



Deson Development International Holdings Limited

迪臣發展國際集團有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

(Stock Code 股份代號：262)

ANNUAL REPORT 2020 年報

Investment Projects 投資項目

Property Investment 物業投資

Holiday Inn Express Kaifeng City Center 開封迪臣智選假日酒店

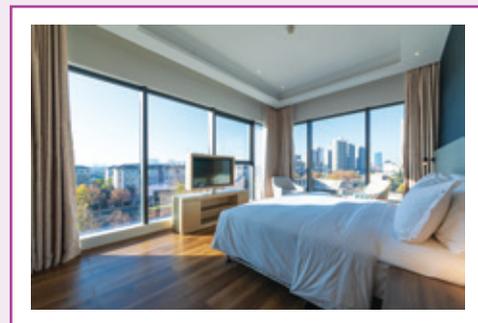
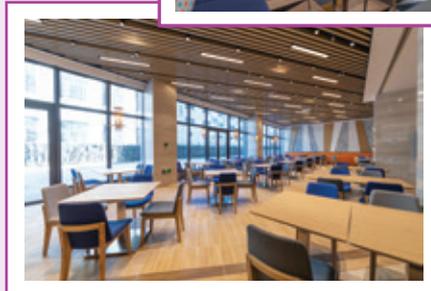
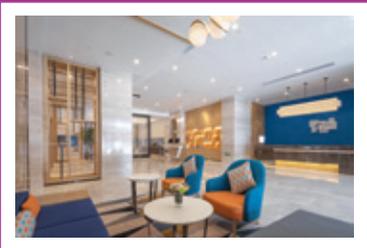


A wholly-owned hotel development project with 243 guest rooms, located in the city center of Kaifeng.
位於開封市中心，有243 間客房之全資酒店發展項目。

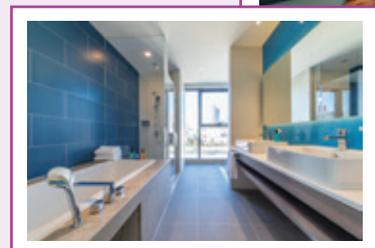


Hotel Exterior
酒店外觀

Public Areas
公共地方



Rooms
客房



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BOARD OF DIRECTORS

Executive Directors

Mr. Lu Quanzhang (*Chairman*)
Mr. Tjia Boen Sien
(*Managing Director and Deputy Chairman*)
Mr. Wang Jing Ning
Mr. Tjia Wai Yip, William

Independent Non-executive Directors

Dr. Ho Chung Tai, Raymond
Ir Siu Man Po
Mr. Siu Kam Chau

BOARD COMMITTEES

Audit committee

Mr. Siu Kam Chau (*Chairman*)
Dr. Ho Chung Tai, Raymond
Ir Siu Man Po

Remuneration Committee

Mr. Siu Kam Chau (*Chairman*)
Mr. Tjia Boen Sien
Mr. Wang Jing Ning
Dr. Ho Chung Tai, Raymond
Ir Siu Man Po

Nomination Committee

Ir Siu Man Po (*Chairman*)
Mr. Tjia Boen Sien
Mr. Wang Jing Ning
Dr. Ho Chung Tai, Raymond
Mr. Siu Kam Chau

FINANCIAL CONTROLLER AND COMPANY SECRETARY

Mr. Lam Wing Wai, Angus, *HKICPA*

PRINCIPAL BANKERS

United Overseas Bank Limited
Nanyang Commercial Bank Limited

LEGAL ADVISER

Howse Williams

AUDITOR

Ernst & Young

董事會

執行董事

盧全章先生 (*主席*)
謝文盛先生
(*董事總經理兼副主席*)
王京寧先生
謝維業先生

獨立非執行董事

何鍾泰博士
蕭文波工程師
蕭錦秋先生

董事委員會

審核委員會

蕭錦秋先生 (*主席*)
何鍾泰博士
蕭文波工程師

薪酬委員會

蕭錦秋先生 (*主席*)
謝文盛先生
王京寧先生
何鍾泰博士
蕭文波工程師

提名委員會

蕭文波工程師 (*主席*)
謝文盛先生
王京寧先生
何鍾泰博士
蕭錦秋先生

財務總監及公司秘書

林榮偉先生 (*香港會計師公會*)

主要往來銀行

大華銀行有限公司
南洋商業銀行有限公司

法律顧問

何韋律師行

核數師

安永會計師事務所

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Ocorian Management (Bermuda) Limited
Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM10
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Tengis Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

REGISTERED OFFICE

Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM10
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

11th Floor, Nanyang Plaza
57 Hung To Road
Kwun Tong
Kowloon
Hong Kong

SHARE LISTING

The Stock Exchange of Hong Kong Limited
Stock Code: 262

WEBSITE OF THE COMPANY

www.deson.com

股份過戶及登記總處

Ocorian Management (Bermuda) Limited
Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM10
Bermuda

香港股份過戶及登記分處

卓佳登捷時有限公司
香港
皇后大道東一八三號
合和中心五十四樓

註冊辦事處

Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM10
Bermuda

總辦事處及主要營業地點

香港
九龍
觀塘
鴻圖道五十七號
南洋廣場十一樓

股份上市

香港聯合交易所有限公司
股份代號：262

公司網站

www.deson.com

Chairman's Statement

主席報告書

Dear Shareholders,

On behalf of the board of directors (the “**Board**”) of Deson Development International Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**” or “**We**”), I have the pleasure to present to you the annual report (the “**Annual Report**”) for the year ended 31 March 2020 (“**Reporting Period**”).

BUSINESS REVIEW

During the Reporting Period, the Group recorded a total turnover of approximately HK\$351.6 million (2019: approximately HK\$259.4 million). The net loss attributable to owners of the Company was approximately HK\$35.3 million (2019: net profit attributable to owners of the Company of approximately HK\$27.5 million), representing a decrease of approximately HK\$62.8 million or 228%. Loss per share for the Reporting Period was HK3.61 cents.

The decrease was mainly due to the adverse impact of the recent outbreak of 2019 coronavirus disease (the “**COVID-19 Outbreak**”) to the Group’s properties revaluation as at 31 March 2020, which resulted in an aggregate fair value loss on the Group’s investment properties in the People’s Republic of China (the “**PRC**”) amounting to HK\$22,758,000.

The consolidated net assets value of the Group as at 31 March 2020 was approximately HK\$1,516 million (2019: approximately HK\$1,647 million). The consolidated net assets value per share as at 31 March 2020 was HK\$1.55 per share based on 977,880,400 shares in issue, as compared to HK\$1.68 per share based on 977,880,400 shares in issue as at 31 March 2019.

In 2019, the global economy has entered into a synchronised slowdown with increasing uncertainties. In face of increasing domestic and foreign risks and challenges, China has maintained stable progress in economic development, with the gross domestic product in 2019 amounting to nearly RMB100 trillion, an increase of 6.1% as compared with 2018, representing one of the top growth rates among the world’s main economies, and continued to push the world economic growth as an important engine. During 2019, the overall growth rate of China’s real estate industry slowed down. The central government clearly defined the goal of “Stabilising land prices, housing prices and related expectations”, continued to adhere to the positioning of “housing is for living, not for speculation” and implemented long-term control mechanism of “one city, one policy”. Therefore, the real estate market has generally maintained smooth operation.

各位股東：

本人謹代表迪臣發展國際集團有限公司(「本公司」，連同其附屬公司，「本集團」或「我們」)董事會(「董事會」)，欣然向閣下呈報截至二零二零年三月三十一日止年度(「報告期間」)之年報(「年報」)。

業務回顧

於報告期間，本集團錄得總營業額約351,600,000港元(二零一九年：約259,400,000港元)。本公司擁有人應佔淨虧損約為35,300,000港元(二零一九年：本公司擁有人應佔純利約27,500,000港元)，減少約62,800,000港元或228%。報告期間每股虧損為3.61港仙。

減少乃主要由於近期爆發的二零一九年冠狀病毒病(「COVID-19爆發」)，對本集團於二零二零年三月三十一日的物業重估造成不利影響，使本集團於中華人民共和國(「中國」)的投資物業錄得公平值虧損合共22,758,000港元。

於二零二零年三月三十一日，本集團的綜合資產淨值約為1,516,000,000港元(二零一九年：約1,647,000,000港元)。於二零二零年三月三十一日，按已發行股份977,880,400股計算，每股綜合資產淨值為1.55港元，而按於二零一九年三月三十一日已發行股份977,880,400股計算，每股綜合資產淨值為1.68港元。

二零一九年，全球經濟同步放緩，不明朗因素加劇。因應國內外風險及挑戰日增，中國維持穩定的經濟發展步伐，二零一九年國內生產總值近人民幣100萬億元，較二零一八年增長6.1%，為增長率最高的全球主要經濟體之一，同時繼續成為全球經濟增長的重要動力來源。二零一九年，中國房地產業整體增長率有所放緩。中央政府已明確界定「穩地價、穩房價、穩預期」的目標，堅持「房子是用來住的，不是用來炒的」定位，並落實「一城市一政策」的長期監控機制。因此，房地產市場運作大致保持順暢。

The Group's financial performance primarily arose from the sales of properties, rental income from investment properties, sales of medical equipment and sales of home security and automation products.

