Bank of China (Asia) Limited
33rd Floor, ICBC Tower
3 Garden Road
Central
Hong Kong

Principal Share Registrar and Transfer Office

Estera Trust (Cayman) Limited
Clifton House, 75 Fort Street
P.O. Box 1350, Grand Cayman
KY1-1108, Cayman Islands

Hong Kong Branch Share Registrar and Transfer Office

Tricor Investor Services Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong (effective address prior to 11 July 2019)

Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong
(change of address with effect from 11 July 2019)

Stock Code

2221

Company Website<http://www.primeworld-china.com>**法律顧問***有關香港法律*

龍炳坤、楊永安律師行
香港中環
皇后大道中29號
華人行16樓1603室

高蓋茨律師事務所
香港中環
皇后大道中15號
置地廣場
公爵大廈44樓

有關開曼群島法律

毅柏律師事務所
香港中環
康樂廣場一號
怡和大廈2206-19室

主要往來銀行

香港上海滙豐銀行有限公司
香港
中環
皇后大道中1號

中國工商銀行(亞洲)有限公司
香港
中環
花園道3號
中國工商銀行大廈33樓

股份過戶登記總處

Estera Trust (Cayman) Limited
Clifton House, 75 Fort Street
P.O. Box 1350, Grand Cayman
KY1-1108, Cayman Islands

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心22樓(2019年7月11日前的有效地址)

香港
皇后大道東183號
合和中心54樓
(更改地址自2019年7月11日起生效)

股份代號

2221

公司網址<http://www.primeworld-china.com>

CHAIRMAN'S STATEMENT 主席報告



Dear shareholders,

On behalf of the board (the "Board") of directors (the "Directors") of New Concepts Holdings Limited (the "Company") together with its subsidiaries (the "Group"), I hereby present the audited annual results to the shareholders and prospective investors of the Group for the year ended 31 March 2019 (the "Year").

During the Year, the Group's revenue increased by 10.0% to approximately HK\$1,021.7 million (2018: HK\$928.5 million) and recorded loss for the Year of HK\$92.7 million (2018: HK\$245.4 million). Taking out the effect of impairment on goodwill, intangible assets, loan and other receivables amounting to Nil (2018: HK\$169.2 million), the Group would record an adjusted loss of HK\$92.7 million.

Despite the revenue of our construction works and its related business dropped by 6.1% to approximately HK\$764.8 million (2018: HK\$814.8 million), it did improve to a gross profit level compared to gross loss in 2018 resulted to a tighter control over project budget monitoring and more cautious to project acceptance.

Our kitchen waste treatment business was mainly carried through the operation in Taiyuan Plant and Hefei Plants, in which both commenced formal commercial operations. As at 31 March 2019, utilised capacity of Taiyuan Plant was about 280 tons per day. During the Year, Loudi Plant is under construction where Hefei Plants is still not in a normal permitted capacity of 200 tons per day given another technology improvement has still been on-going as of 31 March 2019.

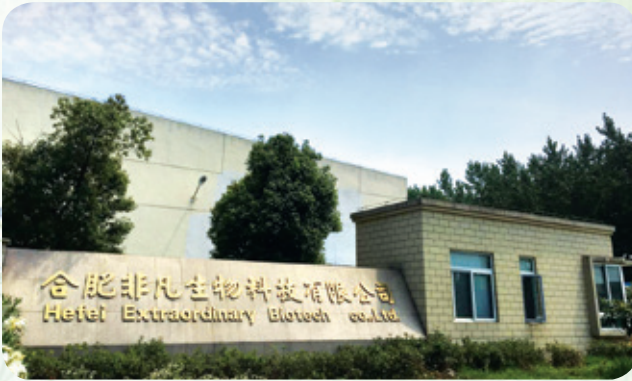
各位股東：

本人謹代表創業集團(控股)有限公司(「本公司」)連同其附屬公司(「本集團」)董事(「董事」)會(「董事會」)，向本集團股東及有意投資者呈報本集團截至2019年3月31日止年度(「本年度」)的經審核全年業績。

於本年度，本集團收入上升10.0%至約1,021,700,000港元(2018年：928,500,000港元)，且錄得本年度虧損92,700,000港元(2018年：245,400,000港元)。撇除商譽、無形資產、貸款及其他應收款項減值的影響零港元(2018年：169,200,000港元)，本集團應錄得經調整虧損92,700,000港元。

儘管我們的建築工程及相關業務的收入下跌6.1%至約764,800,000港元(2018年：814,800,000港元)，惟已從2018年的毛損改善為毛利水平，導致加強管制項目預算監察及承接項目時加倍審慎。

我們的餐廚垃圾處理業務主要透過營運太原項目及合肥項目進行，兩者均已開展正式商業運作。於2019年3月31日，太原項目的未動用處理量約為每天280噸。於本年度，婁底項目在建中，而合肥項目於2019年3月31日仍在進行另一項技術提升，故仍未達到每天200噸的正常許可處理量。

CHAIRMAN'S STATEMENT
主席報告

In May 2018, the Group completed the acquisition of VIMAB Holding AB, a group company focusing on industrial fluids system services in Scandinavia. While continuing to strengthen its market position in the Nordic areas, VIMAB also put more efforts on the development of new technologies and knowhow and also exploring business opportunities in bringing its competitive advantages to the Chinese market.

During the Year, most of the companies, also in environmental protection industries, have been facing a competitive business environment such as tightening credit control and lowering of project margins.

Despite there is an increase in public awareness over environmental protection as well as certain governmental policies as incentive, the projects and operational standards including waste and residual discharges etc., and expectations have been uplifting as well.

While continuing to explore for business opportunities carefully, the Group will seek for further increase our efficiency of existing projects with an aim to further strengthening our operational and financial performance. We will continue our efforts on projects management construction and related business so as to maintain our competitive advantages.

於2018年5月，本集團完成收購專注於在北歐從事工業流體系統服務的集團公司VIMAB Holding AB。除繼續鞏固於北歐地區的市場地位外，VIMAB亦更落力發展新技術及專門知識，同時開拓商機，將競爭優勢引入中國市場。

於本年度，該等公司大部分同屬環保行業，亦面對諸如信貸管制收緊及項目利潤下降等競爭激烈的營商環境。

儘管公眾的環保意識提高，政府亦推出部分獎勵政策，項目及經營標準(包括垃圾及殘餘物排放等)以及各界的期望亦不斷提高。

本集團不斷審慎探求商機之餘，亦會尋求進一步提升現有項目的效益，冀能加強營運及財務表現。我們將會努力不懈，對建築及相關業務實施項目管理，以維持我們的競爭優勢。

CHAIRMAN'S STATEMENT 主席報告

For the newly acquired industrial fluids systems service business, Vimab, is looking business partner in China to bring their intensive expertise in the valve services to China and create synergy values.

We are optimistic that the Group's operational and financial performance for the year ending 31 March 2020 should be improved through our continuous uphold in corporate governance and related measures.

Finally, I would like to express my sincerest gratitude to our shareholders and all stakeholders for your support all along in our development and progress, especially during a 8-month suspension of trading of shares. I would also like to take this opportunity to thank all my colleagues for their ongoing efforts and contribution to the Company.

Zhu Yongjun
Chairman of the Board
Hong Kong, 24 June 2019

新收購的工業流體系統服務業務Vimab正於中國物色業務夥伴，以將彼等在閩門服務方面的豐富專業知識引進中國，從而發揮協同價值。

我們深信，本集團持續恪守管業管治及相關措施，將令截至2020年3月31日止年度的營運及財務表現有所改善。

最後，本人衷心感謝我們的股東及所有持份者一直以來支持我們發展求進，尤其是股份暫停買賣的8個月期間。本人亦藉此機會感謝全體同事努力不懈，一直為本公司作出貢獻。

董事會主席
朱勇軍
香港，2019年6月24日

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析



The Group is principally engaged in (i) provision of foundation works, civil engineering contractual service and general building works (the “Construction Business”); (ii) sales of construction materials (the “Construction-related Business”); (iii) environmental protection projects including kitchen waste treatment, industrial water treatment and strategic investments in environmental protection related projects (the “Environmental Protection Business”); and (iv) industrial fluids system services (the “Industrial Fluids Business”).

Business Review

I Construction Business

The Group is engaged in the Construction Business as a contractor in foundation, civil engineering and general building works in Hong Kong.

During the Year, revenue generated from this segment was approximately HK\$706.4 million, maintaining its level as in FY2018 (i.e. HK\$703.7 million). This segment remained the largest revenue stream of the Group, representing approximately 69.1% of the Group’s total revenue for the Year, as compared to approximately 75.8% in FY2018.

本集團主要從事(i)提供地基工程、土木工程合約服務及一般屋宇工程業務(「建築業務」); (ii)建材銷售業務(「建築相關業務」); (iii)環保項目業務,包括餐廚垃圾處理、工業廢水處理及環保相關項目的策略性投資(「環保業務」);及(iv)工業流體系統服務(「工業流體服務」)。

業務回顧

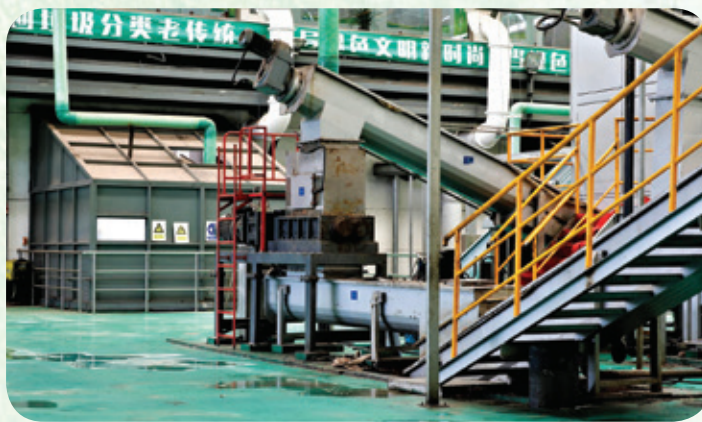
I 建築業務

本集團從事建築業務,擔任香港地基、土木工程及一般屋宇工程的承建商。

於本年度,此分部產生的收入約為706,400,000港元,維持於2018財政年度的水平(即703,700,000港元)。此分部仍為本集團的最大收入來源,佔本集團本年度總收入約69.1%,而2018財政年度則約佔75.8%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析



Revenue from this segment is generated from both public and private sector projects with approximately 91% of the segment revenue contributed by the foundation projects in private sectors. Out of the total segment revenue of HK\$706.4 million, the key contributors were (i) a foundation project in Kai Tak contributing approximately HK\$127.7 million during the Year; and (ii) a foundation project in Tseung Kwan O contributing approximately HK\$83.5 million during the Year.

The overall gross profit margin of the construction business increased to approximately 10.4% (FY2018: gross loss margin 7.7%). The significant improvement was attributable to the increase in projects with higher profit margin as compared with FY2018, and fewer unexpected increase in project costs due to delay in work progress.

The Group has completed a total of 11 projects in FY2019 (FY2018: 11 projects) and secured 9 new projects (2018: 13 new projects) during the Year with aggregated contract value of approximately HK\$547.5 million similar to FY2018 (FY2018: approximately HK\$548.8 million). All new projects secured during the Year had commenced construction, and 1 out of 9

此分部的收入源自公私營項目，當中約91%源自私營地基項目。總分部收入706,400,000港元中，主要貢獻來自(i)啟德地基項目，於本年度貢獻約127,700,000港元；及(ii)將軍澳地基項目，於本年度貢獻約83,500,000港元。

建築業務的整體毛利率上升至約10.4% (2018財政年度：毛損率7.7%)。毛利率大幅改善是由於利潤較高的項目相比2018財政年度增加，且較少因工程進度延誤而令項目成本意外增加。

於2019財政年度，本集團合共完成11個項目 (2018財政年度：11個項目)，亦於本年度取得9個 (2018年：13個) 新項目，合約總值與2018財政年度相若，約為547,500,000港元 (2018財政年度：約548,800,000港元)。所有於

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

new projects was completed during the Year. As at 31 March 2019, 12 projects were in progress (FY2018: 14 projects in progress). Details of the completed projects and the projects in progress are set out as follows:

本年度取得的新項目已動工；於9個新項目中，1個已於本年度竣工。於2019年3月31日共有12個(2018財政年度：14個)在建項目。已完成項目及在建項目的詳情載列如下：

Completed projects

已完成項目

Name of project 項目名稱	Location 地點	Sector 範疇	Main category of work 工程主要類別
1 Pok Fu Lam Project 薄扶林項目	No. 138 Pok Fu Lam Road, Hong Kong 香港薄扶林道138號	Foundation 地基	Construction of Socketed Steel H-Pile, Soldier Pile, Pipe Pile, Geotechnical Instrumentation, Drainage, ELS and Pile Cap Works 套接工字鋼樁、企樁、管樁、土力監察儀器安裝、排水、挖掘及側邊支護以及樁帽工程施工
2 Shek Kip Mei Project 石硤尾項目	HKHA Contract No: 20150611, Shek Kip Mei Phase 3, 6 & 7 石硤尾邨第三、六及七期 香港房屋委員會(合約編號：20150611)	Foundation 地基	Construction of Mini-piles and associated works 微型樁及相關工程施工
3 Au Tau Project 凹頭項目	Lot No. 1066 D.D.103 Au Tau, Yuen Long 元朗凹頭丈量約份 第103約地段第1066號	Foundation 地基	Construction of Driven H-piles 驅動工字樁施工
4 Tuen Mun Hospital Project 屯門醫院項目	Extension of Operating Theatre Block for Tuen Mun Hospital 屯門醫院手術室大樓 擴建工程	Foundation 地基	Construction of Rock Socketed Steel H-Piling, Pipe Pile, King Post, Grout Curtain and Installation of Geotechnical Instrumentation 嵌岩式工字鋼樁、管樁、吊桿柱、灌漿帷幕施工以及土力監察儀器安裝
5 TKO Area 65C2 Project 將軍澳第65C2區項目	Contract No. 20160625 Subsidised Sale Flats Development at Tseung Kwan O Area 65C2 Phase 1 and 2 將軍澳第65C2區資助 出售房屋發展項目 第一及二期合約 編號：20160625	Foundation 地基	Construction of Rock Socketed Steel H-Piling 嵌岩式工字鋼樁施工

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Name of project 項目名稱	Location 地點	Sector 範疇	Main category of work 工程主要類別
6 HKIA Project 香港國際機場項目	Hong Kong International Airport Contract 3501 — Antenna Farm and Sewage Pumping Station 香港國際機場合約3501— 天線 設備區及污水泵房	Foundation 地基	Construction of Pipe Pile and Pumping Test 管樁施工及泵水測試
7 Kai Tak 6567 Project 啟德6567項目	Foundation, Basement Excavation & Lateral Support and Hoarding Works for the Proposed Residential Development at NKIL No. 6567 Kai Tak Area 1K 啟德第1K區新九龍內地段 第6567號建議住宅發展項目 的地基、地庫挖掘及 側邊支護以及圍板工程	Foundation 地基	Construction of Bored Pile, Driven H-Pile, Sheet Pile, Geotechnical Instrumentation, ELS and Pile Cap Works 鑽孔樁、驅動工字樁、鋼板樁、土力 監察儀器安裝、挖掘及側邊支護 以及樁帽工程施工
8 Open University Project 公開大學項目	Open University Campus Development at Fat Kwong Street/Sheung Shing Street, Ho Man Tin, K.I.L. 11265, Kowloon, H.K. 香港九龍九龍內地段第11265號 何文田佛光街／常盛街 公開大學校舍發展項目	Foundation 地基	Construction of Bored Pile, Rock Socketed H-pile, Pipe Pile, Sheet Pile, Geotechnical Instrumentation, ELS, Pile Cap and Tree Works 鑽孔樁、嵌岩式工字樁、管樁、鋼板 樁、土力監察儀器安裝、挖掘及側邊 支護、樁帽及樹木工程施工
9 Choi Yuen Road Project 彩園路項目	Construction of Public Rental Housing Development at Choi Yuen Road Sites 3&4, Sheung Shui (Contract No.20150364) 上水彩園路3號和4號地盤 公屋發展計劃的建築工程 (合約編號：20150364)	Foundation 地基	Construction of Rock Socket Steel H-Piles 嵌岩式工字鋼樁施工
10 Kai Tak Residential Project* 啟德住宅項目*	N.K.I.L. 6562, Kai Tak, Kowloon 九龍啟德新九龍內地段第6562號	Foundation 地基	Construction of Bored Pile 鑽孔樁施工
11 Kau To Building Project 九肚屋宇項目	Area 56A, Kau To, Shatin, Sha Tin Town Lot No. 578, N.T., Hong Kong 香港新界沙田市地段 第578號沙田九肚 第56A區	Building 屋宇	Superstructure contract works for residential development 住宅發展項目上層承建工程

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Projects in Progress

在建項目

Name of project 項目名稱	Location 地點	Sector 範疇	Main category of work 工程主要類別
1 United Christian Hospital Project 基督教聯合醫院項目	United Christian Hospital, 130 Hip Wo Street, Kwun Tong, Kowloon 九龍觀塘協和街130號基督教聯合醫院	Foundation 地基	Construction of Mini-piles and Pipe Pile Walls 微型樁及管樁幕牆施工
2 Happy Valley Project 跑馬地項目	17A & B Ventris Road, Happy Valley, Hong Kong 香港跑馬地雲地利道17A及B號	Foundation 地基	Construction of Bored Piles, Pipe Pile, Geotechnical Instrumentation, ELS and Pile Cap Works 鑽孔樁、管樁、土力監察儀器安裝、挖掘及側邊支護以及樁帽工程施工
3 Tuen Mun Siu Hong Project 屯門兆康項目	HKHA Contract No: 20160431, Shatin Area 16, Wo Sheung Tun Street, Fo Tan; Siu Hong Road, Tuen Mun 沙田第16區火炭禾上墩街和屯門兆康路香港房屋委員會(合約編號: 20160431)	Foundation 地基	Construction of Mini-piles & Ground Investigation works 微型樁及土地勘測工程施工
4 Lam Tin Tunnel Project 藍田隧道項目	NE/2015/01 Tseung Kwan O — Lam Tin Tunnel Main Tunnel 將軍澳 — 藍田隧道主隧道(合約編號: NE/2015/01)	Foundation 地基	Construction of Mini-piles 微型樁施工
5 Lamma Power Station Project* 南丫發電廠項目*	Lamma Power Station 南丫發電廠	Foundation 地基	Ground Treatment Works of Band Drain Installation and Imported General Fill for Compaction 帶式排水裝置地底處理工程及輸入壓縮用一般填充物料
6 TKO 85 Project* 將軍澳第85區項目*	Nos. 1-3, Shek Kok Road, Area 85, Tseung Kwun O, Hong Kong 香港將軍澳第85區石角路1-3號	Foundation 地基	Construction of Bored Pile, Socket H-Pile, Sheet Pile, King Post, Hoarding and Tree Works 鑽孔樁、套接工字樁、鋼板樁、吊桿柱、圍板及樹木工程施工

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Name of project 項目名稱	Location 地點	Sector 範疇	Main category of work 工程主要類別
7 Ching Ho Estate Project* 清河邨項目*	Queen's Hill Site 1 Phases 2, 4 & 5 and Portion of Phase 6 and Alteration and Addition Works at Ching Ho Estate 皇后山一號地盤(第二、四及五期以及第六期部分地盤)以及清河邨改建及加建工程	Foundation 地基	Construction of Socketed Steel H-Piling 套接工字鋼樁施工
8 Waterloo Road Project* 窩打老道項目*	128 Waterloo Road, Kowloon, Hong Kong 香港九龍窩打老道128號	Foundation 地基	Construction of Bored Pile, Sheet Pile, Pipe Pile, King Post, ELS & Pile Cap 鑽孔樁、鋼板樁、管樁、吊桿柱、挖掘及側邊支護以及樁帽施工
9 Yuen Long Project* 元朗項目*	Y. L. Y. L. 532, Junction of Wang Yip Street West and Hong Yip Street, Tung Tau Industrial Area, Yuen Long 元朗東頭工業區宏業西街及康業街交界 Y. L. Y. L.第532號	Foundation 地基	ELS, Pile Cap & Decontamination Soil 挖掘及側邊支護、樁帽工程以及去污泥土
10 Cheung Sha Wan Project* 長沙灣項目*	Tonkin Street, Cheung Sha Wan 長沙灣東京街	Foundation 地基	Design & Construction of Driven H Pile Works 驅動工字樁工程設計及施工
11 Choi Yuen Road Project* 彩園路項目*	Near Lai King Hill Road, Kwai Chung and Choi Yuen Road, Sheung Shui 鄰近葵涌荔景山路及上水彩園路	Foundation 地基	Construction of Socketed Steel H-Piling 套接工字鋼樁施工
12 Kai Tak (Site B) Project* 啟德(B地盤)項目*	New Acute Hospital at Kai Tak Development Area (Site B) 位於啟德發展區(B地盤)的新急症醫院	Foundation 地基	Construction of Bored Pile 鑽孔樁施工

* These projects were secured by the Company during the Year.

* 該等項目為本公司於本年度獲得的項目。

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II Construction-related Business

The Construction-related Business involves sale of construction materials. During the Year, revenue from sale of construction materials to external customers amounted to approximately HK\$58.4 million (FY2018: HK\$111.1 million), representing a decrease of approximately 47.4% as compared to FY2018. The decrease was mainly attributable to fluctuated prices of construction materials and keen competition of the market.

III Environmental Protection Business

The Environmental Protection Business involves:

- (i) kitchen waste treatment;
- (ii) provision of EPC (engineering, procurement and construction) services and environmental improvement solutions relating to environment projects (the "Provision of Environmental EPC Solutions");
- (iii) industrial water treatment; and
- (iv) strategic investments in environmental protection related projects.

For the Year, the Group's revenue from the Environmental Protection Business decreased by approximately 11.3% to approximately HK\$100.8 million (FY2018: approximately HK\$113.7 million), which was mainly attributable to the decrease in the revenue from kitchen waste treatment operation. Discussion and analysis on the business performances of kitchen waste treatment, industrial water treatment and other strategic investments are set out below.

1. Kitchen waste treatment

During the Year, the Group disposed of the entire interest in Shenzhen Plant as further explained below.

As at 31 March 2019, the Group owned 5 kitchen waste plants.

II 建築相關業務

建築相關業務涉及建材銷售。於本年度，來自向外部客戶銷售建材的收入約為58,400,000港元(2018財政年度：111,100,000港元)，較2018財政年度減少約47.4%，主要是由於建材價格波動及市場競爭激烈所致。

III 環保業務

環保業務涉及：

- (i) 餐廚垃圾處理；
- (ii) 提供有關環境項目的EPC(工程、採購及建設)服務及改善解決方案(「環境EPC解決方案」)；
- (iii) 工業廢水處理；及
- (iv) 環保相關項目的策略性投資。

於本年度，本集團來自環保業務的收入減少約11.3%至約100,800,000港元(2018財政年度：約113,700,000港元)，主要是由於來自餐廚垃圾處理營運的收入減少所致。有關餐廚垃圾處理、工業廢水處理及其他策略性投資業務表現的討論及分析載於下文。

1. 餐廚垃圾處理

誠如下文所進一步闡述，本集團於本年度出售深圳項目全部權益。

於2019年3月31日，本集團擁有5個餐廚垃圾項目。

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Revenue generated from kitchen waste treatment business comprises (i) construction revenue from Build-Operate-Transfer (“BOT”) projects under construction; and (ii) income from operating plants including government subsidy for kitchen waste treatment and sale of by-products including but not limited to organic fertilizers, feed, grease, etc. produced during the process of kitchen waste treatment.

During the Year, revenue generated from kitchen waste treatment amounted to HK\$90.1 million (FY2018: HK\$97.7 million), which was mainly attributable to decrease in the construction revenue of Taiyuan Plant and Hefei Plant.

Set out below are the developments of each of the kitchen waste plants of the Group during the Year:

(i) *Taiyuan Plant*

Taiyuan Plant is wholly-owned by the Group and operated under BOT model. The construction of the plant is in two phases with a total permitted capacity of 500 tons per day. In April 2017, phase one of Taiyuan Plant with permitted capacity of 200 tons per day has commenced trial commercial operation. As at 31 March 2019, utilised capacity of Taiyuan Plant was about 280 tons per day. As at the date of this report, production facilities for phase two of Taiyuan plant with an addition capacity of 300 tons per days have been substantially installed. However, the operation performance of phase two is subject to final quality review by the government of Taiyuan.



餐廚垃圾處理業務產生的收入包括(i)來自在建建造—經營—移交(「BOT」)項目的建築收入；及(ii)經營餐廚項目的收入(包括處理餐廚垃圾的政府補助以及餐廚垃圾處理過程中所產生副產品(包括但不限於有機肥料、飼料、油脂等)的銷售額)。

於本年度，餐廚垃圾處理產生的收入為90,100,000港元(2018財政年度：97,700,000港元)，主要由於太原項目及合肥項目的建設收入減少所致。

下文載列本集團各個餐廚垃圾項目於本年度的發展：

(i) *太原項目*

太原項目由本集團全資擁有，以BOT模式經營，建築工程共兩期，許可總處理量為每天500噸。於2017年4月，許可處理量為每天200噸的太原項目第一期已開始商業試運行。於2019年3月31日，太原項目的已用處理量約為每天280噸。於本報告日期，太原項目新增處理量為每天300噸的第二期生產設施已大致安裝妥當。然而，第二期的運作表現仍有待太原政府進行最終質量審查。

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(ii) Hefei Plant

Hefei Plant is 60%-owned by the Group and has commenced formal commercial operation in March 2018. It is operated under the BOT model with a permitted capacity of 200 tons per day.

During the Year, Hefei Plant was undergoing a technology improvement, and its utilised capacity was therefore reduced to 100 tons per day as of 31 March 2019.

Pursuant to the Hefei Plant acquisition agreement and capital injection agreement, the vendor and creditor under such agreements, who are now the non-controlling of shareholders of Hefei Plant, guaranteed Hefei Plant's revenue from the sale of organic fertilizers shall be no less than (i) RMB6,205,000 (equivalent to approximately HK\$7,263,000) and RMB12,410,000 (equivalent to approximately HK\$14,527,000) for the first two years, respectively, upon commencement of commercial operations of the Hefei Plant; and (ii) RMB17,063,800 (equivalent to approximately HK\$19,974,000) per year thereafter until expiration of the concession right to operate Hefei Plant on 26 June 2038 ("Guaranteed Revenue"). Should the actual revenue from sales of organic fertilizers fall short of the Guaranteed Revenue in any particular year, the non-controlling shareholders shall make up the difference with the dividends they are entitled to receive from Hefei Plant.

Hefei Plant commenced commercial operations in March 2018, but it is still not in a normal capacity given the technology improvement has still been on-going. As such, the Group and the non-controlling shareholders are in negotiation on when the Guaranteed Revenue takes place.

Announcement(s) will be made by the Company on the status of the Guaranteed Revenue as and when appropriate.

(ii) 合肥項目

合肥項目由本集團擁有60%權益，於2018年3月開始正式商業運作，以BOT模式經營，許可處理量為每天200噸。

於本年度，合肥項目正進行技術提升，因此於2019年3月31日的已用處理量減至每天100噸。

根據合肥項目的收購協議及注資協議，賣方及有關協議下之債權人(現為合肥項目的非控股股東)保證，銷售合肥項目有機肥料的收入將不少於(i)人民幣6,205,000元(相等於約7,263,000港元)及人民幣12,410,000元(相等於約14,527,000港元)(分別就合肥項目開始商業運作後首兩年而言);及(ii)人民幣17,063,800元(相等於約19,974,000港元)(就其後每年而言，直至2038年6月26日合肥項目的經營特許權屆滿為止)(「保證收入」)。倘任何個別年度銷售有機肥料的實際收入少於保證收入，則非控股股東須以彼等有權向合肥項目收取的股息彌補差額。

合肥項目於2018年3月開始商業運作，惟由於正進行技術提升，故合肥項目仍未達到正常產能。因此，本集團正與非控股股東磋商保證收入生效時間。

本公司將於適當時候就保證收入的狀況發表公佈。

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(iii) Loudi Plant

During the Year, Loudi Plant was under construction which is carried out by Loudi Fangsheng Environmental Technology Co. Ltd* (婁底市方盛環保科技有限公司), an indirect 80%-owned subsidiary of the Company.

Loudi Plant has a permitted capacity of 120 tons per day under the BOT model. The construction of Loudi Plant is expected to be completed in the third quarter of 2019.

(iv) Hanzhong Plant

In June 2017, the Group set up a joint venture company, namely Hanzhong Fancy Ascent Biological Technology Co. Ltd* (漢中市宜昇生物科技有限公司) ("Hanzhong JV") with Hanzhong Urban Construction Investment Development Co., Ltd.* (漢中市城市建設投資開發有限公司) ("Hanzhong UCID"), a company established by the Hanzhong municipality government. Hanzhong JV was set up for the purpose of constructing a kitchen waste plant in Hanzhong with a total capacity of 300 tons per day, of which phase-one has a capacity of 150 tons per day (i.e. Hanzhong Plant). During the Year, construction of Hanzhong Plant is pending completion of the pre-feasibility and market studies by the relevant government authorities.

The Group owns 92% interest in Hanzhong Plant and its operation model is yet to be determined.

(iii) 婁底項目

於本年度，婁底項目由婁底市方盛環保科技有限公司(本公司擁有80%權益的間接附屬公司)負責興建。

根據BOT模式，婁底項目的許可處理量為每天120噸。婁底項目預期於2019年第三季落成。

(iv) 漢中項目

於2017年6月，本集團與由漢中市政府成立的漢中市城市建設投資開發有限公司(「漢中城市建設」)成立一間名為漢中市宜昇生物科技有限公司的合營公司(「漢中合營公司」)。成立漢中合營公司旨在於漢中市興建一個總處理量為每天300噸，而第一期處理量為每天150噸的餐廚垃圾項目(即漢中項目)。於本年度，漢中項目的建築工程正待相關政府機關完成預可行性及市場研究。

本集團擁有漢中項目92%權益，營運模式尚未釐定。

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(v) Hancheng Plant

During the Year, the Group acquired the entire equity interest in Hancheng Jiemu Environmental Technology Co. Ltd* (韓城潔姆環保科技有限責任公司) (“Hancheng Plant”) at a consideration of RMB3,323,000 (equivalent to approximately HK\$4,113,000). The consideration will be satisfied by assumption of outstanding debts of RMB3,000,000 and offsetting the payable owned to the Group. Hancheng Plant is wholly-owned by the Group. The acquisition is accounted for purchase of assets.

In May 2018, Hancheng Plant was granted an exclusive concession right (BOT model) by Hancheng Federation of Supply and Marketing Cooperatives* (韓城市供銷合作聯合社) to operate a kitchen waste plant with capacity of 20,000 tons per annum for a term of 30 years.

During construction, certain design deficiencies were found in respect of the waste-water system of Hancheng Plant which have not been clearly illustrated in the environmental assessment report. Such deficiencies may result in the malfunction of Hancheng Plant’s operation as well as imposition of penalty for output of polluted water.

The Group has put forward to the Hancheng Federation of Supply and Marketing Cooperatives for the modification of the Hancheng Plant design, but has yet to reached any agreement with it. The construction of Hancheng Plant has been pending during the Year until the above matter is resolved.

(v) 韓城項目

於本年度，本集團按代價人民幣3,323,000元(相等於約4,113,000港元)收購韓城潔姆環保科技有限責任公司(「韓城項目」)全部股權，代價將透過承擔未償還債項人民幣3,000,000元及以餘額抵銷應付本集團款項方式支付。韓城項目由本集團全資擁有。是項收購入賬列作購買資產。

於2018年5月，韓城項目獲韓城市供銷合作聯合社授予獨家特許權(BOT模式)，經營一個處理量為每年20,000噸的餐廚垃圾項目，為期30年。

於施工期間，我們發現韓城項目廢水處理系統的若干設計缺陷，而這一設計缺陷並沒有在環境評估報告中清晰地闡述說明，以致存在韓城項目無法正常運作及因排放污水而遭罰款的可能性。

本集團已向韓城市供銷合作聯合社提出修改韓城項目的設計，但目前尚未達成任何協議。於本年度，韓城項目的建設工程已停工，直至上述事宜解決為止。

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(vi) Shenzhen Plant

In March 2017, the Group entered into an agreement to acquire 85% equity interest in Shenzhen Xinbao Energy Technology Ltd* (深圳市新寶環保能源科技有限公司) (“Shenzhen Plant”) for a consideration of RMB15.5 million and (ii) 15% equity interest for a consideration (the “Remaining Consideration”) calculated as follows:

Remaining Consideration	=	(government subsidy – RMB200/tons) x 80 tons/day s x 30 months
餘下代價	=	(政府補助 – 每噸人民幣200元) x 每天80噸 x 30個月

Shenzhen Plant has a permitted capacity of 100 tons per day under a Build-Operate-Own model. As the physical environment of the temporary site where Shenzhen Plant is situated had certain constraints for installing a fully-integrated processing line in Shenzhen Plant, the fully-integrated processing line was not installed and the unique technical know-how of the Group in kitchen waste treatment was not applied.

In this circumstance, the throughput of operation is not efficient and the output is not at its optimal level. During the Year, the Shenzhen authorities were yet to confirm with Shenzhen Xinbao where the permanent site for Shenzhen Plant should be located.

(vi) 深圳項目

於2017年3月，本集團訂立一份協議，以代價人民幣15,500,000元收購深圳市新寶環保能源科技有限公司(「深圳項目」)85%股權；及(ii)以按照下文計算的代價(「餘下代價」)收購15%股權：

根據建造 — 經營 — 擁有模式，深圳項目的許可處理量為每天100噸。由於深圳項目所在的臨時場址的實際環境令於深圳項目裝設全面綜合加工線存在若干限制，故未有裝設全面綜合加工線，亦未有應用本集團獨有的餐廚垃圾處理技術知識。

在此情況下，項目的經營效率偏低，且產出未達最佳水平。於本年度，深圳當局尚未向深圳新寶確定深圳項目永久場址的地點。

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In consideration of the above dilemma faced by the Group and Shenzhen Plant, the Group acquired the remaining 15% equity interest in Shenzhen Plant for a revised consideration of RMB800,000 on 3 January 2019, and thereafter entered into a disposal agreement with an independent third party which is also a kitchen waste operator at the adjacent region of Shenzhen Plant to dispose of the entire equity interest in Shenzhen Plant for a consideration of RMB9,500,000, inclusive of the settlement of the Group's outstanding balance of RMB2,000,000. Such disposal was completed on 31 March 2019.

考慮到本集團及深圳項目所面對的上述兩難情況，本集團於2019年1月3日以經修訂的代價人民幣800,000元收購深圳項目餘下15%股權，其後與一名獨立第三方訂立一份出售協議，以代價人民幣9,500,000元出售深圳項目全部股權，其中包括清償本集團未償還結餘人民幣2,000,000元。該名獨立第三方為位於深圳項目鄰近地區的餐廚垃圾經營商。此項出售於2019年3月31日已完成。

2. Provision of Environmental Improvement Solutions

During the Year, Clear Industry Company Limited ("Clear Industry" together with its subsidiary (the "Clear EPC Group"), a 51%-owned subsidiary of the Company, contributed revenue of approximately RMB7.0 million (equivalent to approximately HK\$8.2 million) to the Group, as compared to approximately RMB9.4 million (equivalent to approximately HK\$11.1 million) in FY2018. The decrease was mainly attributable to the decreased number of on-going EPC projects during the Year.

Certain performance commitments and profit guarantee (collectively, "Suzhou Commitments") were given by Qingqin International Group Limited ("Qingqin") in favor of the Group under the acquisition agreement dated 2 November 2016 in relation to the Group's acquisition of 51% equity interest in Clear Industry from Qingqin ("Clear Industry Acquisition"), including a three-year profit guarantee for the Clear EPC Group and recovery of the account receivables incurred during the three-year profit guarantee period.

2. 提供環境改善解決方案

由本公司擁有51%權益的附屬公司Clear Industry Company Limited (「Clear Industry」，連同其附屬公司統稱為「Clear EPC集團」)於本年度為本集團貢獻收入約人民幣7,000,000元(相等於約8,200,000港元)，而2018財政年度則約為人民幣9,400,000元(相等於約11,100,000港元)。貢獻收入減少主要是由於本年度持續進行的EPC項目數目減少所致。

清勤國際集團有限公司(「清勤國際」)根據有關由本集團向清勤國際收購Clear Industry 51%股權(「Clear Industry收購事項」)、日期為2016年11月2日的收購協議以本集團為受益人作出若干履行承諾及溢利保證(統稱「蘇州承諾」)，包括Clear EPC集團的三年溢利保證及收回於三年溢利保證期內產生的應收賬項。

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Based on the unaudited management accounts of the Clear EPC Group (excluding the profit attributable to the business contracted by the other members of the Group to the Clear EPC Group), it is expected that the Suzhou Commitments could not be fulfilled and Qingqin together with its guarantor under the Clear Industry Acquisition should, subject to the compensation amount is ascertained after the special audit on the Suzhou Commitments pursuant to the acquisition agreement, compensate the entire consideration of approximately RMB87,975,000 (approximately to HK\$100,990,000) to the Group. With reference to the latest information available, the fair value of the contingent consideration asset is approximately HK\$37.2 million (approximately RMB32.1 million), being the aggregate market value of the consideration Shares issued by the Company and certain outstanding payable to Qingqin.

The special audit for the Suzhou Commitments, as stipulated in the Clear Industry acquisition agreement, has not yet commenced as at the date of this report.

The Company is currently under negotiation with Qingqin and its guarantor on the recovery of the compensation of the Suzhou Commitments.

Announcement(s) will be made by the Company on the development on the above matters as and when appropriate.

基於Clear EPC集團的未經審核管理賬目(撇除本集團其他成員公司外判予Clear EPC集團的業務應佔的溢利)，預期蘇州承諾無法達成，清勤國際連同其於Clear Industry收購事項的擔保人應待根據收購協議進行有關蘇州承諾的特別審核以確定補償金額後向本集團補償整筆代價約人民幣87,975,000元(約100,990,000港元)。參照最新可得資料，或然代價資產的公平值約為37,200,000港元(約人民幣32,100,000元)，即本公司向清勤國際發行的代價股份及若干未償還應付款項的總市值。

按Clear Industry收購協議所訂明，須進行有關蘇州承諾的特別審核，惟於本報告日期，有關審核工作尚未開展。

本公司正與清勤國際及其擔保人磋商收回蘇州承諾補償。

本公司將於適當時候就上述事宜的發展發表公佈。

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3. Industrial water treatment**(i) Memsys Assets**

In May 2018, the Group entered into an agreement (the "Transfer Agreement") to transfer all the rights and ownership of the Memsys Assets which comprise the technology, intellectual rights, equipment, and inventories owned by the Group to Cevital International (Dubai) Ltd (the "Memsys Purchaser") for a consideration of EUR3.5 million (equivalent to approximately HK\$32,045,000) (the "Transfer"), resulting in a gain on disposal of approximately EUR1.5 million (equivalent to approximately HK\$13,820,000). As part and parcel of the Transfer Agreement, the Group also entered into a cooperation agreement with the Memsys Purchaser to set up a joint venture company ("Memsys JV") which is owned as to 50% by the Group and as to 50% by the Memsys Purchaser for the purpose of developing the market for the Memsys technology and its technical equipment in Asia with its exclusive rights to apply the Memsys technology in the PRC granted by the Memsys Purchaser. The Memsys JV also intends to engage with Beijing China Science Resources & Environmental Technology Co., Ltd* (北京中科瑞升資源環境有限公司) on a business collaboration to develop the PRC market for the Memsys Assets. The Group and Memsys Purchaser shall contribute HK\$11.7 million as the share capital of the Memsys JV.

The Transfer was completed on 23 July 2018 and Memsys JV was established on 18 September 2018. Capital injection of HK\$11.7 million to the Memsys JV has not been contributed and the Memsys JV has not commenced business as at the date of this report.

3. 工業廢水處理**(i) Memsys資產**

於2018年5月，本集團訂立一份協議(「轉讓協議」)，以向Cevital International (Dubai) Ltd(「Memsys買方」)轉讓本集團所擁有由技術、知識產權、設備及存貨組成的Memsys資產的所有權利及擁有權，代價為3,500,000歐元(相等於約32,045,000港元)(「轉讓事項」)，導致產生出售收益約1,500,000歐元(相等於約13,820,000港元)。作為轉讓協議的一部分，本集團亦與Memsys買方訂立一份合作協議，以成立一間合營公司(「Memsys合營公司」)(由本集團及Memsys買方分別擁有50%權益)，旨在開發Memsys技術及其技術設備的亞洲市場，並獲Memsys買方授出於中國應用Memsys技術的獨家權利。Memsys合營公司亦擬聯合北京中科瑞升資源環境有限公司進行業務合作，以就Memsys資產開拓中國市場。本集團及Memsys買方將出資11,700,000港元作為Memsys合營公司的股本。

轉讓事項於2018年7月23日完成，而Memsys合營公司已於2018年9月18日成立。於本報告日期，Memsys合營公司的11,700,000港元資本尚未注入，而Memsys合營公司尚未開展任何業務。

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(ii) *Beijing TDR Environ-Tech Co., Ltd** (北京天地人環保科技有限公司) (“TDR”)

During the Year, the Group has engaged further negotiation with the current TDR owners with a view to review the possible cooperation with TDR given the synergies between the technology and know-how of the Group in membrane distillation system and the back-end system for concentrated water possessed by TDR. Having considered the possible technological cooperation between the Group and TDR, the current TDR owners agreed in principle to allow the Group to take a participation in the equity in TDR at the consideration calculated on the basis of not more than RMB800 million (equivalent to approximately HK\$932.63 million) for 100% of TDR. In such case, the Group may acquire a maximum of 3.25% at a consideration of RMB26.0 million (equivalent to approximately HK\$30.31 million), which will be satisfied by the TDR deposit paid by the Group to the previous TDR owner pursuant to a framework agreement entered into between the previous TDR owner and the Group in April 2017.

(ii) 北京天地人環保科技有限公司(「天地人」)

於本年度，本集團繼續與現時的天地人擁有人再作磋商，冀能因應本集團在膜蒸餾系統方面的技術及專業知識與天地人所擁有的高濃廢水後端系統的協同效益，審視與天地人的可能合作機會。考慮到本集團與天地人可能進行的技術合作，現時的天地人擁有人已原則上同意讓本集團以天地人100%權益相當於不超過人民幣800,000,000元(相等於約932,630,000港元)的基礎計算的代價參與天地人股權。在有關情況下，本集團可收購最多3.25%權益，代價人民幣26,000,000元(相等於約30,310,000港元)將以本集團根據過往的天地人擁有人與本集團於2017年4月訂立的框架協議向過往的天地人擁有人支付的天地人按金清償。

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4. Strategic investments

(i) Hydropower projects in Indonesia

Reference is made to the section headed “Management Discussion and Analysis — 4. Strategic Investment — (i) Hydropower Projects in Indonesia” in the 2018 annual report of the Company, wherein it has set out the detailed chronology in relation to the Group’s acquisition of 49% equity interest in PT. Dempo Sumber Energi (“DSE”) from Xu Peng (“Xu”) in March 2016 (“DSE Acquisition”) and acquisition of 80% equity interest in PT Sumatera Pembangkit Mandiri (“SPM”) from Xu and Muhamad Yamin Kahar (“Yamin”, together with Xu, the “Dominating Indonesian Parties”) in August 2016 (“SPM Acquisition”) through its wholly-owned subsidiary, Stand Ascent Limited (“Stand Ascent”), together with the subsequent alterations to such acquisitions.

As disclosed in the Company’s 2018 annual report, despite the 49% equity interest was transferred to the Stand Ascent, parties to the DSE Acquisition entered into a deed of termination and indemnification (the “DSE Termination Deed”) to terminate the DSE Acquisition as the conditions precedent under the acquisition agreement could not be fulfilled before the long stop date. Pursuant to the DSE Termination Deed, the parties agreed, among others, the repayment of the deposits paid and the advances then made by Stand Ascent to DSE totaling US\$4.3 million (equivalent to approximately HK\$33.7 million) (the “DSE Receivables”).

4. 策略性投資

(i) 印尼水力發電項目

謹此提述本公司2018年年報「管理層討論及分析 — 4.策略性投資 — (i)印尼水力發電項目」一節，當中載列有關本集團通過其全資附屬公司晉立有限公司(「晉立」)於2016年3月向徐鵬(「徐氏」)收購PT. Dempo Sumber Energi(「DSE」)49%股權(「DSE收購事項」)及於2016年8月向徐氏及Muhamad Yamin Kahar(「Yamin」，連同徐氏統稱為「主導印尼訂約方」)收購PT Sumatera Pembangkit Mandiri(「SPM」)80%股權(「SPM收購事項」)，連同其後對該等收購事項作出的修訂的詳細事件時序。

誠如本公司2018年年報所披露，儘管該49%股權已轉讓予晉立，惟由於有關收購協議的先決條件未能於最後截止日期前達成，故DSE收購事項訂約各方訂立一份終止及彌償契據(「DSE終止契據」)，以終止DSE收購事項。根據DSE終止契據，訂約各方協定(其中包括)償還晉立當時已向DSE支付的按金及墊付的款項合共4,300,000美元(相等於約33,700,000港元)(「DSE應收款項」)。

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On the other hand, the SPM Acquisition did not proceed to completion after Stand Ascent had paid the refundable deposits and consideration in an aggregate amount of US\$3.3 million (equivalent approximately HK\$26.0 million) and advanced a total of US\$425,000 to SPM (equivalent to approximately HK\$3.3 million) (together, the “SPM Receivables”) since, among others, SPM had not entered into a power purchase agreement (“SPM-PPA”) with PT Perusahaan Listrik Negara (Persero) (“PLN”), a stated-owned energy company in Indonesia, as stipulated in the acquisition agreement of SPM.

Subsequently on 29 June 2018, the Company and Fujian Jiahe Energy Company Limited* (福建佳和能源有限公司) (“Fujian Jiahe”) and certain guarantors entered into a disposal agreement (the “Disposal Agreement”), pursuant to which Fujian Jiahe agreed to purchase 100% equity interest in Stand Ascent at the consideration range from approximately US\$5.32 million to approximately US\$7.73 million, comprising (i) the value of 49% equity interest in DSE Company of US\$2.205 million and; (ii) the value of 85% equity interest in SPM Company of US\$3.12 million to US\$5.53 million, which shall be determined by the electricity unit price to be offered by PLN to SPM under the SPM-PPA (the “Stand Ascent Disposal”).

另一方面，儘管晉立已支付可退還按金及代價合共3,300,000美元(相等於約26,000,000港元)，並向SPM墊付合共425,000美元(相等於約3,300,000港元)(統稱為「SPM應收款項」)，惟由於(其中包括)SPM並無按照SPM收購協議的規定與印尼國有電力公司PT Perusahaan Listrik Negara (Persero) (「PLN」)訂立購電協議(「SPM購電協議」)，故SPM收購事項並無落實完成。

其後，本公司與福建佳和能源有限公司(「福建佳和」)及若干擔保人於2018年6月29日訂立一份出售協議(「出售協議」)，據此，福建佳和同意購買晉立100%股權，代價介乎約5,320,000美元至約7,730,000美元，包括(i) DSE公司49%股權的價值2,205,000美元；及(ii)SPM公司85%股權的價值介乎3,120,000美元至5,530,000美元，將按照由PLN根據SPM購電協議向SPM提呈的電力單價釐定(「晉立出售事項」)。

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DSE Receivables and SPM Receivables

As at 31 March 2019 and 31 March 2018, the Company impaired the DSE Receivables of approximately US\$1.63 million (equivalent to approximately HK\$12.8 million), which represented a full impairment after taking into account the repayment from the dominating Indonesian parties to the project during the Year and an impairment in the SPM Receivables of approximately US\$0.4 million (equivalent to approximately HK\$3.1 million). During the Year, the Group further provided deposits and loans of US\$0.25 million (equivalent to HK\$1.96 million) to SPM for its working capital.

In March 2019, SPM was granted as a qualified applicant for the hydropower plant shortlist company but the SPM-PPA has not yet been signed.

As at 31 March 2019, the conditions precedent to the completion of the Disposal Agreement which include but not limited to the signing of the SPM-PPA, the approval of the final feasibility study by PLN, and other relevant permits and approvals to be obtained from the relevant government authorities were not yet fulfilled. The completion of the Stand Ascent Disposal has not taken place as at 31 March 2019.

DSE應收款項及SPM應收款項

於2019年3月31日及2018年3月31日，本公司已將DSE應收款項減值約1,630,000美元(相等於約12,800,000港元)(為於計及項目的主導印尼訂約方於本年度的還款後的全數減值)，並確認SPM應收款項減值約400,000美元(相等於約3,100,000港元)。於本年度，本集團進一步向SPM提供存款及貸款250,000美元(相等於1,960,000港元)，作為其營運資金。

於2019年3月，SPM獲得水力發電廠入圍公司的合資格申請人資格，惟尚未簽訂SPM購電協議。

於2019年3月31日，完成出售協議的先決條件(包括但不限於簽署SPM購電協議、PLN批准最終可行性研究以及取得相關政府機關的其他相關許可及批准)尚未達成。晉立出售事項於2019年3月31日尚未完成。

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(ii) Limited partnership to China Environment Fund V, L.P.

In June 2017, the Group entered into a limited partnership agreement (the "LP Agreement") with CEF V Management, L.P. (being the general partner) and Tsing Capital (HK) Limited (being the management company). Pursuant to the LP Agreement, the Group shall contribute US\$5 million (equivalent to approximately HK\$39,000,000) as its capital commitment to the partnership. The primary purpose of the partnership is to make venture capital investments, including investing in and holding equity and equity-oriented securities of companies with a nexus to the PRC and focus on the clean-tech-related sectors. During the Year, no capital contribution was made by the Group.

As the fund under the partnership has not been launched, the parties to the LP Agreement entered into a withdrawal deed on 24 January 2019, pursuant to which the Group has withdrawn from the partnership under the LP Agreement, and the Group is not obliged to make any capital contribution to the partnership nor incurred any management fee payable.

(ii) 加入China Environment Fund V, L.P.成為有限合夥

於2017年6月，本集團與 CEF V Management, L.P. (為普通合夥人) 及青雲創業投資管理(香港)有限公司(為管理公司)訂立一份有限合夥協議(「有限合夥協議」)。據此，本集團將出資5,000,000美元(相等於約39,000,000港元)，作為對合夥商行的資本承擔。合夥商行的主要目的為作出創業投資，包括投資於及持有接連中國並專注於清潔技術相關行業的公司的股票及以股票為主的證券。本集團於本年度並無出資。

由於合夥商行的基金尚未成立，故有限合夥協議訂約各方於2019年1月24日訂立一份退出契據。據此，本集團已根據有限合夥協議退出合夥商行，且本集團無義務向合夥商行作出任何出資，亦無產生任何應付的管理費。

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IV Industrial Fluids Systems Service

On 3 May 2018, First Bravo Development Limited (“FBD”), a wholly-owned subsidiary of the Company, entered into a share purchase agreement (the “Vimab Agreement”) with P.H.M Holding AB (“PHM”) and Friction Invest AB (“FI”) as vendors, and Henrik Melinder (“Melinder”) and Christer Larsson (“Christer”) as guarantors, to acquire the entire issued share capital of Vimab Holdings AB (“Vimab”) for a total consideration of HK\$170,524,000 (the “Vimab Acquisition”). Melinder was the ultimate beneficial owner of PHM and the guarantor of PHM while Christer acted as the guarantor of FI.

Vimab is a company incorporated in Sweden and, together with its operating subsidiaries (the “Vimab Group”), is engaged in provision of on-site industrial fluids service including valve services and maintenance, tank cleaning and other equipment services.

Pursuant to the Vimab Agreement, the consideration for the Vimab Acquisition should be satisfied as to (i) approximately HK\$23.0 million in cash; and (ii) approximately HK\$147.5 million by way of the allotment and issue of 42,137,142 new Shares (the “Consideration Shares”) of the Company at the issue price of HK\$3.5 per Share. 19,488,428 new Shares out of the Consideration Shares are subject to a lock-up period, which will be released upon fulfilment of certain financial benchmarks by the Vimab Group for the financial year ended or ending (as the case may be) 31 December 2018 and 2019. Details of the lock-up arrangement are set out in the announcement of the Company dated 3 May 2018.

The Vimab Acquisition was completed on 31 May 2018.

IV 工業流體系統服務

於2018年5月3日，本公司全資附屬公司First Bravo Development Limited (「FBD」) 與P.H.M Holding AB (「PHM」) 及Friction Invest AB (「FI」) (作為賣方) 以及Henrik Melinder (「Melinder」) 及Christer Larsson (「Christer」) (作為擔保人) 訂立一份購股協議 (「Vimab協議」)，以收購Vimab Holdings AB (「Vimab」) 全部已發行股本，總代價為170,524,000港元 (「Vimab收購事項」)。Melinder為PHM的最終實益擁有人，並為PHM的擔保人，而Christer則為FI的擔保人。

Vimab為一間於瑞典註冊成立的公司，連同其營運附屬公司 (「Vimab集團」) 從事提供閥門服務及保養、罐體清潔及其他設備服務等實地工業流體服務。

根據Vimab協議，Vimab收購事項的代價中(i)約23,000,000港元以現金清償；及(ii)約147,500,000港元以按每股股份3.5港元的發行價配發及發行42,137,142股本公司的新股份 (「代價股份」) 的方式清償。代價股份中的19,488,428股新股份設有禁售期，將於Vimab集團截至2018年及2019年12月31日止財政年度的若干財務指標達成後解除。禁售安排詳情載於本公司日期為2018年5月3日的公佈。

Vimab收購事項於2018年5月31日完成。

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As stipulated in the Vimab Agreement, if the audited EBITDA under International Financial Reporting Standards of Vimab Group for the year ended 31 December 2018 ("2018 EBITDA") increases by not less than 10% as compared with the audited 2017 EBITDA, 50% of the lock-up Shares will be unlocked and released on the 15th Business Day after the issue of such audited financial statements of the Vimab Group; (b) if the 2018 EBITDA divided by the 110% of the 2017 EBITDA falls on a range from 85.1% to 100%, it is calculated as, on a pro rata basis, $(2018 \text{ EBITDA} / (2017 \text{ EBITDA} \times 110\%) - 85.1\%) / (100\% - 85.1\%)$ of 50% of the lock-up Shares shall be unlocked and released, and PHM and FI shall, within ten (10) Business Days from the date when the 2018 EBITDA is finalised, return to the FBD the remaining lock-up Shares (or an amount equivalent to the value at the issue price of such remaining lock-up Shares) in the following priority: (1) by cash in an amount equivalent to the issue price of such remaining lock-up Shares; (2) if (1) is not available and subject to the compliance of the relevant rules and requirement by the Company, by returning such remaining lock-up Shares to the Company for revocation and cancellation; or (c) if both (a) and (b) are not applicable, by returning cash in an amount equivalent to the issue price of such remaining lock-up Shares or such remaining lock-up Shares to the Company for revocation and cancellation.

Audited 2018 EBITDA is yet to be available as at the date of this report and the Company will make further announcement for such update.

One of the conditions precedent of the Vimab Agreement was that 13 key employees of the Vimab Group (the "Subscribers") shall each have entered into a subscription agreement as subscriber with the Company to subscribe for a total of 5,380,000 Shares at the total subscription price of HK\$18,830,000 (i.e. HK\$3.5 per Share) (collectively, the "Employees Subscription Agreements"). The Employees Subscription Agreements were all entered into on 31 May 2018.

誠如Vimab協議所訂明，倘國際財務報告準則下Vimab集團截至2018年12月31日止年度的經審核EBITDA（「2018年EBITDA」）相比經審核2017年EBITDA增加不少於10%，則50%的禁售股份將於Vimab集團該經審核財務報表發表後第15個營業日獲解禁及發放；(b)倘2018年EBITDA除以2017年EBITDA的110%後處於85.1%至100%的範圍內，則按比例計算即為禁售股份的50%的 $(2018 \text{ 年 EBITDA} / (2017 \text{ 年 EBITDA} \times 110\%) - 85.1\%) / (100\% - 85.1\%)$ 應獲解禁及發放，而PHM及FI應於2018年EBITDA落實之日起計十(10)個營業日內，按以下優先次序向FBD退回餘下禁售股份（或相等於該等餘下禁售股份發行價價值的款項）：(1)以金額相等於該等餘下禁售股份發行價的現金；(2)倘無法獲得(1)以及在本公司遵守相關規則及規定的規限下，透過向本公司退回該等餘下禁售股份以供撤銷及註銷；或(c)倘(a)及(b)均不適用，則透過向本公司退回金額相等於該等餘下禁售股份發行價的現金或退回該等餘下禁售股份以供撤銷及註銷。

於本報告日期，經審核2018年EBITDA尚未取得，本公司將另行就有關最新資料發表公佈。

Vimab協議的其中一項先決條件為Vimab集團13名主要僱員（作為認購人）（「認購人」）各自已與本公司訂立一份認購協議（統稱「僱員認購協議」），以按總認購價18,830,000港元（即每股股份3.5港元）認購合共5,380,000股股份。相關訂約方已於2018年5月31日訂立全部僱員認購協議。

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It was subsequently discovered that 12 out of 13 Subscribers had made their respective payments for their subscription shares in a total subscription amount of HK\$17,066,000 to Melinder with the understanding that Melinder would deliver the money to the Company on their behalf for the purpose of completing their respective Employees Subscription Agreements. However, Melinder had not delivered the subscription monies to the Company.

To settle the claims against Melinder for the subscription monies in the total amount of HK\$17,066,000 (the "Claims"), on 22 August 2018, the Company, FBD and the 12 Subscribers entered into a deed of settlement (the "Settlement Deed") with Melinder and PHM, which is one of the vendors of the Vimab Agreement and is wholly and beneficially owned by Melinder. The salient terms of the Settlement Deed were:

- (i) PHM shall lodge all the Consideration Shares it received under the Vimab Agreement (i.e. 21,068,571 Shares, representing 50% of the total Consideration Shares) (the "Pledged Shares") with the Company and/or its designated parties; and
- (ii) the Company and Melinder shall instruct, or arrange to instruct, relevant brokers to identify buyers for the Pledged Shares upon the lifting of the suspension on trading of the Shares on the Stock Exchange under the following price control mechanism:
 1. the sales of the Pledged Shares shall be on the open market but may also be sold in a block in an off-market transaction to independent third parties who are not connected persons of the Company;
 2. the selling price of the Pledged Shares shall not be discounted for greater than 30% of the open market price and subject to a price floor of HK\$2.45 per Share;

其後，13名認購人中有12名被發現已分別就認購股份向Melinder付款(認購金額合共17,066,000港元)，認為Melinder將代表彼等向本公司交付款項以完成彼等各自的僱員認購協議。然而，Melinder未有向本公司交付認購款項。

為清償針對Melinder提出涉及認購款項合共17,066,000港元的申索(「該等申索」)，本公司、FBD及12名認購人於2018年8月22日與Melinder及PHM(為Vimab協議的賣方之一，由Melinder全資實益擁有)訂立一份償付契據(「償付契據」)。償付契據的主要條款為：

- (i) PHM應將其根據Vimab協議收取的所有代價股份(即21,068,571股股份，佔代價股份總數50%)(「質押股份」)交予本公司及／或其指定人士；及
- (ii) 本公司及Melinder應於股份在聯交所復牌後指示或安排指示相關經紀物色質押股份的買家，價格控制機制如下：
 1. 質押股份須於公開市場上出售，惟亦可於場外交易中整批出售(惟限售予並非本公司關連人士的獨立第三方)；
 2. 質押股份的售價較公開市價的折讓不得多於30%，並須以每股股份2.45港元為價格下限；

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3. the sale of the Pledged Shares shall immediately be ceased once the proceeds from the sale of the Pledged Shares is sufficient satisfied the Claims; and
4. all cash proceeds of the sales made by the brokers shall be remitted to the Company.

As at the date of this report, PHM had lodged the Pledged Shares with the Company according to the terms of the Settlement Deed and 9,742,214 Shares out of 21,068,571 Pledged Shares are still subject to the lock-up arrangement subject to the fulfilment of certain financial benchmark for the year ending 31 December 2019. Only 11,326,357 Pledged Shares are freely transferrable. In the event that the sale proceeds from the freely transferrable Pledged Shares be not sufficient to cover the Claims, the Company and the 12 Subscribers may further negotiate with PHM and Melinder to explore alternate settlement mechanism such as (i) amend the terms of the Settlement Deed; (ii) amend the terms of the Subscription Agreements with the subscribers; or (iii) if (i) and (ii) are not feasible, take legal actions against the relevant parties. Details of the Vimab Share Purchase Agreement and the Settlement Deed were set out in the Company's announcements dated 3 May 2018, 23 May 2018, 31 May 2018, 21 June 2018, 23 August 2018 and 2 October 2018.

Such Settlement Deed was expired in June 2019 and the relevant parties are in negotiation for settlement arrangement as at the date of this report.

BUSINESS UPDATE AFTER THE REPORTING PERIOD

There has been no significant event after the reporting period.

3. 只要出售質押股份所得款項足以償付該等申索，質押股份將即時停止出售；及
4. 經紀進行出售的所有現金所得款項將匯款予本公司。

於本報告日期，PHM已按照償付契據的條款將質押股份交予本公司，而21,068,571股質押股份中的9,742,214股仍受禁售安排限制，有待截至2019年12月31日止年度的若干財務指標達成後解除。僅11,326,357股質押股份可自由轉讓。倘可自由轉讓的質押股份的出售所得款項不足以應付該等申索，則本公司及該12名認購人可能進一步與PHM及Melinder磋商，以尋求替代償付機制，如(i)修改償付契據條款；(ii)修改與認購人訂立的該等認購協議條款；或(iii) (如(i)及(ii)均不可行)針對相關人士採取法律行動。Vimab購股協議及償付契據的詳情載於本公司日期為2018年5月3日、2018年5月23日、2018年5月31日、2018年6月21日、2018年8月23日及2018年10月2日的公佈。

該償付契據於2019年6月屆滿，而相關訂約方於本報告日期正磋商清償安排。

報告期後業務最新資料

報告期後並無重大事項。

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OUTLOOK

For the construction business, taking into the account the land policy of the Hong Kong Government in increasing land supply for housing developments for both private and public sectors, the Group expects a steady growth of Hong Kong's construction industry in the long run. In view of this, the management remains prudently optimistic about prospects of the construction market.

Although the environmental protection industry has experienced two-digit annual growth in the past decades. However, due to the deleverage of the micro-economy in 2018, most of the companies in the industry have to face with tighter credit-control and increasing of financing cost and squeezed margins. Such less favourable macro-environment makes the Group to further focus on the quality in the future projects and business opportunities. The Group will continue and aim to increase the operation efficiency of current projects such as Taiyuan and Hefei plants by, among others, increasing the capacity utilization ratio and the output of the by-products such as the biogas and bio-fertilizer. Secondly, the Group will further accelerate the Group's effort on the construction for Loudi Plant and change in design plan for Hancheng Plant.

For the newly acquired industrial fluids systems service business, Vimab, it looking business partner in China to bring their intensive expertise in the valve services to China and create synergy values.

FINANCIAL REVIEW**Results of the Group**

During the Year, revenue of the Group increased by approximately 10.0% to approximately HK\$1,021.7 million (2018: HK\$928.5 million), in which it was resulted from the acquisition of Vimab. Further discussion and analysis on the financial performance of each business segment of the Group is set out in the section headed "Business Review" above.

Loss for the Year attributable to owners of the Company amounted to approximately HK\$92.7 million (2018: HK\$224.8 million).

Basic loss per share was HK16.38 cents (2018: HK43.61 cent).

前景

建築業務方面，計及香港政府有關增加公私營房屋發展土地供應的土地政策後，本集團預期香港建築業長遠而言可望穩定增長。有鑑於此，管理層對建築市場的前景仍抱持審慎樂觀態度。

儘管過去十年環保行業經歷了雙位數的年增長，惟2018年由於宏觀經濟環境去槓桿化，行業中大部分企業面臨更趨嚴緊的信貸、融資成本上升和利潤空間收窄。嚴峻的宏觀環境亦令本集團在未來項目及商機中更加專注品質。本集團將繼續及銳意提升現有項目(例如太原項目和合肥項目)的運營效率，提升該等項目的產能利用率以及生物氣體、有機肥料等副產品的產出。再者，本集團將進一步加快婁底項目的建設及韓城項目的設計計劃更改。

新收購的工業流體系統服務業務Vimab正於中國物色業務夥伴，以將彼等在閩門服務方面的豐富專業知識引進中國，從而發揮協同價值。

財務回顧**本集團業績**

於本年度，本集團的收入增加約10.0%至約1,021,700,000港元(2018年：928,500,000港元)，源於收購Vimab。有關本集團各業務分部的財務表現的進一步討論及分析載於上文「業務回顧」一節。

歸屬於本公司擁有人的本年度虧損約為92,700,000港元(2018年：224,800,000港元)。

每股基本虧損為16.38港仙(2018年：43.61港仙)。

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Other income and gains, net

Other income and gains, net, decreased from approximately HK\$78.1 million for the year ended 31 March 2018 to approximately HK\$44.2 million for the Year. In previous year, the amount mainly represented the recognition of derivative financial instrument in respect of contingent consideration asset arising from the Suzhou Commitments, while it was resulted from the aggregate gain on disposal of Shenzhen Plant and Memsys of HK\$21.1 million for the Year.

Administrative expenses

Administrative expenses of the Group increased by approximately 89.2% from approximately HK\$145.5 million to approximately HK\$275.3 million. The increase in administrative expenses were attributable to the increase in arising from expenses for the Industrial Fluids Business along the acquisition of Vimab Group in May 2018. In addition, the Group also incurred share options expense of HK\$9.6 million.

Finance costs

Finance costs of the Group increased from approximately HK\$17.1 million to HK\$62.4 million for the Year, primarily due to an increase in overall borrowings of the Group.

Other expenses

Other expenses decreased from HK\$173.4 million to HK\$19.7 million. In previous year, the amount included the impairment of (i) other receivables of approximately HK\$15.9 million for the outstanding DSE Receivables and the SPM Receivables, (ii) loan receivables of approximately HK\$14.1 million attributable to the impairment of the Tianjin loan; (iii) goodwill of HK\$114.8 million arising from the Clear Industry Acquisition and Shenzhen Plant; and (iv) the intangible assets of approximately HK\$24.4 million in respect of the technical know-how of Clear Industry due to disappointing financial performance of Clear Industry.

其他收入及收益淨額

其他收入及收益淨額由截至2018年3月31日止年度約78,100,000港元減少至本年度約44,200,000港元。上一年度金額主要指就源自蘇州承諾的或然代價資產確認衍生金融工具，而本年度則錄得出售深圳項目及Memsys的收益合共21,100,000港元。

行政開支

本集團的行政開支由約145,500,000港元上升約89.2%至約275,300,000港元，是由於工業流體業務開支隨着2018年5月收購Vimab集團而上升。此外，本集團亦產生購股權開支9,600,000港元。

財務成本

本集團的財務成本由約17,100,000港元上升至本年度的62,400,000港元，主要是源於本集團整體借貸增加所致。

其他開支

其他開支由173,400,000港元減少至19,700,000港元。上一年度金額包括(i)有關未償還的DSE應收款項及SPM應收款項的其他應收款項減值約15,900,000港元；(ii)有關天津貸款減值的應收貸款減值約14,100,000港元；(iii) Clear Industry收購事項及深圳項目所產生的商譽減值114,800,000港元；及(iv)因應Clear Industry財務表現欠佳而就Clear Industry的技術知識作出的無形資產減值約24,400,000港元。

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In the Year, the amount mainly represented the net change in fair value of: (i) loss of contingent receivable in respect of Suzhou Commitments of approximately HK\$20.3 million; (ii) loss of contingent consideration asset in respect of fulfilment of certain financial benchmarks in Vimab Acquisition as set out in section headed "IV Industrial Fluids System Services" of approximately HK\$5.0 million and (iii) gain on fair value of approximately HK\$15 million in convertible bond. In addition, the Group also incurred an one-off expense for legal and professional fee of approximately HK\$9.3 million for the resumption of trading.

Liquidity and Financial Resources

As at 31 March 2019, the Group had bank balances and cash (including pledged bank deposits) of approximately HK\$38.7 million (as at 31 March 2018: approximately HK\$66.7 million).

The total interest-bearing loans comprising finance leases, bank and other borrowings and convertible bonds (liability component) of the Group as at 31 March 2019 was approximately HK\$399.2 million (as at 31 March 2018: approximately HK\$294.4 million), and current ratio for the Year was approximately 1.13 (as at 31 March 2018: approximately 1.26).

The Group's borrowings and bank balances are principally denominated in Hong Kong dollars, Renminbi ("RMB") and Swedish Krona ("SEK") and there may be significant exposure to foreign exchange rate fluctuations.

As the trading of the Shares have been suspended for more than the stipulated period (i.e. 30 business days) according to the terms of the convertible bonds in the principal amount of US\$5,000,000 issued to Forest Water Environmental Engineering Co., Ltd., a company incorporated in Taiwan and listed on the Taiwan Stock Exchange (stock code: 8473) with limited liability ("Forest Water"), the Company has been negotiating with Forest Water for settlement arrangement about the repayment for outstanding principal and interests. As at 31 March 2019, the principal and accrued interest outstanding under such convertible bonds is approximately US\$5.6 million (HK\$45.8 million).

Up to the date of this report, no formal agreement has been reached while Forest Water has not served any written notice for repayment.

本年度金額主要指：(i)有關蘇州承諾的或然應收款項虧損約20,300,000港元；及(ii)有關達成Vimab收購事項若干財務指標的或然代價資產虧損約5,000,000港元(見「IV工業流體系統服務」一節)；及(iii)可換股債券公平值收益約15,000,000港元的公平值變動淨額。此外，本集團亦產生一次性開支，即有關恢復買賣的法律及專業費用約9,300,000港元。

流動資金及財務資源

於2019年3月31日，本集團的銀行結餘及現金(包括已質押銀行存款)約為38,700,000港元(於2018年3月31日：約66,700,000港元)。

於2019年3月31日，本集團的計息貸款總額(包括融資租賃、銀行及其他借貸及可換股債券(負債部分))約為399,200,000港元(於2018年3月31日：約294,400,000港元)，而本年度的流動比率約為1.13(於2018年3月31日：約1.26)。

本集團的借貸及銀行結餘主要以港元、人民幣及瑞典克朗計值，而本集團可能面對重大外幣匯率波動風險。

由於根據向山林水環境工程股份有限公司(一間於台灣註冊成立並於臺灣證券交易所上市(證券代碼：8473)的有限公司，「山林水」)發行本金額為5,000,000美元的可換股債券的條款，股份暫停買賣超過訂明期間(即30個營業日)，因此，本公司一直與山林水磋商償還未償還本金及利息的和解安排。於2019年3月31日，該等可換股債券項下的未償還本金及應計利息約為5,600,000美元(45,800,000港元)。

截至本報告日期，尚未達成任何正式協議，山林水亦未有送達任何書面還款通知。

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Gearing ratio

The gearing ratio as at 31 March 2019 was approximately 95.42% (as at 31 March 2018: approximately 72.5%).

The increase in gearing ratio was mainly attributable to the increase in overall Group's borrowings during the Year.

The gearing ratio is calculated as the payables incurred not in the ordinary course of business (excluding loan from a related companies/directors/shareholders) divided by total equity attributable to the owners of the Company as at the respective years.

Pledge of assets

As at 31 March 2019, the Group pledged certain assets including (i) bank deposits of approximately HK\$nil (31 March 2018: approximately HK\$5,000,000), and (ii) property, plant and equipment with carrying values of approximately HK\$20,261,000 (31 March 2018: approximately HK\$25,884,000), as collateral to secure the facilities granted to the Group.

The Group also guaranteed certain facilities through certain proceeds from the Group's service concession arrangements, equity interests in subsidiaries of the Group and the prepaid lease payments and equipments.

Foreign exchange exposure

Certain revenue-generating operations and assets and liabilities of the Group are denominated in RMB and SEK and may expose the Group to the fluctuation of Hong Kong dollars against RMB and SEK. The Group did not enter into any hedging arrangement or derivative products. However, the Board and management will continue to monitor the foreign currency exchange exposure and will consider adopting certain hedging measures against the currency risk when necessary.

Capital structure

Save for the allotment and issue of 42,137,142 new Shares in relation to Vimab Acquisition as disclosed above, there had been no other significant changes in capital structure of the Company during the Year.

資本負債比率

於2019年3月31日，資本負債比率約為95.42%（於2018年3月31日：約72.5%）。

資本負債比率上升主要是由於本年度本集團整體借貸增加所致。

資本負債比率按非日常業務過程中產生的應付款項（不包括關聯公司／董事／股東貸款）除以各年歸屬於本公司擁有人的權益總額計算。

資產質押

於2019年3月31日，本集團已質押若干資產，包括(i)約零港元（2018年3月31日：約5,000,000港元）的銀行存款；及(ii)賬面值約20,261,000港元（2018年3月31日：約25,884,000港元）的物業、機器及設備，作為本集團獲授融通的抵押品。

本集團亦以其服務特許權安排的若干所得款項、於本集團附屬公司的股權以及預付租賃付款及設備作為若干融通的擔保。

外匯風險

本集團若干賺取收入的業務及資產與負債以人民幣及瑞典克朗計值，可能令本集團面對港元兌人民幣及瑞典克朗匯率波動的風險。本集團並無訂立任何對沖安排或衍生產品。然而，董事會及管理層將持續監察外幣匯率風險，並於有需要時考慮採取若干對沖措施對沖貨幣風險。

資本架構

除上文所披露就Vimab收購事項配發及發行42,137,142股新股份外，本公司的資本架構於本年度內並無其他重大變動。

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Capital commitments

As at 31 March 2019, the Group had capital commitment of approximately HK\$48,642,000 (as at 31 March 2018: approximately HK\$26,635,000) in relation to the projects of the Group under the ordinary course of business.

Human resources management

As at 31 March 2019, the Group had 682 employees, including Directors (as at 31 March 2018: 440 employees, including Directors). Total staff costs (including Directors' emoluments) were approximately HK\$137,803,000 for the Year as compared to approximately HK\$108,912,000 for FY2018. Remuneration was determined with reference to market norms and individual employees' performance, qualification and experience.

On top of basic salaries, bonuses may be paid by reference to the Group's performance as well as individual's performance. Other staff benefits include provision of retirement benefit, injury insurance and share options.

Significant investments held

As at 31 March 2019, the Group held approximately 10.33% of the total issued share capital of Josab Water Solutions AB, the shares of which are listed on Spotlight Stock Market, a stock exchange in Sweden.

Save as disclosed above and except for investment in subsidiaries, during the Year, the Group did not hold any significant investment in equity interest in any other company.

Material acquisitions and disposals of subsidiaries and affiliated companies

Save as disclosed herein, the Group did not have any material acquisitions and disposals of subsidiaries and affiliated companies during the Year.

資本承擔

於2019年3月31日，本集團有關日常業務過程中的項目的資本承擔約為48,642,000港元（於2018年3月31日：約26,635,000港元）。

人力資源管理

於2019年3月31日，本集團共有682名（於2018年3月31日：440名）僱員（包括董事）。本年度的員工成本總額（包括董事酬金）約為137,803,000港元，而2018財政年度則約為108,912,000港元。薪酬乃參照市場常規以及個別僱員表現、資格及經驗釐定。

除基本薪金外，本集團亦可能參照其業績及個人表現發放花紅。其他員工福利包括所提供的退休福利、傷亡保險及購股權。

所持重大投資

於2019年3月31日，本集團持有Josab Water Solutions AB（其股份於瑞典一間證券交易所 Spotlight Stock Market上市）已發行股本總額約10.33%。

除上文所披露者及於附屬公司的投資外，於本年度，本集團並無持有於任何其他公司的任何重大股權投資。

重大附屬公司及聯屬公司收購及出售事項

除本公佈所披露者外，於本年度，本集團並無進行任何重大附屬公司及聯屬公司收購及出售事項。

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Contingent liabilities

As at 31 March 2019, the Group had outstanding performance bond for construction contracts amounting to approximately HK\$76.0 million (as at 31 March 2018: approximately HK\$58.4 million).

The Company has agreed to provide the corporate guarantee for the due performance of the repayment obligations of the wholly-owned subsidiary of TDR up to an aggregate amount of RMB153,986,000 under principal agreements dated 14 July 2017 entered into between such TDR's subsidiary and CITIC Financial Leasing Co., Ltd.

In consideration of the corporate guarantee provided by the Company, TDR entered into the counter-guarantee agreement with the Company, pursuant to which, TDR has agreed to provide to the Company the guarantee fee and the counter-guarantee in respect of such corporate guarantee.

Purchase, Sale or Redemption of the Company's Listed Securities

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Year.

Code of Conduct for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 to the Listing Rules as its own code of conduct for dealing in securities of the Company by the Directors.

Specific enquiries have been made with all Directors, and all Directors confirmed in writing that they have complied with the required standards as set out in the Model Code regarding their securities transactions for the Year.

或然負債

於2019年3月31日，本集團有關建築合約的未履行履約保函金額約為76,000,000港元（於2018年3月31日：約58,400,000港元）。

本公司已同意就天地人的全資附屬公司在其與中信金融租賃有限公司所訂立日期為2017年7月14日的本金協議中準時履行總額最高為人民幣153,986,000元的還款義務提供公司擔保。

作為本公司提供公司擔保的代價，天地人與本公司訂立反擔保協議，據此，天地人同意就有關公司擔保向本公司提供擔保費用及反擔保。

購買、出售或贖回本公司的上市證券

於本年度，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。

董事進行證券交易的行為守則

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」），作為其本身有關董事進行本公司證券交易的行為守則。

本公司已向全體董事進行具體查詢，而全體董事已以書面確認，彼等於本年度已就其證券交易遵守標準守則所載的規定準則。

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Corporate Governance Practices

The Board believes that good corporate governance is one of the areas leading to the success of the Company and balancing the interests of shareholders, customers and employees, and the Board is devoted to ongoing enhancement of the efficiency and effectiveness of such principles and practices.