For the property development and investment segment, the Group maintained a prudent land acquisition policy, focused on quality and profitability of projects. No new land was acquired during the Reporting Period, and the Group focused on the development of projects in Kaifeng.

For others segment, there was a significant increase in the trading of medical equipment and home security and automation products business. The increase was primarily due to growth in sales volume of medical devices as a result of proactively expanding our distribution network to the hospitals and medical device manufacture customers. Besides, the COVID-19 Outbreak has impacted the health and wellness of many people in different parts of the world. It also caused the increase of sales in this segment.

DIVIDENDS

A special dividend of HK0.5 cent per ordinary share was declared on 11 June 2019.

The Board does not recommend the payment of a final dividend (2019: HK0.5 cent per ordinary share) in respect of the Reporting Period.

OUTLOOK

Following the COVID-19 Outbreak, China has implemented and will continue to implement various prevention and monitoring measures across the nation. The Group will continue to monitor the developments of the COVID-19 Outbreak closely, assess and react actively to its impacts on the financial position and operating results of the Group.

2019 went down in history as an exceptionally difficult year for Hong Kong and Mainland China due to both external and internal factors. The COVID-19 Outbreak in 2020 has triggered a new crisis that has not only dealt a blow to Mainland China but is still unfolding around the world.

本集團財務表現主要來自出售物業、投資物業的租金收入、銷售醫療設備及銷售家居保安及自動化產品。

物業發展及投資業務分類方面，本集團秉持審慎的土地收購政策，將目光集中於優質及具盈利能力的項目。於報告期間概無收購新土地，同時，本集團集中發展開封的項目。

其他分類方面，買賣醫療設備及家居保安及自動化產品業務錄得大幅增長，主因在於我們積極向醫院及醫療設備製造商擴展我們的分銷網絡，使醫療設備銷量錄得增長。此外，COVID-19爆發亦令全球不同地方不少人們的健康與福祉受到影響，同時讓本分類之銷售額上升。

股息

每股普通股0.5港仙之特別股息已於二零一九年六月十一日宣派。

董事會不建議就報告期間派付末期股息(二零一九年：每股普通股0.5港仙)。

展望

繼COVID-19爆發，中國已於全國執行多項預防及監察措施，有關舉措亦將繼續執行。本集團將繼續密切監察COVID-19爆發的事態發展，並就其對本集團財務狀況及營運業績的影響作出評估及主動回應。

對香港及中國而言，內外因素使二零一九年成為極為艱難的一年。二零二零年的COVID-19爆發則引發了新一場危機，不但席捲中國內地，同時仍在世界各地蔓延。

Looking forward to 2020, it is expected that the Group's full-year results of operations might be affected to a certain extent in light of the fact that the COVID-19 Outbreak has not been completely contained in the PRC and overseas countries at this stage. However, with confidence in measures taken by the PRC government to fight against the COVID-19 Outbreak, the Group intends to minimise various adverse impacts by continuously diversifying product pipeline and exploring opportunities for strategic acquisition and cooperation, so as to increase our market share of medical equipment trading.

The Group has been proactive in searching for business opportunities in the property market both in and outside Hong Kong to further sustain the development of the Group and achieve stronger positive returns for the shareholders of the Company in the long run amid the current challenging market conditions. The Group remains positive about the long-term economic prospect of China and will consider expanding its property businesses by tapping into China's property market which is expected to be resilient with sustainable demand in the long run.

APPRECIATION

On behalf of the directors of the Company (“**Directors**”), I would like to express my heartfelt thanks for the long term support and trust of the Company's shareholders, business partners and customers. I would also like to thank my colleagues for their dedication, hard work and continuous commitment over the past few years in aiding the Group to achieve outstanding performance. The Group will carry on dedicating its efforts towards the Group's long-term development and hence deliver sustainable returns to the Company's shareholders.

Tjia Boen Sien

Managing Director and Deputy Chairman

Hong Kong
26 June 2020

展望二零二零年，由於目前COVID-19爆發仍未能在中國及海外國家完全受控，預期本集團的全年營運業績會在一定程度上受到影響。然而，本集團相信中國政府抵抗COVID-19爆發的措施，並擬透過持續拓展產品渠道及探求策略性收購及合作的機會，將各種不利影響減到最小，從而擴大我們於醫療設備買賣方面的市場佔有率。

本集團一直積極搜尋香港境內外物業市場的業務機會，以讓本集團在可持續發展上更進一步，並於當前挑戰重重的市況中，長遠而言讓本公司股東的正面回報更為優越。本集團仍對中國長期經濟前景保持正面態度，預期中國房地產市場將保持穩健，長遠增長可望持續，故本集團將考慮投身該市場，擴大房地產業務。

致謝

本人謹代表本公司董事（「**董事**」），對本公司的股東、業務夥伴及客戶之長期支持及信任致以衷心謝意，並感激各員工在過去數年之奉獻、努力不懈及持續貢獻，協助本集團取得驕人業績。本集團將專心致力，為本集團長遠發展效力，並為本公司股東帶來可持續回報。

董事總經理兼副主席

謝文盛

香港
二零二零年六月二十六日

BUSINESS REVIEW

The Group's major business segments during the year ended 31 March 2020 comprise (i) property development and investment; and (ii) trading of medical equipment and home security and automation products, including the provision of related installation and maintenance services.

The Group's turnover for the year ended 31 March 2020 recorded at approximately HK\$351,614,000 (2019: HK\$259,417,000), representing an increase of 36% compared to last year.

Property development and investment business

The Group's turnover for the year ended 31 March 2020 generated from this segment recorded at approximately HK\$302,170,000 (2019: HK\$217,365,000), representing an increase of 39% as compared with last year. The turnover generated from this segment arise from the sales of properties in the PRC and rental income earned from investment properties located in the PRC.

(i) Sales of properties

Turnover increased from approximately HK\$195,605,000 for the year ended 31 March 2019 to approximately HK\$282,301,000 for the year ended 31 March 2020, representing a significant increase of 44%. Sales recognised last year were mainly generated from the sales of residential blocks and shops at the street at World Expo Plaza ("World Expo"), Kaifeng, the PRC. During the year, the sales was mainly contributed by (i) the sales of the entire Zhu Ji Lane ("珠璣巷") project in Kaifeng (total saleable area of approximately 13,000 square metres ("sq.m.)) to a single customer at a consideration of RMB160 million (equivalent to approximately HK\$176 million); and (ii) the sales of the remaining residential blocks at World Expo.

(ii) Rental income from investment properties

Turnover decreased from approximately HK\$21,760,000 for the year ended 31 March 2019 to approximately HK\$19,869,000 for the year ended 31 March 2020, representing a decrease of 9%. The decrease was because of (i) one-month rental concession provided to the shopping mall tenants in Kaifeng, the PRC due to the COVID-19 Outbreak; and (ii) there was no rental income earned from Zhu Ji Lane properties after the sales of these properties during the year.

業務回顧

本集團於截至二零二零年三月三十一日止年度的主要業務分類包括(i)物業發展及投資；及(ii)買賣醫療設備及家居保安及自動化產品，包括提供相關安裝和維修服務。

本集團於截至二零二零年三月三十一日止年度錄得營業額約351,614,000港元(二零一九年：259,417,000港元)，較去年增加36%。

物業發展及投資業務

截至二零二零年三月三十一日止年度，本集團自該分類錄得營業額約302,170,000港元(二零一九年：217,365,000港元)，較去年增加39%。該分類營業額來自於出售位於中國的物業及自位於中國的投資物業賺取的租金收入。

(i) 出售物業

營業額由截至二零一九年三月三十一日止年度約195,605,000港元增至截至二零二零年三月三十一日止年度約282,301,000港元，大幅增加44%。去年確認的銷售主要來自出售中國開封世博廣場(「世博廣場」)的住宅樓宇及臨街商舖。於本年度，銷售主要來自(i)以代價人民幣160,000,000元(相等於約176,000,000港元)銷售整個位於開封的珠璣巷(「珠璣巷」)項目予單一客戶(總實用面積約為13,000平方米(「平方米」))；及(ii)銷售世博廣場餘下住宅樓宇。

(ii) 投資物業租金收入

營業額由截至二零一九年三月三十一日止年度約21,760,000港元減少至截至二零二零年三月三十一日止年度約19,869,000港元，減少9%。減幅乃由於(i)由於COVID-19爆發而向中國開封商場租戶提供一個月租金寬免；及(ii)於年內出售珠璣巷物業後，再無自此等物業賺取租金收入。

Segment operating profit generated from this segment during the Reporting Period amounted to approximately HK\$5,069,000 (2019: HK\$104,084,000). The average gross profit for the sales of the Group's properties in Kaifeng, the PRC during the Reporting Period was approximately 17% while the average gross profit for the sales of the Group's properties in Kaifeng during the same period last year was approximately 27%. The decrease in gross profit margin was due to the drop of average selling price in the PRC property market. On the other hand, the revaluation loss of HK\$22,758,000 on investment properties (2019: gain of HK\$66,456,000) due to the adverse impact caused by the COVID-19 Outbreak also led to the drop in segment operating profit. Due to the above reasons, a significant drop in the segment operating profit of this segment was noted even though there was an increase in turnover.

Trading of medical equipment and home security and automation products, including the provision of the related installation and maintenance services, business

The Group's turnover for the year ended 31 March 2020 generated from this segment recorded at approximately HK\$49,444,000 (2019: HK\$42,052,000), representing a significant increase of 18% as compared with last year. The significant increase was mainly due to the increase in sales of medical equipment for the Tseung Kwan O Hospital project. Besides, due to the COVID-19 Outbreak, there were more sales of pandemic prevention products including surgical masks and air cleaner machines.

Segment operating profit generated from this segment during the Reporting Period amounted to approximately HK\$723,000 (2019: HK\$8,289,000). The decrease was due to more sales of pandemic prevention products during the Reporting Period which have a lower gross profit margin than other products.

The net loss attributable to owners of the Company for the year ended 31 March 2020 amounted to approximately HK\$35,296,000 as compared with the net profit attributable to owners of the Company for the year ended 31 March 2019 of approximately HK\$27,486,000. The decrease was due to (i) the adverse impact from the COVID-19 Outbreak to the Group's properties revaluation as at 31 March 2020, which resulted in an aggregate fair value loss on the Group's investment properties in the PRC amounted to HK\$22,758,000 (2019: fair value gain of HK\$66,456,000); and (ii) the decrease in gross profit by 16% generated from the sales of properties during the year.

報告期間本分類產生的分類經營溢利達約5,069,000港元(二零一九年:104,084,000港元)。於報告期間銷售本集團位於中國開封的物業的平均毛利約為17%，而去年同期銷售本集團位於開封的物業的平均毛利則約為27%。毛利率減少乃由於中國物業市場的平均售價下跌所致。另一方面，由於COVID-19爆發帶來的不利影響，引致投資物業錄得22,758,000港元的重估虧損(二零一九年:收益66,456,000港元)，並令分類經營溢利下跌。在上述原因影響下，儘管營業額增加，此分類的分類經營溢利錄得大幅下跌。

買賣醫療設備及家居保安及自動化產品業務，包括提供相關安裝及維修服務

於截至二零二零年三月三十一日止年度，本集團自該分類錄得營業額約49,444,000港元(二零一九年:42,052,000港元)，較去年大幅增加18%。大幅增加乃主要由於將軍澳醫院項目的醫療設備銷售增加。此外，COVID-19爆發亦令防疫產品包括外科口罩及空氣清新機的銷售增加。

於報告期間該分類產生的分類經營溢利約為723,000港元(二零一九年:8,289,000港元)。跌幅乃由於報告期間防疫產品的銷售量增加，而這些產品的毛利率低於其他產品。

於截至二零二零年三月三十一日止年度，本公司擁有人應佔淨虧損約為35,296,000港元，而於截至二零一九年三月三十一日止年度本公司擁有人應佔純利約為27,486,000港元。減少乃由於(i) COVID-19爆發，對本集團於二零二零年三月三十一日的物業重估造成不利影響，使本集團中國投資物業錄得公平值虧損合共22,758,000港元(二零一九年:公平值收益66,456,000港元)；及(ii)年內自出售物業產生的毛利減少16%。

Loss per share for the year ended 31 March 2020 was approximately HK3.61 cents.

FINANCIAL REVIEW

Turnover

For the year ended 31 March 2020, the Group's turnover amounted to approximately HK\$352 million, increased by 36% as compared with last year. Such increase was mainly contributed by the sales of the entire Zhu Ji Lane project (total saleable area of approximately 13,000 sq.m.) to a single customer during the year and the increase in sales of pandemic prevention products.

Turnover generated from property development and investment business and trading of medical equipment and home security and automation products amounted to approximately HK\$302.2 million and HK\$49.4 million respectively, representing an increase of 39% and 18% respectively, as compared with the last reporting period.

Gross profit margin

During the year ended 31 March 2020, the Group's gross profit margin was approximately 23.8%, decreased by 11.4 percentage points as compared with last year's 35.2%. This was mainly driven by the fact that the average gross profit for the sales of the Group's properties in Kaifeng, the PRC during the Reporting Period was about 17% while the average gross profit for the sales of the Group's properties in Kaifeng during the same period last year was about 27%. The decrease in gross profit margin was due to the drop of average selling price in the PRC property market.

Other operating expenses, net

The amount decreased from approximately HK\$54.5 million for the year ended 31 March 2019 to approximately HK\$20.7 million for the year ended 31 March 2020. Prior year's amount mainly represented (i) the fair value loss on equity investments at fair value through profit or loss of HK\$36.0 million; and (ii) the impairment loss of the Group's investment in Deson Construction International Holdings Limited ("DCIHL") amounted to HK\$27.2 million. This year's amount mainly represented the aggregate fair value loss on the equity investments at fair value through profit or loss amounted to HK\$14.8 million.

截至二零二零年三月三十一日止年度每股虧損約為3.61港仙。

財務回顧

營業額

於截至二零二零年三月三十一日止年度，本集團營業額約為352,000,000港元，較去年增加36%。該增加主要由於年內銷售整個珠璣巷項目（總實用面積約為13,000平方米）予單一客戶，以及防疫產品銷售增加所致。

物業發展及投資業務、買賣醫療設備及家居保安及自動化產品帶來之營業額分別約為302,200,000港元及49,400,000港元，分別較上一報告期間增加39%及18%。

毛利率

於截至二零二零年三月三十一日止年度，本集團毛利率約為23.8%，較去年的35.2%下降11.4個百分點，主因為於報告期間本集團於中國開封的物業銷售的平均毛利約為17%，而去年同期銷售本集團位於開封的物業的平均毛利則約為27%。毛利率減少乃由於中國物業市場的平均售價下跌所致。

其他經營開支，淨額

有關金額由截至二零一九年三月三十一日止年度約54,500,000港元減至截至二零二零年三月三十一日止年度約20,700,000港元。上個年度的金額主要指(i)按公平值計入損益的股權投資公平值虧損36,000,000港元；及(ii)本集團於迪臣建設國際集團有限公司（「迪臣建設國際」）投資減值虧損27,200,000港元。本年度的金額主要指按公平值計入損益之股權投資公平值虧損金額合共14,800,000港元。

Share of profits and losses of associates

For the year ended 31 March 2020, the Group's share of losses of associates amounted to approximately HK\$1.8 million, decreased by 60% as compared with the share of losses of associates amounted to approximately HK\$4.5 million during the last reporting period. It is because of the disposal of its loss-making associate, DCIHL, in June 2019. No further loss of DCIHL was shared by the Group after the disposal of the Group's equity interest in DCIHL.