The Company has adopted the compliance manual which sets out the minimum standard of good practices concerning the general management responsibilities of the Board with which the Company and the Directors shall comply and which contains, among other things, the code provisions of the corporate governance codes (the "CG Code") as set out in Appendix 14 to the Listing Rules as its own code of corporate governance.

The Board considers that the Company has complied with the code provisions set out in the CG Code during the Year.

Audit Committee

The audit committee of the Company was established in compliance with Rules 3.21 and 3.22 of the Listing Rules with written terms of reference. The latest terms of reference of the audit committee are available on the websites of the Company and the Stock Exchange.

A summary of work of the audit committee during the Year is as follows:

- met with the external auditors, reviewed and made recommendations for the Board's approval on the annual and interim results and reports of the Company;
- reviewed and approved audit fee;
- recommended the appointment of BDO Limited as auditors, subject to the shareholders' approval at the annual general meeting; and
- reviewed the effectiveness of the Company's risk management and internal control systems.

企業管治常規

董事會相信，良好的企業管治乃引領本公司邁向成功並平衡股東、客戶及僱員各方利益的範疇之一，而董事會致力持續提升該等原則及慣例的效率及效益。

本公司已採納一份合規手冊，當中載列有關董事會整體管理責任的良好常規最低標準，並已收納(其中包括)上市規則附錄十四所載企業管治守則(「企業管治守則」)的守則條文作為其本身的企業管治守則，本公司與董事均須遵守。

董事會認為，本公司於本年度已遵守企業管治守則所載的守則條文。

審核委員會

本公司的審核委員會乃遵照上市規則第3.21及3.22條成立，並具備書面職權範圍。最新的審核委員會職權範圍可於本公司網站及聯交所網站查閱。

審核委員會於本年度的工作概要如下：

- 會見外部核數師、審閱本公司全年業績、中期業績、年報及中期報告並建議董事會批准；
- 檢討及批准核數費用；
- 建議委任香港立信德豪會計師事務所有限公司為核數師，以待股東於股東週年大會上批准；及
- 檢討本公司風險管理及內部監控制度的成效。

MANAGEMENT DISCUSSION AND ANALYSIS

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Extract from Independent Auditor's Report

The following is an extract of the independent auditor's report on the Group's consolidated financial statements for the FY2019:

“Qualified opinion

We have audited the consolidated financial statements of New Concepts Holdings Limited (the “Company”) and its subsidiaries (the “Group”), which comprise the consolidated statement of financial position as at 31 March 2019, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matters described in the Basis for qualified opinion section of our report, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2019, 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 Qualified Opinion

As disclosed in the consolidated financial statements, during the period from January 2016 to November 2016, the Group paid deposits for the potential acquisition of a 49% equity interests in PT. Dempo Sumber Energi (“DSE”) (“DSE Agreement”) and a 80% equity interests in PT. Sumatera Pembangkit Mandiri (“SPM”). In addition, the Group paid certain expenses on behalf of DSE and advanced loans to DSE, SPM and their beneficial shareholders. During the year ended 31 March 2017, the shares of DSE and SPM (representing 49% and 80% of the equity interests in DSE and SPM respectively) were transferred to the Group, and the Group appointed 4 out of 6 directors of DSE and 5 out of 7 directors of SPM. Thereafter, the Group have entered into a series of transactions and agreements with various parties including the acquisition of additional 5% equity interests in SPM, the termination of the DSE Agreement, the disposal of the equity interests in DSE and SPM.

獨立核數師報告摘錄

以下為有關本集團2019財政年度的綜合財務報表的獨立核數師報告摘錄：

「保留意見

本核數師(以下簡稱「我們」)已審計創業集團(控股)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2019年3月31日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合全面收益表、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，除我們的報告內「保留意見的基礎」一節所述事宜可能造成的影響外，該等綜合財務報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映了貴集團於2019年3月31日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

保留意見的基礎

誠如綜合財務報表所披露，於2016年1月至2016年11月，貴集團就可能收購PT. Dempo Sumber Energi(「DSE」)49%股權(「DSE協議」)及PT. Sumatera Pembangkit Mandiri(「SPM」)80%股權支付按金。此外，貴集團代表DSE支付若干開支並向DSE、SPM及彼等的實益股東墊付貸款。於截至2017年3月31日止年度，DSE及SPM的股份(分別佔DSE及SPM股權的49%及80%)轉讓予貴集團，而貴集團委任DSE六名董事其中四名，並委任SPM七名董事其中五名。其後，貴集團與各訂約各方進行一連串交易並訂立協議，包括增購SPM額外5%股權、終止DSE協議以及出售DSE及SPM股權。

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As at 31 March 2019, the aggregated amount of deposits paid, expenses paid on behalf and loans advanced (“Payments”) of approximately HK\$67,637,000 (2018: HK\$66,306,000) was accounted for as receivables. During the year ended 31 March 2019, impairment provision of HK\$ Nil (2018: HK\$15,854,000) was made (or reversed) against the Payments and the impairment provision as at 31 March 2019 amounted to HK\$15,854,000 (2018: HK\$15,854,000). As at 31 March 2019, the carrying amount of the Payments after netting off impairment provision was of HK\$51,783,000 (2018: HK\$50,452,000) and was grouped under prepayments, deposits and other receivables in the consolidated statement of financial position.

Directors of the Company have not provided us with satisfactory evidence relating to the nature of those transactions highlighted in the paragraphs above (the “Transactions”) (further details are disclosed in note to the consolidated financial statements) and their conclusion that the Payments are receivables in nature throughout the years. As such, we were not able to obtain sufficient appropriate audit evidence to satisfy ourselves whether the Transactions have been appropriately accounted for, including whether accounting for the Payments as receivables is appropriate and accordingly, whether impairment provision recognised against the Payments is appropriate and the amount of impairment provision recognised is properly determined or measured in accordance with HKFRSs. As a result, we were also unable to satisfy ourselves whether the disclosures in the notes to the consolidated financial statements are complete and accurate. There were no alternative audit procedures that we could perform to satisfy ourselves as to the above-mentioned matters. Consequently, we were unable to determine whether any adjustments to these amounts/disclosures were necessary.

於2019年3月31日，已付按金、代付開支及墊付貸款(「該等款項」)合共約67,637,000港元(2018年：66,306,000港元)入賬列作應收款項。於截至2019年3月31日止年度，貴集團已就該等款項計提(或撥回)減值撥備零港元(2018年：15,854,000港元)，而於2019年3月31日的減值撥備為15,854,000港元(2018年：15,854,000港元)。於2019年3月31日，該等款項經扣除減值撥備後的賬面金額為51,783,000港元(2018年：50,452,000港元)，於綜合財務狀況表內計入預付款項、按金及其他應收款項。

貴公司董事並無向我們提供與上文各段標注交易(「該等交易」，進一步詳情於附註披露)的性質及彼等於有關年度對該等款項屬應收款項性質的結論有關並可信納的憑證。因此，我們無法取得足夠合適審計憑證，令我們信納該等交易已適當地入賬，包括將該等款項入賬列作應收款項是否適當、該等款項的已確認減值撥備是否適當以及已確認減值撥備的金額是否已根據《香港財務報告準則》妥為釐定或計量。因此，我們亦無法信納綜合財務報表附註內的披露事項是否完整及準確。並無其他審計程序可讓我們進行以信納上述事項。因此，我們無法釐定該等金額／披露事項是否需要作出調整。

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The Company's predecessor auditor modified their audit opinion on the Company's consolidated financial statements for the year ended 31 March 2018 due to limitations on their scope of work on the nature of the Payments. They were unable to satisfy themselves as to (i) the appropriateness of the accounting for the Payments as receivables as at 31 March 2018; (ii) whether the impairment of HK\$15,854,000 for the Payments recognised for the year ended 31 March 2018 was appropriate or adequate; and (iii) the completeness and accuracy of the respective disclosures in the notes to the consolidated financial statements. Any adjustments to the amount of impairment provision recognised for the year ended and as at 31 March 2018 would have a consequential impact on the amount of impairment provision recognised for the year ended 31 March 2019, if any. Our opinion on the Company's 2019 consolidated financial statements for year ended 31 March 2019 is also modified because of the possible effect of the adjustment and the related 2018 figures in the consolidated financial statements may not be comparable.

Supplementary information regarding the qualified opinion

The Auditor has expressed a qualified opinion on the receivables in respect of the DSE Receivables and the SPM Receivables. Set out below are the supplementary information regarding the aforesaid qualified opinion:

1. Background of the DSE Receivables and the SPM Receivables

A detailed chronology of events for better comprehension of the circumstances leading to the alterations to the terms and nature of the DSE Acquisition and the SPM Acquisition and the resulting Management's decisions are set out in the management discuss and analysis in the 2018 annual report and section headed "Strategic investments — (i) Hydropower projects in Indonesia" above in this report.

貴公司前核數師因就該等款項性質的工作範圍受限而對 貴公司截至2018年3月31日止年度的綜合財務報表發出非無保留的審計意見。彼等無法信納(i)於2018年3月31日將該等款項入賬列作應收款項是否適當；(ii)截至2018年3月31日止年度已確認的該等款項減值15,854,000港元是否適當或足夠；及(iii)綜合財務報表各附註的相應披露事項是否完整及準確。就截至2018年3月31日止年度及於該日確認的減值撥備金額如作任何調整，可能會對截至2019年3月31日止年度的已確認減值撥備金額(如有)造成影響。我們亦因調整的可能影響及綜合財務報表內相關2018年數字可能無法比較而對 貴公司截至2019年3月31日止年度的2019年綜合財務報表發表非無保留意見。

有關保留意見的補充資料

核數師就DSE應收款項及SPM應收款項發表有關應收款項的保留意見。下文載列有關上述保留意見的補充資料：

1. DSE應收款項及SPM應收款項的背景

為協助 閣下進一步瞭解DSE收購事項及SPM收購事項修訂條款的背景、性質以及管理層相應所作的決定，詳細事件時序載於2018年年報內的管理層討論及分析以及本報告上文「策略性投資 — (i) 印尼水力發電項目」一節。

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2. Management's position

The Company understood from the Auditor that based on the facts of the DSE Acquisition, the SPM Acquisition and the Disposal of Stand Ascent (the "Transactions"), including among the others, Stand Ascent has board seats in both DSE and SPM and the transfer of DSE's and SPM's shares to Stand Ascent ("DSE Shares and SPM shares"); the Auditor found that there is ambiguity and uncertainty as to whether Stand Ascent possesses legal and/or beneficial interests over the DSE Shares and SPM shares and was not able to satisfy itself whether the Management's views of holding DSE Shares and the SPM Shares as a custodian only and therefore the Transactions have been appropriately accounted for, including whether accounting for the Payments as receivables, is appropriate.

The Management considers that the DSE Acquisition and SPM Acquisition should not be viewed as completed and Stand Ascent holds DSE Shares and the SPM Shares as a custodian only, and therefore the nature of the DSE Receivables and the SPM Receivables as at 31 March 2018 and 31 March 2019 as receivables and the impairments made thereon as at 31 March 2018 and 31 March 2019 were appropriate on the bases that:

- (i) the legal opinions obtained by the Management which confirmed that Stand Ascent does not have beneficial interests in DSE or SPM and it holds the DSE Shares and the SPM Shares merely as a custodian for collateral purpose;
- (ii) the repayment deed ("Repayment Deed") dated 6 July 2018 procured by the Dominating Indonesian Parties serves as an evidence that both the Group and the Dominating Indonesian Parties acknowledged the nature of the payments as receivables to be repaid by the Dominating Indonesian Parties;

2. 管理層的立場

本公司了解核數師基於DSE收購事項、SPM收購事項及晉立出售事項(「該等交易」)中的實際情況(其中包括)晉立在DSE和SPM均有董事席位,以及DSE股份和SPM股份已轉讓予晉立(「DSE股份和SPM股份」);核數師認為晉立是否擁有DSE股份和SPM股份的合法和/或實益權益一事存在歧義和不確定性,故未能信納管理層的觀點(即認為晉立只作為託管人持有DSE股份和SPM股份,以及該等交易已適當地入賬(包括將該等款項入賬列作應收款項))是否適當。

管理層認為,於2018年3月31日及2019年3月31日,DSE收購事項及SPM收購事項不應被視為已完成,且晉立只作為託管人持有DSE股份及SPM股份,故此DSE應收款項及SPM應收款項的性質屬應收款項,且於2018年3月31日及2019年3月31日就DSE應收款項及SPM應收款項計提的減值屬適當,理由如下:

- (i) 管理層所取得的法律意見確認晉立並無DSE或SPM的實益權益,僅就抵押目的作為託管人持有DSE股份及SPM股份;
- (ii) 由主導印尼訂約方所安排日期為2018年7月6日的還款契據(「還款契據」)證明本集團與主導印尼訂約方均確認該等款項的性質為主導印尼訂約方應予償還的應收款項;

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- (iii) the impairment to the DSE Receivables (i.e. US\$1.6 million) as at 31 March 2018 and 31 March 2019 was determined based on the initial outstanding DSE Receivables (i.e. US\$4.3 million) deducting the subsequent repayments made by the Dominating Indonesian Parties via proceeds attributable to the DSE Shares pursuant to the Stand Ascent Disposal Agreement (i.e. US\$2.2 million) and via proceeds from other hydropower projects under the Repayment Deed (i.e. US\$0.5 million);
- (iv) the impairment on the SPM Receivables as at 31 March 2018 and 31 March 2019 (i.e. US\$0.4 million) was determined based on based on the outstanding SPM Receivables (i.e. US\$3.7 million) as at 31 March 2018 and 31 March 2019 deducting the fair value of 85% equity interest in SPM (i.e. US\$3.3 million) prepared internally by the Management based on the average tariff of the latest 16 power purchase agreements signed by the hydropower plants located in the vicinity of SPM's plant as extracted from a research report issued by a reputable accounting firm. It is also highly possible that the SPM-PPA will be signed as SPM has obtained the qualified applicant status for the hydropower plant shortlist company granted by the PLN.
- (iii) DSE應收款項於2018年3月31日及2019年3月31日的減值(即1,600,000美元)乃基於最初未償還DSE應收款項(即4,300,000美元)扣除主導印尼訂約方其後透過晉立出售協議項下DSE股份應佔所得款項(即2,200,000美元)及透過還款契據項下其他水力發電項目所得款項(即500,000美元)作出的還款計算；
- (iv) SPM應收款項於2018年3月31日及2019年3月31日的減值(即400,000美元)乃基於2018年3月31日及2019年3月31日的未償還SPM應收款項(即3,700,000美元)扣除SPM 85%股權的公平值(即3,300,000美元，乃由管理層內部基於最近由SPM項目所在地附近多家水力發電廠簽立的16份購電協議(摘錄自一份由知名會計師行發表的研究報告)的平均電價編製)計算。由於SPM已取得PLN授出的水力發電廠入圍公司的合資格申請人資格，故簽訂SPM購電協議的可能性亦十分高。

3. Potential impact on the Company

Since the Auditor has been unable to obtain sufficient audit evidence to ascertain the nature of the transactions relating to DSE and SPM as at 31 March 2019 in the annual results of the Company for FY2019, and thus is unable to satisfy themselves as to (i) to obtain sufficient appropriate audit evidence whether the transactions have been appropriately accounted for, including whether accounting for the payments as receivables is appropriate; (ii) the impairment provision recognised against the payments are appropriate and the amount of impairment provision recognised is properly determined or measured in accordance with HKFRSs; and (iii) the disclosures in the notes to the consolidated financial statements are complete and accurate.

3. 對本公司的潛在影響

由於核數師無法取得足夠審計憑證以確定有關DSE及SPM的交易於2019年3月31日就本公司2019財政年度全年業績而言的性質，因此無法信納(i)已取得足夠合適審計憑證確定該等交易是否已適當入賬，包括將有關款項入賬列作應收款項是否適當；(ii)有關款項的已確認減值撥備是否適當以及已確認減值撥備的金額是否已根據香港財務報告準則妥為釐定或計量；及(iii)綜合財務報表各附註的披露事項是否完整及準確。

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4. *View of the audit committee and Management's position*

A meeting was held on 24 June 2019 by the audit committee of the Company (the "Audit Committee") for the purpose of approving the audited consolidated financial statements of the Company for FY2019.

Having carried out independent review of and enquiries on the subject transaction, the Audit Committee concurred with the management's explanation and position on the accounting treatment of the DSE Receivables and the SPM Receivables and the impairment made for FY2019.

5. *Action plans to address the qualification of opinion, timetable for implementation and the latest progress*

The Management considers that the qualification of opinion can be addressed once the Stand Ascent Disposal is completed. As SPM has obtained the qualified applicant status for the hydropower plant shortlist company granted by the PLN in March 2019 as planned, it is expected the SPM-PPA will be entered into by the PLN and SPM and thus the completion of the Stand Ascent Disposal will likely to take place soon. Once the Stand Ascent Disposal is completed, the impairment amount of the DSE Receivables and the SPM Receivables will be substantiated by the proceeds received by the Group from the Dominating Indonesian Parties. In this circumstance, the qualification will not have impact on the statement of financial position for the year ending 31 March 2020 save for the opening.

Final Dividend

The Board does not recommend payment of a final dividend to the shareholders for FY2019 (FY2018: nil).

4. **審核委員會的見解及管理層的立場**

本公司的審核委員會(「審核委員會」)已於2019年6月24日舉行會議，以審批本公司2019財政年度的經審核綜合財務報表。

於獨立審核及查詢所涉交易後，審核委員會同意管理層對於DSE應收款項及SPM應收款項的會計處理方式以及就2019財政年度計提的減值的解釋及立場。

5. **應對保留意見的行動計劃、執行時間表及最新進展**

管理層認為，完成晉立出售事項可應對保留意見。由於SPM亦已按計劃於2019年3月取得PLN授出的水力發電廠入圍公司的合資格申請人資格，故預期PLN與SPM將訂立SPM購電協議，晉立出售事項因而很可能即將落實完成。晉立出售事項一經完成，DSE應收款項及SPM應收款項的減值金額將因本集團向主導印尼訂約方收取的所得款項而得以確定。在此情況下，除就期初而言外，保留意見將不會對截至2020年3月31日止年度的財務狀況表構成影響。

末期股息

董事會不建議向股東派付2019財政年度的末期股息(2018財政年度：無)。

BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員的履歷詳情

Executive Directors

Mr. Zhu Yongjun, aged 51, was appointed as the Chairman of the Board and an executive director of the Company on 24 May 2016. He is also a member of the nomination committee of the Board.

Mr. Zhu was an executive director of EverChina Int'l Holdings Company Limited (a company listed on the main board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange")) (Stock Code: 202) from May 2008 to February 2013. He was also the chairman of the board of Heilongjiang Interchina Water Treatment Company Limited (a company listed on the Shanghai Stock Exchange) (Stock Code: 600187), from January 2009 to May 2015. He is currently the chairman of the board of Josab Water Solutions AB ("Josab"), a company incorporated under the laws of Sweden, whose shares are listed on the Spotlight Stock Market, a stock exchange in Sweden. Mr. Zhu obtained his undergraduate from Hunan University in 1989, and a Master's degree of business administration in Peking University in the People's Republic of China in 2005. He started his environmental protection career in 2001.

Ms. Qin Shulan, aged 56, was appointed as an executive director of the Company on 24 May 2016 and subsequently appointed as the Chief Executive Officer on 27 February 2017. She is the senior engineer of Northern China Municipal Engineering Design and Research Institute. She was the legal representative and supervisor of water treatment new technology commercialisation centre (Tianjin Free Trade Zone Water Treatment New Technology Commercialisation Centre) under the Ministry of Housing and Urban-Rural Development of the People's Republic of China from 2006 to 2015. She was the person in charge of the commercialisation of biologically reinforced filler and its carrier and auxiliary device for municipal sewage treatment plant, which is a key water body pollution control and restoration technology project in China's 12th Five-Year Plan. She was also the general manager and vice chairperson of Capital Aihua Municipal & Environmental Engineering Co., Ltd. from 2009 to November 2015. She obtained her Master's degree in business administration from Tianjin University. She has over 30 years of experience in investment, constructions, development and operations of environmental protection-related businesses.

執行董事

朱勇軍先生，51歲，於2016年5月24日獲委任為本公司董事會主席兼執行董事。彼亦為董事會轄下提名委員會的成員。

朱先生於2008年5月至2013年2月期間曾出任潤中國際控股有限公司（於香港聯合交易所有限公司（「聯交所」）主板上市的公司，股份代號：202）執行董事。於2009年1月至2015年5月期間，彼亦為黑龍江國中水務股份有限公司（於上海證券交易所上市的公司，證券代碼：600187）的董事長。彼現為Josab Water Solutions AB（「Josab」，根據瑞典法律註冊成立的公司，其股份於瑞典一間證券交易所Spotlight Stock Market上市）的董事會主席。朱先生於1989年在湖南大學本科畢業，其後於2005年在中華人民共和國北京大學取得工商管理碩士學位。彼於2001年開始從事環保事業。

秦姝蘭女士，56歲，於2016年5月24日獲委任為本公司執行董事，其後於2017年2月27日獲委任為行政總裁。彼為中國市政工程華北設計研究總院高級工程師。彼於2006年至2015年期間曾擔任中華人民共和國住房和城鄉建設部水處理新技術產業化基地（天津保稅區水處理新技術產業化基地）的法人代表及主任。彼亦曾擔任國家十二五水體污染控制與治理科技重大專項課題——城鎮污水處理廠生物強化填料和載體及其配套裝置產業化負責人。彼亦於2009年至2015年11月期間擔任首創愛華（天津）市政環境工程有限公司總經理及副董事長。彼於天津大學取得工商管理碩士學位，擁有超過30年環保相關業務投資、建設、發展及經營經驗。

BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員的履歷詳情

Mr. Cai Jianwen, aged 44, was appointed as an executive director of the Company on 23 September 2015 and is also a member of the remuneration committee of the Board and the authorised representative of the Company. He was a general manager of Interchina Water Treatment Hong Kong Company Limited (國中水務香港有限公司) from April 2014 to March 2016. From May 2011 to April 2014, he was also the Chief Financial Officer of Heilongjiang Interchina Water Treatment Company Limited* whose shares are listed on the Shanghai Stock Exchange (stock code: 600187).

He received a Master of Business Administration degree from China Europe International Business School (CEIBS) in March 2008. Mr. Cai was a member of China Institute of Certified Public Accountant. Since 2015, Mr. Cai is also a director of Josab.

Mr. Lee Tsi Fun Nicholas, aged 41, was appointed as an executive director of the Company on 31 August 2018. He joined the Company in November 2015 and was appointed as the Company's company secretary on 24 May 2016. Since year 2016, he is also the company secretary and director of certain subsidiaries of the Company. Mr. Lee is a member of the Hong Kong Institute of Certified Public Accountants and the American Institute of Certified Public Accountants. He graduated from the University of Oregon in the United States of America with a Bachelor of Science degree in year 1999.

Non-Executive Director

Dr. Zhang Lihui, aged 48, was appointed as a non-executive director of the Company on 8 September 2016. Dr. Zhang is a managing partner of Tsing Capital. Dr. Zhang has been focusing on the investment related to environmental protection, clean energy, high technology and precious materials in China since joining Tsing Capital.

Dr. Zhang received a master's degree in Laws and a bachelor's degree in Technology English in PLA University of Foreign Languages, subsequently obtained his Ph.D. degree in Economics from the University of International Business and Economics. Dr. Zhang also completed the Advanced Management Program at Harvard Business School in 2009.

蔡建文先生，44歲，於2015年9月23日獲委任為本公司執行董事，並為董事會轄下薪酬委員會的成員及本公司授權代表。彼於2014年4月至2016年3月期間出任國中水務香港有限公司的總經理。彼亦於2011年5月至2014年4月期間擔任黑龍江國中水務股份有限公司(其股份於上海證券交易所上市，證券代碼：600187)的財務總監。

彼於2008年3月獲中歐國際工商學院頒發工商管理碩士學位。蔡先生曾為中國註冊會計師協會會員。蔡先生亦自2015年起出任Josab的董事。

李錫勛先生，41歲，於2018年8月31日獲委任為本公司執行董事。彼於2015年11月加入本公司，並於2016年5月24日獲委任為本公司的公司秘書。自2016年起，彼亦為本公司若干附屬公司的公司秘書兼董事。李先生為香港會計師公會及美國會計師公會會員。彼於1999年畢業於美國俄勒岡大學，獲得理學士學位。

非執行董事

張立輝博士，48歲，於2016年9月8日獲委任為本公司非執行董事。張博士為青雲創投管理合夥人，自加入青雲創投以來一直專注於中國環保、清潔能源、高端科技及貴重材料相關的投資。

張博士於中國人民解放軍外國語學院取得法學碩士及科技英語學士學位，其後於對外經濟貿易大學取得經濟學哲學博士學位，並於2009年完成美國哈佛商學院高級管理課程。

* For identification purpose only

BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員的履歷詳情

Independent Non-Executive Directors

Mr. Lo Chun Chiu, Adrian, aged 63, was appointed as an independent non-executive director of the Company on 26 August 2014. He is the chairman of the nomination committee of the Board and a member of each of the audit committee and remuneration committee of the Board.

Mr. Lo was awarded a Bachelor of Laws degree by the University of London in August 1988. He is a member of the Law Society of Hong Kong and has been a practicing solicitor in Hong Kong since November 1991 in general legal practice. From December 1993 to the date of this annual report, Mr. Lo has been a partner of Joseph C.T. Lee & Co. and engaged in various fields of legal practice involving commercial and conveyancing litigation, acquisition and sale of business and/or companies, company liquidation, charity foundation works, formation of religious organisations, family law, immigration law and employment law.

Dr. Tong Ka Lok, aged 56, was appointed as an independent non-executive director of the Company on 26 August 2014. He is the chairman of the audit committee of the Board and a member of each of the nomination committee and remuneration committee of the Board.

Dr. Tong was awarded a Doctor of Public Health degree (epidemiology and biostatistics) from the Macau University of Science and Technology in August 2013. Dr. Tong is a founder and partner of Baker Tilly Macao Certified Public Accountants which was established in October 2000. He is an auditor registered at the Committee for the Registry of Auditors and Accountants in Macau in January 2006. Besides his business establishment, Dr. Tong was appointed as a member of the Nanjing Committee of CPPCC* (中國人民政治協商會議南京市委員會), and Vice President of the Macau University of Science and Technology in 2012, and a University Council Member in 2013. Dr. Tong has over 25 years of accountancy experience up to the date of this report.

獨立非執行董事

羅俊超先生，63歲，於2014年8月26日獲委任為本公司獨立非執行董事。彼為董事會轄下提名委員會的主席以及董事會轄下審核委員會及薪酬委員會各自的成員。

羅先生於1988年8月獲倫敦大學頒發法學士學位。彼為香港律師會會員，自1991年11月起為香港執業律師，處理一般法律事務。於1993年12月至本年報日期，羅先生為李全德律師事務所合夥人，從事多個領域法律事務，涉及商業及物業轉易訴訟、業務及／或公司收購及出售、公司清算、慈善基金會工作、建立宗教組織、家庭法、移民法及僱傭法。

唐嘉樂博士，56歲，於2014年8月26日獲委任為本公司獨立非執行董事。彼為董事會轄下審核委員會的主席以及董事會轄下提名委員會及薪酬委員會各自的成員。

唐博士於2013年8月獲澳門科技大學頒發公共衛生學(流行病學與生物統計學)博士學位。唐博士為於2000年10月成立的天職澳門會計師事務所的創始人及合夥人。彼於2006年1月在澳門核數師暨會計師註冊委員會註冊成為核數師。除其業務建樹外，唐博士於2012年獲委任為人民政協南京市委員會委員及澳門科技大學副校長，且於2013年獲委任為澳門科技大學校董會成員。直至本報告日期，唐博士擁有逾25年會計經驗。

* For identification purpose only

BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員的履歷詳情

Mr. Choy Wai Shek, Raymond, MH, JP, aged 70, was appointed as an independent non-executive director of the Company on 26 August 2014. He is the chairman of our the remuneration committee of the Board and a member of each of the nomination committee and audit committee of the Board.

Mr. Choy joined the Group in January 2013 as a director of New Concepts Foundation Limited (“NC Foundation”). Mr. Choy has been carrying out an independent non-executive role in NC Foundation, mainly responsible for advising on corporate governance of NC Foundation. Mr. Choy also acts as an independent non-executive director of Far East Hotels and Entertainment Limited (a company listed on the Stock Exchange (stock code: 37), AB Builders Group Limited (a company listed on the Stock Exchange (stock code: 1615)) and WAC Holdings Limited (a company listed on GEM (stock code: 8619)).

Mr. Choy holds a Diploma in Chinese Law awarded from the University of East Asia (now known as the University of Macau) in October 1987 and a Diploma in Political Science from the International Affairs College, Hong Kong in July 1988.

He was the Chairman of the Sham Shui Po District Board from April 1991 to September 1994, a Hong Kong affairs adviser appointed by the Hong Kong and Macao Affairs Office of the State Council and the Xinhua News Agency from 1994 to 1997, the vice-chairman of the Occupational Safety and Health Council of the Labour and Welfare Bureau from 2004 to 2010, a member of the Energy Advisory Committee of the Environment Bureau from 2006 to 2012 and a member of the Consumer Council of the Commerce and Economic Development Bureau from 2005 to 2011.

He was a member of the Guangzhou Committee of the Chinese People’s Political Consultative Conference (“CPPCC”)* (Term Ninth to Twelfth) (中國人民政治協商會議廣州市委員會). He was also elected as a vice president of GMC Hong Kong Members Association in February 2012. He is the Committee Member of The Chinese General Chamber of Commerce, Hong Kong (“CGCC”) and was also the Chairman of Member’s Service Committee of CGCC.

蔡偉石先生，榮譽勳章，太平紳士，70歲，於2014年8月26日獲委任為本公司獨立非執行董事。彼為董事會轄下薪酬委員會的主席以及董事會轄下提名委員會及審核委員會各自的成員。

蔡先生於2013年1月加入本集團，出任創業地基有限公司(「創業地基」)董事。蔡先生於創業地基履行獨立非執行角色，主要負責就創業地基的企業管治提供建議。蔡先生亦為遠東酒店實業有限公司(於聯交所上市的公司，股份代號：37)、奧邦建築集團有限公司(於聯交所上市的公司，股份代號：1615)及WAC Holdings Limited(於GEM上市的公司，股份代號：8619)的獨立非執行董事。

蔡先生於1987年10月獲得由東亞大學(現稱為澳門大學)授予中國法律文憑及於1988年7月獲得香港國際事務書院的政治科學文憑。

彼於1991年4月至1994年9月為深水埗區議會主席，於1994年至1997年獲國務院港澳事務辦公室及新華通訊社委任為香港事務顧問，於2004年至2010年為勞工及福利局職業安全健康局副主席，於2006年至2012年為環境局能源諮詢委員會成員，以及於2005年至2011年為商務及經濟發展局消費者委員會委員。

彼為中國人民政治協商會議(「人民政協」)第九至第十二屆廣州市委員會委員。彼亦於2012年2月獲選為廣州地區政協香港委員聯誼會副會長。彼為香港中華總商會(「中華總商會」)選任會董，並曾任中華總商會會員服務委員會主席。

* For identification purpose only

BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員的履歷詳情

Senior Management

Mr. Chu Shu Cheong, aged 58, is the founder of the Group the director of the subsidiaries of the Company, namely NC Foundation and New Concepts Engineering Development Limited ("NC Engineering"). He possesses over 21 years of management experience in foundation, civil engineering and building works of various nature.

Besides his business achievement, Mr. Chu was also appointed as the honorary chairman of the China Star Light Charity Fund Association in 2000, a member of the Guangdong Province Committee of CPPCC (中國人民政治協商會議廣東省從化市委員會) in October 2011 and a member of the Guangzhou Committee of the CPPCC (中國人民政治協商會議廣州市委員會) in December 2011.

Mr. Kwan Man Hay, aged 64, is the director of NC Foundation and NC Engineering.

Mr. Kwan has over 34 years of experience in the engineering and construction industry. He is a member of the following professional bodies: Hong Kong Institution of Engineers (HKIE), the Chartered Institute of Building (CIOB), the Chartered Institute of Arbitrators (CI Arb). He is also a Registered Professional Engineer (RPE) recognised by the Engineers Registration Board. Mr. Kwan is the holder of Higher Diploma in Building Technology and Management and Associate Diploma in Building Technology and Management awarded by the then Hong Kong Polytechnic in November 1978 and November 1982 respectively.

In October 1997, Mr. Kwan was a director of NC Foundation and was then responsible for overseeing the tendering and execution of the Group's foundation works, civil engineering and building projects. Mr. Kwan joined Lanon Development Limited as a director and left the Group in April 2005. In April 2010, Mr. Kwan re-joined the Group as a senior management and was appointed as director of both NC Engineering and NC Foundation in 2012. Since then, Mr. Kwan has been responsible for strategic planning, and overseeing of tendering and execution of the Group's foundation works, civil engineering and building projects. Mr. Kwan is also responsible for overseeing the Group's administrative functions.

高級管理層

朱樹昌先生，58歲，為本集團創始人兼本公司附屬公司創業地基及創業工程建設有限公司（「創業工程」）的董事。彼於各類性質的地基、土木工程及屋宇工程擁有逾21年管理經驗。

除以上業務建樹外，朱先生亦於2000年獲委任為中國星火基金會名譽會長，於2011年10月獲委任為人民政協廣東省從化市委員會委員，並於2011年12月獲委任為人民政協廣州市委員會委員。

關萬禧先生，64歲，為創業地基及創業工程的董事。

關先生於工程及建築行業擁有逾34年經驗。彼為以下專業團體成員：香港工程師學會（HKIE）、英國特許建造學會（CIOB）、英國特許仲裁員學會（CI Arb）。彼亦為經工程師註冊管理局認可的註冊專業工程師（RPE）。關先生分別於1978年11月及1982年11月獲當時的香港理工學院頒發建築技術與管理高級文憑以及專科證書。

於1997年10月，關先生為創業地基董事，當時負責監督招投標及實施本集團地基工程、土木工程及屋宇項目。關先生於2005年4月加入亮雅發展有限公司出任董事並離開本集團。於2010年4月，關先生再次加入本集團，出任高級管理層，並於2012年獲委任為創業工程及創業地基的董事。自此，關先生一直負責策略規劃及監督招投標以及實施本集團地基工程、土木工程及屋宇項目。關先生亦負責監督本集團行政職能。

BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員的履歷詳情

Ms. Lai Mun Yee, aged 55, is responsible for overseeing the administration, accounting, taxation functions and daily operations in construction business of the Group.

Ms. Lai joined the Group in October 1999 and is the accountant of the Group. Ms. Lai is a diploma holder in accounting for executives awarded by The Chinese University of Hong Kong jointly organised by the Faculty of Business Administration and The Asia-Pacific Institute of Business in October 2001. Ms. Lai has over 28 years of accounting experience. Prior to joining the Group, Ms. Lai worked as an accountant and administration and accounts manager for different companies for more than 11 years.

賴敏儀女士，55歲，負責監督本集團建築業務的行政、會計及稅務職能以及日常營運。

賴女士於1999年10月加入本集團，為本集團會計師。賴女士持有香港中文大學於2001年10月頒發的行政人員會計學文憑，該課程由工商管理學院及亞太工商研究所共同舉辦。賴女士擁有逾28年會計經驗。於加入本集團前，賴女士曾於多間公司出任會計師以及行政及會計經理超過11年。

REPORT OF DIRECTORS

董事會報告

The Board hereby presents the annual report together with the audited consolidated financial statements of the Group for the Year (the “Consolidated Financial Statements”).

Principal Activities

The principal activity of the Company is investment holding. The principal activities of its subsidiaries comprise construction works in Hong Kong, environmental protections, and industrial fluids system in the Nordic area. Details of the principal activities of the principal subsidiaries of the Company are set out in note 1 to the Consolidated Financial Statements. There were no significant changes in the nature of the principal activities of the Group during the Year.

Business Review

The revenue of the Group is wholly derived from the construction works conducted in Hong Kong, environmental protection in the PRC and industrial fluids system services in Nordic area. An analysis of the Group’s performance for the Year is set out in note 6 to the Consolidated Financial Statements.

A fair review of the business of the Group for the Year, including the important events affecting the Group that have occurred since the end of the Year and the likely future business development is set out in the section headed “Management Discussion and Analysis” on pages 7 to 43 of this annual report. This discussion form part of the report of directors.

Environmental Policies and Performance

The Group has adopted and implemented environmental protection policies and procedures to enable it to commit to the long term sustainability of the environment and communities in which it operates. Except for an incident of polluted water leakage to the sewage system during the technical improvement period in our Heifei plant, during the Year, the Group complied with all relevant environmental laws and regulations that have a significant impact on the Group’s business where the Group is operating.

董事會謹此提呈本年度的年報連同本集團經審核綜合財務報表（「綜合財務報表」）。

主要業務

本公司的主要業務為投資控股，而其主要附屬公司的主要業務包括香港的建築工程、環保及北歐地區的工業流體系統。本公司主要附屬公司的主要業務詳情載於綜合財務報表附註1。本集團主要業務的性質於本年度內並無重大變動。

業務審視

本集團收益全部源自於香港的建築工程、於中國的環保業務及於北歐地區的工業流體系統服務。本集團本年度表現的分析載於綜合財務報表附註6。

本集團本年度業務的中肯審視（包括在本年度終結後發生的、對本集團有影響的重大事件及相當可能有的未來業務發展）載於本年報第7至43頁「管理層討論及分析」一節。此討論構成董事會報告的一部分。

環境政策及表現

本集團採納並實施了多項環境保護政策及程序，奉行其對環境及所在社區長遠可持續發展的承諾。除我們的合肥廠房於技術提升期間發生污水系統洩漏污水的事件外，於本年度內，本集團已符合其經營所在地對本集團業務有重大影響的所有相關環保法律及規例。

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Details of the key laws and regulations that have a significant impact on the Group's businesses, their key scope and our compliance measures are outlined in the following table:

下表概列對本集團業務有重大影響的主要法律及規例、相關主要範圍及本集團合規措施的詳情：

Laws and Regulations 法律及規例	Key scope 主要範圍	Compliance measures 合規措施
Air Pollution Control (Non-road Mobile Machinery) (Emission) Regulation (Chapter 311Z of the Laws of Hong Kong) 《空氣污染管制(非道路移動機械)(排放)規例》(香港法例第311Z章)	Contractor must not sell or lease, or cause to be sold or leased, a regulated machine for use in Hong Kong unless the machine is approved or exempted 除非某受規管機械獲核准或獲豁免，否則承辦商不得出售或出租該機械以供在香港使用 Contractor must not use or cause to be used a regulated machine in any specified activity unless the machine is approved or exempted 除非某受規管機械獲核准或獲豁免，否則承辦商不得在指明活動中使用或安排使用該機械	Applications for lease and use of regulated machine have been made and approval certificates for emission compliance were obtained 本集團已作出有關出租及使用受規管機械的申請，並已取得符合排放標準的審批證書 The relevant approval label has been painted or securely fixed on the machine and is displayed at a conspicuous position, which is also properly maintained 相關核准標籤已髹於或穩妥地固定於機械上，並於機械的顯眼位置展示及妥為保存
Air Pollution Control (Construction Dust) Regulation (Chapter 311R of the Laws of Hong Kong) 《空氣污染管制(建造工程塵埃)規例》(香港法例第311R章)	Contractor is required to take dust reduction measures when construction work is being carried out 承建商在施工時採取措施，減少塵埃散發	Compliance manual is in place for operational staff 已設有操作人員適用的合規手冊 Regular briefing and training are conducted to enhance their awareness on the legislation 定期舉行簡介及培訓，提高操作人員對法例的認知
Noise Control Ordinance (Chapter 400 of the Laws of Hong Kong) 《噪音管制條例》(香港法例第400章)	Controls construction noise ranges from: 管制建築噪音，包括： (a) the use of powered mechanical equipment (a) 使用機動設備作業者 (b) the carrying out of certain noisy works in designated areas (b) 在指定範圍內進行某些高噪音工程	Compliance manual is in place for operational staff 已設有操作人員適用的合規手冊 Site supervisor is presented at the construction site 派駐地盤監督人員至建築地盤 Construction noise permit has been obtained 已取得建築噪音許可證

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Laws and Regulations 法律及規例	Key scope 主要範圍	Compliance measures 合規措施
The Environmental Protection Law of the People's Republic of China 中華人民共和國環境保護法	This law defines the environment as the total body of all natural elements and artificially transformed natural elements affecting human existence and development (including the atmosphere, water, seas, land, minerals, forests, grasslands, wetlands, wildlife, natural and human remains, nature reserves, historic sites and scenic spots, and urban and rural areas). 此法規所稱環境，是指影響人類生存和發展的各種天然的和經過人工改造的自然因素的總體，包括大氣、水、海洋、土地、礦藏、森林、草原、濕地、野生生物、自然遺跡、人文遺跡、自然保護區、風景名勝區、城市和鄉村等。	The project companies of the Group prevent pollution in accordance with the requirements of the Environmental Protection Law. 本集團下屬專案公司按照環保法的要求，避免出現破壞環境的情況。
The Law of the People's Republic of China on Environmental Impact Assessment 中華人民共和國環境影響評價法	This law defines environmental impact assessment as the analysis, estimation and evaluation of possible environmental impacts resulting from the implementation of a planning and construction project and the introduction of strategies and measures to prevent and alleviate adverse environmental impacts as well as tracking and monitoring processes and systems. 此法規所稱環境影響評價，是指對規劃和建設項目實施後可能造成的環境影響進行分析、預測和評估，提出預防或者減輕不良環境影響的對策和措施，進行跟蹤監測的方法與制度。	The project companies of the Group engage independent third parties to prepare environmental impact assessment reports/competent government authorities to issue environmental impact approvals. 本集團下屬專案公司委託獨立第三方編製環境影響評價報告／政府主管部門出具環境影響批覆。

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Laws and Regulations 法律及規例	Key scope 主要範圍	Compliance measures 合規措施
<p>The Water Pollution Prevention Law of the People's Republic of China</p> <p>中華人民共和國水污染防治法</p>	<p>This law applies to the prevention and control of pollution of rivers, lakes, canals, drainage, reservoirs and other surface water bodies and groundwater within the People's Republic of China.</p> <p>此法規適用於中華人民共和國領域內的江河、湖泊、運河、管道、水庫等地表水體以及地下水體的污染防治。</p> <p>The prevention and control of water pollution shall focus on prevention while combining prevention, control and comprehensive management. Priority shall be given to the protection of the sources of drinking water. Industrial and urban pollution shall be strictly controlled. Pollution of agricultural bases shall be prevented and controlled. The construction of ecological management projects shall be encouraged. Pollution of water bodies and damages to the ecosystem shall be prevented, controlled and alleviated.</p> <p>水污染防治應當堅持預防為主、防治結合、綜合治理的原則，優先保護飲用水水源，嚴格控制工業污染、城鎮生活污染，防治農業面源污染，積極推進生態治理工程建設，預防、控制和減少水環境污染和生態破壞。</p>	<p>The project companies of the Group prevent water pollution in accordance with the requirements of the Water Pollution Prevention Law.</p> <p>本集團下屬專案公司按照水污染防治法的要求，避免出現水污染的情況。</p>
<p>Administrative Measures for Pollutant Discharge Licensing (for Trial Implementation)</p> <p>排污許可管理辦法(試行)</p>	<p>This law applies to the application, approval and enforcement of pollutant discharge licenses as well as the governance and punishments in relation thereto.</p> <p>排污許可證的申請、核發、執行以及與排污許可相關的監管和處罰等行為，適用本辦法。</p>	<p>The project company of the Group in Taiyuan has applied for a pollutant discharge license in accordance with the requirements of the measures.</p> <p>本集團下屬太原專案公司已按照辦法要求，辦理排污許可證。</p>

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Laws and Regulations 法律及規例

Key scope 主要範圍

Compliance measures 合規措施

The Ministry of Environmental Protection develops and releases a category-based administration catalogue of pollutant discharge licensing for stationary pollution sources stipulating the scope of the pollutant discharge licensing system and prescribed application time limit pursuant to the law.

環境保護部依法制定並公佈固定污染源排污許可分類管理名錄，明確納入排污許可管理的範圍和申領時限。

Enterprises and public institutions as well as other producers and operators (hereinafter referred to as "pollutant discharging entities") that are included in the category-based administration catalogue of pollutant discharge licensing for stationary pollution sources shall apply for and obtain a pollutant discharge license within the prescribed time limit. Pollutant discharging entities not included in the category-based administration catalogue of pollutant discharge licensing for stationary pollution sources currently do not need to apply for a pollutant discharge license.

納入固定污染源排污許可分類管理名錄的企業事業單位和其他生產經營者(以下簡稱「排污單位」)應當按照規定的時限申請並取得排污許可證；未納入固定污染源排污許可分類管理名錄的排污單位，暫不需申請排污許可證。

The Opinion on the Strengthening of the Overhaul of Gutter Oil and Management of Cooking Wastes issued by the General Office of the State Council

國務院辦公廳關於加強地溝油整治和餐廚廢棄物管理的意見

To effectively eliminate the use of gutter oil in the food industry and strengthen food safety and public health, 5 opinions on the strengthening of the overhaul of gutter oil and management of cooking wastes have been issued with the consent of the State Council.

為有效解決「地溝油」回流餐桌問題，切實保障食品安全和人民群眾身體健康，經國務院同意，現就加強「地溝油」整治和餐廚廢棄物管理提出5項意見。

The project companies of the Group have implemented the tasks required by the opinion in collaboration with the competent authorities (i.e. municipal environmental hygiene departments).

本集團下屬專案公司配合主管部門(市容環衛部門)落實意見中要求的各項工作。

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Compliance with Laws and Regulations

The principal activities of the Group comprise construction works, environmental protection and industrial fluid system services. Sufficient resources have been allocated to ensure the on-going compliance with applicable laws and regulations. Except for an incident of polluted water leakage to the sewage system during the technical improvement period of our Heifei plant, during the Year, the Board is not aware of any incidence of non-compliance with the relevant laws and regulations that have a significant impact on the Group's business where the Group is operating.

Principal Risks and Uncertainties

The business operations and results may be affected by various factors, some of which are external causes and some are inherent to the business. The principal risks and uncertainties are summarised below:

1. Macro-economic environment

The global economy and business environment have been dominated by the uncertainty in recent months. The global economy faces many challenges such as the ongoing trade war between China and the United States and the slowing down of the global economy. Such challenges affect the property price in Hong Kong which may result in reduction of number of construction projects available for our tendering. Thus, it is vital for the Group to closely monitor the changes of the macroeconomic environment and diversify our business portfolio to secure value of our shareholders.

2. Keen competition

Due to the slowdown in the Hong Kong economy, the competition of construction industry has become more intense as there will be a foreseeable reduction of number of construction projects available for tendering. To increase the chance of success in winning the tender bidding, the Group may have to lower its profit margin, which may impact its profit for the coming year.

3. Cost of construction materials

The increase in cost of construction materials will lower the profit margin of the Group. Failure to accurately estimate and control the costs of the Group's projects may adversely affect the Group's financial performance.

遵守法律及規例的情況

本集團的主要業務包括建築工程、環保及工業流體系統服務。本集團已調撥足夠資源，確保一直符合適用法律及規例。除我們的合肥廠房於技術提升期間發生污水系統洩漏污水的事件外，於本年度內，董事會並未得悉有任何不符本集團經營所在地對本集團業務有重大影響的有關法律及規例的情況。

主要風險及不明朗因素

業務營運及業績可能受到不同因素影響，當中有部分屬外在因素，部分為業務固有因素。主要風險及不明朗因素現概述如下：

1. 宏觀經濟環境

近月，全球經濟及營商環境一直受不明朗因素籠罩。全球經濟面對重重挑戰，例如中美貿易戰持續及全球經濟放緩。該等挑戰影響香港物業價格，從而可能減少可供我們投標的建築項目數量。因此，本集團有必要密切監察宏觀經濟環境變化，分散業務組合，保障股東價值。

2. 競爭激烈

由於香港經濟放緩，故預期可供我們投標的建築項目數量將會減少，建造業的競爭已越趨激烈。為提高中標機會，本集團可能須降低其利潤率，來年的溢利或會受到影響。

3. 建材成本

建材成本上漲將降低本集團的利潤率。本集團未能準確估計及控制項目成本可對其財務表現造成不利影響。

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4. Regulatory environment

Our business is subject to the environmental regulations issued by the Hong Kong Government. Such regulations may be revised from time to time and any changes to such regulations may increase our cost and burden in complying with them. The Group is also required to maintain certain registration. In order to renew and maintain these registrations, the Group is required to comply with certain criteria set by the relevant governmental departments and authorities. Any suspension of or a failure to maintain or renew the Group's registrations could adversely affect the Group's business.

The Hong Kong Government is now reviewing the disposal charges under Construction Waste Disposal Charging Scheme on the basis that various construction waste disposal charges relating to public fill reception facilities, landfills and sorting facilities will increase in line with the established fees and charges policy. Upon implementation of the legislation, the profit of the Group will be adversely affected due to the increase in waste disposal charges.

The Group is also required to maintain certain registration. In order to renew and maintain these registrations, the Group is required to comply with certain criteria set by the relevant governmental departments and authorities. Any suspension of or a failure to maintain or renew the Group's registrations could adversely affect the Group's business.

4. 監管環境

我們的業務受香港政府頒佈的環境規例監管。該等規例可能不時修改，而規例的任何變動或會增加本集團的合規成本及負擔。本集團亦須維持若干註冊登記。為更新並維持該等註冊登記，本集團須遵守若干由相關政府部門及機關制定的條件。本集團的註冊登記如遭中止或者未能維持或更新，可對本集團的業務構成不利影響。

香港政府現正檢討建築廢物處置收費計劃的處置收費，與公眾填料接收設施、堆填區及篩選分類設施有關的多項建築廢物處置收費，將會配合既定費用及收費政策上調。法例一經實施，廢物處置收費的升幅將會對本集團的溢利構成不利影響。

本集團亦須保有多項登記。為重續及保有該等登記，本集團須遵守相關政府部門及機關制訂的多項條件。暫停或未能保有或重續本集團的登記可對本集團的業務造成不利影響。

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5. Policy change

China's "Environmental Protection Law" has come into force in January 2015. The Law significantly increases companies' costs of pollution by imposing penalties ranging from fines to restriction or even suspension of production (articles 59 to 62). Personnel from environmental protection administrative departments of the government shall also be faced with demotion, dismiss or forced resignation from their current position for failure to enforce pollution-related regulations (article 68). Article 69 stipulates that violation of the Law may constitute a criminal offence. Legal convictions for pollution-related criminal acts are becoming increasingly commonly seen in the media.

Spurred by China's "supply-side reform" and the severity of air and water pollution, the central government has been sending inspection teams to polluted provinces and holding local officials accountable for failure to prevent and control pollution. Thousands of small enterprises have been closed for the lack of environmental protection facilities.

Echoing the effectuation of "Environmental Protection Law", many Chinese municipal governments have publicised regulations and guidelines on kitchen waste treatment and specified criteria on the collection, transportation and treatment etc. of kitchen waste.

Under the backdrop of tightening environmental protection policies, we see a rising demand for third-party operators, or companies that provide professional services to factories who are now urged by the government to "move out of the city and into industrial parks". This trend creates demand for equipment and services from third-party operators.

However, we cannot guarantee that the favourable policies will continue into the future and that we will benefit from the policies as much as we did in the past. With its rich experience in the environmental industry, the management team is able to sense and capture the adverse changes in laws, regulations and government policies and will adjust the corporate strategy accordingly.

5. 政策變動

中國的《環境保護法》自2015年1月起實施。該法罰則包括罰款、限制以至停產(見第59至62條)，大大增加公司污染成本。未有強制執行污染相關法規的政府環境保護監督管理部門人員將被降級、撤職或強制辭職(第68條)。第69條規定違反該法規定或會構成刑事罪行。傳媒近年亦爭相報導污染相關刑事行為的判決。

中國「供給側改革」以及嚴重大氣及水污染促使中央政府派出巡邏隊至污染省份，懲治防治污染不力的地方官員，數以千計小企業因欠缺環保設施而遭關閉。

為響應《環境保護法》的施行，中國各地市政府發布餐廚垃圾處理法規及指引，訂明餐廚垃圾收集、運輸及處理等標準。

隨着環保政策日漸收緊，政府敦促工廠從市區遷至產業園，我們預料對第三方營運商或專業服務公司的需求將會與日俱增，帶動對於第三方營運商設備及服務的需求。

然而，我們未能保證有利政策日後將能持續，或我們將一如以往受惠於有關政策。憑藉豐富的環境行業經驗，管理層團隊可感知並掌握不利的法律、法規及政府政策變動，相應調整企業策略。

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6. Tightening interest rate environment

As a typical heavy-asset business, the environmental industry is reliant on capital to expand its business. For instance, common business models such as BOT require the operator to build the whole set of infrastructure upfront and collect cash back during an ensuing period of up to 30 years. Although some of our BOT projects have commenced commercial operation and started to contribute cash flow, other projects are still in the building phase and remain cash-demanding, making fund-raising a regular task for the listed company.

However, the interest rates in the capital or money market are on the rise. The prospect of the interest rate in the Chinese market is also turning to negative prospect. In addition, since the People's Bank of China is deleveraging the Chinese economy to prevent systemic financial risks, all Chinese banks are becoming more cautious in granting loan facilities to Chinese companies, esp. private companies. In such circumstances, the Group will seek to utilise its capital and asset in a more efficient manner and adjust our corporate strategy to adapt to the changing macroeconomic and microeconomic environment.

7. Technological obsolescence

Our competitive advantage in the environmental industry relies on our technological capabilities to ensure safety, maintain efficiency of production and keep operating costs at a relatively low level. However, as the laws, regulations, government policies and industry standards may impose more stringent requirements on our existing or future projects, we may fail to improve our technology to adapt to such changes. Moreover, the production techniques of our competitors may improve at a faster pace so that their costs may be reduced to a lower level significantly or their productivity may become significantly higher than ours. We will continuously enhance our innovation, existing technologies, and equipment to maintain the momentum in the future expansion of our business.

6. 利率環境收緊

環境行業乃典型重資產行業，依賴資本拓展業務。舉例而言，BOT等常見業務模型要求營運商首先興建全套基礎設施，其後於最長30年間收回現金。儘管我們部分BOT項目已進入商業運作階段，開始帶來現金流，惟其他項目仍處於施工期，仍需現金支持，上市公司經常須要集資。

然而，資本或貨幣市場利率正在上升。中國市場利率前景亦出現陰霾。再者，由於中國人民銀行為中國經濟去槓桿，預防系統性金融風險，故所有國內銀行於向中國公司（尤其是民營公司）放貸時更為審慎。有鑑於此，本集團將力求善用其資本及資產，調整企業策略，適應宏觀及微觀經濟環境變化。

7. 技術過時

我們在環境行業中的競爭優勢仰賴保障安全、維持生產效率及壓低營運成本的技術能力。然而，法律、法規、政府政策及行業標準或會收緊對我們現有或未來項目的要求，我們可能無法提升技術，迎合有關轉變。此外，競爭對手可能加快提升生產技術，令其成本遠較我們划算，或者生產力遠高於我們。我們將不斷提升創新、現有技術及設備，維持未來業務的增長動力。

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Relationship with key parties

The success of the Group also depends on the support from key parties which comprise customers, suppliers, employees and shareholders.

Customers

The Group's principal customers comprises the government, NGOs and private developers. The Group has well established operational and industry experience in foundation, civil engineering and general building work, which enables the Group to complete all our projects on schedule. Recognition from our sound track records, the Group has secured various sizeable new projects from public and private sectors. Our reputation and high standard of quality work enable the Group and the customers to achieve their profitability and sustainable growth.

Suppliers

Good relationship with suppliers constitutes one of the essential elements of the Group's success. To achieve positive business growth, the Group maintains close relationship with its suppliers in order to create a win-win situation so that suppliers and the Group can have a vertical cooperation for reaching both of the business goals.

Employees

The Group focuses on the talents of our employees as our most valuable asset and provides a harmonious and professional working environment with a variety of training programmes to our employees for career advancement. The key objective of our human resource management is to recognise and reward performing staff by providing competitive remuneration packages and implementing an effective performance appraisal system with appropriate incentives, namely equal promotion opportunity.

Shareholders

The principal goal of the Group is to maximize the return to the shareholders of the Company. The Group will focus on our core business and explore attractive investment opportunities for achieving sustainable profit growth and rewarding the shareholders with stable dividend payouts taking into account the business development needs and financial health of the Group.

與主要有關方的關係

本集團的成功亦有賴各主要有關方的支持，包括客戶、供應商、僱員及股東。

客戶

本集團的主要客戶包括政府、非政府組織及私人發展商。本集團在地基、土木工程及一般屋宇工程具備豐富營運及業內經驗，讓本集團準時完成所有手頭項目。本集團的良好往績紀錄廣受肯定，使本集團取得多項公私營範疇的新大型項目。我們的聲譽及高標準的優質工程，使本集團及客戶均能提高盈利能力，實現可持續增長。

供應商

與供應商的良好關係乃本集團的成功要素之一。為使業務循正面增長，本集團與供應商維持密切關係，攜手以垂直合作方式一同達成業務目標，締造雙贏局面。

僱員

本集團視僱員的才幹為最寶貴的資產。本集團向僱員提供和諧專業的工作環境，設有不同培訓計劃，協助彼等發展事業。我們人力資源管理的主要目標為透過提供具競爭力的薪酬待遇，推行有效的表現評核制度，論功行賞，為員工提供平等晉升機會，給予彼等肯定及回報。

股東

本集團主要目標乃為本公司股東創造最大回報。本集團將專注於核心業務之餘，同時發掘具吸引力的投資機會，實現可持續溢利增長，並於考慮本集團的業務發展需要及財務狀況後，提供穩定的派息率回饋股東。

REPORT OF DIRECTORS

董事會報告

Major Customers and Suppliers

Sales to the Group's five largest customers accounted for approximately 49.13% (31 March 2018: 57.86%) of the total sales for the Year and sales to the largest customer included therein amounted to approximately 12.18% (31 March 2018: 24.4%). Purchases from the Group's five largest suppliers accounted for approximately 34.95% (31 March 2018: 28.3%) of the total purchases for the Year and purchases from the largest supplier included therein amounted to approximately 11.29% (31 March 2018: 7.12%).

To the best knowledge of the Directors, neither the Directors, their close associates, nor any shareholders, who owned more than 5% of the Company's issued voting shares, had any interests in any of the Group's five largest customers or suppliers during the Year.

Issue of Consideration Shares under the General Mandate

On 3 May 2018, First Bravo Development Limited ("FBD"), an indirect wholly-owned subsidiary of the Company, entered into a share purchase agreement (the "Vimab Agreement") with P.H.M Holding AB ("PHM") and Friction Invest AB ("FI") as vendors, and Henrik Melinder ("Melinder") and Christer Larsson ("Christer") as guarantors, to acquire the entire issued share capital of Vimab Holdings AB ("Vimab") for a total consideration of HK\$170,524,000 (the "Vimab Acquisition"). Melinder was the ultimate beneficial owner of PHM and was the guarantor of PHM while Christer acted as the guarantor of FI.

The consideration was to be satisfied as to (i) approximately HK\$23.0 million in cash; and (ii) approximately HK\$147.5 million by way of the allotment and issue of 42,137,142 new Shares (the "Consideration Shares") at the issue price of HK\$3.5 per Share. 19,488,428 new Shares out of the Consideration Shares are subject to a lock-up period, which will be released upon fulfilment of certain financial benchmarks by the Vimab Group for the financial year ended or ending (as the case may be) 31 December 2018 and 2019. The acquisition was completed and the Consideration Shares were allotted and issued by the Company on 31 May 2018.

For further details, please refer to the announcements of the Company dated 3 May 2018 and 31 May 2018.

主要客戶及供應商

對本集團五大客戶進行的銷售約佔本年度總銷售額的49.13% (2018年3月31日: 57.86%)，而當中對最大客戶進行的銷售則約佔12.18% (2018年3月31日: 24.4%)。向本集團五大供應商進行的採購約佔本年度總採購額的34.95% (2018年3月31日: 28.3%)，而當中向最大供應商進行的採購則約佔11.29% (2018年3月31日: 7.12%)。

據董事所深知，概無董事、彼等的緊密聯繫人或擁有本公司逾5%已發行具表決權股份的任何股東本年度於本集團五大客戶或供應商中擁有任何權益。

根據一般授權發行代價股份

於2018年5月3日，本公司間接全資附屬公司 First Bravo Development Limited (「FBD」) 與 P.H.M Holding AB (「PHM」) 及 Friction Invest AB (「FI」) (作為賣方) 以及 Henrik Melinder (「Melinder」) 及 Christer Larsson (「Christer」) (作為擔保人) 訂立一份購股協議 (「Vimab協議」)，以收購 Vimab Holdings AB (「Vimab」) 全部已發行股本，總代價為 170,524,000 港元 (「Vimab 收購事項」)。Melinder 為 PHM 的最終實益擁有人，並為 PHM 的擔保人，而 Christer 則為 FI 的擔保人。

代價中 (i) 約 23,000,000 港元以現金清償；及 (ii) 約 147,500,000 港元以按每股股份 3.5 港元的發行價配發及發行 42,137,142 股新股份 (「代價股份」) 的方式清償。代價股份中 19,488,428 股新股份設有禁售期，將於 Vimab 集團截至 2018 年及 2019 年 12 月 31 日止財政年度的若干財務指標達成後解除。於 2018 年 5 月 31 日，收購事項已經完成，而本公司亦已配發及發行代價股份。

進一步詳情請參閱本公司日期為 2018 年 5 月 3 日及 2018 年 5 月 31 日的公佈。

REPORT OF DIRECTORS

董事會報告

Results and Appropriations

The results of the Group for the Year are set out in the consolidated statement of profit or loss on page 111 and accompanying notes to the Consolidated Financial Statements.

The Board does not recommend a payment of a final dividend to the shareholders for the year ended 31 March 2019 (2018: nil).

Charitable Donations

Charitable and other donations made by the Group during the Year amounted to HK\$5,000 (2018: HK\$5,000).

Share Capital

A total of 42,137,142 consideration shares were issued on 31 May 2018 for partial payment of consideration in relation to the acquisition of 100% of the issued share capital of Vimab.

Details of movements in share capital of the Company during the Year are set out in note 37 to the Consolidated Financial Statements.

Equity-linked Agreements

Save as disclosed above and in this annual report relating to the share option scheme of the Company, issuance of the consideration shares for the Vimab Acquisition and the Employees Subscription Agreements entered with the 13 key employees of Vimab Group as disclosed in the Management Discussion and Analysis section of this report as disclosed above, no equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares were entered into by the Company during the Year or subsisted at the end of the Year.

Reserves

Details of movements in reserves of the Group during the Year are set out in the consolidated statement of changes in equity.

Distributable Reserves

As at 31 March 2019, the Company's reserves available for distribution, subject to the compliance with the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and Company's articles of association (the "Articles of Association"), amounted to approximately HK\$361.11 million (31 March 2018: HK\$352.81 million).

業績及分派

本集團本年度的業績載於第111頁的綜合損益表及隨附的綜合財務報表附註。

董事會不建議向股東派付截至2019年3月31日止年度的末期股息(2018年:無)。

慈善捐款

本集團於本年度作出的慈善及其他捐款為5,000港元(2018年:5,000港元)。

股本

合共42,137,142股代價股份已於2018年5月31日發行,作為收購Vimab 100%已發行股本的部分代價付款。

本公司股本於本年度的變動詳情載於綜合財務報表附註37。

股票掛鈎協議

除上文及本年報所披露的本公司購股權計劃,上文所披露就Vimab收購事項發行代價股份及於本報告管理層討論及分析一節所披露與Vimab集團13名主要僱員訂立的僱員認購協議外,本公司於本年度內並無訂立且本年度年末並無存續任何將會或可能導致本公司發行股份或規定本公司訂立任何將會或可能導致本公司發行股份的協議的股票掛鈎協議。

儲備

本集團儲備於本年度的變動詳情載於綜合權益變動表。

可供分派儲備

於2019年3月31日,本公司在遵照開曼群島法例第22章公司法(1961年第3項法例,經綜合及修訂)及本公司組織章程細則(「組織章程細則」)規限下的可供分派儲備約為361,110,000港元(2018年3月31日:352,810,000港元)。

REPORT OF DIRECTORS

董事會報告

Purchase, Sale or Redemption of the Company's Listed Securities

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Year.

Pre-Emptive Rights

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

Directors' Interests in Contracts

No director or any entity connected with a Director was materially interested, either directly or indirectly, in any transaction, arrangement or contract of significance to the business of the Group to which the Company, or any of its subsidiaries was a party during the Year or the end of the Year.

Contract of Significance

No contract of significance to which the Company or any of its 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.

Tax Relief and Exemption

The Company is not aware of any tax relief and exemption available to shareholders by reason of their holding of the Company's securities.

購買、出售或贖回本公司的上市證券

於本年度，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。

優先購買權

組織章程細則或開曼群島法例概無優先購買權的條文，規定本公司須按比例向現有股東提呈發售新股。

董事的合約權益

於本年度內及本年度年末時，董事或與董事有關連的任何實體概無於本公司或其任何附屬公司所訂立對本集團業務而言屬重大的任何交易、安排或合約中直接或間接擁有重大權益。

重大合約

本公司或其任何附屬公司概無訂立本公司董事於當中直接或間接擁有重大權益，且於本年度年末或本年度內任何時間仍然存續的重大合約。

稅務寬免及豁免

本公司並不知悉股東可因持有本公司證券而享有的任何稅項寬免及豁免。

REPORT OF DIRECTORS

董事會報告

Directors and Directors' Service Contracts

The directors who held office during the Year and up to the date of this report are:

Executive Directors:

Mr. Zhu Yongjun (*Chairman of the Board*)
 Ms. Qin Shulan (*Chief Executive Officer*)
 Mr. Cai Jianwen
 Mr. Lee Tsi Fun Nicholas (appointed on 31 August 2018)

Non-executive Director:

Dr. Zhang Lihui

Independent Non-executive Directors:

Mr. Lo Chun Chiu, Adrian
 Dr. Tong Ka Lok
 Mr. Choy Wai Shek, Raymond, *MH, JP*

Each of the executive Directors and the non-executive Director has entered into a service contract with the Company or a subsidiary of the Company for an initial term of three years. Each of the independent non-executive Directors has also entered into a service contract with the Company for an initial term of two years. The aforesaid service contracts may be terminated by not less than three months' notice in writing served by either party on the other. All Directors shall be subject to retirement by rotation and re-election at an annual general meeting at least once every three years.

In accordance with Article 108(a) of the Articles of Association, at each annual general meeting one-third of the Directors for the time being shall retire from office by rotation. In accordance with Article 112 of the Articles of Association, any director appointed by the Board to fill a casual vacancy during the Year shall hold office until the first general meeting of the Company after his/her appointment and be subject to re-election at such meeting.

董事及董事服務合約

於本年度及截至本報告日期止在任的董事如下：

執行董事：

朱勇軍先生(董事會主席)
 秦妹蘭女士(行政總裁)
 蔡建文先生
 李錫勛先生(於2018年8月31日獲委任)

非執行董事：

張立輝博士

獨立非執行董事：

羅俊超先生
 唐嘉樂博士
 蔡偉石先生，榮譽勳章，太平紳士

各執行董事及非執行董事均已與本公司或本公司附屬公司訂立服務合約，初步為期三年。各獨立非執行董事亦已與本公司訂立服務合約，初步為期兩年。上述服務合約可由任何一方向另一方送達不少於三個月的書面通知終止。全體董事均須最少每三年於股東週年大會上輪流退任及接受重選一次。

按照組織章程細則第108(a)條，於每屆股東週年大會上，當時為數三分之一的董事須輪流退任。按照組織章程細則第112條，任何於本年度內獲董事會委任以填補臨時空缺的董事的任期僅直至其獲委任後的本公司首個股東大會為止，而彼等將在該大會上接受重選。

REPORT OF DIRECTORS

董事會報告

Mr. Lo Chun Chiu, Adrian, Dr. Tong Ka Lok and Mr. Chay Wai Shek, Raymond, *MH, JP* shall retire from office by rotation at the AGM to be held on 16 August 2019 in accordance with Article 108(a) of the Articles of Association.

Save as disclosed above, no Director proposed for re-election at the AGM has a service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than statutory compensation.

Confirmation of Independence of Independent Non-executive Directors

Each of the independent non-executive Directors has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules which have been received by the Company. The Company is of the view that all independent non-executive Directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines during the Year.

Biographical Details of Directors and Senior Management

The biographical details of the Directors and senior management of the Group as at the date of this report are disclosed in the section headed "Biographical Details of the Directors and Senior Management" on pages 44 to 49 of this annual report. Save as disclosed in the aforesaid section, the Directors (a) have not held other directorships in public companies, the securities of which are listed on any securities market in Hong Kong or overseas, in the last 3 years; (b) do not hold any other positions in the Group; and (c) do not have any other relationships with any Directors, senior management or substantial or controlling shareholders of the Company.

Update on Directors' Information

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes of directors' information of the Company are as follows:

Mr. Lee Tsi Fun Nicholas was appointed as an executive director of the Company with effect from 31 August 2018.

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

按照組織章程細則第108(a)條，羅俊超先生、唐嘉樂博士及蔡偉石先生，榮譽勳章，太平紳士將於2019年8月16日舉行的股東週年大會上輪流退任。

除上文所披露者外，擬於股東週年大會上接受重選的董事概無訂有本公司或其任何附屬公司不可於一年內免付賠償(法定賠償除外)而終止的服務合約。

獨立非執行董事的獨立性確認

本公司已接獲各獨立非執行董事根據上市規則第3.13條發出的年度獨立性確認。本公司認為，全體獨立非執行董事於本年度內均符合上市規則第3.13條所載的獨立性指引，按照指引條款均屬獨立人士。

董事及高級管理人員的履歷詳情

於本報告日期的董事及本集團高級管理人員的履歷詳情於本年報第44至49頁「董事及高級管理人員的履歷詳情」一節披露。除上節所披露者外，董事(a)於過去三年並無在證券在香港或海外任何證券市場上市的公眾公司擔任其他董事職務；(b)並無於本集團擔任任何其他職務；及(c)與本公司任何董事、高級管理層或主要或控股股東概無任何其他關係。

更新董事資料

根據上市規則第13.51B(1)條，本公司董事資料的變動如下：

李錫勳先生已獲委任為本公司執行董事，由2018年8月31日起生效。

除上文所披露的資料外，概無根據上市規則第13.51B(1)條須披露的其他資料。

REPORT OF DIRECTORS

董事會報告

Directors' Emoluments and Five Highest Paid Individuals

The Directors' emoluments are determined by the Board with reference to the duties, responsibilities and performance of the Directors and the results of the Group.

Details of the directors' emoluments and the five highest paid individuals are set out in notes 10 and 11 to the Consolidated Financial Statements.

Emolument Policy

A remuneration committee was set up by the Board to develop the Group's emolument policy and structure for remuneration of the directors and senior management of the Group, having regard to the Group's operating results, individual performance of the directors and senior management and comparable market practices.

Continuing Connected Transactions

On 13 December 2016, New Style Limited as landlord, entered into the tenancy agreements with NC Foundation and New Concepts Trading Limited, the wholly-owned subsidiaries of the Company respectively, in respect of the lease of the 2 premises, each for a term of three years commencing from 1 December 2016 to 30 November 2019.

New Style Limited is directly owned as to 75% by Mr. Chu Shu Cheong, and as to 25% by Mr. Kwan Man Hay. Both Mr. Chu and Mr. Kwan are directors of subsidiaries of the Company namely NC Foundation and NC Engineering. As such, New Style Limited is a connected person of the Company and the tenancy agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. For further details, please refer to the announcements of the Company dated 13 December 2016 and 22 December 2016.

During the Year, an amount of approximately HK\$3,746,000 was paid by the Group under the tenancy agreements for the office rental in relation to the lease of the 2 premises in Hong Kong.

董事酬金及五名最高薪酬人士

董事酬金由董事會參照董事的職務、職責及表現以及本集團的業績釐定。

董事酬金及五名最高薪酬人士的詳情載於綜合財務報表附註10及11。

酬金政策

董事會已成立薪酬委員會，以於考慮本集團經營業績、董事及高級管理人員個人表現以及可資比較市場常規後，制定本集團的酬金政策以及本集團董事及高級管理人員的薪酬架構。

持續關連交易

於2016年12月13日，新式有限公司(作為業主)分別與本公司的全資附屬公司創業地基及創業建材有限公司就租用2項物業訂立租賃協議，各由2016年12月1日起至2019年11月30日止為期三年。

新式有限公司由朱樹昌先生及關萬禧先生分別直接擁有75%及25%權益。朱先生及關先生均為本公司附屬公司創業地基及創業工程的董事。因此，根據上市規則第十四A章，新式有限公司為本公司的關連人士，而該等租賃協議構成本公司的持續關連交易。進一步詳情請參閱本公司日期為2016年12月13日及2016年12月22日的公佈。

於本年度，本集團已根據若干租賃協議就租賃2項香港物業支付約3,746,000港元作為辦公室租金。

REPORT OF DIRECTORS

董事會報告

Confirmation of auditor

The Directors of the Company engaged the auditor of the Company to perform certain agreed upon procedures in respect of continuing connected transactions of the Group. The procedures were performed solely to assist the Directors of the Company to evaluate in accordance with Rule 14A.56 of the Listing Rules, whether the continuing connected transactions entered into by the Group for the year ended 31 March 2019:

- (a) have been approved by the board of the Directors of the Company;
- (b) are in accordance with the pricing policies of the listed issuer's group if the transactions involve the provision of goods or services by the listed issuer's group;
- (c) have been entered into in accordance with the terms of the relevant agreement governing such transactions; and
- (d) have not exceeded the relevant cap amount for the financial year ended 31 March 2019 disclosed in previous announcement.

Confirmation of Independent Non-executive Directors

Pursuant to Rule 14A.55 of the Listing Rules, the audit committee comprising 3 independent non-executive directors, under the authority delegated by the Board, reviewed the aforesaid continuing connected transaction under the tenancy agreements.

All of the independent non-executive directors confirmed that:

The continuing connected transaction was entered into in the ordinary and usual course of business of the Group, and on normal commercial terms or better and which are no less favourable than those terms available from independent third parties, and the terms of the continuing connected transactions under the tenancy agreements are fair and reasonable and in the interest of the Company and the shareholders as a whole.

During the Year, the amounts of the continuing connected transaction under the tenancy agreements did not exceed the corresponding aggregate annual cap of HK\$3,746,000 as previously disclosed.

核數師的確認

本公司董事已委聘本公司的核數師就本集團的持續關連交易進行若干協定程序。進行該等程序的唯一目的是協助本公司董事按照上市規則第14A.56條評估本集團於截至2019年3月31日止年度訂立的持續關連交易是否：

- (a) 已獲本公司董事會批准；
- (b) (若交易涉及由上市發行人集團提供貨品或服務)按照上市發行人集團的定價政策進行；
- (c) 根據規管有關交易的相關協議條款進行；及
- (d) 並無超逾過往公佈所披露的截至2019年3月31日止財政年度相關上限金額。

獨立非執行董事的確認

根據上市規則第14A.55條，由3名獨立非執行董事組成的審核委員會已在董事會授權下審核上述該等租賃協議下的持續關連交易。

全體獨立非執行董事確認：

該等持續關連交易乃在本集團的日常及一般業務過程中訂立，按照一般商務條款或更佳且不遜於獨立第三方所提供者的條款進行，而租賃協議下的持續關連交易條款公平合理，並符合本公司及股東的整體利益。

於本年度，租賃協議項下持續關連交易金額並無超逾先前所披露的相應年度上限總額3,746,000港元。

REPORT OF DIRECTORS

董事會報告

Directors' Rights to Acquire Shares or Debentures

Save as disclosed under the paragraphs headed "Directors' and Chief Executives' Interests or Short Positions in Shares, Underlying Shares and Debentures" and in this annual report relating to the share option scheme adopted by the Company, at no time during the Year was the Company, its parent company, any of its subsidiaries or fellow subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of an acquisition of shares in, or underlying shares in, or debentures of, the Company or any other body corporate.

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.

Permitted Indemnity Provision

Pursuant to Article 191 of the Articles of Association, the Directors, Managing Directors, alternate Directors, auditors, secretary and other officers for the time being of the Company acting in relation to any of the affairs of the Company shall be indemnified and secured harmless out of the assets 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 or supposed duty in their respective offices. Such provision was in force during the Year and remained in force as of the date of this report. In addition, the Company has also maintained Directors and officers liability insurance during the Year.

Competition and Conflict of Interests

Saved and except of interests in the Group, none of the Directors, the management shareholders or substantial shareholders of the Company or any of their respective associates has engaged in any business that competes or may compete with the business of the Group or has any other conflict of interests with the Group during the Year.

Five Years Financial Summary

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 340. This summary does not form part of the Consolidated Financial Statements.

董事購入股份或債券的權利

除「董事及最高行政人員於股份、相關股份及債券的權益或淡倉」等段所披露者及本年報所披露本公司採納的購股權計劃外，於本年度內任何時間，本公司、其母公司、其任何附屬公司或同系附屬公司概無訂立任何安排，致使董事可藉購入本公司或任何其他法人團體的股份、相關股份或債券而獲益。

管理合約

於本年度內概無訂立或存在任何有關本公司全部或任何重大部分業務管理及行政的合約。

獲准許彌償條文

根據組織章程細則第191條，就本公司任何事務行事的本公司當時董事、董事總經理、替任董事、核數師、秘書及其他高級人員履行職責或履行應履行的職責時，因所作出、發生或不進行的任何行為而將會或可能招致或蒙受的所有訴訟、費用、收費、損失、損害及開支，均可自本公司的資產獲得彌償，確保不會就此受損。該條文於本年度內一直有效，且於本報告日期仍然有效。此外，本公司於本年度內亦已投購董事及高級人員的責任保險。

競爭及利益衝突

於本年度內，除於本集團的權益外，本公司董事、管理層股東或主要股東或彼等各自的任何聯繫人概無從事與本集團業務競爭或可能競爭的任何業務，亦無與本集團存在任何其他利益衝突。

五年財務概要

本集團過去五個財政年度的業績及資產與負債概要載於第340頁。此概要並不構成綜合財務報表的一部分。

REPORT OF DIRECTORS

董事會報告

Pledge of Assets

The Group pledged certain of the kitchen waste treatment concession rights (comprising operating concessions and receivables under service concession arrangements) in an aggregate carrying amount of HK\$587,548,000 (2018: HK\$642,866,000) as at 31 March 2019.