Liquidity and financial resources

As at 31 March 2020, the Group had total assets of approximately HK\$2,227,228,000, which were financed by total liabilities, shareholders' equity and non-controlling interests of approximately HK\$711,552,000, approximately HK\$1,520,705,000 and approximately HK\$5,029,000 (debit balance), respectively. The Group's current ratio as at 31 March 2020 was 2.61 as compared with 2.12 as at 31 March 2019.

As at 31 March 2020, the gearing ratio of the Group was 21% (2019: 19%). It was calculated based on the non-current liabilities of approximately HK\$412,714,000 (2019: HK\$384,180,000) and long-term capital (equity and non-current liabilities) of approximately HK\$1,928,390,000 (2019: HK\$2,031,521,000).

Capital expenditure

Total capital expenditure for the year ended 31 March 2020 was approximately HK\$1,356,000, which was mainly used in the purchase of equipment for a new hotel in Kaifeng, the PRC.

Contingent liabilities

As at 31 March 2020, the Group had no significant contingent liabilities.

Commitments

As at 31 March 2020, the Group had capital commitments contracted, but not provided for, of approximately HK\$13,111,000.

Charges on group assets

Details of the charge of assets of the Group are set out in note 26 to the financial statements.

應佔聯營公司溢利及虧損

截至二零二零年三月三十一日止年度，本集團應佔聯營公司虧損約為1,800,000港元，較上一報告期間應佔聯營公司虧損約4,500,000港元減少60%。此乃由於二零一九年六月出售其錄得虧損的聯營公司迪臣建設國際所致。於出售本集團於迪臣建設國際股權後，本集團再無進一步分佔迪臣建設國際的虧損。

流動資金及財務資源

於二零二零年三月三十一日，本集團總資產約為2,227,228,000港元，資金來源分別約為711,552,000港元、約1,520,705,000港元及約5,029,000港元之總負債、股東權益及非控股權益（虧拙結餘）。於二零二零年三月三十一日，本集團之流動比率為2.61，而於二零一九年三月三十一日為2.12。

於二零二零年三月三十一日，本集團之資產負債比率為21%（二零一九年：19%），乃按非流動負債約412,714,000港元（二零一九年：384,180,000港元）及長期資本（股本及非流動負債）約1,928,390,000港元（二零一九年：2,031,521,000港元）計算。

資本開支

截至二零二零年三月三十一日止年度之資本開支總額約為1,356,000港元，主要用於為中國開封一間新酒店購買設備。

或然負債

於二零二零年三月三十一日，本集團並無重大或然負債。

承擔

於二零二零年三月三十一日，本集團有已訂約但未撥備的資本承擔約13,111,000港元。

集團資產之抵押

本集團資產抵押詳情，載於財務報表附註26。

Treasury policies

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the year ended 31 March 2020. The Group strives to reduce its exposures to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

Exchange risk exposure

The Group is mainly exposed to balances denominated in Renminbi ("RMB"), which mainly arise from certain Group entities' foreign currency-denominated monetary assets and liabilities for the Group's operating activities.

The Group currently does not have a foreign currency hedging policy to eliminate the currency exposures against changes in exchange rates of RMB against HKD. However, management monitors the related foreign currency exposures closely and will consider hedging significant foreign currency exposures should the need arise.

PROSPECTS

Property development and investment

On 9 June 2005, the Group was granted the land use rights of a development site in the Long Ting District of the city of Kaifeng, Henan Province, the PRC, which has been developed into a residential and commercial complex with an estimated gross floor area of approximately 221,000 sq.m.. The name of this project is "Century Place, Kaifeng". Up to the date of this Annual Report, the construction of a gross floor area of approximately 190,000 sq.m. has been completed and achieved a total sales contract sum of approximately RMB761 million. The remaining part of the land (Section G) is under construction, and it is expected that the construction will be completed by the last quarter of 2020 and the pre-sale will start in the first quarter of 2021.

庫務政策

本集團已對其庫務政策採取審慎的財務管理方針，故在截至二零二零年三月三十一日止年度全年內維持健康的流動資金狀況。本集團致力透過進行持續的信貸評估及評估其客戶的財務狀況以降低信貸風險。為管理流動資金風險，董事會緊密監察本集團的流動資金狀況以確保本集團的資產、負債及其他承擔的流動資金結構可應付其不時的資金需求。

外匯風險

本集團主要面臨人民幣（「人民幣」）計值之結餘風險。出現結餘風險，主要因為本集團的經營活動所用若干集團實體以外幣計值的貨幣資產與負債。

本集團現時並無就撇除人民幣兌港元匯率變動導致的貨幣風險設定外幣對沖政策。然而，管理層會密切監察相關的外幣風險，需要時將考慮對沖重大的外幣風險。

前景

物業發展及投資

於二零零五年六月九日，本集團獲授中國河南省開封市龍亭區一幅發展地塊之土地使用權。該地塊已開發為一個建築面積估計約為221,000平方米之住宅及商業綜合項目。該項目名稱為「開封世紀豪苑」。直至本年報日期，約190,000平方米建築面積已竣工，所獲銷售合約總額已達約人民幣761,000,000元。餘下土地（G區）正在興建，預期將於二零二零年最後一季完成興建及將於二零二一年第一季度開始預售。

Management Discussion and Analysis

管理層討論及分析

The unsold area at the Century Place, Kaifeng consists of the following: 開封世紀豪苑尚未出售面積包括以下各項：

	CURRENT USE 當前用途	GROSS FLOOR AREA 建築面積 (approximately sq.m.) (概約平方米)
Section A A區	Investment properties — Shops (leased out) 投資物業 — 商舖(已出租)	53,600
Section B B區	Properties held for sale — Apartments 待售物業 — 公寓	200
	Car park 停車場	81
Section C C區	Properties held for sale — Villas 待售物業 — 別墅	6,000
Section D D區	Properties held for sale — Offices 待售物業 — 辦公室	1,200
	Car park 停車場	10
Section E E區	Properties held for sale — Shops 待售物業 — 商舖	1,200
Section F F區	Properties held for sale — Shops 待售物業 — 商舖	11,100
	Car park 停車場	89
Section G G區	Properties held for sale under development — Apartments and shops 發展中待售物業 — 公寓及商舖	31,000

The Group plans to sell Section C together with Section G. It is because these two sections are adjacent to each other and we believe the synergy effect can bring a higher return to the Group. Up to the date of this Annual Report, the discussions regarding any potential sale remained preliminary and no formal proposal has been put forward by any third party to the Group and no legally binding agreement or contract relating to any business cooperation has been entered into by the Group. The outcome of any discussion on such business cooperation is not known and in the event that any agreement or contract regarding the possible business cooperation with the aforementioned third party is reached, the Group will comply with the relevant requirements of the Rules Governing the Listing of Securities on the Stock Exchange.

本集團計劃將C區連同G區一併出售。此乃由於該兩個區域彼此相鄰，本集團相信協同效應將為本集團帶來更高回報。直至本年報日期，任何有關潛在出售事宜的討論仍處於初步階段，尚未有任何第三方向本集團提呈正式建議，而本集團並無就任何業務合作訂立具法律約束力的協議或合約。就該等業務合作進行之任何討論，其結果難以預料，倘與上述第三方就可能的業務合作達成任何協議或訂立任何合約，本集團將遵守聯交所證券上市規則的相關規定。

On 16 February 2012, the Group successfully won a bid for the acquisition of land use right of a residential and commercial site in the city of Kaifeng, the PRC, which has been developed into a residential and commercial complex with an estimated gross floor area of approximately 95,000 sq.m.. The name of this project is “World Expo, Kaifeng”. Up to the date of this Annual Report, this project has been completed and achieved a total sales contract sum of approximately RMB542 million.

於二零一二年二月十六日，本集團成功中標取得中國開封市一幅商住地塊的土地使用權，並已開發為一個估計建築面積約95,000平方米之住宅及商業綜合項目。該項目名稱為「開封世博廣場」，直至本年報日期，本項目已竣工，所獲銷售合約總額約人民幣542,000,000元。

The unsold area at the World Expo, Kaifeng consists of the following:

開封世博廣場尚未出售面積包括以下各項：

	CURRENT USE 當前用途	GROSS FLOOR AREA 建築面積 (approximately sq.m.) (概約平方米)
Commercial A 商用A	Property, plant and equipment — Hotel 物業、廠房及設備 — 酒店	14,000
Commercial B 商用B	Properties held for sale — Shops 待售物業 — 商舖	2,600
	Property, plant and equipment — Animation centre 物業、廠房及設備 — 動態館	5,000
Residential 1–3 住宅1–3	Properties held for sale — Apartments 待售物業 — 公寓	8,900
	Car park 停車場	159

The construction works of the hotel in Kaifeng, the PRC have been completed during the year.

位於中國開封的酒店，其建築工程已於年內完成。

The animation centre was named “Qing-Ming Riverside Anime Exhibition” and used to show the animation of 清明上河圖 which was shown in 2010 Shanghai Expo. The Board decided to terminate the animation centre business and has been seeking for potential buyer for the animation centre together with the remaining properties at World Expo, Kaifeng, the PRC.

動態館命名為「迪臣世博清明上河動態館」，用於展示清明上河圖的動畫，其已於二零一零年上海世博會上展出。董事會決定終止動態館業務並就動態館以及中國開封世博廣場餘下之物業尋求潛在買家。

In September 2014, the Group was granted another land use right in Kaifeng, the PRC. The name of the project is Zhu Ji Lane. The Group has developed a commercial street project with a total gross floor area of approximately 13,000 sq.m.. It was put in use during the 27th World Hakka Conference which was held in October 2014. As at the date of this Annual Report, the project has been completed. The Group entered into a sale and purchase agreement with an independent third party for the sales of the entire Zhu Ji Lane project for a consideration of RMB160 million (equivalent to HK\$176 million) and the transaction has been completed during the year.

In Mainland China, the pace of economic growth is likely to be slower than previous years due to factors including the US-China trade conflict and the severe impact of the COVID-19 Outbreak. However, it is expected that the China Government will provide necessary fiscal stimulus and formulate accommodative monetary policy to maintain a stable economic growth.

In Hong Kong, the local economy continues to be affected by economic development in Mainland China, the US-China trade conflict, and potential continuation of social and political events. The COVID-19 Outbreak is expected to worsen the economic outlook. Sectors such as retail, catering, tourism, and exports are expected to be impacted the most. Further slide of local economy and downward adjustments in the property market seem inevitable for the rest of 2020.

The Board remains optimistic about the property market in Mainland China. With its good experience in the property market of the PRC, the Group may acquire additional land to enrich the Group's land reserve, specifically in Guangdong — Hong Kong — Macao Greater Bay Area, which is adjacent to Hong Kong. However, the Group has no specific investment plan in relation to any particular project as at the date of this Annual Report.

於二零一四年九月，本集團已獲批中國開封市的另一項土地使用權。該項目名稱為珠璣巷。本集團已開發一個總建築面積約為13,000平方米之商業街項目。二零一四年十月第27屆全球客家懇親大會在上址舉行。於本年報日期，該項目已竣工。就出售整個珠璣巷項目，本集團已與一名獨立第三方訂立買賣協議，代價為人民幣160,000,000元（相等於176,000,000港元），而交易已於年內完成。

在諸如美中貿易糾紛加上COVID-19爆發所帶來的嚴重影響等因素影響下，中國內地經濟增長步伐可能較往年放緩。然而，預期中國政府將提供必須的財政刺激措施，並制訂寬鬆的貨幣政策讓經濟維持穩定增長。

香港方面，本地經濟持續受中國內地經濟發展、美中貿易糾紛以及社會和政治事件的潛在持續所影響。COVID-19爆發預期令經濟前景更為黯淡。零售、餐飲、旅遊以及出口業所受到的影響預期為最大。二零二零年餘下時間將無可避免出現本地經濟進一步下滑以及物業市場向下調整的情況。

董事會對中國內地物業市場仍保持樂觀。本集團憑藉於中國物業市場的豐富經驗，可能購置其他土地以增加本集團土地儲備，尤其是於毗鄰香港的粵港澳大灣區。然而，於本年報日期，本集團並無有關任何具體項目的任何特定投資計劃。

Formation of an investment company for the property investment and/or redevelopment in Hong Kong

On 15 October 2018, the Group has entered into a subscription agreement (“**Subscription Agreement**”) with Excel Castle International Limited (“**Excel Castle**”), a company incorporated in the British Virgin Islands (“**BVI**”), pursuant to which the Group has conditionally agreed to subscribe for the subscription shares, representing 6% of the enlarged issued share capital of Excel Castle at a consideration of US\$900,000 (equivalent to approximately HK\$7.0 million) (“**Subscription**”). On the same date, the Group, Excel Castle and Southern Victory Investments Limited (“**SVIL**”), a company incorporated in the BVI, have entered into a shareholders’ agreement (“**Shareholders’ Agreement**”) governing the affairs of Excel Castle and the provision of a shareholder’s loan with an amount up to HK\$62,980,000 by the Group, which has taken effect on the completion date of the Subscription.

Excel Castle is an investment holding company to hold directly a company incorporated in Hong Kong that is engaged in the business of investment holding, property investment and/or redevelopment in Hong Kong and which in turn holds eight other wholly-owned subsidiaries (together with Excel Castle, collectively referred to as the “**Excel Castle Group**”).

Each of SVIL and the Group agreed to make available the maximum contributions to Excel Castle of approximately HK\$987 million and HK\$63 million, respectively in various instalments in such amounts in proportion of their shareholdings on such dates as from time to time to be determined by the board of directors of Excel Castle for the purpose of financing the business of the Excel Castle Group and/or the redevelopment project of the Excel Castle Group.

The Directors (including the independent non-executive Directors) considered that the Subscription Agreement and the Shareholders’ Agreement were on normal commercial terms. Taking into account the expected return to be generated from the proposed property development project through the investment in Excel Castle, the Directors considered that the terms of the Subscription Agreement and the Shareholders’ Agreement were fair and reasonable and in the interests of the Group and the Company’s shareholders as a whole. The transaction was completed on 9 November 2018.

就於香港物業投資及／或重建成立投資公司

於二零一八年十月十五日，本集團已與卓堡國際有限公司（「卓堡」，一間於英屬處女群島（「英屬處女群島」）註冊成立的公司）訂立認購協議（「認購協議」），據此，本集團已有條件同意認購認購股份，代價為900,000美元（相等於約7,000,000港元），佔卓堡經擴大已發行股本的6%（「認購事項」）。同日，本集團、卓堡與南凱投資有限公司（「南凱投資」，一間於英屬處女群島註冊成立的公司）訂立股東協議（「股東協議」），規管卓堡事務及本集團提供最多62,980,000港元之股東貸款，並已於認購事項完成日期生效。

卓堡為一間直接持有一間在香港註冊成立並於香港從事投資控股、物業投資及／或重建業務的公司之投資控股公司，及因而持有八間其他全資附屬公司（連同卓堡，統稱「卓堡集團」）。

南凱投資與本集團各自同意，於卓堡董事會不時予以釐定的有關日期，按其持股比例的有關金額以多個分期向卓堡分別作出最高出資約987,000,000港元及63,000,000港元，以便為卓堡集團業務及／或卓堡集團重建項目提供資金。

董事（包括獨立非執行董事）認為，認購協議及股東協議乃按一般商業條款進行。經計及透過投資於卓堡之建議物業發展項目將產生之預期回報，董事認為，認購協議及股東協議之條款屬公平合理，並符合本集團及本公司股東之整體利益。交易已於二零一八年十一月九日完成。

On 4 March 2020, the Group entered into a sale and purchase agreement with SVIL to acquire a further 2% of the issued share capital of Excel Castle from SVIL and the corresponding shareholder's loan at a cash consideration of HK\$4,194,000. Since then, the Group holds 8% issued share capital of Excel Castle. The Directors considered that this acquisition provided the Group an opportunity to increase its investment in Excel Castle with a view to being benefited from the long-term returns from future revenue from the property development. On the same date, the Group also entered into a supplemental shareholders' agreement with SVIL that the maximum contribution amounts by both shareholders by means of the provision of shareholders' loans were revised to HK\$67 million by the Group and HK\$769 million by SVIL.

As the Group does not have significant influence over Excel Castle, the investment is classified as an equity investment at fair value through profit or loss.