As at 31 March 2019, the Group pledged bank deposits of approximately Nil (31 March 2018: HK\$5 million) as collateral to secure banking facilities granted to the Group.

Share Option Scheme

Pursuant to the written resolutions passed by the sole shareholder of the Company on 26 August 2014, the Company has conditionally adopted a share option scheme (the "Share Option Scheme").

Purpose of the Share Option Scheme

The purpose of the Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to employees (full-time and part-time), directors, consultants, advisors, distributors, contractors, suppliers, agents, customers, business partners or service providers of the Group and to promote the success of the business of the Group.

Participants under the Share Option Scheme and basis of eligibility

The Board may, at its absolute discretion and on such terms as it may think fit, grant any employee (full-time or part-time), director, consultant or advisor of the Group, or any substantial shareholder of the Group, or any distributor, contractor, supplier, agent, customer, business partner or service provider of the Group, options to subscribe at a price calculated in accordance with paragraphs (i) to (iii) below for such number of Shares as it may determine in accordance with the terms of the Share Option Scheme.

The basis of eligibility of any participant to the grant of any option shall be determined by the Board (or as the case may be, the independent non-executive Directors) from time to time on the basis of his contribution or potential contribution to the development and growth of the Group.

資產質押

本集團已質押於2019年3月31日賬面總額為587,548,000港元(2018年: 642,866,000港元)的若干餐廚垃圾處理特許權(包括經營特許權及服務特許權安排應收款項)。

於2019年3月31日, 本集團並無質押銀行存款(2018年3月31日: 5,000,000港元)作為本集團獲授銀行融通的抵押品。

購股權計劃

根據本公司唯一股東於2014年8月26日通過的書面決議案, 本公司已有條件採納一項購股權計劃(「購股權計劃」)。

購股權計劃的目的

購股權計劃旨在吸納及挽留最合適人員, 向本集團僱員(全職及兼職)、董事、諮詢人、顧問、分銷商、承包商、供應商、代理、客戶、商業夥伴或服務供應商提供額外獎勵以及推動本集團業務邁向成功。

購股權計劃的參與者及合資格基準

董事會可絕對酌情按其認為合適的條款, 向本集團任何僱員(全職或兼職)、董事、諮詢人或顧問、或本集團的任何主要股東、或本集團的任何分銷商、承包商、供應商、代理、客戶、商業夥伴或服務供應商授出購股權, 藉以根據購股權計劃的條款, 按下文第(i)至(iii)段計算得出的價格認購董事會可能釐定的股份數目。

董事會(或獨立非執行董事(視乎情況而定))可不時根據任何參與者對本集團發展及增長所作出或可能作出的貢獻釐定其獲授購股權的合資格基準。

REPORT OF DIRECTORS

董事會報告

Principal terms of the Share Option Scheme

The principal terms of the Share Option Scheme are summarised as follows:

The Share Option Scheme was adopted for a period of 10 years commencing from 26 August 2014 and will remain in force until 25 August 2024 unless terminated earlier by the shareholders of the Company in general meeting. The Company may by resolution in general meeting or the Board may at any time terminate the operation of the Share Option Scheme and in such event no further options will be offered but options granted prior to such termination shall continue to be valid and exercisable in accordance with the provisions of the Share Option Scheme.

The subscription price of a share in respect of any particular option granted under the Share Option Scheme shall be a price solely determined by the Board and notified to a participant and shall be at least the higher of:

- (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option, which must be a business day;
- (ii) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant of the option; and
- (iii) the nominal value of a share on the date of grant of the option.

An offer for the grant of options must be accepted within seven days inclusive of the day on which such offer was made. The amount payable by the grantee of an option to our Company on acceptance of the offer for the grant of an option is HK\$1.

購股權計劃的主要條款

購股權計劃的主要條款概述如下：

所採納的購股權計劃由2014年8月26日起為期10年，一直有效至2024年8月25日止，除非本公司股東於股東大會上提早終止則作別論。本公司可於股東大會上透過決議案或董事會可隨時終止購股權計劃的運作，在此情況下，將不會進一步發出購股權要約，惟於終止前已授出的購股權將繼續根據購股權計劃的條文屬有效及可予行使。

根據購股權計劃已授出的任何指定購股權所涉及的股份認購價，將為完全由董事會釐定並通知參與者的價格，並將至少為下列各項中的較高者：

- (i) 聯交所每日報價表所報股份於授出購股權當日(須為營業日)的收市價；
- (ii) 聯交所每日報價表所報股份於緊接授出購股權當日前五個營業日的平均收市價；及
- (iii) 授出購股權當日的股份面值。

授出購股權的要約須於由提出有關要約日期(包括該日)起計七天內接納。購股權承授人須於接納授出購股權要約時就每份購股權向本公司支付1港元。

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The maximum number of Shares issuable upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company must not in aggregate exceed 10% of all the Shares. On 24 October 2016, the Company granted share options to certain Directors, employees and consultant to subscribe for a total of 40,000,000 ordinary shares of HK\$0.10 each in the share capital of the Company under the Share Option Scheme. The exercise price of each option is HK\$2.58 per share with a validity period of 3 years from 24 October 2016, being the date of grant, to 23 October 2019 (both days inclusive) and exercisable upon acceptance of the grant. The maximum number of Shares issuable to be granted under the Share Option Scheme were utilised. The closing price of the shares immediately before the date on which the options were granted was HK\$2.57 per share.

The 10% limit as mentioned above was refreshed at the annual general meeting of the Company dated 25 September 2017 and the annual general meeting of the Company dated 28 March 2019. As at the date of this report, the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company is 572,900,134 Shares.

On 5 March 2019, the Company granted share options to certain Directors, employees and consultant to subscribe for a total of 51,100,000 ordinary shares of HK\$0.10 each in the share capital of the Company under the Share Option Scheme. The exercise price of each option is HK\$1.65 per share with validity period of 2 years from the respective vesting dates. 30,120,000 options will vest immediately on the 5 March 2019 and remaining 20,980,000 options will vest 1 year after such date of grant.

The total number of Shares issued and to be issued upon exercise of options granted to any participant (including both exercised and outstanding options) under the Share Option Scheme, in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue. Any further grant of options in excess of such limit must be separately approved by Shareholders in general meeting with such grantee and his associates abstaining from voting.

Any grant of an option to a Director, chief executive or substantial shareholder of our Company (or any of their respective associates) must be approved by the independent non-executive Directors (excluding any independent non-executive Director) who is the grantee of the option).

因將根據購股權計劃及本公司任何其他購股權計劃授出的所有購股權獲行使而可予發行的股份數目上限，合共不得超出全部股份的10%。於2016年10月24日，本公司根據購股權計劃向若干董事、僱員及諮詢人授出購股權，以認購本公司股本中合共40,000,000股每股面值0.10港元的普通股。每份購股權的行使價為每股2.58港元，有效期由2016年10月24日（即授出日期）起至2019年10月23日止（包括首尾兩天），為期3年，有關購股權於接納授出後即可行使。將根據購股權計劃授出的可發行股份最高數目已動用。緊接購股權授出日期前的股份收市價為每股2.57港元。

上文所述的10%上限已於本公司在2017年9月25日舉行的股東週年大會及於本公司在2019年3月28日舉行的股東週年大會上更新。於本報告日期，根據購股權計劃及本公司任何其他購股權計劃授出的全部購股權獲行使而可予發行的股份總數為572,900,134股。

於2019年3月5日，本公司根據購股權計劃向若干董事、僱員及諮詢人授出購股權，以認購本公司股本中合共51,100,000股每股面值0.10港元的普通股。每份購股權的行使價為每股1.65港元，有效期由各個歸屬日期起為期2年。30,120,000份購股權將於2019年3月5日即時歸屬，其餘20,980,000份購股權將於授出日期後1年歸屬。

截至授出日期止的任何12個月期間內，任何參與者因其根據購股權計劃獲授的購股權（包括已行使及尚未行使的購股權）獲行使而獲發行及將獲發行的股份總數，不得超過已發行股份的1%。如額外授出超逾該上限的購股權，則須經股東於股東大會上另行批准，而該承授人及其聯繫人必須於股東大會上放棄表決權。

向本公司董事、最高行政人員或主要股東（或任何彼等各自的聯繫人）授出任何購股權，均須經獨立非執行董事（不包括身為購股權承授人的獨立非執行董事）批准。

REPORT OF DIRECTORS
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Where any grant of options to a substantial shareholder or an independent non-executive Director (or any of their respective associates) will result in the total number of Shares issued and to be issued upon exercise of all options already granted and to be granted to such person under the Share Option Scheme and any other share option schemes of our Company (including options exercised, cancelled and outstanding) in any 12-month period up to and including the date of grant:

- (i) representing in aggregate over 0.1% of the Shares in issue; and
- (ii) having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK\$5 million,

such further grant of options is required to be approved by shareholders at a general meeting of the Company, with voting to be taken by way of poll.

倘向主要股東或獨立非執行董事(或任何彼等各自的聯繫人)授出任何購股權導致在截至授出日期(包括該日)止任何12個月期間內,上述人士因根據購股權計劃及本公司任何其他購股權計劃已獲授及將獲授的所有購股權(包括已行使、已註銷及尚未行使的購股權)獲行使而獲發行及將獲發行的股份總數:

- (i) 合共超過已發行股份0.1%;及
- (ii) 根據股份於各授出日期的收市價計算的總值超過5百萬港元,

則額外授出購股權須經股東在本公司股東大會上批准,而表決將以投票方式進行。

REPORT OF DIRECTORS

董事會報告

Details of movement of the share options granted under the Share Option Scheme during the Year are set out as follows:

根據購股權計劃授出的購股權於本年度的變動詳情載列如下：

Participants	Date of grant	Exercisable period	Exercise price	Number of options 購股權數目			Outstanding at 31.3.2019 於2019年3月31日 尚未行使
				Outstanding at 1.4.2018 於2018年4月1日 尚未行使	Granted	Exercised	
參與者	授出日期	行使期	行使價	尚未行使	已授出	已行使	尚未行使
Directors 董事							
Mr. Zhu Yongjun 朱勇軍先生	24.10.2016	24.10.2016– 23.10.2019	2.58	480,000	—	—	480,000
	5.3.2019	5.3.2019– 4.3.2021	1.65	—	500,000	—	500,000
Ms. Qin Shulan 秦妹蘭女士	24.10.2016	24.10.2016– 23.10.2019	2.58	6,086,000	—	—	6,086,000
	5.3.2019	5.3.2019– 4.3.2021	1.65	—	2,200,000	—	2,200,000
	5.3.2019	5.3.2020– 4.3.2022	1.65	—	1,540,000	—	1,540,000
Mr. Cai Jianwen 蔡建文先生	24.10.2016	24.10.2016– 23.10.2019	2.58	2,100,000	—	—	2,100,000
	5.3.2019	5.3.2019– 4.3.2021	1.65	—	2,200,000	—	2,200,000
	5.3.2019	5.3.2020– 4.3.2022	1.65	—	1,540,000	—	1,540,000
Mr. Lee Tsi Fun Nicholas 李錫勳先生	24.10.2016	24.10.2016– 23.10.2019	2.58	1,780,000	—	—	1,780,000
	5.3.2019	5.3.2019– 4.3.2021	1.65	—	2,200,000	—	2,200,000
	5.3.2019	5.3.2020– 4.3.2022	1.65	—	1,540,000	—	1,540,000
Mr. Lo Chun Chiu 羅俊超先生	24.10.2016	24.10.2016– 23.10.2019	2.58	480,000	—	—	480,000
	5.3.2019	5.3.2019– 4.3.2021	1.65	—	500,000	—	500,000
Dr. Tong Ka Lok 唐嘉樂博士	5.3.2019	5.3.2019– 4.3.2021	1.65	—	500,000	—	500,000
Mr. Choy Wai Shek Raymond MH, JP 蔡偉石先生·榮譽勳 章·太平紳士	5.3.2019	5.3.2019– 4.3.2021	1.65	—	500,000	—	500,000
Other employees and consultants 其他僱員及諮詢人	24.10.2016	24.10.2016– 23.10.2019	2.58	7,958,000	—	(500,000)	7,458,000
	5.3.2019	5.3.2019– 4.3.2021	1.65	—	21,520,000	—	21,520,000
	5.3.2019	5.3.2020– 4.3.2022	1.65	—	16,360,000	—	16,360,000
				18,884,000	51,100,000	(500,000)	69,484,000

REPORT OF DIRECTORS 董事會報告

No options were cancelled or lapsed during the Year.

Apart from the aforesaid Share Option Scheme, at no time during the Year and up to the date of this report the Company or any associated corporation was a party to any arrangement 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 none of the Directors, or their spouses or children under the age 18, had any right to subscribe for the shares in, or debentures of, the Company, or had exercised any such rights.

Directors' and Chief Executives' Interests or Short Positions in Shares, Underlying Shares and Debentures

As at 31 March 2019, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meanings of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (the "SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which any such director or chief executive is taken or deemed to have under such provision of the SFO) or which were required pursuant to Section 352 of the SFO, to be entered in the register of members of the Company, or which were required, pursuant to standard of dealings by Directors as referred to the Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

(i) Interests in the Company

Name of directors 董事姓名		Interests in ordinary shares 於普通股的權益			Total interests in ordinary shares 於普通股的 權益總額	Total interests in underlying shares 於相關股份 的權益總額	Aggregate interests 權益總計	% of the Company's issued voting shares 佔本公司 已發行具 表決權股份 的百分比
		Personal interests 個人權益	Family interests 家族權益	Corporate interests 公司權益				
Mr. Zhu Yongjun 朱勇軍先生		3,734,000	260,000	78,264,000	82,258,000	980,000	83,238,000	14.52%
Ms. Qin Shulan 秦姝蘭女士		4,084,000	—	—	4,084,000	9,826,000	13,910,000	2.42%
Mr. Cai Jianwen 蔡建文先生		480,000	—	—	480,000	5,840,000	6,320,000	1.10%
Mr. Lee Tsi Fun Nicholas 李錫勳先生		—	—	—	—	5,520,000	5,520,000	0.96%
Mr. Lo Chun Chiu 羅俊超先生		—	—	—	—	980,000	980,000	0.17%
Dr. Tong Ka Lok 唐嘉樂博士		480,000	—	—	480,000	500,000	980,000	0.17%
Mr. Choy Wai Shek Raymond MH, JP 蔡偉石先生·榮譽勳 章·太平紳士		480,000	—	—	480,000	500,000	980,000	0.17%

並無購股權於本年度註銷或失效。

除上述購股權計劃外，於本年度內任何時間及截至本報告日期，本公司或任何相聯法團概無訂立任何安排，致使董事可藉收購本公司或任何其他法人團體的股份或債券而獲益，而董事、彼等的配偶或未滿18歲的子女並無擁有任何權利認購本公司股份或債券，亦無行使任何有關權利。

董事及最高行政人員於股份、相關股份及債券的權益或淡倉

於2019年3月31日，本公司董事及最高行政人員於本公司或其任何相聯法團(定義見香港法例第571章證券及期貨條例第XV部)的股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及8分部已知會本公司及聯交所的權益及淡倉(包括根據證券及期貨條例有關條文任何有關董事或最高行政人員被當作或被視為擁有的權益或淡倉)，或根據證券及期貨條例第352條須記入本公司股東登記冊內的權益及淡倉，或根據上市規則所述董事交易準則須知會本公司及聯交所的權益及淡倉如下：

(i) 於本公司的權益

REPORT OF DIRECTORS

董事會報告

Note:

1. The 77,000,000 shares are beneficially held by Jumbo Grand Enterprise Development Limited ("Jumbo Grand") and 1,264,000 shares are beneficially by Excellent Point Asia Limited ("Excellent Point"). Mr. Zhu Yongjun owns 100% of the issued voting shares of Jumbo Grand and Excellent Point. Mr. Zhu Yongjun is deemed or taken to be interested in all the shares which are beneficially owned by Jumbo Grand for the purpose of the SFO. Mr. Zhu Yongjun is the Chairman of the Board and an executive Director of the Company and is the brother-in-law of Mr. Allan Warburg, an ultimate beneficial owner of Simple Gain International Limited, a shareholder of the Company.

附註：

1. 該77,000,000股股份由Jumbo Grand Enterprise Development Limited (「Jumbo Grand」) 實益持有，而該1,264,000股股份則由Excellent Point Asia Limited (「Excellent Point」) 實益持有。朱勇軍先生擁有Jumbo Grand及Excellent Point的100%已發行具投票權股份。就證券及期貨條例而言，朱勇軍先生被視為或被當作於Jumbo Grand實益擁有的所有股份中擁有權益。朱勇軍先生為本公司董事會主席兼執行董事，並為王沛德先生(本公司股東Simple Gain International Limited的最終實益擁有人)的內兄。

(ii) Interests in the associated corporation

(ii) 於相聯法團的權益

Name of directors/ chief executive	Name of associated corporation	Capacity/Nature	No. of shares held	% of the issued voting shares of associate corporation
董事／最高行政人員 姓名	相聯法團名稱	身份／性質	持有 股份數目	佔相聯法團 已發行具表決權 股份的百分比
Zhu Yongjun	Jumbo Grand	Interest in controlled corporation	10,000	100%
朱勇軍	Jumbo Grand	受控制法團權益		
Zhu Yongjun	Excellent Point	Interest in controlled corporation	50,000	100%
朱勇軍	Excellent Point	受控制法團權益		
Chu Shu Cheong	Prosper Power	Interest in controlled corporation	75	75%
朱樹昌	昌威	受控制法團權益		

Save as disclosed above, as at 31 March 2019 none of the Directors and chief executives of the Company had any other interests or short positions in any shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Listing Rules relating to the required standard of dealings by the directors to be notified to the Company and the Stock Exchange.

除上文所披露者外，於2019年3月31日，本公司董事及最高行政人員概無於本公司或其相聯法團(定義見證券及期貨條例第XV部)的任何股份、相關股份或債券中擁有根據證券及期貨條例第XV部第7及8分部已知會本公司及聯交所的任何其他權益或淡倉(包括根據證券及期貨條例有關條文彼等被當作或被視為擁有的權益或淡倉)，或根據證券及期貨條例第352條須記入該條所指登記冊內的任何其他權益或淡倉，或根據有關董事交易規定準則的上市規則須知會本公司及聯交所的任何其他權益或淡倉。

REPORT OF DIRECTORS
董事會報告

Substantial Shareholder's Interests and/or Short Position in Shares and Underlying Shares of the Company

So far as is known to the Directors, as at 31 March 2019, the following person (not being a Director or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under provision of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or who is directly or indirectly interested in 5% or more of any class of issued shares carrying rights to vote in all circumstances at general meetings of any member of the Group:

Long positions in the shares of the Company

主要股東於本公司股份及相關股份的權益及／或淡倉

據董事所知，於2019年3月31日，下列人士（並非本公司董事或最高行政人員）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3分部的條文須向本公司披露的權益或淡倉，或記入根據證券及期貨條例第336條本公司須存置的登記冊內的權益或淡倉，或直接或間接擁有附帶權利可於任何情況下在本集團任何成員公司的股東大會上投票的任何類別已發行股份5%或以上的權益：

於本公司股份的好倉

Name of shareholders	Capacity	Number of shares held	Approximate percentage of shareholdings in the Company 佔本公司股權的概約百分比
股東名稱	身份	持有股份數目	
Jumbo Grand (Note 1) Jumbo Grand (附註1)	Beneficial owner 實益擁有人	77,000,000	13.44%
Prosper Power Group Ltd ("Prosper Power") (Note 2) 昌威集團有限公司(「昌威」)(附註2)	Beneficial owner 實益擁有人	76,500,000	13.35%
Mr. Chu Shu Cheong (Note 2) 朱樹昌先生(附註2)	Interest in a controlled corporation 受控制法團權益	76,500,000	13.35%
Simple Gain International Limited (Note 3) Simple Gain International Limited (附註3)	Beneficial owner 實益擁有人	40,000,000	6.98%
Allan Warburg Holdings Limited (Note 3) Allan Warburg Holdings Limited (附註3)	Interest in a controlled corporation 受控制法團權益	40,000,000	6.98%
Mr. Warburg Allan (Note 3) 王沛德先生(附註3)	Interest in a controlled corporation 受控制法團權益	40,000,000	6.98%

REPORT OF DIRECTORS

董事會報告

Name of shareholders	Capacity	Number of shares held	Approximate percentage of shareholdings in the Company 佔本公司股權的概約百分比
股東名稱	身份	持有股份數目	
Kingston Finance Limited (Notes 2 and 4) 金利豐財務有限公司(附註2及4)	Person having a security interest in shares 擁有股份抵押權益的人士	76,500,000	13.35%
Ample Cheer Limited (Notes 2 and 4) Ample Cheer Limited(附註2及4)	Interest in a controlled corporation 受控制法團權益	76,500,000	13.35%
Best Forth Limited (Notes 2 and 4) Best Forth Limited(附註2及4)	Interest in a controlled corporation 受控制法團權益	76,500,000	13.35%
Chu Yuet Wah (Notes 2 and 4) 李月華(附註2及4)	Interest in a controlled corporation 受控制法團權益	76,500,000	13.35%
CEF Concept Holdings Limited (Note 5) CEF Concept Holdings Limited(附註5)	Beneficial owner 實益擁有人	55,400,000	9.67%
CEF IV Holdings Limited (Note 5) CEF IV Holdings Limited(附註5)	Interest in a controlled corporation 受控制法團權益	55,400,000	9.67%
China Environment Fund IV, L.P. (Note 5) China Environment Fund IV, L.P.(附註5)	Interest in a controlled corporation 受控制法團權益	55,400,000	9.67%
CEF IV Management, L.P. (Note 5) CEF IV Management, L.P.(附註5)	Interest in a controlled corporation 受控制法團權益	55,400,000	9.67%
CEF IV Management, Ltd. (Note 5) CEF IV Management, Ltd.(附註5)	Interest in a controlled corporation 受控制法團權益	55,400,000	9.67%
Zhang Yi (Note 5) 張懿(附註5)	Interest in a controlled corporation 受控制法團權益	55,400,000	9.67%

REPORT OF DIRECTORS

董事會報告

Notes:

1. Jumbo Grand is wholly-owned by Mr. Zhu Yongjun who is the Chairman of the Board and an executive Director of the Company. Accordingly, Mr. Zhu Yongjun is deemed to be interested in the 77,000,000 shares held by Jumbo Grand for the purpose of the SFO.
2. The 76,500,000 shares are beneficially owned by Prosper Power Group Ltd ("Prosper Power") which is owned as to 75% by Mr. Chu Shu Cheong. Mr. Chu Shu Cheong is deemed or taken to be interested in all the shares which are beneficially owned by Prosper Power. Mr. Chu Shu Cheong is also a director of Prosper Power.
3. Simple Gain International Limited is wholly-owned by Allan Warburg Holdings Limited, which is in turn wholly-owned by Mr. Warburg Allan. Accordingly, Allan Warburg Holdings Limited and Mr. Warburg Allan are deemed to be interested in the 40,000,000 shares held by Simple Gain International Limited for the purpose of the SFO. Mr. Warburg Allan is the brother-in-law of Mr. Zhu Yongjun, the Chairman of the Board and an executive Director of the Company.
4. The 76,500,000 shares are beneficially owned by Prosper Power and had been pledged to Kingston Finance Limited as pledgee to secure a loan granted to Prosper Power. Kingston Finance Limited is wholly-owned by Ample Cheer Limited, which is in turn owned as to 80% by Best Forth Limited, which is wholly-owned by Ms. Chu Yuet Wah. Accordingly, Ample Cheer Limited, Best Forth Limited and Ms. Chu Yuet Wah are deemed to be interested in all shares held by Kingston Finance Limited.
5. CEF Concept Holdings Limited is wholly-owned by CEF IV Holdings Limited, which is in turn owned as to 92.55% by China Environment Fund IV, L.P., an investment fund incorporated in the Cayman Islands. CEF IV Management, L.P. is the general partner of China Environment Fund IV, L.P., and CEF IV Management, Ltd. is the general partner of CEF IV Holdings Limited, China Environment Fund IV, L.P., CEF IV Management, L.P. and CEF IV Management, Ltd. are all deemed to be interested in the 55,400,000 shares of the Company held by CEF Concept Holdings Limited, CEF IV Management, Ltd. is wholly-owned by Ms. Zhang Yi. Accordingly, Zhang Yi is also deemed to be interested in the 55,400,000 shares of the Company held by CEF Concept Holdings Limited for the purpose of the SFO.

附註：

1. Jumbo Grand由朱勇軍先生(為本公司董事會主席兼執行董事)全資擁有。因此，就證券及期貨條例而言，朱勇軍先生被視為於Jumbo Grand持有的77,000,000股股份中擁有權益。
2. 該76,500,000股股份由昌威集團有限公司(「昌威」)實益擁有，而昌威由朱樹昌先生擁有75%權益。朱樹昌先生被視為或當作於昌威實益擁有的所有股份中擁有權益。朱樹昌先生亦為昌威的董事。
3. Simple Gain International Limited由Allan Warburg Holdings Limited全資擁有，而Allan Warburg Holdings Limited則由王沛德先生全資擁有。因此，就證券及期貨條例而言，Allan Warburg Holdings Limited及王沛德先生被視為於Simple Gain International Limited持有的40,000,000股股份中擁有權益。王沛德先生為本公司董事會主席兼執行董事朱勇軍先生的妹夫。
4. 該76,500,000股股份由昌威實益擁有，並已質押予金利豐財務有限公司(作為承押人)，以取得昌威獲授的一筆貸款。金利豐財務有限公司由Ample Cheer Limited全資擁有，而Ample Cheer Limited則由李月華女士全資擁有的Best Forth Limited擁有80%權益。因此，Ample Cheer Limited、Best Forth Limited及李月華女士均被視為於金利豐財務有限公司持有的所有股份中擁有權益。
5. CEF Concept Holdings Limited由CEF IV Holdings Limited全資擁有，而CEF IV Holdings Limited由China Environment Fund IV, L.P.(於開曼群島註冊成立的投資基金)擁有92.55%權益。CEF IV Management, L.P.為China Environment Fund IV, L.P.的普通合夥人，而CEF IV Management, Ltd.則為CEF IV Management, L.P.的普通合夥人。因此，就證券及期貨條例第XV部而言，CEF IV Holdings Limited、China Environment Fund IV, L.P.、CEF IV Management, L.P.及CEF IV Management, Ltd.均被視為於CEF Concept Holdings Limited持有的55,400,000股本公司股份中擁有權益。張懿女士全資擁有CEF IV Management, Ltd.。因此，就證券及期貨條例而言，張懿亦被視為於CEF Concept Holdings Limited持有的55,400,000股本公司股份中擁有權益。

REPORT OF DIRECTORS

董事會報告

Save as disclosed under the sections headed “Directors’ and Chief Executives’ Interests or Short Positions in Shares, Underlying Shares and Debentures” and “Substantial Shareholder’s Interests and/or Short Position in Shares and Underlying Shares of the Company” above, as at 31 March 2019, no other person was individually and/or collectively entitled to exercise or control the exercise of 5% or more of the voting power at general meeting of the Company and was able, as a practical matter, to direct or influence the management of the Company.

Sufficiency of Public Float

Based on information that is publicly available to the Company and within the knowledge of the Directors, as at the date of the report, the Company has maintained the prescribed public float under the Listing Rules during the Year.

Closure of the Register of Members

The register of members of the Company will be closed from 13 August 2019 to 16 August 2019 (both days inclusive), during which period no transfers of shares will be registered. To determine the entitlement to attend and vote at the AGM of the Company, all transfer document, accompanied by the relevant share certificates, must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration not later than 4:30 p.m. on 12 August 2019.

Events After the Reporting Period

Save as disclosed under the sections headed “Management Discussion and Analysis” above, there is no other significant event after the Reporting Period of the Group.

Auditor

During the Year, Ernst & Young resigned as auditor of the Company with effect from 12 April 2019 and BDO Limited were appointed by the Directors with effect from 12 April 2019 to hold office until the conclusion of the next annual general meeting of the Company. A resolution for the re-appointment of BDO Limited as auditor of the Company will be proposed at the forthcoming annual general meeting.

By order of the Board

New Concepts Holdings Limited

Zhu Yongjun

Chairman and Executive Director

Hong Kong, 24 June 2019

除上文「董事及最高行政人員於股份、相關股份及債券的權益或淡倉」及「主要股東於本公司股份及相關股份的權益及／或淡倉」兩節所披露者外，於2019年3月31日，概無其他人士個別及／或共同有權行使或控制行使本公司股東大會5%或以上的表決權，且能實質上指示或影響本公司管理層。

公眾持股量的充足程度

基於本公司可公開取得的資料及據董事所知，於本報告日期，本公司於本年度內一直維持上市規則所規定的公眾持股量。

暫停辦理股份過戶登記手續

本公司將於2019年8月13日至2019年8月16日(包括首尾兩天)暫停辦理股份過戶登記手續，期間將不會辦理股份過戶登記。為釐定出席本公司股東週年大會並於會上表決的權利，所有過戶文件連同相關股票必須最遲於2019年8月12日下午4時30分交回本公司的香港股份登記分處卓佳證券登記有限公司(地址為香港皇后大道東183號合和中心54樓)，以便辦理登記手續。

報告期後事項

除上文「管理層討論及分析」一節所披露者外，本集團於報告期後並無發生任何其他重大事項。

核數師

於本年度，安永會計師事務所辭任本公司核數師，自2019年4月12日起生效，而香港立信德豪會計師事務所有限公司獲董事委任，自2019年4月12日起生效，任期直至本公司下屆股東週年大會結束時為止。本公司將於應屆股東週年大會上提呈一項決議案，以續聘香港立信德豪會計師事務所有限公司為本公司核數師。

承董事會命

創業集團(控股)有限公司

朱勇軍

主席兼執行董事

香港，2019年6月24日

CORPORATE GOVERNANCE REPORT

企業管治報告

Corporate Governance Practices

The Board believes that good corporate governance is one of the areas leading to the success of the Company and balancing the interests of shareholders, customers and employees, and the Board is devoted to ongoing enhancement of the efficiency and effectiveness of such principles and practices.

The Company has adopted the compliance manual which sets out the minimum standard of good practices concerning the general management responsibilities of the Board with which the Company and the Directors shall comply and which contains, among other things, the code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix 14 to the Listing Rules as its own code of corporate governance.

The Board considers that the Company has complied with the code provisions set out in the CG Code during the Year.

The Board of Directors Composition and Responsibilities

As at 31 March 2019, the Board comprises 8 directors ("Directors"), comprising 4 executive Directors, one non-executive Director and three independent non-executive Directors. The composition of the Board throughout the Year is as follows:

Executive Directors:

Mr. Zhu Yongjun (*Chairman of the Board*)
Ms. Qin Shulan (*Chief Executive Officer*)
Mr. Cai Jianwen
Mr. Lee Tsi Fun Nicholas (appointed on 31 August 2018)

Non-executive Director:

Dr. Zhang Lihui

Independent Non-executive Directors:

Mr. Lo Chun Chiu, Adrian
Dr. Tong Ka Lok
Mr. Choy Wai Shek, Raymond, *MH, JP*

企業管治常規

董事會相信，良好的企業管治乃引領本公司邁向成功並平衡股東、客戶及僱員各方利益的範疇之一，而董事會致力持續提升該等原則及慣例的效率及效益。

本公司已採納一份合規手冊，載列有關董事會整體管理責任的良好常規最低標準，並已收納(其中包括)上市規則附錄十四所載的企業管治守則(「企管守則」)的守則條文作為其本身的企業管治守則，本公司與董事均須予以遵守。

董事會認為，本公司於本年度已遵守企業管治守則所載的守則條文。

董事會 成員組合及職責

於2019年3月31日，董事會由8名董事組成，當中包括4名執行董事、1名非執行董事及3名獨立非執行董事。於本年度，董事會成員組合如下：

執行董事：

朱勇軍先生(*董事會主席*)
秦妹蘭女士(*行政總裁*)
蔡建文先生
李錫勛先生(於2018年8月31日獲委任)

非執行董事：

張立輝博士

獨立非執行董事：

羅俊超先生
唐嘉樂博士
蔡偉石先生，*榮譽勳章*、*太平紳士*

CORPORATE GOVERNANCE REPORT

企業管治報告

On 31 August 2018, Mr. Lee Tsi Fun Nicholas was appointed as an executive director of the Company

於2018年8月31日，李錫勛先生獲委任為本公司的執行董事。

Save as disclosed above, there was no change in the composition of the Board during the Year.

除上文所披露者外，董事會成員組合於本年度內並無變動。

The biographical details and responsibilities of the Directors as well as the senior management as at 31 March 2019 are set out in the section “Biographical Details of the Directors and Senior Management” on pages 44 to 49.

董事及高級管理人員於2019年3月31日的履歷詳情及職責載於第44至49頁「董事及高級管理人員的履歷詳情」一節。

Save as disclosed in the section headed “Biographical Details of the Directors and Senior Management” to this annual report, the Directors have no other financial, business, family or other material/ relevant relationships with each other.

除本年報「董事及高級管理人員的履歷詳情」一節所披露者外，董事彼此之間概無其他財務、業務、親屬或其他重大／關連關係。

The Board is accountable to shareholders for the Company's performance and activities. While the Board is primarily overseeing and managing the Company's affairs, the Chairman of the Board provides leadership to the Board in carrying out its duties. The executive Directors constituting Chief Executive Officer and the senior management of the Company are delegated with responsibilities in the day-to-day management of the Company and make operational and business decisions within the control of and delegation framework of the Company. The independent non-executive Directors contribute valuable views and proposals for the Board's deliberation and decisions.

董事會就本公司的表現及活動向股東負責。董事會主要監察並管理本公司事務，董事會主席則帶領董事會履行其職務。執行董事包括本公司行政總裁及高級管理人員，於本公司的監控及授權框架下獲轉授本公司日常管理及作出營運及業務決策的責任。獨立非執行董事則為董事會討論及決策貢獻寶貴見解及建議。

The Company has throughout the Year met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors with at least one of them possessing appropriate professional qualifications, accounting or related financial management expertise.

本公司於本年度一直符合上市規則有關委任最少三名獨立非執行董事，以及其中最少一名須具備適當專業資格、會計或相關財務管理專業知識的規定。

At all times during the Year, the independent non-executive Directors represent at least one-third of the Board.

於本年度，獨立非執行董事一直最少佔董事會人數的三分之一。

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Each of the independent non-executive Directors has submitted a written statement to the Stock Exchange confirming their independence and has undertaken to inform the Stock Exchange as soon as practicable if there is any subsequent change of circumstances which may affect their independence prior to their respective appointment. The Company has also received a written confirmation from each of the independent non-executive Directors in respect of their independence for the Year. The Board considers that all independent non-executive Directors are being considered to be independent with reference to the factors stated in the Listing Rules during the Year.

Throughout the Year, the roles of the Chairman and the Chief Executive Officer of the Company are separated, with a clear division of responsibilities. Mr. Zhu Yongjun is the Chairman of the Board and his primary role is to provide leadership for the Board and to ensure that it works effectively in discharging its responsibilities.

Ms. Qin Shulan is the Chief Executive Officer and her primary role is responsible for the strategic planning and overseeing business operations of the Group, including environmental protection business.

Other matters reserved for the Board include consideration of dividend policy, approval of major investments, maintenance of an adequate system of internal controls and review of the corporate governance practices of the Group. Daily operations and administration are delegated to management teams.

於獲委任前，各獨立非執行董事已分別向聯交所提交書面聲明，確認彼等的獨立性，並已承諾於日後出現任何可能影響其獨立性的情況變化時，於實際可行情況下盡快知會聯交所。本公司亦已接獲各獨立非執行董事有關其於本年度內的獨立性的書面確認。董事會認為，參照上市規則所列因素，全體獨立非執行董事於本年度內均被視為獨立人士。

於本年度，本公司主席及行政總裁的角色已作區分，職責分工清晰。朱勇軍先生為董事會主席，其主要角色是為董事會提供領導，確保董事會在履行職務時有效運作。

秦妹蘭女士則為行政總裁，其主要角色是負責本集團(包括環保業務)的策略規劃及業務營運監督工作。

留待董事會考慮的其他事宜包括股息政策、批准重大投資、維持充足的內部監控制度及檢討本集團的企業管治常規。日常營運及行政職能乃轉授予管理團隊。

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Procedure for Seeking Independent Professional Advice by Directors

The Company has agreed to provide separate independent professional advice and sufficient resources to Directors and all Board Committees to assist them to discharge their duties. The Company will consider to develop a written procedure to enable Directors, and members of all Board Committees upon reasonable request, to seek and be provided with independent professional advice in appropriate circumstances, at the Company's expense.

The Company has subscribed an insurance policy with an aim to indemnify its Directors from any losses, damages, liabilities and expenses arising from, including but not limited to, any proceedings brought against them during the performance of their duties pursuant to their respective services agreements entered into with the Company.

Board Meetings

The Board is scheduled to meet regularly at least four times a year at approximately quarterly intervals, to discuss the overall strategy as well as the operational and financial performance of the Company. Other Board meetings have been held during the Year for approving the acquisitions of business, grant of share options, subscription and issue of shares and change of Directors of the Company, etc. Such Board meetings involve the active participation, either in person or through other electronic means of communication, of a majority of Directors. The Directors make every effort to contribute to the formulation of policy, decision-making and the development of the Group's business.

During the Year, a total of 23 Board meetings were held. Various meetings of the remuneration committee, nomination committee and audit committee have also been held. The Chairman has met with independent non-executive Directors without the presence of the executive directors.

董事尋求獨立專業意見的程序

本公司同意向董事及所有董事委員會另行提供獨立專業意見及足夠資源，以協助彼等履行其職責。本公司將考慮制定書面程序，讓董事及所有董事委員會的成員提出合理要求，在適當情況下尋求及獲取獨立專業意見，費用由本公司承擔。

本公司已購買保險，以就(包括但不限於)董事因根據彼等各自與本公司訂立的服務協議履行職責而面臨的法律程序所產生的損失、損害、負債及開支向董事作出彌償。

董事會會議

董事會約定每年舉行最少四次定期會議，大約每季一次，以討論本公司的整體策略以及營運及財務表現。本年度亦曾舉行其他董事會會議，以批准業務收購、授出購股權、認購及發行股份以及更換本公司董事等事宜。大部分董事透過親身出席或其他電子通訊方式積極參與有關董事會會議。董事為制定政策、作出決定及發展本集團業務作出貢獻，不遺餘力。

於本年度，董事會曾舉行合共23次會議。本公司亦曾舉行多次薪酬委員會、提名委員會及審核委員會會議。主席已經與獨立非執行董事舉行並無執行董事出席的會議。

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Directors' Attendance at the Board/Board Committee/General Meetings

Below are details of all Directors' attendance at the board and board committee meetings, and general meetings held during the Year:

董事於董事會會議／董事委員會會議／股東大會上的出席率

於本年度舉行的董事會會議、董事委員會會議及股東大會的全體董事出席率如下：

Name of Director 董事姓名	Board Meeting 董事會會議	Number of Meetings Attended/Held 出席／舉行會議次數			Annual General Meeting 股東週年大會
		Audit Committee Meeting 審核委員會會議	Nomination Committee Meeting 提名委員會會議	Remuneration Committee Meeting 薪酬委員會會議	
<i>Executive Directors:</i> 執行董事：					
Mr. Zhu Yongjun 朱勇軍先生	23/23	N/A 不適用	2/2	N/A 不適用	1/1
Ms. Qin Shulan 秦妹蘭女士	18/23	N/A 不適用	N/A 不適用	N/A 不適用	0/1
Mr. Cai Jianwen 蔡建文先生	22/23	N/A 不適用	N/A 不適用	3/3	1/1
Mr. Lee Tsi Fun Nicholas (note 1) 李錫勳先生(附註1)	13/13	N/A 不適用	N/A 不適用	N/A 不適用	1/1
<i>Non-executive Directors:</i> 非執行董事：					
Dr. Zhang Lihui 張立輝博士	22/23	N/A 不適用	N/A 不適用	N/A 不適用	1/1
<i>Independent Non-executive Directors:</i> 獨立非執行董事：					
Mr. Lo Chun Chiu, Adrian 羅俊超先生	23/23	7/7	2/2	3/3	1/1
Dr. Tong Ka Lok 唐嘉樂博士	23/23	7/7	2/2	3/3	0/1
Mr. Choy Wai Shek, Raymond, MH, JP 蔡偉石先生，榮譽勳章， 太平紳士	23/23	7/7	2/2	3/3	1/1

Notes:

1. Mr. Lee Tsi Fun Nicholas was appointed on 31 August 2018.

Appropriate notices are given to all Directors in advance for attending regular and other board or board committee meetings. Meeting agendas and other relevant information are provided to the Directors in advance of board or board committee meetings. All Directors are consulted to include additional matters in the agenda for such meetings.

Directors have access to the advice and services of the Company Secretary with a view to ensuring that board procedures, and all applicable rules and regulations, are followed.

Both draft and final versions of the minutes will be sent to all Directors for their comment and records. Minutes of board and board committee meetings are kept by the Company Secretary and

附註：

1. 李錫勳先生於2018年8月31日獲委任。

全體董事已於出席定期及其他董事會或董事委員會會議前獲發適當事先通知。會議議程及其他相關資料已於董事會或董事委員會會議前送交董事。全體董事已獲諮詢，以提出額外事項列入有關會議議程。

董事均可取得公司秘書的意見及享用其服務，以確保董事會程序以及所有適用規則及規例獲得遵守。

會議記錄的初稿及最終定稿將發送至全體董事，供董事表達意見及記錄之用。董事會及董事委員會會議記錄由公司秘書備存，倘

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such minutes are open for inspection at any reasonable time on reasonable prior notice by any Director.

All directors are also entitled to have access to board papers and related materials. These papers and related materials are in a form and quality sufficient to enable the board to make informed decisions on matters placed before it. Queries raised by directors shall receive a prompt and full response by the management.

Appointment, Re-election and Removal

The aforesaid service contracts may be terminated by not less than three month's notice in writing served by either party on the other.

In accordance with the articles of association of the Company, at each annual general meeting of the Company, one-third of the Directors for the time being shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement at an annual general meeting of the Company, at least once every three years. Such retiring Directors shall be eligible for re-election at the annual general meeting.

The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an additional Director but so that the number of Directors so appointed shall not exceed the maximum number determined from time to time by the shareholders of the Company in general meeting. Any Director appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of the Company after his appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

Confirmation of Independence

Each of the independent non-executive Directors has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that all independent non-executive Directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines during the Year.

有任何董事發出合理事先通知，則會公開有關會議記錄供其在任何合理的時段查閱。

所有董事亦有權索閱董事會文件及相關材料，而有關文件及材料的形式及質量足以讓董事會就向其提呈的事宜作出知情決定。管理層將適時全面回應由董事提出的查詢。

委任、重選及罷免

上述服務合約可由任何一方向另一方送達不少於三個月的書面通知終止。

根據本公司的組織章程細則，於每屆本公司股東週年大會上，當時為數三分之一的董事須輪流退任，惟每一名董事（包括有指定任期者）須最少每三年於本公司股東週年大會上退任一次。退任董事合資格於股東週年大會上接受重選。

董事會有權不時及隨時委任任何人士為董事，以填補臨時空缺或出任新增董事，但據此獲委任的董事人數不得超過本公司股東不時在股東大會上確定的上限。任何獲董事會委任以填補臨時空缺的董事任期僅直至其獲委任後的本公司首個股東大會為止，而彼等屆時將在該大會上接受重選。任何獲董事會委任出任新增董事的董事任期僅直至舉行本公司下屆股東週年大會為止，而彼等屆時將合資格接受重選。

獨立性確認

各獨立非執行董事已根據上市規則第3.13條作出年度獨立性確認。本公司認為，於本年度，全體獨立非執行董事均符合上市規則第3.13條所載的獨立性指引，且按照指引條款均屬獨立人士。

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Code of Conduct for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) contained in Appendix 10 to the Listing Rules as its own code of conduct for dealing in securities of the Company by the Directors.

Specific enquiries have been made with all Directors, and all Directors confirmed in writing that they have complied with the required standard set out in the Model Code regarding their securities transactions for the Year.

Induction and Continuous Professional Trainings of Directors

Each of the appointed Directors, has received formal, comprehensive and tailored induction and continuous professional training to ensure appropriate understanding of the business and operations of the Company and full awareness of director’s responsibilities and obligations under the requirements of the Listing Rules and relevant statutory obligations.

The Directors have also been informed of the requirement under Code Provision A.6.5 of the CG Code regarding continuous professional development.

During the Year, there was one in-house training conducted covering the topics of connected transactions, directors’ duties and responsibilities, corporate governance practices, independence of independent non-executive directors, disclosure requirements under the Listing Rules and SFO.

董事進行證券交易的行為守則

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則(「標準守則」)，作為其本身董事進行本公司證券交易的行為守則。

本公司已向全體董事進行具體查詢，而全體董事已以書面確認，彼等於本年度已就其證券交易遵守標準守則所載的規定準則。

董事入職及持續專業培訓

各獲委任董事均已接受正式、全面而適切的入職介紹及持續專業培訓，以確保其對本公司的業務及營運有適當認識，並全面了解上市規則規定及相關法定責任下的董事責任與義務。

董事亦已獲悉企管守則的守則條文A.6.5有關持續專業發展的規定。

於本年度，本公司曾進行一次內部培訓，內容涵蓋關連交易、董事職務及職責、企業管治常規、獨立非執行董事的獨立性以及上市規則及證券及期貨條例的披露規定。

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All Directors have attended the continuous professional development training and below are details of all Directors' attendance on training during the Year and up to the date of this report.

於本年度及截至本報告日期，全體董事已出席持續專業發展培訓，下文載列全體董事的出席詳情。

Attendance/Numbers of in-house seminars 出席／舉行內部座談會次數

<i>Executive Directors:</i>	執行董事：	
Mr. Zhu Yongjun	朱勇軍先生	1
Ms. Qin Shulan	秦姝蘭女士	1
Mr. Cai Jianwen	蔡建文先生	1
Mr. Lee Tsi Fun Nicholas (appointed on 31 August 2018)	李錫勛先生 (於2018年8月31日獲委任)	1
<i>Non-executive Director:</i>	非執行董事：	
Dr. Zhang Lihui	張立輝博士	1
<i>Independent Non-executive Directors:</i>	獨立非執行董事：	
Mr. Lo Chun Chiu, Adrian	羅俊超先生	1
Dr. Tong Ka Lok	唐嘉樂博士	1
Mr. Choy Wai Shek, Raymond, MH, JP	蔡偉石先生，榮譽勳章，太平紳士	1

Board Committees

Audit Committee

The audit committee of the Company was established in compliance with Rules 3.21 and 3.22 of the Listing Rules and with its written terms of reference. The latest terms of reference of the audit committee are available on the websites of the Company and the Stock Exchange.

The responsibility of the audit committee is to assist the Board in fulfilling its audit duties through the review and supervision of the Company's financial reporting, risk management and internal control principles and procedures, and to provide advice and comments to the Board. The members meet regularly with the external auditor and/or the Company's senior management for the review, supervision and discussion of the Company's financial reporting, risk management and internal control procedures and ensure that the management has discharged its duties to have an effective risk management and internal control systems.

董事委員會

審核委員會

本公司的審核委員會乃遵照上市規則第3.21及3.22條成立，並具備書面職權範圍。最新的審核委員會書面職權範圍可於本公司及聯交所網站查閱。

審核委員會的責任乃協助董事會審閱及監督本公司的財務申報、風險管理及內部監控原則及程序，履行其審核職務，以及向董事會提供意見及評價。成員定期與外部核數師及／或本公司的高級管理人員會面，以審閱、監督及討論本公司的財務申報、風險管理及內部監控程序，以及確保管理層已履行設立有效風險管理及內部監控制度的職務。

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The composition of the audit committee throughout the Year is as follows:

Dr. Tong Ka Lok (*Chairman*)
Mr. Lo Chun Chiu, Adrian
Mr. Choy Wai Shek, Raymond, *MH, JP*

None of the members of the audit committee is a former partner of the Company's existing auditing firm. Dr. Tong Ka Lok, who has appropriate professional qualifications and experience in accounting matters, was appointed as the chairman of the audit committee.

During the Year, the audit committee held 7 meetings. Details of the attendance of the members of the audit committee in the said meeting are set out under the sub-heading "Directors' Attendance at Board/Board Committee/General Meetings" above.

The summary of work of the audit committee during the Year is as follows:

- met with the external auditors, reviewed and made recommendations for the Board's approval on the annual and interim reports of the Company;
- reviewed and approved audit fee;
- recommended the appointment of BDO Limited as auditor, and approval the remuneration and terms of engagement; and
- reviewed the effectiveness of the Company's risk management and internal control systems including the internal audit function.

於本年度，審核委員會成員組合如下：

唐嘉樂博士(主席)
羅俊超先生
蔡偉石先生，榮譽勳章，太平紳士

審核委員會成員均非本公司現時核數公司的前任合夥人。唐嘉樂博士具備合適專業資格及會計事務經驗，已獲委任為審核委員會主席。

於本年度，審核委員會曾舉行7次會議。審核委員會成員於上述會議上的出席率詳情載於上文「董事於董事會會議／董事委員會會議／股東大會上的出席率」分節。

審核委員會於本年度的工作概要如下：

- 會見外部核數師、審閱本公司年報及中期報告並建議董事會批准；
- 檢討及批准核數費用；
- 建議委聘香港立信德豪會計師事務所有限公司為核數師，並批准薪酬及委聘條款；及
- 檢討本公司風險管理及內部監控制度(包括內部審核職能)的成效。

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Remuneration Committee

The Board established the remuneration committee on 26 August 2014 with written terms of reference in compliance with the relevant CG Code. The latest written terms of reference of the remuneration committee are available on the websites of the Company and the Stock Exchange.

The remuneration committee is responsible for, inter alia, formulating and making recommendations to the Board on the Company's emolument policy and on the establishment of a formal and transparent procedure for developing such policy. The Board expects the remuneration committee to exercise independent judgment and ensures that executive Directors do not participate in the determination of their own remuneration.

The composition of the remuneration committee throughout the Year is as follows:

Mr. Choy Wai Shek, Raymond, *MH, JP (Chairman)*
 Dr. Tong Ka Lok
 Mr. Lo Chun Chiu, Adrian
 Mr. Cai Jianwen

During the Year, the remuneration committee held 3 meetings. Details of the attendance of the members of the remuneration committee in the said meeting are set out under the sub-heading "Directors' Attendance at Board/Board Committee/General Meetings" above.

The summary of work of the remuneration committee during the Year is as follows:

- reviewed and recommended to the Board on the Group's remuneration policy and strategy;
- reviewed and recommended to the Board on the remuneration packages of the executive Directors, non-executive Directors, independent non-executive Directors and senior management during the Year; and
- assessed performance of executive directors and approving the terms of executive directors' service contract.

薪酬委員會

董事會於2014年8月26日成立薪酬委員會，並具備符合相關企管守則的書面職權範圍。最新的薪酬委員會書面職權範圍可於本公司及聯交所網站查閱。

薪酬委員會的責任乃(其中包括)就本公司的酬金政策及為制定有關政策設立正規和具透明度的程序達致並向董事會提出建議。董事會預期，薪酬委員會將行使獨立判斷，確保執行董事不得參與釐定自己的薪酬。

於本年度，薪酬委員會成員組合如下：

蔡偉石先生，榮譽勳章，太平紳士(主席)
 唐嘉樂博士
 羅俊超先生
 蔡建文先生

於本年度，薪酬委員會曾舉行3次會議。薪酬委員會成員於上述會議上的出席率詳情載於上文「董事於董事會會議／董事委員會會議／股東大會上的出席率」分節。

薪酬委員會於本年度的工作概要如下：

- 檢討本集團的薪酬政策及策略，並就此向董事會提出建議；
- 檢討執行董事、非執行董事、獨立非執行董事及高級管理人員於本年度的薪酬待遇，並向董事會提出建議；及
- 評核執行董事的表現及審批執行董事服務合約的條款。

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Nomination Committee

The Board established the nomination committee on 26 August 2014 with written terms of reference in compliance with the relevant CG Code. The latest written terms of reference of the nomination committee are available on the websites of the Company and the Stock Exchange.

The primary duties of the nomination committee include reviewing the structure, size and composition of the Board, identifying individuals suitably qualified to become Directors, assessing the independence of independent non-executive Directors and making recommendations to the Board on appointment and re-appointment of Directors.

The composition of the nomination committee throughout the Year is as follows:

Mr. Lo Chun Chiu, Adrian (*Chairman*)
Mr. Choy Wai Shek, Raymond, *MH, JP*
Dr. Tong Ka Lok
Mr. Zhu Yongjun

During the Year, the nomination committee held 2 meetings. Details of the attendance of the members of the nomination committee in the said meeting are set out under the sub-heading "Directors' Attendance at Board/Board Committee/General Meetings" above.

The summary of work of the nomination committee during the Year is as follows:

- reviewed the existing Board's structure, size and composition;
- reviewed and made recommendation on the appointment on non-executive Directors;
- reviewed and assessed the independence of the independent non-executive Directors; and
- made recommendation on the retiring Directors at the 2019 AGM of the Company.

提名委員會

董事會於2014年8月26日成立提名委員會，並具備符合相關企管守則的書面職權範圍。最新的提名委員會書面職權範圍可於本公司及聯交所網站查閱。

提名委員會的主要責任包括檢討董事會的架構、人數及成員組合、物色具備合適資格可擔任董事的人士、評核獨立非執行董事的獨立性以及就委任及重新委任董事向董事會提出建議。

於本年度，提名委員會成員組合如下：

羅俊超先生(主席)
蔡偉石先生，榮譽勳章，太平紳士
唐嘉樂博士
朱勇軍先生

於本年度，提名委員會曾舉行2次會議。提名委員會成員於上述會議上的出席率詳情載於上文「董事於董事會會議／董事委員會會議／股東大會上的出席率」分節。

提名委員會於本年度的工作概要如下：

- 檢討現時董事會的架構、人數及成員組合；
- 檢討非執行董事的任命，並就此提出建議；
- 檢討及評估獨立非執行董事的獨立性；及
- 就於本公司2019年股東週年大會上退任的董事提出建議。

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Board diversity policy

The Company recognises the benefits of having diversity in the composition of the Board and adopted its own board diversity policy on 26 August 2014.

The Company noted that people from different backgrounds and with different professional and life experience are likely to approach problems in different ways and accordingly, members of the Board with diverse backgrounds will bring different concerns and questions to the table, and allow the Board to consider a wider range of options and solutions when deciding on corporate issues and formulating policies for the Group. In determining the Board's composition and selection of candidates to the Board, factors including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, industry knowledge and length of service will be considered. All Board appointments will be based on meritocracy, and candidates will be considered against the selection criteria, having regard for the benefits of diversity on the Board, the business model and specific needs of the Group. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

The nomination committee has monitored the implementation of the board diversity policy since its adoption, and also reviewed it to ensure its effectiveness and concluded that no revision to the policy is required at the last nomination committee meeting held.

董事會成員多元化政策

本公司肯定董事會成員多元化的裨益，並於2014年8月26日採納本身的董事會成員多元化政策。

本公司明白，具有不同背景及不同專業及人生經驗的人士，對問題或有不同處理方法，故董事會成員背景多元化將可引入不同觀點及考量，讓董事會於決定本集團的企業事宜和制訂政策時參考更多選擇及解決方案。於釐定董事會成員組合和甄選董事人選時，所考慮的因素包括(但不限於)性別、年齡、文化及教育背景、種族、專業經驗、技能、行業知識及服務年資。所有董事會任命均量才而用，按照甄選標準考慮人選，並計及為董事會成員多元化帶來的貢獻以及本集團的業務模式及具體需要。最終決定將按甄選對象的才幹及將為董事會帶來的貢獻而作出。

自採納董事會成員多元化政策以來，提名委員會一直監督其施行，並檢討政策，以確保其效用，並於最近舉行的提名委員會會議上決定，毋須對政策作出任何修訂。

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企業管治報告

Nomination Policy

The Nomination Committee was responsible to maintain the nomination policy of the Company (the "Nomination Policy") and review the same regularly. The purpose of the Nomination Policy is to identify candidates who are suitable to become a member of the Board and to make recommendations to the Board on the selection of candidates nominated for directorships. The Board shall be composed of members with balance of skills, experience and diversity of perspectives appropriate to accomplish the Group's business development, strategies, operation, challenges and opportunities. The core criteria for selection include gender, age, cultural and education background, professional qualifications, skills, knowledge and industry and regional experience, number of directorship in other listed/public companies and in case of independent non-executive Directors, the number of years they have already served. According to the nomination procedure, the Nomination Committee is responsible for identifying potential new Directors and recommends to the Board for decision. The appointment shall be subject to the approval by the Board in accordance with the Company's Memorandum and Articles of Association, the Main Board Listing Rules and the Nomination Policy.

Corporate Governance Function

During the Year, the Board has reviewed the corporate governance practices of the Company with reference to Appendix 14 to the Listing Rules. The summary of their work during the Year is as follows:

- developed and reviewed the Company's policies and practices on corporate governance and make recommendations;
- reviewed and monitored the training and continuous professional development of Directors and senior management of the Group;
- reviewed and monitored the Company's policies and practices on compliance with legal and regulatory requirements;
- developed, reviewed and monitored the code of conduct and compliance manual applicable to employees of the Group and the Directors; and
- reviewed the Company's compliance with CG Code and disclosure in the corporate governance report.

提名委員會

提名委員會負責維持本公司的提名政策(「提名政策」)，並定期對提名政策進行檢討。提名政策之目的為識別適合成為董事會成員之人選，並就篩選提名擔任董事之人選向董事會作出推薦建議，董事會須由具有均衡技能、經驗及不同觀點之成員組成，且有關技能、經驗及不同觀點對達成本集團之業務發展、策略、營運、挑戰及機會而言屬合適。篩選核心條件包括性別、年齡、文化及教育背景、專業資格、技能、知識及行業及地區經驗、於其他上市／公眾公司擔任之董事職務數目及(如屬獨立非執行董事)其已任職之年數。根據提名程序，提名委員會會負責物色潛在新董事及向董事會建議以供決定。委任須由董事會根據本公司組織章程大綱及細則、主板上市規則以及提名政策批准。

企業管治職能

於本年度，董事會已參照上市規則附錄十四檢討本公司的企業管治常規。董事會於本年度的工作概要如下：

- 制訂及檢討本公司的企業管治政策及常規，並提出建議；
- 檢討及監察董事及本集團高級管理人員的培訓及持續專業發展；
- 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
- 制訂、檢討及監察適用於本集團僱員及董事的操守準則及合規手冊；及
- 檢討本公司遵守企管守則的情況及在企業管治報告內的披露。

CORPORATE GOVERNANCE REPORT

企業管治報告

Remuneration of Directors and Senior Management

Emolument Policy

The remuneration policy of the Group is to ensure the fairness and competitiveness of total remuneration. The emoluments of executive Directors are determined based on the skills, knowledge, individual performance as well as contributions, the scope of responsibility and accountability of such Directors, taking into consideration the Company's performance and prevailing market conditions. The remuneration policy of non-executive Director and independent non-executive Directors is to ensure that they are adequately compensated for their efforts and time dedicated to the Company's affairs including their participation in respective Board committees. Their emoluments are determined with reference to their skills, experience, knowledge, duties and market trends.

Accountability and Audit

Financial Reporting

The Board acknowledges its responsibility for the preparation of the Financial Statements for the Year which give a true and fair view of the state of affairs of the Group in accordance with the statutory requirements and accounting standards and other financial disclosure requirement under the Listing Rules. The financial results of the Group are announced in a timely manner in accordance with statutory and/or regulatory requirements.

The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The statement by auditor about their reporting responsibilities is set out in the independent auditor's report on pages 101 to 110.

董事及高級管理人員薪酬

酬金政策

本集團的薪酬政策旨在確保整體薪酬公平及具競爭力。執行董事酬金乃於考慮本公司的表現及當時市況後，根據有關董事的技能、知識、個人表現及貢獻、責任及問責範圍釐定。非執行董事及獨立非執行董事的薪酬政策旨在確保彼等就本公司事務貢獻的努力及時間(包括加入各董事委員會)獲得足夠補償。酬金乃參照彼等的技能、經驗、知識及職責以及市場趨勢釐定。

問責及核數

財務申報

董事會確認其對於根據法定要求、會計準則及上市規則下的其他財務披露規定編製本年度的財務報表，以真實而公平地呈列本集團事務狀況的責任。本集團的財務業績已按照法定及／或監管規定適時公佈。

董事並不知悉任何有關事件或情況的重大不確定因素，可能對本公司持續經營的能力構成重大疑問。

核數師有關其申報責任的聲明，已載於第101至110頁的獨立核數師報告內。

CORPORATE GOVERNANCE REPORT

企業管治報告

External Auditor's Remuneration

During the Year, the Group engaged BDO Limited as external auditor of the Company. The fee in respect of audit services and non-audit services provided by BDO Limited and its affiliates for the Year were as follows:

Nature of services 服務性質

Audit services in relation to annual results
Review of interim results
Non-audit services

有關全年業績的審核服務
審閱中期業績
非審核服務

Amount 金額 HK\$'000 千港元

2,500
—
180

The audit committee has expressed its views to the Board that the level of fees paid/payable to the Company to the Company's external auditor for annual audit services is reasonable. There has been no major disagreement between the auditor and the management of the Company during the Year.

Risk Management and Internal Control Systems

The Board has overall responsibility for the effective risk management and internal control systems of the Group and committed to the maintenance of good corporate governance, practices and procedures of the Group. The Board also admitted the effectiveness of the existing risk management and internal control systems during the Year. However, such systems are designed to manage rather than eliminate risk of failure to achieve business objective, and can only provide reasonable and not absolute assurance against material misstatement or loss. Nevertheless, the management is authorised to engage an external professional service provider to conduct review on the Group's policies and make recommendations for the improvement and strengthening of the risk management and internal control systems during the Year.

外部核數師薪酬

於本年度，本集團委聘香港立信德豪會計師事務所有限公司為本公司外部核數師。香港立信德豪會計師事務所有限公司及其聯屬公司於本年度提供審核服務及非審核服務的費用如下：

審核委員會向董事會表示，其認為本公司就年度核數服務已付／應付外部核數師的費用水平屬合理。於本年度，核數師與本公司管理層之間並無重大意見分歧。

風險管理及內部監控制度

董事會對本集團的風險管理及內部監控制度的效能承擔整體責任，並致力為本集團維護良好的企業管治、常規及程序。董事會亦確認，本年度的現有風險管理及內部監控制度行之有效。然而，有關制度旨在管理而非消除未能達致業務目標的風險，且只能針對重大失實陳述或損失提供合理而非絕對的保證。儘管如此，管理層已於本年度獲授權委聘外部專業服務供應商檢討本集團的政策，並就改善及加強風險管理及內部監控制度提出建議。

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Effectiveness

The Board has overall responsibility for evaluating, determining, establishing and maintaining an effective risk management and internal control systems of the Group and for reviewing its effectiveness to safeguard the Company's assets and the shareholders' interests. During the Year, the Board and the audit committee of the Company have conducted a review on the effectiveness of Group's risk management and internal control systems.

The Board has overseen the management in the design, implementation and monitoring of the risk management and internal control systems, and has reviewed the effectiveness on the Group's certain policies during the Year.

The Board identified and evaluated the risks and analysed the core risks within the Group to mitigate related risks arising from the existing operations after evaluating its risk management and internal controls systems.

The key risk management and internal control procedures of the Company are as follows:

1. determine the scope, identify the risks and compile a list of such risks;
2. evaluate and prioritise the risks based on the possible financial loss and impact on operating efficiency, sustainability and reputation;
3. identify the risk control measures against major risks, conduct internal control assessments of the design and implementation of such measures, and formulate measures to improve any defect;
4. review and evaluate the risk management and internal control systems on an ongoing basis and ensure the constant improvement of the risk management system; and
5. report the findings to the audit committee and the board of directors.

效能

董事會對於為本集團評估、釐定、建立及維持有效的風險管理及內部監控制度，以及檢討其效能以保障本公司資產及股東利益承擔整體責任。於本年度，董事會及本公司的審核委員會已檢討本集團風險管理及內部監控制度的效能。

董事會於本年度監督管理層設計、實施及監察風險管理及內部監控制度的工作，並檢討本集團若干政策的成效。

董事會透過評估其風險管理及內部監控制度，辨識並評估風險，分析本集團源自現有業務營運的核心風險，從而規避有關風險。

本公司的關鍵風險管理及內部監控程序如下：

1. 釐定風險範圍、辨識風險及編撰風險清單；
2. 按照可能財務損失及對營運效率、可持續性及聲譽的影響，評估並排列風險；
3. 辨識針對主要風險的風險監控措施，對該等措施的設計及實施進行內部監控評估，並制定措施糾正任何缺陷；
4. 持續檢討及評估風險管理及內部監控制度，確保風險管理制度不斷改進；及
5. 向審核委員會及董事會匯報發現。

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The Board confirmed that the Group's risk management and internal controls systems were acceptable and there was no material non-compliance or failures issues located but various areas for improvement have been identified during the Year. Certain remedial measures have been and will be taken to strengthen the risk management and internal control systems of the Group.

The Group reviewed the effectiveness of its risk management and internal control systems at least annually. The Board and the audit committee also considered that the key areas of the Group's risk management and internal control systems, including the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting are reasonably conducted and implemented.

Inside Information

The Group has adopted and implemented its own disclosure policy aiming to provide a general guide to the directors and senior management of the Company in handling of confidential information and/or monitoring of information disclosure pursuant to applicable laws and regulations in compliance with the Securities and Futures Ordinance (the "SFO").

The disclosure policy provides the procedures and internal controls for the handling and dissemination of inside information by publication of the announcement to the websites of the Stock Exchange and the Company on a timely basis to enable the public, namely shareholders, institutional investors, potential investors and other stakeholders of the Company to access the latest information of the Group, unless such information fall within the safe harbours under the SFO.

Briefing and training on the implementation of the disclosure policy have been provided to Directors and senior management of the Group.

董事會確認，本集團本年度的風險管理及內部監控制度可以接受，並無發現重大違規或失效事宜，惟存在若干改善空間。本集團已經並將會採取若干糾正措施，以加強其風險管理及內部監控制度。

本集團最少每年檢討其風險管理及內部監控制度的效能。董事會及審核委員會亦認為，本集團風險管理及內部監控制度的主要範疇(包括本公司會計職能的資源、員工資格及經驗、培訓計劃以及預算是否足夠)均已合理施行及執行。

內幕消息

本集團已採納並實施自身的披露政策，旨在遵照證券及期貨條例，根據適用法律及法規為本公司董事及高級管理人員處理機密資料及／或監察資料披露提供一般指引。

該項披露政策為透過於聯交所及本公司網站登載公佈，及時處理和發佈內幕消息提供程序及內部監控，讓公眾(如本公司股東、機構投資者、潛在投資者及其他持份者)獲得有關本集團的最新資料，除非有關資料屬證券及期貨條例下的安全港範圍內，則屬例外。

董事及本集團高級管理人員已獲提供有關執行披露政策的簡介及培訓。

CORPORATE GOVERNANCE REPORT

企業管治報告

Delegation by the Board

While at all times the Board retains full responsibility for guiding and monitoring the Company in discharging its duties, certain responsibilities are delegated to various board committees which have been established by the Board to deal with different aspects of the Company's affairs. Unless otherwise specified in their respective written terms of reference as approved by the Board, these board committees are governed by the Company's articles of association as well as the Board's policies and practices (in so far as the same are not in conflict with the provisions contained in the articles of association).

With the establishment of the audit committee, remuneration committee and nomination committee, the independent non-executive Directors will be able to effectively devote their time to perform the duties required by the respective board committees.

The Board has also delegated the responsibility of implementing its strategies and the day-to-day operation to the management of the Company under the leadership of the chief executive officer and executive Directors. Clear guidance has been made as to the matters that should be reserved to the Board for its decision which include matters on, inter alia, capital, finance and financial reporting, internal controls, communication with shareholders, Board membership, delegation of authority and corporate governance.

Company Secretary

During the Year, Mr. Lee Tsi Fun Nicholas undertook over 15 hours' professional training to update his skill and knowledge in compliance with the CG Code.

Changes in Constitutional Documents

During the Year, there has been no changes in the constitutional documents of the Company.

董事會權力的轉授

於履行其職責時，董事會一直保留督導及監察本公司的全責，而若干責任則轉授予多個董事委員會。該等董事委員會均由董事會成立，以處理本公司不同範疇的事務。除非經董事會批准的相應職權範圍另有規定，否則該等董事委員會受本公司的組織章程細則以及董事會的政策及常規（前提為並無與組織章程細則所載規定相抵觸）規管。

透過成立審核委員會、薪酬委員會及提名委員會，獨立非執行董事將可有效地投放時間於履行各董事委員會所規定的職責。

董事會亦將實施其策略及日常營運的責任轉授予在行政總裁及執行董事帶領下的本公司管理層，並已給予清晰的指引，特別是在保留予董事會決定的事宜，其中包括資本、融資、財務申報、內部監控、與股東的溝通、董事會成員、權力的轉授以及企業管治。

公司秘書

於本年度，李錫勳先生已根據企管守則參與逾15小時的專業培訓，以更新其技能及知識。

修改憲章文件

於本年度，本公司的憲章文件概無作出任何修改。

CORPORATE GOVERNANCE REPORT 企業管治報告

Shareholders' Rights

The Way by Which Shareholders Can Convene Extraordinary General Meeting ("EGM")/Put Forward Proposal

According to Article 64 of the Articles of Association of the Company, extraordinary general meetings shall also be convened on the requisition of one or more shareholders of the Company holding, at the date of deposit of the requisition, not less than one-tenth of the paid up capital of the Company having the right of voting at general meetings. Such requisition shall be made in writing to the Board or the company secretary for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within 2 months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Article 113 of the Articles of Association provides that no person, other than a retiring Director shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been lodged at the head office or at the registration office. The period for lodgment of the notices required under this Article will commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than 7 days prior to the date of such general meeting and the minimum length of the period during which such notices to the Company may be given will be at least 7 days.

Accordingly, if a shareholder of the Company wishes to propose a person other than a retiring Director for election as a Director at the Company's general meeting, he/she should attend the following:

- Prepare a notice in writing of his/her intention to propose a person for election as a Director.
- The person proposed for election as a Director shall also prepare a notice in writing of his/her willingness to be elected.

股東權利

股東召開股東特別大會／提出議案的途徑

根據本公司組織章程細則第64條，任何於提請要求當日持有不少於本公司繳足股本(賦有權利在本公司股東大會投票)十分之一的一名或多名股東，可向本公司董事會或公司秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求所指明的事項。該會議須於提請該要求後兩個月內舉行。倘提請後21日內董事會未有召開有關大會，則提請要求的人士可自行按相同方式召開，且本公司須償還提請要求的人士因董事會未有召開大會而引致的所有合理開支。

組織章程細則第113條規定，除會上退任董事外，概無任何人士有資格於任何股東大會上參選董事，除非獲董事推薦參選，且已發出書面通知表明建議提名相關人士參選董事，亦附上獲提名人士簽署的通知表明願意參選，並交予總辦事處或過戶登記處。發出本細則所規定通知之限期，為寄發有關推選董事之股東大會通告翌日起至不遲於該股東大會舉行日期前7日，惟可向公司發出通知的期限不得少於7天。

因此，倘本公司股東有意提名退任董事以外任何人士於本公司的股東大會上參選董事，彼應：

- 編製表明建議提名任何人士參選董事的書面通知。
- 獲提名參選董事的人士亦應編製表明願意參選的書面通知。

CORPORATE GOVERNANCE REPORT

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- Before 11 July 2019, such notices shall be lodged at the head office of the Company at Office B, 3/F, Kingston International Centre, 19 Wang Chiu Road, Kowloon Bay, Hong Kong or at the address of Tricor Investor Services Limited, the Hong Kong branch share registrar and transfer office of the Company at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.

On or after 11 July 2019, the notice shall be lodged at the head office of the Company or at the new address of Tricor Investor Services Limited, the Hong Kong branch share registrar and transfer office of the Company at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong.

- The period for lodgment of such notices will commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than 7 days prior to the date of such general meeting and the minimum length of the period during which such notices to the Company may be given will be at least 7 days.

The relevant procedures are set out in the circular to the shareholders which is sent together with this annual report and the Company's website at <http://www.primeworld-china.com>.

The Procedures for Sending Enquiries to the Board

Shareholders may send their enquiries and concerns in writing to the Board by addressing them to the Company at our head office in Hong Kong at Office B, 3/F, Kingston International Centre, 19 Wang Chiu Road, Kowloon Bay, Hong Kong or by email through the Company's website at <http://www.primeworld-china.com>.

Communication with Shareholders and Investors

The Company endeavors to maintain effective communications with the shareholders and potential investors of the Company.

- 2019年7月11日前，有關通知應送交本公司總辦事處（地址為香港九龍灣宏照道19號金利豐國際中心3樓B室）或本公司香港股份過戶登記分處卓佳證券登記有限公司（地址為香港皇后大道東183號合和中心22樓）。

於2019年7月11日當日或之後，有關通知應送交本公司總辦事處或本公司香港股份過戶登記分處卓佳證券登記有限公司的新地址（地址為香港皇后大道東183號合和中心54樓）。

- 發出有關通知的限期，為不早於寄發有關推選董事的股東大會通告翌日起至不遲於該股東大會舉行日期前7日，惟可向本公司發出有關通知的期限不得少於7天。

相關程序已載於連同本年報寄發予股東的通函以及本公司網站（<http://www.primeworld-china.com>）。

向董事會提出查詢的程序

股東可以書面向董事會提出查詢及疑問，方式為向本公司總辦事處香港九龍灣宏照道19號金利豐國際中心3樓B室或以電郵方式透過本公司網站（<http://www.primeworld-china.com>）發出，收件人請註明為本公司。

與股東及投資者溝通

本公司致力與本公司股東及潛在投資者維持有效溝通。

CORPORATE GOVERNANCE REPORT

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Save as mentioned under the sub-heading “The Procedures for Sending Enquiries to the Board” above, in order to provide more relevant information to our shareholders, the Company has published all corporate information about the Group on its website at <http://www.primeworld-china.com>. It is a channel of the Company to communicate with the shareholders and potential investors with our latest corporate development. All our corporate communications, such as statutory announcement, circular, financial reports are available on the website for easy access by the shareholders and potential investors. In addition, the Company meets its shareholders at the annual general meeting so as to promote the development of the Company through mutual and efficient communications.

DIVIDEND POLICY

The Company aims to strike a balance between maintaining sufficient capital to develop and operate the business of the Group and rewarding the shareholders of the Company. According to the dividend policy of the Company, in deciding whether to propose a dividend and in determining the dividend amount, the Company shall take into account, inter alia, the following factors:

- the Group’s operating results, actual and expected financial performance;
- retained earnings and distributable reserves of the Company and each of the members of the Group;
- the level of the Group’s debts to equity ratio, return on equity and the relevant financial covenants;
- the Group’s expected working capital requirements, capital expenditure requirements and future expansion plans;
- the Group’s liquidity position;
- general economic conditions, business cycle of the Group’s business and other internal and external factors that may have an impact on the business or financial performance and position of the Group; and
- any other factors that the Company may deem appropriate and relevant.

除上文「向董事會提出查詢的程序」分節所述者外，為了向股東提供更多相關資料，本公司已於其網站(<http://www.primeworld-china.com>)登載有關本集團的所有公司資料。本公司利用此渠道提供最新公司發展，與股東及潛在投資者溝通。本公司所有公司通訊(如法定公佈、通函、財務報告)均登載於網站，方便股東及潛在投資者瀏覽。此外，本公司亦於股東週年大會上與股東會面，藉此透過相互有效溝通促進本公司發展。

股息政策

本公司旨在於維持充足資本發展及經營本集團業務與獎勵本公司股東之間達致平衡。根據本公司的股息政策，在決定是否建議宣派股息及在釐定股息金額時，本公司須計及(其中包括)以下因素：

- 本集團的經營業績、實際及預期財務表現；
- 本公司及本集團各成員公司的保留盈利及可分派儲備；
- 本集團負債權益比率、股權回報率及相關財務契諾的水平；
- 本集團的預期營運資金需求、資本開支需求及未來擴充計劃；
- 本集團的流動資金狀況；
- 整體經濟狀況、本集團業務的業務週期及或會影響本集團業務或財務表現及狀況的其他內部及外部因素；及
- 本公司認為適當且相關的任何其他因素。

CORPORATE GOVERNANCE REPORT

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Such declaration and payment of the dividend by the Company is also subject to any restrictions under the Companies Laws of the Cayman Islands, any applicable laws, rule and regulations and the Articles of Association of the Company. Any declaration and payment of future dividend under the Dividend Policy are subject to the Board's determination that the same would be in best interests of the Group and the shareholders of the Company as a whole.

The forthcoming AGM of the Company is scheduled to be held on 16 August 2019. At the AGM, the chairman of the Board as well as chairmen of the nomination committee, remuneration committee and audit committee or, in their absence, other members of the respective committees shall attend to answer questions from shareholders at the annual general meeting. The representatives of the external auditor shall also present and available to answer questions at the meeting.

The notice of AGM and the necessary information on issues to be considered in the AGM will be set out in the circular to be dispatched to the shareholders of the Company in due course.