As at 31 March 2020, total investment made by the Group was approximately HK\$74 million. As at the end of the Reporting Period, Excel Castle Group had one property project only, that is to acquire an old commercial building in Tsim Sha Tsui ("**TST Property**") for redevelopment. Since over 80% of the titles has been acquired from the existing owners of the TST Property, the remaining portion has been under compulsory auction and the ownership of the remaining property has been obtained. Excel Castle Group expected to develop the TST Property into a modern commercial building with more saleable area. The whole redevelopment project is expected to be completed in 2024.

As at 31 March 2020, the carrying amount of the Group's interest in Excel Castle Group was approximately HK\$50,407,000.

Formation of companies for the property investment and/or redevelopment in Shanghai

In 2019, the Group has invested in two property projects in Shanghai, being the property redevelopment of residential apartments at Wuyi Road, Changning District, Shanghai, the PRC ("**Project Embassy**") and the property redevelopment of offices and carparks at West Huaihai Road, Changning District, Shanghai, the PRC ("**Project Stone**"). The total investments on these two projects as at 31 March 2020 were approximately HK\$21 million.

As at 31 March 2020, the aggregate carrying amount of these two projects was approximately HK\$16,493,000.

於二零二零年三月四日，本集團與南凱投資訂立一份買賣協議，以現金代價4,194,000港元，向南凱投資進一步收購卓堡2%的已發行股本以及相關的股東貸款。本集團自此持有卓堡8%已發行股本。董事認為此項收購為本集團提供機會，增加其於卓堡的投資，以從物業發展未來收益所帶來的長期回報中得益。同日，本集團亦與南凱投資訂立補充股東協議，據此，雙方股東，本集團及南凱投資，提供的股東貸款金額作出修訂，分別為最多67,000,000港元及769,000,000港元。

鑑於本集團於卓堡沒有重大影響力，因此該投資分類為按公平值計入損益賬之股權投資。

於二零二零年三月三十一日，本集團已作出總投資約74,000,000港元。於報告期末，卓堡集團僅有一個物業項目，即收購尖沙咀的舊商業大廈（「**TST物業**」）作重建。由於已從TST物業現時之業主收購超過80%業權，餘下部份已進行強拍並已取得餘下業權。卓堡集團預期將TST物業發展為有更多實用面積的現代商業大廈。整個重建項目預期於二零二四年完成。

於二零二零年三月三十一日，本集團於卓堡集團之權益賬面值約為50,407,000港元。

就於上海物業投資及／或重建成立公司

於二零一九年，本集團已於上海投資兩個物業項目，即中國上海長寧區武夷路住宅公寓的物業重建（「**使館項目**」）及中國上海長寧區淮海西路辦公室及停車場的物業重建（「**Stone項目**」）。於二零二零年三月三十一日，該兩個項目的投資總額約為21,000,000港元。

於二零二零年三月三十一日，此兩個項目之總賬面值約為16,493,000港元。

Project Embassy is a low-rise building in Shanghai located next to the Embassy of Belgium. The building comprises eight apartments with a total gross floor area of approximately 867 sq.m.. It is co-invested with an independent third party through a company registered in BVI in which the Group has 10% equity interest.

Project Stone is an office building, named as Shanghai City Point. It is located in a grade A mixed-use building in Changning District, the PRC. Project Stone acquired four floors of that building with a total gross floor area of approximately 6,668 sq.m.. This project is co-invested with the same independent third party as Project Embassy in a company registered in BVI in which the Group has 5% equity interest.

Project Embassy and Project Stone have been refurbished and seeking for potential buyers. As the Group does not have significant influence over Project Stone and Project Embassy, the investments are classified as equity investments at fair value through profit or loss.

Regarding the Starway Parkview South Station Hotel project (“**Project Parkview**”), it is located in Xuhui West Bund area, adjacent to Shanghai Botanical Garden. The hotel was built in 2003 with a total gross floor area of approximately 7,319 sq.m. and 56 rooms. It is co-invested with an independent third party and the Group has 30% equity interest, which is accounted for as an associate. The hotel has been converted into 66-rooms rental apartments with plenty of shared common area combined with mixed retail and modern gym, swimming pool and tennis court. The renovation works of Project Parkview have been completed and it was renamed as “Cohost West Bund”, a co-living apartment in Shanghai and the Group will focus on its asset management and leasing business of Project Parkview.

In anticipation of the uncertain and challenging economic environment and volatility in the market ahead, the Group will continue to adopt a cautious and proactive approach in managing its core investments and to look for sound and stable investment opportunities to produce sustainable returns for the Company’s shareholders.

使館項目為上海低層樓宇，毗鄰比利時大使館。該樓宇有8間公寓，總建築面積約為867平方米，由本集團與一名獨立第三方（透過一間於英屬處女群島註冊的公司）共同投資，其中本集團擁有10%股權。

Stone項目為一座辦公大樓，名為上海中山萬博國際中心。其位於中國長寧區一棟A級綜合用途大廈內。Stone項目已收購該辦公大樓的其中四層，總建築面積約為6,668平方米。該項目由本集團與使館項目之相同獨立第三方（透過一間於英屬處女群島註冊的公司）共同投資，其中本集團擁有5%股權。

使館項目及Stone項目已翻新，並正尋求潛在買家。鑑於本集團在Stone項目及使館項目沒有重大影響力，因此該等投資分類為按公平值計入損益賬之股權投資。

就星程天然居南站酒店項目（「**天然居項目**」）而言，其位於徐匯外灘西區，毗鄰上海植物園。該酒店於二零零三年落成，總建築面積約為7,319平方米，設有56間客房。該項目由本集團與一名獨立第三方共同投資，其中本集團擁有30%股權，並以聯營公司入賬。該酒店已轉化為一間設有66間客房及大量共享公共空間的出租公寓，並結合綜合零售及高端健身中心、泳池、網球場。天然居項目之翻修工程已經完成，並重新命名為「后社•西岸」，為上海一間合居生活公寓。本集團將專注於天然居項目的資產管理及租賃業務。

預期未來經濟環境充滿不明朗及挑戰加上市場仍有波動，本集團將繼續採取審慎及積極態度管理核心投資，並尋找合適而穩健之投資機會，為本公司股東爭取可持續回報。

Participation in a real estate investment fund

On 23 April 2019, the Group has entered into a general-partner shareholders' agreement with Gusto Brave Limited, a representing entity of Pamfleet Group (“**Pamfleet**”), and Pamfleet China GP II Limited (“**Pamfleet China**”) to act as a general partner of a fund manager for property investment.

The Group owns 30% equity interest in Pamfleet China. Pamfleet is an independent and privately-owned real estate investment advisor with offices in Hong Kong, Singapore and Shanghai. Pamfleet's experienced team seeks to create long-term value through knowledgeable deal sourcing, disciplined acquisitions, active asset management, rebranding and refurbishment with an emphasis on design, anticipating tenant and community requirements and delivering good value for money. Members of the management team of Pamfleet have been involved in the selection and management of real estate investments throughout Asia for over 20 years.

Pamfleet and the Group operate with a flat organisational structure, which allows and encourages collaboration.

Up to the end of the Reporting Period, the fund managed by Pamfleet China is Pamfleet Shanghai Real Estate Fund II (“**PSREFII**”). The Group has also acted as a limited partner (holds 1.5%) of PSREFII. PSREFII seeks to capitalise on Pamfleet's track record of its successful investments in under-performing, under-priced and distressed real estate with repositioning and value-add potential in Shanghai and other tier-one cities in Mainland China. The investment strategy of PSREFII is to identify, structure and execute successful asset repositioning investments in Shanghai and other tier-one cities in Mainland China. Up to the end of the Reporting Period, the total investment made by the Group was approximately HK\$6 million.

As at 31 March 2020, the carrying amount of this investment in the real estate investment fund was approximately HK\$3,992,000.

Up to the end of the Reporting Period, there was only one project operated by PSREFII. The name of the project is Project Hub.