Hong Kong, 24 June 2019

本公司宣派及派付股息亦須遵守開曼群島公司法、任何適用法律、規則及法規以及本公司組織章程細則所載的任何限制。僅於董事會釐定符合本集團及本公司股東的整體最佳利益後，方會根據股息政策宣派及派付任何未來股息。

本公司應屆股東週年大會將於2019年8月16日舉行。於股東週年大會上，董事會主席以及提名委員會、薪酬委員會及審核委員會各自的主席（如彼等未克出席，則為相關委員會其他成員）將出席股東週年大會，以回應股東提問。外部核數師的代表亦會出席大會及回應提問。

股東週年大會通告及有關於股東週年大會上考慮的事宜的必要資料載於將於適當時候寄發予本公司股東的通函內。

香港，2019年6月24日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



Tel : +852 2218 8288
Fax: +852 2815 2239
www.bdo.com.hk

25th Floor Wing On Centre
111 Connaught Road Central
Hong Kong

電話：+852 2218 8288
傳真：+852 2815 2239
www.bdo.com.hk

香港干諾道中111號
永安中心25樓

TO THE SHAREHOLDERS OF NEW CONCEPTS HOLDINGS LIMITED

(incorporated in Cayman Islands with limited liability)

Qualified Opinion

We have audited the consolidated financial statements of New Concepts Holdings Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 111 to 339, which comprise the consolidated statement of financial position as at 31 March 2019, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the "Basis for Qualified Opinion" section of our report, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2019, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

致創業集團(控股)有限公司

(於開曼群島註冊成立的有限公司)

列位股東

保留意見

本核數師(以下簡稱「我們」)已審計載於第111至339頁創業集團(控股)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2019年3月31日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合全面收益表、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，除我們的報告內「保留意見的基礎」一節所述事宜可能造成的影響外，該等綜合財務報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映了貴集團於2019年3月31日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Basis for qualified opinion

As disclosed in the note 24 to the consolidated financial statements, during the period from January 2016 to November 2016, the Group paid deposits for the potential acquisition of a 49% equity interests in PT. Dempo Sumber Energi ("DSE") ("DSE Agreement") and a 80% equity interests in PT. Sumatera Pembangkit Mandiri ("SPM"). In addition, the Group paid certain expenses on behalf of DSE and advanced loans to DSE, SPM and their beneficial shareholders. During the year ended 31 March 2017, the shares of DSE and SPM (representing 49% and 80% of the equity interests in DSE and SPM respectively) were transferred to the Group, and the Group appointed 4 out of 6 directors of DSE and 5 out of 7 directors of SPM. Thereafter, the Group have entered into a series of transactions and agreements with various parties including the acquisition of additional 5% equity interests in SPM, the termination of the DSE Agreement, the disposal of the equity interests in DSE and SPM.

As at 31 March 2019, the aggregated amount of deposits paid, expenses paid on behalf and loans advanced ("Payments") of approximately HK\$67,637,000 (2018: HK\$66,306,000) was accounted for as receivables. During the year ended 31 March 2019, impairment provision of HK\$ Nil (2018: HK\$15,854,000) was made (or reversed) against the Payments and the impairment provision as at 31 March 2019 amounted to HK\$15,854,000 (2018: HK\$15,854,000). As at 31 March 2019, the carrying amount of the Payments after netting off impairment provision was of HK\$51,783,000 (2018: HK\$50,452,000) and was grouped under prepayments, deposits and other receivables in the consolidated statement of financial position.

保留意見的基礎

誠如綜合財務報表附註24所披露，於2016年1月至2016年11月，貴集團就可能收購PT. Dempo Sumber Energi(「DSE」)49%股權(「DSE協議」)及PT. Sumatera Pembangkit Mandiri(「SPM」)80%股權支付按金。此外，貴集團代表DSE支付若干開支並向DSE、SPM及彼等的實益股東墊付貸款。於截至2017年3月31日止年度，DSE及SPM的股份(分別佔DSE及SPM股權的49%及80%)轉讓予貴集團，而貴集團委任DSE六名董事其中四名，並委任SPM七名董事其中五名。其後，貴集團與各訂約各方進行一連串交易並訂立協議，包括增購SPM額外5%股權、終止DSE協議以及出售DSE及SPM股權。

於2019年3月31日，已付按金、代付開支及墊付貸款(「該等款項」)合共約67,637,000港元(2018年：66,306,000港元)入賬列作應收款項。於截至2019年3月31日止年度，貴集團已就該等款項計提(或撥回)減值撥備零港元(2018年：15,854,000港元)，而於2019年3月31日的減值撥備為15,854,000港元(2018年：15,854,000港元)。於2019年3月31日，該等款項經扣除減值撥備後的賬面金額為51,783,000港元(2018年：50,452,000港元)，於綜合財務狀況表內計入預付款項、按金及其他應收款項。

INDEPENDENT AUDITOR'S REPORT

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Directors of the Company have not provided us with satisfactory evidence relating to the nature of those transactions highlighted in the paragraphs above (the "Transactions") (further details are disclosed in note 24 to the consolidated financial statements) and their conclusion that the Payments are receivables in nature throughout the years. As such, we were not able to obtain sufficient appropriate audit evidence to satisfy ourselves whether the Transactions have been appropriately accounted for, including whether accounting for the Payments as receivables is appropriate and accordingly, whether impairment provision recognised against the Payments is appropriate and the amount of impairment provision recognised is properly determined or measured in accordance with HKFRSs. As a result, we were also unable to satisfy ourselves whether the disclosures in the notes to the consolidated financial statements are complete and accurate. There were no alternative audit procedures that we could perform to satisfy ourselves as to the above-mentioned matters. Consequently, we were unable to determine whether any adjustments to these amounts/disclosures were necessary.

The Company's predecessor auditor modified their audit opinion on the Company's consolidated financial statements for the year ended 31 March 2018 due to limitations on their scope of work on the nature of the Payments. They were unable to satisfy themselves as to (i) the appropriateness of the accounting for the Payments as receivables as at 31 March 2018; (ii) whether the impairment of HK\$15,854,000 for the Payments recognised for the year ended 31 March 2018 was appropriate or adequate; and (iii) the completeness and accuracy of the respective disclosures in the notes to the consolidated financial statements. Any adjustments to the amount of impairment provision recognised for the year ended and as at 31 March 2018 would have a consequential impact on the amount of impairment provision recognised for the year ended 31 March 2019, if any. Our opinion on the Company's 2019 consolidated financial statements for year ended 31 March 2019 is also modified because of the possible effect of the adjustment and the related 2018 figures in the consolidated financial statements may not be comparable.

Other Information in the Annual Report

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the consolidated financial statements and our auditor's report thereon.

貴公司董事並無向我們提供與上文各段標注交易(「該等交易」,進一步詳情於附註24披露)的性質及彼等於有關年度對該等款項屬應收款項性質的結論有關並可信納的憑證。因此,我們無法取得足夠合適審計憑證,令我們信納該等交易已適當地入賬,包括將該等款項入賬列作應收款項是否適當、該等款項的已確認減值撥備是否適當以及已確認減值撥備的金額是否已根據《香港財務報告準則》妥為釐定或計量。因此,我們亦無法信納綜合財務報表附註內的披露事項是否完整及準確。並無其他審計程序可讓我們進行以信納上述事項。因此,我們無法釐定該等金額/披露事項是否需要作出調整。

貴公司前核數師因就該等款項性質的工作範圍受限而對 貴公司截至2018年3月31日止年度的綜合財務報表發出非無保留的審計意見。彼等無法信納(i)於2018年3月31日將該等款項入賬列作應收款項是否適當;(ii)截至2018年3月31日止年度已確認的該等款項減值15,854,000港元是否適當或足夠;及(iii)綜合財務報表各附註的相應披露事項是否完整及準確。就截至2018年3月31日止年度及於該日確認的減值撥備金額如作任何調整,可能會對截至2019年3月31日止年度的已確認減值撥備金額(如有)造成影響。我們亦因調整的可能影響及綜合財務報表內相關2018年數字可能無法比較而對 貴公司截至2019年3月31日止年度的2019年綜合財務報表發表非無保留意見。

刊載於年度報告內的其他信息

董事需對其他信息負責。其他信息包括刊載於 貴公司年度報告內的信息,但不包括綜合財務報表及我們的核數師報告。

INDEPENDENT AUDITOR'S REPORT

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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. As described in the "Basis for Qualified Opinion" section above, we were not able to obtain sufficient appropriate audit evidence to satisfy ourselves whether the Transactions have been appropriately accounted for, including whether accounting for the Payments as receivables is appropriate and accordingly, whether impairment provision recognised against the Payments is appropriate and the amount of impairment provision recognised is properly determined or measured in accordance with HKFRSs. As a result, we were also unable to satisfy ourselves whether the disclosures in the notes to the consolidated financial statements are complete and accurate. There were no alternative audit procedures that we could perform to satisfy ourselves as to the above-mentioned matters. Consequently, we were unable to determine whether any adjustments to these amounts/disclosures were necessary. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to these matters.

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. In addition to the matter described in the "Basis for Qualified Opinion" section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Purchase price allocation of business combination

Refer to note 41 of the consolidated financial statements and accounting policies on note 4(a).

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

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所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，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。誠如上文「保留意見的基礎」一節所述，我們無法取得足夠適當審計憑證，令我們信納該等交易已適當地入賬，包括將該等款項入賬列作應收款項是否適當、該等款項的已確認減值撥備是否適當以及已確認減值撥備的金額是否已根據《香港財務報告準則》妥為釐定或計量。因此，我們亦無法信納綜合財務報表附註內的披露事項是否完整及準確。並無其他審計程序可讓我們進行以信納上述事項。因此，我們無法釐定該等金額／披露事項是否需要作出調整。故此，我們無法對其他信息在該等事項方面是否出現重大錯誤陳述作出結論。

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。這些事項是在對綜合財務報表整體進行審計並形成意見的背景下來進行處理的，而我們不對這些事項提供單獨的意見。除「保留意見的基礎」一節所述的事項外，我們釐定下述事項為將於本報告內溝通的關鍵審計事項。

業務合併的購買價分配

謹此提述綜合財務報表附註41及附註4(a)會計政策。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

On 1 June 2018, the Group acquired a 100% equity interest in Vimab Holdings AB ("Vimab Group") from an independent third party for a consideration of HK\$178,241,000. As at the date of acquisition, the aggregate fair value of the identifiable net assets of Vimab Group amounted to HK\$28,584,000, with goodwill of HK\$149,657,000 recognised arising from the acquisition.

The Group engaged an independent external valuer to perform the purchase price allocations on the fair values of the identifiable assets acquired and liabilities assumed in the business combinations. The purchase price allocations are significant to our audit due to (i) the significant judgement involved in the identification of assets acquired and liabilities assumed; and (ii) the determination of the fair values of the identifiable assets acquired and liabilities assumed is dependent on a range of estimates, including discount rates.

Our response:

Our audit procedures in relation to assessment of management's accounting of the business combination included:

- Examining the terms of the sale and purchase agreements;
- Assessing the competency, capability and objectivity of the independent professional valuer by considering their qualifications, relevant experiences and relationship with the Group;
- Involving our valuation specialist to assess the valuation methodologies adopted for the purpose of determining the fair values of the identifiable assets acquired and liabilities assumed;
- Benchmarking the key parameters, such as discount rates against market data; and
- Evaluating the assessment of the fair value of the contingent consideration on the completion date.

Impairment assessment of goodwill, operating concessions and other intangible assets

Refer to note 15, 16, 17 of the consolidated financial statements and accounting policies on note 4(c), 4(g), 4(h), 4(t)

於2018年6月1日，貴集團向一名獨立第三方收購Vimab Holdings AB(「Vimab集團」)100%股權，代價為178,241,000港元。於收購日期，Vimab集團的可識別淨資產公平總值為28,584,000港元，因收購事項而確認商譽149,657,000港元。

貴集團已委聘獨立外部估值師，就於業務合併中收購的可識別資產及承擔的可識別負債的公平值進行購買價分配。購買價分配對我們的審核工作有重大影響，原因在於(i)識別所收購資產及所承擔負債涉及重大判斷；及(ii)釐定所收購可識別資產及所承擔可識別負債的公平值須視乎眾多估計數字(包括貼現率)而定。

我們的回應行動：

我們就評估管理層進行的業務合併會計處理進行的審核程序包括：

- 審視買賣協議條款；
- 評估獨立專業估值師是否勝任、其能力及客觀程度，當中考慮其資格、相關經驗及與貴集團的關係；
- 動用我們的估值專家評估於釐定所收購可識別資產及所承擔可識別負債的公平值時所採納的估值方法；
- 衡量重要參數，如貼現率對市場數據；及
- 評價對或然代價於完成日期的公平值的評估。

商譽、經營特許權及其他無形資產的減值評估

謹此提述綜合財務報表附註15、16及17以及附註4(c)、4(g)、4(h)及4(t)會計政策。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

As at 31 March 2019, the aggregate carrying amount of goodwill, operating concessions and other intangible assets after impairment was HK\$585,331,000 which represented 32.2% of the Group's total assets. An impairment assessment is performed by management annually or when there are indicators of impairment by comparing the carrying amount and the recoverable amount of the asset or the cash generating unit to which the asset relates.

The impairment assessment is significant to our audit due to (i) the significance of the carrying amounts; and (ii) the significant judgements and estimates involved in determining the recoverable amounts of the cash-generating units to which the goodwill and intangible assets are allocated, including, amongst others, expected future cash flows and discount rates.

Our response:

Our audit procedures in relation to Impairment assessment of goodwill, operating concessions and other intangible assets included:

- Discussing with management about the technological, market, economic and legal environment and economic performance of each cash-generating unit to assess management's identification of impairment indicators;
- Assessing the key assumptions used in management's cash flow projections for impairment assessment of goodwill and other intangible assets, including, amongst others, expected future cash flows and discount rates, with the assistance from our valuation specialists; and
- Assessing the adequacy of disclosures in connection with the impairment assessment of goodwill and other intangible assets.

Impairment assessment of trade and retention receivables, deposits and other receivables and receivables under service concession arrangements

Refer to note 23, 24, 16 of the consolidated financial statements and accounting policies on note 4(g), 4(j) A(ii).

於2019年3月31日，商譽、特許經營權及其他無形資產減值後的賬面總額為585,331,000港元，佔貴集團資產總值32.2%。管理層每年或於減值跡象出現時透過比較資產或資產所屬現金產生單位的賬面金額與可收回金額進行減值評估。

減值評估對我們的審核工作有重大影響，原因在於(i)賬面金額的重要性；及(ii)釐定獲分配商譽及無形資產的現金產生單位的可收回金額涉及重大判斷及估計，包括(其中包括)預期未來現金流量及貼現率。

我們的回應行動：

我們就商譽、經營特許權及其他無形資產的減值評估進行的審核程序包括：

- 與管理層討論各現金產生單位的技術、市場、經濟及法律環境以及經濟表現，以評估管理層識別的減值跡象；
- 在我們的估值專家協助下，評估管理層就商譽及其他無形資產進行減值評估所作現金流量預測使用的主要假設，包括(其中包括)預期未來現金流量及貼現率；及
- 評估有關商譽及其他無形資產減值評估的披露事項是否足夠。

貿易應收款項及應收保留金、按金及其他應收款項以及服務特許權安排應收款項的減值評估

謹此提述綜合財務報表附註23、24及16以及附註4(g)及4(j) A(ii)會計政策。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

As at 31 March 2019, the aggregate carrying amount of trade and retention receivables, deposits and other receivables and receivables under service concession arrangements was HK\$765,601,000 which represented 42.1% of the Group's total assets. An impairment assessment is performed by management at the end of the reporting period.

The impairment assessment is significant to our audit due to the significance of the carrying amounts and significant estimates involved in determining the future cash flows from such deposits and receivables based on, among others, the ageing of these deposit and receivable balances, customers' and debtors' creditworthiness, past repayment history and historical write-off experience.

Our response:

Our audit procedures in relation to Impairment assessment of trade and retention receivables, deposits and other receivables and receivables under service concession arrangements included:

- Assessing the methodologies and inputs adopted by the management of the Group in estimating the expected credit loss ("ECL") of trade and retention receivables, deposits and other receivables and receivables under service concession arrangements;
- Considering whether any debtor or group of debtors was experiencing significant financial difficulty, default or delinquency in interest or principal payments; and
- Reviewing subsequent settlements of the trade and retention receivables, deposits and other receivables and receivables under service concession arrangements.

Other Matter

The consolidated financial statements of the Group for the year ended 31 March 2018, were audited by another auditor who expressed a qualified opinion on those statements on 14 February 2019.

於2019年3月31日，貿易應收款項及應收保留金、按金及其他應收款項以及服務特許權安排應收款項的賬面總額為765,601,000港元，佔 貴集團資產總值42.1%。管理層於報告期末進行減值評估。

減值評估對我們的審核工作有重大影響，原因在於賬面金額的重要性，以及基於(其中包括)該等按金及應收款項結餘的賬齡、客戶及債務人的信譽、過往還款紀錄及歷史撇銷經驗釐定該等按金及應收款項的未來現金流量時涉及重大估計。

我們的回應行動：

我們就貿易應收款項及應收保留金、按金及其他應收款項以及服務特許權安排應收款項的減值評估進行的審核程序包括：

- 評估 貴集團管理層於估計貿易應收款項及應收保留金、按金及其他應收款項以及服務特許權安排應收款項的預期信貸虧損時採納的方法及輸入數據；
- 考慮是否有任何一名或一組債務人正面對重大財務困難、違約或未能償還利息或本金；及
- 審閱貿易應收款項及應收保留金、按金及其他應收款項以及服務特許權安排應收款項的其後清償情況。

其他事項

貴集團截至2018年3月31日止年度的綜合財務報表由另一核數師審核，該核數師於2019年2月14日對該等報表發表保留意見。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Directors' Responsibilities for the Consolidated Financial Statements

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

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

The directors are also responsible for overseeing the Group's financial reporting process. The audit committee of the Company ("Audit Committee") assists the directors in discharging their responsibility in this regard.

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. This report is made solely to you, as a body, in accordance with the terms of our engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

董事就綜合財務報表須承擔的責任

董事須負責根據香港會計師公會頒布的《香港財務報告準則》及香港《公司條例》的披露規定編製真實而中肯的綜合財務報表，並對其認為為編製綜合財務報表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。

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

董事亦負責監督貴集團的財務報告過程。貴公司的審核委員會（「審核委員會」）協助董事履行此方面的責任。

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存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。根據我們的委聘條款，我們僅對全體股東作出報告，除此以外，本報告並無其他用途。我們不會就核數師報告的內容向任何其他人士負責或承擔任何責任。

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

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 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。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

- 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.

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

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

From the matters communicated with the directors, 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.

BDO Limited

Certified Public Accountants

Lee Ka Leung, Daniel

Practising Certificate No. P01220

Hong Kong, 24 June 2019

- 就 貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

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

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

從與董事溝通的事項中，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傳達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傳達該事項。

香港立信德豪會計師事務所有限公司

執業會計師

李家樑

執業證書編號P01220

香港，2019年6月24日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

For the year ended 31 March 2019 截至2019年3月31日止年度

		Notes 附註	2019 HK\$'000 千港元	2018 HK\$'000 千港元
REVENUE	收入	7	1,021,729	928,457
Cost of sales	銷售成本		(815,859)	(938,880)
Gross profit/(loss)	毛利/(毛損)		205,870	(10,423)
Other income and gains, net	其他收入及收益淨額	7	44,152	78,096
Administrative expenses	行政開支		(275,297)	(145,483)
Expected credit loss on financial and contract assets	金融及合約資產的預期 信貸虧損		(7,851)	—
Other expenses, net	其他開支淨額		(19,672)	(173,388)
Finance costs	財務成本	9	(62,375)	(17,138)
LOSS BEFORE TAX	除稅前虧損	8	(115,173)	(268,336)
Income tax credit	所得稅抵免	12	15,875	22,959
LOSS FOR THE YEAR	年內虧損		(99,298)	(245,377)
Attributable to:	歸屬於：			
Owners of the Company	本公司擁有人		(92,663)	(224,790)
Non-controlling interests	非控股權益		(6,635)	(20,587)
			(99,298)	(245,377)
LOSS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	歸屬於本公司權益 持有人的每股虧損	13		
Basic	基本		HK(16.38) cents港仙	HK(43.61) cents港仙
Diluted	攤薄		HK(16.38) cents港仙	HK(43.61) cents港仙

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

For the year ended 31 March 2019 截至2019年3月31日止年度

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
LOSS FOR THE YEAR	年內虧損	(99,298)	(245,377)
OTHER COMPREHENSIVE INCOME	其他全面收益		
Items that may be reclassified subsequently to profit or loss:	其後可重新分類至損益的項目：		
Change in fair value of available-for-sale investment	可供出售投資的公平值變動	—	7,325
Exchange differences on translating foreign operations	換算外國業務所產生的匯兌差額	(45,403)	56,905
Recycle of exchange differences upon disposal of foreign operations	出售外國業務時回收匯兌差額	(577)	—
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	年內其他全面收益，已扣除稅項	(45,980)	64,230
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	年內全面收益總額	(145,278)	(181,147)
Attributable to:	歸屬於：		
Owners of the Company	本公司擁有人	(133,642)	(166,816)
Non-controlling interests	非控股權益	(11,636)	(14,331)
		(145,278)	(181,147)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

31 March 2019 2019年3月31日

		Notes 附註	2019 HK\$'000 千港元	2018 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、機器及設備	14	217,614	186,956
Goodwill	商譽	15	169,698	27,216
Operating concessions	經營特許權	16	346,244	356,704
Other intangible assets	其他無形資產	17	69,389	15,841
Contingent consideration asset	或然代價資產	18	—	61,644
Available-for-sale investment	可供出售投資	19	—	20,859
Receivables under service concession arrangements	服務特許權安排應收款項	16	318,996	325,238
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	24	33,913	48,674
Retention receivables	應收保留金	23	33,990	—
Total non-current assets	非流動資產總值		1,189,844	1,043,132
CURRENT ASSETS	流動資產			
Inventories	存貨	20	39,366	4,331
Contract assets	合約資產	21	48,501	—
Due from contract customers	應收合約客戶款項	22	—	88,878
Trade and retention receivables	貿易應收款項及應收保留金	23	215,801	244,292
Receivables under service concession arrangements	服務特許權安排應收款項	16	33,188	35,549
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	24	183,819	125,210
Loan receivables	應收貸款	25	4,255	28,527
Consideration receivables	應收代價	18	37,232	—
Contingent consideration asset	或然代價資產	18	3,724	—
Financial assets at fair value through profit or loss	透過損益按公平值計量的金融資產	19	20,732	—
Due from directors	應收董事款項	26	—	1,646
Tax recoverable	可收回稅項		1,821	585
Pledged deposit	已質押存款	27	—	5,000
Cash and cash equivalents	現金及現金等價物	27	38,745	61,726
Total current assets	流動資產總值		627,184	595,744

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

31 March 2019 2019年3月31日

		Notes 附註	2019 HK\$'000 千港元	2018 HK\$'000 千港元
CURRENT LIABILITIES	流動負債			
Contract liabilities	合約負債	21	3,247	—
Due to contract customers	應付合約客戶款項	22	—	14,228
Trade and retention payables	貿易應付款項及應付 保留金	28	201,602	258,512
Other payables and accruals	其他應付款項及應計 費用	29	241,378	109,889
Due to directors	應付董事款項	26	4,640	—
Interest-bearing bank and other borrowings	計息銀行及其他借貸	30	96,588	80,966
Tax payables	應付稅項		7,303	9,060
Total current liabilities	流動負債總額		554,758	472,655
NET CURRENT ASSETS	流動資產淨值		72,426	123,089
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		1,262,270	1,166,221
NON-CURRENT LIABILITIES	非流動負債			
Due to a related company	應付一間關聯公司款項	26	384,643	384,301
Interest-bearing bank and other borrowings	計息銀行及其他借貸	30	256,829	190,075
Retention payables	應付保留金	28	20,977	—
Convertible bond	可換股債券	32	—	23,329
Derivative financial instrument	衍生金融工具	32	—	14,983
Provision	撥備	34	31,909	16,195
Bonds	債券	33	25,500	—
Deferred income	遞延收入	35	—	8,371
Deferred tax liabilities	遞延稅項負債	36	60,003	46,896
Total non-current liabilities	非流動負債總額		779,861	684,150
Net assets	資產淨值		482,409	482,071

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

31 March 2019 2019年3月31日

		Notes 附註	2019 HK\$'000 千港元	2018 HK\$'000 千港元
EQUITY	權益			
Equity attributable to owners of the Company	歸屬於本公司擁有人的權益			
Share capital	股本	37	57,290	53,026
Reserves	儲備	39	361,109	352,811
			418,399	405,837
Non-controlling interests	非控股權益		64,010	76,234
Total equity	權益總額		482,409	482,071

Zhu Yongjun

朱勇軍

Chairman and Executive Director

主席兼執行董事

Cai Jianwen

蔡建文

Executive Director

執行董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 March 2019 截至2019年3月31日止年度

		Attributable to owners of the Company 歸屬於本公司擁有人									
		Share capital	Share premium account	Merger reserve	Share option reserve	Available-for-sale financial asset revaluation reserve	Exchange fluctuation reserve	Retained profits/ (accumulated loss)	Total	Non-controlling interests	Total equity
		股本	溢價賬	合併儲備	購股權儲備	可供出售金融資產重估儲備	匯兌波動儲備	保留溢利/ (累計虧損)	總計	非控股權益	權益總額
Notes		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
附註		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 39(a)) (附註39(a))	(note 39(b)) (附註39(b))		(note 39(c)) (附註39(c))				
At 1 April 2017	於2017年4月1日	49,898	251,721	14,000	18,940	—	(10,150)	159,387	483,796	17,717	501,513
Loss for the year	年內虧損	—	—	—	—	—	—	(224,790)	(224,790)	(20,587)	(245,377)
Other comprehensive income for the year:	年內其他全面收益：										
Change in fair value of available-for-sale investment	可供出售投資的公平值變動	—	—	—	—	7,325	—	—	7,325	—	7,325
Exchange differences on translation of foreign operations	換算外國業務所產生的匯兌差額	—	—	—	—	—	50,649	—	50,649	6,256	56,905
Total comprehensive income for the year	年內全面收益總額	—	—	—	—	7,325	50,649	(224,790)	(166,816)	(14,331)	(181,147)
Issue of shares	發行股份	37(c)	1,016	36,692	—	—	—	—	37,708	—	37,708
Issue of shares upon exercise of shares options	於購股權獲行使時發行股份	37(d)	2,112	62,365	—	(9,998)	—	—	54,479	—	54,479
Acquisitions of subsidiaries	收購附屬公司	41	—	—	—	—	—	—	—	61,892	61,892
Capital injection by non-controlling interest	非控股權益注資	43	—	—	—	—	—	(3,330)	(3,330)	10,956	7,626
At 31 March 2018	於2018年3月31日	53,026	350,778*	14,000*	8,942*	7,325*	40,499*	(68,733)*	405,837	76,234	482,071

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 March 2019 截至2019年3月31日止年度

		Attributable to owners of the Company 歸屬於本公司擁有人									
		Available-for-sale							Non-		Total
		Share capital	Share premium account	Merger reserve	Share option reserve	financial asset revaluation reserve	Exchange fluctuation reserve	Accumulated loss	Total	controlling interests	equity
		股本	溢價賬	合併儲備	購股權儲備	可供出售金融資產重估儲備	匯兌波動儲備	累計虧損	總計	非控股權益	權益總額
Notes	附註	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
				(note 39(a)) (附註39(a))	(note 39(b)) (附註39(b))		(note 39(c)) (附註39(c))				
At 1 April 2018 and originally presented:	於2018年4月1日(按原先呈列):										
As previously reported	如前呈報	53,026	350,778	14,000	8,942	7,325	40,499	(68,733)	405,837	76,234	482,071
Initial application of HKFRS 9 [#]	初始應用香港財務報告準則第9號 [#]	—	—	—	—	(7,325)	—	(19,733)	(27,058)	(265)	(27,323)
As restated	經重列	53,026	350,778	14,000	8,942	—	40,499	(88,466)	378,779	75,969	454,748
Loss for the year	年內虧損	—	—	—	—	—	—	(92,663)	(92,663)	(6,635)	(99,298)
Other comprehensive income for the year:	年內其他全面收益:										
Exchange differences on translation of foreign operations	換算外國業務所產生的匯兌差額	—	—	—	—	—	(40,402)	—	(40,402)	(5,001)	(45,403)
Recycle of exchange differences upon disposal of foreign operations	出售外國業務時回收匯兌差額	—	—	—	—	—	(577)	—	(577)	—	(577)
Total comprehensive income for the year	年內全面收益總額	—	—	—	—	—	(40,979)	(92,663)	(133,642)	(11,636)	(145,278)
Issue of shares	發行股份	37(c)	4,214	159,700	—	—	—	—	163,914	—	163,914
Exercise of option	行使購股權	37(d)	50	1,477	—	(237)	—	—	1,290	—	1,290
Issue of shares options	發行購股權	38	—	—	9,617	—	—	—	9,617	—	9,617
Acquisition equity interest of non-controlling interests	收購非控股權益	—	—	—	—	—	(952)	(607)	(1,559)	(323)	(1,882)
At 31 March 2019	於2019年3月31日	57,290	511,955*	14,000*	18,322*	—*	(1,432)	(181,736)	418,399	64,010	482,409

* These reserve accounts comprise the consolidated reserves of HK\$361,109,000 (2018: HK\$352,811,000) in the consolidated statement of financial position.

* 該等儲備賬包括綜合財務狀況表內的綜合儲備361,109,000港元(2018年: 352,811,000港元)。

Hong Kong Financial Reporting Standards 9 "Financial Instruments".

香港財務報告準則第9號「金融工具」。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2019 截至2019年3月31日止年度

	Notes 附註	2019 HK\$'000 千港元	2018 HK\$'000 千港元
CASH FLOWS FROM OPERATING ACTIVITIES	來自經營活動的現金流量		
Loss before tax	除稅前虧損	(115,173)	(268,336)
Adjustments for:	就以下各項作出調整：		
Finance costs	財務成本	62,375	17,138
Interest income	利息收入	(262)	(3,225)
Gain on disposal of items of property, plant and equipment	出售物業、機器及設備項目的收益	(1,335)	—
Gain on disposal of subsidiaries	出售附屬公司的收益	(21,120)	—
Fair value change on derivative financial instruments	衍生金融工具的公平值變動	10,302	(61,534)
Fair value change on financial assets at FVTPL	透過損益按公平值計量的金融資產的公平值變動	(1,991)	—
Depreciation	折舊	43,161	32,815
Amortisation of operating concessions	經營特許權攤銷	12,939	1,317
Amortisation of other intangible assets	其他無形資產攤銷	11,001	4,538
Expected credit loss on financial and contract assets	金融及合約資產的預期信貸虧損	7,851	—
Impairment of goodwill	商譽減值	—	114,776
Impairment of an intangible asset	一項無形資產減值	—	24,356
Impairment of trade receivables	貿易應收款項減值	—	3,085
Impairment of other receivables	其他應收款項減值	—	15,930
Impairment of loan receivables	應收貸款減值	—	14,090
Write-off of other receivables	撇銷其他應收款項	—	1,151
Equity-settled share option expense	以權益結算的購股權開支	9,617	—
Foreign exchange differences, net	外匯差額淨額	—	—
		17,365	(103,899)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2019 截至2019年3月31日止年度

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
(Increase)/decrease in inventories	存貨(增加)／減少	(35,035)	395
Decrease in amounts due from contract customers/contract assets	應收合約客戶款項／合約資產減少	35,403	32,998
Increase in trade and retention receivables	貿易應收款項及應收保留金增加	(7,880)	(62,318)
(Increase)/decrease in prepayments, deposits and other receivables	預付款項、按金及其他應收款項(增加)／減少	(43,848)	18,062
Decrease in contingent consideration assets	或然代價資產減少	57,920	—
Decrease/(increase) in receivables under service concession arrangements	服務特許權安排應收款項減少／(增加)	8,107	(43,564)
Increase in operating concessions	經營特許權增加	(17,493)	(29,991)
Increase in consideration receivables	應收代價增加	(37,232)	—
Decrease/(increase) in amount due from directors	應收董事款項減少／(增加)	1,646	(1,646)
(Decrease)/increase in contract liabilities/amounts due to contract customers	合約負債／應付合約客戶款項(減少)／增加	(10,981)	12,602
(Decrease)/increase in trade and retention payables	貿易應付款項及應付保留金(減少)／增加	(35,933)	8,776
Increase/(decrease) in other payables and accruals	其他應付款項及應計費用增加／(減少)	87,325	(30,109)
Decrease in deferred income	遞延收入減少	(8,371)	(1,332)
Increase in provision	撥備增加	15,714	15,268
Cash from/(used in) operations	經營產生／(所用)的現金	26,707	(184,758)
Hong Kong profits tax refunded	已退回香港利得稅	822	1,830
Overseas taxes paid	已繳納海外稅項	(2,267)	(1,777)
Net cash flows from/(used in) operating activities	經營活動產生／(所用)的現金流量淨額	25,262	(184,705)
CASH FLOWS FROM INVESTING ACTIVITIES	來自投資活動的現金流量		
Interest received	已收利息	262	3,225
Purchases of items of property, plant and equipment	購買物業、機器及設備項目	(32,917)	(21,941)
Proceeds from disposal of items of property, plant and equipment	出售物業、機器及設備項目所得款項	12,011	769
Purchase of intangible assets	購買無形資產	(35)	—
Purchase of available-for-sale asset	購買可供出售資產	—	(6,998)
Acquisitions of subsidiaries	收購附屬公司	(23,044)	(46,796)
Acquisition of non-controlling interest	收購非控股權益	(607)	—
Proceeds from disposal of subsidiaries	出售附屬公司所得款項	40,786	—
Decrease/(increase) in loan receivables	應收貸款減少／(增加)	24,272	(391)
Net cash flows from/(used in) investing activities	投資活動產生／(所用)的現金流量淨額	20,728	(72,132)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2019 截至2019年3月31日止年度

	Notes 附註	2019 HK\$'000 千港元	2018 HK\$'000 千港元
CASH FLOWS FROM FINANCING ACTIVITIES	來自融資活動的現金流量		
Proceeds from issue of shares	發行股份所得款項	37	1,290
Proceeds from issue of convertible bond	發行可換股債券所得款項	32	—
Proceeds from issue of bonds	發行債券所得款項	33	51,209
Repayment of bonds	償還債券	33	(25,709)
New bank and other borrowings	新增銀行及其他借貸		16,425
Repayment of bank and other borrowings	償還銀行及其他借貸		(63,574)
Capital injection by non-controlling interest	非控股權益注資		—
Capital element of finance lease rental payments	融資租賃租金付款的資本部分		(5,004)
Interest element of finance lease rental payments	融資租賃租金付款的利息部分		(203)
Interest paid	已付利息		(26,963)
Increase in amount due to directors	應付董事款項增加		4,640
Decrease in pledged deposit	已質押存款減少		5,000
(Decrease)/increase in amount due to a related company	應付一間關聯公司款項(減少)/增加		(10,300)
			33,265
Net cash flows (used in)/from financing activities	融資活動(所用)/產生的現金流量淨額		(53,189)
			150,624
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物減少淨額		
Cash and cash equivalents at beginning of year	年初的現金及現金等價物		61,726
Effect of foreign exchange rate changes, net	外匯匯率變動的影響淨額		(15,782)
			7,269
CASH AND CASH EQUIVALENTS AT END OF YEAR	年末的現金及現金等價物		
			38,745
			61,726
ANALYSIS OF BALANCE OF CASH AND CASH EQUIVALENTS	現金及現金等價物結餘分析		
Cash and bank balances	現金及銀行結餘		38,745
			61,726

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

1. CORPORATE AND GROUP INFORMATION

New Concepts Holdings Limited is a limited liability company incorporated in the Cayman Islands. The principal place of business of the Company is Office B, 3/F, Kingston International Centre, 19 Wang Chiu Road, Kowloon Bay, Hong Kong.

During the year, the Company and its subsidiaries (collectively referred to as the "Group") were principally engaged in construction works, environmental protection and industrial fluids system services.

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

Information about subsidiaries

Particulars of the Company's principal subsidiaries are as follows:

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及營業地點	Issued ordinary/ registered share capital 已發行普通 股本/註冊股本	Percentage of equity attributable to the Company 歸屬於本公司的 權益百分比		Principal activities 主要業務
			2019	2018	
New Twins Enterprises Limited	British Virgin Islands/Hong Kong 英屬處女群島/ 香港	US\$1 1美元	100	100	Investment holding 投資控股
New Concepts Foundation Limited 創業地基有限公司	Hong Kong 香港	HK\$14,000,000 14,000,000港元	100	100	Provision of foundation works and general building works 提供地基工程及一般屋宇工程
New Concepts Trading Company Limited 創業建材有限公司	Hong Kong 香港	HK\$10,000 10,000港元	100	100	Sales of construction materials 銷售建材

1. 企業及集團資料

創業集團(控股)有限公司於開曼群島註冊成立為有限公司。本公司的主要營業地點為香港九龍灣宏照道19號金利豐國際中心3樓B室。

年內，本公司及其附屬公司(統稱「本集團」)主要從事建築工程、環保及工業流體系統服務。

本公司股份於香港聯合交易所有限公司(「聯交所」)主板上市。

有關附屬公司的資料

本公司主要附屬公司的詳情如下：

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

1. CORPORATE AND GROUP INFORMATION
(continued)1. 企業及集團資料
(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及營業地點	Issued ordinary/ registered share capital 已發行普通 股本/註冊股本	Percentage of equity attributable to the Company 歸屬於本公司的 權益百分比		Principal activities 主要業務
			2019	2018	
New Concepts Engineering Development Limited	Hong Kong	HK\$10,700,000	100	100	Provision of civil engineering works and general building works
創業工程建設有限公司	香港	10,700,000港元			提供土木工程及一般 屋宇工程
Dynamic Premier Limited	British Virgin Islands/Hong Kong	US\$50,000	100	100	Investment holding
	英屬處女群島/ 香港	50,000美元			投資控股
Prime World Limited	Hong Kong	HK\$10,000	100	100	Investment holding
世本有限公司	香港	10,000港元			投資控股
太原天潤生物能源 有限公司 ("Taiyuan Tianrun") (「太原天潤」)	People's Republic of China ("PRC")/ Mainland China	RMB120,000,000	100	100	Kitchen waste treatment
	中華人民共和國 (「中國」)/ 中國內地	人民幣 120,000,000元			餐廚垃圾處理

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

1. CORPORATE AND GROUP INFORMATION
(continued)1. 企業及集團資料
(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及營業地點	Issued ordinary/ registered share capital 已發行普通 股本/註冊股本	Percentage of equity attributable to the Company 歸屬於本公司的 權益百分比		Principal activities 主要業務
			2019	2018	
合肥非凡生物科技 有限公司("Hefei Feifan")(「合肥非凡」)	PRC/Mainland China 中國/中國內地	US\$30,000,000 30,000,000美元	60	60	Kitchen waste treatment 餐廚垃圾處理
婁底市方盛環保科技 有限公司("Loudi Fangsheng") (「婁底方盛」)	PRC/Mainland China 中國/中國內地	RMB45,000,000 人民幣 45,000,000元	80	80	Kitchen waste treatment 餐廚垃圾處理
Clear Industry Company Limited (「Clear Industry」)	Hong Kong 香港	HK\$2,500,000 2,500,000港元	51	51	Investment holding 投資控股
蘇州愷利爾環保科技 有限公司	PRC/Mainland China 中國/中國內地	RMB50,010,000 人民幣 50,010,000元	51	51	Engineering, procurement and construction of kitchen waste and water treatment 餐廚垃圾及水處理 工程、採購及建築
清勤水處理科技(上海) 有限公司	PRC/Mainland China 中國/中國內地	RMB10,800,000 人民幣 10,800,000元	51	51	Engineering, procurement and construction of water treatment 水處理工程、採購及 建築

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

1. CORPORATE AND GROUP INFORMATION
(continued)1. 企業及集團資料
(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及營業地點	Issued ordinary/ registered share capital 已發行普通 股本/註冊股本	Percentage of equity attributable to the Company 歸屬於本公司的 權益百分比		Principal activities 主要業務
			2019	2018	
世本(天津)環境技術 有限公司 ⁽¹⁾	PRC/Mainland China 中國/中國內地	RMB110,000,000 人民幣 110,000,000元	100	100	Provision of environmental improvement solutions 提供環境改善方案
深圳市新寶環保能源科技 有限公司("Shenzhen Xinbao")("深圳新寶") ⁽²⁾	PRC/Mainland China 中國/中國內地	RMB20,000,000 人民幣 20,000,000元	—	85	Kitchen waste treatment 餐廚垃圾處理
Progressive Merit Limited	British Virgin Islands/Hong Kong 英屬處女群島/ 香港	US\$50,000 50,000美元	100	100	Investment holding 投資控股
Vimab Holding AB ⁽³⁾	Sweden 瑞典	SEK50,000 50,000瑞典克朗	100	—	Provision of industrial fluid system services 提供工業流體系統 服務

⁽¹⁾ These subsidiaries are registered as wholly-foreign-owned enterprises under PRC law.

⁽²⁾ During the year ended 31 March 2019, the Group has further acquired remaining 15% equity interests of Shenzhen Xinbao and then disposed its entire equity interests.

⁽³⁾ During the year ended 31 March 2019, the Group has acquired 100% equity interests in Vimab Holding AB.

⁽¹⁾ 該等附屬公司根據中國法律註冊為外商獨資企業。

⁽²⁾ 於截至2019年3月31日止年度，本集團進一步收購深圳新寶餘下15%股權，再出售其全部股權。

⁽³⁾ 於截至2019年3月31日止年度，本集團已收購Vimab Holding AB 100%股權。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

1. CORPORATE AND GROUP INFORMATION
(continued)

Except for New Twins Enterprises Limited and Dynamic Premier Limited, the above subsidiaries are indirectly held by the Company.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)**(a) Adoption of new/revised HKFRSs — effective 1 April 2018**

The Group has adopted the following revised HKFRSs for the first time for the current year’s financial statements.

Annual Improvements to HKFRSs 2014–2016 Cycle	Amendments to HKFRS 1, First-time adoption of Hong Kong Financial Reporting Standards
Annual Improvements to HKFRSs 2014–2016 Cycle	Amendments to HKAS 28, Investments in Associates and Joint Ventures
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions
HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers
Amendments to HKFRS 15	Revenue from Contracts with Customers (Clarifications to HKFRS 15)
Amendments to HKAS 40	Transfers of Investment Property
HK(IFRIC)—Int 22	Foreign Currency Transactions and Advance Consideration

1. 企業及集團資料
(續)

除New Twins Enterprises Limited及Dynamic Premier Limited外，上述附屬公司由本公司間接持有。

上表列出董事認為主要影響本集團年內業績或組成本集團淨資產重大部分的本公司附屬公司。董事認為提供其他附屬公司的詳情會令篇幅過於冗長。

2. 採納香港財務報告準則**(a) 採納新訂／經修訂香港財務報告準則 — 於2018年4月1日生效**

本集團已就本年度的財務報表首次採用下列經修訂香港財務報告準則。

2014年至2016年週期的香港財務報告準則年度改進	香港財務報告準則第1號的修訂「首次採納香港財務報告準則」
2014年至2016年週期的香港財務報告準則年度改進	香港會計準則第28號的修訂「於聯營公司及合營企業的投資」
香港財務報告準則第2號的修訂	以股份為基礎支付的款項交易的分類及計量
香港財務報告準則第9號	金融工具
香港財務報告準則第15號	來自客戶合約的收入
香港財務報告準則第15號的修訂	來自客戶合約的收入(釐清香港財務報告準則第15號)
香港會計準則第40號的修訂	轉移投資物業
香港(國際財務報告詮釋委員會) — 詮釋第22號	外幣交易及預收預付代價

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(continued)

(a) Adoption of new/revised HKFRSs — effective 1 April 2018 (continued)

Annual Improvements to HKFRSs 2014–2016 Cycle — Amendments to HKFRS 1, First-time Adoption of Hong Kong Financial Reporting Standards

The amendments issued under this annual improvements process make small, non-urgent changes to standards where they are currently unclear. The amendments to HKFRS 1, First-time Adoption of Hong Kong Financial Reporting Standards, removing transition provision exemptions relating to accounting periods that had already passed and were therefore no longer applicable.

The adoption of this amendments has no impact on these financial statements as the periods to which the transition provision exemptions related have passed.

Annual Improvements to HKFRSs 2014–2016 Cycle — Amendments to HKAS 28, Investments in Associates and Joint Ventures

The amendments issued under this annual improvements process make small, non-urgent changes to standards where they are currently unclear. The amendments to HKAS 28, Investments in Associates and Joint Ventures, clarifying that a Venture Capital organisation’s permissible election to measure its associates or joint ventures at fair value is made separately for each associate or joint venture.

The adoption of this amendments has no impact on these financial statements as the Group is not a venture capital organisation.

2. 採納香港財務報告準則 (續)

(a) 採納新訂／經修訂香港財務報告準則 — 於2018年4月1日生效 (續)

2014年至2016年週期的香港財務報告準則年度改進 — 香港財務報告準則第1號的修訂「首次採納香港財務報告準則」

於此年度改進進程中頒佈的修訂對目前有欠清晰的準則作出細微及非緊急的變動。香港財務報告準則第1號的修訂「首次採納香港財務報告準則」移除有關過往會計期間且不再適用的過渡規定豁免。

由於與過渡規定豁免的期間已經過去，故採納此修訂對本財務報表並無影響。

2014年至2016年週期的香港財務報告準則年度改進 — 香港會計準則第28號的修訂「於聯營公司及合營企業的投資」

於此年度改進進程中頒佈的修訂對目前有欠清晰的準則作出細微及非緊急的變動。香港會計準則第28號的修訂「於聯營公司及合營企業的投資」釐清創投組織獲准選擇按公平值計量其聯營公司或合營企業，乃指按各聯營公司或合營企業分別選擇。

由於本集團並非創投組織，故採納此修訂對本財務報表並無影響。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)*(continued)***(a) Adoption of new/revised HKFRSs — effective 1 April 2018 (continued)*****Amendments to HKFRS 2 — Classification and Measurement of Share-Based Payment Transactions***

The amendments provide requirements on the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments; share-based payment transactions with a net settlement feature for withholding tax obligations; and a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled.

The adoption of these amendments has no impact on these financial statements as the Group does not have any cash-settled share-based payment transaction and has no share-based payment transaction with net settlement features for withholding tax.

A HKFRS 9 — Financial Instruments**(i) Classification and measurement of financial instruments**

HKFRS 9 replaces HKAS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 April 2018, bringing together all three aspects of the accounting for financial instruments: (1) classification and measurement; (2) impairment and (3) hedge accounting. The adoption of HKFRS 9 from 1 April 2018 has resulted in changes in accounting policies of the Group and the amounts recognised in the consolidated financial statements.

2. 採納香港財務報告準則 (續)**(a) 採納新訂／經修訂香港財務報告準則 — 於2018年4月1日生效 (續)*****香港財務報告準則第2號的修訂 — 以股份為基礎支付的款項交易的分類及計量***

有關修訂本規定就以下項目須作出的會計處理：歸屬及非歸屬條件對計量以現金結算並以股份為基礎支付的款項的影響、具有預扣稅責任淨額結算特徵的以股份為基礎支付的款項交易以及修訂以股份為基礎支付的款項的條款及條件令交易類別由現金結算變更為權益結算。

由於本集團並無以現金結算並以股份為基礎支付的款項交易，亦無具有預扣稅淨額結算特徵的以股份為基礎支付的款項交易，故採納此修訂對本財務報表並無影響。

A 香港財務報告準則第9號 — 金融工具**(i) 金融工具的分類及計量**

香港財務報告準則第9號於2018年4月1日或之後開始的年度期間取代香港會計準則第39號「金融工具：確認及計量」，合併金融工具會計處理全部三個方面：(1)分類及計量；(2)減值及(3)對沖會計處理。自2018年4月1日起採納香港財務報告準則第9號導致本集團會計政策及於綜合財務報表內確認的金額出現變動。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)*(continued)***(a) Adoption of new/revised HKFRSs — effective 1 April 2018 (continued)****A HKFRS 9 — Financial Instruments***(continued)***(i) Classification and measurement of financial instruments (continued)**

The following tables summarised the impact, net of tax, of transition to HKFRS 9 on the opening balance of reserves, accumulated losses and non-controlling interests (“NCI”) as of 1 April 2018 as follows (increase/(decrease)):

2. 採納香港財務報告準則 (續)**(a) 採納新訂／經修訂香港財務報告準則 — 於2018年4月1日生效 (續)****A 香港財務報告準則第9號 — 金融工具 (續)****(i) 金融工具的分類及計量 (續)**

下表概述香港財務報告準則第9號過渡條文對儲備、累計虧損及非控股權益於2018年4月1日的年初結餘的影響(扣除稅項)(增加／(減少))：

	HK\$'000 千港元
Accumulated losses	累計虧損
As at 31 March 2018	(68,733)
Recognition of fair value changes arising from transfer of available-for-sale financial assets to financial assets currently measured at fair value through profit or loss (“FVTPL”)	7,325
Increase in ECLs in financial assets (note 2(a)A(ii) below)	(27,058)
Restated as at 1 April 2018	(88,466)
NCI	非控股權益
As at 31 March 2018	76,234
Increase in ECLs in financial assets (note 2(a)A(ii) below)	(265)
Restated as at 1 April 2018	75,969

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

(a) Adoption of new/revised HKFRSs — effective 1 April 2018 (continued)

- A HKFRS 9 — Financial Instruments (continued)**
- (i) Classification and measurement of financial instruments (continued)

2. 採納香港財務報告準則 (續)

(a) 採納新訂／經修訂香港財務報告準則 — 於2018年4月1日生效 (續)

- A 香港財務報告準則第9號 — 金融工具 (續)**
- (i) 金融工具的分類及計量 (續)

HK\$'000
千港元

Available-for-sale financial asset revaluation reserve

As at 31 March 2018
Reclassify investments from available-for-sale financial assets at fair value to FVTPL (note 2(a)A(i) below)

Restated as at 1 April 2018

可供出售金融資產重估儲備

於2018年3月31日
將投資由按公平值計量的可供出售金融資產重新分類為透過損益按公平值計量 (下文附註2(a)A(i))

於2018年4月1日(經重列)

7,325

(7,325)

—

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)*(continued)***(a) Adoption of new/revised HKFRSs — effective 1 April 2018 (continued)****A HKFRS 9 — Financial Instruments***(continued)***(i) Classification and measurement of financial instruments (continued)**

HKFRS 9 carries forward the recognition, classification and measurement requirements for financial liabilities from HKAS 39, except for financial liabilities designated at FVTPL, where the amount of change in fair value attributable to change in credit risk of the liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, HKFRS 9 retains the requirements in HKAS 39 for derecognition of financial assets and financial liabilities. However, it eliminates the previous HKAS 39 categories for financial assets of held to maturity financial assets, loans and receivables and available-for-sale financial assets. The adoption of HKFRS 9 has no material impact on the Group’s accounting policies related to financial liabilities and derivative financial instruments. The impact of HKFRS 9 on the Group’s classification and measurement of financial assets is set out below.

2. 採納香港財務報告準則*(續)***(a) 採納新訂／經修訂香港財務報告準則 — 於2018年4月1日生效 (續)****A 香港財務報告準則第9號 — 金融工具 (續)****(i) 金融工具的分類及計量 (續)**

香港財務報告準則第9號沿用香港會計準則第39號有關金融負債確認、分類及計量的規定，惟指定透過損益按公平值計量的金融負債除外，源於該項負債的信貸風險變動應佔的公平值變動金額乃於其他全面收益內確認，除非此舉將增加或擴大會計錯配則作別論。此外，香港財務報告準則第9號保留香港會計準則第39號有關取消確認金融資產及金融負債的規定。然而，此準則取消先前香港會計準則第39號中持有至到期金融資產、貸款及應收款項以及可供出售金融資產的金融資產類別。採納香港財務報告準則第9號對本集團有關金融負債及衍生金融工具的會計政策並無重大影響。香港財務報告準則第9號對本集團金融資產分類及計量的影響載列如下。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)*(continued)***(a) Adoption of new/revised HKFRSs — effective 1 April 2018 *(continued)*****A HKFRS 9 — Financial Instruments***(continued)***(i) Classification and measurement of financial instruments *(continued)***

Under HKFRS 9, except for certain trade receivables (that the trade receivables do not contain a significant financing component in accordance with HKFRS 15), an entity shall, at initial recognition, measure a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs. A financial asset is classified as: (i) financial assets at amortised cost (“amortised costs”); (ii) financial assets at fair value through other comprehensive income (“FVOCI”); or (iii) FVTPL (as defined in above). The classification of financial assets under HKFRS 9 is generally based on two criteria: (i) the business model under which the financial asset is managed and (ii) its contractual cash flow characteristics (the “solely payments of principal and interest” criterion, also known as “SPPI criterion”). Under HKFRS 9, embedded derivatives is no longer required to be separated from a host financial asset. Instead, the hybrid financial instrument is assessed as a whole for the classification.

2. 採納香港財務報告準則*(續)***(a) 採納新訂／經修訂香港財務報告準則 — 於2018年4月1日生效 *(續)*****A 香港財務報告準則第9號 — 金融工具 *(續)*****(i) 金融工具的分類及計量 *(續)***

根據香港財務報告準則第9號，除若干貿易應收款項(不包含根據香港財務報告準則第15號的重大融資部分者)外，實體於初始確認時須按公平值加(倘為並非透過損益按公平值計量的金融資產)交易成本計量金融資產。金融資產分類為：(i)按攤銷成本計量的金融資產；(ii)透過其他全面收益按公平值計量的金融資產；或(iii)透過損益按公平值計量的金融資產。根據香港財務報告準則第9號，金融資產的分類一般基於兩項準則：(i)管理金融資產的業務模式及(ii)其合約現金流量特徵(「純粹支付本金及利息」準則，亦稱為「純粹支付本息準則」)。根據香港財務報告準則第9號，嵌入式衍生工具毋須再與主體金融資產分開列示。取而代之，混合式金融工具須整體評估分類。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)*(continued)***(a) Adoption of new/revised HKFRSs — effective 1 April 2018 (continued)****A HKFRS 9 — Financial Instruments***(continued)***(i) Classification and measurement of financial instruments (continued)**

A financial asset is measured at amortised cost if it meets both of the following conditions and it has not been designated as at FVTPL:

- It is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that meet the SPPI criterion.

A debt investment is measured at FVOCI if it meets both of the following conditions and it has not been designated as at FVTPL:

- It is held within a business model whose objective is to achieve by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that meet the SPPI criterion.

2. 採納香港財務報告準則 (續)**(a) 採納新訂／經修訂香港財務報告準則 — 於2018年4月1日生效 (續)****A 香港財務報告準則第9號 — 金融工具 (續)****(i) 金融工具的分類及計量 (續)**

金融資產倘同時符合以下兩項條件，且並非指定透過損益按公平值計量，則按攤銷成本計量：

- 該金融資產以一個旨在通過持有金融資產收取合約現金流量的業務模式持有；及
- 該金融資產的合約條款於特定日期產生現金流量，而該現金流量符合純粹支付本息準則。

債務投資倘同時符合以下兩項條件，且並非指定透過損益按公平值計量，則按透過其他全面收益按公平值計量的方式計量：

- 該債務投資以一個旨在通過收取合約現金流量及銷售金融資產達致目的之業務模式持有；及
- 該金融資產的合約條款於特定日期產生現金流量，而該現金流量符合純粹支付本息準則。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

(a) Adoption of new/revised HKFRSs — effective 1 April 2018 (continued)

A HKFRS 9 — Financial Instruments (continued)

(i) Classification and measurement of financial instruments (continued)

On initial recognition of an equity investment that is not held for trading, the Group could irrevocably elect to present subsequent changes in the investment’s fair value in other comprehensive income. This election is made on an investment-by-investment basis. All other financial assets not classified at amortised cost or FVOCI as described above are classified as FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or FVOCI at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

2. 採納香港財務報告準則 (續)

(a) 採納新訂／經修訂香港財務報告準則 — 於2018年4月1日生效 (續)

A 香港財務報告準則第9號 — 金融工具 (續)

(i) 金融工具的分類及計量 (續)

於初始確認並非持作買賣用途的股本投資時，本集團或會不可撤回地選擇於其他全面收益內呈列投資公平值的後續變動。該選擇乃按投資逐項作出。所有其他並非如上所述分類為按攤銷成本計量或透過其他全面收益按公平值計量的金融資產，均分類為透過損益按公平值計量。此包括所有衍生金融資產。於初始確認時，本集團或會不可撤回地指定金融資產(於其他方面符合按攤銷成本或按透過其他全面收益按公平值計量的方式計量的規定)透過損益按公平值計量，前提是有關指定可消除或大幅減少會計錯配發生。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)*(continued)***(a) Adoption of new/revised HKFRSs — effective 1 April 2018 (continued)****A HKFRS 9 — Financial Instruments***(continued)***(i) Classification and measurement of financial instruments (continued)**

The following accounting policies would be applied to the Group’s financial assets as follows:

FVTPL

透過損益按公平值計量

Amortised cost

攤銷成本

FVTPL is subsequently measured at fair value. Changes in fair value, dividends and interest income are recognised in profit or loss.

透過損益按公平值計量其後按公平值計量。公平值變動、股息及利息收入於損益確認。

Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss. Any gain on derecognition is recognised in profit or loss. Any gain on derecognition is recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

按攤銷成本計量的金融資產其後以實際利率法計量。利息收入、匯兌收益及虧損以及減值於損益確認。終止確認的任何收益於損益確認。

2. 採納香港財務報告準則 (續)**(a) 採納新訂／經修訂香港財務報告準則 — 於2018年4月1日生效 (續)****A 香港財務報告準則第9號 — 金融工具 (續)****(i) 金融工具的分類及計量 (續)**

本集團的金融資產將應用以下會計政策：

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)*(continued)***(a) Adoption of new/revised HKFRSs — effective 1 April 2018 *(continued)*****A HKFRS 9 — Financial Instruments**
*(continued)***(i) Classification and measurement of financial instruments *(continued)***

- (l) As of 1 April 2018, certain investments in listed equity investments were reclassified from available-for-sale financial assets at fair value to financial assets at FVTPL. These equity instrument has quoted price in an active market. The Group intends to hold these unquoted equity investment for trading purposes. As at 1 April 2018, the difference between the previous carrying amount and the fair value of HK\$7,325,000 has been reclassified from the available-for-sale financial asset revaluation reserve to accumulated losses.

2. 採納香港財務報告準則
*(續)***(a) 採納新訂／經修訂香港財務報告準則 — 於2018年4月1日生效 *(續)*****A 香港財務報告準則第9號 — 金融工具 *(續)*****(i) 金融工具的分類及計量 *(續)***

- (l) 於2018年4月1日，若干上市股本投資由按公平值計量的可供出售金融資產重新分類為透過損益按公平值計量的金融資產。該等股本工具於活躍市場上報價。本集團擬持有該等無報價股本投資作買賣用途。於2018年4月1日，先前賬面金額與公平值間的差額7,325,000港元由可供出售金融資產重估儲備重新分類為累計虧損。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(continued)

(a) Adoption of new/revised HKFRSs — effective 1 April 2018 (continued)

A HKFRS 9 — Financial Instruments

(continued)

(i) Classification and measurement of financial instruments (continued)

The following table summarises the original measurement categories under HKAS 39 and the new measurement categories under HKFRS 9 for each class of the Group’s financial assets as at 1 April 2018:

Financial assets 金融資產	Original classification under HKAS 39 在香港會計準則 第39號下的原有類別	New classification under HKFRS 9 在香港財務報告 準則第9號下的 新類別	Carrying amount as	Carrying amount as
			at 1 April 2018 under HKAS 39 在香港會計準則 第39號下於2018年 4月1日的賬面金額 HK\$'000 千港元	at 1 April 2018 under HKFRS 9 在香港財務報告準則 第9號下於2018年 4月1日的賬面金額 HK\$'000 千港元
Listed equity investments 上市股本投資	Available-for-sale (at FVOCI) (note 2(a)A(i)(I)) 可供出售(透過其他全面 收益按公平值計量) (附註2(a)A(i)(I))	FVTPL 透過損益按公平值 計量	20,859	20,859
Trade receivables 貿易應收款項	Loans and receivables (note 2(a)A(ii)(I)) 貸款及應收款項 (附註2(a)A(ii)(I))	Amortised cost 攤銷成本	185,762	174,260
Receivables under service concession arrangements 服務特許權安排應收款項	Loans and receivables (note 2(a)A(ii)(II)) 貸款及應收款項 (附註2(a)A(ii)(II))	Amortised cost 攤銷成本	360,787	359,309
Contingent consideration asset 或然代價資產	FVTPL (note 2(a)A(ii)(II)) 透過損益按公平值計量 (附註2(a)A(ii)(II))	FVTPL 透過損益按公平值 計量	61,644	61,644
Deposits and other receivables 按金及其他應收款項	Loans and receivables (note 2(a)A(ii)(II)) 貸款及應收款項 (附註2(a)A(ii)(II))	Amortised cost 攤銷成本	173,884	173,884
Due from contract customers 應收合約客戶款項	Loans and receivables (note 2(a)A(ii)(II)) 貸款及應收款項 (附註2(a)A(ii)(II))	N/A 不適用	88,878	—
Contract assets 合約資產	N/A 不適用	Amortised cost 攤銷成本	—	69,061

2. 採納香港財務報告準則
(續)(a) 採納新訂／經修訂香港財務
報告準則 — 於2018年4月1日
生效 (續)A 香港財務報告準則第9號
— 金融工具 (續)(i) 金融工具的分類及計量
(續)

下表概述本集團於2018年4月1日各類金融資產在香港會計準則第39號下的原有計量類別及在香港財務報告準則第9號下的新計量類別：

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(continued)

(a) Adoption of new/revised HKFRSs — effective 1 April 2018 (continued)

A HKFRS 9 — Financial Instruments

(continued)

(i) Classification and measurement of financial instruments (continued)

2. 採納香港財務報告準則 (續)

(a) 採納新訂／經修訂香港財務報告準則 — 於2018年4月1日生效 (續)

A 香港財務報告準則第9號 — 金融工具 (續)

(i) 金融工具的分類及計量 (續)

Financial assets	Original classification under HKAS 39	New classification under HKFRS 9	Carrying amount as	Carrying amount as
			at 1 April 2018	at 1 April 2018
金融資產	在香港會計準則第39號下的原有類別	在香港財務報告準則第9號下的新類別	在香港會計準則第39號下於2018年4月1日的賬面金額	在香港財務報告準則第9號下於2018年4月1日的賬面金額
			HK\$'000	HK\$'000
			千港元	千港元
Loan receivables	Loans and receivables (note 2(a)A(ii))	Amortised cost	28,527	28,527
應收貸款	貸款及應收款項 (附註2(a)A(ii))	攤銷成本		
Due from directors	Loans and receivables (note 2(a)A(ii))	Amortised cost	1,646	1,646
應收董事款項	貸款及應收款項 (附註2(a)A(ii))	攤銷成本		
Retention receivables	Loans and receivables (note 2(a)A(ii)(I))	Amortised cost	58,530	57,974
應收保留金	貸款及應收款項 (附註2(a)A(ii)(I))	攤銷成本		
Cash and cash equivalents	Loans and receivables (note 2(a)A(ii)(II))	Amortised cost	61,726	61,726
現金及現金等價物	貸款及應收款項 (附註2(a)A(ii)(II))	攤銷成本		
Pledged deposits	Loans and receivables (note 2(a)A(ii)(II))	Amortised cost	5,000	5,000
已質押存款	貸款及應收款項 (附註2(a)A(ii)(II))	攤銷成本		

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)*(continued)***(a) Adoption of new/revised HKFRSs — effective 1 April 2018 (continued)****A HKFRS 9 — Financial Instruments***(continued)***(ii) Impairment of financial assets**

The adoption of HKFRS 9 has changed the Group’s impairment model by replacing the HKAS 39 “incurred loss model” to the ECLs model. HKFRS 9 requires the Group to recognise ECL for trade receivables and financial assets at amortised costs earlier than HKAS 39. Cash and cash equivalents and pledged deposits are subject to ECL model but the impairment is immaterial for the current period.

Under HKFRS 9, the loss allowances are measured on either of the following bases: (1) 12 months ECLs: these are the ECLs that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Measurement of ECLs

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets’ original effective interest rate.

2. 採納香港財務報告準則*(續)***(a) 採納新訂／經修訂香港財務報告準則 — 於2018年4月1日生效 (續)****A 香港財務報告準則第9號 — 金融工具 (續)****(ii) 金融資產的減值**

採納香港財務報告準則第9號將本集團的減值模式由香港會計準則第39號的「已產生虧損模式」更改為「預期信貸虧損模式」。香港財務報告準則第9號規定本集團確認貿易應收款項及按攤銷成本計量的金融資產的預期信貸虧損，確認時間較香港會計準則第39號的規定為早。現金及現金等價物以及已質押存款受預期信貸虧損模式規限但其於本期間的減值並不重大。

根據香港財務報告準則第9號，虧損備抵按以下其中一項基準計量：(1) 12個月預期信貸虧損：此乃可能於報告日期後12個月內發生的違約事件產生的預期信貸虧損；及(2)全期預期信貸虧損：此乃可能於金融工具預計年期內發生的所有違約事件產生的預期信貸虧損。

計量預期信貸虧損

預期信貸虧損乃基於根據合約應付的合約現金流量與本集團預期收取的所有現金流量之間的差額計算。該不足額其後按與資產原有實際利率相近的利率貼現。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

(a) Adoption of new/revised HKFRSs — effective 1 April 2018 (continued)

A HKFRS 9 — Financial Instruments (continued)

(ii) Impairment of financial assets (continued)

Measurement of ECLs (continued)

The Group has elected to measure loss allowances for trade receivables, retention receivables and contract assets using HKFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group applied the probability of default based on that of counterparties with similar credit rating adjusted for forward-looking factors specific to the debtors and the economic environment.

For other debt financial assets, the ECLs are based on the 12-months ECLs. The 12-months ECLs is the portion of the lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

2. 採納香港財務報告準則 (續)

(a) 採納新訂／經修訂香港財務報告準則 — 於2018年4月1日生效 (續)

A 香港財務報告準則第9號 — 金融工具 (續)

(ii) 金融資產的減值 (續)

計量預期信貸虧損 (續)

本集團已選擇使用香港財務報告準則第9號的簡化方式計量貿易應收款項、應收保留金及合約資產的虧損備抵，並根據全期預期信貸虧損計算預期信貸虧損。本集團基於信貸評級相若的交易對手的資料應用違約概率，並按債務人的特定前瞻性因素及經濟環境作出調整。

就其他債務金融資產而言，本集團按12個月預期信貸虧損計算預期信貸虧損。12個月預期信貸虧損為全期預期信貸虧損的一部分，其源自可能在報告日期後12個月內發生的金融工具違約事件。然而，自開始以來信貸風險顯著增加時，備抵將以全期預期信貸虧損為基準。當釐定金融資產的信貸風險自初始確認以來有否大幅增加，並於估計預期信貸虧損時，本集團會考慮相關及無須付出過多成本或努力即可獲得的合理及可靠資料。此包括根據本集團的過往經驗及已知信貸評估得出的定量及定性資料及分析，並包括前瞻性資料。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)*(continued)***(a) Adoption of new/revised HKFRSs — effective 1 April 2018 *(continued)*****A HKFRS 9 — Financial Instruments***(continued)***(ii) Impairment of financial assets *(continued)***Measurement of ECLs *(continued)*

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, unless the Group has reasonable and supportable information that demonstrate otherwise.

The Group considers a financial asset to be in default when: (1) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (2) the financial asset is more than 90 days past due, unless the Group has reasonable and supportable information to demonstrate that a more logging default criteria is more appropriate.

The maximum period considered when estimating ECL is the maximum contractual period over which the Group is exposed to credit risk.

Presentation of ECLs

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

2. 採納香港財務報告準則*(續)***(a) 採納新訂／經修訂香港財務報告準則 — 於2018年4月1日生效 *(續)*****A 香港財務報告準則第9號 — 金融工具 *(續)*****(ii) 金融資產的減值 *(續)***計量預期信貸虧損 *(續)*

倘某項金融資產逾期超過30天，則本集團假設該金融資產的信貸風險大幅增加，除非本集團有合理及可靠資料顯示並非如此，則作別論。

本集團認為金融資產在以下情況下已違約：(1) 借款人不大可能在本集團無追索權採取行動(例如變現抵押(如持有))的情況下向本集團悉數履行其信貸義務；或(2) 金融資產逾期超過90天時，除非本集團有合理及可靠資料顯示更滯後的違約標準更為適當，則作別論。

於估計預期信貸虧損時考慮的最長期間為本集團面對信貸風險的最長合約期間。

呈列預期信貸虧損按攤銷成本計量的金融資產的虧損備抵從資產的賬面總額中扣除。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)*(continued)***(a) Adoption of new/revised HKFRSs — effective 1 April 2018 (continued)****A HKFRS 9 — Financial Instruments**
*(continued)***(ii) Impairment of financial assets (continued)**

Impact of the ECL model

- (i) Impairment of service concession receivables, trade receivables, retention receivables and contract assets

As mentioned above, the Group applies the HKFRS 9 simplified approach to measure ECLs which recognises lifetime ECLs for all service concession receivables, trade receivables, retention receivables and contract assets. To measure the ECLs, service concession receivables, trade receivables, retention receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due.

The increase in loss allowance for service concession receivables, trade receivables, retention receivables and contract assets upon the transition to HKFRS 9 as of 1 April 2018 were HK\$1,478,000, HK\$11,502,000, HK\$556,000 and HK\$19,817,000 respectively. The loss allowances further increased for HK\$496,000, HK\$2,024,000, HK\$357,000 and HK\$4,974,000 for service concession receivables, trade receivables, retention receivables and contract assets during the year ended 31 March 2019.

2. 採納香港財務報告準則
*(續)***(a) 採納新訂／經修訂香港財務報告準則 — 於2018年4月1日生效 (續)****A 香港財務報告準則第9號 — 金融工具 (續)****(ii) 金融資產的減值 (續)**

預期信貸虧損模式的影響

- (i) 服務特許權應收款項、貿易應收款項、應收保留金及合約資產的減值

誠如上文所述，本集團應用香港財務報告準則第9號的簡化方式計量預期信貸虧損，並就所有服務特許權應收款項、貿易應收款項、應收保留金及合約資產確認全期預期信貸虧損。為計量預期信貸虧損，服務特許權應收款項、貿易應收款項、應收保留金及合約資產按共同信貸風險特徵及逾期天數分組。

服務特許權應收款項、貿易應收款項、應收保留金及合約資產的虧損備抵於2018年4月1日過渡至香港財務報告準則第9號後分別增加1,478,000港元、11,502,000港元、556,000港元及19,817,000港元。於截至2019年3月31日止年度，服務特許權應收款項、貿易應收款項、應收保留金及合約資產的虧損備抵進一步增加分別496,000港元、2,024,000港元、357,000港元及4,974,000港元。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(continued)

(a) Adoption of new/revised HKFRSs — effective 1 April 2018 (continued)

A HKFRS 9 — Financial Instruments

(continued)

(ii) Impairment of financial assets (continued)

Impact of the ECL model (continued)

(II) Impairment of other financial assets

Other financial assets at amortised cost of the Group include contingent consideration asset, deposits and other receivables, loan receivables and amounts due from directors. The impact of pledged deposit and cash and cash equivalents is insignificant. Applying the ECL model result in immaterial impairment on 1 April 2018 and for the year ended 31 March 2019.

2. 採納香港財務報告準則 (續)

(a) 採納新訂／經修訂香港財務報告準則 — 於2018年4月1日生效 (續)

A 香港財務報告準則第9號 — 金融工具 (續)

(ii) 金融資產的減值 (續)

預期信貸虧損模式的影響 (續)

(II) 其他金融資產的減值

本集團按攤銷成本計量的其他金融資產包括或然代價資產、按金及其他應收款項、應收貸款及應收董事款項。已質押存款以及現金及現金等價物的影響並不重大。應用預期信貸虧損模型於2018年4月1日及截至2019年3月31日止年度引致的減值並不重大。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)*(continued)***(a) Adoption of new/revised HKFRSs — effective 1 April 2018 *(continued)*****A HKFRS 9 — Financial Instruments**
*(continued)***(ii) Impairment of financial assets *(continued)***Impact of the ECL model *(continued)***(iii) Transition**

The Group has applied the transitional provision in HKFRS 9 such that HKFRS 9 was generally adopted without restating comparative information. The reclassifications and the adjustments arising from the new ECLs rules are therefore not reflected in the statement of financial position as at 31 March 2018, but are recognised in the statement of financial position on 1 April 2018. This means that differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption of HKFRS 9 are recognised in retained earnings and reserves as at 1 April 2018. Accordingly, the information presented for 2018 does not reflect the requirements of HKFRS 9 but rather those of HKAS 39.

2. 採納香港財務報告準則
*(續)***(a) 採納新訂／經修訂香港財務報告準則 — 於2018年4月1日生效 *(續)*****A 香港財務報告準則第9號 — 金融工具 *(續)*****(ii) 金融資產的減值 *(續)***預期信貸虧損模式的影響
*(續)***(iii) 過渡安排**

本集團已應用香港財務報告準則第9號的過渡條文，以使香港財務報告準則第9號全面獲採納而毋須重列比較資料。因此，重新分類及新預期信貸虧損規則產生的調整並無於2018年3月31日的綜合財務狀況表內反映，惟於2018年4月1日的綜合財務狀況表內確認。其指採納香港財務報告準則第9號產生的金融資產與金融負債賬面金額差異於2018年4月1日的保留盈利及儲備內確認。因此，就2018年呈列的資料並不反映香港財務報告準則第9號的規定，惟反映香港會計準則第39號的規定。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)*(continued)***(a) Adoption of new/revised HKFRSs — effective 1 April 2018 *(continued)*****A HKFRS 9 — Financial Instruments***(continued)***(ii) Impairment of financial assets *(continued)***Impact of the ECL model *(continued)***(III) Transition *(continued)***

The following assessments have been made on the basis of the facts and circumstances that existed at the date of initial application of HKFRS 9 (the “DIA”):

- The determination of the business model within which a financial asset is held; and
- The designation and revocation of previous designations of certain financial assets and financial liabilities as measured at FVTPL.

If an investment in a debt investment had low credit risk at the DIA, then the Group has assumed that the credit risk on the asset had not increased significantly since its initial recognition.

2. 採納香港財務報告準則*(續)***(a) 採納新訂／經修訂香港財務報告準則 — 於2018年4月1日生效 *(續)*****A 香港財務報告準則第9號 — 金融工具 *(續)*****(ii) 金融資產的減值 *(續)***預期信貸虧損模式的影響 *(續)***(III) 過渡安排 *(續)***

以下評估乃根據香港財務報告準則第9號初始應用日期（「初始應用日期」）存在的事實及情況而作出：

- 釐定持有金融資產的業務模式；及
- 指定及撤銷先前指定金融資產及金融負債為透過損益按公平值計量。

倘於債務投資的投資於初始應用日期的信貸風險甚低，則本集團假設資產的信貸風險自初始確認以來並無大幅增加。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)*(continued)***(a) Adoption of new/revised HKFRSs — effective 1 April 2018 (continued)****B HKFRS 15 Revenue from Contracts with Customers (“HKFRS 15”)**

HKFRS 15 and its amendments replace HKAS 11 Construction Contracts, HKAS 18 Revenue and related interpretations and it applies, with limited exceptions, to all revenue arising from contracts with customers. HKFRS 15 establishes a new five-step model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in HKFRS 15 provide a more structured approach for measuring and recognising revenue.

The standard also introduces extensive qualitative and quantitative disclosure requirements, including disaggregation of total revenue, information about performance obligations, changes in contract asset and liability account balances between periods and key judgements and estimates. The disclosures are included in note 7 to the financial statements for the disclosure of disaggregated revenue. As a result of the application of HKFRS 15, the Group has changed the accounting policy with respect to revenue recognition in note 4(o) to the financial statements.

2. 採納香港財務報告準則 (續)**(a) 採納新訂／經修訂香港財務報告準則 — 於2018年4月1日生效 (續)****B 香港財務報告準則第15號「來自客戶合約的收入」(「香港財務報告準則第15號」)**

香港財務報告準則第15號及其修訂取代香港會計準則第11號「建築合約」、香港會計準則第18號「收入」及相關詮釋，且除若干例外情況外，適用於所有來自客戶合約的收入。香港財務報告準則第15號建立一個新的五步模型，將客戶合約產生的收入入賬。根據香港財務報告準則第15號，收入按能反映實體預期就向客戶轉讓貨品或服務而有權換取的代價金額確認。香港財務報告準則第15號的原則為計量及確認收入提供結構更嚴謹的方法。

該準則亦引入廣泛的定性及定量披露規定，包括收入總額的分拆、有關履約責任的資料、合約資產及負債賬目結餘於不同期間的變動，以及重大判斷及估計。有關披露事項載於財務報表附註7的收入細分披露。由於應用香港財務報告準則第15號，故本集團已更改財務報表附註4(o)有關收入確認的會計政策。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(continued)

(a) Adoption of new/revised HKFRSs — effective 1 April 2018 (continued)

B HKFRS 15 Revenue from Contracts with Customers (“HKFRS 15”) (continued)

The Group has adopted HKFRS 15 using the cumulative effect method without practical expedients.

The initial application of HKFRS 15 had no impact to the opening balance of accumulated losses and NCI as at 1 April 2018. Therefore, the comparative information was not restated and continues to be reported under HKAS 11, HKAS 18 and related interpretations.

2. 採納香港財務報告準則 (續)

(a) 採納新訂／經修訂香港財務報告準則 — 於2018年4月1日生效 (續)

B 香港財務報告準則第15號「來自客戶合約的收入」(「香港財務報告準則第15號」)(續)

本集團已採用累計影響法採納香港財務報告準則第15號(無可行權宜方法)。

初始應用香港財務報告準則第15號對累計虧損及非控股權益於2018年4月1日的年初結餘並無影響。因此，比較資料並無重列，繼續按香港會計準則第11號、香港會計準則第18號及相關註釋呈報。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)*(continued)***(a) Adoption of new/revised HKFRSs — effective 1 April 2018 (continued)****B HKFRS 15 Revenue from Contracts with Customers (“HKFRS 15”) (continued)**

Set out below are the amounts by which each financial statement line item was affected as at 1 April 2018 as a result of the adoption of HKFRS 15:

		31 March 2018 as originally presented 2018年3月31日 (按原先呈列) HK\$'000 千港元	Reclassifications 重新分類 HK\$'000 千港元	1 April 2018 2018年4月1日 HK\$'000 千港元
Current assets	流動資產			
Amounts due from customers for contract work	應收客戶合約工程款項	88,878	(88,878)	—
Contract assets	合約資產			
— Due from contract customers	— 應收合約客戶款項	—	88,878	88,878
Current liabilities	流動負債			
Amounts due to customers for contract work	應付客戶合約工程款項	14,228	(14,228)	—
Contract liabilities	合約負債			
— Due to contract customers	— 應付合約客戶款項	—	14,228	14,228

2. 採納香港財務報告準則 (續)**(a) 採納新訂／經修訂香港財務報告準則 — 於2018年4月1日生效 (續)****B 香港財務報告準則第15號「來自客戶合約的收入」(「香港財務報告準則第15號」)(續)**

下表載列各財務報表項目於2018年4月1日因採納香港財務報告準則第15號而受影響的金額：

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(continued)

(a) Adoption of new/revised HKFRSs — effective 1 April 2018 (continued)

Amendments HKFRS 15 — Revenue from Contracts with Customers (Clarifications to HKFRS 15)

The amendments to HKFRS 15 included clarifications on identification of performance obligations; application of principal versus agent; licenses of intellectual property; and transition requirements.

The adoption of these amendments has no impact on these financial statements as the Group had not previously adopted HKFRS 15 and took up the clarifications in its first year.

Amendments to HKAS 40, Investment Property — Transfers of Investment Property

The amendments clarify that to transfer to or from investment properties there must be a change in use and provides guidance on making this determination. The clarification states that a change of use will occur when a property meets, or ceases to meet, the definition of investment property and there is supporting evidence that a change has occurred. The amendments also re-characterise the list of evidence in the standard as a non-exhaustive list, thereby allowing for other forms of evidence to support a transfer.

The adoption of this amendment has no impact on these financial statements as the clarified treatment is consistent with the manner in which the Group has previously assessed transfers.

2. 採納香港財務報告準則 (續)

(a) 採納新訂／經修訂香港財務報告準則 — 於2018年4月1日生效 (續)

香港財務報告準則第15號的修訂 — 來自客戶合約的收入 (釐清香港財務報告準則第15號)

香港財務報告準則第15號的修訂包括對識別履約責任、應用委託人及代理人、知識產權許可及過渡規定的釐清。

由於本集團先前並無採納香港財務報告準則第15號及於首年採用釐清，故採納此等修訂對本財務報表並無影響。

香港會計準則第40號的修訂「投資物業」— 轉移投資物業

該等修訂釐清投資物業必須出現用途更改才能轉入或轉出，並就作出此決定提供指引。釐清表明，符合或不再符合投資物業定義，並有支持憑證證明用途已經更改，將構成物業用途更改。該等修訂亦註明準則中的憑證清單為非詳盡清單，從而容許其他形式的憑證支持轉移。

由於經釐清處理方法與本集團先前評估轉移的方式一致，故採納此修訂對本財務報表並無影響。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)*(continued)***(a) Adoption of new/revised HKFRSs — effective 1 April 2018 *(continued)******HK(IFRIC)—Int 22 — Foreign Currency Transactions and Advance Consideration***

The Interpretation provides guidance on determining the date of the transaction for determining an exchange rate to use for transactions that involve advance consideration paid or received in a foreign currency and the recognition of a non-monetary asset or non-monetary liability. The Interpretations specifies that the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part thereof) is the date on which the entity initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

The adoption of this amendment has no impact on these financial statements as the Group has not paid or received advance consideration in a foreign currency.

**2. 採納香港財務報告準則
(續)****(a) 採納新訂／經修訂香港財務報告準則 — 於2018年4月1日生效 (續)****香港(國際財務報告詮釋委員會) — 詮釋第22號 — 外幣交易及預收預付代價**

該詮釋就如何釐定交易日期以就涉及以外幣預付或預收代價的交易釐定匯率，以及如何確認非貨幣資產或非貨幣負債提供指引。該詮釋訂明，就釐定初始確認相關資產、開支或收入(或其中部分)所用匯率而釐定的交易日期，為實體初始確認因預付或預收代價而產生的非貨幣資產或非貨幣負債的日期。

由於本集團並無以外幣預付或預收代價，故採納該詮釋對本財務報表並無影響。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(continued)

(b) New/revised HKFRSs that have been issued but are not yet effective

The following new/revised HKFRSs, potentially relevant to the Group’s financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group’s current intention is to apply these changes on the date they become effective.

HKFRS 16	Leases ¹
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments ¹
Amendments to HKFRS 9	Prepayment Features with Negative Compensation ¹
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures ¹
Annual Improvements to HKFRSs 2015–2017 Cycle	Amendments to HKFRS 3, Business Combinations ¹
Annual Improvements to HKFRSs 2015–2017 Cycle	Amendments to HKFRS 11, Joint Arrangements ¹
Annual Improvements to HKFRSs 2015–2017 Cycle	Amendments to HKAS 12, Income Taxes ¹
Annual Improvements to HKFRSs 2015–2017 Cycle	Amendments to HKAS 23, Borrowing Costs ¹
HKFRS 17	Insurance Contracts 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 HKFRS 3	Definition of a business ⁴
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement ¹
Amendments to HKAS 1 and HKAS 8	Definition of Material ⁵

2. 採納香港財務報告準則 (續)

(b) 已頒佈但尚未生效的新訂／經修訂香港財務報告準則

以下可能與本集團財務報表相關的新訂／經修訂香港財務報告準則已經頒佈但尚未生效，且本集團並未提早採納。本集團目前有意於該等變動生效之日應用該等變動。

香港財務報告準則第16號	租賃 ¹
香港(國際財務報告詮釋委員會)－詮釋第23號	所得稅處理的不確定因素 ¹
香港財務報告準則第9號的修訂	具有負補償的提前償付特性 ¹
香港會計準則第28號的修訂	於聯營公司及合營企業的長期權益 ¹
2015年至2017年週期的香港財務報告準則年度改進	香港財務報告準則第3號的修訂「業務合併」 ¹
2015年至2017年週期的香港財務報告準則年度改進	香港財務報告準則第11號的修訂「合營安排」 ¹
2015年至2017年週期的香港財務報告準則年度改進	香港會計準則第12號的修訂「所得稅」 ¹
2015年至2017年週期的香港財務報告準則年度改進	香港會計準則第23號的修訂「借貸成本」 ¹
香港財務報告準則第17號	保險合約 ²
香港財務報告準則第10號及香港會計準則第28號的修訂	投資者與其聯營公司或合營企業間的資產出售或注入 ³
香港財務報告準則第3號的修訂	業務的定義 ⁴
香港會計準則第19號的修訂	計劃修訂、縮減或結算 ¹
香港會計準則第1號及香港會計準則第8號的修訂	重大的定義 ⁵

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)*(continued)***(b) New/revised HKFRSs that have been issued but are not yet effective** *(continued)*

- ¹ Effective for annual periods beginning on or after 1 January 2019
- ² Effective for annual periods beginning on or after 1 January 2021
- ³ The amendments were originally intended to be effective for periods beginning on or after 1 January 2017. The effective date has now been deferred/removed. Early application of the amendments of the amendments continue to be permitted.
- ⁴ Effective for business combination for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020
- ⁵ Effective for annual periods beginning on or after 1 January 2020

2. 採納香港財務報告準則
*(續)***(b) 已頒佈但尚未生效的新訂／經修訂香港財務報告準則** *(續)*

- ¹ 於2019年1月1日或之後開始的年度期間生效
- ² 於2021年1月1日或之後開始的年度期間生效
- ³ 有關修訂原擬於2017年1月1日或之後開始的期間生效。生效日期現已延後／取消。有關修訂的修訂仍獲許提早應用。
- ⁴ 對於收購日期為於2020年1月1日或之後開始的首個年度期間開始之時或之後的業務合併生效
- ⁵ 於2020年1月1日或之後開始的年度期間生效

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)*(continued)***(b) New/revised HKFRSs that have been issued but are not yet effective *(continued)*****HKFRS 16 — Leases**

HKFRS 16, which upon the effective date will supersede HKAS 17 “Leases” and related interpretations, introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under HKFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting for leases that are classified as operating leases under the predecessor standard, HKAS 17.

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

2. 採納香港財務報告準則*(續)***(b) 已頒佈但尚未生效的新訂／經修訂香港財務報告準則 *(續)*****香港財務報告準則第16號
— 租賃**

香港財務報告準則第16號由生效當日起將取代香港會計準則第17號「租賃」及相關詮釋，其引入單一承租人會計處理模型，並規定承租人就所有為期超過12個月的租賃確認資產及負債，除非相關資產為低價值資產則另作別論。具體而言，根據香港財務報告準則第16號，承租人須確認使用權資產（表示其有權使用相關租賃資產）及租賃負債（表示其有責任支付租賃款項）。因此，承租人應確認使用權資產折舊及租賃負債利息，並將租賃負債的現金還款分類為本金部分及利息部分以及於現金流量表內呈列。此外，使用權資產及租賃負債初始按現值基準計量。計量包括不可撤銷租賃付款，亦包括在承租人合理地肯定將行使選擇權延續租賃或行使選擇權終止租賃的情況下，將於選擇權期間內作出的付款。此會計處理方法與承租人就根據舊有準則（即香港會計準則第17號）分類為經營租賃的租賃採用的會計處理方法存在明顯差異。

就出租人會計處理而言，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規定。因此，出租人繼續將租賃分類為經營租賃或融資租賃，並且以不同方式將兩類租賃入賬。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)*(continued)***(b) New/revised HKFRSs that have been issued but are not yet effective *(continued)*****HK(IFRIC)-Int 23 — Uncertainty over Income Tax Treatments**

The Interpretation supports the requirements of HKAS 12, Income Taxes, by providing guidance over how to reflect the effects of uncertainty in accounting for income taxes.

Under the Interpretation, the entity shall determine whether to consider each uncertain tax treatment separately or together based on which approach better predicts the resolution of the uncertainty. The entity shall also assume the tax authority will examine amounts that it has a right to examine and have full knowledge of all related information when making those examinations. If the entity determines it is probable that the tax authority will accept an uncertain tax treatment, then the entity should measure current and deferred tax in line with its tax filings. If the entity determines it is not probable, then the uncertainty in the determination of tax is reflected using either the “most likely amount” or the “expected value” approach, whichever better predicts the resolution of the uncertainty.

2. 採納香港財務報告準則
*(續)***(b) 已頒佈但尚未生效的新訂／經修訂香港財務報告準則 *(續)***
香港(國際財務報告詮釋委員會) — 詮釋第23號 — 所得稅處理的不確定因素

該詮釋就如何反映所得稅會計處理的不確定因素的影響提供指引，以支持香港會計準則第12號「所得稅」的規定。

根據該詮釋，實體應釐定單獨或一併考慮各項不確定稅務處理，當中以較能預測不確定因素的最終結果者為準。實體亦應假設稅務機關將審查其有權審查的金額，並於審查過程中充分掌握所有相關資料。實體如認為稅務機關可能接受不確定的稅務處理方式，則應按其報稅文件所述方式計量當期及遞延稅項。倘實體認為稅務機關不大可能接受，則釐定稅項時的不確定因素會採用「最大可能的金額」或「預期價值」方式反映，並以較能預測不明朗因素的最終結果者為準。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (continued)

Amendments to HKFRS 9 — Prepayment Features with Negative Compensation

The amendment clarify that prepayable financial assets with negative compensation can be measured at amortised cost or at fair value through other comprehensive income if specified conditions are met — instead of at fair value through profit or loss.

Amendments to HKAS 28

The amendment clarifies that HKFRS 9 applies to long-term interests (“LTI”) in associates or joint ventures which form part of the net investment in the associates or joint ventures and stipulates that HKFRS 9 is applied to these LTI before the impairment losses guidance within HKAS 28.

Annual Improvements to HKFRSs 2015–2017 Cycle — Amendments to HKFRS 3, Business Combinations

Amendment to HKFRS 3 clarifies that when a joint operator of a business obtains control over a joint operation, this is a business combination achieved in stages and the previously held equity interest should therefore be remeasured to its acquisition date fair value.

Annual Improvements to HKFRSs 2015–2017 Cycle — Amendments to HKFRS 11, Joint Arrangements

Amendment to HKFRS 11 clarify that when a party that participates in, but does not have joint control of, a joint operation which is a business and subsequently obtains joint control of the joint operation, the previously held equity interest should not be remeasured to its acquisition date fair value.

2. 採納香港財務報告準則 (續)

(b) 已頒佈但尚未生效的新訂／經修訂香港財務報告準則 (續)

香港財務報告準則第9號的修訂 — 具有負補償的提前償付特性

該修訂釐清在符合指定條件的情況下，具有負補償的可提前償付金融資產可按攤銷成本或按透過其他全面收益按公平值計量（而非透過損益按公平值計量）的方式計量。

香港會計準則第28號的修訂

該修訂釐清香港財務報告準則第9號適用於於聯營公司或合營企業中構成於該等公司中淨投資一部分的長期權益，並規定於應用香港會計準則第28號中的減值虧損指引前對該等長期權益應用香港財務報告準則第9號。

2015年至2017年週期的香港財務報告準則年度改進 — 香港財務報告準則第3號的修訂「業務合併」

香港財務報告準則第3號的修訂釐清當某業務的共同經營者取得共同經營的控制權時，該業務合併乃分階段達成，因此，先前持有的股權應重新計量為其於收購日期的公平值。

2015年至2017年週期的香港財務報告準則年度改進 — 香港財務報告準則第11號的修訂「合營安排」

香港財務報告準則第11號的修訂釐清當一方參與構成一項業務的共同經營但並無共同控制權，惟其後取得共同經營的共同控制權時，先前持有的股權不應重新計量為其於收購日期的公平值。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)*(continued)***(b) New/revised HKFRSs that have been issued but are not yet effective *(continued)******Annual Improvements to HKFRSs 2015–2017 Cycle — Amendments to HKAS 12, Income Taxes***

Amendment to HKAS 12 clarify that all income tax consequences of dividends are recognised consistently with the transactions that generated the distributable profits, either in profit or loss, other comprehensive income or directly in equity.

Annual Improvements to HKFRSs 2015–2017 Cycle — Amendments to HKAS 23, Borrowing Costs

Amendment to HKAS 23 clarifies that a borrowing made specifically to obtain a qualifying asset which remains outstanding after the related qualifying asset is ready for its intended use or sale would become part of the funds an entity borrows generally and therefore included in the general pool.

HKFRS 17 — Insurance Contracts

HKFRS 17 will replace HKFRS 4 as a single principle-based standard for the recognition, measurement, presentation and disclosure of insurance contracts in the financial statements of the issuers of those contracts.

Amendments to HKFRS 10 and HKAS 28 — Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments clarify the extent of gains or losses to be recognised when an entity sells or contributes assets to its associate or joint venture. When the transaction involves a business the gain or loss is recognised in full, conversely when the transaction involves assets that do not constitute a business the gain or loss is recognised only to the extent of the unrelated investors' interests in the joint venture or associate.

2. 採納香港財務報告準則*(續)***(b) 已頒佈但尚未生效的新訂／經修訂香港財務報告準則 *(續)***
2015年至2017年週期的香港財務報告準則年度改進 — 香港財務報告準則第12號的修訂「所得稅」

香港會計準則第12號的修訂釐清股息的所有所得稅後果與產生可分派溢利的交易採取一致的方式，即於損益、其他全面收益或直接於權益確認。

2015年至2017年週期的香港財務報告準則年度改進 — 香港會計準則第23號的修訂「借貸成本」

香港會計準則第23號的修訂釐清為取得合資格資產而專門作出的借貸，如於相關合資格資產可作擬定用途或銷售時仍未償還，則會成為實體一般所借資金的一部分並因此計入一般資產組合內。

香港財務報告準則第17號 — 保險合約

香港財務報告準則第17號將取代香港財務報告準則第4號，作為於保險合約發行人的財務報表確認、計量、呈列及披露該等合約的單一原則性準則。

香港財務報告準則第10號及香港會計準則第28號的修訂 — 投資者與其聯營公司或合營企業間的資產出售或注入

該等修訂釐清當實體向其聯營公司或合營企業銷售或注入資產時確認的收益或虧損金額。當交易涉及一項業務時，須全數確認收益或虧損，而當交易涉及不構成業務的資產時，確認收益或虧損僅以非關聯投資者於該合營企業或聯營公司的權益為限。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (continued)

Amendments to HKAS 3 — Definition of a business

The amendments improve the definition of a business. The amended definition emphasises that the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others. In addition to amending the wording of the definition, the Board has provided supplementary guidance.

Distinguishing between a business and a group of assets is important because an acquirer recognises goodwill only when acquiring a business.

Amendments to HKAS 1 and HKAS 8 — Definition of material

The amendments clarify the definition of material to make it easier for entities to make materiality judgements. The definition of material, an important accounting concept in HKFRS Standards, helps entities decide whether information should be included in their financial statements.

The Group is not yet in a position to state whether these new pronouncements will result in substantial changes to the Group’s accounting policies and financial statements.

2. 採納香港財務報告準則 (續)

(b) 已頒佈但尚未生效的新訂／經修訂香港財務報告準則 (續) 香港財務報告準則第3號的修訂 — 業務的定義

該等修訂改進業務的定義。經修訂的定義着重業務產出為向客戶提供貨品及服務，而前用定義則着重向投資者及其他人士提供股息回報、較低成本或其他經濟利益。除修訂定義的用詞外，董事會已提供補充指引。

區分業務與資產組別非常重要，原因在於收購方僅於收購業務時方須確認商譽。

香港會計準則第1號及香港會計準則第8號的修訂 — 重大的定義

該等修訂釐清重大的定義，讓實體更容易作出重大性的判斷。重大的定義為香港財務報告準則的重要會計概念，有助實體決定應否將資料載入其財務報表。

本集團現時未能表明該等新公佈會否導致本集團會計政策及財務報表出現重大變動。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

3. BASIS OF PREPARATION**(a) Statement of compliance**

The consolidated financial statements have been prepared in accordance with all HKFRSs, Hong Kong Accounting Standards (“HKASs”) and Interpretations (hereinafter collectively referred to as the “HKFRS”) and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

(b) Basis of preparation and going concern assumption

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

(c) Functional and presentation currency

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand except when otherwise indicated. Each entity within the Group maintains its books and records in its own functional currency. The functional currency of the Company is HK\$.

3. 編製基準**(a) 遵例聲明**

綜合財務報表乃按照所有香港財務報告準則、香港會計準則及詮釋(下文統稱「香港財務報告準則」)以及香港公司條例的披露規定編製。此外，綜合財務報表載有香港聯合交易所有限公司證券上市規則規定的適用披露事項。

(b) 編製基準及持續經營假設

誠如下文所載的會計政策所說明，除若干金融工具按公平值計量外，綜合財務報表乃根據歷史成本基準編製。

(c) 功能及呈列貨幣

綜合財務報表以港元呈列，除另有指明者外，所有價值會取捨至最接近的千位數。本集團旗下各實體以其本身的功能貨幣列賬及記錄。本公司的功能貨幣為港元。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Business combination and basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries ("the Group"). Inter-company transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in profit or loss.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the dates of acquisition or up to the dates of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

Acquisition of subsidiaries or businesses is accounted for using the acquisition method. The cost of an acquisition is measured at the aggregate of the acquisition-date fair value of assets transferred, liabilities incurred and equity interests issued by the Group, as the acquirer. The identifiable assets acquired and liabilities assumed are principally measured at acquisition-date fair value. The Group's previously held equity interest in the acquiree is re-measured at acquisition-date fair value and the resulting gains or losses are recognised in profit or loss. The Group may elect, on a transaction-by-transaction basis, to measure the non-controlling interests that represent present ownership interests in the subsidiary either at fair value or at the proportionate share of the acquiree's identifiable net assets. All other non-controlling interests are measured at fair value unless another measurement basis is required by HKFRSs. Acquisition-related costs incurred are expensed unless they are incurred in issuing equity instruments in which case the costs are deducted from equity.

4. 主要會計政策概要

(a) 業務合併及綜合基準

綜合財務報表包括本公司及其附屬公司(「本集團」)的財務報表。公司間交易及集團公司間結餘連同未變現溢利於編製綜合財務報表時全數對銷。未變現虧損亦會對銷，除非交易顯示所轉讓資產出現減值，則在此情況下，虧損乃於損益確認。

於年內收購或出售的附屬公司的業績，乃自實際收購日期起或截至出售日期止(視適用者而定)計入綜合損益及其他全面收益表。在有需要的情况下，附屬公司的財務報表會作調整以使其會計政策與本集團其他成員公司所使用者相符。

收購附屬公司或業務採用收購會計法入賬。收購成本乃按本集團(作為收購方)所轉讓資產、所產生負債及所發行股權於收購日期的總公平值計量。所收購的可識別資產及所承擔的負債主要按於收購日期的公平值計量。本集團先前於被收購方持有的股權按於收購日期的公平值重新計量，所產生的收益或虧損則於損益確認。本集團可逐項交易選擇按公平值或在被收購方可識別淨資產所佔的比例份額來計量代表附屬公司目前擁有權益的非控股權益。所有其他非控股權益乃按公平值計量，除非香港財務報告準則規定按另一基準計量，則作別論。所產生的收購相關成本入賬列作開支，惟發行權益工具時所產生者除外，在此情況下，成本乃自權益扣除。

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財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(a) Business combination and basis of consolidation (continued)**

Any contingent consideration to be transferred by the acquirer is recognised at acquisition-date fair value. Subsequent adjustments to consideration are recognised against goodwill only to the extent that they arise from new information obtained within the measurement period (a maximum of 12 months from the acquisition date) about the fair value at the acquisition date. All other subsequent adjustments to contingent consideration classified as an asset or a liability are recognised in profit or loss.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of.

Subsequent to acquisition, the carrying amount of non-controlling interests that represent present ownership interests in the subsidiary is the amount of those interests at initial recognition plus such non-controlling interest's share of subsequent changes in equity. Total comprehensive income is attributed to such non-controlling interests even if this results in those non-controlling interests having a deficit balance.

4. 主要會計政策概要(續)**(a) 業務合併及綜合基準(續)**

收購方轉讓的任何或然代價乃按收購日期的公平值確認。代價的其後調整乃於商譽內確認，惟以於計量期間(收購日期起計最多12個月)內就收購日期的公平值取得新資料而產生者為限。或然代價的所有其他其後調整均分類為資產或負債並於損益確認。

當本集團失去於附屬公司的控制權時，出售產生的損益按(i)已收代價的公平值及任何保留權益的公平值的總和與(ii)該附屬公司資產(包括商譽)及負債及任何非控股權益先前的賬面金額兩者間的差額計算。先前於其他全面收益確認與該附屬公司有關的金額乃按出售相關資產或負債所需的相同方式入賬。

於收購後，代表附屬公司目前擁有權益的非控股權益的賬面金額為該等權益於初始確認時的金額，另加非控股權益佔權益其後變動的部分。全面收益總額歸屬於非控股權益，即使這會導致非控股權益出現虧絀結餘亦然。

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財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Subsidiaries

A subsidiary is an investee over which the Company is able to exercise control. The Company controls an investee if all three of the following elements are present: (1) power over the investee, (2) exposure, or rights, to variable returns from the investee, and (3) the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

De-facto control exists in situations where the Company has the practical ability to direct the relevant activities of the investee without holding the majority of the voting rights. In determining whether de-facto control exists the Company considers all relevant facts and circumstances, including:

- The size of the Company's voting rights relative to both the size and dispersion of other parties who hold voting rights;
- Substantive potential voting rights held by the Company and other parties who hold voting rights;
- Other contractual arrangements; and
- Historic patterns in voting attendance.

In the Company's statement of financial position, investments in subsidiaries are stated at cost less impairment loss, if any. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

4. 主要會計政策概要(續)

(b) 附屬公司

附屬公司指本公司可行使控制權的被投資方。倘以下所有三個因素出現，則本公司控制被投資方：(1)對被投資方的權力，(2)享有或有權享有來自被投資方可變回報，及(3)利用其權力影響該等可變回報的能力。每當有事實及情況顯示任何此等控制因素可能出現變動時，控制權會被重新評估。

倘本公司擁有實際能力操控被投資方相關活動，而並無持有大多數投票權，則存在實際控制權。釐定實際控制權是否存在時，本公司考慮所有相關事實及情況，包括：

- 相對其他持有投票權人士的數量及分散情況，本公司投票權多寡；
- 本公司及其他持有投票權人士所持有的實際潛在投票權；
- 其他合約安排；及
- 過往參與投票的模式。

於本公司財務狀況表中，於附屬公司的投資乃按成本減減值虧損(如有)列賬。附屬公司業績由本公司按已收及應收股息基準入賬。

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財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(c) Goodwill**

Where the fair value of identifiable assets and liabilities exceed the aggregate of the fair value of consideration paid, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of the acquirer's previously held equity interest in the acquiree, the excess is recognised in profit or loss on the acquisition date, after re-assessment.

Goodwill is measured at cost less impairment losses. For the purpose of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units that are expected to benefit from the synergies of the acquisition. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, by comparing its carrying amount with its recoverable amount, and whenever there is an indication that the unit may be impaired.

For goodwill arising on an acquisition in a financial year, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro-rata on the basis of the carrying amount to each asset in the unit. However, the loss allocated to each asset will not reduce the individual asset's carrying amount to below its fair value less cost of disposal (if measurable) or its value in use (if determinable), whichever is the higher. Any impairment loss for goodwill is recognised in profit or loss and is not reversed in subsequent periods.

4. 主要會計政策概要(續)**(c) 商譽**

倘可識別資產及負債的公平值超過已付代價的公平值、於被收購方的任何非控股權益的金額及收購方先前於被收購方所持股權於收購日期的公平值的總額，則超出部分於收購日期在重新評估後於損益確認。

商譽按成本減去減值虧損計量。就減值測試而言，收購產生的商譽乃分配至預期自該收購的協同效應中受益的各相關現金產生單位。現金產生單位為一組最小可識別資產，該組資產產生現金流入，而該等現金流入大致上獨立於來自其他資產或資產組別的現金流入。獲分配商譽的現金產生單位每年及於存在單位可能出現減值的跡象時進行減值測試，方法為比較其賬面金額與可收回金額。

就於某一財政年度內的收購產生的商譽而言，獲分配商譽的現金產生單位乃於該財政年度結束之前進行減值測試。當現金產生單位的可收回金額少於單位的賬面金額時，減值虧損會作分配，以首先削減分配至該單位的任何商譽的賬面金額，然後以單位內各資產賬面金額為基準按比例分配至該單位的其他資產。然而，各資產獲分配的虧損將不會令個別資產的賬面金額削減至低於其公平值減出售成本(如可計量)或其使用價值(如可釐定)(以較高者為準)。商譽的任何減值虧損乃於損益確認，且不會於其後撥回。

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財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Fair value measurement

The Group measures its financial assets at FVTPL, contingent consideration asset and derivative financial instrument at fair value at the end of each reporting period. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1	—	based on quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2	—	based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
Level 3	—	based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

4. 主要會計政策概要(續)

(d) 公平值計量

本集團於各報告期末按公平值計量其透過損益按公平值計量的金融資產、或然代價資產及衍生金融工具。公平值為於計量日期在市場參與者之間進行的有序交易中，就出售資產收取或轉讓負債支付的價格。公平值計量乃基於假定出售資產或轉讓負債的交易在該資產或負債的主要市場(或在不存在主要市場的情況下，則在對該資產或負債最有利的市場)進行而作出。該主要或最有利的市場須為本集團可進入的市場。資產或負債的公平值採用市場參與者為資產或負債定價時所用的假設計量，即假設市場參與者按其最佳經濟利益行事。

本集團採用在當前情況下適用並且有足夠可利用數據支持的估值技術計量公平值，以盡量使用相關可觀察輸入數值及盡量避免使用不可觀察輸入數值。

於本財務報表計量或披露公平值的所有資產及負債，均基於對公平值計量整體而言具重要意義的最低層次輸入數值按下述公平值架構層級分類：

第一層	—	基於相同資產或負債在活躍市場上的報價(未經調整)
第二層	—	基於對公平值計量而言具有重要意義的最低層次輸入數值乃直接或間接可觀察的估值技術
第三層	—	基於對公平值計量而言具有重要意義的最低層次輸入數值乃不可觀察的估值技術

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For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(d) Fair value measurement (continued)**

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(e) Related parties

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

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;

4. 主要會計政策概要(續)**(d) 公平值計量(續)**

就經常性於財務報表確認的資產及負債而言，本集團於各報告期末透過重新評估分類(基於對公平值計量整體而言具有重要意義的最低層次輸入數值)決定各層級之間有否出現轉移。

(e) 關聯方

在下列情況下，一方將視為本集團的關聯方：

- (a) 一方為一名人士或該人士的近親，且該人士
 - (i) 對本集團擁有控制權或共同控制權；
 - (ii) 對本集團擁有重大影響力；或
 - (iii) 為本集團或其母公司的主要管理層成員；

或

- (b) 一方為符合下列任何條件的實體：
 - (i) 該實體與本集團為同一集團的成員公司；
 - (ii) 一間實體為另一間實體(或另一實體的母公司、附屬公司或同系附屬公司)的聯營公司或合營企業；
 - (iii) 該實體與本集團為同一第三方的合營企業；

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財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(e) Related parties** (continued)

(b) (continued)

- (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
- (vi) the entity is controlled or jointly controlled by a person identified in (a);
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

4. 主要會計政策概要 (續)**(e) 關聯方** (續)

(b) (續)

- (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司；
- (v) 該實體為本集團或與本集團有關連的實體就僱員福利設立的離職後福利計劃；
- (vi) 該實體受(a)項所識別人士控制或共同控制；
- (vii) (a)(i)項所識別人士對該實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員；及
- (viii) 該實體或其所屬集團的任何成員公司為本集團或本集團母公司提供主要管理人員服務。

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財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(f) Property, plant and equipment and depreciation**

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and the costs directly attributable to the acquisition of the items.

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

Property, plant and equipment are depreciated so as to write off their cost net of expected residual value over their estimated useful lives on a straight-line basis. The useful lives, residual value and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period. The annual rates are as follows:

Plant and machinery	10% to 20%
Furniture, fixtures and office equipment	10% to 33%
Motor vehicles	10% to 25%

4. 主要會計政策概要(續)**(f) 物業、機器及設備以及折舊**

物業、機器及設備按成本減累計折舊及累計減值虧損列賬。物業、機器及設備的成本包括有關項目的購買價以及收購項目的直接應佔成本。

其後成本只有在與該項目有關的未來經濟利益有可能流入本集團，而該項目的成本能可靠地計量時，才計入資產的賬面金額或確認為獨立資產(如適用)。替換部分的賬面金額終止確認。所有其他維修及保養在產生的財政期間內於損益確認為開支。

物業、機器及設備以直線法計算折舊，以按其估計可使用年期撇銷其成本(扣除預期剩餘價值)。可使用年期、剩餘價值及折舊方法乃於各報告期末覆核，並於適當時作出調整。年度折舊率如下：

機器及機械	10%至20%
傢俬、裝置及辦公室設備	10%至33%
汽車	10%至25%

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財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Property, plant and equipment and depreciation (continued)

Construction in progress is stated at cost less impairment losses. Cost comprises direct costs of construction as well as borrowing costs capitalised during the periods of construction and installation. Capitalisation of these costs ceases and the construction in progress is transferred to the appropriate class of property, plant and equipment when substantially all the activities necessary to prepare the assets for their intended use are completed. No depreciation is provided for in respect of construction in progress until it is completed and ready for its intended use.

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

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets, or where shorter, the term of the relevant lease.

The gain or loss on disposal of an item of property, plant and equipment is the difference between the net sale proceeds and its carrying amount, and is recognised in profit or loss on disposal.

4. 主要會計政策概要(續)

(f) 物業、機器及設備以及折舊(續)

在建工程按成本減任何減值虧損列賬。成本包括建造直接成本以及建造及安裝期間的已資本化借貸成本。倘將資產準備作擬定用途的所有活動已大致完成，則停止將該等成本資本化，而在建工程則轉撥至物業、機器及設備的適當類別。在建工程在完成並可作擬定用途前不予折舊。

倘資產的賬面金額高於估計可收回金額，則資產會即時撇減至可收回金額。

按融資租賃持有的資產按與自置資產相同的基準於預期可使用年期或(如較短)相關租賃期內折舊。

出售物業、機器及設備項目的收益或虧損為銷售所得款項淨額與其賬面金額的差額，於出售時於損益確認。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(g) Service concession arrangements
Consideration given by the grantor**

A financial asset (receivable under a service concession arrangement) is recognised to the extent that (a) the Group has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services; and (b) the grantor has little, if any, discretion to avoid payment, usually because the agreement is enforceable by law. The Group has an unconditional right to receive cash if the grantor contractually guarantees to pay the Group (a) specified or determinable amounts or (b) the shortfall, if any, between amounts received from users of the public service and specified or determinable amounts, even if the payment is contingent on the Group ensuring that the infrastructure meets the specified quality of efficiency requirements. The financial asset (receivable under a service concession arrangement) is accounted for in accordance with the policy set out for loans and receivables under “Financial assets” below.

An intangible asset (operating concession) is recognised to the extent that the Group receives a right to charge users of the public service, which is not an unconditional right to receive cash because the amounts are contingent on the extent that the public uses the service. The intangible asset (operating concession) is accounted for in accordance with the policy set out for “Intangible assets (other than goodwill)” below.

4. 主要會計政策概要(續)**(g) 服務特許權安排
授予人給予的代價**

所確認金融資產(服務特許權安排應收款項)以下列者為限:(a) 本集團有無條件合約權利就建造服務向授予人或按其指示收取現金或其他金融資產;及(b) 授予人擁有有限酌情權(如有)逃避付款,通常因為協議可依法強制執行。倘授予人以合約方式擔保向本集團支付(a)指定或可釐定金額或(b)已收公共服務用戶的款項少於指定或可釐定金額的差額(如有),則儘管付款須以本集團確保基礎設施符合指定效率要求為條件,本集團仍擁有無條件權利收取現金。金融資產(服務特許權安排應收款項)按照下文「金融資產」所載的貸款及應收款項政策入賬。

無形資產(經營特許權)於本集團獲得向公共服務用戶收費的權利時確認,惟該權利並非收取現金的無條件權利,因為該款項須以公眾使用該服務為條件。無形資產(經營特許權)按照下文「無形資產(商譽除外)」所載的政策入賬。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Service concession arrangements (continued) Consideration given by the grantor (continued)

If the Group is paid for the construction services partly by a financial asset and partly by an intangible asset, in which case, each component of the consideration is accounted for separately and the consideration received or receivable for both components shall be recognised initially at the fair value of the consideration received or receivable.

Construction or upgrade services

Revenue and costs relating to construction or upgrade services are accounted for in accordance with the policy set out for "Construction contracts" below.

Operating services

Revenue relating to operating services is accounted for in accordance with the policy set out for "Revenue recognition" below. Costs for operating services are expensed in the period in which they are incurred.

Contractual obligations to restore the infrastructure to a specific level of serviceability

The Group has contractual obligations which it must fulfil as a condition of its licence, that is (a) to maintain the kitchen waste treatment plants it operates to a specified level of serviceability; and/or (b) to restore the plants to a specified condition before they are handed over to the grantor at the end of the service concession arrangement. These contractual obligations to maintain or restore the kitchen waste treatment plants, except for upgrade element, are recognised and measured in accordance with the policy set out for "Provisions" below.

4. 主要會計政策概要(續)

(g) 服務特許權安排(續) 授予人給予的代價(續)

倘本集團就建造服務獲支付金融資產及無形資產分別作為部分報酬，則會就代價的各個部分分開入賬，就兩部分已收或應收的代價初始應按已收或應收代價的公平值確認。

建造或升級服務

與建造或升級服務有關的收入及成本按照下文「建築合約」所載的政策入賬。

經營服務

有關經營服務的收入按照下文「收入確認」所載的政策入賬。經營服務的成本於產生的期間支銷。

修復基礎設施至特定可提供服務水平的合約責任

作為其執照的條件，本集團必須履行的合約責任為(a)保養其經營的餐廚垃圾處理廠，以符合特定的可提供服務水平；及／或(b)於服務特許權安排結束時，在移交廠房予授予人前將廠房修復至指定狀態。該等保養或修復餐廚垃圾處理廠的合約責任(升級部分除外)按照下文「撥備」所載的政策確認及計量。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(h) Intangible assets (other than goodwill)**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Operating concessions

Operating concessions represent the rights to operate kitchen waste treatment plants are stated at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is provided on the straight-line basis over the respective periods of the operating concessions granted to the Group of 25 to 30 years.

Patents

Purchased patents are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful economic lives of 10 years.

Customer list

Customer relationships are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful economic lives of 5 years.

Technologies

Technologies are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful economic lives of 8 years.

4. 主要會計政策概要(續)**(h) 無形資產(商譽除外)**

個別收購的無形資產於初始確認時按成本計量。在業務合併過程中收購無形資產的成本為收購當日的公平值。無形資產的可使用年期可評估為有限或無限。年期有限的無形資產其後按可使用經濟年期攤銷，並於該無形資產可能出現減值跡象時進行減值評估。可使用年期有限的無形資產的攤銷期及攤銷方法會最少於每個財政年度結束時檢討一次。

經營特許權

經營特許權指經營餐廚垃圾處理廠的權利，按成本減累計攤銷及任何累計減值虧損列賬，並以直線法於本集團獲授予25至30年經營特許權相關期間內攤銷。

專利

已購買的專利按成本減任何減值虧損列賬，並以直線法於10年的估計可使用經濟年期內攤銷。

客戶名單

客戶關係按成本減任何減值虧損列賬，並以直線法於5年的估計可使用經濟年期內攤銷。

技術

技術按成本減任何減值虧損列賬，並以直線法於8年的估計可使用經濟年期內攤銷。

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財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Intangible assets (other than goodwill) (continued)

Non-compete Agreement

Non-compete Agreement are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful economic lives of 5 years.

Trademark

Trademarks are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful economic lives of 26 years.

(i) Leases

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases, including prepaid land lease payments under finance leases, are included in property, plant and equipment, and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the statement of profit or loss so as to provide a constant periodic rate of charge over the lease terms.

Assets acquired through hire purchase contracts of a financing nature are accounted for as finance leases, but are depreciated over their estimated useful lives.

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the statement of profit or loss on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases net of any incentives received from the lessor are charged to the statement of profit or loss on the straight-line basis over the lease terms.

4. 主要會計政策概要(續)

(h) 無形資產(商譽除外)(續)

不競爭協議

不競爭協議按成本減任何減值虧損列賬，並以直線法於5年的估計可使用經濟年期內攤銷。

商標

商標按成本減任何減值虧損列賬，並以直線法於26年的估計可使用經濟年期內攤銷。

(i) 租賃

凡將資產擁有權(法定業權除外)的絕大部分回報與風險轉移至本集團的租賃，均以融資租賃入賬。於融資租賃開始時，租賃資產的成本按最低租賃款項的現值撥充資本，並連同責任(不計利息部分)列賬，以反映購入及融資情況。根據已撥充資本的融資租賃持有的資產(包括融資租賃的預付土地租賃款項)乃列入物業、機器及設備，並按資產的租賃年期與估計可使用年期的較短者計算折舊。該等租賃的財務成本自損益表扣除，藉以在租賃年期內提供一個固定定期扣除率。

透過具融資性質的租購合約購入的資產以融資租賃入賬，惟須按其估計可使用年期計算折舊。

凡資產擁有權的絕大部分回報與風險繼續歸出租人所有的租賃，均入賬列作經營租賃。倘本集團為出租人，則本集團根據經營租賃出租的資產計入非流動資產，根據經營租賃應收的租金按租賃年期以直線法計入損益表。倘本集團為承租人，則根據經營租賃應付的租金(扣除已收出租人的任何獎勵)按租賃年期以直線法自損益表扣除。

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財務報表附註

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(i) Leases (continued)**

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms. When the lease payments cannot be allocated reliably between the land and buildings elements, the entire lease payments are included in the cost of the land and buildings as a finance lease in property, plant and equipment.

(j) A Financial Instruments (accounting policies applied from 1 April 2018)**(i) Financial assets**

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

4. 主要會計政策概要(續)**(i) 租賃(續)**

經營租賃下的預付土地租賃款項初始按成本列賬，其後以直線法按租賃年期確認。當租賃款項不能可靠地於土地及樓宇部分之間分配時，整筆租賃款項會計入土地及樓宇成本，作為物業、機器及設備的融資租賃。

(j) A 金融工具(自2018年4月1日起應用的會計政策)**(i) 金融資產**

金融資產(並無重大融資組成部分的貿易應收款項除外)初始按公平值加(倘為並非透過損益按公平值計量的項目)收購或發行金融資產直接應佔的交易成本計量。並無重大融資組成部分的貿易應收款項初始按交易價計量。

所有以正常方式進行的金融資產買賣於交易日期(即本集團承諾購買或出售該資產的日期)確認。正常方式買賣指按照一般市場規則或慣例訂定的期間內交付資產的金融資產買賣。

在確定具有嵌入式衍生工具的金融資產的現金流量是否純粹支付本金及利息時，應整體考慮該等金融資產。

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財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) A Financial Instruments (accounting policies applied from 1 April 2018) (continued)

(i) Financial assets (continued)

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

Fair value through other comprehensive income ("FVOCI"): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through OCI. Debt investments at fair value through other comprehensive income are subsequently measured at fair value. Interest income calculated using the effective interest rate method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

4. 主要會計政策概要(續)

(j) A 金融工具(自2018年4月1日起應用的會計政策)(續)

(i) 金融資產(續)

債務工具

債務工具的其後計量視乎本集團管理資產的業務模式及資產的現金流量特徵而定。本集團的債務工具分為三個計量類別：

攤銷成本：資產如為收取合約現金流量而持有，而該等現金流量為純粹支付本金及利息，則按攤銷成本計量。按攤銷成本計量的金融資產其後以實際利率法計量。利息收入、外匯收益及虧損以及減值於損益確認。終止確認的任何收益於損益確認。

透過其他全面收益按公平值計量：為收取合約現金流及出售金融資產而持有的資產，當資產的現金流量純粹為支付本金及利息時，以透過其他全面收益按公平值計量的方式計量。透過其他全面收益按公平值計量的債務投資其後按公平值計量。利息收入以實際利率法計算，而外匯收益及虧損以及減值於損益確認。其他收益及虧損淨額於其他全面收益確認。於終止確認時，以往於其他全面收益累計的收益或虧損重新分類至損益。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) A Financial Instruments (accounting policies applied from 1 April 2018) (continued)

(i) Financial assets (continued)

Debt instruments (continued)

Fair value through profit or loss ("FVTPL"): Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through other comprehensive income, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

4. 主要會計政策概要(續)

(j) A 金融工具(自2018年4月1日起應用的會計政策)(續)

(i) 金融資產(續)

債務工具(續)

透過損益按公平值計量：透過損益按公平值計量的金融資產包括持作買賣的金融資產、於初始確認時指定透過損益按公平值計量的金融資產或強制規定按公平值計量的金融資產。金融資產如為於短期內出售或購回而購入，則分類為持作買賣。衍生工具(包括獨立嵌入式衍生工具)亦分類為持作買賣，除非獲指定為有效對沖工具。現金流量並非純粹支付本金及利息的金融資產亦按透過損益按公平值計量分類及計量，不理會業務模式。即使符合上述將債務工具分類為按攤銷成本計量或透過其他全面收益按公平值計量的條件，本集團仍可於初始確認時將債務工具指定為透過損益按公平值計量，前提是有關指定可消除或大幅減少會計錯配發生。

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財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) A Financial Instruments (accounting policies applied from 1 April 2018) (continued)

(i) Financial assets (continued)
Equity instruments

On initial recognition of an equity investment that is not held for trading, the Group could irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Equity investments at fair value through other comprehensive income are measured at fair value. Dividend income are recognised in profit or loss unless the dividend income clearly represents a recovery of part of the cost of the investments. Other net gains and losses are recognised in other comprehensive income and are not reclassified to profit or loss. All other equity instruments are classified as FVTPL, whereby changes in fair value, dividends and interest income are recognised in profit or loss.

(ii) Impairment loss on financial assets

The Group recognises loss allowances for expected credit loss on trade receivables, contract assets, financial assets measured at amortised cost and debt investments measured at FVOCI. The ECLs are measured on either of the following bases: (1) 12 months ECLs: these are the ECLs that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

4. 主要會計政策概要(續)

(j) A 金融工具(自2018年4月1日起應用的會計政策)
(續)(i) 金融資產(續)
權益工具

於初始確認並非持作買賣的股本投資時，本集團或會不可撤回地選擇於其他全面收益呈列投資公平值的其後變動。該項選擇乃按投資逐項作出。透過其他全面收益按公平值計量的股本投資按公平值計量。除非股息收入明確地代表收回部分投資成本，否則股息收入於損益確認。其他淨收益及虧損於其他全面收益內確認，且不會重新分類至損益。所有其他權益工具均分類為透過損益按公平值計量，據此，公平值變動、股息及利息收入於損益確認。

(ii) 金融資產的減值虧損

本集團就貿易應收款項、合約資產、按攤銷成本計量的金融資產及透過其他全面收益按公平值計量的債務投資的預期信貸虧損確認虧損備抵。預期信貸虧損按以下其中一項基準計量：(1) 12個月預期信貸虧損：此乃可能於報告日期後12個月內發生的違約事件產生的預期信貸虧損；及(2) 全期預期信貸虧損：此乃可能於金融工具預計年期內發生的所有違約事件產生的預期信貸虧損。於估計預期信貸虧損時考慮的最長期間為本集團面對信貸風險的最長合約期間。

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財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) A Financial Instruments (accounting policies applied from 1 April 2018) (continued)

(ii) Impairment loss on financial assets (continued)

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

The Group has elected to measure loss allowances for receivable from service concession arrangement, trade receivables and contract assets using HKFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has applied the probability of based on that of counterparties with similar credit rating, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other debt financial assets, the ECLs are based on the 12-months ECLs. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information analysis, based on the Group's historical experience, informed credit assessment and forward-looking information.

4. 主要會計政策概要(續)

(j) A 金融工具(自2018年4月1日起應用的會計政策)(續)

(ii) 金融資產的減值虧損(續)

預期信貸虧損乃信託虧損的概率加權估計。信託虧損乃基於根據合約應付本集團的所有合約現金流量與本集團預期收取的所有現現金流量之間的差額計量。該不足額其後按與資產原有實際利率相近的利率貼現。

本集團已選擇使用香港財務報告準則第9號的簡化方式計量服務特許權安排應收款項、貿易應收款項及合約資產的虧損備抵，並基於全期預期信貸虧損計算預期信貸虧損。本集團基於信貸評級相若的交易對手的資料應用違約概率，並按債務人及經濟環境的特定前瞻性因素作出調整。

就其他債務金融資產而言，本集團按12個月預期信貸虧損計算預期信貸虧損。然而，自開始以來信貸風險顯著增加時，備抵將以全期預期信貸虧損為基準。

當釐定金融資產的信貸風險自初始確認後有否大幅增加，並於估計預期信貸虧損時，本集團會考慮相關及無須付出過多成本或努力即可獲得的合理及可靠資料。此包括根據本集團的過往經驗、已知信貸評估及前瞻性資料得出的定量及定性資料及分析。

NOTES TO FINANCIAL STATEMENTS

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For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(j) A Financial Instruments (accounting policies applied from 1 April 2018) (continued)****(ii) Impairment loss on financial assets (continued)**

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, unless the Group has reasonable and supportable information that demonstrate otherwise.

The Group considers a financial asset to be credit-impaired when: (1) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (2) the financial asset is more than 90 days past due, unless the Group has reasonable and supportable information to demonstrate that a more logging default criteria is more appropriate.

Interest income on credit-impaired financial assets is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset. For non credit-impaired financial assets interest income is calculated based on the gross carrying amount.

(iii) Financial liabilities

The Group classifies its financial liabilities, depending on the purpose for which the liabilities were incurred. Financial liabilities at fair value through profit or loss are initially measured at fair value and financial liabilities at amortised costs are initially measured at fair value, net of directly attributable costs incurred.

4. 主要會計政策概要(續)**(j) A 金融工具(自2018年4月1日起應用的會計政策)(續)****(ii) 金融資產的減值虧損(續)**

倘某項金融資產逾期超過30天，則本集團假設該金融資產的信貸風險大幅增加，除非本集團有合理及可靠資料顯示並非如此，則作別論。

本集團認為金融資產在以下情況下將出現信貸減值：(1) 借款人不大可能在本集團無追索權採取行動(例如變現抵押(如持有))的情況下向本集團悉數履行其信貸義務；或(2)金融資產逾期超過90天，除非本集團有合理及可靠資料顯示更滯後的違約標準更為適當，則作別論。

出現信貸減值的金融資產的利息收入按金融資產的攤銷成本(即賬面總額減虧損備抵)計算。無出現信貸減值的金融資產的利息收入則按賬面總額計算。

(iii) 金融負債

本集團按金融負債產生的目的將有關負債分類。透過損益按公平值計量的金融負債初始按公平值計量，而按攤銷成本計量的金融負債初始按公平值扣除已產生之直接應佔成本計量。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) A Financial Instruments (accounting policies applied from 1 April 2018) (continued)

(iii) Financial liabilities (continued)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in profit or loss.

Where a contract contains one or more embedded derivatives, the entire hybrid contract may be designated as a financial liability at fair value through profit or loss, except where the embedded derivative does not significantly modify the cash flows or it is clear that separation of the embedded derivative is prohibited.

4. 主要會計政策概要(續)

(j) A 金融工具(自2018年4月1日起應用的會計政策)(續)

(iii) 金融負債(續)

透過損益按公平值計量的金融負債

透過損益按公平值計量的金融負債包括持作買賣的金融負債及於初始確認時指定透過損益按公平值計量的金融負債。

倘收購金融負債的目的為在短期內出售，則將該等金融負債歸入持作買賣類別。衍生工具(包括獨立嵌入式衍生工具)亦歸入持作買賣類別，惟被指定為實際對沖工具者則除外。持作買賣的負債的收益或虧損於損益確認。

倘一份合約中包含一項或以上嵌入式衍生工具，則整份混合式合約可指定為透過損益按公平值計量的金融負債，惟嵌入式衍生工具並無大幅修改現金流量，或分拆嵌入式衍生工具被明確禁止則除外。

NOTES TO FINANCIAL STATEMENTS

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For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) A Financial Instruments (accounting policies applied from 1 April 2018) (continued)

(iii) Financial liabilities (continued)

Financial liabilities at fair value through profit or loss (continued)

Financial liabilities may be designated upon initial recognition as at fair value through profit or loss if the following criteria are met: (i) the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the liabilities or recognising gains or losses on them on a different basis; (ii) the liabilities are part of a group of financial liabilities which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy; or (iii) the financial liability contains an embedded derivative that would need to be separately recorded.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value recognised in profit or loss in the period in which they arise, except for the gains and losses arising from the Group's own credit risk which are presented in other comprehensive income with no subsequent reclassification to the statement of profit or loss. The net fair value gain or loss recognised in the statement of profit or loss does not include any interest charged on these financial liabilities.

4. 主要會計政策概要(續)

(j) A 金融工具(自2018年4月1日起應用的會計政策)(續)

(iii) 金融負債(續)

透過損益按公平值計量的金融負債(續)

倘符合以下準則，金融負債可於初始確認時指定為透過損益按公平值計量：(i)該指定消除或大幅減少因以不同基準計量負債或確認收益或虧損而可能引致的不一致處理；(ii)有關負債為一組金融負債一部分，而該組金融負債根據既定風險管理策略受到管理及按公平值評估表現；或(iii)金融負債包含需要分開入賬的嵌入式衍生工具。

初始確認後，透過損益按公平值計量的金融負債按公平值計量，而其公平值變動於產生期間在損益確認，惟因本集團本身信貸風險而產生的收益或虧損除外，有關項目於其他全面收益呈列，其後不會重新分類至損益表。於損益表確認的公平值淨收益或虧損並不包括就該等金融負債收取的任何利息。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) A Financial Instruments (accounting policies applied from 1 April 2018) (continued)

(iii) Financial liabilities (continued)

Financial liabilities at fair value through profit or loss (continued)

Financial liabilities at amortised cost

Financial liabilities at amortised cost including trade and other payables, borrowings, certain preference shares and the debt element of convertible loan note issued by the Group are subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in profit or loss.

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

(iv) Convertible loan notes

Convertible loan notes issued by the Group that contain both the liability and conversion option components are classified separately into their respective items on initial recognition. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is classified as an equity instrument.

On initial recognition, the fair value of the liability component is determined using the prevailing market interest of similar non-convertible debts. The difference between the proceeds of the issue of the convertible loan notes and the fair value assigned to the liability component, representing the conversion option for the holder to convert the loan notes into equity, is included in equity (convertible loan notes equity reserve).

4. 主要會計政策概要(續)

(j) A 金融工具(自2018年4月1日起應用的會計政策)(續)

(iii) 金融負債(續)

透過損益按公平值計量的金融負債(續)

按攤銷成本計量的金融負債

按攤銷成本計量的金融負債包括貿易及其他應付款項、借貸、若干優先股及本公司發行的可換股貸款票據中的債務部分，其後使用實際利息法按攤銷成本計量，相關利息支出於損益確認。

收益或虧損於終止確認負債時以及透過攤銷過程於損益確認。

(iv) 可換股貸款票據

本集團所發行包含負債及轉換權組成部分的可換股貸款票據於初始確認時單獨分類為各自的項目。以定額現金或另一項金融資產交換本公司本身的方式結算的轉換權會分類為權益工具。

於初始確認時，負債組成部分的公平值利用類似的不可轉換債項的通行市場利率釐定。發行可換股貸款票據的所得款項與分配至負債組成部分(指持有人將貸款票據轉換為權益的轉換權)的公平值的差額乃計入權益(可換股貸款票據權益儲備)。

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財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(j) A Financial Instruments (accounting policies applied from 1 April 2018) (continued)****(iv) Convertible loan notes (continued)**

In subsequent periods, the liability component of the convertible loan notes is carried at amortised cost using the effective interest method. The equity component, represented by the option to convert the liability component into ordinary shares of the Company, will remain in convertible loan notes equity reserve until the embedded option is exercised (in which case the balance stated in convertible loan notes equity reserve will be transferred to share capital. Where the option remains unexercised at the expiry dates, the balance stated in convertible loan notes equity reserve will be released to the retained earnings. No gain or loss is recognised upon conversion or expiration of the option.

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

4. 主要會計政策概要(續)**(j) A 金融工具(自2018年4月1日起應用的會計政策)(續)****(iv) 可換股貸款票據(續)**

於其後期間，可換股貸款票據的負債組成部分利用實際利息法按攤銷成本列賬。權益組成部分(指轉換負債組成部分為本公司普通股的期權)將保留於可換股貸款票據權益儲備，直至嵌入式期權獲行使為止(在此情況下，可換股貸款票據權益儲備所列的結餘將撥至股本)。倘期權於到期日仍未獲行使，則可換股貸款票據權益儲備所列的結餘將撥至保留盈利。期權獲轉換或到期時不會確認收益或虧損。

有關發行可換股貸款票據的交易成本乃按所得款項的分配比例分配至負債及轉換權組成部分。有關權益組成部分的交易成本直接自權益扣除，而有關負債組成部分的交易成本則計入負債部分的賬面金額，並利用實際利息法於可換股貸款票據期內攤銷。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) A Financial Instruments (accounting policies applied from 1 April 2018) (continued)

(v) *Effective interest method*

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

(vi) *Equity instruments*

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

The Hong Kong Companies Ordinance, Cap. 622, came into operation on 3 March 2014. Under the Ordinance shares of the Company do not have a nominal value. Consideration received or receivable for the issue of shares on or after 3 March 2014 is credited to share capital. Commissions and expenses are allowed to be deducted from share capital under s. 148 and s. 149 of the Ordinance.

4. 主要會計政策概要(續)

(j) A 金融工具(自2018年4月1日起應用的會計政策)(續)

(v) *實際利息法*

實際利息法乃計算金融資產或金融負債之攤銷成本及於有關期間攤分利息收入或利息支出之方法。實際利率為於金融資產或負債之預期年期或(倘適用)較短期間內將估計日後現金收入或支出精確貼現之利率。

(vi) *權益工具*

本公司發行之權益工具按已收所得款項扣除直接發行成本記賬。

香港公司條例(第622章)於2014年3月3日生效。根據公司條例,本公司股份並無面值。於2014年3月3日或之後就發行股份已收或應收的代價計入股本。根據公司條例第148及149條,佣金及開支獲准從股本中扣除。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(j) A Financial Instruments (accounting policies applied from 1 April 2018) (continued)****(vii) Financial guarantee contracts**

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. A financial guarantee contract issued by the Group and not designated as at fair value through profit or loss is recognised initially at its fair value less transaction costs that are directly attributable to the issue of the financial guarantee contract. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of the loss allowance, being the ECL provision measured in accordance with principles of the the accounting policy set out in 4(j)A(ii); and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the principles of HKFRS 15.

4. 主要會計政策概要(續)**(j) A 金融工具(自2018年4月1日起應用的會計政策)(續)****(vii) 財務擔保合約**

財務擔保合約為要求發行人作出特定付款以彌償持有人因指定債務人未能按照債務工具的原有或經修改條款於到期時付款而招致的損失的合約。本集團發出的財務擔保合約並無指定為透過損益按公平值計量，初始按公平值扣除發出該財務擔保合約直接應佔的交易成本確認。初始確認後，本集團按以下兩者中的較高者計量財務擔保合約：(i)虧損撥備抵金額，為按照4(j)A(ii)所載會計政策的原則計量的預期信貸虧損撥備；及(ii)初始確認金額減(如適用)根據香港財務報告準則第15號的原則確認的累計攤銷。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) A Financial Instruments (accounting policies applied from 1 April 2018) (continued)

(viii) Derecognition

The Group derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with HKFRS 9.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

Where the Group issues its own equity instruments to a creditor to settle a financial liability in whole or in part as a result of renegotiating the terms of that liability, the equity instruments issued are the consideration paid and are recognised initially and measured at their fair value on the date the financial liability or part thereof is extinguished. If the fair value of the equity instruments issued cannot be reliably measured, the equity instruments are measured to reflect the fair value of the financial liability extinguished. The difference between the carrying amount of the financial liability or part thereof extinguished and the consideration paid is recognised in profit or loss for the year.

4. 主要會計政策概要(續)

(j) A 金融工具(自2018年4月1日起應用的會計政策)(續)

(viii) 終止確認

當收取金融資產的未來現金流量的合約權利屆滿，或金融資產已經轉讓而該轉讓符合香港財務報告準則第9號終止確認的標準時，本集團會終止確認該金融資產。

當相關合約訂明的責任獲解除、註銷或屆滿時，本集團會終止確認金融負債。

倘本集團因重新磋商金融負債條款而向債權人發行本身的權益工具，以結算全部或部分金融負債，則所發行權益工具為已付代價，初始按金融負債或其部分消除當日的公平值計量。倘所發行權益工具的公平值無法可靠地計量，則該等權益工具按能反映已消除金融負債的公平值計量。已消除的金融負債或其部分的賬面金額與已付代價之間的差額於年內損益確認。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) B Financial Instruments (accounting policies applied until 31 March 2018)

(i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables or available-for-sale financial assets, as appropriate. When financial assets are recognised initially, they are measured at fair value plus transaction costs that are attributable to the acquisition of the financial assets, except in the case of financial assets recorded at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

4. 主要會計政策概要(續)

(j) B 金融工具(截至2018年3月31日止應用的會計政策)

(i) 金融資產

初始確認及計量

金融資產於初始確認時分類為透過損益按公平值計量的金融資產、貸款及應收款項或可供出售金融資產(如適用)。金融資產於初始確認時按公平值加收購金融資產應佔的交易成本計量，惟透過損益按公平值列賬的金融資產除外。

所有以正常方式進行的金融資產買賣於交易日期(即本集團承諾購買或出售該資產的日期)確認。正常方式買賣指按照一般市場規則或慣例訂定的期間內交付資產的金融資產買賣。

其後計量

金融資產按其分類進行的其後計量如下：

NOTES TO FINANCIAL STATEMENTS

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For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) B Financial Instruments (accounting policies applied until 31 March 2018) (continued)

(i) Financial assets (continued)

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments as defined by HKAS 39.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss. These net fair value changes do not include any interest earned on these financial assets, which are recognised in accordance with the policies set out for "Revenue recognition" below.

Financial assets designated upon initial recognition as at fair value through profit or loss are designated at the date of initial recognition and only if the criteria in HKAS 39 are satisfied.

4. 主要會計政策概要(續)

(j) B 金融工具(截至2018年3月31日止應用的會計政策)(續)

(i) 金融資產(續)

透過損益按公平值計量的金融資產

透過損益按公平值計量的金融資產包括持作買賣的金融資產及於初始確認時指定透過損益按公平值計量的金融資產。倘收購金融資產的目的為在短期內出售，則將該等金融資產歸入持作買賣類別。衍生工具(包括獨立嵌入式衍生工具)亦歸入持作買賣類別，惟被指定為實際對沖工具(定義見香港會計準則第39號)者則除外。

透過損益按公平值計量的金融資產按公平值於財務狀況表入賬，而公平值變動淨額則於損益表確認。此等公平淨值變動並不包括該等金融資產所賺取的任何利息，該等利息按照下文所載「收入確認」的政策確認。

指定於初始確認時透過損益按公平值計量的金融資產於初始確認當日並僅於符合香港會計準則第39號的標準時，方可作此分類。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) B Financial Instruments (accounting policies applied until 31 March 2018) (continued)

(i) Financial assets (continued)

Financial assets at fair value through profit or loss (continued)

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated as at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in the statement of profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation and the loss arising from impairment are recognised in the statement of profit or loss.

4. 主要會計政策概要(續)

(j) B 金融工具(截至2018年3月31日止應用的會計政策)(續)

(i) 金融資產(續)

透過損益按公平值計量的金融資產(續)

倘於主合約內嵌入的衍生工具的經濟特性及風險與主合約之經濟特性及風險並無密切關係，而主合約並非持作買賣用途或指定透過損益按公平值計量，則以個別衍生工具按公平值記賬。該等嵌入式衍生工具按公平值計量，其公平值變動於損益表確認。只有在合約條款出現變動而須就現金流量作出重大修訂或將金融資產重新分類至透過損益按公平值列賬類別時，方會進行重估。

貸款及應收款項

貸款及應收款項乃非衍生金融資產，有固定或可釐定付款金額而並無在活躍市場上報價。於初始計量後，該等資產其後以實際利率法按攤銷成本減任何減值備抵計量。於計算攤銷成本時已計及收購時的任何折讓或溢價，並計入屬於實際利率組成部分的費用或成本。實際利率攤銷及減值所產生的虧損在損益表確認。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) B Financial Instruments (accounting policies applied until 31 March 2018) (continued)

(i) Financial assets (continued)

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets in listed equity investments. Equity investments classified as available for sale are those which are neither classified as held for trading nor designated as at fair value through profit or loss.

After initial recognition, available-for-sale financial assets are subsequently measured at fair value, with unrealised gains or losses recognised as other comprehensive income in the available-for-sale financial asset revaluation reserve until the financial asset is derecognised, at which time the cumulative gain or loss is recognised in the statement of profit or loss, or until the financial asset is determined to be impaired, when the cumulative gain or loss is reclassified from the available-for-sale financial asset revaluation reserve to the statement of profit or loss. Interest and dividends earned whilst holding the available-for-sale financial assets are reported as interest income and dividend income, respectively and are recognised in the statement of profit or loss in accordance with the policies set out for "Revenue recognition" below.

The Group evaluates whether the ability and intention to sell its available-for-sale financial assets in the near term are still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets, the Group may elect to reclassify these financial assets if management has the ability and intention to hold the assets for the foreseeable future or until maturity.

4. 主要會計政策概要(續)

(j) B 金融工具(截至2018年3月31日止應用的會計政策)(續)

(i) 金融資產(續)

可供出售金融資產
可供出售金融資產乃上市股本投資的非衍生金融資產。歸入可供出售類別的股本投資既無歸入持作買賣類別，亦無指定為透過損益按公平值計量。

初始確認後，可供出售金融資產其後按公平值計量，而未變現收益或虧損則於可供出售金融資產重估儲備確認為其他全面收益，直至終止確認該項金融資產(屆時，累計收益或虧損在損益表確認)或直至該項金融資產被確定為減值(屆時，累計收益或虧損自可供出售金融資產重估儲備重新分類至損益表)為止。持有可供出售金融資產所賺取的利息及股息分別呈報為利息收入及股息收入，並按照下文所載「收入確認」的政策於損益表確認。

本集團會評估在短期內出售其可供出售金融資產的能力及意向是否仍屬適當。在罕有情況下，當市場不活躍導致本集團無法買賣該等金融資產時，倘管理層有能力及意向在可見將來持有該等資產或持有至到期日，則本集團可選擇將該等金融資產重新分類。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) B Financial Instruments (accounting policies applied until 31 March 2018) (continued)

(i) Financial assets (continued)

Available-for-sale financial assets (continued)

For a financial asset reclassified from the available-for-sale category, the fair value carrying amount at the date of reclassification becomes its new amortised cost and any previous gain or loss on that asset that has been recognised in equity is amortised to profit or loss over the remaining life of the asset using the effective interest rate. Any difference between the new amortised cost and the maturity amount is also amortised over the remaining life of the asset using the effective interest rate. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to the statement of profit or loss.

4. 主要會計政策概要(續)

(j) B 金融工具(截至2018年3月31日止應用的會計政策)(續)

(i) 金融資產(續)

可供出售金融資產(續)

對於自可供出售類別重新分類的金融資產，其於重新分類日期的公平值賬面金額成為其新攤銷成本，而有關資產先前於權益確認的任何收益或虧損則採用實際利率按資產剩餘年期攤銷至損益。新攤銷成本與到期款項的任何差額亦採用實際利率按資產剩餘年期攤銷。倘資產其後被釐定為減值，則計入權益的金額將重新分類至損益表。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) B Financial Instruments (accounting policies applied until 31 March 2018) (continued)

(ii) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

4. 主要會計政策概要(續)

(j) B 金融工具(截至2018年3月31日止應用的會計政策)(續)

(ii) 終止確認金融資產

金融資產(或(倘適用)金融資產的一部分或一組類似金融資產的一部分)主要在下列情況終止確認(即自本集團的綜合財務狀況表移除):

- 從該項資產收取現金流量的權利已屆滿;或
- 本集團已轉讓從該項資產收取現金流量的權利,或已承擔責任根據「轉付」安排在並無重大延誤的情況下將所收取現金流量全數支付予第三方;且(a)本集團已轉讓該項資產的絕大部分風險及回報;或(b)本集團並無轉讓或保留該項資產的絕大部分風險及回報,但已轉讓該項資產的控制權。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)***(j) B Financial Instruments (accounting policies applied until 31 March 2018)** *(continued)***(ii) Derecognition of financial assets** *(continued)*

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement in the asset. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

4. 主要會計政策概要 *(續)***(j) B 金融工具(截至2018年3月31日止應用的會計政策)** *(續)***(ii) 終止確認金融資產** *(續)*

當本集團已轉讓從該項資產收取現金流量的權利或已訂立轉付安排時，本集團會評估其是否保留資產擁有權的風險及回報以及保留的程度。倘本集團既無轉讓或保留該項資產的絕大部分風險及回報，亦無轉讓該項資產的控制權，則本集團會繼續按其持續參與資產的程度確認所轉讓資產。在此情況下，本集團亦會確認相關負債。已轉讓資產及相關負債按可反映本集團所保留的權利和責任的基準計量。

以擔保方式持續參與已轉讓資產，乃按該資產的原賬面金額與本集團可被要求償還代價的最高金額兩者中的較低者計量。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(j) B Financial Instruments (accounting policies applied until 31 March 2018) (continued)****(iii) Impairment of financial assets**

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that occurred after the initial recognition of the asset have an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

4. 主要會計政策概要(續)**(j) B 金融工具(截至2018年3月31日止應用的會計政策)(續)****(iii) 金融資產減值**

本集團於各報告期末評估有否客觀證據顯示某項或某組金融資產出現減值。倘於初始確認資產後發生的一項或多項事件對可以可靠地估計該項或該組金融資產的估計未來現金流量構成影響，則存在減值。減值證據可包括以下跡象：一名或一組債務人正面對重大財務困難、違約或未能償還利息或本金、有可能破產或進行其他財務重組，以及有可觀察數據顯示估計未來現金流量出現可計量的減幅，例如欠款數目變動或出現與違約相關的經濟狀況。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) B Financial Instruments (accounting policies applied until 31 March 2018) (continued)

(iii) Impairment of financial assets

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition).

4. 主要會計政策概要(續)

(j) B 金融工具(截至2018年3月31日止應用的會計政策)(續)

(iii) 金融資產減值

按攤銷成本列賬的金融資產

就按攤銷成本列賬的金融資產而言，本集團首先按個別基準就個別屬重大的金融資產或按組合基準就個別不屬重大的金融資產，評估是否存在減值。倘本集團認定按個別基準經評估的金融資產(無論重要與否)並無客觀跡象顯示存在減值，則該項資產會歸入一組具有相似信貸風險特性的金融資產，並共同評估該組金融資產是否存在減值。經個別評估減值且確認或繼續確認減值虧損的資產不會納入綜合減值評估之內。

所識別任何減值虧損的金額按該資產賬面金額與估計未來現金流量(不包括並未產生的未來信貸虧損)現值的差額計量。估計未來現金流量的現值以金融資產的初始實際利率(即初始確認時計算的實際利率)貼現。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) B Financial Instruments (accounting policies applied until 31 March 2018) (continued)

(iii) Impairment of financial assets (continued)

Financial assets carried at amortised cost (continued)

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in the statement of profit or loss. Interest income continues to be accrued on the reduced carrying amount using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group.

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to the statement of profit or loss.

4. 主要會計政策概要(續)

(j) B 金融工具(截至2018年3月31日止應用的會計政策)(續)

(iii) 金融資產減值(續)

按攤銷成本列賬的金融資產(續)

該資產的賬面金額會通過使用備抵賬扣減，而虧損則於損益表確認。利息收入於經扣減賬面金額中採用計量減值虧損時用以貼現未來現金流量的利率持續累計。若日後收回不可實現，而所有抵押品已變現或已轉讓予本集團，則撤銷貸款及應收款項連同任何相關撥備。

倘於其後期間估計減值虧損金額因確認減值後發生的事項而增加或減少，則透過調整備抵賬增加或扣減先前確認的減值虧損。倘於其後收回撇銷額，則該項收回會計入損益表。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) B Financial Instruments (accounting policies applied until 31 March 2018) (continued)

(iii) Impairment of financial assets (continued)

Available-for-sale financial assets

For available-for-sale financial assets, the Group assesses at the end of each reporting period whether there is objective evidence that an asset or a group of assets is impaired.

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the statement of profit or loss, is removed from other comprehensive income and recognised in the statement of profit or loss.

In the case of equity investments classified as available for sale, objective evidence would include a significant or prolonged decline in the fair value of an investment below its cost. "Significant" is evaluated against the original cost of the investment and "prolonged" against the period in which the fair value has been below its original cost. Where there is evidence of impairment, the cumulative loss — measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in the statement of profit or loss — is removed from other comprehensive income and recognised in the statement of profit or loss. Impairment losses on equity instruments classified as available for sale are not reversed through the statement of profit or loss. Increases in their fair value after impairment are recognised directly in other comprehensive income.

4. 主要會計政策概要(續)

(j) B 金融工具(截至2018年3月31日止應用的會計政策)(續)

(iii) 金融資產減值(續)

可供出售金融資產就可出售金融資產而言，本集團將於各報告期末評估有否客觀跡象會導致某或某組投資出現減值。

倘可供出售資產減值，則包括其成本(扣除任何本金付款及攤銷)與其現時公平值的差額減任何過往於損益表確認的減值虧損的金額會從其他全面收益轉撥並於損益表確認。

至於分類為可供出售的股本投資，客觀跡象將包括該項投資的公平值大幅或長期跌至低於其成本值。「大幅」是按原有投資成本評估，而「長期」是按公平值低於其原有成本的期間評估。倘出現減值跡象，則累計虧損(按收購成本與現時公平值的差額減該項投資先前於損益表確認的任何減值虧損計量)會從其他全面收入移除，並於損益表確認。分類為可供出售的股本工具的減值虧損不可透過損益表撥回。其公平值於減值後的增加部份會直接於其他全面收益確認。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(j) B Financial Instruments (accounting policies applied until 31 March 2018)** (continued)**(iii) Impairment of financial assets** (continued)*Available-for-sale financial assets* (continued)

The determination of what is “significant” or “prolonged” requires judgement. In making this judgement, the Group evaluates, among other factors, the duration or extent to which the fair value of an investment is less than its cost.

(iv) Financial liabilities*Initial recognition and measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or loans and borrowings, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading.

4. 主要會計政策概要 (續)**(j) B 金融工具(截至2018年3月31日止應用的會計政策)** (續)**(iii) 金融資產減值** (續)*可供出售金融資產* (續)

釐定何謂「大幅」或「長期」需要作出判斷。在作出此判斷時，本集團會衡量多項因素，包括投資項目的公平值低於其成本的時間及程度。

(iv) 金融負債*初始確認及計量*

金融負債於初始確認時劃分為透過損益按公平值計量的金融負債，或貸款及借款(倘適用)。

所有金融負債初始按公平值及(如屬貸款及借貸)扣除直接應佔交易成本確認。

其後計量

金融負債的其後計量乃視乎其分類如下：

透過損益按公平值計量的金融負債

透過損益按公平值計量的金融負債包括持作買賣的金融負債。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) B Financial Instruments (accounting policies applied until 31 March 2018) (continued)

(iv) Financial liabilities (continued)

Subsequent measurement (continued)

Financial liabilities at fair value through profit or loss (continued)

Financial liabilities are classified as held for trading if they are acquired for the purpose of repurchasing in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by HKAS 39. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss. The net fair value gain or loss recognised in the statement of profit or loss does not include any interest charged on these financial liabilities.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is recognised in the statement of profit or loss.

4. 主要會計政策概要(續)

(j) B 金融工具(截至2018年3月31日止應用的會計政策)(續)

(iv) 金融負債(續)

其後計量(續)

透過損益按公平值計量的金融負債(續)

倘收購金融負債的目的為在短期內購回，則將該等金融負債歸入持作買賣類別。此類別包括由本集團訂立而並無指定為香港會計準則第39號所界定對沖關係中的對沖工具的衍生金融工具。獨立嵌入式衍生工具如指定為實際對沖工具，則亦歸入持作買賣類別。持作買賣負債的收益或虧損於損益表確認。於損益表確認的公平值收益或虧損淨額並不包括就該等金融負債收取的任何利息。

貸款及借貸

於初始確認後，計息貸款及借貸於其後採用實際利率法按攤銷成本計量，除非貼現的影響不大，則會按成本列賬。在負債終止確認及透過實際利率攤銷程序進行時，收益及虧損會在損益表確認。

攤銷成本於計及任何收購折讓或溢價及屬實際利率不可或缺部分的費用或成本後計算。實際利率攤銷於損益表確認。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(j) B Financial Instruments (accounting policies applied until 31 March 2018) (continued)****(iv) Financial liabilities (continued)***Subsequent measurement (continued)*

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. A financial guarantee contract is recognised initially as a liability at its fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of the best estimate of the expenditure required to settle the present obligation at the end of the reporting period; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation.

4. 主要會計政策概要(續)**(j) B 金融工具(截至2018年3月31日止應用的會計政策)(續)****(iv) 金融負債(續)***其後計量(續)*

財務擔保合約

本集團發出的財務擔保合約為要求付款以彌償擔保持有人因指定債務人未能按照債務工具條款於到期時付款而招致的損失的合約。財務擔保合約初始按公平值確認為負債，並就直接歸屬於發出該擔保的交易成本作出調整。初始確認後，本集團按以下兩者中的較高者計量財務擔保合約：(i)償還報告期末的現有責任所須開支的最佳估計金額；及(ii)初始確認的金額減(若適用)累計攤銷。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(j) B Financial Instruments (accounting policies applied until 31 March 2018) (continued)****(iv) Financial liabilities (continued)***Subsequent measurement (continued)*

Convertible bonds

If the conversion option of convertible bonds exhibits characteristics of an embedded derivative, it is separated from its liability component. On initial recognition, the derivative component of the convertible bonds is measured at fair value and presented as part of derivative financial instruments. Any excess of proceeds over the amount initially recognised as the derivative component is recognised as the liability component. Transaction costs are apportioned between the liability and derivative components of the convertible bonds based on the allocation of proceeds to the liability and derivative components when the instruments are initially recognised. The portion of the transaction costs relating to the liability component is recognised initially as part of the liability. The portion relating to the derivative component is recognised immediately in the statement of profit or loss.

4. 主要會計政策概要(續)**(j) B 金融工具(截至2018年3月31日止應用的會計政策)(續)****(iv) 金融負債(續)***其後計量(續)*

可換股債券

倘可換股債券的轉換選擇權呈現嵌入式衍生工具的特徵，則從負債部分分開。於初始確認時，可換股債券的衍生工具部分按公平值計量，並呈列為衍生金融工具的一部分。所得款項超出初始確認為衍生工具部分的金額的任何差額乃確認為負債部分。交易成本基於在初始確認可換股債券時向其負債及衍生工具部分分配的所得款項，於負債及衍生工具部分之間分配。有關負債部分的交易成本的部分初始確認為負債的一部分。有關衍生工具部分的部分即時於損益表確認。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) B Financial Instruments (accounting policies applied until 31 March 2018) (continued)

(v) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(vi) Derivative financial instruments**Initial recognition and subsequent measurement**

Derivative financial instruments represent the derivative component of the convertible bonds. Such derivative financial instruments are initially recognised at fair value on initial recognition and are subsequently remeasured at fair value.

Any gains or losses arising from changes in fair value of derivatives are taken directly to the statement of profit or loss.