參與房地產投資基金

於二零一九年四月二十三日，本集團與一間 Pamfleet Group (「**鵬利**」) 之代表實體 Gusto Brave Limited 及 Pamfleet China GP II Limited (「**鵬利中國**」) 訂立一般合夥人股東協議，以作為物業投資的基金管理人的一般合夥人。

本集團擁有鵬利中國的30%權益。鵬利為獨立及私人擁有的房地產投資顧問，在香港、新加坡及上海均設有辦事處。鵬利饒富經驗的團隊尋求通過物色知情交易、具紀律收購、積極資產管理、重塑品牌及翻新創造長期價值，強調設計、預計租戶及社區需求及物有所值。鵬利管理層團隊成員一直在亞洲從事揀選及管理房地產投資逾20年。

鵬利及本集團以扁平的組織架構營運，容許並鼓勵合作。

直至報告期末，由鵬利中國管理的基金為 Pamfleet Shanghai Real Estate Fund II (「**PSREFII**」)。本集團亦為PSREFII的有限合夥人(持有1.5%)。PSREFII尋求利用鵬利成功投資於上海及中國內地其他一線城市具重新定位及增值潛力惟表現未達標、價格偏低及不良房地產的往績。PSREFII的投資策略為在上海及中國內地其他一線城市識別、組織及執行成功的資產重新定位投資。直至報告期末，本集團已作出的總投資約為6,000,000港元。

於二零二零年三月三十一日，此房地產投資基金的投資之賬面值約為3,992,000港元。

直至報告期末，PSREFII僅經營一個項目。該項目的名稱為Project Hub。

The property is located at the junction of Daning Road and Gonghexin Road within Daning Commercial Area of Jing An District. It has a total gross floor area of around 250,000 sq.m., with around 200,000 sq.m. above ground and 50,000 sq.m. under ground. PSREFII targets to build shops and offices with a saleable area of 37,547 sq.m.. The retail part within the development is a popular regional lifestyle hub and shopping destination. Major tenants are expected to be operators from the food and beverage, entertainment and education industries.

Trading of medical equipment and home security and automation products

The increasing standard of living around the globe, especially in Hong Kong and major cities in the PRC, and increasing health awareness, in particular from high-income consumers living in urban areas, together create additional demand for medical equipment. Consequently, this segment is expected to continue to be a worthwhile investment. In the coming reporting period, we will expand our distribution channels and introduce a broader range of products to boost sales growth.

Also, with the increasing safety awareness in Hong Kong and major cities in the PRC, we expect a higher demand for wired and wireless security devices and systems, which are relevant to the management of residential estates, commercial offices, shops, hotels, hospitals, museums and prisons.

The Group will continue to adopt efficacious cost management strategies and maintain tight credit control measures to cope with challenges and to improve competitiveness within the volatile operating environment. The Directors will continue to make every effort to maximise the interests of the shareholders of the Company.

Hotel operation

As mentioned in the paragraph headed “**Prospects — Property development and investment**”, the construction works of the hotel in Kaifeng, the PRC have been completed during the year. The Group has signed an agreement with 六州酒店管理(上海)有限公司 to operate the hotel under the name of “Holiday Inn Express Kaifeng City Center” (“**Holiday Inn Express Kaifeng**”). Holiday Inn Express is one of the world’s famous selected service hotel brands. Holiday Inn Express Kaifeng was opened in January 2020. Due to the COVID-19 Outbreak, Holiday Inn Express Kaifeng was closed in February 2020 and has resumed its business in March 2020. The Group will monitor the developments of the COVID-19 Outbreak situation closely, assess and react actively to its impacts on the operation of Holiday Inn Express Kaifeng.

該物業位於靜安區大寧國際商業廣場大寧路與共和新路交界處，總建築面積約為250,000平方米，當中約200,000平方米位於地面以上，50,000平方米位於地底。PSREFII的目標為興建實用面積為37,547平方米的商舖及辦公室。發展項目中的零售部份是受歡迎的區域生活中心及購物勝地。預期主要租戶來自餐飲、娛樂及教育行業的營運商。

買賣醫療設備及家居保安及自動化產品

全球生活水平日益富裕，尤其是在香港及中國主要城市，其消費者健康意識日漸提高，尤其是在城市居住的高收入消費者，產生了對醫療設備的熱切需求。因此，預期該分類值得繼續投資。在下一個報告期間，我們將透過擴展分銷渠道及引進更多元化產品來刺激銷售增長。

同時，隨著香港及中國的主要城市之安全意識日漸提高，我們預期與管理住宅屋苑、商業寫字樓、店舖、酒店、醫院、博物館及監獄相關的有線及無線安全設備及系統之需求將增加。

本集團會繼續採取有效的成本管理策略及維持嚴格的信貸控制措施來應付經營環境動盪的挑戰及增強競爭力。董事將繼續致力盡其所能，為本公司股東爭取最佳利益。

酒店營運

誠如「**前景 — 物業發展及投資**」之段落所述，位於中國開封的酒店，其建築工程已於年內完成。本集團已與六州酒店管理(上海)有限公司簽訂協議，以「開封迪臣智選假日酒店」(「**開封智選假日酒店**」)之名營運該間酒店。智選假日酒店為全球知名的精選服務酒店品牌之一。開封智選假日酒店已於二零二零年一月開業。由於COVID-19爆發，開封智選假日酒店於二零二零年二月停業，並於二零二零年三月復業。本集團將密切監察COVID-19爆發的情況發展，並就有關情況對開封智選假日酒店營運的影響作出評估及主動回應。

Holiday Inn Express Kaifeng is located in the city center of Kaifeng with a total gross floor area of approximately 14,000 sq.m.. It consists of 243 guest rooms, including 100 king bed standard rooms, 106 single bed standard rooms, 18 king bed superior rooms, 18 single bed superior rooms and 1 suite. There are also 3 meeting rooms with a total gross floor area of approximately 460 sq.m..

Disposal of Deson Construction International Holdings Limited and its subsidiaries

Reference is made to the joint announcement of the Company, DCIHL and Energy Luck Limited (“**Energy Luck**”) dated 12 April 2019 (the “**Joint Announcement**”). Unless otherwise defined, terms used herein have the same meanings as those defined in the Joint Announcement.

On 12 April 2019, Deson Development Holdings Limited (“**DDHL**”), a wholly-owned subsidiary of the Company, Sparta Assets Limited (“**Sparta Assets**”) and Mr. Tjia Boen Sien (“**Mr. Tjia**”) as sellers, Energy Luck as purchaser entered into the Sale and Purchase Agreement whereby each of DDHL, Sparta Assets and Mr. Tjia had conditionally agreed to sell, and Energy Luck had conditionally agreed to purchase from each of DDHL, Sparta Assets and Mr. Tjia, the Sale Shares, being in aggregate of 361,302,082 DCIHL Shares, representing approximately 36.13% of the issued share capital of DCIHL at the Consideration of approximately HK\$79,486,000 (representing a purchase price of HK\$0.22 per Sale Share) (“**DCIHL Disposal**”).

Upon completion of the DCIHL Disposal, each of the Company, DDHL, Sparta Assets and Mr. Tjia ceased to have any shareholding interest in DCIHL.

Up to the DCIHL Disposal, DCIHL was an investment holding company and the principal activities of its subsidiaries consisted of (a) the construction business, as a main contractor and fitting-out works, as well as the provision of electrical and mechanical engineering services, mainly in Hong Kong, the PRC and Macau, and other construction related business; (b) investment in securities; and (c) investment in properties.

開封智選假日酒店位處開封市中心，總建築面積約為14,000平方米，共有243間客房，包括100間配備大雙人床的標準房間、106間單人標準房間、18間大雙人床高級房間、18間單人高級房間及1間套房。該酒店亦設有3間會議室，總建築面積約為460平方米。

出售迪臣建設國際集團有限公司及其附屬公司

茲提述本公司、迪臣建設國際、Energy Luck Limited (「**Energy Luck**」) 日期為二零一九年四月十二日的聯合公告 (「**聯合公告**」)。除另有界定者外，本公告所用詞彙具有聯合公告所界定的相同涵義。

於二零一九年四月十二日，迪臣發展集團有限公司 (「**迪臣發展集團**」)，本公司之全資附屬公司)、Sparta Assets Limited (「**Sparta Assets**」) 及謝文盛先生 (「**謝先生**」) (作為賣方) 及 Energy Luck (作為買方) 訂立買賣協議，據此，迪臣發展集團、Sparta Assets 及謝先生已有條件同意出售，而 Energy Luck 已有條件同意向迪臣發展集團、Sparta Assets 及謝先生購買銷售股份，即合共 361,302,082 股迪臣建設國際股份，佔迪臣建設國際已發行股本的約 36.13%，代價約為 79,486,000 港元 (即購買價每股銷售股份 0.22 港元) (「**出售迪臣建設國際事項**」)。

出售迪臣建設國際事項完成後，本公司、迪臣發展集團、Sparta Assets 及謝先生不再持有迪臣建設國際的任何股權。

截至出售迪臣建設國際事項為止，迪臣建設國際為一間投資控股公司，其附屬公司之主要業務包括 (a) 主要於香港、中國及澳門從事建築業務 (作為主要承建商)、裝修工程，及提供機電工程服務，以及其他建築相關業務；(b) 證券投資；及 (c) 物業投資。

The Board considered that the DCIHL Disposal provided an attractive exit opportunity for the Group to realise its long-term investment in DCIHL. The DCIHL Disposal enabled the Group to recycle capital into the existing property development and investment business. The Directors were of the view that the DCIHL Disposal would benefit the Group by realising its investment and also strengthening the liquidity and overall financial position of the Group. Having regard to the prevalent unstable economy and financial market conditions, the purpose of the use of proceeds for development and expansion of the existing businesses, for general working capital purpose and for the return to the shareholders of the Company, the Board (including the independent non-executive directors of DDIHL) considered that the terms of the Sale and Purchase Agreement, the Sale Price and the DCIHL Disposal, which were determined on an arm's length basis, were fair and reasonable and on normal commercial terms and were in the interests of the Company and its Shareholders as a whole.