4. 主要會計政策概要(續)

(j) B 金融工具(截至2018年3月31日止應用的會計政策)(續)

(v) 終止確認金融負債

倘金融負債下的義務被解除、取消或到期，則本集團會終止確認金融負債。

當現有金融負債被來自同一放債人的另一項條款迥異的金融負債取代，或現有負債的條款大部分被修訂時，該項交換或修訂會視作終止確認原有負債及確認新負債，各自的賬面金額差額於損益表確認。

抵銷金融工具

倘現時存在一項可在法律上強制執行的權利，可抵銷已確認金額，且有意以淨額結算或同時變現資產及償付債務，則金融資產與金融負債可予抵銷，並將淨金額列入財務狀況表。

(vi) 衍生金融工具**初始確認及其後計量**

衍生金融工具指可換股債券的衍生工具部分。於初始確認時，該等衍生金融工具初始按公平值確認，其後則按公平值重新計量。

衍生工具公平值變動所產生的任何收益或虧損直接計入損益表。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) B Financial Instruments (accounting policies applied until 31 March 2018) (continued)

(vi) Derivative financial instruments (continued)

Current versus non-current classification

Derivative instruments that are not designated as effective hedging instruments are classified as current or non-current or separated into current and non-current portions based on an assessment of the facts and circumstances (i.e., the underlying contracted cash flows).

- Where the Group expects to hold a derivative as an economic hedge (and does not apply hedge accounting) for a period beyond 12 months after the end of the reporting period, the derivative is classified as non-current (or separated into current and non-current portions) consistently with the classification of the underlying item.
- Embedded derivatives that are not closely related to the host contract are classified consistently with the cash flows of the host contract.

4. 主要會計政策概要(續)

(j) B 金融工具(截至2018年3月31日止應用的會計政策)(續)

(vi) 衍生金融工具(續)

流動與非流動分類對比

並無指定為實際對沖工具的衍生工具乃基於對事實及情況的評估(即相關合約現金流量)分類為流動或非流動,或分別列為流動或非流動部分。

- 倘本集團預期持有衍生工具作為經濟對沖(而並無應用對沖會計法)至報告期末後超過12個月的期間,則該項衍生工具按與相關項目一致的分類方法分類為非流動(或分別列為流動及非流動部分)。
- 與主合約並無密切聯繫的嵌入式衍生工具按與主合約現金流量一致的分類方法分類。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(j) B Financial Instruments (accounting policies applied until 31 March 2018) (continued)****(vi) Derivative financial instruments***(continued)**Current versus non-current classification (continued)*

- Derivative instruments that are designated as, and are effective hedging instruments, are classified consistently with the classification of the underlying hedged item. The derivative instruments are separated into current portions and non-current portions only if a reliable allocation can be made.

(k) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

(l) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, which will probably result in an outflow of economic benefits that can be reasonably estimated.

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

4. 主要會計政策概要(續)**(j) B 金融工具(截至2018年3月31日止應用的會計政策)(續)****(vi) 衍生金融工具(續)***流動與非流動分類對比(續)*

- 指定為及為有效對沖工具的衍生工具按與相關對沖項目一致的分類方法分類。衍生工具僅於能作出可靠分配時分別列為流動及非流動部分。

(k) 存貨

存貨按成本與可變現淨值兩者中的較低者入賬。成本以先進先出法釐定，而在製品及製成品的成本則包括直接材料、直接人工及適當的間接費用部分。可變現淨值乃基於估計售價扣除直至完成及出售時將產生的任何估計成本計算。

(l) 撥備及或然負債

當本集團因過往事件而負有法律或推定責任，而有關責任將可能導致可合理地估計的經濟利益流出時，本集團會就時間或數額不確定的負債確認撥備。

倘不大可能須流出經濟利益，或有關金額無法可靠地估計，則該責任披露為或然負債，除非經濟利益流出的可能性極低。僅以一項或多項未來事件發生或不發生確定存在與否的可能責任亦會披露為或然負債，除非經濟利益流出的可能性極低。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Income tax

Income taxes for the year comprise current tax and deferred tax.

Current tax is based on the profit or loss from ordinary activities adjusted for items that are nonassessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes. Except for goodwill, if any, and recognised assets and liabilities that affect neither accounting nor taxable profits, deferred tax liabilities are recognised for all temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is measured at the tax rates appropriate to the expected manner in which the carrying amount of the asset or liability is realised or settled and that have been enacted or substantively enacted at the end of reporting period.

An exception to the general requirement on determining the appropriate tax rate used in measuring deferred tax amount is when an investment property is carried at fair value under HKAS 40 "Investment Property". Unless the presumption is rebutted, the deferred tax amounts on these investment properties are measured using the tax rates that would apply on sale of these investment properties at their carrying amounts at the reporting date. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all the economic benefits embodied in the property over time, rather than through sale.

4. 主要會計政策概要(續)

(m) 所得稅

年內所得稅包括即期稅項及遞延稅項。

即期稅項以日常業務的溢利或虧損為基礎，就所得稅而言無須課稅或不可扣稅的項目作出調整，並以報告期末已頒佈或實質上已頒佈的稅率計算。

本集團就作財務報告用途的資產及負債賬面金額與其作稅務用途的相應金額間的暫時差額確認遞延稅項。除不影響會計或應課稅溢利的商譽(如有)以及已確認資產及負債外，本集團就所有暫時差額確認遞延稅項負債。遞延稅項資產在可能有應課稅溢利可用於抵銷可扣稅暫時差額的情況下確認。

遞延稅項按適用於預期變現資產或清償負債賬面金額的方式及於報告期末已頒佈或實質上已頒佈的稅率計量。

釐定計量遞延稅項金額所用適當稅率的一般規定存在一個例外情況，即投資物業乃根據香港會計準則第40號「投資物業」按公平值列賬。除非該推定被推翻，否則此等投資物業的遞延稅項金額乃利用此等投資物業按於報告日期的賬面金額出售時應用的稅率計量。當投資物業乃可計提折舊並於旨在隨時間(而非透過出售)消耗物業所蘊含絕大部分經濟利益的商業模型內持有時，該推定即被推翻。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(m) Income tax (continued)**

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, 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.

Income taxes are recognised in profit or loss except when they relate to items recognised in other comprehensive income in which case the taxes are also recognised in other comprehensive income.

4. 主要會計政策概要(續)**(m) 所得稅(續)**

本集團就於附屬公司及聯營公司的投資產生的應課稅暫時差額確認遞延稅項負債，惟本集團能控制暫時差額撥回及暫時差額不大可能於可見將來撥回的情況除外。

所得稅乃於損益確認，惟當該等稅項與其他全面收益確認的項目有關時，該等稅項亦於其他全面收益確認。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed. Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to the statement of profit or loss by way of a reduced depreciation charge.

Where the Group receives government loans granted with no or at a below-market rate of interest for the construction of a qualifying asset, the initial carrying amount of the government loans is determined using the effective interest rate method, as further explained in the accounting policy for "Financial liabilities" above. The benefit of the government loans granted with no or at a below-market rate of interest, which is the difference between the initial carrying value of the loans and the proceeds received, is treated as a government grant and released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments.

4. 主要會計政策概要(續)

(n) 政府補助

政府補助於能合理確定將能收取補助及將符合所有附帶條件時按公平值確認。當補助與資產項目有關時，會於補助擬補償的成本支銷的期間內按有系統基準確認為收入。倘補助與資產有關，則公平值會計入遞延收入賬，並於相關資產的預計使用年期內以每年等額分期收款列於損益表，或從資產賬面金額中扣除及以經調減折舊支出的方式列於損益表。

倘本集團收取的政府貸款乃以零利率或低於市場的利率就興建合資格資產授出，則政府貸款的初始賬面金額會如上文「金融負債」的會計政策所進一步闡述，利用實際利率法釐定。以零利率或低於市場的利率授出的政府貸款的利益（為貸款初始賬面值與已收所得款項之間的差額）視為政府補助處理，並於相關資產的預計使用年期內以每年等額分期收款列於損益表。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(o) Revenue recognition (accounting policies applied from 1 April 2018)****Revenue from contracts with customers**

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

When the contract contains a financing component which provides the customer a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in HKFRS 15.

4. 主要會計政策概要(續)**(o) 收入確認(自2018年4月1日起應用的會計政策)****來自客戶合約的收入**

來自客戶合約的收入於貨品或服務的控制權轉移至客戶時，按反映本集團預期就交換該等貨品或服務有權獲得的代價金額確認。

當合約內的代價包括可變金額時，代價金額按本集團就向客戶轉移貨品或服務有權換取的金額估計。可變代價於合約簽訂時估計，並於與可變代價相關的不明朗因素其後得以解決，已確認累計收入金額中不大可能撥回重大收入前受限制。

當合約包含融資組成部分，為客戶提供超過一年的重大利益，為向客戶轉移貨品或服務融資時，收入按應收金額現值計量，並利用於合約簽訂時本集團與客戶進行獨立融資交易中反映的貼現率貼現。當合約包含融資組成部分，為本集團提供超過一年的重大融資利益時，根據合約確認的收入包括根據實際利息法就合約負債增長的利息開支。就客戶付款至承諾貨品或服務轉移期間為一年或以下的合約而言，按照香港財務報告準則第15號的可行權宜措施，交易價格不就重大融資組成部分的影響進行調整。

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財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) Revenue recognition (accounting policies applied from 1 April 2018) (continued)

Revenue from contracts with customers (continued)

The Group satisfied a performance obligation and recognises revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The Group's performance does not create an asset with an alternate use to the Group and the Group has an enforceable right to payment for performance completed to date.

If none of the above conditions are met, the Group recognises revenue at the point in time at which the performance obligation is satisfied.

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

The progress towards complete satisfaction of the performance obligation is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation, by reference to the surveyors' assessment of work performed and the costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract.

4. 主要會計政策概要(續)

(o) 收入確認(自2018年4月1日起應用的會計政策)(續) 來自客戶合約的收入(續)

倘符合以下其中一項條件，則本集團會隨時間履行履約責任及確認收入：

- 隨着本集團履約，客戶同時取得及消耗藉本集團履約提供的利益。
- 本集團的履約行為創造或增強客戶隨着資產被創造或增強而控制的資產。
- 本集團的履約行為並未創造一項可被本集團用於替代用途的資產，且本集團具有就迄今為止已完成的履約部分獲得客戶付款的可強制執行權利。

倘不符合上述條件，則本集團會於履約責任獲履行的時點確認收入。

倘資產控制權隨時間轉移，則本集團會於合約期間內參考圓滿完成履約責任的進度確認收入。否則，收入於客戶獲得資產控制權的時點確認。

圓滿完成履約責任的進度乃基於本集團為完成履約責任而付出的努力或投入的資源計量，當中會參考測量師對已進行工程所作的評估及截至報告期末已產生的成本佔各合約的估計總成本的百分比。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(o) Revenue recognition (accounting policies applied from 1 April 2018) (continued)****Revenue from contracts with customers (continued)**

When the Group provides more than one service in a service concession arrangement, the transaction price will be allocated to each performance obligation by reference to their relative stand-alone selling prices. If the standalone selling prices are not directly observable, they are estimated based on expected cost plus a margin or adjusted market assessment approach, depending on the availability of observable information. In determining the transaction price, the Group adjusts the promised amount of consideration for the effect of a financing component if it is significant.

(a) Construction service revenue

The Group's performance in respect of construction services creates or enhances an asset or work in progress that the customer controls as the asset is created or enhanced, thus the Group satisfies a performance obligation and recognises revenue over time, by reference to completion of the specific transaction assessed on the basis of the surveyors' assessment of work performed and the costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract.

Revenue from the construction services under a service concession arrangement is estimated on a cost plus basis with reference to a prevailing market rate of gross margin at the date of the agreement applicable to similar construction services rendered.

(b) Service fee income

The Group recognised revenue when the related services are rendered.

4. 主要會計政策概要(續)**(o) 收入確認(自2018年4月1日起應用的會計政策)(續)
來自客戶合約的收入(續)**

當本集團在服務特許權安排中提供超過一項服務時，交易價格將會參考該等服務的相對獨立銷售價分配至各項履約責任。倘獨立銷售價不能直接觀察，則會基於預期成本加利潤率或經調整市場評估法(取決於能否獲得可觀察資料)估計。在釐定交易價格時，如融資組成部分重大，則本集團會就融資組成部分的影響調整承諾代價金額。

(a) 建築服務收入

就建築服務而言，本集團的履約行為創造或增強客戶隨着資產被創造或增強而控制的資產或在建工程，因此本集團隨時間履行履約責任及確認收入，當中會參考特定交易的完成階段(根據測量師就已進行的工程所作的評估而評定)，以及截至報告期末已產生的成本佔各合約的估計總成本的百分比作出。

根據服務特許權安排提供建築服務所得收入經參考於協議日期提供類似建築服務適用的現行市場毛利率，按成本加成法估計。

(b) 服務費收入

本集團於相關服務提供時確認收入。

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For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) Revenue recognition (accounting policies applied from 1 April 2018) (continued)

Revenue from contracts with customers (continued)

(c) *Sales of goods*

Revenue from the sales of goods is recognised at the point in time when control of the asset is transferred to the customer, generally when the customer obtains the physical possession or the legal title of the water or completed machineries and the Group has present right to payment and the collection of the consideration is probable.

(d) *Industrial fluids system services income*

The Group recognised revenue from industrial fluids system services when the related services are rendered.

Revenue from other sources

Machinery rental income is recognised on a time proportion basis over the lease terms.

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

4. 主要會計政策概要(續)

(o) 收入確認(自2018年4月1日起應用的會計政策)(續) 來自客戶合約的收入(續)

(c) 銷售貨品

銷售貨品的收入於資產控制權轉移至客戶的時點(一般為客戶取得自來水或已完成的機器的實物擁有權或法定所有權,且本集團獲得現時收款權並很可能收取代價時)確認。

(d) 工業流體系統服務收入

本集團於相關服務提供時確認工業流體系統服務的收入。

來自其他來源的收入

機械租金收入於租期內按時間比例確認。

其他收入

利息收入按應計基準使用實際利息法確認,當中採用於金融工具的預期年期或更短期間(如適用)內將估計未來現金收入準確貼現至金融資產賬面淨額的利率。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(o) Revenue recognition (accounting policies applied from 1 April 2018) (continued)**

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- (b) from construction contracts, on the percentage of completion basis, as further explained in the accounting policy for "Construction contracts" below;
- (c) agency fee income and financial guarantee service fee income, when the relevant services have been rendered;
- (d) machinery rental income, on a time proportion basis over the lease terms; and
- (e) interest income, on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

4. 主要會計政策概要(續)**(o) 收入確認(自2018年4月1日起應用的會計政策)(續)**

收入於經濟利益可能流向本集團並能可靠地計量時，按下列基準確認：

- (a) 貨品銷售收入於擁有權的絕大部分風險及回報已轉移予買家時確認，前提為本集團不再對該等已售出的貨品有任何一般達到擁有程度的管理或有效的控制權；
- (b) 如下文「建築合約」的會計政策所進一步闡述，建築合約收入按完工百分比基準確認；
- (c) 代理費收入及財務擔保服務費收入於相關服務提供時確認；
- (d) 機械租金收入於租期內按時間比例基準確認；及
- (e) 利息收入按應計基準使用實際利息法確認，當中採用於金融工具的預期年期或更短期間(如適用)內將估計未來現金收入準確貼現至金融資產賬面淨額的利率。

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For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) Revenue recognition (accounting policies applied from 1 April 2018) (continued)

Contract assets (accounting policies applied from 1 April 2018)

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Such earned consideration represented an amount due from contract customer in the financial statements.

Contract liabilities (accounting policies applied from 1 April 2018)

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received a consideration (or an amount of consideration that is due) from the customer. If a customer pays the consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

4. 主要會計政策概要(續)

(o) 收入確認(自2018年4月1日起應用的會計政策)(續)

合約資產(自2018年4月1日起應用的會計政策)

合約資產為向客戶轉移貨品或服務以換取代價的權利。倘本集團於客戶支付代價或付款到期前透過向客戶轉移貨品或服務履約，則就有條件賺取的代價確認合約資產。該等已賺取的代價為財務報表中的應收合約客戶款項。

合約負債(自2018年4月1日起應用的會計政策)

合約負債為本集團已收取客戶代價(或已到期代價金額)所涉及向客戶轉移貨品或服務的責任。倘客戶於本集團向客戶轉移貨品或服務前支付代價，則於客戶付款或付款到期(以較早者為準)時確認合約負債。合約負債於本集團履約時確認為收入。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(p) Construction contracts (accounting policies applied from 1 April 2018)****Contract cost**

Other than the costs which are capitalised as inventories, property, plant and equipment and intangible assets, costs incurred to fulfil a contract with a customer are capitalised as an asset if all of the following criteria are met:

- (a) The costs relate directly to a contract or to an anticipated contract that the entity can specifically identify.
- (b) The costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future.
- (c) The costs are expected to be recovered.

The capitalised contract costs are amortised and charged to the statement of profit or loss on a systematic basis that is consistent with the pattern of the revenue to which the asset related is recognised. Other contract costs are expensed as incurred.

4. 主要會計政策概要(續)**(p) 建築合約(自2018年4月1日起應用的會計政策)****合約成本**

除撥充資本作為存貨、物業、機器及設備以及無形資產的成本外，履行客戶合約所產生的成本如符合以下所有準則，則可撥充資本作為資產：

- (a) 成本直接與合約或實體可明確識別的預期合約有關。
- (b) 成本產生或增強實體日後將用以履行(或持續履行)履約責任的資源。
- (c) 成本預期將可收回。

已撥充資本的合約成本按有系統基準攤銷並於損益表扣除，該基準與確認相關資產的收入的模式一致。其他合約成本於產生時支銷。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Construction contracts (accounting policies applied until 31 March 2018)

Contract revenue comprises the agreed contract amount and appropriate amounts from variation orders, claims and incentive payments. Contract costs incurred comprise direct materials, the costs of subcontracting, direct labour and an appropriate proportion of variable and fixed construction overheads.

Revenue from fixed price construction contracts is recognised using the percentage of completion method, measured by reference to surveys of the value of work performed to date. Variations in contract work, claims and incentive payments are included in contract revenue to the extent that it is probable that they will result in revenue, and they are capable of being reliably measured.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable and contract costs are recognised as an expense in the period in which they are incurred.

Provision is made for foreseeable losses as soon as they are anticipated by management. Where contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is treated as an amount due from contract customers. Where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is treated as an amount due to contract customers.

4. 主要會計政策概要(續)

(p) 建築合約(直至2018年3月31日為止應用的會計政策)

合約收入包括已協定合約金額及適當金額的修改工程款、申索及獎勵金。所產生的合約成本包括直接材料、分包成本、直接人工及適當比例的非固定和固定建造間接費用。

來自固定價格建築合約的收入利用完工百分比法確認，並參照迄今已進行工程的測量價值計量。修改合約工程款、申索及獎勵金計入合約收入，惟以可能產生收入及可以可靠地計量者為限。

倘建築合約的結果無法可靠地估計，則所確認的合約收入僅以有可能收回的已產生合約成本為限，而合約成本會於產生的期間確認為開支。

在管理層預計有可見虧損的情況下，本集團會儘快就此計提撥備。倘迄今已產生的合約成本加已確認溢利減已確認虧損超過進度款額，則超出部分視為應收客戶合約款項處理。倘進度款額超過迄今已產生的合約成本加已確認溢利減已確認虧損，則超出部分視為應付合約款項處理。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(q) Share-based payments**

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) and consultants of the Group receive remuneration in the form of share-based payments, whereby employees and consultants render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees and others providing similar services is measured by reference to the fair value of the equity instruments at the date at which they are granted. The cost of equity-settled transactions with parties other than employees is measured directly at the fair value of the goods or services received, unless that fair value cannot be estimated reliably, in which case the fair value is measured indirectly by reference to the fair value of the equity instruments granted.

The fair value of the share options granted is determined by an external valuer using a binomial model, further details of which are given in note 38 to the financial statements.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the statement of profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

4. 主要會計政策概要(續)**(q) 以股份為基礎支付的款項**

本公司設有一項購股權計劃，旨在向對本集團成功營運作出貢獻的合資格參與者提供獎勵及回報。本集團僱員(包括董事)及顧問藉以股份為基礎支付的款項方式收取薪酬，據此，僱員及顧問提供服務作為收取股本工具的代價(「以權益結算的交易」)。

與僱員及其他提供類似服務的人士進行以權益結算的交易的成本，乃參照股本工具於授出日期的公平值計量。與僱員以外人士進行以權益結算的交易的成本直接按所收取貨品或服務的公平值計量，惟倘公平值無法可靠地估計，則參照所授出股本工具的公平值間接計量。

所授出購股權的公平值由外聘估值師利用二項式模型釐定，進一步詳情載於本財務報表附註38。

以權益結算的交易的成本連同相應增加的權益，在績效及／或服務條件獲履行的期間於僱員福利開支確認。在歸屬日期前，於各報告期末確認的以權益結算的交易累計開支，反映歸屬期已屆滿部分及本集團對最終將會歸屬的股本工具數目的最佳估計。於某一期間的損益表扣除或進賬的金額，反映於期初及期終確認的累計開支變動。

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For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Share-based payments (continued)

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

4. 主要會計政策概要(續)

(q) 以股份為基礎支付的款項(續)

釐定獎勵於授出日期的公平值時不會計及服務及非市場績效條件，但達成有關條件的可能性會評估為本集團對將最終歸屬的股本工具數目的最佳估計的一部分。市場績效條件在授出日期公平值中反映。獎勵所附帶但無相關服務要求的任何其他條件被視為非歸屬條件。除非同時附有服務及／或績效條件，否則非歸屬條件在獎勵的公平值中反映，並會導致獎勵即時支銷。

因非市場績效及／或服務條件並未達成而最終未歸屬的獎勵不會確認任何開支。倘獎勵包括一項市場或非歸屬條件，則只要所有其他績效及／或服務條件已經達成，不論市場或非歸屬條件是否達成，該等交易均會被視為已歸屬。

倘以權益結算的獎勵的條款有所修訂，而原先獎勵的條款已達成，則所確認開支最少須達到猶如條款並無任何修訂的水平。此外，倘有關修訂導致以股份為基礎支付的款項的總公平值有所增加，或於修訂日期經計量為僱員帶來其他利益，則須就該等修訂確認開支。

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財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(q) Share-based payments (continued)**

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

(r) Other employee benefits**(i) Short term employee benefits**

Short term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of each reporting period in which the employees render the related service. Short term employee benefits are recognised in the period when the employees render the related service.

(ii) Defined contribution retirement plan

Contributions to defined contribution retirement plans are recognised as an expense in the profit or loss when the services are rendered by the employees.

(iii) Termination benefits

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

4. 主要會計政策概要(續)**(q) 以股份為基礎支付的款項(續)**

以權益結算的獎勵如遭註銷，則會視為猶如已於註銷日期歸屬處理，而任何尚未確認的獎勵開支則即時確認。此包括未符合屬本集團或僱員控制範圍內的非歸屬條件所涉及的任何獎勵。然而，倘有新獎勵取代已註銷獎勵，並於授出日期指定為取代獎勵，則已註銷獎勵及新獎勵，均如前段所述被視為猶如原先獎勵的修訂。

未行使購股權的攤薄效應於計算每股盈利時列為額外股份攤薄。

(r) 其他僱員福利**(i) 短期僱員福利**

短期僱員福利為預期於僱員提供相關服務的各報告期末後十二個月前將全數結付的僱員福利(離職福利除外)。短期僱員福利於僱員提供相關服務的期間確認。

(ii) 定額供款退休計劃

定額供款退休計劃的供款於僱員提供服務時在損益確認為開支。

(iii) 離職福利

離職福利於本集團不再能撤回提供該等福利時及本集團確認涉及支付離職福利的重組成本時(以較早者為準)確認。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(s) Foreign currencies**

Transactions entered into by group entities in currencies other than the currency of the primary economic environment in which they operate (the “functional currency”) are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the end of reporting period. 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 translation 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 differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income, in which case, the exchange differences are also recognised in other comprehensive income.

On consolidation, income and expense items of foreign operations are translated into the presentation currency of the Group at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the rates approximating to those ruling when the transactions took place are used. All assets and liabilities of foreign operations are translated at the rate ruling at the end of reporting period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity as exchange reserve. Exchange differences recognised in profit or loss of group entities’ separate financial statements on the translation of long-term monetary items forming part of the Group’s net investment in the foreign operation concerned are reclassified to other comprehensive income and accumulated in equity as exchange reserve.

4. 主要會計政策概要(續)**(s) 外幣**

集團實體以其經營所在主要經濟環境的貨幣(「功能貨幣」)以外的貨幣進行的交易按進行交易時的適用匯率記賬。外幣貨幣資產及負債以報告期末的適用匯率換算。以外幣計值並以公平值列賬的非貨幣項目按釐定公平值當日的現行匯率重新換算。以外幣歷史成本計量的非貨幣項目不予重新換算。

因結算及換算貨幣項目而產生的匯兌差額於產生的期間在損益確認。因重新換算以公平值列賬的非貨幣項目而產生的匯兌差額計入期內損益，惟因重新換算直接於其他全面收益確認收益及虧損的非貨幣項目而產生的差額除外，在此情況下，匯兌差額亦直接於其他全面收益確認。

於綜合賬目時，外國業務的收支項目以年內平均匯率換算為本集團的呈列貨幣，除非期內匯率大幅波動，在此情況下，則使用與進行該等交易時的適用匯率相若的匯率換算。所有外國業務的資產及負債以報告期末的適用匯率換算。所產生的匯兌差額(如有)於其他全面收益確認，並於權益內的匯兌儲備累計。於換算構成本集團於所涉外國業務的部分淨投資的長期貨幣項目時，在集團實體獨立財務報表的損益確認的匯兌差額重新分類至其他全面收益，並於權益內的匯兌儲備累計。

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財務報表附註

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(t) Impairment of non-financial assets**

At the end of each reporting period, the Group reviews the carrying amounts of the following assets to determine whether there is any indication that those assets have suffered an impairment loss or an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment under cost model
- investments in subsidiaries
- intangible assets

If the recoverable amount (i.e. the greater of the fair value less costs of disposal and value in use) of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount under another HKFRS, in which case the impairment loss is treated as a revaluation decrease under that HKFRS.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent 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 in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount under another HKFRS, in which case the reversal of the impairment loss is treated as a revaluation increase under that HKFRS.

Value in use is based on the estimated future cash flows expected to be derived from the asset, 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 cash generating unit.

4. 主要會計政策概要(續)**(t) 非金融資產減值**

本集團於各報告期末審閱下列資產的賬面金額，以釐定是否有任何跡象顯示該等資產已出現減值虧損，或先前確認的減值虧損不復存在或可能已減少：

- 成本模型下的物業、機器及設備
- 於附屬公司的投資
- 無形資產

倘資產的可收回金額(即公平價值減出售成本與使用價值兩者的較高者)估計少於其賬面金額，則該項資產的賬面金額會調減至其可收回金額。減值虧損即時確認為開支，除非相關資產根據另一項香港財務報告準則按經重估金額列賬，在此情況下，減值虧損根據該項香港財務報告準則視為重估減少處理。

倘減值虧損其後撥回，則資產的賬面金額會調高至其經修訂估計可收回金額，惟調高後的賬面金額不得超過資產於過往年度並無確認減值虧損而原應釐定的賬面金額。減值虧損撥回即時確認為收入，除非相關資產根據另一項香港財務報告準則按經重估金額列賬，在此情況下，減值虧損撥回根據該項香港財務報告準則視為重估增加處理。

使用價值以預期來自資產的估計未來現金流為基礎，並以反映當前市場對貨幣時間值及資產或現金產生單位獨有風險的稅前貼現率貼現至現值。

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財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

5. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

(a) Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Determination of functional currency

The Group measures foreign currency transactions in the respective functional currencies of the Company and its subsidiaries. In determining the functional currency of each entity in the Group, judgement is required to determine and consider the currency that mainly influences sales prices of goods and services and of the country/jurisdiction whose competitive forces and regulations mainly determine the sales prices of goods and services; the currency that mainly influences labour, materials and other costs of providing goods or services; the currency in which funds from financing activities are generated; and the currency in which receipts from operating activities are usually retained. The functional currency of each entity in the Group is determined based on management's assessment of the primary economic environment in which the entities operate. When the indicators are mixed and the functional currency is not obvious, management uses its judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

5. 重大會計判斷及估計

管理層編製本集團財務報表時須作出判斷、估計及假設，而該等判斷、估計及假設會影響所申報的收入、開支、資產及負債的金額以及相關披露和或然負債的披露。然而，有關此等假設及估計的不明朗因素所可能產生的結果，或會導致日後的資產或負債賬面金額須作出重大調整。

(a) 判斷

於應用本集團會計政策的過程中，除涉及估計的判斷外，管理層已作出以下對於本財務報表內確認的金額構成最重大影響的判斷：

釐定功能貨幣

本集團以本公司及其附屬公司的各自功能貨幣計量外幣交易。於釐定本集團各實體的功能貨幣時須作出判斷，以釐定及考慮主要影響貨品及服務售價以及競爭者及法規主要決定貨品及服務售價的國家／司法權區的貨幣；主要影響人工、材料及其他提供貨品或服務的成本的貨幣；融資活動產生資金的貨幣；及一般用於保留經營活動所收款項的貨幣。本集團各實體的功能貨幣乃基於管理層對實體經營所在的主要經濟環境的評估釐定。當指標混雜及功能貨幣並不明顯時，管理層會運用判斷釐定最能如實代表相關交易、事件及狀況的經濟影響的功能貨幣。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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5. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)**(a) Judgements (continued)****Income taxes**

The Group has exposure to income taxes in different jurisdictions. Significant judgement is involved in determining the provision for income taxes. Determining income tax provisions involves judgement on the future tax treatment of certain transactions and interpretation of tax rules. The Group carefully evaluates tax implications of transactions and tax provisions are set up accordingly. The tax treatment of such transactions is reconsidered periodically to take into account all changes in tax legislation, interpretations and practices in respect thereof.

(b) Estimation uncertainty

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 described below.

Construction work and service contracts

The Group recognises revenue for construction work and service contracts according to the percentage of completion of the individual contracts of construction work or service. The Group's management estimates the percentage of completion of construction work and service based on the actual cost incurred over the total budgeted cost, where corresponding contract revenue is also estimated by management. Because of the nature of the activity undertaken in construction and service contracts, the date at which the activity is entered into and the date when the activity is completed usually fall into different accounting periods. The Group reviews and revises the estimates of both contract revenue and contract costs in the budget prepared for each construction contract and service contract as the contract progresses.

5. 重大會計判斷及估計 (續)**(a) 判斷 (續)****所得稅**

本集團須繳納不同司法權區的所得稅。於釐定所得稅撥備時涉及重大判斷。釐定所得稅撥備涉及就若干交易的未來稅務處理法及稅務規則詮釋作出的判斷。本集團審慎評估交易的稅務涵義，並據此設立稅務撥備。本集團會定期重新考慮該等交易的稅務處理法，以計及相關稅務法例、詮釋及實務的所有變動。

(b) 估計的不明朗因素

下文闡述有關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，其具有可能導致須對下個財政年度的資產與負債賬面金額作出重大調整的重大風險。

建築工程及服務合約

本集團根據各建築工程或服務合約的完工百分比確認建築工程及服務合約的收入。本集團管理層根據所產生實際成本佔總預算成本估計建築工程及服務的完工百分比，亦會估計相關合約收入。鑑於根據建築及服務合約所進行活動的性質，進行活動當日及活動完成當日通常會歸入不同會計期間。本集團會於合約期內檢討並修訂就各建築合約及服務合約所編製預算內的估計合約收入及合約成本。

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5. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

(b) Estimation uncertainty (continued)

Classification between operating concessions and receivables under service concession arrangements

As explained in note 4(g) to the financial statements, if the Group is paid for the construction services partly by a financial asset and partly by an intangible asset, it is necessary to account separately for each component of the consideration. The consideration received or receivable for both components shall be recognised initially at their fair values.

The segregation of the consideration for a service concession arrangement between the financial asset component and the intangible asset component, if any, requires the Group to make an estimate of a number of factors, which include, inter alia, future guaranteed receipts and non-guaranteed receipts, and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

Determination of fair value of contract revenue in respect of the construction services rendered

Revenue from the construction of kitchen waste treatment plants under the terms of a BOT contract is estimated on a cost-plus basis with reference to a prevailing market rate of profit margin at the date of the agreement applicable to similar construction services rendered in a similar location, and is recognised on the percentage-of-completion method, measured by reference to the proportion of costs incurred to date to the estimated total cost of the relevant contract.

5. 重大會計判斷及估計 (續)

(b) 估計的不明朗因素 (續)

經營特許權及服務特許權安排應收款項的分類

誠如本財務報表附註4(g)所闡述，倘本集團獲支付金融資產及無形資產分別作為部分建築服務費用，則有需要就代價的各個部分分開入賬。就兩部分已收或應收的代價應初始按公平值確認。

為了將服務特許權安排的代價分為金融資產部分與無形資產部分(如有)，本集團須對多項因素作出估計，包括(其中包括)未來有擔保收款及無擔保收款，並選擇適當貼現率計算該等現金流量的現值。

釐定所提供建造服務的合約收入的公平值

根據BOT合約條款建造餐廚垃圾處理廠的收入參考於協議日期在類似地點提供類似建造服務適用的現行市場利潤率，以成本加成法估計，按完工百分比方法確認，並參考迄今產生的成本佔有關合約的估計總成本的比例計量。

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財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

5. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)**(b) Estimation uncertainty (continued)*****Determination of fair value of contract revenue in respect of the construction services rendered (continued)***

The construction margin is determined based on the gross profit margins of market comparables by identifying relevant peer groups, which are listed on various stock exchanges. Criteria for selection include:

- (i) the peer firm must be in the field of the construction of infrastructure, majoring in kitchen waste treatment facilities in the PRC; and
- (ii) information of the peer firm must be available and from a reliable source.

Useful lives and residual values of items of property, plant and equipment and other intangible assets

In determining the useful lives and residual values of items of property, plant and equipment and other intangible assets, the Group has to consider various factors, such as technical or commercial obsolescence arising from changes or improvements in provision of services, or from a change in the market demand for the product or service output of the assets, the expected usage of the assets, the expected physical wear and tear, the care and maintenance of the assets, legal or similar limits on the use of the assets and historical experience. Adjustment of depreciation/amortisation is made if the estimated useful lives and/or the residual values of items of property, plant and equipment and other intangible assets are different from previous estimation. Useful lives and residual values are reviewed, and adjusted if appropriate, at least at the end of each reporting period, based on any changes in circumstances.

5. 重大會計判斷及估計(續)**(b) 估計的不明朗因素(續)*****釐定所提供建造服務的合約收入的公平值(續)***

建造利潤率乃透過識別於不同證券交易所上市的相關同業組別的市場可資比較毛利率釐定。挑選準則包括：

- (i) 同業公司必須從事基建設施建造領域，主要在中國經營餐廚垃圾處理設施；及
- (ii) 同業公司的資料必須來自可靠來源。

物業、機器及設備項目以及其他無形資產的可使用年期及剩餘價值

於釐定物業、機器及設備以及其他無形資產的可使用年期及剩餘價值時，本集團須考慮多項因素，例如提供服務的變動或改善或市場對資產的產品或服務產出的需求有變所引致的技術或商業淘汰、資產預期用途、預期實際損耗、資產保養及維護、資產用途的法律或類似限制以及過往經驗。倘物業、機器及設備以及其他無形資產項目的估計可使用年期及／或剩餘價值有別於先前估計，則本集團會調整折舊／攤銷。本集團最少於各報告期末基於任何情況變動審閱及於適當時調整可使用年期及剩餘價值。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

5. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

(b) Estimation uncertainty (continued)

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of each reporting period. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

5. 重大會計判斷及估計 (續)

(b) 估計的不明朗因素 (續)

商譽的減值

本集團至少每年進行商譽減值測試，當中須估計已獲分配商譽的現金產生單位的使用價值。於估計使用價值時，本集團須估計現金產生單位的預期未來現金流量，並選擇適當貼現率，以計算該等現金流量的現值。

非金融資產(商譽除外)的減值

本集團於各報告期末評估所有非金融資產有否減值跡象。非金融資產於有跡象顯示賬面金額可能無法收回時進行減值測試。倘資產或現金產生單位的賬面值超過其可收回金額，則存在減值。可收回金額為公平值減出售成本與使用價值兩者中的較高者。公平值減出售成本的計算建基於可取得的類似資產具約束力公平交易數據或可觀察市價減出售資產的遞增成本。於計算使用價值時，管理層須估計資產或現金產生單位的預期未來現金流量，並選擇適當貼現率，以計算該等現金流量的現值。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

5. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)**(b) Estimation uncertainty (continued)*****Classification between operating concessions and receivables under service concession arrangements***

As explained in note 4(g) to the financial statements, if the Group is paid for the construction services partly by a financial asset and partly by an intangible asset, it is necessary to account separately for each component of the operator's consideration. The consideration received or receivable for both components shall be recognised initially at their fair values.

The segregation of the consideration for a service concession arrangement between the financial asset component and the intangible asset component, if any, requires the Group to make an estimate of a number of factors, which include, inter alia, future guaranteed receipts and non-guaranteed receipts, and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

5. 重大會計判斷及估計(續)**(b) 估計的不明朗因素(續)
經營特許權及服務特許權
安排應收款項的分類**

誠如本財務報表附註4(g)所闡述，倘本集團獲支付金融資產及無形資產分別作為部分建築服務費用，則有需要就營運商代價的各個部分分開入賬。就兩部分已收或應收的代價應初始按公平值確認。

為了將服務特許權安排的代價分為金融資產部分與無形資產部分(如有)，本集團須對多項因素作出估計，包括(其中包括)未來有擔保收款及無擔保收款，並選擇適當貼現率計算該等現金流量的現值。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

6. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has three reportable operating segments as follows:

- (a) Construction work segment engages in the provision of foundation works, civil engineering works and general building works in Hong Kong;
- (b) Sales of construction materials segment engages in the trading of construction materials in Hong Kong;
- (c) Environmental protection segment engages in the construction and operation of kitchen waste treatment plants in the PRC and the engineering, procurement and construction of kitchen waste and water treatment business in the PRC; and
- (d) Industrial fluids system services segment engages in the provision of industrial fluid system services in Nordic area.

6. 經營分部資料

就管理而言，本集團按產品及服務劃分其業務單位，並有以下三個可呈報的經營分部：

- (a) 建築工程分部於香港提供地基工程、土木工程及一般屋宇工程；
- (b) 建材銷售分部於香港從事建材貿易；
- (c) 環保分部於中國建造及經營餐廚垃圾處理廠以及於中國從事餐廚垃圾及水處理工程、採購及建造業務；及
- (d) 工業流體系統服務分部於北歐地區提供工業流體系統服務。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

6. OPERATING SEGMENT INFORMATION
(continued)

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit/(loss) before tax except that interest income, finance costs, fair value gains from the Group's financial instruments as well as head office and corporate expenses are excluded from such measurement.

Segment assets mainly exclude cash and cash equivalents and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude interest-bearing bank and other borrowings, other payables, bonds, tax payable, deferred tax liabilities, and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

6. 經營分部資料(續)

管理層會分開監察本集團經營分部的業績，以就資源分配及表現評估作出決定。分部表現乃根據可呈報分部溢利／虧損(即經調整除稅前溢利／虧損之計量方法)評估。經調整除稅前溢利／虧損的計量方法與本集團除稅前溢利／虧損者一致，惟利息收入、財務成本、本集團金融工具的公平值收益以及總辦事處及公司開支則不包括於該計量中。

分部資產主要不包括現金及現金等價物以及其他未分配總辦事處及公司資產，原因為該等資產乃按集團基準管理。

分部負債不包括計息銀行及其他借貸、其他應付款項、債券、應付稅項、遞延稅項負債以及其他未分配總辦事處及公司負債，原因為該等負債乃按集團基準管理。

分部間銷售額及轉撥乃參考向第三方進行銷售時使用的售價按當時通行市價進行。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

6. OPERATING SEGMENT INFORMATION
(continued)

Year ended 31 March 2019

6. 經營分部資料(續)

截至2019年3月31日止年度

		Construction works	Sales of construction materials	Environmental protection	Industrial fluids system services	Total
		建築工程	建材銷售	環保	工業流體系統服務	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Disaggregated by timing of revenue recognition:	按收入確認時間細分：					
Point in time	某一時點	—	58,406	84,194	156,106	298,706
Over time	隨時間推移	706,442	—	—	—	706,442
Revenue from other sources	來自其他來源的收入	—	—	16,581	—	16,581
Sales to external customers	向外部客戶作出的銷售額	706,442	58,406	100,775	156,106	1,021,729
Intersegment sales	分部間銷售額	—	86,628	—	—	86,628
		706,442	145,034	100,775	156,106	1,108,357
<i>Reconciliation:</i>	<i>對賬：</i>					
Elimination of intersegment sales	對銷分部間銷售額					(86,628)
Revenue	收入					1,021,729
Segment results	分部業績	9,705	1,031	(41,949)	(3,983)	(35,196)
<i>Reconciliation:</i>	<i>對賬：</i>					
Interest income	利息收入					262
Fair value loss on derivative financial instruments	衍生金融工具公平值虧損					(10,357)
Corporate and unallocated income and gains	公司及未分配收入及收益					4,503
Corporate and unallocated expenses	公司及未分配開支					(12,010)
Finance costs	財務成本					(62,375)
Loss before tax	除稅前虧損					(115,173)
Segment assets	分部資產	399,236	8,718	1,198,615	171,714	1,778,283
<i>Reconciliation:</i>	<i>對賬：</i>					
Corporate and unallocated assets	公司及未分配資產					38,745
Total assets	資產總值					1,817,028

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

6. OPERATING SEGMENT INFORMATION
(continued)

Year ended 31 March 2019

6. 經營分部資料(續)

截至2019年3月31日止年度

		Construction works	Sales of construction materials	Environmental protection	Industrial fluids system services	Total
		建築工程	建材銷售	環保	工業流體系統服務	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Segment liabilities	分部負債	661,908	250	143,542	36,882	842,582
<i>Reconciliation:</i>	<i>對賬:</i>					
Corporate and unallocated liabilities	公司及未分配負債					492,037
Total liabilities	負債總額					1,334,619
Other segment information:	其他分部資料:					
Depreciation	折舊	30,471	—	2,552	10,138	43,161
Amortisation of operating concessions	經營特許權攤銷	—	—	12,939	—	12,939
Amortisation of other intangible assets	其他無形資產攤銷	—	—	559	10,442	11,001
ECL on financial and contract assets	金融及合約資產的 預期信貸虧損	7,680	—	(85)	256	7,851

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

6. OPERATING SEGMENT INFORMATION
(continued)

Year ended 31 March 2018

6. 經營分部資料(續)

截至2018年3月31日止年度

		Construction works 建築工程 HK\$'000 千港元	Sales of construction materials 建材銷售 HK\$'000 千港元	Environmental protection 環保 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment revenue:	分部收入：				
Sales to external customers	向外部客戶作出的 銷售額	703,689	111,068	113,700	928,457
Intersegment sales	分部間銷售額	—	63,909	—	63,909
		703,689	174,977	113,700	992,366
<i>Reconciliation:</i>	<i>對賬：</i>				
Elimination of intersegment sales	對銷分部間銷售額				(63,909)
Revenue	收入				928,457
Segment results	分部業績	(88,590)	951	(226,938)	(314,577)
<i>Reconciliation:</i>	<i>對賬：</i>				
Interest income	利息收入				3,225
Fair value gains on derivative financial instruments	衍生金融工具公平值 收益				61,534
Corporate and unallocated income and gains	公司及未分配收入及 收益				13,337
Corporate and unallocated expenses	公司及未分配開支				(14,717)
Finance costs	財務成本				(17,138)
Loss before tax	除稅前虧損				(268,336)
Segment assets	分部資產	462,477	18,207	1,090,881	1,571,565
<i>Reconciliation:</i>	<i>對賬：</i>				
Corporate and unallocated assets	公司及未分配資產				67,311
Total assets	資產總值				1,638,876

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

6. OPERATING SEGMENT INFORMATION
(continued)

6. 經營分部資料(續)

		Construction works 建築工程 HK\$'000 千港元	Sales of construction materials 建材銷售 HK\$'000 千港元	Environmental protection 環保 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment liabilities	分部負債	546,748	46,866	197,882	791,496
<i>Reconciliation:</i>	<i>對賬:</i>				
Corporate and unallocated liabilities	公司及未分配負債				365,309
Total liabilities	負債總額				1,156,805
Other segment information:	其他分部資料:				
Depreciation	折舊	30,376	—	2,439	32,815
Amortisation of operating concessions	經營特許權攤銷	—	—	1,317	1,317
Amortisation of other intangible assets	其他無形資產攤銷	—	—	4,538	4,538
Impairment on goodwill	商譽減值	—	—	114,776	114,776
Impairment of an intangible asset	一項無形資產減值	—	—	24,356	24,356
Impairment of trade receivables	貿易應收款項減值	—	—	3,085	3,085
Impairment of other receivables	其他應收款項減值	—	—	15,930	15,930
Impairment of loan receivables	應收貸款減值	—	—	14,090	14,090
Write-off of other receivables	撇銷其他應收款項	—	—	1,151	1,151

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

6. OPERATING SEGMENT INFORMATION
(continued)

Geographical information

(a) Revenue from external customers

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Hong Kong	香港	764,848	814,757
Mainland China	中國內地	98,588	108,921
Sweden	瑞典	156,106	—
Other countries/regions	其他國家／地區	2,187	4,779
		1,021,729	928,457

The revenue information above is based on the locations of the customers.

上述收入資料以客戶位置為基礎。

(b) Non-current assets

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Hong Kong	香港	145,091	176,294
Mainland China	中國內地	390,426	390,963
Sweden	瑞典	241,632	—
Other countries/regions	其他國家／地區	25,796	19,460
		802,945	586,717

The non-current asset information above is based on the locations of the assets and excludes financial assets.

上述非流動資產資料以資產位置為基礎，並不包括金融資產。

6. 經營分部資料(續)

地理資料

(a) 來自外部客戶的收入

(b) 非流動資產

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

6. OPERATING SEGMENT INFORMATION
*(continued)***Information about major customers**

Included in revenue from external customers represented sales to a customer amounting to approximately HK\$124,493,000 (2018: HK\$226,574,000) contributing over 10% to the total revenue of the Group.

6. 經營分部資料(續)**主要客戶資料**

來自外部客戶的收入中包括向一名客戶作出的銷售額約124,493,000港元(2018年: 226,574,000港元), 佔本集團總收入超過10%。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

7. REVENUE, OTHER INCOME AND GAINS, NET

An analysis of revenue, other income and gains, net is as follows:

7. 收入、其他收入及收益淨額

收入、其他收入及收益淨額的分析如下：

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Revenue from contracts with customers	來自客戶合約的收入		
Construction works	建築工程	706,442	703,689
Sales of construction materials	建材銷售	58,406	111,068
Environmental protection	環保		
— operational income	— 經營收入	84,194	99,091
Industrial fluids system services	工業流體系統服務	156,106	—
Subtotal	小計	1,005,148	913,848
Revenue from other sources	來自其他來源的收入		
Environmental protection	環保		
— Financial income	— 財務收入	16,581	14,609
		1,021,729	928,457
Timing of revenue recognition	收入確認時間		
Goods or services transferred at a point in time	於某一時點轉讓的貨品或服務	298,706	N/A
Service transferred over time	隨時間轉讓的服務	706,442	N/A
		1,005,148	N/A
Other income	其他收入		
Bank interest income	銀行利息收入	262	682
Loan interest income	貸款利息收入	—	2,543
Agency fee income	代理費收入	—	4,655
Financial guarantee service fee income	財務擔保服務費收入	2,704	2,039
Machinery rental income	機械租金收入	3,583	1,318
Rental income	租金收入	133	—
Government grants [#]	政府補助 [#]	10,331	1,177
Others	其他	4,684	4,148
		21,697	16,562
Gains, net	收益淨額		
Gain on disposal of property, plant and equipment	出售物業、機器及設備的收益	1,335	—
Gain on disposal of subsidiaries	出售附屬公司的收益	21,120	—
Fair value gains on derivative financial instruments	衍生金融工具公平值收益	—	61,534
		22,455	61,534
		44,152	78,096

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

7. REVENUE, OTHER INCOME AND GAINS, NET (continued)

* Various government grants have been received by certain PRC subsidiaries for their research and development activities in Mainland China. There were no unfulfilled conditions or contingencies relating to these grants.

The following table provides information about trade receivables, contract assets and contract liabilities from contracts with customers.

		31 March 2019 2019年 3月31日 HK\$ 港元	1 April 2018 2018年 4月1日 HK\$ 港元
Trade and retention receivables (note 23)	貿易應收款項及應收保留金(附註23)	249,791	244,292
Contract assets (note 21(a))	合約資產(附註21(a))	48,501	69,061
Contract liabilities (note 21(b))	合約負債(附註21(b))	3,247	14,228

The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date on revenue related to the provisions of infrastructure construction. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group provides the invoice to the customers.

The contract liabilities mainly relate to the advance consideration received from customers approximately HK\$14,228,000 of the contract liabilities as of 1 April 2018 has been recognised as revenue for the year ended 31 March 2019 from performance obligations satisfied in previous year due to changes in the estimate stage of completion of some infrastructures.

7. 收入、其他收入及收益淨額(續)

* 若干中國附屬公司已就於中國內地的研究及開發活動獲得多筆政府補助。該等補助並不涉及未達成條件或或然事項。

下表提供有關來自客戶合約的貿易應收款項、合約資產及合約負債的資料。

合約資產主要與本集團就於報告日期已完成但尚未就提供基礎設施建造的收入開具發票的工程收取代價的權利有關。合約資產於該權利成為無條件時轉撥至應收款項。此舉通常於本集團向客戶開具發票時發生。

合約負債主要與向客戶收取的預付代價有關。由於部分基礎設施的估計完工階段出現變動，截至2018年4月1日的合約負債約14,228,000港元已確認為自上一年度完成履約責任所得的截至2019年3月31日止年度收入。

NOTES TO FINANCIAL STATEMENTS**財務報表附註**

For the year ended 31 March 2019 截至2019年3月31日止年度

7. REVENUE, OTHER INCOME AND GAINS, NET (continued)

As at 31 March 2019, the aggregated amount of the transaction price allocated to the remaining performance obligations under the Group's existing contracts is approximately HK\$389,498,000. This amount represents revenue expected to be recognised in the future from partially-completed long-term construction contracts. The Group will recognise the expected revenue in future when or as the work is completed, which is expected to occur in the next 12 to 36 months.

7. 收入、其他收入及收益淨額(續)

於2019年3月31日，分配至本集團現有合約項下剩餘履約責任的交易價格總額約為389,498,000港元。該金額指日後預期將就部分完工的長期建築合約確認的收入。本集團將於工程完工時確認未來預期收入，預計工程將於未來12至36個月內完工。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

8. LOSS BEFORE TAX

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

8. 除稅前虧損

本集團除稅前虧損乃於扣除/(計入)下列項目後達致：

	Notes 附註	2019 HK\$'000 千港元	2018 HK\$'000 千港元
Cost of inventories sold	已售存貨成本	63,915	118,889
Cost of construction works	建築工程成本	662,288	798,029
Cost of engineering, procurement and construction services rendered	提供工程、採購及建築服務成本	18,922	16,497
Cost of kitchen waste treatment services rendered	提供餐廚垃圾處理服務成本	40,380	5,465
Cost of industrial fluids system	工業流體系統成本	30,354	—
Auditor's remuneration	核數師酬金	2,500	3,100
Depreciation*	折舊*	43,161	32,815
Amortisation of operating concessions*	經營特許權攤銷*	12,939	1,317
Amortisation of other intangible assets***	其他無形資產攤銷***	11,001	4,538
Minimum lease payments under operating leases	經營租賃下的最低租賃付款	7,848	30,477
Employee benefit expense (excluding directors' remuneration (note 10)):	僱員福利開支(不包括董事薪酬(附註10)):		
Wages, salaries, bonuses, allowances and benefits in kind	工資、薪金、花紅、津貼及實物利益	114,846	97,989
Equity-settled share option expense	以權益結算的購股權開支	6,904	—
Pension scheme contributions (defined contribution schemes)	退休金計劃供款(界定供款計劃)	7,568	6,345
		129,318	104,334
Foreign exchange differences, net	外匯差額淨額	10,527	9,562
Impairment of goodwill**	商譽減值**	—	114,776
Impairment of an intangible asset**	一項無形資產減值**	—	24,356
Impairment of trade receivables	貿易應收款項減值	—	3,085
Impairment of other receivables	其他應收款項減值	—	15,930
Impairment of loan receivables	應收貸款減值	—	14,090
Write-off of other receivables	撇銷其他應收款項	—	1,151

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

8. LOSS BEFORE TAX (continued)

* Included in the cost of sales for the year were depreciation charges of HK\$32,649,000 (2018: HK\$26,270,000), amortisation of operating concessions of HK\$4,316,000 (2018: HK\$1,317,000) and employee benefit expense of HK\$70,309,000 (2018: HK\$48,226,000).

** These balances are included in other expenses, net in the consolidated statement of profit or loss.

*** This balance is included in administrative expense in the consolidated statement of profit or loss.

9. FINANCE COSTS

An analysis of finance costs is as follows:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Interest on amount due to a related company	應付一間關聯公司款項利息	10,642	—
Interest on bank loans, overdrafts and other loans	銀行貸款、透支及其他貸款利息	28,414	13,452
Interest on convertible bond	可換股債券利息	16,183	3,182
Interest on finance leases	融資租賃利息	362	504
Interest on bond	債券利息	1,805	—
Interest on other payables	其他應付款項利息	4,969	—
		62,375	17,138

8. 除稅前虧損(續)

* 年內的銷售成本包括折舊支出32,649,000港元(2018年: 26,570,000港元)、經營特許權攤銷4,316,000港元(2018年: 1,317,000港元)及僱員福利開支70,309,000港元(2018年: 48,226,000港元)。

** 該等結餘計入綜合損益表內的其他開支淨額。

*** 該項結餘計入綜合損益表內的行政開支。

9. 財務成本

財務成本分析如下:

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

10. DIRECTORS' REMUNERATION

Directors' remuneration for the year, disclosed pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Hong Kong Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

10. 董事薪酬

根據香港聯合交易所有限公司證券上市規則、香港公司條例第383(1)(a)、(b)、(c)及(f)條以及香港公司(披露董事利益資料)規例第2部披露的年內董事薪酬如下：

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Fees	袍金	1,540	1,560
Other emoluments:	其他酬金：		
Salaries, bonuses, allowances and benefits in kind	薪金、花紅、津貼及實物利益	4,133	2,855
Equity-settled share option expense	以權益結算的購股權開支	2,713	—
Pension scheme contributions	退休金計劃供款	99	163
		6,945	3,018
		8,485	4,578

During the year ended 31 March 2019, certain directors were granted share options, in respect of their services to the Group, under the share option scheme of the Company, further details of which are set out in note 38 to the financial statements. The fair value of such options, which has been recognised in the statement of profit or loss, was determined as at the date of grant and the amount included in the financial statements for the prior year is included in the above directors' remuneration disclosures.

截至2019年3月31日止年度，若干董事根據本公司的購股權計劃就彼等向本集團提供的服務獲授購股權，有關進一步詳情載於本財務報表附註38。該等購股權的公平值乃於授出日期釐定，且已於損益表內確認，而上一年度財務報表內所列金額已計入以上董事薪酬披露資料中。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

10. DIRECTORS' REMUNERATION (continued)

(a) Independent non-executive directors

10. 董事薪酬(續)

(a) 獨立非執行董事

	Fees	Equity-settled share option expense	Total remuneration	
	袍金	以權益結算的 購股權開支	薪酬總額	
	HK\$'000	HK\$'000	HK\$'000	
	千港元	千港元	千港元	
2019				
Mr. Choy Wai Shek, Raymond, MH, JP	蔡偉石先生, 榮譽勳章, 太平紳士	240	151	391
Mr. Lo Chun Chiu, Adrian	羅俊超先生	240	151	391
Dr. Tong Ka Lok	唐嘉樂博士	240	151	391
	720	453	1,173	
2018				
Mr. Choy Wai Shek, Raymond, MH, JP	蔡偉石先生, 榮譽勳章, 太平紳士	240	—	240
Mr. Lo Chun Chiu, Adrian	羅俊超先生	240	—	240
Dr. Tong Ka Lok	唐嘉樂博士	240	—	240
	720	—	720	

There were no other emoluments payable to the independent non-executive directors during the year (2018: Nil).

年內並無應付獨立非執行董事的其他酬金(2018年:無)。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

10. DIRECTORS' REMUNERATION (continued)

(b) Executive directors and non-executive directors

10. 董事薪酬(續)

(b) 執行董事及非執行董事

		Fees	Salaries, bonuses, allowances and benefits in kind	Equity-settled share option expense	Pension scheme contributions	Total remuneration
		袍金	薪金、花紅、津貼及實物利益	以權益結算的購股權開支	退休金計劃供款	薪酬總額
		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
2019						
Executive directors:	執行董事：					
Mr. Zhu Yongjun	朱勇軍先生	—	1,800	151	18	1,969
Ms. Qin Shulan	秦姝蘭女士	—	681	703	45	1,429
Mr. Cai Jianwen	蔡建文先生	700	527	703	18	1,948
Mr. Lee Tsi Fun Nicholas [#]	李錫勳先生 [#]	—	1,125	703	18	1,846
Non-executive director:	非執行董事：					
Dr. Zhang Lihui	張立輝博士	120	—	—	—	120
		820	4,133	2,260	99	7,312
2018						
Executive directors:	執行董事：					
Mr. Zhu Yongjun	朱勇軍先生	—	1,800	—	18	1,818
Ms. Qin Shulan	秦姝蘭女士	—	568	—	127	695
Mr. Cai Jianwen	蔡建文先生	700	487	—	18	1,205
Non-executive directors:	非執行董事：					
Dr. Zhang Lihui	張立輝博士	60	—	—	—	60
Mr. Chu Kingston Chun Ho [*]	朱俊浩先生 [*]	80	—	—	—	80
		840	2,855	—	163	3,858

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

10. DIRECTORS' REMUNERATION (continued)**(b) Executive directors and non-executive directors (continued)**

- * Mr. Chu Kingston Chun Ho resigned as a non-executive director of the Company on 1 December 2017.
- # Mr. Lee Tsi Fun Nicholas was appointed as executive director of the Company on 31 August 2018.

During the year, no remuneration was paid or payable by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office (2018: Nil).

There was no arrangement under which a director or a chief executive waived or agreed to waive any remuneration during the year (2018: Nil).

10. 董事薪酬 (續)**(b) 執行董事及非執行董事 (續)**

- * 朱俊浩先生於2017年12月1日辭任本公司非執行董事。
- # 李錫勳先生於2018年8月31日獲委任為本公司執行董事。

年內，本集團並無已付或應付董事薪酬，作為加入本集團或於加盟後的獎金或作為離職補償(2018年：無)。

年內，概無任何有關董事或最高行政人員放棄或同意放棄任何薪酬的安排(2018年：無)。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

11. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included four (2018: two) directors, details of whose remuneration are set out in note 10 above. Details of the remuneration for the year of the remaining one (2018: three) highest paid employees who are neither a director nor chief executive of the Company are as follows:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Salaries, bonuses, allowances and benefits in kind	薪金、花紅、津貼及實物利益	470	3,129
Performance related bonuses	表現掛鈎花紅	—	376
Equity-settled share option expense	以權益結算的購股權開支	829	—
Pension scheme contributions (defined contribution schemes)	退休金計劃供款 (界定供款計劃)	59	54
		1,358	3,559

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

11. 五名最高薪僱員

年內，五位最高薪僱員中包括四名(2018年：兩名)董事，彼等的薪酬詳情載於上文附註10。年內其餘一名(2018年：三名)既非本公司董事亦非最高行政人員的最高薪僱員的薪酬詳情如下：

薪酬介乎以下組別的非董事非最高行政人員最高薪僱員的人數如下：

		Number of employees 僱員人數	
		2019	2018
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至 1,500,000港元	1	3
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至 2,000,000港元	—	—
HK\$4,000,001 to HK\$4,500,000	4,000,001港元至 4,500,000港元	—	—
		1	3

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

11. FIVE HIGHEST PAID EMPLOYEES
(continued)

During the year ended 31 March 2019, share options were granted to the non-director and non-chief executive highest paid employees in respect of their services to the Group, further details of which are included in the disclosures in note 38 to the financial statements. The fair value of such options, which has been recognised in the statement of profit or loss, was determined as at the date of grant and the amount included in the financial statements for the prior year is included in the above non-director and non-chief executive highest paid employees' remuneration disclosures.

12. INCOME TAX CREDIT

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rates regime. The Bill was effective on 28 March 2018 and was gazetted on the following day.

Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of qualifying corporations will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5% (2018: 16.5%). The profits of corporations in Hong Kong not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

11. 五名最高薪僱員(續)

於截至2019年3月31日止年度，非董事非最高行政人員最高薪僱員就其向本集團提供的服務獲授購股權，有關進一步詳情載於本財務報表附註38內的披露事項。該等購股權的公平值乃於授出日期釐定，且已於損益表內確認，而上一年度財務報表所列金額已計入以上非董事非最高行政人員最高薪僱員薪酬披露資料中。

12. 所得稅抵免

於2018年3月21日，香港立法會通過2017年稅務(修訂)(第7號)條例草案(「草案」)，其引入利得稅兩級制。草案於2018年3月28日生效且於翌日刊登憲報。

在利得稅兩級制下，合資格公司的首2,000,000港元溢利將以8.25%的稅率徵稅，而超過2,000,000港元的溢利將以16.5%(2018年：16.5%)的稅率徵稅。未符合利得稅兩級制資格的香港公司的溢利將繼續按劃一稅率16.5%徵稅。

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Current — Hong Kong	即期 — 香港		
Charge for the year	年內支出	—	1,303
Overprovision in prior years	往年超額撥備	(1,831)	(68)
Current — PRC	即期 — 中國		
Charge for the year	年內支出	—	84
Overprovision in prior years	往年超額撥備	(234)	(2,970)
Current — Overseas	即期 — 海外		
Charge for the year	年內支出	956	—
Deferred (note 36)	遞延(附註36)	(14,766)	(21,308)
Total tax credit for the year	年內稅項抵免總額	(15,875)	(22,959)

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

12. INCOME TAX CREDIT (continued)

A reconciliation of the tax credit applicable to (loss) before tax at the Hong Kong statutory tax rate to the tax credit at the Group's effective tax rate is as follows:

12. 所得稅抵免(續)

採用香港法定稅率計算的除稅前(虧損)適用的稅項抵免與按本集團實際稅率計算的稅項抵免的對賬如下：

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Loss before tax	除稅前虧損	(115,173)	(268,336)
Tax at the Hong Kong statutory tax rate of 16.5% (2018: 16.5%)	按香港法定稅率16.5% (2018年：16.5%) 計算的稅項	(19,004)	(44,275)
Different tax rates enacted by specific countries/jurisdictions or local authorities	特定國家／司法權區或地方機關頒佈的不同稅率	(2,622)	(4,150)
Adjustments in respect of current tax of previous periods	有關過往期間即期稅項的調整	—	(3,038)
Income not subject to tax	毋須課稅的收入	(7,036)	(10,076)
Expenses not deductible for tax	不可扣稅的開支	20,261	25,348
Tax losses utilised from previous periods	動用過往期間的稅務虧損	(4,384)	(303)
Tax losses recognised from previous periods	過往期間確認的稅務虧損	—	(4,629)
Tax losses not recognised	未確認的稅務虧損	6,775	17,956
Others	其他	(9,865)	208
Tax credit at the Group's effective tax rate	按本集團實際稅率計算的稅項抵免	(15,875)	(22,959)

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For the year ended 31 March 2019 截至2019年3月31日止年度

13. LOSS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The calculation of basic loss per share amount is based on the loss for the year attributable to ordinary equity holders of the Company of HK\$92,663,000 (2018: HK\$224,790,000), and the weighted average number of ordinary shares of 565,661,770 (2018: 515,464,066) in issue during the year.

Diluted loss per share for the year ended 31 March 2019 and 2018 is the same as the basic loss per share as the impact of the outstanding share options and convertible notes of the Company, where applicable, had an anti-dilutive effect on the basic loss per share for the year ended 31 March 2019 and 2018.

13. 歸屬於本公司普通權益持有人的每股虧損

每股基本虧損金額乃基於歸屬於本公司普通權益持有人的年內虧損92,663,000港元(2018年: 224,790,000港元)及年內已發行普通股加權平均數565,661,770股(2018年: 515,464,066股)計算。

由於截至2019年及2018年3月31日止年度，本公司的未行使購股權及未償還可換股票據(如適用)對每股基本虧損具反攤薄影響，故截至2019年及2018年3月31日止年度的每股攤薄虧損與每股基本虧損相同。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、機器及設備

		Plant and machinery 機器及機械 HK\$'000 千港元	Furniture, fixtures and office equipment 傢俬、裝置及辦公室設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Land and building 土地及樓宇 HK\$'000 千港元	Total 總計 HK\$'000 千港元
31 March 2019	2019年3月31日					
At 31 March 2018 and at 1 April 2018:	於2018年3月31日及於2018年4月1日：					
Cost	成本	274,596	11,851	10,517	—	296,964
Accumulated depreciation	累計折舊	(100,193)	(4,705)	(5,110)	—	(110,008)
Net carrying amount	賬面淨額	174,403	7,146	5,407	—	186,956
At 1 April 2018, net of accumulated depreciation	於2018年4月1日，已扣除累計折舊	174,403	7,146	5,407	—	186,956
Additions	添置	23,266	5,419	4,232	—	32,917
Acquisitions of subsidiaries (note 41)	收購附屬公司(附註41)	52,690	39	4,155	1,108	57,992
Disposals	出售	(10,676)	—	—	—	(10,676)
Disposal of subsidiaries (note 42)	出售附屬公司(附註42)	(3,555)	(1,322)	(93)	—	(4,970)
Depreciation provided during the year	年內折舊撥備	(38,232)	(2,743)	(2,108)	(78)	(43,161)
Exchange realignment	轉撥	(793)	(277)	(324)	(50)	(1,444)
At 31 March 2019, net of accumulated depreciation	於2019年3月31日，已扣除累計折舊	197,103	8,262	11,269	980	217,614
At 31 March 2019:	於2019年3月31日：					
Cost	成本	350,561	14,274	22,544	1,194	388,573
Accumulated depreciation	累計折舊	(153,458)	(6,012)	(11,275)	(214)	(170,959)
Net carrying amount	賬面淨額	197,103	8,262	11,269	980	217,614

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財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

14. PROPERTY, PLANT AND EQUIPMENT
(continued)

14. 物業、機器及設備(續)

		Plant and machinery 機器及機械 HK\$'000 千港元	Furniture, fixtures and office equipment 傢俬、裝置 及辦公室 設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總計 HK\$'000 千港元
31 March 2018	2018年3月31日				
At 31 March 2017 and at 1 April 2017:	於2017年3月31日及 於2017年4月1日:				
Cost	成本	255,850	9,937	9,707	275,494
Accumulated depreciation	累計折舊	(72,234)	(2,858)	(3,367)	(78,459)
Net carrying amount	賬面淨額	183,616	7,079	6,340	197,035
At 1 April 2017, net of accumulated depreciation	於2017年4月1日， 已扣除累計折舊	183,616	7,079	6,340	197,035
Additions	添置	19,345	2,121	475	21,941
Acquisitions of subsidiaries (note 41)	收購附屬公司 (附註41)	318	106	97	521
Disposals	出售	(697)	(72)	—	(769)
Depreciation provided during the year	年內折舊撥備	(28,533)	(2,553)	(1,729)	(32,815)
Transfers	轉撥	(155)	152	3	—
Exchange realignment	匯兌調整	509	313	221	1,043
At 31 March 2018, net of accumulated depreciation	於2018年3月31日， 已扣除累計折舊	174,403	7,146	5,407	186,956
At 31 March 2018:	於2018年3月31日:				
Cost	成本	274,596	11,851	10,517	296,964
Accumulated depreciation	累計折舊	(100,193)	(4,705)	(5,110)	(110,008)
Net carrying amount	賬面淨額	174,403	7,146	5,407	186,956

As at 31 March 2019, the net carrying amount of the Group's plant and machinery and motor vehicles held under finance leases was HK\$23,201,000 (2018: HK\$25,884,000) and HK\$4,062,000 (2018: nil) respectively.

於2019年3月31日，本集團根據融資租賃持有的機器及機械以及汽車的賬面淨額分別為23,201,000港元(2018年：25,884,000港元)及4,062,000港元(2018年：零)。

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財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

15. GOODWILL

15. 商譽

		HK\$'000 千港元
Cost at 1 April 2017	於2017年4月1日的成本	122,431
Acquisitions of subsidiaries (note 41)	收購附屬公司(附註41)	17,635
Impairment during the year	年內減值	(114,776)
Exchange realignment	匯兌調整	1,926
At 31 March 2018 and 1 April 2018	於2018年3月31日及 2018年4月1日	27,216
Acquisition of subsidiaries (note 41)	收購附屬公司(附註41)	149,657
Impairment during the year	年內減值	—
Exchange realignment	匯兌調整	(7,175)
At 31 March 2019	於2019年3月31日	169,698
At 31 March 2019:	於2019年3月31日：	
Cost	成本	276,222
Accumulated impairment	累計減值	(106,524)
Net carrying amount	賬面淨額	169,698

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財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

15. GOODWILL (continued)**Impairment testing of goodwill**

Goodwill acquired through business combinations is allocated to the following cash-generating units (CGUs) for impairment testing:

- Taiyuan Tianrun cash-generating unit (“Taiyuan Tianrun CGU”);
- The Clear Industry Group cash-generating unit (“Clear Industry CGU”)*;
- Hefei Feifan cash-generating unit (“Hefei Feifan CGU”);
- Shenzhen Xinbao cash-generating unit (“Shenzhen Xinbao CGU”)*#; and
- The Vimab Group cash-generating unit (“Vimab CGU”)*

* Disposed on 28 February 2019.

Goodwill were fully impaired during the year ended 31 March 2018.

⊙ Newly acquired during the year ended 31 March 2019.

15. 商譽 (續)**商譽減值測試**

透過業務合併收購的商譽乃分配至下列現金產生單位以進行減值測試：

- 太原天潤現金產生單位；
- Clear Industry集團現金產生單位 (「Clear Industry現金產生單位」)*；
- 合肥非凡現金產生單位；
- 深圳新寶現金產生單位*#；及
- Vimab集團現金產生單位 (「Vimab現金產生單位」)*

* 已於2019年2月28日出售。

商譽於截至2018年3月31日止年度全數減值。

⊙ 於截至2019年3月31日止年度新收購。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

15. GOODWILL (continued)

The carrying amount of goodwill allocated to each of the cash-generating units is as follows:

	Taiyuan Tianrun CGU		Clear Industry CGU		Hefei Feifan CGU		Shenzhen Xinbao CGU		Vimab CGU	
	太原天潤		Clear Industry		合肥非凡		深圳新寶		Vimab	
	現金產生單位		現金產生單位		現金產生單位		現金產生單位		現金產生單位	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
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	
Carrying amount of goodwill	24,034	25,730	—	—	1,389	1,486	—	—	144,275	N/A
商譽的賬面金額	24,034	25,730	—	—	1,389	1,486	—	—	144,275	N/A

The recoverable amounts of the above CGUs have been determined based on a value in use calculation using cash flow projections.

Assumptions were used in the value in use calculation of the above CGUs for 31 March 2019 and 31 March 2018. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill.

The cash flow projections were based on financial budgets covering a period approved by senior management as follows:

Clear Industry CGU	5 years
Vimab CGU	5 years

The number of years used for Taiyuan Tianrun CGU and Hefei Feifan CGU are based on its respective BOT contract period, details of which are set out in note 16. Shenzhen Xinbao CGU was using a period of 6 years.

15. 商譽(續)

分配至各現金產生單位的商譽的賬面金額如下：

上述現金產生單位的可收回金額乃根據現金流量預測以使用價值計算法釐定。

計算上述現金產生單位於2019年3月31日及2018年3月31日的使用價值時，本集團已採用多項假設。下文描述管理層為進行商譽減值測試而編製的現金流量預測所依據的各項主要假設。

現金流量預測乃按基於高級管理層所批准涵蓋下列期間的財務預算編製：

Clear Industry現金產生單位	5年
Vimab現金產生單位	5年

就太原天潤現金產生單位及合肥非凡現金產生單位使用的年數以各自的BOT合約期為基礎，詳情載於附註16。深圳新寶現金產生單位使用的期限為6年。

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財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

15. GOODWILL (continued)

The cash flow projections beyond the 5 years periods are extrapolated using a growth rate as follows:

		2019	2018
Taiyuan Tianrun CGU	太原天潤現金產生單位	—%	—%
Clear Industry CGU	Clear Industry現金產生單位	N/A 不適用	3.0%
Hefei Feifan CGU	合肥非凡現金產生單位	—%	—%
Shenzhen Xinbao CGU	深圳新寶現金產生單位	N/A 不適用	—%
Vimab CGU	Vimab現金產生單位	1.8%	N/A 不適用

Zero growth was assumed for Taiyuan Tianrun CGU, Hefei Feifan CGU and Shenzhen Xinbao CGU based on utilisation of maximum Kitchen Waste processing capacity.

The discount rates applied to the cash flow projections are as follows:

		2019	2018
Taiyuan Tianrun CGU	太原天潤現金產生單位	13.4%	12.0%
Clear Industry CGU	Clear Industry現金產生單位	N/A 不適用	12.0%
Hefei Feifan CGU	合肥非凡現金產生單位	12.7%	12.0%
Shenzhen Xinbao CGU	深圳新寶現金產生單位	N/A 不適用	12.0%
Vimab CGU	Vimab現金產生單位	16.9%	N/A 不適用

The discount rates used are pre-tax and reflect specific risk relating to the relevant units.

15. 商譽 (續)

五年期後的現金流量預測乃採用下列增長率推算：

本集團基於最大餐廚垃圾處理量的使用量，假設太原天潤現金產生單位、合肥非凡現金產生單位及深圳新寶現金產生單位為零增長。

適用於現金流量預測的貼現率如下：

所用貼現率為稅前利率，且反映與相關單位有關的特定風險。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

*For the year ended 31 March 2019 截至2019年3月31日止年度***16. SERVICE CONCESSION ARRANGEMENTS**

The Group has entered into service concession arrangements with certain governmental authorities in Mainland China on a BOT basis in respect of the construction and operation of its kitchen waste treatment business. These service concession arrangements generally involve the Group as an operator in (i) constructing kitchen waste treatment plants (the “Facilities”) for those arrangement on a BOT basis; and (ii) operating and maintaining the Facilities at a specified level of serviceability on behalf of the relevant governmental authorities for periods ranging from 25 to 30 years (2018: 25–30 years) (the “Service Concession Periods”), and the Group will be paid for its services over the relevant periods of the service concession arrangements at prices stipulated through a pricing mechanism. The Group is generally entitled to use all the property, plant and equipment of the Facilities, however, the relevant governmental authorities as grantors will retain the beneficial entitlement to any residual interest in the Facilities at the end of the Service Concession Periods. Each of these service concession arrangements is governed by a contract and, where applicable, supplementary agreements entered into between the Group and the relevant governmental authority in Mainland China that set out, inter alia, performance standards, mechanisms for adjusting prices for the services rendered by the Group, specific obligations imposed on the Group to restore the Facilities to a specified level of serviceability at the end of the Service Concession Periods, and arrangements for arbitrating disputes.

16. 服務特許權安排

本集團已就建造及經營餐廚垃圾處理業務以BOT形式與中國內地若干政府機關訂立多項服務特許權安排。該等服務特許權安排一般涉及由本集團作為營運商，(i)以BOT形式為該等安排建造餐廚垃圾處理廠(「該等設施」)；及(ii)按照指定服務水平代表相關政府機關經營及維護該等設施，為期25至30年(2018年：25至30年)(「服務特許權期限」)，而本集團將於服務特許權安排的相關期限內按透過定價機制列明的價格就其服務收取款項。本集團一般有權使用該等設施的所有物業、機器及設備，然而，相關政府機關作為授予人將於服務特許權期限結束時保留其於該等設施任何剩餘權益的實益權利。各該等服務特許權安排受本集團與中國內地相關政府機關訂立的合約及(如適用)補充協議所規管，當中載明(其中包括)執行標準、本集團所提供服務的調價機制、本集團於服務特許權期限結束時為將該等設施恢復至指定服務水平而承擔的特定責任，以及仲裁糾紛的安排。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

16. SERVICE CONCESSION ARRANGEMENTS
(continued)

A summary of the major terms of the principal service concession arrangements is set out as follows:

16. 服務特許權安排 (續)

主要服務特許權安排的主要條款概要載列如下：

Name of company as operator	Location	Name of grantor	Type of service concession arrangement	Practical processing capacity tonne per day/year 實際處理量 (每天/年噸數)	Service concession period
作為經營商的公司名稱	地點	授予人名稱	服務特許權安排類型		服務特許權期限
Taiyuan Tianrun	Taiyuan, Shaxin province, the PRC	太原市市容環境衛生管理局	BOT on kitchen waste treatment	500 per day (2018: 200 per day)	30 years from 2013 to 2043
太原天潤	中國山西省太原市	太原市市容環境衛生管理局	餐廚垃圾處理的BOT	每天500 (2018年：每天200)	由2013年起至2043年止30年
Loudi Fangsheng	Loudi, Hunan province, the PRC	婁底市城中管理行政執法局	BOT on kitchen waste treatment	120 per day (2018: nil)	30 years from 2014 to 2044
婁底方盛	中國湖南省婁底市	婁底市城中管理行政執法局	餐廚垃圾處理的BOT	每天120 (2018年：無)	由2014年起至2044年止30年
Hefei Feifan	Hefei, Anhui province, the PRC	合肥市城市管理局	BOT on kitchen waste treatment	200 per day (2018: 200 per day)	25 years from 2013 to 2038
合肥非凡	中國安徽省合肥市	合肥市城市管理局	餐廚垃圾處理的BOT	每天200 (2018年：每天200)	由2013年起至2038年止25年
Hancheng	Hancheng, Shanxi province, the PRC	韓城市供銷合作社聯合社	BOT on kitchen waste treatment	20,000 per year (2018: nil)	30 years from 2018 to 2047
韓城	中國山西省韓城市	韓城市供銷合作社聯合社	餐廚垃圾處理的BOT	每年20,000 (2018年：無)	由2018年起至2047年止30年

Pursuant to the service concession agreements entered into by the Group, the Group are granted the rights to use the property, plant and equipment of the Facilities and the related land, which are generally registered under the names of the relevant subsidiaries of the Group, during the Service Concession Periods, but the Group is generally required to surrender these assets to the grantors at a specified level of serviceability at the end of the respective Service Concession Periods.

The carrying amounts of the Group's receivables under services concession arrangements and operating concession of HK\$331,057,000 (2018: HK\$342,818,000) and HK\$256,491,000 (2018: HK\$282,048,000), respectively, were pledged to the Group's bank and other borrowings.

根據本集團訂立的服務特許權協議，本集團獲授於服務特許權期限內使用該等設施的物業、機器及設備以及相關土地（一般以本集團相關附屬公司的名義登記）的權利，惟本集團一般須於各服務特許權期限結束時按指定服務水平將該等資產交回授予人。

本集團的服務特許權安排應收款項及經營特許權的賬面金額分別331,057,000港元(2018年：342,818,000港元)及256,491,000港元(2018年：282,048,000港元)已質押予本集團的銀行及其他借貸。

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財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

16. SERVICE CONCESSION ARRANGEMENTS
(continued)

As further explained in the accounting policy for “Service concession arrangements” set out in note 4 to the financial statements, the consideration paid by the Group for a service concession arrangement is accounted for as an intangible asset (operating concession) or a financial asset (receivable under service concession arrangement) or a combination of both, as appropriate. The following is the summarised information of the intangible asset component (operating concessions) and the financial asset component (receivables under service concession arrangements) with respect to the Group’s service concession arrangements:

Operating Concessions

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
At 1 April:	於4月1日：		
Cost and carrying amount	成本及賬面金額	356,704	176,617
At 1 April	於4月1日	356,704	176,617
Acquisition of subsidiaries (note 41)	收購附屬公司(附註41)	—	119,655
Additions	增添	17,493	29,991
Amortisation provided during the year	年內攤銷撥備	(12,939)	(1,317)
Exchange realignment	匯兌調整	(15,014)	31,758
At 31 March	於3月31日	346,244	356,704
At 31 March:	於3月31日：		
Cost	成本	360,435	358,101
Accumulated amortisation	累計攤銷	(14,191)	(1,397)
Net carrying amount	賬面淨額	346,244	356,704

16. 服務特許權安排(續)

誠如本財務報表附註4所載「服務特許權安排」的會計政策所進一步闡述，本集團就服務特許權安排支付的代價入賬列為無形資產(經營特許權)或金融資產(服務特許權安排應收款項)或兩者結合(如適用)。以下為本集團服務特許權安排的無形資產組成部分(經營特許權)及金融資產組成部分(服務特許權安排應收款項)的資料概要：

經營特許權

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For the year ended 31 March 2019 截至2019年3月31日止年度

16. SERVICE CONCESSION ARRANGEMENTS
(continued)

Receivables under service concession arrangements

16. 服務特許權安排 (續)

服務特許權安排應收款項

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Receivables under service concession arrangements	服務特許權安排應收款項	352,184	360,787
Portion classified as current assets	分類為流動資產的部分	(33,188)	(35,549)
Non-current portion	非流動部分	318,996	325,238

Movements in the provision for impairment of receivables under service concession arrangements are as follows:

服務特許權安排應收款項減值撥備的變動如下：

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
At beginning of year under HKFRS 9/HKAS 39	於年初(根據香港財務報告準則第9號/香港會計準則第39號)	—	—
Effect of adoption of HKFRS 9	採納香港財務報告準則第9號的影響	1,478	—
At beginning of year	於年初	1,478	—
Impairment losses, net	減值虧損淨額	496	—
At end of year	於年末	1,974	—

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For the year ended 31 March 2019 截至2019年3月31日止年度

16. SERVICE CONCESSION ARRANGEMENTS
(continued)**Receivables under service concession arrangements**
(continued)**Impairment under HKFRS 9 for the year ended 31 March 2019**

For receivable under service concession arrangements, the Group applies the simplified approach in measuring ECL, that is to recognise a loss allowance based on lifetime ECL at each reporting date. The Group has applied loss-rate method for calculating the ECL of receivables from service concession arrangements. Under this method, impairment is calculated using an estimated loss rate and multiplying it by the outstanding balance at the end of the reporting period.

Set out below is the information about the credit risk exposure on the Group's receivable under service concession arrangements:

As at 31 March 2019

		Loss rate — current portion: 虧損率 — 流動部分：	Loss rate — Non-current portion HK 虧損率 — 非流動部分 香港	Total 總計
Gross carrying amount (HK\$'000)	賬面總額(千港元)	33,204	320,954	354,158
Expected credit losses allowance (HK\$'000)	預期信貸虧損備抵 (千港元)	16	1,958	1,974
Expected credit loss rate	預期信貸虧損率	0.05%	0.61%	

As at 1 April 2018**於2018年4月1日**

		Current portion: 流動部分：	Non-current portion: 非流動部分：	Total 總計
Gross carrying amount (HK\$'000)	賬面總額(千港元)	35,549	325,238	360,787
Expected credit losses (HK\$'000)	預期信貸虧損(千港元)	14	1,464	1,478
Expected credit loss rate	預期信貸虧損率	0.04%	0.45%	

16. 服務特許權安排(續)**服務特許權安排應收款項(續)****截至2019年3月31日止年度香港財務
報告準則第9號下的減值**

就服務特許權安排應收款項而言，本集團運用簡化的方法計量預期信貸虧損，亦即於各報告日期基於全期預期信貸虧損確認虧損備抵。本集團已採用虧損率方法計算服務特許權安排應收款項的預期信貸虧損。根據此方法，減值乃於報告期末採用估計虧損率乘以未償還結餘計算。

下文載列有關本集團服務特許權安排應收款項信貸風險的資料：

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For the year ended 31 March 2019 截至2019年3月31日止年度

16. SERVICE CONCESSION ARRANGEMENTS
*(continued)***Receivables under service concession arrangements**
*(continued)***Impairment under HKAS 39 for the year ended 31 March 2018**

Receivables under service concession arrangements were unbilled and neither past due nor impaired. Such receivables were due from the grantors in respect of the Group's kitchen waste treatment business. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in the credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral or other credit enhancements over these balances.

16. 服務特許權安排 (續)**服務特許權安排應收款項 (續)****截至2018年3月31日止年度香港會計準則第39號下的減值**

服務特許權安排應收款項未有發出發票，概無逾期或減值。該等應收款項來自本集團餐廚垃圾處理業務的授予人。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重大變動且被視為可全數收回，故無須就其計提減值撥備。本集團並無就該等結餘持有任何抵押品或其他信貸提升物。

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For the year ended 31 March 2019 截至2019年3月31日止年度

17. OTHER INTANGIBLE ASSETS

17. 其他無形資產

		Patents 專利 HK\$'000 千港元	Customer list 客戶名單 HK\$'000 千港元	Technologies 技術 HK\$'000 千港元	Trademark 商標 HK\$'000 千港元	Non-compet Agreement 不競爭協議 HK\$'000 千港元	Total 總計 HK\$'000 千港元
31 March 2019	2019年3月31日						
Cost at 1 April 2018, net of accumulated amortisation	於2018年4月1日的成本，已扣除累計攤銷	15,398	443	—	—	—	15,841
Addition	添置	35	—	—	—	—	35
Acquisition of subsidiaries (note 41)	收購附屬公司(附註41)	—	39,139	38,466	4,724	946	83,275
Disposal of subsidiaries (note 42)	出售附屬公司(附註42)	(14,825)	(415)	—	—	—	(15,240)
Amortisation provided during the year	年內攤銷撥備	(569)	(6,437)	(3,691)	(149)	(155)	(11,001)
Exchange realignment	匯兌調整	(39)	(1,590)	(1,643)	(211)	(38)	(3,521)
At 31 March 2019	於2019年3月31日	—	31,140	33,132	4,364	753	69,389
At 31 March 2019:	於2019年3月31日：						
Cost	成本	—	37,397	36,720	4,508	903	79,528
Accumulated amortisation and impairment	累計攤銷及減值	—	(6,257)	(3,588)	(144)	(150)	(10,139)
Net carrying amount	賬面淨額	—	31,140	33,132	4,364	753	69,389
31 March 2018	2018年3月31日						
Cost at 1 April 2017, net of accumulated amortisation	於2017年4月1日的成本，已扣除累計攤銷	17,193	429	25,907	—	—	43,529
Amortisation provided during the year	年內攤銷撥備	(1,795)	(38)	(2,705)	—	—	(4,538)
Impairment during the year	年內減值	—	—	(24,356)	—	—	(24,356)
Exchange realignment	匯兌調整	—	52	1,154	—	—	1,206
At 31 March 2018	於2018年3月31日	15,398	443	—	—	—	15,841
At 31 March 2018:	於2018年3月31日：						
Cost	成本	17,940	483	28,705	—	—	47,128
Accumulated amortisation and impairment	累計攤銷及減值	(2,542)	(40)	(28,705)	—	—	(31,287)
Net carrying amount	賬面淨額	15,398	443	—	—	—	15,841

During the year ended 31 March 2018, impairment loss of HK\$24,356,000 was recognised on the kitchen waste treatment technologies as the recoverable amount of the Clear Industry CGU was determined to be lower than its carrying amount. No impairment loss was recognised on the intangible asset during the year ended 31 March 2019.

於截至2018年3月31日止年度，由於Clear Industry現金產生單位的可收回金額被釐定為低於賬面金額，故本集團就餐廚垃圾處理技術確認減值虧損24,356,000港元。本集團於截至2019年3月31日止年度並無確認無形資產減值虧損。

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18. CONTINGENT CONSIDERATION ASSET/
CONSIDERATION RECEIVABLES

18. 或然代價資產／應收代價

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Contingent consideration asset	或然代價資產	3,724	61,644
Portion classified as current assets (note b)	分類為流動資產的部分 (附註b)	3,724	—
Non-current portion (note a)	非流動部分(附註a)	—	61,644
Consideration receivables (note a)	應收代價(附註a)	37,232	—

Notes:

- (a) On 14 December 2016, the Group completed the Clear Industry Acquisition. As part of the sale and purchase agreement, the Group is entitled to receive contingent consideration, which is based on the amount of profit of the Clear Industry Group during the years ended 31 March 2017, 2018 and 2019 (the "Guarantee Period").

For the year ended 31 March 2018

As at 31 March 2018, the Group has recognised a contingent consideration asset of HK\$61,644,000 which was determined using the discounted cash flow model and is within Level 3 fair value measurement.

附註：

- (a) 於2016年12月14日，本集團完成Clear Industry收購事項。作為買賣協議的一部分，本集團有權收取基於Clear Industry集團截至2017年、2018年及2019年3月31日止年度（「擔保期」）的溢利金額計算的或然代價。

截至2018年3月31日止年度

於2018年3月31日，本集團已確認或然代價資產61,644,000港元，此乃利用貼現現金流模型釐定，並屬第三層公平值計量。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

18. CONTINGENT CONSIDERATION ASSET/ CONSIDERATION RECEIVABLES (continued)

Notes: (continued)

(a) (continued)

For the year ended 31 March 2018 (continued)

Significant unobservable valuation inputs for the fair value measurement of contingent consideration for the year ended 31 March 2018 are as follows:

Projected profit of the Clear Industry Group for the years ended/ending 31 March 2017, 2018 and 2019	RMB2,376,000
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Discount rate	3.4%
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A significant increase/(decrease) in the profit of the Clear Industry Group would result in a significant increase/(decrease) in the fair value of the contingent consideration asset. A significant increase/(decrease) in the discount rate would result in a significant (decrease)/increase in the fair value of the contingent consideration asset.

For the year ended 31 March 2019

As at 31 March 2019, the Guaranteed Period was completed. Based on the unaudited management accounts of the Clear EPC Group (excluding the profit attributable to the business contracted by the other members of the Group to the Clear EPC Group), it is expected that the profit guarantee in the Clear Industry Acquisition could not be fulfilled.

The Group has recognised a consideration receivables of HK\$37,232,000. The consideration compensation is due for final measurement and payment from Qingqin International within 7 days from the date of issuance of the audited financial statements of Clear Industry Group for the years ended 31 March 2017, 2018 and 2019. At the date of approval of these financial statements, the audit of Clear Industry Group for the years ended 31 March 2017, 2018 and 2019 was not completed.

18. 或然代價資產／應收代價 (續)

附註：(續)

(a) (續)

截至2018年3月31日止年度(續)

截至2018年3月31日止年度的或然代價公平值計量的重大不可觀察估值輸入數值如下：

Clear Industry集團截至 2017年、2018年及 2019年3月31日止 年度的預測溢利	人民幣 2,376,000元
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貼現率	3.4%
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Clear Industry集團溢利大幅增加／(減少)將導致或然代價資產的公平值大幅增加／(減少)。貼現率大幅上升／(下降)將導致或然代價資產的公平值大幅(減少)／增加。

截至2019年3月31日止年度

於2019年3月31日，擔保期已完結。基於Clear EPC集團的未經審核管理賬目(撇除本集團其他成員公司外判予Clear EPC集團的業務應佔的溢利)，預期未能達成Clear Industry收購事項的溢利保證。

本集團已確認應收代價37,232,000港元。代價補償須於Clear Industry集團截至2017年、2018年及2019年3月31日止年度的經審核財務報表發出日期起計7天內確定並由清勤國際支付。於本財務報表的批准日期，Clear Industry集團截至2017年、2018年及2019年3月31日止年度的審計工作尚未完成。

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For the year ended 31 March 2019 截至2019年3月31日止年度

**18. CONTINGENT CONSIDERATION ASSET/
CONSIDERATION RECEIVABLES**
(continued)

Notes: (continued)

- (b) On 31 May 2018, the Group completed the Vimab Acquisition. Further details of the Vimab Acquisition are included in note 41 to the financial statements. Pursuant to the share purchase agreement, the consideration for the Vimab Acquisition was to be satisfied as to (i) approximately HK\$23.0 million in cash; and (ii) approximately HK\$147.5 million by way of the allotment and issue of 42,137,142 new Shares (the "Consideration Shares") at the issue price of HK\$3.5 per Share. The Consideration Shares represented approximately 7.36% of the issued share capital of the Company as enlarged by them, and 19,488,428 new Shares out of the Consideration Shares are subject to a lock-up period, which will be released upon fulfilment of certain financial benchmarks by the Vimab Group for the financial year ended or ending (as the case may be) 31 December 2018 and 2019. Details of the release of lock-up arrangement are as follows:

(i) 2018 financial year end

- (a) if the audited 2018 EBITDA (under International Financial Reporting Standards of Vimab as "2018 EBITDA") increases by not less than 10% as compared with the audited 2017 EBITDA, 50% of the locked shares be unlocked and released on the 15th business day after the issue of the audited financial statements of the Vimab Group;
- (b) if the 2018 EBITDA divided by the 110% of the 2017 EBITDA falls on a range from 85.1% to 100%, it is calculated as, on a pro rata basis, $(2018 \text{ EBITDA} / (2017 \text{ EBITDA} \times 110\%) - 85.1\%) / (100\% - 85.1\%)$ of 50% of the locked-up shares shall be unlocked and released, and the sellers shall, within ten (10) business days from the date when the 2018 EBITDA is finalised, return to the Group the remaining locked-up shares (or an amount equivalent to the value at the issue price of such remaining locked-up shares) in the following priority: (1) by cash in an amount equivalent to the issue price of such remaining locked-up shares; (2) if (1) is not available and subject to the compliance of the relevant rules and requirement by the Company, by returning such remaining locked-up shares to the Company for revocation and cancellation; or

18. 或然代價資產／應收代價
(續)

附註：(續)

- (b) 於2018年5月31日，本集團完成Vimab收購事項。有關Vimab收購事項的進一步詳情載於本財務報表附註41。根據購股協議，Vimab收購事項的代價中(i)約23,000,000港元以現金清償；及(ii)約147,500,000港元以按每股股份3.5港元的發行價配發及發行42,137,142股新股份（「代價股份」）的方式清償。代價股份數目相當於本公司經代價股份擴大的已發行股本約7.36%，而代價股份中19,488,428股新股份設有禁售期，將於Vimab集團截至2018年及2019年12月31日止財政年度（視情況而定）的若干財務指標達成後解除。解除禁售安排的詳情如下：

(i) 2018財政年度年結日

- (a) 倘2018年經審核EBITDA（根據Vimab集團的國際財務報告準則為「2018年EBITDA」）較2017年經審核EBITDA增長不少於10%，則50%禁售股份將於Vimab集團的經審核財務報表發出後第15個營業日獲解除禁售；
- (b) 倘2018年EBITDA除以2017年EBITDA的110%介乎85.1%至100%，則該50%禁售股份中按 $(2018 \text{ 年 EBITDA} / (2017 \text{ 年 EBITDA} \times 110\%) - 85.1\%) / (100\% - 85.1\%)$ 計算的比例獲解除禁售，而賣方應於由2018年EBITDA落實當日起計十(10)個營業日內，以下列優次排序向本集團退還餘下的禁售股份（或該等餘下禁售股份發行價的等值金額）：(1)按該等餘下禁售股份發行價的等值金額以現金；(2)倘無法獲得(1)，且在遵守本公司相關規則及規定的規限下，透過向本公司退還該等餘下禁售股份以供撤銷及註銷；或

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18. CONTINGENT CONSIDERATION ASSET/
CONSIDERATION RECEIVABLES*(continued)*Notes: *(continued)*(b) *(continued)***(i) 2018 financial year end *(continued)***

- (c) if both (a) and (b) are not applicable, by returning cash in an amount equivalent to the issue price of such remaining locked-up shares or such remaining locked-up shares to the Company for revocation and cancellation.

(ii) 2019 financial year end

- (a) if the audited 2019 EBITDA (excluding revenue of Vimab generated from any vendors and/or their respective affiliate unless otherwise approved by the board of the Purchaser, herein after referred to as "2019 EBITDA") increases by 21% or more as compared with the audited 2017 EBITDA, the remaining 50% of the locked-up shares will be unlocked and released on the 15th business day after the issue of the audited financial statements of the Vimab Group;
- (b) if the 2019 EBITDA divided by the 121% of the 2017 EBITDA falls on a range from 85.1% to 100%, it is calculated as, on a pro rata basis, $(\frac{\text{the 2019 EBITDA}}{\text{the 2017 EBITDA} \times 121\%} - 85.1\%) / (100\% - 85.1\%)$ of such 50% of the locked-up shares shall be unlocked and released, and the Sellers shall, within ten (10) business days from the date when the 2019 EBITDA is finalised, return to the Buyer the remaining locked-up shares (or an amount equivalent to the value at the issue price of such remaining locked-up shares) in the following priority: (1) by cash in an amount equivalent to the issue price of such remaining locked-up shares; (2) if (1) is not available and subject to the compliance of the relevant rules and requirement by the Company, by returning such remaining locked-up shares to the Company for revocation and cancellation; or

18. 或然代價資產／應收代價
(續)

附註：(續)

(b) (續)

(i) 2018財政年度年結日 (續)

- (c) 倘(a)及(b)均不適用，則透過以現金退還該等餘下禁售股份發行價的等值金額或透過向本公司退還該等餘下禁售股份以供撤銷及註銷。

(ii) 2019財政年度年結日

- (a) 倘2019年經審核EBITDA (除非獲買方董事會另行批准，否則不包括Vimab源自任何賣方及／或彼等各自的聯屬公司的收入，於下文統稱「2019年EBITDA」) 較2017年經審核EBITDA增長21%或以上，則餘下50%禁售股份將於Vimab集團的經審核財務報表發出後第15個營業日獲解除禁售；
- (b) 倘2019年EBITDA除以2017年EBITDA的121%介乎85.1%至100%，則該50%禁售股份中按 $(\frac{\text{2019年EBITDA}}{\text{2017年EBITDA} \times 121\%} - 85.1\%) / (100\% - 85.1\%)$ 計算的比例獲解除禁售，而賣方應於由2019年EBITDA落實當日起計十(10)個營業日內，以下列優次排序向買方退還餘下的禁售股份(或該等餘下禁售股份發行價的等值金額)：(1)按該等餘下禁售股份發行價的等值金額以現金；(2)倘無法獲得(1)，且在遵守本公司相關規則及規定的規限下，透過向本公司退還該等餘下禁售股份以供撤銷及註銷；或

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18. CONTINGENT CONSIDERATION ASSET/
CONSIDERATION RECEIVABLES
(continued)

Notes: (continued)

(b) (continued)

(ii) 2019 financial year end (continued)

- (c) if both (a) and (b) are not applicable, by returning cash in an amount equivalent to the issue price of such remaining locked-up shares or such remaining locked-up shares to the Company for revocation and cancellation.

As at 31 May 2018, the acquisition date, the Group has recognised a contingent consideration asset of HK\$8,717,000. As at 31 March 2019, the amount of contingent consideration asset was decreased to HK\$3,724,000. The amount of contingent consideration asset was determined using the discounted cash flow model and is within Level 3 fair value measurement.

Significant unobservable valuation inputs for the fair value measurement of contingent consideration is as follows:

Discount rate 17%

A significant increase/(decrease) in the profit of the Vimab Group would result in a significant increase/(decrease) in the fair value of the contingent consideration asset. A significant increase/(decrease) in the discount rate would result in a significant (decrease)/increase in the fair value of the contingent consideration asset.

18. 或然代價資產／應收代價
(續)

附註：(續)

(b) (續)

(ii) 2019財政年度年結日(續)

- (c) 倘(a)及(b)均不適用，則透過以現金退還該等餘下禁售股份發行價的等值金額或透過向本公司退還該等餘下禁售股份以供撤銷及註銷。

於2018年5月31日(收購日期)，本集團已確認或然代價資產8,717,000港元。於2019年3月31日，或然代價資產金額已減至3,724,000港元。或然代價資產金額乃利用貼現現金流模型釐定，並屬第三層公平值計量。

或然代價公平值計量的重大不可觀察估值輸入數值如下：

貼現率17%

Vimab集團溢利大幅增加／(減少)將導致或然代價資產的公平值大幅增加／(減少)。貼現率大幅上升／(下降)將導致或然代價資產的公平值大幅(減少)／增加。

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**19. AVAILABLE-FOR-SALE INVESTMENT/
FINANCIAL ASSETS AT FAIR VALUE
THROUGH PROFIT OR LOSS****(A) Available-for-sale investment**

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Listed equity investment, at fair value	上市股本投資，按公平值	—	20,859

During the year ended 31 March 2018, the gross gain in respect of the Group's available-for-sale investment recognised in other comprehensive income amounted to approximately HK\$7,325,000.

於截至2018年3月31日止年度，有關本集團於其他全面收益內確認的可供出售投資的收益總額約為7,325,000港元。

(B) Financial assets at fair value through profit or loss

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Listed equity investment, at fair value	上市股本投資，按公平值	20,732	—

The adoption of HKFRS9 has resulted in changes in accounting policies on the listed equity investment from available-for-sale investment (at FVOCI) to financial assets at fair value through profit or loss from 1 April 2018.

自2018年4月1日起採納香港財務報告準則第9號已導致有關上市股本投資的會計政策出現變動，由(透過其他全面收益按公平值計量的)可供出售投資更改為透過損益按公平值計量的金融資產。

During the year ended 31 March 2019, gain in respect of Group's financial assets at fair value through profit or loss amounted to approximately HK\$1,991,000.

於截至2019年3月31日止年度，有關本集團透過損益按公平值計量的金融資產的收益約為1,991,000港元。

**19. 可供出售投資／透過損益
按公平值計量的金融資產****(A) 可供出售投資**

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Listed equity investment, at fair value	上市股本投資，按公平值	—	20,859

於截至2018年3月31日止年度，有關本集團於其他全面收益內確認的可供出售投資的收益總額約為7,325,000港元。

(B) 透過損益按公平值計量的金融資產

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Listed equity investment, at fair value	上市股本投資，按公平值	20,732	—

自2018年4月1日起採納香港財務報告準則第9號已導致有關上市股本投資的會計政策出現變動，由(透過其他全面收益按公平值計量的)可供出售投資更改為透過損益按公平值計量的金融資產。

於截至2019年3月31日止年度，有關本集團透過損益按公平值計量的金融資產的收益約為1,991,000港元。

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For the year ended 31 March 2019 截至2019年3月31日止年度

20. INVENTORIES

20. 存貨

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Finished goods	製成品	39,366	4,331

21. CONTRACT ASSETS AND CONTRACT LIABILITIES

21. 合約資產及合約負債

(a) Contract assets

(a) 合約資產

		31 March 2019 2019年 3月31日 HK\$'000 千港元	1 April 2018* 2018年 4月1日* HK\$'000 千港元	31 March 2018 2018年 3月31日 HK\$'000 千港元
Related to construction contracts	與建築合約相關	73,291	88,878	—
Impairment	減值	(24,790)	(19,817)	—
		48,501	69,061	—

* The amounts in this column are after the adjustments upon the application of HKFRS 15.

* 本欄金額乃於應用香港財務報告準則第15號後調整得出。

Contract assets represents the Group's right to receive consideration for work completed but not yet billed because the rights are conditional upon the satisfaction by the customers on the construction work completed by the Group and the work is pending for the certification by the customers. The contract assets are transferred to the trade receivables when the rights become unconditional, which is typically at the time the Group obtains the certification of the completed construction work from the customers.

合約資產指本集團就已完工但尚未開具發票的工程收取代價的權利，原因為相關權利須待客戶對本集團所完成建築工程表示滿意後方可作實，而該工程正待客戶認可。當該權利成為無條件時（通常於本集團取得客戶對所完成建築工程的認可的時間），合約資產轉撥至貿易應收款項。

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財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

21. CONTRACT ASSETS AND CONTRACT LIABILITIES (continued)

(a) Contract assets (continued)

The Group classifies these contract assets under current assets because the Group expects to realise them in its normal operating cycle.

The movements in provision for impairment of contract assets are as follows:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
At beginning of year under HKFRS 9/HKAS 39	於年初(根據香港財務報告準則第9號/香港會計準則第39號)	—	—
Effect of adoption of HKFRS 9	採納香港財務報告準則第9號的影響	19,817	—
At beginning of year	於年初	19,817	—
Impairment losses, net	減值虧損淨額	4,973	—
At end of year	於年末	24,790	—

The Group has applied the simplified approach in HKFRS 9 to measure the loss allowance of contract assets at lifetime ECL. In view that contract assets have substantially the same risk characteristic as the trade debtors for the same types of contracts, the Group has therefore concluded that the expected loss rates for the trade debtors are a reasonable approximation of the loss rates for the contract assets. Credit-impaired contract assets are assessed for ECL individually.

21. 合約資產及合約負債(續)

(a) 合約資產(續)

本集團將該等合約資產分類至流動資產項下，乃因本集團預期將於其一般經營週期內變現有關資產。

合約資產減值撥備的變動如下：

本集團運用香港財務報告準則第9號的簡化方法按全期預期信貸虧損計量合約資產的虧損備抵。鑒於該等合約資產與同類合約應收賬款具有大致相同的風險特徵，本集團因此認定應收賬款的預期虧損率與合約資產虧損率合理地相若。已出現信貸減值的合約資產須個別接受預期信貸虧損評估。

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財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

21. CONTRACT ASSETS AND CONTRACT LIABILITIES (continued)**(a) Contract assets** (continued)

A summary of the Group's exposure to credit risk for contract assets is as follows:

As at 31 March 2019

	Not credit-impaired 並無出現 信貸減值	Credit impaired 已出現信貸 減值	Total 總計
Gross carrying amount (HK\$'000) 賬面總額(千港元)	42,996	30,295	73,291
Expected credit losses (HK\$'000) 預期信貸虧損 (千港元)	555	24,235	24,790
Expected credit loss rate 預期信貸虧損率	1.29%	80%	

As at 1 April 2018

	Not credit-impaired 並無出現 信貸減值	Credit impaired 已出現信貸 減值	Total 總計
Gross carrying amount (HK\$'000) 賬面總額(千港元)	56,749	32,129	88,878
Expected credit losses (HK\$'000) 預期信貸虧損 (千港元)	539	19,278	19,817
Expected credit loss rate 預期信貸虧損率	0.95%	60%	

21. 合約資產及合約負債 (續)**(a) 合約資產** (續)

本集團就合約資產須承受的信貸風險概述如下：

*於2019年3月31日**於2018年4月1日*

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

21. CONTRACT ASSETS AND CONTRACT LIABILITIES (continued)

(b) Contract liabilities

21. 合約資產及合約負債(續)

(b) 合約負債

	31 March 2019 2019年 3月31日 HK\$ 港元	1 April 2018 2018年 4月1日 HK\$ 港元	31 March 2018 2018年 3月31日 HK\$ 港元
<i>Contract liabilities arising from:</i> 由以下項目產生的合約負債：			
Construction works 建築工程	3,247	14,228	—

Typical payment terms which impact on the amount of contract liabilities are as follows:

Construction works

Where discrepancies arise between the progress payments and the Group's assessment of the stage of completion, contract liabilities can arise.

對合約負債金額構成影響的典型付款條款如下：

建築工程

進度付款與本集團對完工階段的評估之間一旦出現落差，即可產生合約負債。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

21. CONTRACT ASSETS AND CONTRACT LIABILITIES (continued)**(b) Contract liabilities (continued)****Movements in contract liabilities****21. 合約資產及合約負債(續)****(b) 合約負債(續)****合約負債變動**

		HK\$ 港元
Balance as at 1 April 2018	於2018年4月1日的結餘	14,228
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year (note 7)	因年內確認已於年初計入合約負債的收入而導致合約負債減少(附註7)	(14,228)
Increase in contract liabilities as a result of billing in advance of construction and manufacturing activities	因於建造及製造活動開始前預先收款而導致合約負債增加	3,247
Balance at 31 March 2019	於2019年3月31日的結餘	3,247

Note: The Group has initially applied HKFRS 15 using cumulative effect method and adjusted the opening balance at 1 April 2018. Upon the adoption of HKFRS 15, amounts previously included as "Due from contract customers" and "Due to contract customers" (note 22) have been reclassified to "Contract assets" (note 21(a)) and "Contract liabilities" (note 21(b)) respectively.

附註：本集團在初始應用香港財務報告準則第15號時採用累計影響法，並對2018年4月1日的期初結餘作出調整。採納香港財務報告準則第15號後，先前計入「應收合約客戶款項」及「應付合約客戶款項」(附註22)的金額已分別重新分類至「合約資產」(附註21(a))及「合約負債」(附註21(b))。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

22. CONSTRUCTION CONTRACTS

22. 建築合約

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Gross amount due from contract customers	應收合約客戶款項總額	—	88,878
Gross amount due to contract customers	應付合約客戶款項總額	—	(14,228)
		—	74,650
Contract costs incurred plus recognised profits less recognised losses to date	迄今已產生的合約成本 加已確認溢利減已確認 虧損	—	1,035,989
Less: Progress billings	減：工程進度收款	—	(961,339)
		—	74,650

Upon the adoption of HKFRS 15, amounts previously included as “Due from contract customers” and “Due to contract customers” have been reclassified to “Contract assets” and “Contract liabilities” (note 21) respectively.

採納香港財務報告準則第15號後，先前計入「應收合約客戶款項」及「應付合約客戶款項」的金額已分別重新分類至「合約資產」及「合約負債」(附註21)。

23. TRADE AND RETENTION RECEIVABLES

23. 貿易應收款項及應收保留金

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Trade receivables	貿易應收款項	196,722	189,034
Impairment	減值	(16,798)	(3,272)
		179,924	185,762
Retention receivables	應收保留金	70,780	58,530
Impairment	減值	(913)	—
		249,791	244,292
Portion classified as current assets	分類為流動資產的部分	215,801	244,292
Non-current portion	非流動部分	33,990	—

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財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

23. TRADE AND RETENTION RECEIVABLES
(continued)

The Group generally allows a credit period of not exceeding 60 days to its customers. Interim applications for progress payments on construction contracts are normally submitted on a monthly basis and are normally settled within one month. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade and retention receivable balances. Trade and retention receivables are non-interest-bearing.

Retention receivables held by contract customers arose from the Group's construction work and are settled within a period ranging from one to two years after the completion of the construction work, as stipulated in the construction contracts.

Ageing analysis of trade receivables (excluding retention receivables) as at the end of the reporting period, based on the invoice date and net of provisions, is as follows:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Within 30 days	30天內	83,625	70,149
31 to 60 days	31至60天	67,237	58,066
61 to 90 days	61至90天	4,067	9,157
Over 90 days	超過90天	24,995	48,390
		179,924	185,762

The Group recognised impairment loss based on the accounting policy stated in note 4(j)A(ii) and note 4(j)B(iii).

23. 貿易應收款項及應收保留金 (續)

本集團一般容許向客戶授出不超過60天的信貸期。有關建築合約的中期進度付款申請一般按月提交及於一個月內結算。本集團力求對未收回的應收款項維持嚴格控制，務求將信貸風險減至最低。高級管理層會定期檢討逾期結餘。本集團並無就貿易應收款項及應收保留金結餘持有任何抵押品或其他信貸提升物。貿易應收款項及應收保留金為不計息。

合約客戶持有的應收保留金源自本集團的建築工程，乃按建築合約所訂明於完成建築工程後一至兩年內結算。

於報告期末的貿易應收款項(不包括應收保留金)基於發票日期及扣除撥備後的賬齡分析如下：

本集團根據附註4(j)A(ii)及4(j)B(iii)所列的會計政策確認減值虧損。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

23. TRADE AND RETENTION RECEIVABLES
(continued)

Movements in provision for impairment of trade and retention receivables are as follows:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
At beginning of year under HKFRS 9/HKAS 39	於年初(根據香港財務報告準則第9號/香港會計準則第39號)	3,272	—
Effect of adoption of HKFRS 9	採納香港財務報告準則第9號的影響	12,058	—
At beginning of year	於年初	15,330	—
Impairment losses, net	減值虧損淨額	2,596	3,085
Exchange realignment	匯兌調整	(215)	187
At end of year	於年末	17,711	3,272

Ageing analysis of the trade and retention receivables that are not individually nor collectively considered to be impaired is as follows:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Neither past due nor impaired	並無逾期亦無減值	211,484	179,524
1 to 30 days past due	逾期1至30天	6,838	13,416
31 to 90 days past due	逾期31至90天	10,075	16,043
Over 90 days past due	逾期超過90天	21,394	35,309
		249,791	244,292

23. 貿易應收款項及應收保留金(續)

貿易應收款項及應收保留金減值撥備的變動如下：

並非個別或共同被視為已減值的貿易應收款項及應收保留金的賬齡分析如下：

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

23. TRADE AND RETENTION RECEIVABLES
(continued)**Impairment under HKFRS 9 for the year ended 31 March 2019**

For trade receivables and retention receivables, the Group applies simplified approach in measuring ECL, that is to recognise a loss allowance based on lifetime ECL at each reporting date. The Group has applied the probability of default based on that of counterparties with similar credit ratings, with adjustment to reflect current conditions and forecasts of future economic conditions through the use of financial market analysis. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

ECLs estimated by grouping the receivables based on shared credit risk characteristics and collectively assessed for likelihood of recovery, taking into account the service type, customer type and its geographical location. ECL rate is applied to the respective gross carrying amounts of the receivables.

Set out below is the information about the credit risk exposure on the Group's trade receivables:

As at 31 March 2019*(i) Construction sector*

Trade receivables	貿易應收款項				Total 總計
		Within 90 days 90天內	91 days to 365 days 91至365天	Over 365 days 超過365天	
By invoice date	按發票日期				
Average ECL rate %	平均預期信貸虧損率%	1.29%	1.29%	100%	
Gross carrying amount (HK\$'000)	賬面總額(千港元)	126,735	835	8,096	135,666
Expected credit losses (HK'000)	預期信貸虧損(千港元)	1,635	11	8,096	9,742

23. 貿易應收款項及應收保留金 (續)**截至2019年3月31日止年度香港財務報告準則第9號下的減值**

就貿易應收款項及應收保留金而言，本集團運用簡化的方法計量預期信貸虧損，亦即於各報告日期依據全期預期信貸虧損確認虧損備抵。本集團採用信貸評級類近的對手方所使用的違約概率，並利用金融市場分析予以調整，以反映當前狀況及對未來經濟狀況的預測。計算方法反映概率加權結果、貨幣時間價值及於報告日期就過往事件、當前狀況及對未來經濟狀況的預測可取得的合理及有理據支持資料。

本集團依據應收款項的共有信貸風險特性將其分組，藉以估計預期信貸虧損，並就收回款項的可能性進行集體評估，當中計及服務類別、客戶類別及其地理位置。預期信貸虧損率應用於應收款項各自的賬面總額。

下文載列有關本集團貿易應收款項信貸風險的資料：

於2019年3月31日*(i) 建築範疇*

NOTES TO FINANCIAL STATEMENTS

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For the year ended 31 March 2019 截至2019年3月31日止年度

23. TRADE AND RETENTION RECEIVABLES
(continued)**Impairment under HKFRS 9 for the year ended 31 March 2019 (continued)****As at 31 March 2019 (continued)**

(ii) Environmental sector

Trade receivables By invoice date	貿易應收款項 按發票日期	Within 90	91 days to	Over 365	Total 總計
		days 90天內	365 days 91至365天	days 超過365天	
Average ECL %	平均預期信貸虧損%	2.15%	5.06%	30.10%	
Gross carrying amount (HK\$'000)	賬面總額(千港元)	10,998	6,678	20,683	38,359
Expected credit losses (HK'000)	預期信貸虧損(千港元)	237	338	6,225	6,800

(iii) Industrial fluid sector

Trade receivables By invoice date	貿易應收款項 按發票日期	Within 90	91 days to	Over 365	Total 總計
		days 90天內	365 days 91至365天	days 超過365天	
Average ECL %	平均預期信貸虧損%	1%	1.5%	5.56%	
Gross carrying amount (HK\$'000)	賬面總額(千港元)	19,261	3,165	271	22,697
Loss allowance (HK'000)	虧損備抵(千港元)	193	48	15	256

Impairment under HKAS 39 for the year ended 31 March 2018**As at 31 March 2018**

Prior to 1 April 2018, an impairment loss was recognised only when there was objective evidence of impairment (see note 4(j)B(iii)). At 31 March 2018, trade and retention receivable of HK\$3,272,000 was determined to be impaired.

The individually impaired trade receivables relate to customers that where in financial difficulties and none of receivables is expected to be recovered.

23. 貿易應收款項及應收保留金(續)**截至2019年3月31日止年度香港財務報告準則第9號下的減值(續)****於2019年3月31日(續)**

(ii) 環境範疇

Trade receivables By invoice date	貿易應收款項 按發票日期	Within 90	91 days to	Over 365	Total 總計
		days 90天內	365 days 91至365天	days 超過365天	
Average ECL %	平均預期信貸虧損%	2.15%	5.06%	30.10%	
Gross carrying amount (HK\$'000)	賬面總額(千港元)	10,998	6,678	20,683	38,359
Expected credit losses (HK'000)	預期信貸虧損(千港元)	237	338	6,225	6,800

(iii) 工業流體範疇

Trade receivables By invoice date	貿易應收款項 按發票日期	Within 90	91 days to	Over 365	Total 總計
		days 90天內	365 days 91至365天	days 超過365天	
Average ECL %	平均預期信貸虧損%	1%	1.5%	5.56%	
Gross carrying amount (HK\$'000)	賬面總額(千港元)	19,261	3,165	271	22,697
Loss allowance (HK'000)	虧損備抵(千港元)	193	48	15	256

截至2018年3月31日止年度香港會計準則第39號下的減值**於2018年3月31日**

於2018年4月1日前，減值虧損僅於出現客觀的減值證據時，方予確認(見附註4(j)B(iii))。於2018年3月31日，貿易應收款項及應收保留金3,272,000港元被釐定已出現減值。

出現個別減值的貿易應收款項與多名身陷財務困難的客戶有關，預期全部無法收回。

NOTES TO FINANCIAL STATEMENTS

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For the year ended 31 March 2019 截至2019年3月31日止年度

23. TRADE AND RETENTION RECEIVABLES
(continued)**Impairment under HKAS 39 for the year ended 31 March 2018 (continued)****As at 31 March 2018 (continued)**

Receivable that were neither past due nor impaired relate to a large number of diversified customers for whom there was no recent history of default.

Receivable that were past due but not impaired related to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment 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.

23. 貿易應收款項及應收保留金 (續)**截至2018年3月31日止年度香港會計準則第39號下的減值 (續)****於2018年3月31日 (續)**

既未逾期亦無減值的應收款項與為數眾多且分散的客戶有關，彼等近期並無拖欠紀錄。

已逾期但並無減值的應收款項與若干在本集團有良好還款紀錄的獨立客戶有關。基於以往經驗，本公司董事認為無需就該等結餘計提減值撥備，原因是信貸質素並無重大轉變，且該等結餘仍被視為可悉數收回。

24. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES**24. 預付款項、按金及其他應收款項**

	Notes 附註	2019 HK\$'000 千港元	2018 HK\$'000 千港元
Prepayments		54,106	13,970
Deposits paid in connection with potential acquisitions in Indonesia, related expenses paid on behalf and loan advances	(a)	67,637	66,306
Deposits and other receivables		111,918	109,542
Impairment	(b)	(15,929)	(15,934)
		217,732	173,884
Current portion included in prepayments, deposits and other receivables		(183,819)	(125,210)
Non-current portion		33,913	48,674

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For the year ended 31 March 2019 截至2019年3月31日止年度

24. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

- (a) As disclosed in the announcements of the Company dated 22 January 2016, 23 March 2016, 6 April 2016, 14 April 2016, 30 May 2016, 21 June 2016, 21 September 2016, 24 April 2017, 20 October 2017 and 6 July 2018, the Group paid deposits of US\$2,920,000 (equivalent to approximately HK\$22,917,000) and US\$3,306,000 (equivalent to approximately HK\$25,946,000) in connection with the potential acquisitions for a 49% equity interest in PT. Dempo Sumber Energi (“DSE”) and an 85% equity interest in PT. Sumatera Pembangkit Mandiri (“SPM”), respectively. DSE and SPM are limited liability companies incorporated in Indonesia and are principally engaged in the development of hydropower stations in Indonesia.

On 20 October 2017, the sale and purchase agreement for DSE was terminated and a deed of termination and indemnification (the “DSE Termination Deed”) was entered into between the Group, Mr. Xu, DSE and Mr. Muhammad. Pursuant to the DSE Termination Deed, Mr. Xu and Mr. Muhammad unconditionally and irrevocably agreed, on a joint and several basis, to refund the acquisition deposit of US\$2,920,000 (equivalent to approximately HK\$22,917,000) (the “DSE Acquisition Deposit”) to the Group or its designated party, and to pay interest at 10% per annum on the DSE Acquisition Deposit since 23 March 2016 up to the full repayment date of the DSE Acquisition Deposit. The payment of the DSE Acquisition Deposit and the related interest should be made in three tranches as follows:

- (a) US\$0.62 million should be paid by 31 January 2018
- (b) US\$0.60 million should be paid by 31 March 2018
- (c) US\$1.70 million and the related interest on the DSE Acquisition Deposit should be paid by 30 June 2018

24. 預付款項、按金及其他應收款項 (續)

- (a) 誠如本公司日期為2016年1月22日、2016年3月23日、2016年4月6日、2016年4月14日、2016年5月30日、2016年6月21日、2016年9月21日、2017年4月24日、2017年10月20日及2018年7月6日的公佈所披露，本集團已就PT. Dempo Sumber Energi(「DSE」)的49%股權及PT. Sumatera Pembangkit Mandiri(「SPM」)的85%股權的潛在收購事項分別支付按金2,920,000美元(相等於約22,917,000港元)及3,306,000美元(相等於約25,946,000港元)。DSE及SPM為於印尼註冊成立的有限公司，主要在印尼發展水力發電廠。

於2017年10月20日，DSE買賣協議已終止，本集團、徐先生、DSE與Muhammad先生訂立終止及彌償契據(「DSE終止契據」)。根據DSE終止契據，徐先生及Muhammad先生無條件及不可撤回地同意，按共同及各別基準向本集團或其指定人士退回收購事項按金2,920,000美元(相等於約22,917,000港元)(「DSE收購事項按金」)，並就DSE收購事項按金支付自2016年3月23日起至悉數償還DSE收購事項按金日期為止按年利率10%計算的利息。DSE收購事項按金及相關利息應分三期支付如下：

- (a) 於2018年1月31日或之前支付620,000美元
- (b) 於2018年3月31日或之前支付600,000美元
- (c) 於2018年6月30日或之前支付1,700,000美元連同DSE收購事項按金的相關利息

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24. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

(a) (continued)

Mr. Xu and Mr. Muhammad also unconditionally and irrevocably undertook, on a joint and several basis, to guarantee that DSE should repay to the Group or its designated party, DSE's indebtedness owed (including expenses paid on behalf and advanced loans) (the "DSE Indebtedness") to the Group by 31 March 2018. Upon full repayment of the DSE Acquisition Deposit and the related interest and DSE's indebtedness, the Group would transfer the 28,420 Class A shares of DSE to Mr. Xu or his designated party. As at 31 March 2018, no amounts in respect of the DSE Acquisition Deposit and the related interest and the DSE Indebtedness had been settled in accordance with the DSE Termination Deed.

In addition to the acquisition deposits, the Group paid certain expenses on behalf of DSE and advanced loans to DSE, SPM, Mr. Xu Peng ("Mr. Xu") and Mr. Muhammad Yamin Kahar ("Mr. Muhammad"), who were beneficial shareholders of DSE and SPM. As stated in the loan agreements, the loan advances were unsecured, bore interest at 24% per annum and were repayable within one year. 28,420 Class A shares of DSE (representing 49% of the equity interest in DSE) and 800 ordinary shares of SPM (representing 80% of the equity interest in SPM) were transferred to the Group during the year ended 31 March 2017. The Group appointed 4 out of 6 directors of DSE and 5 out of 7 directors of SPM.

During the year, the Group's nominated Directors in DSE were resigned and US\$0.25 million (equivalent to HK\$1.56 million) to SPM for its working capital.

As at 31 March 2019, the aggregate amount paid/advanced was HK\$67,637,000 (2018: HK\$66,306,000).

24. 預付款項、按金及其他應收款項(續)

(a) (續)

徐先生及Muhammad先生亦無條件及不可撤回地承諾，按共同及各別基準擔保DSE於2018年3月31日或之前向本集團或其指定人士償還DSE結欠本集團的債務(包括代付開支及墊付的貸款)(「DSE債務」)。於DSE收購事項按金、相關利息及DSE債務獲悉數償還後，本集團將向徐先生或其指定人士轉讓28,420股DSE A類股份。於2018年3月31日，並無有關DSE收購事項按金、相關利息及DSE債務的款項已按照DSE終止契據清償。

除收購事項按金外，本集團已代DSE支付若干開支，並向DSE、SPM、徐鵬先生(「徐先生」)及Muhammad Yamin Kahar先生(「Muhammad先生」)(DSE及SPM的實益股東)墊付貸款。誠如貸款協議所列，貸款墊款為無抵押、按年利率24%計息及須於一年內償還。於截至2017年3月31日止年度，本集團獲轉讓28,420股DSE A類股份(相當於DSE 49%股權)及800股SPM普通股(相當於SPM 80%股權)。本集團已委任DSE 6名董事其中4名及SPM 7名董事其中5名。

年內，本集團於DSE提名的董事辭任，以及向SPM支付250,000美元(相等於1,560,000港元)作為其營運資金。

於2019年3月31日，已支付／墊付總額為67,637,000港元(2018年：66,306,000港元)。

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24. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)**(a)** (continued)

On 16 December 2017, the Group entered into a supplemental agreement with Mr. Xu and Mr. Muhammad pursuant to which the Group, Mr. Xu and Mr. Muhammad mutually agreed to terminate the development of SPM's hydropower station and to identify potential buyers/investors for SPM.

On 27 March 2018, the Group entered into a sale and purchase agreement (the "DSE Sale and Purchase Agreement") with Mr. Muhammad, Mr. Xu, Mr. Kok Tjik, Mr. Joifadi and 福建佳和能源有限公司 ("Fujian Jiahe"). Pursuant to the DSE Sale and Purchase Agreement, the Group and Mr. Muhammad intended to dispose of 90% equity interest in DSE (including the Group's 49% equity interest in DSE) to Fujian Jiahe at a consideration of US\$4,050,000. Upon signing of the DSE Sale and Purchase Agreement, Fujian Jiahe was required to pay US\$2,000,000, of which US\$1,000,000 was attributable to the Group's equity interest, to either a personal bank account of Mr. Zhu Yongjun ("Mr. Zhu"), the Chairman and an executive director of the Company, or a corporate bank account of a subsidiary of a debtor of the Group as designated bank accounts as stated in the DSE Sale and Purchase Agreement.

On 28 March 2018, an amount of RMB12,600,000 (equivalent to approximately HK\$15,557,000) was deposited by Mr. Zi Fenggao ("Mr. Zi"), the beneficial controlling shareholder of Fujian Jiahe, into the designated personal bank account of Mr. Zhu. On 29 March 2018, Mr. Zhu transferred amounts of RMB6,200,000 and RMB6,240,000 to a subsidiary of the Company and 2 individuals designated by Mr. Muhammad, Mr. Xu, Mr. Kok Tjik and Mr. Joifadi to receive the funds, respectively. The RMB6,200,000 (equivalent to approximately HK\$7,655,000) has been accounted for by the Group at 31 March 2018 as other payable.

24. 預付款項、按金及其他應收款項 (續)**(a)** (續)

於2017年12月16日，本集團與徐先生及Muhammad先生訂立補充協議，據此，本集團、徐先生及Muhammad先生相互同意終止發展SPM的水力發電廠，並為SPM尋找潛在買家／投資者。

於2018年3月27日，本集團與Muhammad先生、徐先生、Kok Tjik先生、Joifadi先生及福建佳和能源有限公司(「福建佳和」)訂立一份買賣協議(「DSE買賣協議」)。根據DSE買賣協議，本集團及Muhammad先生擬向福建佳和出售DSE的90%股權(包括本集團於DSE的49%股權)，代價為4,050,000美元。於簽訂DSE買賣協議時，福建佳和須向本公司主席兼執行董事朱勇軍先生(「朱先生」)的個人銀行賬戶或本集團一名債務人的附屬公司的公司銀行賬戶(按照DSE買賣協議所列的指定銀行賬戶)支付2,000,000美元，其中1,000,000美元乃歸屬於本集團股權。

於2018年3月28日，福建佳和的實益控股股東訾鳳高先生(「訾先生」)已向朱先生指定的個人銀行賬戶存入人民幣12,600,000元(相等於約15,557,000港元)。於2018年3月29日，朱先生分別向本公司一間附屬公司以及由Muhammad先生、徐先生、Kok Tjik先生及Joifadi先生指定的2名個人匯款人民幣6,200,000元及人民幣6,240,000元，以收取資金。於2018年3月31日，本集團已將人民幣6,200,000元(相等於約7,655,000港元)入賬列為其他應付款項。

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24. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

(a) (continued)

On 9 April 2018, the Group entered into a memorandum of understanding (the “SPM Disposal MOU”) with Mr. Xu, Mr. Muhammad and a state-owned company registered in the PRC (the “SOE Company”). Pursuant to the SPM Disposal MOU, the Group intended to dispose of the 70% equity interest in SPM to the SOE Company and acquire an additional 5% equity interest in SPM from each of Mr. Muhammad and Mr. Muhammad Marlis Pohan. No formal sale and purchase agreement was entered into between the Group and the SOE Company.

On 26 April 2018, the Group, through Stand Ascent, entered into a sale and purchase agreement (the “SPM Sale and Purchase Agreement II”) with Mr. Muhammad (as vendor and warrantor), SPM, Mr. Xu (as warrantor) and Mr. Muhammad Marlis Pohan to acquire a 5% equity interest in SPM at a consideration ranging from US\$183,500 to US\$325,000, depending on the tariff in the final power purchase agreement entered into between SPM and PT. Perusahaan Listrik Negara (Persero) (“PLN”). Pursuant to the SPM Sale and Purchase Agreement II, the Group was required to pay IDR2,500,000,000 (equivalent to approximately HK\$1,412,000) within 5 business days upon signing of the SPM Sale and Purchase Agreement II and the remaining consideration upon entering into a formal sale and purchase agreement with the SOE Company to dispose of the equity interest in SPM.

24. 預付款項、按金及其他應收款項(續)

(a) (續)

本集團與徐先生、Muhammad先生及一間於中國註冊的國有公司(「國有公司」)於2018年4月9日訂立一份諒解備忘錄(「SPM出售諒解備忘錄」)。根據SPM出售諒解備忘錄，本集團有意向國有公司出售SPM 70%股權並向Muhammad先生及Muhammad Marlis Pohan先生各自收購SPM額外5%股權。本集團與國有公司並無訂立正式買賣協議。

於2018年4月26日，本集團透過晉立與Muhammad先生(作為賣方及保證人)、SPM、徐先生(作為保證人)及Muhammad Marlis Pohan先生訂立買賣協議(「SPM買賣協議二」)，以收購SPM的5%股權，代價介乎183,500美元至325,000美元，視乎SPM與PT. Perusahaan Listrik Negara (Persero)(「PLN」)訂立的最終購電協議內的電價而定。根據SPM買賣協議二，本集團須於簽訂SPM買賣協議二後5個營業日內支付2,500,000,000印尼盾(相等於約1,412,000港元)及於與國有公司訂立正式買賣協議出售SPM股權後支付餘下代價。

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24. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)**(a)** (continued)

On 29 June 2018, the Group (as vendor) entered into a disposal agreement (the "Stand Ascent Disposal Agreement") with Fujian Jiahe (as buyer), Mr. Xu (as warrantor), Mr. Muhammad (as warrantor), Mr. Kok Tijik (as warrantor), Mr. Joifadi (as warrantor) and Mr. Septian (as warrantor) to dispose of 100% equity interest in Stand Ascent (which held 49% equity interest in DSE and 85% equity interest in SPM) at an aggregate consideration of (i) US\$2,205,000 (based on the value of the 49% equity interest in DSE); and (ii) the lower of the range from US\$3,119,500 to US\$5,525,000 (based on the value of the 85% equity interest in SPM), depending on the tariff in the final power purchase agreement entered into between SPM and PLN and (b) the valuation of the 85% equity interest in SPM assessed by a valuer jointly appointed by the Group and Fujian Jiahe. On the same date, Fujian Jiahe paid an acquisition deposit of US\$500,000 to the Group in relation to the 85% equity interest in SPM.

On 4 July 2018, the Group, Fujian Jiahe and Mr. Zi entered into a cooperation agreement, pursuant to which the Group and Fujian Jiahe agreed to establish a joint venture for the purpose of developing certain hydropower projects in Indonesia. The registered capital of the joint venture shall not exceed RMB50 million, among which the Group and Fujian Jiahe shall contribute 10% and 90%, respectively. At the date of approval of these financial statements, the joint venture had not been established.

24. 預付款項、按金及其他應收款項 (續)**(a)** (續)

於2018年6月29日，本集團(作為賣方)與福建佳和(作為買方)、徐先生(作為保證人)、Muhammad先生(作為保證人)、Kok Tijik先生(作為保證人)、Joifadi先生(作為保證人)及Septian先生(作為保證人)訂立出售協議(「晉立出售協議」)，以出售晉立(持有DSE 49%股權及SPM 85%股權)的100%股權，總代價為(i)2,205,000美元(按DSE 49%股權的價值計算)；及(ii)介乎3,119,500美元至5,525,000美元(基於SPM 85%股權的價值計算)，視乎SPM與PLN訂立的最終購電協議內的電價及(b)由本集團與福建佳和共同委任的估值師評估的SPM 85%股權估值而定(以較低者為準)。同日，福建佳和已就SPM 85%股權向本集團支付收購按金500,000美元。

於2018年7月4日，本集團、福建佳和與訾先生訂立合作協議，據此，本集團與福建佳和同意成立合營公司，以於印尼開發若干水力發電項目。合營公司的註冊股本將不超過人民幣50,000,000元，其中10%及90%將分別由本集團及福建佳和出資。於本財務報表的批准日期，該合營公司尚未成立。

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財務報表附註

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24. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

(a) (continued)

On 6 July 2018, the Group and Fujian Jiahe entered into a supplemental agreement which stipulated that, if the conditions precedent for the Stand Ascent Disposal Agreement in relation to the hydropower project of SPM have not been fulfilled (or waived by Fujian Jiahe) in full by 31 October 2018, Fujian Jiahe may require the Group to return the acquisition deposits paid in relation to the equity interest in SPM and Stand Ascent should transfer the 85% equity interest in SPM to the Group.

On the same date, the Group, Mr. Muhammad and Mr. Xu entered into a deed of undertaking to the effect that, inter alia, Mr. Muhammad and Mr. Xu undertook to use the proceeds from the disposal of other hydropower projects owned by them to repay the amounts owed to the Group.

During the year, Fujian Jiahe has confirmed in writing that the payment conditions to the DSE Attributable Consideration have been fulfilled and a total of approximately US\$2.2 million (equivalent to approximately HK\$17.3 million), representing the entire DSE Attributable Consideration had been paid to Stand Ascent by Fujian Jiahe as settlement of the DSE Receivables by Xu.

In March 2019, SPM was granted as a qualified applicant for the hydropower plant shortlist company but the SPM-PPA has not yet been signed. At the date of approval of these financial statements, the conditions precedent for the Stand Ascent Disposal Agreement had not been fulfilled (or waived by Fujian Jiahe) in full and Fujian Jiahe had not requested the Group to (i) return the acquisition deposits paid in relation to the equity interest in SPM nor (ii) transfer the 85% equity interest in SPM from Stand Ascent to the Group.

24. 預付款項、按金及其他應收款項(續)

(a) (續)

於2018年7月6日，本集團與福建佳和訂立一份補充協議，以訂明倘晉立出售協議有關SPM水力發電項目的先決條件並無於2018年10月31日或之前全面達成(或獲福建佳和豁免)，則福建佳和可要求本集團退回已就SPM股權支付的收購按金，而晉立應向本集團轉讓SPM的85%股權。

同日，本集團、Muhammad先生與徐先生訂立一份承諾契據，示明(其中包括)Muhammad先生及徐先生承諾，出售彼等所擁有其他水力發電項目的所得款項將用於償還結欠本集團的款項。

年內，福建佳和已書面確認DSE應佔代價的付款條件已經達成，而合共約2,200,000美元(相等於約17,300,000港元)(相當於整筆DSE應佔代價)已由福建佳和向晉立支付作為徐先生清償DSE應收款項。

於2019年3月，SPM獲得水力發電廠入圍公司的合資格申請人資格，惟尚未簽訂SPM購電協議。於本財務報表的批准日期，晉立出售協議的先決條件尚未全面達成(或獲福建佳和豁免)，而福建佳和未有要求本集團(i)退還已就SPM股權支付的收購按金或(ii)由晉立向本集團轉讓SPM 85%股權。

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24. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)**(a)** (continued)

Based on the acquisition deposits received from Fujian Jiahe and the Group's best estimate of the consideration for the 85% equity interest in SPM, the Group recognised an impairment of HK\$15,854,000 during the year ended 31 March 2018. No further impairment is made during the year ended 31 March 2019.

(b) The movements in provision for impairment of other receivables are as follows:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
At beginning of year	於年初	15,934	—
Impairment losses recognised (note 8)	已確認減值虧損 (附註8)	—	15,930
Exchange realignment	匯兌調整	(5)	4
At end of year	於年末	15,929	15,934

The individually impaired deposits and other receivables relate to debtors that were in default in interest and/or principal payments and only a portion of the receivables is expected to be recovered.

24. 預付款項、按金及其他應收款項 (續)**(a)** (續)

基於福建佳和已收的收購按金及本集團對SPM 85%股權代價的最佳估計，本集團已於截至2018年3月31日止年度確認減值15,854,000港元。截至2019年3月31日止年度並無進一步計提減值。

(b) 其他應收款項減值撥備的變動如下：

已出現個別減值的按金及其他應收款項與多名拖欠利息及／或本金付款的債務人有關，預期僅可收回部分應收款項。

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25. LOAN RECEIVABLES

25. 應收貸款

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Loan receivables	應收貸款	18,215	43,472
Impairment	減值	(13,960)	(14,945)
		4,255	28,527

Loan receivables bear interest at a rate of 0.67% per month (2018: 0.67% per month) and are either repayable on demand or within twelve months from the end of the reporting period. Except for loan receivables of HK\$2,740,000 (2018: HK\$17,878,000), which are secured by certain equity interests of the borrower or its subsidiary, the remaining balances are unsecured.

Included in the Group's loan receivables as at 31 March 2019 and 31 March 2018 are loans to a company (the "Tianjin Company") which was principally engaged in the sludge treatment business in Tianjin, the PRC, with an aggregate outstanding loan principal RMB11,850,000 (equivalent to approximately HK\$14,789,000).

應收貸款按利率每月0.67% (2018年：每月0.67%) 計息，須按要求或於報告期末後12個月內償還。除2,740,000港元 (2018年：17,878,000港元) 的應收貸款以借款人或其附屬公司的若干股權作抵押外，餘下結餘為無抵押。

於2019年3月31日及2018年3月31日，本集團的應收貸款包括授予一間公司（「天津公司」）的貸款。天津公司主要在中國天津市從事污泥處理業務。未償還貸款本金總額為人民幣11,850,000元（相等於約14,789,000港元）。

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25. LOAN RECEIVABLES (continued)

The Tianjin Company was in default in interest and/or loan principal payments. During the year ended 31 March 2018, the Group received from the Tianjin Company an aggregate amount of RMB2,650,000 and RMB1,225,000 for the repayment of part of the loan receivables and the related interest, respectively. The Group initiated litigation claims against the Tianjin Company in relation to the default of the loan receivables and the related interest.

On 16 May 2018, the Group obtained a court order from the Binhai New Area People's Court of Tianjin Municipality (the "Tianjin Court") to freeze and deduct the remaining balance of the loan receivables from the bank accounts of the Tianjin Company. However, there was no available balance in the bank accounts of the Tianjin Company. On 30 May 2018, the Group also obtained from the Tianjin Court a dormant seizure order on the land and building of the Tianjin Company but they were subject to legal charges initiated by other parties.

As at 31 March 2018, a full impairment of RMB11,975,000 (equivalent to approximately HK\$14,090,000) was recognised for the aggregate outstanding loan and interest receivables from the Tianjin Company, assuming that no amount could be recovered from the litigations and the valuation of the 20% equity interest in the Tianjin Company held as security for the loans was nil. No further impairment is made during the year ended 31 March 2019.

Movements in provision for impairment of loan receivables are as follows:

25. 應收貸款(續)

天津公司拖欠利息及／或貸款本金付款。於截至2018年3月31日止年度，本集團向天津公司收取合共人民幣2,650,000元及人民幣1,225,000元分別作為應收貸款及相關利息的部分還款。本集團已就拖欠應收貸款及相關利息向天津公司提出訴訟申索。

於2018年5月16日，本集團取得天津市濱海新區人民法院（「天津法院」）的法院命令，凍結天津公司的銀行賬戶並從中扣除應收貸款的餘下結餘。然而，天津公司的銀行賬戶中並無可用結餘。於2018年5月30日，本集團就天津公司的土地及樓宇取得天津法院的結業充公命令，惟該等土地及樓宇均受其他人士提出的法律押記規限。

於2018年3月31日，本集團假設訴訟無法收回任何金額，且持作貸款抵押的天津公司20%股權的估值為零，並已就天津公司的未償還應收貸款及利息總額確認全數減值人民幣11,975,000元（相等於約14,090,000港元）。截至2019年3月31日止年度並無進一步計提減值。

應收貸款減值撥備的變動如下：

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
At beginning of year	於年初	14,945	—
Impairment loss recognised (note 8)	已確認減值虧損(附註8)	—	14,090
Exchange realignment	匯兌調整	(985)	855
At end of year	於年末	13,960	14,945

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For the year ended 31 March 2019 截至2019年3月31日止年度

26. BALANCES WITH DIRECTORS AND A RELATED COMPANY

At 31 March 2018, the balances with directors and a related company are unsecured, interest-free and repayable on demand, except for an amount of HK\$384,301,000 payable to a related company which was repayable after 1 year.

At 31 March 2019, the balances with directors and a related company are unsecured, interest-free and repayable on demand, except for an amount of HK\$384,643,000 payable to a related company which is repayable after 1 year and carried with interest rate at 3%.

Particulars of the amounts due from directors, disclosed pursuant to section 383(1)(d) of the Hong Kong Companies Ordinance and Part 3 of the Hong Kong Companies (Disclosure of Information about Benefits of Directors) Regulation, are as follows:

26. 與董事及一間關聯公司之間的結餘

於2018年3月31日，除應付一間關聯公司款項384,301,000港元須於1年後償還外，與董事及一間關聯公司之間的結餘為無抵押、免息及須按要求償還。

於2019年3月31日，除應付一間關聯公司款項384,643,000港元須於1年後償還及息率為3厘外，與董事及一間關聯公司之間的結餘為無抵押、免息及須按要求償還。

根據香港公司條例第383(1)(d)條及香港公司(披露董事利益資料)規例第3部披露的應收董事款項詳情如下：

Name	At 31 March 2019	Maximum amount outstanding during the year	At 31 March 2018 and at 1 April 2018	Maximum amount outstanding during the year	At 1 April 2017
		At 31 March 2019	At 31 March 2018 and at 1 April 2018	At 31 March 2018 and at 1 April 2018	At 1 April 2017
姓名	於2019年3月31日	年內最高未償還金額	3月31日及於2018年4月1日	年內最高未償還金額	於2017年4月1日
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Mr. Zhu Yongjun 朱勇軍先生	—	1,644	1,644	3,431	—
Mr. Cai Jianwen 蔡建文先生	—	2	2	153	—
	—		1,646		—

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For the year ended 31 March 2019 截至2019年3月31日止年度

27. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSIT

27. 現金及現金等價物以及已質押存款

		Note	2019 HK\$'000 千港元	2018 HK\$'000 千港元
		附註		
Cash and bank balances	現金及銀行結餘		38,745	66,726
Less: Pledged deposits for banking facilities and bank borrowings	減：有關銀行信貸及銀行借貸的已質押存款	30	—	(5,000)
Cash and cash equivalents	現金及現金等價物		38,745	61,726

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.

存放於銀行的現金基於銀行的每日存款利率，按浮動利率賺取利息。銀行結餘及已質押存款存放於信譽良好且近期並無拖欠紀錄的銀行。

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For the year ended 31 March 2019 截至2019年3月31日止年度

28. TRADE AND RETENTION PAYABLES

28. 貿易應付款項及應付保留金

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Trade payables	貿易應付款項	171,503	214,363
Retention payables	應付保留金	51,076	44,149
		222,579	258,512
Classified as current liabilities	分類為流動負債	201,602	258,512
Non-current portion	非流動部分	20,977	—

The trade payables are non-interest-bearing and are normally settled on terms ranging from 30 to 180 days.

貿易應付款項為不計息，一般於介乎30至180天的期限內結清。

Retention payables held by the Group arose from the Group's construction work and are settled with subcontractors within a period ranging from one to two years after the completion of the contract work by the subcontractors, as stipulated in the subcontracting contracts.

本集團持有的應付保留金源自本集團的建築工程，乃按分判合約所訂明於分判商完成合約工程後一至兩年內與分判商結算。

An ageing analysis of the trade payables (excluding retention payables) as at the end of the reporting period, based on the invoice date, is as follows:

於報告期末的貿易應付款項(不包括應付保留金)基於發票日期的賬齡分析如下：

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Within 1 month	1個月內	54,023	61,610
1 to 2 months	1至2個月	56,612	23,698
2 to 3 months	2至3個月	13,317	39,500
Over 3 months	超過3個月	47,551	89,555
		171,503	214,363

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For the year ended 31 March 2019 截至2019年3月31日止年度

29. OTHER PAYABLES AND ACCRUALS

29. 其他應付款項及應計費用

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Other payables	其他應付款項	225,758	104,589
Accruals	應計費用	15,620	5,300
		241,378	109,889

Other payables are non-interest-bearing and have an average term of 30 days.

During the year, the convertible bond were classified as other payables upon the Company's shares suspended for more than 30 business days. As at 31 March 2019, the principal and accrued interest and related charges outstanding is approximately US\$5.6 million (HK\$45.8 million).

其他應付款項為不計息，平均期限為30天。

年內，隨着本公司股份停牌超過30個營業日，可換股債券已分類為其他應付款項。於2019年3月31日，未償還本金、應計利息及相關支出約為5,600,000美元(45,800,000港元)。

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For the year ended 31 March 2019 截至2019年3月31日止年度

30. INTEREST-BEARING BANK AND OTHER BORROWINGS

30. 計息銀行及其他借貸

		2019			2018		
		Effective interest rate (%) 實際利率 (%)	Maturity 到期日	HK\$'000 千港元	Effective interest rate (%) 實際利率 (%)	Maturity 到期日	HK\$'000 千港元
Current	流動						
Finance lease payables (note 31)	應付融資租賃款項(附註31)	2.75-4.33	2019-2020	3,579	2.75-3.25	2018-2019	8,741
Portions of bank loans due for repayment within one year or on demand — secured	銀行貸款中於一年內到期或按 要求償還的部分 — 有抵押	2.05-4.82	2019-2020	42,228	2.05-5.74	2018	33,028
Bank loans due for repayment within one year or on demand — unsecured	於一年內到期或按 要求償還的 銀行貸款 — 無抵押	5.67	2019	3,497	4.39-5.40	2018	7,488
Other borrowing — secured	其他借貸 — 有抵押	5.88	2019	47,284	5.88	2018-2019	31,709
				96,588			80,966
Non-current	非流動						
Finance lease payables (note 31)	應付融資租賃款項(附註31)	4.33	2020-2021	2,614	2.75-3.00	2019	2,297
Portion of bank loan due for repayment after one year — secured	銀行貸款中於一年後到期償還 的部分 — 有抵押	4.82	2020-2025	123,435	4.82	2019-2020	27,456
Other borrowing — secured	其他借貸 — 有抵押	5.88	2019-2025	128,048	5.88	2019-2025	155,499
Other borrowing — unsecured	其他借貸 — 無抵押	—	2020	2,732	13.00	2020	4,823
				256,829			190,075
				353,417			271,041

Note:

- (a) Included in the above interest-bearing bank and other borrowings of the Group as at 31 March 2019 were term loans with a carrying amount of HK\$16,176,000 (2018: HK\$16,500,000). The loan agreements contained a repayment on demand clause giving the banks the unconditional right to call in the loans at any time and therefore, for the purpose of the above maturity profile, the total amount was classified as "on demand".

附註:

- (a) 於2019年3月31日，本集團上述計息銀行及其他借貸中包括賬面金額為16,176,000港元(2018年: 16,500,000港元)的有期貸款。貸款協議載有按
要求償還條文，賦予銀行無條件權利，
隨時催收貸款，因此，就上述到期日分
析而言，整筆款項分類為「按要
求」。

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For the year ended 31 March 2019 截至2019年3月31日止年度

30. INTEREST-BEARING BANK AND OTHER BORROWINGS (continued)

Note:

- (a) (continued)
Ignoring the effect of any repayment on demand clause and based on the maturity term on this term loan, the Group's bank and other borrowings are repayable:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Within one year	一年內	90,088	74,466
In the second year	第二年	48,718	59,622
In the third to fifth years, inclusive	第三至第五年 (包括首尾兩年)	193,323	91,083
Beyond five years	五年後	21,288	45,870
		353,417	271,041

- (b) Certain of the Group's bank and other borrowings are secured by:

- (i) the pledge of certain of the Group's kitchen waste treatment concession rights (comprising operating concessions and receivables under service concession arrangements) in an aggregate carrying amount of HK\$587,548,000 (2018: HK\$624,866,000) as at 31 March 2019 (note 16);
- (ii) the pledge of shares of certain subsidiaries of the Group;
- (iii) time deposit was pledged by the Group of HK\$5,000,000 at 31 March 2018 (note 27) (2019: nil);
- (iv) the pledge of certain time deposits of Mr. Chu Shu Cheong amounting to HK\$6,669,000 (2018: HK\$6,542,000) as at 31 March 2019; and
- (v) the pledge of a property of a family member of a director (2018: nil).

In addition, certain of the Group's bank and other borrowings are guaranteed by the Company, certain of its subsidiaries, New Concepts Holdings (International) Limited, a related company controlled by Mr. Chu Shu Cheong, a key management personnel of the Group, Mr. Chu Shu Cheong and Mr. Zhu Yongjun.

30. 計息銀行及其他借貸(續)

附註:

- (a) (續)
如不計及按要求償還條文的影響，按照此有期貸款的到期期限，本集團的銀行及其他借貸償還如下：

	2019 HK\$'000 千港元	2018 HK\$'000 千港元
一年內	90,088	74,466
第二年	48,718	59,622
第三至第五年 (包括首尾兩年)	193,323	91,083
五年後	21,288	45,870
	353,417	271,041

- (b) 本集團若干銀行及其他借貸以下列項目作抵押：

- (i) 本集團於2019年3月31日賬面總額587,548,000港元(2018年：624,866,000港元)的若干餐廚垃圾處理特許權(包括經營特許權及服務特許權安排應收款項)的質押(附註16)；
- (ii) 本集團若干附屬公司股份的質押；
- (iii) 本集團於2018年3月31日已質押定期存款6,669,000港元(附註27)(2019年：無)；
- (iv) 朱樹昌先生於2019年3月31日為數6,669,000港元(2018年：6,542,000港元)的若干定期存款的質押；及
- (v) 一名董事的一名家庭成員的一項物業的質押(2018年：無)。

此外，本集團若干銀行及其他借貸亦由本公司、其若干附屬公司、一間由本集團主要管理人員朱樹昌先生控制的關聯公司New Concepts Holdings (International) Limited、朱樹昌先生及朱勇軍先生擔保。

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For the year ended 31 March 2019 截至2019年3月31日止年度

30. INTEREST-BEARING BANK AND OTHER BORROWINGS (continued)

Note: (continued)

- (c) The Group's bank and other borrowings are denominated in the following currencies:

30. 計息銀行及其他借貸 (續)

附註：(續)

- (c) 本集團的銀行及其他借貸以下列貨幣計值：

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Hong Kong dollars	港元	12,693	27,538
RMB	人民幣	213,387	243,503
SEK	瑞典克朗	127,337	—
		353,417	271,041

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For the year ended 31 March 2019 截至2019年3月31日止年度

31. FINANCE LEASE PAYABLES

The Group leases certain of its plant and machinery for its business. These leases are classified as finance leases and have remaining lease terms ranging from one to three years (2018: one to two years).

At 31 March 2019, the total future minimum lease payments under finance leases and their present values were as follows:

31. 應付融資租賃款項

本集團就其業務租用若干機器及機械。該等租賃乃分類為融資租賃，餘下租期介乎一至三年(2018年：一至兩年)。

於2019年3月31日，根據融資租賃的未來最低租賃付款總額及其現值如下：

		Minimum lease payments 最低租賃 付款 2019 HK\$'000 千港元	Minimum lease payments 最低租賃 付款 2018 HK\$'000 千港元	Present value of minimum lease payments 最低租賃 付款現值 2019 HK\$'000 千港元	Present value of minimum lease payments 最低租賃 付款現值 2018 HK\$'000 千港元
Amounts payable:	須於下列期限償還的 金額：				
Within one year	一年內	3,715	8,929	3,579	8,741
In the second year	第二年	1,403	2,311	1,339	2,297
In the third to fifth years, inclusive	第三至第五年 (包括首尾兩年)	1,286	—	1,275	—
Beyond fifth year	五年後	—	—	—	—
Total minimum finance lease payments	最低融資租賃付款 總額	6,404	11,240	6,193	11,038
Future finance charges	未來財務支出	(211)	(202)		
Total net finance lease payables	應付淨融資租賃款項 總額	6,193	11,038		
Portion classified as current liabilities (note 30)	分類為流動負債的 部分(附註30)	(3,579)	(8,741)		
Non-current portion (note 30)	非流動部分(附註30)	2,614	2,297		

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For the year ended 31 March 2019 截至2019年3月31日止年度

32. CONVERTIBLE BOND

At 31 March 2018, convertible bond of HK\$23,329,000 and related derivative financial instrument of HK\$14,983,000 (being its derivative component) arose from the issue of 6.5% convertible bond with a principal of US\$5,000,000 and a maturity date on 16 October 2022.

The suspension of trading of the Company's shares for continuous period of 30 business days on which the Stock Exchange may consider as an event of default pursuant to the terms and conditions of the subscription agreement. During the year, the Company's shares was suspended for more than such stipulated period, the subscriber may give notice in writing to the Company for immediate repayment for outstanding principal and interests.

As such, the Company has been negotiating with the subscriber for settlement arrangement about the repayment for outstanding principal and interests. Up to the date of these financial statements, no formal agreement has been reached where the subscriber has not served any written notice for repayment.

The convertible bond and its related derivative financial instrument were classified as other payables upon the Company's shares suspended for more than 30 business days. As at 31 March 2019, the principal and accrued interest and related charges outstanding is approximately US\$5.6 million (HK\$45.8 million).

32. 可換股債券

於2018年3月31日，23,329,000港元的可換股債券及14,983,000港元的相關衍生金融工具(即其衍生工具部分)源自發行本金額為5,000,000美元的6.5厘可換股債券，到期日為2022年10月16日。

根據認購協議的條款及條件，本公司股份於聯交所連續停牌30個營業日期間可能被視為違約事件。年內，本公司股份停牌超過該規定期間，認購人可向本公司發出書面通知，要求即時償還未償還本金及利息。

因此，本公司一直與認購人磋商關於償還未償還本金及利息的和解安排。截至此等財務報表日期止，尚未達致任何正式協議，而認購人亦無發出任何還款通知書。

於本公司股份停牌超過30個營業日後，可換股債券及其相關衍生金融工具已分類為其他應付款項。於2019年3月31日，未償還本金及應計利息以及相關支出約為5,600,000美元(45,800,000港元)。

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For the year ended 31 March 2019 截至2019年3月31日止年度

32. CONVERTIBLE BOND (continued)

The convertible bond split into the liability and derivative components as follows:

32. 可換股債券 (續)

可換股債券已分為負債及衍生工具部分如下：

		Liability component	Derivative component	Total
		負債部分	衍生工具部分	總計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
At 1 April 2017	於2017年4月1日	—	—	—
Nominal value of convertible bond issued during the year	年內發行的可換股債券的面值	20,651	18,357	39,008
Interest expense	利息開支	3,182	—	3,182
Interest paid	已付利息	(556)	—	(556)
Fair value gain on the derivative component of the convertible bond	可換股債券衍生工具部分的公平值收益	—	(3,418)	(3,418)
Exchange realignment	匯兌調整	52	44	96
At 31 March 2018 and 1 April 2018	於2018年3月31日及2018年4月1日	23,329	14,983	38,312
Interest expense	利息開支	16,183	—	16,183
Interest paid	已付利息	(1,264)	—	(1,264)
Fair value change on the derivative component of the convertible bond	可換股債券衍生工具部分的公平值變動	—	(14,983)	(14,983)
Transfer to other payables	轉撥至其他應付款項	(39,195)	—	(39,195)
Exchange realignment	匯兌調整	947	—	947
At 31 March 2019	於2019年3月31日	—	—	—

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33. BONDS

33. 債券

		2019 HK\$'000 千港元
Current portion Bonds	流動部分 債券	—
Non-Current portion Bonds	非流動部分 債券	25,500
Total bonds payable	應付債券總額	25,500

The bonds recognised in the consolidated statement of financial position are calculated as follows:

於綜合財務狀況表內確認的債券按以下方式計量：

		2019 HK\$'000 千港元
At beginning of the year	於年初	—
Issued during the year	年內發行	51,209
Repayment during the year	年內還款	(25,709)
At end of the year	於年末	25,500
Less: Current portion due within 1 year	減：1年內到期的流動部分	—
Non-current portion	非流動部分	25,500

The bonds bear interest ranging from 4% to 6.5% per annum with maturity up to 3 years, and is guaranteed by the chairman of the Board, an executive director and an indirect substantial shareholder of the Company.

債券按年利率介乎4厘至6.5厘計息，於最長3年內到期，由本公司董事會主席、執行董事兼間接主要股東擔保。

The Company may, at any time before the maturity date redeem the bonds (in whole or in part) of the total principal amount of such bonds and together with payment of interests accrued up to the date of such redemption by serving at least 10 day's prior written notice to the holders of the bonds.

本公司可於到期日前隨時向債券的持有人送達最少10天事先書面通知，按有關債券(全部或部分)的本金總額贖回該等債券，連帶支付截至有關贖回日期止的應計利息。

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34. PROVISION

Pursuant to the service concession agreements entered into by the Group, the Group has contractual obligations to maintain kitchen waste treatment under its operation to a specified level of serviceability and/or to restore the facilities to a specified condition before they are handed over to the grantors at the end of the Service concession periods. These contractual obligations to maintain or restore the facilities, except for any upgrade element, are recognised and measured in accordance with HKAS 37, i.e., the best estimate of the expenditure that would be required to settle the present obligation at the end of the reporting period. The future expenditure on these maintenance and restoration costs is collectively referred to as "major overhaul". The estimation basis is reviewed on an ongoing basis, and revised where appropriate.

34. 撥備

根據本集團訂立的服務特許權協議，本集團有合約責任維護其經營的餐廚垃圾處理於特定的可提供服務水平，及／或於服務特許權期限結束時，在移交設施予授予人前將設施修復至指定狀態。除任何升級元素外，維護或修復設施的合約責任乃按照香港會計準則第37號確認及計量，即對於報告期末履行現時義務所須的支出的最佳估計。有關該等維護及修復成本的未來支出統稱為「大修」。本集團會持續檢討並於適當時候修訂該估計基準。

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
At 1 April	於4月1日	16,195	—
Provision for the year	年內撥備	16,850	15,268
Exchange realignment	匯兌調整	(1,136)	927
At 31 March	於3月31日	31,909	16,195

35. DEFERRED INCOME

Deferred income represents subsidies received from government authorities in respect of the construction of kitchen waste treatment facilities in Mainland China and is recognised in the statement of profit or loss on the straight-line method over the expected useful lives of the relevant assets.

35. 遞延收入

遞延收入指就於中國內地建造餐廚垃圾處理設施自政府機關收取的補貼，乃於相關資產的預期可使用年期內按直線法在損益表內確認。

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36. DEFERRED TAX LIABILITIES

The movements in deferred tax liabilities during the year are as follows:

36. 遞延稅項負債

年內，遞延稅項負債的變動如下：

		Depreciation allowances in excess of related depreciation	Fair value adjustments arising from acquisition of subsidiary	Temporary differences related to service concession revenue	Provision for major overhauls	Expected credit loss of financial assets	Losses available for offsetting against future taxable profits	Other intangible assets	Others	Total
		超過相關折舊的折舊備抵	收購附屬公司所產生的公平值調整	特許權收入的暫時差額	大修撥備	金融資產的預期信貸虧損	未來應課稅溢利的虧損	其他無形資產	其他	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 31 March 2017 and 1 April 2017	於2017年3月31日及2017年4月1日	25,302	6,467	19,604	—	—	—	—	(264)	51,109
Acquisition of subsidiary (note 42)	收購附屬公司(附註42)	—	—	13,171	—	—	—	—	—	13,171
Deferred tax charged/(credited) to the statement of profit or loss during the year	年內自損益表扣除/(計入損益表)的遞延稅項	(228)	(6,766)	9,071	(3,817)	—	(19,731)	—	163	(21,308)
Exchange realignment	匯兌調整	—	299	3,863	(232)	—	—	—	(6)	3,924
At 31 March 2018 and 1 April 2018 at originally presented	於2018年3月31日及2018年4月1日(按原先呈列)	25,074	—	45,709	(4,049)	—	(19,731)	—	(107)	46,896
Initial application of HKFRS 9	初始應用香港財務報告準則第9號	—	—	—	—	(6,030)	—	—	—	(6,030)
As restated	經重列	25,074	—	45,709	(4,049)	(6,030)	(19,731)	—	(107)	40,866
Acquisition of subsidiary (note 41)	收購附屬公司(附註41)	6,870	—	—	—	—	—	16,480	15,490	38,840
Deferred tax charged/(credited) to the statement of profit or loss during the year	年內自損益表扣除/(計入損益表)的遞延稅項	(6,019)	—	(954)	(2,218)	(1,302)	7,727	(2,095)	(9,905)	(14,766)
Exchange realignment	匯兌調整	(69)	—	(4,351)	448	—	—	(749)	(216)	(4,937)
At 31 March 2019	於2019年3月31日	25,856	—	40,404	(5,819)	(7,332)	(12,004)	13,636	5,262	60,003

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36. DEFERRED TAX LIABILITIES (continued)**Deferred tax liabilities**

At 31 March 2019, the Group had tax losses arising in Hong Kong of HK\$84,463,000 (2018: HK\$164,349,000), subject to the agreement by the respective taxation authorities, that were available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. The Group also had tax losses arising in Mainland China of HK\$93,034,000 (2018: HK\$69,778,000) that will expire in five years for offsetting against future taxable profits. Deferred tax assets had not been recognised in respect of the losses of HK\$111,975,000 (2018: HK\$114,542,000) due to unpredictability of future taxable profit streams.

Pursuant to the PRC Corporate Income tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 5% or 10%. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

At 31 March 2019, no deferred tax has been recognised for withholding taxes that would be payable on certain unremitted earnings of the Group's subsidiaries established in Mainland China. In the opinion of the directors, it is not probable that these subsidiaries will distribute such earnings in the foreseeable future.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

36. 遞延稅項負債 (續)**遞延稅項負債**

於2019年3月31日，本集團於香港產生稅務虧損84,463,000港元(2018年：164,349,000港元)，可供無限期抵銷蒙受虧損的公司的未來應課稅溢利，惟有待各稅務機關協定作實。本集團亦於中國內地產生稅務虧損93,034,000港元(2018年：69,778,000港元)，可供抵銷未來應課稅溢利，將於五年內屆滿。由於難以預測未來應課稅溢利來源，故並無就111,975,000港元(2018年：114,542,000港元)的虧損確認遞延稅項資產。

根據中國企業所得稅法，於中國內地成立的外資企業向外國投資者宣派的股息須徵收10%預扣稅。該規定自2008年1月1日起生效，適用於2007年12月31日後的盈利。倘中國內地與外國投資者所在司法權區之間訂有稅務條約，則可應用較低的預扣稅率。本集團的適用稅率為5%或10%。因此，本集團須就於中國內地成立的附屬公司就自2008年1月1日起產生的盈利分派的股息繳納預扣稅。

於2019年3月31日，本集團並無就其於中國內地成立的附屬公司的若干未匯出盈利應付的預扣稅確認遞延稅項。董事認為，該等附屬公司不大可能於可見將來分派該等盈利。

本公司向其股東派付股息並無附帶任何所得稅後果。

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37. SHARE CAPITAL

Shares

37. 股本

股份

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Authorised:	法定：		
2,000,000,000 ordinary shares of HK\$0.1 each	2,000,000,000股每股 面值0.1港元的 普通股	200,000	200,000
Issued and fully paid:	已發行及繳足：		
572,900,134 (2018: 530,262,992) ordinary shares of HK\$0.1 each	572,900,134股 (2018年： 530,262,992股) 每股面值0.1港元的 普通股	57,290	53,026

A summary of movements in the Company's issued share capital is as follows:

本公司已發行股本的變動概列如下：

		Number of ordinary shares 普通股數目	Nominal value of ordinary shares 普通股面值 HK\$'000 千港元
	Notes 附註		
Issued and fully paid: At 1 April 2017	已發行及繳足： 於2017年4月1日	498,982,992	49,898
Issue of shares	發行股份 (a)	10,164,000	1,016
Share options exercised	已行使的購股權 (b)	21,116,000	2,112
At 31 March 2018 and at 1 April 2018	於2018年3月31日及 於2018年4月1日	530,262,992	53,026
Issue of shares as part of the consideration for a business combination (note 41)	發行股份作為業務 合併部分代價 (附註41) (c)	42,137,142	4,214
Share options exercised	已行使的購股權 (d)	500,000	50
At 31 March 2019	於2019年3月31日	572,900,134	57,290

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37. SHARE CAPITAL (continued)**Shares (continued)**

- (a) On 6 December 2017, 10,164,000 ordinary shares of HK\$0.1 each were allotted and issued at a subscription price of HK\$3.71 per share to a subscriber for a cash consideration, before expenses, of HK\$37,708,000.
- (b) The subscription rights attaching to 21,116,000 share options were exercised at the subscription price of HK\$2.58 per share (note 38), resulting in the issue of 21,116,000 shares for a total cash consideration, before expenses, of HK\$54,479,000. An amount of HK\$9,998,000 was transferred from the share option reserve to the share premium account upon the exercise of the share options.
- (c) On 31 May 2018, 42,137,142 ordinary shares of HK\$0.1 each were allotted and issued at a price of HK\$3.89 per share to the vendors as part of the consideration for the acquisition of 100% equity interest in Vimab (note 41).
- (d) The subscription rights attaching to 500,000 share options were exercised at the subscription price of HK\$2.58 per share (note 38), resulting in the issue of 500,000 shares for a total cash consideration, before expenses, of HK\$1,290,000. An amount of HK\$237,000 was transferred from the share option reserve to the share premium account upon the exercise.

Share options

Details of the Company's share option scheme and the share options issued under the scheme are included in note 38 to the financial statements.

37. 股本 (續)**股份 (續)**

- (a) 於2017年12月6日，一名認購人按認購價每股3.71港元獲配發及發行10,164,000股每股面值0.1港元的普通股，現金代價(未扣除開支)為37,708,000港元。
- (b) 21,116,000份購股權所附認購權按認購價每股2.58港元獲行使(附註38)，導致發行21,116,000股股份，總現金代價(未扣除開支)為54,479,000港元。於購股權獲行使時，9,998,000港元由購股權儲備轉撥至股份溢價賬。
- (c) 於2018年5月31日，若干賣方按每股3.89港元的價格獲配發及發行42,137,142股每股面值0.1港元的普通股，作為收購Vimab全部股權的部分代價(附註41)。
- (d) 500,000份購股權所附認購權按認購價每股2.58港元獲行使(附註38)，導致發行500,000股股份，總現金代價(未扣除開支)為1,290,000港元。於購股權獲行使時，237,000港元由購股權儲備轉撥至股份溢價賬。

購股權

本公司的購股權計劃及根據該計劃發行的購股權的詳情載於本財務報表附註38。

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財務報表附註

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38. SHARE OPTION SCHEME

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Scheme include the Company's directors, including independent non-executive directors, other employees of the Group, consultants of the Group, suppliers of goods or services to the Group, customers of the Group, the Company's shareholders, and any non-controlling shareholder in the Company's subsidiaries. The Scheme became effective on 26 August 2014 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The maximum number of unexercised share options currently permitted to be granted under the Scheme is an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue at any time. The maximum number of shares issuable under share options to each eligible participant in the Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the closing price of the Company's shares at the date of grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

38. 購股權計劃

本公司營辦一項購股權計劃(「該計劃」)，旨在向對本集團成功營運作出貢獻的合資格參與者提供獎勵及回報。該計劃的合資格參與者包括本公司董事(包括獨立非執行董事)、本集團其他僱員、本集團諮詢人、為本集團提供貨品或服務的供應商、本集團客戶、本公司股東及本公司附屬公司的任何非控股股東。該計劃於2014年8月26日生效，除非被取消或修訂，否則將於由該日起計10年內有效。

現時允許根據該計劃授出的尚未行使購股權獲行使時可認購的股份數目，最多不得超過相等於本公司於任何時間的已發行股份10%的數額。該計劃的每名合資格參與者於任何12個月期間內行使購股權時可獲發行的最高股份數目，僅限於本公司於任何時間的已發行股份的1%。倘進一步授出超過該限額的購股權，則須於股東大會上取得股東批准。

向本公司董事、最高行政人員或主要股東或彼等的任何聯繫人授出購股權，須取得獨立非執行董事的事先批准。此外，倘於任何12個月期間內向本公司主要股東或獨立非執行董事或彼等的任何聯繫人授出的購股權超過本公司於任何時間的已發行股份的0.1%，或總值(基於本公司股份於授出日期的收市價計算)超過5,000,000港元，則須於股東大會上取得股東事先批准。

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38. SHARE OPTION SCHEME (continued)

The offer of a grant of share options may be accepted within 7 days from the date of offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, commences after a vesting period and ends on a date which is not later than 10 years from the date of offer of the share options.

The exercise price of share options is determinable by the directors, but may not be less than the highest of (i) the closing price of the Company's shares as stated in the Stock Exchange's daily quotation sheets on the date of offer of the share options; (ii) the average of the closing prices of the Company's shares as stated in the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the date of offer; and (iii) the nominal value of the Company's shares on the date of offer.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

38. 購股權計劃 (續)

授出購股權的要約可於由要約日期起計7天內接納，接納時承授人須繳付合共1港元的象徵式代價。已授出購股權的行使期由董事釐定，於某一歸屬期後開始，於不遲於由購股權要約日期起計10年的日子結束。

購股權的行使價由董事釐定，但不得少於以下項目中的最高者：(i)於購股權要約日期聯交所每日報價表所報本公司股份的收市價；(ii)於緊接要約日期前五個交易日聯交所每日報價表所報本公司股份的平均收市價；及(iii)於要約日期的本公司股份面值。

購股權並無賦予持有人收取股息或於股東大會上表決的權利。

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38. SHARE OPTION SCHEME (continued)

The following share options under the Scheme were outstanding during the year:

		2019		2018	
		Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
		加權平均行使價	購股權數目	加權平均行使價	購股權數目
		HK\$ per share	'000 千份	HK\$ per share	'000 千份
		每股港元	千份	每股港元	千份
At beginning of year	於年初	2.58	18,884	2.58	40,000
Granted during the year	年內授出	1.65	51,100	—	—
Exercised during the year	年內行使	2.58	(500)	2.58	(21,116)
At end of year	於年末	1.90	69,484	2.58	18,884

The weighted average share price at the date of exercise for share options exercised during the year was HK\$3.89 (2018: HK\$4.14 per share).

The exercise prices and exercise periods of the share options outstanding as at the end of the reporting period are as follows:

2019

Number of options 購股權數目	Exercise price* 行使價*	Exercise period 行使期
'000 千份	HK\$ per share 每股港元	
18,384	2.58	24 October 2016 to 23 October 2019 2016年10月24日至2019年10月23日
30,120	1.65	5 March 2019 to 4 March 2021 2019年3月5日至2021年3月4日
20,980	1.65	5 March 2019 to 4 March 2022 2019年3月5日至2022年3月4日
69,484		

38. 購股權計劃 (續)

年內，該計劃下未行使的購股權如下：

於年內行使的購股權於獲行使當日的加權平均股價為每股3.89港元(2018年：每股4.14港元)。

於報告期末未行使的購股權的行使價及行使期如下：

2019年

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38. SHARE OPTION SCHEME (continued)

2018

Number of options 購股權數目 '000 千份	Exercise price* 行使價* HK\$ per share 每股港元	Exercise period 行使期
18,884	2.58	24 October 2016 to 23 October 2019 2016年10月24日至2019年10月23日

* The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.

On 5 March 2019, the Company granted share options to certain Directors, employees and consultant to subscribe for a total of 51,100,000 ordinary shares of HK\$0.10 each in the share capital of the Company under the Share Option Scheme. The exercise price of each option is HK\$1.65 per share with validity period of 2 years from the respective vesting dates. 30,120,000 options will vest immediately on the 5 March 2019 and remaining 20,980,000 options will vest 1 year after such date of grant.

The fair value of the share options granted on 5 March 2019 for 2 years and 3 years exercise period were HK\$9,100,000 (HK\$0.30197) and HK\$6,990,000 (HK\$0.33320) respectively, of which the Group recognised a share option expense of HK\$9,617,000 during the year ended 31 March 2019.

38. 購股權計劃(續)

2018年

* 購股權的行使價或會於供股或發行紅股，或本公司股本出現其他類似變動時調整。

於2019年3月5日，本公司根據購股權計劃向若干董事、僱員及顧問授出購股權，以認購本公司股本中合共51,100,000股每股面值0.10港元的普通股。每份購股權的行使價為每股1.65港元，有效期由各自的歸屬日期起計為期2年。30,120,000份購股權將於2019年3月5日即時歸屬，其餘20,980,000份購股權將於授出日期後1年歸屬。

於2019年3月5日授出的2年及3年行使期購股權的公平值分別為9,100,000港元(每股0.30197港元)及6,990,000港元(每股0.33320港元)，本集團已於截至2019年3月31日止年度確認購股權開支9,617,000港元。

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38. SHARE OPTION SCHEME (continued)

The fair value of services received in return for share options granted is measured with reference to the fair value of share options granted. The estimate of the fair values of the share options is measured based on binomial lattice option pricing model. Lives of the options are incorporated into the model.

38. 購股權計劃 (續)

以所授出購股權換取的所得服務的公平值乃參考所授出購股權的公平值計量。所授出購股權的估計公平值乃根據二項式期權定價模型計量。購股權的年期已納入該模型。

		Options granted on 5 March 2019 (vest immediately) 於2019年3月5日授出 的購股權(即時歸屬)	Options granted on 5 March 2019 (vest 1 year after grant date) 於2019年3月5日授出 的購股權(授出日期 後1年歸屬)
Grant date share price	授出當日的股價	HK\$1.61 1.61港元	HK\$1.61 1.61港元
Exercise price	行使價	HK\$1.65 1.65港元	HK\$1.65 1.65港元
Expected life	預計年期	2 years 2年	3 years 3年
Expected volatility	預期波幅	35.47%	30.83%
Expected dividend yield (%)	預期股息率(%)	0%	0%
Risk-free interest rate (%)	無風險利率(%)	1.536%	1.580%

The expected volatility was based on the historical volatility (by reference to the weighted average remaining life of the share options), adjusted for any expected changes to future volatility by reference to publicly available information. Expected dividends were based on historical dividends. Changes in the subjective input assumptions could materially affect the fair value estimate.

預期波幅以歷史波幅(經參照購股權加權平均剩餘年期)為基礎,並根據公開可得資料就未來波幅的任何預期變動作出調整。預期股息以過往股息為基礎。主觀輸入假設的變動可對公平值估計產生重大影響。

The Group recognised total expenses of HK\$9,617,000 in respect of the equity-settled share-based payment transactions in 2019.

本集團於2019年就以權益結算以股份為基礎付款的交易確認開支總額9,617,000港元。

The expected life of the options is not necessarily indicative of the exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

預計購股權年期不一定意味着可能出現的行使模式。預期波幅反映歷史波幅可表示日後走勢的假設,亦未必代表實際結果。

No other feature of the options granted was incorporated into the measurement of fair value.

計量公平值時並無考慮已授出購股權的其他特質。

500,000 (2018: 21,116,000) share options exercised during the year resulted in the issue of 500,000 (2018: 21,116,000) ordinary shares of the Company and new share capital of HK\$50,000 (2018: HK\$2,112,000) and share premium of HK\$1,477,000 (2018: HK\$62,365,000) (before issue expenses), as further detailed in note 37 to the financial statements.

年內500,000份(2018年: 21,116,000份)購股權獲行使令本公司發行500,000股(2018年: 21,116,000股)本公司普通股,以及新增股本50,000港元(2018年: 2,112,000港元)及股份溢價1,477,000港元(2018年: 62,365,000港元)(扣除發行開支前),進一步詳情於本財務報表附註37載述。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

39. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 116 to 117 of the financial statements.

(a) Merger reserve

The merger reserve represents the share capital of New Concepts Engineering Development Limited and New Concepts Foundation Limited acquired by the Company pursuant to a group reorganisation in August 2014.

(b) Share option reserve

The share option reserve comprises the fair value of share options granted which are yet to be exercised, as further explained in the accounting policy for share-based payments in note 4(q) to the financial statements. The amount will either be transferred to the share premium account when the related options are exercised, or be transferred to accumulated loss should the related options expire or be forfeited.

(c) Exchange fluctuation reserve

Exchange fluctuation reserve comprises all foreign currency exchange differences arising from the translation of the financial statements of foreign operations.

39. 儲備

本集團本年度及過往年度的儲備金額及有關變動於本財務報表第116至117頁的綜合權益變動表呈列。

(a) 合併儲備

合併儲備指本集團於2014年8月根據集團重組收購的創業工程建設有限公司及創業地基有限公司股本。

(b) 購股權儲備

購股權儲備包括按照本財務報表附註4(q)內就以股份為基礎支付的款項採用的會計政策進一步所述，已授出的未行使購股權的公平值。該款項將於相關購股權獲行使時轉撥至股份溢價賬或於相關購股權期滿或被沒收時轉撥至累計虧損。

(c) 匯兌波動儲備

匯兌波動儲備包括換算外國業務財務報表所產生的所有外幣匯兌差額。

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財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

40. PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS

Details of the Group's subsidiaries that have material non-controlling interests are set out below:

40. 擁有重大非控股權益的非全資附屬公司

本集團擁有重大非控股權益的附屬公司的詳情如下：

		2019	2018
Percentage of equity interest held by non-controlling interests:	非控股權益所持股權百分比：		
The Clear Industry Group	Clear Industry集團	49%	49%
Hefei Feifan	合肥非凡	40%	40%
Loudi Fangsheng	婁底方盛	20%	20%
		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Profit/(loss) for the year allocated to non-controlling interests:	分配至非控股權益的 年內溢利／(虧損)：		
The Clear Industry Group	Clear Industry集團	(6,754)	(19,882)
Hefei Feifan	合肥非凡	(569)	(677)
Loudi Fangsheng	婁底方盛	757	—
Accumulated balances of non-controlling interests at the reporting date:	非控股權益於報告日期 的累計結餘：		
The Clear Industry Group	Clear Industry集團	(8,093)	(1,464)
Hefei Feifan	合肥非凡	61,409	66,349
Loudi Fangsheng	婁底方盛	10,986	10,956

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財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

40. PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS (continued)

The following tables illustrate the summarised financial information of the above subsidiaries since the acquisition. The amounts disclosed are before any inter-company eliminations:

2019

40. 擁有重大非控股權益的非全資附屬公司(續)

下表列示上述附屬公司自收購以來的財務資料概要。所披露的金額未進行集團內公司間抵銷：

2019年

		The Clear Industry Group Clear Industry Group 集團 HK\$'000 千港元	Hefei Feifan 合肥非凡 HK\$'000 千港元	Loudi Fengshang 婁底方盛 HK\$'000 千港元
Revenue	收入	9,913	16,949	19,935
Total expenses, net	總開支淨額	(23,696)	(18,371)	(16,147)
(Loss)/profit for the year	年內(虧損)/溢利	(13,783)	(1,422)	3,788
Total comprehensive income for the year	年內全面收益總額	(15,258)	(12,349)	163
Current assets	流動資產	59,322	47,680	9,474
Non-current assets	非流動資產	1,100	202,791	107,174
Current liabilities	流動負債	(63,288)	(71,849)	(55,836)
Non-current liabilities	非流動負債	—	(25,099)	(5,880)
Net cash flows from/(used) in operating activities	經營活動產生/(所用)的現金流量淨額	2,083	(3,246)	(1,117)
Net cash flows used in investing activities	投資活動所用的現金流量淨額	—	(2,887)	(36,639)
Net cash flows (used in)/from financing activities	融資活動(所用)/產生的現金流量淨額	(1,082)	7,480	37,904
Net increase in cash and cash equivalent	現金及現金等價物增加淨額	1,001	1,347	148

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財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

40. PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS (continued)

The following tables illustrate the summarised financial information of the above subsidiaries since the acquisition. The amounts disclosed are before any inter-company eliminations:

2018		2018年		
		The Clear Industry Group Clear Industry 集團	Hefei Feifan 合肥非凡	Loudi Fengshang 婁底方盛
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Revenue	收入	9,267	30,271	7,537
Total expenses, net	總開支淨額	(56,608)	(31,963)	(5,919)
(Loss)/profit for the year	年內(虧損)/溢利	(40,575)	(1,692)	1,618
Total comprehensive income for the year	年內全面收益總額	(36,580)	12,145	6,145
Current assets	流動資產	64,693	47,533	15,576
Non-current assets	非流動資產	1,384	213,706	94,225
Current liabilities	流動負債	(53,687)	(49,349)	(49,955)
Non-current liabilities	非流動負債	—	(46,018)	(5,078)
Net cash flows used in operating activities	經營活動所用的現金流量淨額	(8,641)	(18,192)	(550)
Net cash flows used in investing activities	投資活動所用的現金流量淨額	(77)	—	(78)
Net cash flows from financing activities	融資活動產生的現金流量淨額	490	10,590	—
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(8,228)	(7,602)	(628)

40. 擁有重大非控股權益的非全資附屬公司(續)

下表列示上述附屬公司自收購以來的財務資料概要。所披露的金額未進行集團內公司間抵銷：

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財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

41. BUSINESS COMBINATIONS

In order to develop and expand the Group's kitchen waste treatment and industrial fluids system services business, the Group entered into the following transactions during the years ended 31 March 2019 and 2018:

For the year ended 31 March 2019

- (a) On 3 May 2018, First Bravo Development Limited ("FBD"), a wholly owned subsidiary of the Company, entered into a share purchase agreement with P.H.M. Holding ("PHM") and Friction Invest AB as vendors, and Henrik Melinder ("Melinder") and Christer Larsoon ("Christer") as guarantors, to acquire the entire issued share capital of Vimab Holding AB ("Vimab"). Vimab is a company incorporated in Sweden and, together with its operating subsidiaries (the "Vimab Group"), is engaged in provision of high-tech industrial services in valve services and maintenance, tank cleaning and other equipment services. The acquisition was completed on 31 May 2018.

41. 業務合併

為發展及擴充本集團的餐廚垃圾處理及工業流體系統服務業務，本集團曾於截至2019年及2018年3月31日止年度進行以下交易：

截至2019年3月31日止年度

- (a) 於2018年5月3日，本公司全資附屬公司First Bravo Development Limited(「FBD」)與P.H.M. Holding(「PHM」)及Friction Invest AB(作為賣方)及Henrik Melinder(「Melinder」)及Christer Larsoon(「Christer」)(作為擔保人)訂立一份購股協議，以收購Vimab Holding AB(「Vimab」)全部已發行股本。Vimab為一間於瑞典註冊成立的公司，連同其營運附屬公司(「Vimab集團」)從事提供閥門服務及保養、罐體清潔及其他設備服務的高科技工業服務。收購事項已於2018年5月31日完成。

		Notes 附註	Fair value recognised on acquisitions 於收購時 確認的公平值 HK\$'000 千港元
Property, plant and equipment	物業、機器及設備	14	57,992
Other intangible assets	其他無形資產	17	83,275
Inventories	存貨		20,390
Trade receivables	貿易應收款項		31,753
Prepayments and other receivables	預付款項及其他應收款項		11,403
Cash and bank balances	現金及銀行結餘		47,455
Trade payables	貿易應付款項		(8,445)
Other payables and accruals	其他應付款項及應計費用		(23,561)
Deferred tax liabilities	遞延稅項負債	36	(38,840)
Interest-bearing bank and other borrowings	計息銀行及其他借貸		(152,838)
Total identifiable net assets at fair value	可識別淨資產公平值總值		28,584
Goodwill on acquisition	收購時的商譽	15	149,657
Total consideration	總代價		178,241
Satisfied by:	支付方式：		
Cash	現金		23,044
Issue of 42,137,142 ordinary shares of the Company	發行42,137,142股本公司普通股		163,914
Consideration receivables	應收代價	18	(8,717)
			178,241

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財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

41. BUSINESS COMBINATIONS (continued)

For the year ended 31 March 2019 (continued)

(a) (continued)

The fair values of the identifiable assets and liabilities of Vimab as at the dates of acquisitions were as follows:

The fair values of the trade receivables and other receivables as at the dates of acquisitions amounted to HK\$31,753,000 and HK\$11,403,000, respectively. The gross contractual amounts of trade receivables and other receivables were HK\$31,753,000 and HK\$11,403,000, respectively, which are expected to be collectible.

The acquisition-related costs were not material, and have been expensed and are included in administrative expenses.

Goodwill arose in the acquisitions of Vimab because the considerations paid for the acquisitions effectively included amounts in relation to the benefits of expected synergies from combining the respective operations of Vimab and the Group. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. None of the goodwill recognised is expected to be deductible for income tax purposes.

An analysis of the cash flows in respect of the acquisitions of Vimab is as follows:

41. 業務合併 (續)

截至2019年3月31日止年度 (續)

(a) (續)

Vimab可識別資產及負債於收購日期的公平值如下：

貿易及其他應收款項於收購日期的公平值分別為31,753,000港元及11,403,000港元。貿易及其他應收款項總合約金額分別為31,753,000港元及11,403,000港元，預期可收回。

收購相關成本並不重大，且已支銷並計入行政開支。

由於已付收購代價實際上包括與Vimab與本集團合併營運的預期協同效益有關的金額，故收購Vimab產生商譽。由於該等效益並不符合可識別無形資產的確認條件，故並無與商譽分開確認。預期概無已確認商譽可扣減所得稅。

收購Vimab的現金流量分析如下：

		HK\$'000 千港元
Cash consideration	現金代價	(23,044)
Cash and bank balances acquired	所收購現金及銀行結餘	47,455
Net inflow of cash and cash equivalents included in cash flows used in investing activities	計入投資活動所用的現金流量的現金及現金等價物流入淨額	24,411

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For the year ended 31 March 2019 截至2019年3月31日止年度

41. BUSINESS COMBINATIONS (continued)**For the year ended 31 March 2019 (continued)**

(a) (continued)

Since the acquisitions, the contributions to the Group's revenue and results for the year ended 31 March 2019 were as follows:

		Revenue	Profit for the period ended 31 March 2019 since acquisition
		收入	自收購以來截至2019年3月31日止期間的溢利
		HK\$'000	HK\$'000
		千港元	千港元
Vimab	Vimab	156,106	4,019

Had the combinations of Vimab taken place at the beginning of the year ended 31 March 2019, revenue of the Group and loss of the Group for the year ended 31 March 2019 would have been HK\$1,054,324,000 and HK\$102,530,000, respectively.

倘Vimab的合併於截至2019年3月31日止年度年初進行，本集團截至2019年3月31日止年度的收入及虧損將分別為1,054,324,000港元及102,530,000港元。

For the year ended 31 March 2018

(a) On 23 January 2017, the Group entered into a sale and purchase agreement and a capital injection agreement with Fu Li Biotechnology Corporation, an independent third party, to (i) acquire equity interest in Hefei Feifan for a cash consideration of US\$2,000,000; and (ii) inject capital to Hefei Feifan for an amount of US\$10,000,000 (equivalent to approximately HK\$93,599,000, in aggregate). Hefei Feifan is principally engaged in the kitchen waste treatment business. Subsequent to the acquisition and the capital injection, the Group held 60% equity interest in Hefei Feifan. The acquisition and the capital injection were completed on 23 June 2017.

截至2018年3月31日止年度

(a) 於2017年1月23日，本集團與獨立第三方阜利生物科技股份有限公司訂立買賣協議及注資協議，以(i)收購合肥非凡的股權，現金代價為2,000,000美元；及(ii)向合肥非凡注資10,000,000美元(合共相等於約93,599,000港元)。合肥非凡主要從事餐廚垃圾處理業務。於收購及注資後，本集團持有合肥非凡的60%股權。該項收購及注資已於2017年6月23日完成。

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財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

41. BUSINESS COMBINATIONS (continued)**For the year ended 31 March 2018 (continued)**

- (b) On 15 March 2017, the Group entered into a sale and purchase agreement (the “Shenzhen Xinbao Sale and Purchase Agreement”) with independent third parties to acquire a 100% equity interest in Shenzhen Xinbao in two tranches, with the first tranche being an 85% equity interest for a cash consideration of RMB15,500,000 (equivalent to approximately HK\$18,543,000) and the second tranche being a 15% equity interest for a contingent consideration, which is payable and dependent on the amount of kitchen waste treatment fees of Shenzhen Xinbao being in excess of RMB200 per tonne during the 2-year period subsequent to the date of the sale and purchase agreement. Shenzhen Xinbao is principally engaged in the kitchen waste treatment business in Shenzhen, the PRC and was granted a right by the Urban Management Bureau of Shenzhen Municipality (Guangming New District) (the “Urban Management Bureau”) to operate a kitchen waste treatment plant at a site (the “Original Site”) under a Build-Operate-Own arrangement during the period from 24 August 2013 to 24 August 2024.

As stipulated in the Shenzhen Xinbao Sale and Purchase Agreement, the kitchen waste treatment plant at the Original Site was subject to relocation. In September 2017 the kitchen waste treatment plant at the Original Site was demolished due to land resumption by the authorities. Due to the land resumption, Shenzhen Xinbao was granted a right by the Urban Management Bureau to use another site to carry out its kitchen waste treatment business with a much smaller scale. The acquisition of the 85% equity interest in Shenzhen Xinbao was completed on 10 January 2018.

The group has elected to measure non-controlling interest at non-controlling interests’ proportionate share of identifiable net assets.

41. 業務合併 (續)**截至2018年3月31日止年度 (續)**

- (b) 於2017年3月15日，本集團與獨立第三方訂立買賣協議（「深圳新寶買賣協議」），以分兩批收購深圳新寶的100%股權，第一批為85%股權，現金代價為人民幣15,500,000元（相等於約18,543,000港元），第二批為15%股權，應付代價為或然代價，取決於買賣協議日期後2年內深圳新寶的餐廚垃圾處理費高於每噸人民幣200元的差額而定。深圳新寶主要在中國深圳市從事餐廚垃圾處理業務，獲深圳市光明新區城市管理局（「城市管理局」）授予於2013年8月24日至2024年8月24日按照建造 — 經營 — 擁有安排於一個地點（「原址」）經營餐廚垃圾處理廠的權利。

誠如深圳新寶買賣協議所訂明，原址上的餐廚垃圾處理廠須要搬遷。於2017年9月，由於相關機構收回土地，原址上的餐廚垃圾處理廠已拆卸。由於收回土地，深圳新寶獲城市管理局授予使用另一地點進行規模較小的餐廚垃圾處理業務的權利。深圳新寶的85%股權的收購已於2018年1月10日完成。

本集團已選擇按非控股權益應佔可識別資產淨值的比例計量非控股權益。

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For the year ended 31 March 2019 截至2019年3月31日止年度

41. BUSINESS COMBINATIONS (continued)**Year ended 31 March 2018**

The fair values of the identifiable assets and liabilities of Taiyuan Tianrun and the Clear Industry Group as at the dates of acquisitions were as follows:

41. 業務合併(續)**截至2018年3月31日止年度**

太原天潤及Clear Industry集團可識別資產及負債於收購日期的公平值如下：

		Notes 附註	Hefei Feifan 合肥非凡 HK\$'000 千港元	Shenzhen Xinbao 深圳新寶 HK\$'000 千港元	Fair value recognised on acquisitions 於收購時 確認的公平值 HK\$'000 千港元
Property, plant and equipment	物業、機器及設備	14	—	521	521
Operating concession	經營特許權	16	119,655	—	119,655
Inventories	存貨		602	—	602
Trade receivables	貿易應收款項		—	29	29
Receivables under service concession arrangement	服務特許權安排應收款項		55,167	—	55,167
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		8,593	2,198	10,791
Due from the Group	應收本集團款項		77,906	—	77,906
Tax recoverable	可收回稅項		—	48	48
Cash and bank balances	現金及銀行結餘		7,898	1,439	9,337
Trade payables	貿易應付款項		(8,492)	—	(8,492)
Other payables and accruals	其他應付款項及應計費用		(1,974)	(367)	(2,341)
Due to the Group	應付本集團款項		(42,110)	(1,196)	(43,306)
Interest-bearing bank borrowing	計息銀行借貸		(50,347)	—	(50,347)
Deferred tax liabilities	遞延稅項負債	36	(13,171)	—	(13,171)
Total identifiable net assets at fair value	可識別淨資產公平值總值		153,727	2,672	156,399
Non-controlling interests	非控股權益		(61,491)	(401)	(61,892)
Goodwill on acquisition	收購時的商譽	15	1,363	16,272	17,635
Satisfied by cash	以現金支付		93,599	18,543	112,142

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財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

41. BUSINESS COMBINATIONS (continued)**Year ended 31 March 2018 (continued)**

The fair values of the trade receivables and other receivables as at the dates of acquisitions amounted to HK\$29,000 and HK\$9,485,000, respectively. The gross contractual amounts of trade receivables and other receivables were HK\$29,000 and HK\$9,485,000, respectively, which are expected to be collectible.

The Group incurred transaction costs of approximately HK\$231,000 for these acquisitions. These transaction costs have been expensed and are included in administrative expenses in the consolidated statement of profit or loss.

Goodwill arose in the acquisitions of Hefei Feifan and Shenzhen Xinbao because the considerations paid for the acquisitions effectively included amounts in relation to the benefits of expected synergies from combining the respective operations of Hefei Feifan and Shenzhen Xinbao and the Group. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. None of the goodwill recognised is expected to be deductible for income tax purposes.

An analysis of the cash flows in respect of the acquisitions of Hefei Feifan and Shenzhen Xinbao is as follows:

41. 業務合併 (續)**截至2018年3月31日止年度 (續)**

貿易及其他應收款項於收購日期的公平值分別為29,000港元及9,485,000港元。貿易及其他應收款項總合約金額分別為29,000港元及9,485,000港元，預期可收回。

本集團就此等收購產生交易成本約231,000港元。該等交易成本已支銷，並計入綜合損益表中的行政開支。

由於已付收購代價實際上包括與合肥非凡及深圳新寶分別與本集團合併營運的預期協同效益有關的金額，故收購合肥非凡及深圳新寶產生商譽。由於該等效益並不符合可識別無形資產的確認條件，故並無與商譽分開確認。預期概無已確認商譽可扣減所得稅。

收購合肥非凡及深圳新寶的現金流量分析如下：

		HK\$'000 千港元
Cash consideration	現金代價	(112,142)
Cash and bank balances acquired	所收購現金及銀行結餘	77,906
Net outflow of cash and cash equivalents included in cash flows used in investing activities	計入投資活動所用的現金流量的現金及現金等價物流出淨額	(34,236)

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

41. BUSINESS COMBINATIONS (continued)**Year ended 31 March 2018 (continued)**

Since the acquisitions, the contributions to the Group's revenue and consolidated profit for the year ended 31 March 2018 were as follows:

		Revenue 收入 HK\$'000 千港元	Loss 虧損 HK\$'000 千港元
Hefei Feifan	合肥非凡	30,271	1,693
Shenzhen Xinbao	深圳新寶	647	116
		30,918	1,809

Had the combinations of Taiyuan Tianrun and the Clear Industry Group taken place at the beginning of the year ended 31 March 2017, the revenue of the Group and the profit of the Group for the year ended 31 March 2017 would have been HK\$1,242,958 and HK\$39,637,000, respectively.

41. 業務合併(續)**截至2018年3月31日止年度(續)**

自收購以來，於截至2018年3月31日止年度為本集團貢獻的收入及帶來的綜合溢利如下：

		Revenue 收入 HK\$'000 千港元	Loss 虧損 HK\$'000 千港元
Hefei Feifan	合肥非凡	30,271	1,693
Shenzhen Xinbao	深圳新寶	647	116
		30,918	1,809

倘太原天潤及Clear Industry集團的合併於截至2017年3月31日止年度年初進行，本集團截至2017年3月31日止年度的收入及溢利將分別為1,242,958港元及39,637,000港元。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

42. DISPOSAL OF SUBSIDIARIES

On 23 July 2018, the Group disposed of Major Bravo Limited and its subsidiary Memsys Water Technologies GmbH (German) ("Major Bravo Group"), which is engaged in the sales of membrane distillation modules.

On 28 February 2019, the Group disposed of its subsidiary Shenzhen Xinbao, which is engaged in the kitchen waste treatment plant in Mainland China.

The net assets of Major Bravo Group and Shenzhen Xinbao at the date of disposal were as follows:

42. 出售附屬公司

於2018年7月23日，本集團出售從事膜蒸餾模組銷售的Major Bravo Limited及其附屬公司Memsys Water Technologies GmbH (German) (「Major Bravo集團」)。

於2019年2月28日，本集團出售其於中國內地從事餐廚垃圾處理廠的附屬公司深圳新寶。

Major Bravo集團及深圳新寶於出售日期的淨資產如下：

		Notes 附註	Major Bravo Group Major Bravo 集團 HK\$'000 千港元	Shenzhen Xinbao 深圳新寶 HK\$'000 千港元
Property, plant and equipment	物業、機器及設備	14	3,271	1,699
Intangible assets	無形資產	17	15,240	—
Inventories	存貨		1,338	—
Trade and other receivables	貿易及其他應收款項		482	4,085
Cash and cash equivalents	現金及現金等價物		55	4
Amount due to the Group	應付本集團款項		(37,097)	(2,127)
Trade and other payables	貿易及其他應付款項		(2,161)	(2,161)
			(18,872)	1,500
Waiver of amount due to the Group	豁免應付本集團款項		37,097	—
Gain on disposal of subsidiaries	出售附屬公司的收益	7	13,820	7,300
Total consideration	總代價		32,045	8,800
Satisfied by:	支付方式：			
Cash	現金		32,045	8,800
Total	總額		32,045	8,800
Net cash inflow arising on disposal:	出售產生的現金流入淨額：			
Cash consideration	現金代價		32,045	8,800
Cash and bank balances disposed of	所出售現金及銀行結餘		55	4
			31,990	8,796

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For the year ended 31 March 2019 截至2019年3月31日止年度

43. CAPITAL INJECTION BY NON-CONTROLLING INTEREST

On 15 March 2018, an independent third party injected capital to Loudi Fangsheng for an amount of RMB6,111,000 (equivalent to approximately HK\$7,626,000). Immediately after the capital injection, Loudi Fangsheng is owned as to 80% by the Group and 20% by the independent third party. The carrying value of the 20% interest in the net assets of Loudi Fangsheng as at the date of capital injection was RMB8,777,000 (equivalent to approximately HK\$10,956,000). Accordingly, the difference of RMB2,666,000 (equivalent to approximately HK\$3,330,000) was recognised in accumulated loss. The proportionate share of the cumulative amount of exchange fluctuation reserve of Loudi Fangsheng recognised in other comprehensive income is reattributed to the non-controlling interest.

43. 非控股權益注資

於2018年3月15日，一名獨立第三方向婁底方盛注資人民幣6,111,000元(相等於約7,626,000港元)。緊隨注資後，本集團及該名獨立第三方分別擁有婁底方盛的80%及20%權益。於注資日期，婁底方盛淨資產的20%權益的賬面值為人民幣8,777,000元(相等於約10,956,000港元)。因此，人民幣2,666,000元(相等於約3,330,000港元)的差額已於累計虧損確認。按比例應佔並於其他全面收益確認的婁底方盛匯兌波動儲備累計金額已重新歸入非控股權益。

44. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS**Changes in liabilities arising from financing activities****44. 綜合現金流量表附註****融資活動產生的負債變動**

		Due to directors	Due to a related company	Bank and other loans	Finance lease payables	Convertible bond	Bonds
		應付董事款項	關聯公司應付一間	銀行及其他貸款	應付融資租賃款項	可換股債券	債券
		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
At 1 April 2018	於2018年4月1日	—	384,301	260,003	11,038	23,329	—
Changes from financing cash flows	融資現金流量變動	4,640	(10,300)	(47,149)	(5,004)	—	25,500
Increase arising from acquisition of a subsidiary (note 41)	因收購一間附屬公司而增加(附註41)	—	—	152,838	—	—	—
Interest expense	利息開支	—	10,642	28,414	362	16,183	1,805
Transfer to other payables	轉撥至其他應付款項	—	—	—	—	(39,195)	—
Interest paid	已付利息	—	—	(23,894)	(203)	(1,264)	(1,805)
Foreign exchange movement	外匯變動	—	—	(22,988)	—	947	—
At 31 March 2019	於2019年3月31日	4,640	384,643	347,224	6,193	—	25,500

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

44. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (continued)**Changes in liabilities arising from financing activities (continued)****44. 綜合現金流量表附註 (續)****融資活動產生的負債變動 (續)**

		Due to a related company 應付一間 關聯公司 款項 HK\$'000 千港元	Bank and other loans 銀行及 其他貸款 HK\$'000 千港元	Finance lease payables 應付融資 租賃款項 HK\$'000 千港元	Convertible bond 可換股 債券 HK\$'000 千港元
At 1 April 2017	於2017年4月1日	351,036	184,633	26,761	—
Changes from financing cash flows	融資現金流量變動	33,265	842	(15,723)	39,008
Derivative component of convertible bond	可換股債券的 衍生部分	—	—	—	(18,357)
Increase arising from acquisition of a subsidiary	因收購一間附屬公司 而增加	—	50,347	—	—
Interest expense	利息開支	—	878	—	3,182
Interest paid	已付利息	—	—	—	(556)
Foreign exchange movement	外匯變動	—	23,303	—	52
At 31 March 2018	於2018年3月31日	384,301	260,003	11,038	23,329

45. CONTINGENT LIABILITIES

At the end of the reporting period, contingent liabilities not provided for in the financial statements were as follows:

45. 或然負債

於報告期末，並無於本財務報表內計提撥備的或然負債如下：

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Indemnities given to financial institutions for performance bonds issued in relation to construction contracts undertaken by the Group	就本集團承接的建築合約發出履約保函向財務機構提供的彌償保證	76,017	58,359

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財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

46. FINANCIAL GUARANTEE CONTRACT

The Group acted as a guarantor for an external borrowings made by an independent third party amounting up to RMB153,986,000, details of which are set out in the Company's announcement dated 14 July 2017.

The directors of the Group are of the opinion that such guarantee will not result in any outflow of resources of, nor will any loss be incurred by, the Group.

Management of the Group estimated the fair value of the financial guarantee contracts as immaterial, financial guarantee contract was not recognised as financial liabilities as at 31 March 2018 and 31 March 2019.

47. OPERATING LEASE COMMITMENTS

The Group leases certain of its office premises and staff quarters under operating lease arrangements. The leases are negotiated for terms ranging from six months to five years. Certain leases are terminable with a notice period given by the Group.

At 31 March 2019, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

46. 財務擔保合約

本集團擔任一名獨立第三方作出的一筆外部借貸最多人民幣153,986,000元的擔保人，詳情載於本公司日期為2017年7月14日的公佈。

本集團董事認為，該擔保不會導致本集團流出資源或產生任何虧損。

於2018年3月31日及2019年3月31日，本集團管理層估計財務擔保合約的公平值並不重大，故並無確認財務擔保合約為金融負債。

47. 經營租賃承擔

本集團根據經營租賃安排租賃若干辦公室物業及員工宿舍。經磋商後的租賃年期介乎六個月至五年。若干租賃可於本集團給予通知期後終止。

於2019年3月31日，根據不可撤銷經營租賃，本集團未來最低租賃付款總額的到期情況如下：

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Within one year	一年內	9,371	5,475
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)	10,520	1,774
		19,891	7,249

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For the year ended 31 March 2019 截至2019年3月31日止年度

48. COMMITMENTS

In addition to the operating lease commitments detailed in note 47 above, the Group had the following capital commitments at the end of the reporting period:

	2019 HK\$'000 千港元	2018 HK\$'000 千港元
New service concession arrangements on BOT basis	41,725	26,635
Capital contribution to a limited partnership (note)	—	39,241
	41,725	65,876

Note:

On 30 June 2017, the Group (as limited partner) entered into a limited partnership agreement with CEF V Management, L.P. (as general partner) and Tsing Capital (HK) Limited (as management company). The partnership (the "China Environment Fund") was formed to make venture capital investments, including investing in and holding equity and equity-oriented securities of companies with a nexus to Mainland China and operating in the clean-tech related sectors. The Group has committed to contribute US\$5,000,000 (equivalent to approximately HK\$39,241,000) to the China Environment Fund. As at 31 March 2018, the Group had not made any capital contribution to the China Environment Fund.

On 24 January 2019, the Group entered into a withdrawal deed to withdraw from the China Environment Fund. Since the China Environment Fund has not been launched, the Group is not obliged to make any capital contribution to the China Environment Fund nor pay any management fee to the management company.

48. 承擔

除上文附註47所詳述的經營租賃承擔外，本集團於報告期末有以下資本承擔：

	2019 HK\$'000 千港元	2018 HK\$'000 千港元
New service concession arrangements on BOT basis	41,725	26,635
Capital contribution to a limited partnership (note)	—	39,241
	41,725	65,876

附註：

於2017年6月30日，本集團（作為有限合夥人）與CEF V Management, L.P.（作為普通合夥人）及青雲創業投資管理（香港）有限公司（作為管理公司）訂立一份有限合夥協議。成立合夥商行（「China Environment Fund」）旨在作出創業投資，包括投資於及持有接連中國內地並於清潔技術相關行業經營的公司的股票及以股票為主的證券。本集團已承諾向China Environment Fund出資5,000,000美元（相等於約39,241,000港元）。於2018年3月31日，本集團尚未向China Environment Fund出資。

於2019年1月24日，本集團訂立一份退出契據，以退出China Environment Fund。由於China Environment Fund尚未成立，故本集團無義務向China Environment Fund作出任何出資，亦無義務向管理公司支付任何管理費。

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財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

49. RELATED PARTY TRANSACTIONS

- (a) In addition to the balances and transactions detailed elsewhere in these financial statements, the Group had the following material transactions with related parties during the year:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Related companies*:	關聯公司* :		
Rental expense	租金開支	3,746	3,746
Interest expenses	利息開支	10,641	—

* The related companies are controlled by Mr. Chu Shu Cheong, a key management personnel of the Company.

The above transactions were entered into based on terms mutually agreed between the relevant parties.

(b) Compensation of key management personnel of the Group

Remuneration of key management personnel of the Group, including directors' remuneration as disclosed in note 10 to the financial statements, is as follows:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Short term employee benefits	短期僱員福利	8,674	8,144
Post-employment benefits	離職後福利	212	235
Equity-settled share option expense	以權益結算的購股權開支	3,089	—
Total compensation paid to key management personnel	已付主要管理人員補償總額	11,975	8,379

49. 關聯方交易

- (a) 除本財務報表其他部分詳述的結餘及交易外，本集團於年內與關聯方進行以下重大交易：

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Related companies*:	關聯公司* :		
Rental expense	租金開支	3,746	3,746
Interest expenses	利息開支	10,641	—

* 該等關聯公司由本公司主要管理人員朱樹昌先生控制。

上述交易乃按相關訂約方相互協定的條款進行。

(b) 本集團主要管理人員的補償

本集團主要管理人員的薪酬(包括財務報表附註10披露的董事薪酬)如下：

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財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

50. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

2019

Financial assets

50. 按類別劃分的金融工具

於報告期末，各類金融工具的賬面金額如下：

2019年

金融資產

		Financial assets at fair value through profit or loss 透過損益 按公平值 計量的 金融資產 HK\$'000 千港元	Amortised cost 攤銷成本 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Trade and retention receivables	貿易應收款項及 應收保留金	—	249,791	249,791
Receivables under service concession arrangements	服務特許權安排 應收款項	—	352,184	352,184
Financial assets included in deposits and other receivables	計入按金及 其他應收款項的 金融資產	—	163,626	163,626
Loan receivables	應收貸款	—	4,255	4,255
Consideration receivables	應收代價	—	37,232	37,232
Contingent consideration asset	或然代價資產	3,724	—	3,724
Financial assets at FVTPL	透過損益按公平值計量 的金融資產	20,732	—	20,732
Cash and cash equivalents	現金及現金等價物	—	38,745	38,745
		24,456	845,833	870,289

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For the year ended 31 March 2019 截至2019年3月31日止年度

50. FINANCIAL INSTRUMENTS BY CATEGORY **50. 按類別劃分的金融工具**
(continued) *(續)*
Financial liabilities **金融負債**

	Financial liabilities at fair value through profit or loss — designated as such upon initial recognition 透過損益按公平值計量的金融負債 — 於初始確認時指定為此分類 HK\$'000 千港元	Financial liabilities at amortised cost 按攤銷成本計量的金融負債 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Trade and retention payables 貿易應付款項及應付保留金	—	222,579	222,579
Financial liabilities included in other payables and accruals 計入其他應付款項及應計費用的金融負債	—	234,920	234,920
Due to directors 應付董事款項	—	4,640	4,640
Due to a related company 應付一間關聯公司款項	—	384,643	384,643
Interest-bearing bank and other borrowings 計息銀行及其他借貸	—	353,417	353,417
Bonds 債券	—	25,500	25,500
	—	1,225,699	1,225,699

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50. FINANCIAL INSTRUMENTS BY CATEGORY 50. 按類別劃分的金融工具
(continued) (續)

2018

2018年

Financial assets

金融資產

		Financial assets at fair value through profit or loss 透過損益 按公平值 計量的 金融資產 HK\$'000 千港元	Loans and receivables 貸款及 應收款項 HK\$'000 千港元	Available- for-sale financial assets 可供出售 金融資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Contingent consideration asset	或然代價資產	61,644	—	—	61,644
Available-for-sale investment	可供出售投資	—	—	20,859	20,859
Trade and retention receivables	貿易應收款項及 應收保留金	—	244,292	—	244,292
Receivables under service concession arrangements	服務特許權安排應收款項	—	360,787	—	360,787
Financial assets included in deposits and other receivables	計入按金及其他應收款項 的金融資產	—	129,528	—	129,528
Loan receivables	應收貸款	—	28,527	—	28,527
Due from directors	應收董事款項	—	1,646	—	1,646
Pledged deposit	已質押存款	—	5,000	—	5,000
Cash and cash equivalents	現金及現金等價物	—	61,726	—	61,726
		61,644	831,506	20,859	914,009

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50. FINANCIAL INSTRUMENTS BY CATEGORY **50. 按類別劃分的金融工具**
(continued) *(續)*
Financial liabilities **金融負債**

	Financial liabilities at fair value through profit or loss — designated as such upon initial recognition 透過損益按公平值計量的金融負債 — 於初始確認時指定為此分類 HK\$'000 千港元	Financial liabilities at amortised cost 按攤銷成本計量的金融負債 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Trade and retention payables 貿易應付款項及應付保留金	—	258,512	258,512
Financial liabilities included in other payables and accruals 計入其他應付款項及應計費用的金融負債	—	92,835	92,835
Due to a related company 應付一間關聯公司款項	—	384,301	384,301
Interest-bearing bank and other borrowings 計息銀行及其他借貸	—	271,041	271,041
Convertible bond 可換股債券	—	23,329	23,329
Derivative financial instrument 衍生金融工具	14,983	—	14,983
	14,983	1,030,018	1,045,001

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For the year ended 31 March 2019 截至2019年3月31日止年度

51. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, pledged deposit, trade and retention receivables, trade and retention payables, loan receivables, amounts due from directors, financial liabilities included in other payables and accruals, and the current portions of receivables under service concession arrangements, financial assets included in deposits and other receivables, amounts due to a related company, and interest-bearing bank and other borrowings approximate to their carrying amounts largely due to the short term maturities of these instruments.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the non-current portions of receivables under service concession arrangements, financial assets included in prepayments, deposits and other receivables, amounts due to a related company, and interest-bearing bank and other borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The fair value of the liability portion of the convertible bonds is estimated by discounting the expected future cash flows using an equivalent market interest rate for a similar convertible bond with consideration of the Group's own non-performance risk.

51. 金融工具的公平值及公平值架構

管理層評定，現金及現金等價物、已質押存款、貿易應收款項及應收保留金、貿易應付款項及應付保留金、應收貸款、應收董事款項、計入其他應付款項及應計費用的金融負債及服務特許權安排應收款項的流動部分、計入按金及其他應收款項的金融資產、應付一間關聯公司款項以及計息銀行及其他借款的公平值與其賬面金額相若，主要由於該等工具均於短期內到期。

金融資產及負債的公平值以有關工具於自願交易方（而非強迫或清盤銷售）當前交易下的可交易金額入賬。下列方法及假設已用於估算公平值：

服務特許權安排應收款項的非流動部分、計入預付款項、按金及其他應收款項的金融資產、應付一間關聯公司款項以及計息銀行及其他借貸的公平值乃使用條款、信貸風險及餘下償還期限相近的工具的現時利率，將預期未來現金流量貼現計算。可換股債券負債部分的公平值乃使用類似可換股債券的同等市場利率將預期未來現金流量貼現估算，當中亦已考慮本集團本身的違約風險。

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51. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

The fair value of listed equity investment is based on quoted market price. The fair value of contingent consideration asset has been estimated using a discounted cash flow valuation model based on assumptions that are not supported by observable market prices or rates. The valuation requires the directors to make estimates about the expected future cash flows. The directors believe that the estimated fair value resulting from the valuation technique, which is recorded in the consolidated statement of financial position, and the related change in fair value, which is recorded in profit or loss, are reasonable, and that they were the most appropriate values at the end of the reporting period.

Derivative financial instrument, represents the derivative component of the convertible bond, is measured using a valuation technique similar to option pricing models, using present value calculations. The model incorporates various market observable inputs including the credit quality of counterparties, foreign exchange spot and forward rates and interest rate curves. The carrying amount of the derivative component of the convertible bond is the same as its fair value.

51. 金融工具的公平值及公平值架構 (續)

上市股本投資的公平值乃根據所報市價計算。或然代價資產的公平值乃使用貼現現金流量估值模型估算，當中的假設並無可觀察市場價格或比率支持。有關估值要求董事就預期未來現金流量作出估計。董事相信，以估值技術得出之估計公平值(於綜合財務狀況表記錄)及公平值之相關變動(於損益記錄)均為合理，並為報告期末最合適之價值。

衍生金融工具包括可換股債券的衍生部分，使用與期權定價模型(利用現值計算法)相近的估值技術計量。該模型使用多項市場可觀察輸入數值，包括對手方信貸質素、外匯現貨及遠期匯率以及利率曲線。可換股債券衍生部分的賬面金額與其公平值相同。

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For the year ended 31 March 2019 截至2019年3月31日止年度

51. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)**Fair value hierarchy**

The following table illustrates the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 31 March 2019

51. 金融工具的公平值及公平值架構 (續)**公平值架構**

下表列示本集團金融工具的公平值計量架構：

按公平值計量的資產：

於2019年3月31日

**Fair value measurement using
公平值計量使用**

		Quoted prices in active markets (Level 1) 活躍市場 的報價 (第一層) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察 輸入數值 (第二層) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數值 (第三層) HK\$'000 千港元	Total 總計 HK\$'000 千港元
Contingent consideration asset Financial assets at FVTPL	或然代價資產 透過損益按公平值計量 的金融資產	—	—	3,724	3,724
		20,732	—	—	20,732
		20,732	—	3,724	24,456

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51. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)

Assets measured at fair value: (continued)

As at 31 March 2018

51. 金融工具的公平值及公平值架構(續)

公平值架構(續)

按公平值計量的資產:(續)

於2018年3月31日

		Fair value measurement using 公平值計量使用			
		Quoted prices in active markets (Level 1) 活躍市場 的報價 (第一層) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察 輸入數值 (第二層) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數值 (第三層) HK\$'000 千港元	Total 總計 HK\$'000 千港元
Contingent consideration asset	或然代價資產	—	—	61,644	61,644
Available-for-sale investment	可供出售投資	20,859	—	—	20,859
		20,859	—	61,644	82,503

The movements in fair value measurements within Level 3 during the year are as follows:

年內，第三層內公平值計量的變動如下：

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Contingent consideration asset:	或然代價資產：		
At 1 April	於4月1日	61,644	—
Acquisition of subsidiary (note 41)	收購附屬公司 (附註41)	8,717	—
Fair value (loss)/gain recognised in the statement of profit or loss	於損益表確認的 公平值(虧損)/ 收益	(25,285)	58,116
Exchange realignment recognised in other comprehensive income	於其他全面收益確認 的匯兌調整	(4,120)	3,528
Less: transfer to consideration receivables	減：轉撥至應收代價	(37,232)	—
At 31 March	於3月31日	3,724	61,644

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For the year ended 31 March 2019 截至2019年3月31日止年度

51. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)

Liabilities measured at fair value:

As at 31 March 2019

51. 金融工具的公平值及公平值架構 (續)

公平值架構 (續)

按公平值計量的負債：

於2019年3月31日

Fair value measurement using
公平值計量使用

		Quoted prices in active markets (Level 1) 活躍市場 的報價 (第一層) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察 輸入數值 (第二層) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數值 (第三層) HK\$'000 千港元	Total 總計 HK\$'000 千港元
Derivative financial instrument	衍生金融工具	—	—	—	—

As at 31 March 2018

於2018年3月31日

Fair value measurement using
公平值計量使用

		Quoted prices in active markets (Level 1) 活躍市場 的報價 (第一層) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察 輸入數值 (第二層) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數值 (第三層) HK\$'000 千港元	Total 總計 HK\$'000 千港元
Derivative financial instrument	衍生金融工具	—	—	14,983	14,983

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51. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)**Fair value hierarchy (continued)****Liabilities measured at fair value: (continued)***As at 31 March 2018 (continued)*

The movements in fair value measurements within Level 3 during the year are as follows:

51. 金融工具的公平值及公平值架構 (續)**公平值架構 (續)****按公平值計量的負債：(續)***於2018年3月31日 (續)*

年內，第三層內公平值計量的變動如下：

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Derivative financial instrument:	衍生金融工具：		
At 1 April	於4月1日	14,983	—
Derivative component of convertible bond issued during the year	年內發行的可換股債券的衍生部分	—	18,357
Fair value gain recognised in the statement of profit or loss	於損益表確認的公平值收益	(14,983)	(3,418)
Exchange loss recognised in the statement of profit or loss	於損益表確認的匯兌虧損	—	44
At 31 March	於3月31日	—	14,983

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (2018: Nil).

年內，第一及第二層金融資產及金融負債之間並無公平值計量轉移，第三層亦無任何轉入或轉出(2018年：無)。

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52. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments, other than derivatives, comprise cash and cash equivalents, convertible bond and interest-bearing bank and other borrowings. The main purpose of these financial instruments is to finance the Group's operations. The Group has various other financial assets and liabilities such as available-for-sale investment, trade and retention receivables, receivables under service concession arrangements, financial assets included in deposits and other receivables, loan receivables, amounts due from directors, pledged deposit, trade and retention payables, financial liabilities included in other payables and accruals, and amounts due to a related company, which mainly arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees the policies for managing each of these risks and they are summarised below.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's interest-bearing bank borrowings with floating interest rates. The Group does not use derivative financial instruments to hedge against its interest rate risk. The Group mitigates this risk by closely monitoring the movements in interest rates and reviewing its available credit facilities and their utilisation regularly.

At the end of the reporting period, if the interest rates on bank borrowings had been 25 basis points higher/lower, which was considered reasonably possible by management, with all other variables held constant, the loss before tax for the year would have been increased/decreased by HK\$787,000 (2018: loss before tax for the year would have been increased/decreased by HK\$170,000) as a result of higher/lower interest expenses on bank borrowings.

52. 財務風險管理目標及政策

本集團的主要金融工具(衍生工具除外)包括現金及現金等價物、可換股債券以及計息銀行及其他借貸。該等金融工具的主要用途乃為本集團營運集資。本集團有其他多項金融資產及負債，例如可供出售投資、貿易應收款項及應收保留金、服務特許權安排應收款項、計入按金及其他應收款項的金融資產、應收貸款、應收董事款項、已質押存款、貿易應付款項及應付保留金、計入其他應付款項及應計費用的金融負債以及應付一間關聯公司款項，主要自本集團營運直接產生。

本集團金融工具所產生的主要風險為利率風險、外幣風險、信貸風險及流動資金風險。董事會檢討及協定有關管理各風險的政策，現概述如下。

利率風險

本集團因市場利率變動而面臨的風險主要與本集團按浮動利率計息的計息銀行借貸有關。本集團並無使用衍生金融工具對沖利率風險。本集團密切監察利率變動，並定期檢討其可用信貸融資及動用情況，以減輕利率風險。

於報告期末，在所有其他變數維持不變的情況下，倘銀行借貸利率上升／下跌25個基點(管理層視之為合理可能變動)，年內除稅前虧損將因銀行借貸利息開支上升／下降而增加／減少787,000港元(2018年：年內除稅前虧損增加／減少170,000港元)。

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52. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)**Foreign currency risk**

The Group mainly operates in Hong Kong, PRC and Sweden with most of the transactions denominated and settled in HK\$, Renminbi ("RMB") and Swedish Krona ("SEK"), which are the functional currencies of respective group companies. The Group's exposure to foreign currency risk primarily arise from certain financial instruments which are denominated in United States Dollar ("USD"), which are currencies other than the functional currency.

The Group has no significant foreign currency risk because the Hong Kong dollar is pegged to the United States dollar, the Group's exposure to foreign currency risk in respect of the assets and liabilities denominated in United States dollars is considered to be minimal. The Group does not use derivative financial instruments to hedge against its foreign currency risk. The Group mitigates this risk by closely monitoring the movements in foreign exchange rates.

Credit risk

The Group mainly transacts with creditworthy third parties. Receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

The credit risk of the Group's other financial assets, which comprise contingent consideration asset, financial assets included in deposits and other receivables, loan receivables, amounts due from directors, pledged deposit and cash and cash equivalents, arises from default of the counterparties, with a maximum exposure equal to the carrying amounts of these instruments.

At the end of the reporting period, the Group had certain concentrations of credit risk as 16% (2018: 21%) and 39% (2018: 49%) of the Group's trade and retention receivables were due from the Group's largest debtor and the five largest debtors, respectively.

52. 財務風險管理目標及政策 (續)**外幣風險**

本集團主要於香港、中國及瑞典經營業務，且大部分交易以相關集團公司的功能貨幣港元、人民幣及瑞典克朗計值及結算。本集團面對的外幣風險主要來自以美元(即功能貨幣以外貨幣)計值的若干金融工具。

由於港元與美元掛鈎，故本集團並無面對重大外幣風險，就以美元計值的資產及負債面對的外幣風險被視為微不足道。本集團並無使用任何衍生金融工具對沖外幣風險。本集團透過密切監察外幣匯率變動，減輕有關風險。

信貸風險

本集團主要與信譽可靠的第三方進行買賣。應收款項結餘乃按持續基準監察，而本集團所面臨的壞賬風險並不重大。

本集團其他金融資產(包括或然代價資產、計入按金及其他應收款項的金融資產、應收貸款、應收董事款項、已質押存款以及現金及現金等價物)的信貸風險來自對手方違約，最高風險等於該等工具的賬面金額。

於報告期末，由於本集團的16% (2018年：21%) 及39% (2018年：49%) 貿易應收款項及應收保留金分別為應收本集團的最大及五大債務人，故信貸風險有一定的集中程度。

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52. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)**Credit risk (continued)**

A detail analysis on the Group's credit policy and credit risk arising from trade and retention receivable, contract assets and receivables under service concession arrangements are set out in note 23, note 21 and note 16 respectively.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group monitors its risk to a shortage of funds by considering the maturities of both its financial liabilities and financial assets.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank and other borrowings and convertible bond. The Group aims to maintain sufficient cash and cash equivalents to meet its liquidity requirements.

52. 財務風險管理目標及政策 (續)**信貸風險 (續)**

有關本集團信貸政策以及來自貿易應收款項及應收保留金、合約資產及服務特許權安排應收款項的信貸風險的詳細分析分別載於附註23、附註21及附註16。

流動資金風險

流動資金風險是本集團因資金短缺而於履行財務責任時面對困難的風險。本集團的流動資金風險主要來自金融資產及負債償還期限錯配。本集團透過同時考慮金融負債及金融資產的償還期限，監察其資金短缺風險。

本集團的目標是透過使用銀行及其他借貸以及可換股債券，維持資金延續性與靈活性之間的平衡。本集團旨在維持足夠現金及現金等價物以滿足其流動資金需要。

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52. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)**Liquidity risk** (continued)

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

52. 財務風險管理目標及政策 (續)**流動資金風險** (續)

於報告期末，本集團的金融負債基於合約未貼現款項的償還期限分組如下：

		2019			
		No fixed terms of repayment/ on demand/ less than 1 year 無固定還款期／按要求／一年內 HK\$'000 千港元	1 to 5 years 一至五年 HK\$'000 千港元	Beyond 5 years 超過五年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Trade and retention payables	貿易應付款項及應付保留金	222,579	—	—	222,579
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用的金融負債	234,920	—	—	234,920
Due to directors	應付董事款項	4,640	—	—	4,640
Due to a related company	應付一間關聯公司款項	11,539	384,643	—	396,182
Interest-bearing bank and other borrowings	計息銀行及其他借貸	110,337	273,545	22,692	406,574
Bonds	債券	1,658	28,214	—	29,872
		585,673	686,402	22,692	1,294,767

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

52. FINANCIAL RISK MANAGEMENT
OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)

52. 財務風險管理目標及政策
(續)

流動資金風險 (續)

		2018		
		No fixed terms of repayment/on demand/ less than 1 year 無固定 還款期/ 按要求/ 一年內	1 to 5 years 一至五年	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Trade and retention payables	貿易應付款項及 應付保留金	258,512	—	258,512
Financial liabilities included in other payables and accruals	計入其他應付款項及 應計費用的金融負債	92,835	—	92,835
Due to a related company	應付一間關聯公司款項	—	384,301	384,301
Convertible bonds	可換股債券	2,542	57,679	60,221
Interest-bearing bank and other borrowings	計息銀行及其他借貸	84,598	229,563	314,161
Derivative financial instruments	衍生金融工具	—	14,983	14,983
		438,487	686,526	1,125,013

Note:

Notwithstanding the above clause, the directors did not believe that the loans would be called in their entirety within 12 months from the end of the reporting period, and they considered that the loans would be repaid in accordance with the maturity dates as set out in the loan agreements. This evaluation was made considering: the financial position of the Group at the date of approval of the financial statements; the lack of events of default; and the fact that the Group had made all previously scheduled repayments on time.

附註:

雖有上述條文，惟董事認為該等貸款不會於報告期末後12個月內被全數催繳，且認為該等貸款將按照貸款協議所載償還日期償還。有關評估已考慮：本集團於本財務報表的批准日期的財務狀況、不存在違約事件及本集團過去準時支付所有到期還款。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

52. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)**Liquidity risk (continued)**

Note: (continued)

In accordance with the terms of the loans which contained a repayment on demand clause, the maturity profile of those loans as at the end of the reporting period, based on the contractual undiscounted payments and ignoring the effect of any repayment on demand clause, was as follows:

		Within 1 year or on demand 一年內或按要求	1 to 5 years 一至五年	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
As at 31 March 2019	於2019年3月31日	16,768	313	17,081
As at 31 March 2018	於2018年3月31日	16,737	—	16,737

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to continue to provide returns for shareholders and benefits for other stakeholders.

The Group actively and regularly reviews and manages its capital structure and strives to maintain a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2019 and 31 March 2018.

Capital of the Group comprises all components of shareholders' equity.

52. 財務風險管理目標及政策 (續)**流動資金風險 (續)**

附註：(續)

於報告期末，按照載有按要求償還條文的貸款條款，該等貸款基於合約未貼現款項的償還期限分組(不考慮按要求償還條文的影響)如下：

		Within 1 year or on demand 一年內或按要求	1 to 5 years 一至五年	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
As at 31 March 2019	於2019年3月31日	16,768	313	17,081
As at 31 March 2018	於2018年3月31日	16,737	—	16,737

資本管理

本集團資本管理的主要目標是保障本集團持續經營的能力，並維持穩健的資本比率，以繼續為股東提供回報及為其他權益人帶來利益。

本集團積極定期檢討及管理其資本結構，致力維持穩健的資本狀況，並因應經濟狀況的轉變及相關資產的風險特徵調整資本結構。本集團或會藉着向股東發還資本或發行新股以保持或調整資本結構。於截至2019年3月31日及2018年3月31日止年度，本集團管理資本的目標、政策或程序概無轉變。

本集團的資本包括股東權益的所有部分。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

53. STATEMENT OF FINANCIAL POSITION OF THE COMPANY 53. 本公司的財務狀況表

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

本公司於報告期末的財務狀況表資料如下：

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產		
Investments in subsidiaries	於附屬公司的投資	390	390
Total non-current assets	非流動資產總值	390	390
CURRENT ASSETS	流動資產		
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	269	1,722
Due from subsidiaries	應收附屬公司款項	797,906	581,358
Due from directors	應收董事款項	—	3,133
Cash and cash equivalents	現金及現金等價物	331	384
Total current assets	流動資產總值	798,506	586,597
CURRENT LIABILITIES	流動負債		
Other payables and accruals	其他應付款項及應計費用	81,328	4,521
Due to subsidiaries	應付附屬公司款項	185,942	170,744
Total current liabilities	流動負債總額	267,270	175,265
NET CURRENT ASSETS	流動資產淨值	531,236	411,332
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債	531,626	411,722
NON-CURRENT LIABILITIES	非流動負債		
Convertible bond	可換股債券	—	23,329
Derivative financial instrument	衍生金融工具	—	14,983
Bonds	債券	25,500	—
Total non-current liabilities	非流動負債總額	25,500	38,312
Net assets	資產淨值	506,126	373,410
EQUITY	權益		
Share capital	股本	57,290	53,026
Reserves (note)	儲備(附註)	448,836	320,384
Total equity	權益總額	506,126	373,410

NOTES TO FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

53. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

Note: (continued)

A summary of the Company's reserves is as follows:

53. 本公司的財務狀況表 (續)

附註：(續)

本公司儲備概要如下：

		Share premium account 股份溢價賬 HK\$'000 千港元	Share option reserve 購股權儲備 HK\$'000 千港元 (note 38) (附註38)	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2017	於2017年4月1日	265,736	18,940	(43,621)	241,055
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	—	—	(9,730)	(9,730)
Issue of shares	發行股份	36,692	—	—	36,692
Issue of shares as upon exercise of share options	於購股權獲行使時發行股份	62,365	(9,998)	—	52,367
At 31 March 2018 and 1 April 2018	於2018年3月31日及2018年4月1日	364,793	8,942	(53,351)	320,384
At 1 April 2018: As previously reported	於2018年4月1日： 如前呈報	364,793	8,942	(53,351)	320,384
Loss and total comprehensive income for the year	年內虧損及全面收益總額	—	—	(42,105)	(42,105)
Issue of shares	發行股份	159,700	—	—	159,700
Exercise of share options	行使購股權	1,477	(237)	—	1,240
Issue of share options	發行購股權	—	9,617	—	9,617
At 31 March 2019	於2019年3月31日	525,970	18,322	(95,456)	448,836

54. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 24 June 2019.

54. 批准財務報表

財務報表於2019年6月24日獲董事會批准及授權刊發。

FIVE YEARS FINANCIAL SUMMARY

五年財務概要

		Year ended 31 March 2019 截至2019年 3月31日止 年度 HK\$'000 千港元	Year ended 31 March 2018 截至2018年 3月31日止 年度 HK\$'000 千港元	Year ended 31 March 2017 截至2017年 3月31日止 年度 HK\$'000 千港元	Year ended 31 March 2016 截至2016年 3月31日止 年度 HK\$'000 千港元	Year ended 31 March 2015 截至2015年 3月31日止 年度 HK\$'000 千港元
RESULTS	業績					
Revenue	收入	1,021,729	928,457	1,239,809	1,411,799	780,854
(Loss)/profit before income tax	除所得稅前(虧損)/ 溢利	(115,173)	(268,336)	93,178	61,878	68,654
Income tax credit/(expenses)	所得稅抵免/(開支)	15,875	22,959	(36,252)	(12,163)	(15,302)
Profit/(loss) for the year	年內溢利/(虧損)	(99,298)	(245,377)	56,926	49,715	53,352
(Loss)/Profit for the year attributable to:	年內(虧損)/溢利 歸屬於:					
— Owners of the Company	— 本公司擁有人	(92,663)	(224,790)	47,610	49,715	53,352
— Non-controlling interests	— 非控股權益	(6,635)	(20,587)	9,316	—	—
		(99,298)	(245,377)	56,926	49,715	53,352
ASSETS AND LIABILITIES	資產及負債					
Total assets	資產總值	1,817,028	1,638,876	1,438,281	863,597	419,878
Total liabilities	負債總額	(1,334,619)	(1,156,805)	(936,768)	(652,305)	(264,053)
Net assets	資產淨值	482,409	482,071	501,513	211,292	155,825
Equity attributable to:	權益歸屬於:					
— Owners of the Company	— 本公司擁有人	418,399	405,837	483,796	211,292	155,825
— Non-controlling interests	— 非控股權益	64,010	76,234	17,717	—	—
		482,409	482,071	501,513	211,292	155,825



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