For details, please refer to the Joint Announcement and the Circular of the Company dated 24 May 2019.

The DCIHL Disposal was approved by the shareholders of the Company at the Special General Meeting of the Company held on 11 June 2019. The DCIHL Disposal was completed on 18 June 2019. Upon completion, DCIHL ceased to be an associated company of the Company.

HUMAN RESOURCES

As at 31 March 2020, the Group had 180 employees, 134 of whom were based in the PRC and the remaining employees were based in Hong Kong. The total employee benefits expenses included directors' emoluments for the year ended 31 March 2020 was approximately HK\$30.0 million as compared with approximately HK\$24.3 million last year. The increase was because the Group has commenced the operation of Holiday Inn Express Kaifeng during the year and thus more staff were recruited. On the other hand, more bonuses were paid to Directors in May 2019.

The remuneration policy and package of the Group's employees were reviewed and approved by the Directors. Apart from pension funds, in order to attract and retain a high caliber of capable and motivated workforce, the Group offers discretionary bonus and share options to staff based on individual performance and the achievements of the Group's targets.

董事會認為，出售迪臣建設國際事項為本集團變現其於迪臣建設國際的長期投資提供具吸引力的退出機會。出售迪臣建設國際事項使本集團能將資本再用於現有物業發展及投資業務。董事認為，出售迪臣建設國際事項將有利本集團變現其投資，並加強本集團的流動性及整體財務狀況。經考慮現時普遍存在的不穩定經濟及金融市場狀況、將所得款項用於發展及擴張現有業務、用於一般營運資金以及回饋本公司股東，董事會（包括迪臣發展國際的獨立非執行董事）認為，買賣協議的條款、銷售價及出售迪臣建設國際事項均按公平基準釐定，屬公平合理，並按正常商業條款進行，符合本公司及其股東的整體利益。

詳情請參閱聯合公告及日期為二零一九年五月二十四日的本公司通函。

出售迪臣建設國際事項已於本公司二零一九年六月十一日舉行之股東特別大會上獲股東批准。出售迪臣建設國際事項已於二零一九年六月十八日完成。於完成後，迪臣建設國際不再成為本公司的聯營公司。

人力資源

於二零二零年三月三十一日，本集團共聘用180名僱員，其中134名駐於中國，其餘員工駐於香港。於截至二零二零年三月三十一日止年度，總僱員福利開支（包括董事酬金）約為30,000,000港元，而去年則約為24,300,000港元。有關增長的原因為本集團於年內開始營運開封智選假日酒店及因此聘請更多員工。另一方面，於二零一九年五月，我們向董事派發更多花紅。

董事已審閱及批准本集團僱員之薪酬政策及待遇。除退休金外，為吸納及挽留才能優秀、做事積極之僱員，本集團按個人表現及所達到之本集團目標，向員工授出酌情花紅及購股權。

Report of the Directors

董事會報告

The Directors herein present their report and the audited financial statements of the Group for the year ended 31 March 2020.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the subsidiaries consist of (a) property development and investment; and (b) trading of medical equipment and home security and automation products, including the provision of related installation and maintenance services.

RESULTS AND APPROPRIATIONS

The Group's loss for the year ended 31 March 2020 and the Group's financial position at that date are set out in the financial statements on pages 84 to 87.

No interim dividend was paid during the year (2019: Nil). A special dividend of HK0.5 cent per ordinary share was declared on 11 June 2019. The Directors do not recommend the payment of a final dividend for the year (2019: HK0.5 cent per ordinary share).

DIVIDEND POLICY

The Company aims to provide a steady return to shareholders and at the same time to maintain a strong financial position for investment opportunities and sustainable development in the future. Dividends proposed or declared, or not recommended, is subject to financial performance, cash flows and future investment opportunities of the Group.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the qualification as shareholders of the Company to attend and vote at the annual general meeting (the "AGM"), the register of members of the Company will be closed from 12 August 2020 to 17 August 2020, both days inclusive. In order to qualify as shareholders of the Company to attend and vote at the AGM, unregistered holders of shares of the Company are required to lodge all transfer documents accompanied by the relevant share certificates with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on 11 August 2020.

董事謹此呈報其報告以及本集團截至二零二零年三月三十一日止年度之經審核財務報表。

主要業務

本公司之主要業務為投資控股。其附屬公司之主要業務包括 (a) 物業發展及投資；及 (b) 買賣醫療設備及家居保安及自動化產品，包括提供相關安裝及維修服務。

業績及分配

本集團截至二零二零年三月三十一日止年度之虧損以及本集團於該日的財務狀況載於第84至87頁之財務報表內。

年內概無派付中期股息(二零一九年：無)。二零一九年六月十一日宣派特別股息每股普通股0.5港仙。董事不建議就本年度派發末期股息(二零一九年：每股普通股0.5港仙)。

股息政策

本公司旨在向股東提供穩定的回報，同時保持財務狀況穩健以在未來把握投資機遇及實現可持續發展。建議派付或宣派、或不建議派付股息視乎本集團財政表現、現金流量及未來投資機遇而定。

暫停辦理過戶登記手續

為釐定作為本公司股東出席股東週年大會(「股東週年大會」)並於會上投票的資格，本公司將於二零二零年八月十二日至二零二零年八月十七日止(包括首尾兩天在內)期間暫停辦理本公司股份過戶登記手續。為合資格作為本公司股東出席股東週年大會並於會上投票，本公司股份的未登記持有人須將所有股份過戶文件連同有關股票於二零二零年八月十一日下午四時三十分前遞交本公司於香港之股份過戶登記分處卓佳登捷時有限公司登記，地址為香港皇后大道東183號合和中心54樓。

PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

Details of movements in the property, plant and equipment, and investment properties of the Group during the year are set out in notes 13 and 14 to the financial statements, respectively. Further details of the Group's investment properties are set out on page 41 of this Annual Report.

SHARE CAPITAL AND SHARE OPTIONS

Details of movements in the share capital and share options during the year, if any, are set out in notes 28 and 29 to the financial statements, respectively.

EQUITY-LINKED AGREEMENT

Save as disclosed in this Annual Report, there was no equity-linked agreement entered into by the Company during the year ended 31 March 2020.

RESERVES

Details of movements in the reserves of the Group during the year are set out in the consolidated statement of changes in equity on pages 88 and 89 of this Annual Report.

DISTRIBUTABLE RESERVES

At 31 March 2020, the Company's reserves available for cash distribution and/or distribution in specie, computed in accordance with the Companies Act 1981 of Bermuda (as amended), amounted to approximately HK\$150,522,000. In addition, the Company's share premium account and capital redemption reserve, in the aggregate amount of approximately HK\$257,497,000, may be distributed in the form of fully paid bonus shares.

Under the Companies Act 1981 of Bermuda (as amended), the Company may make distributions from its contributed surplus in certain circumstances.

BUSINESS REVIEW

A review of the business of the Group for the year ended 31 March 2020 is set out in the section headed "Management Discussion and Analysis" on pages 7 to 21 of this Annual Report. These discussions form part of this "Report of the Directors".

物業、廠房及設備以及投資物業

本集團於年內之物業、廠房及設備以及投資物業之變動詳情，分別載於財務報表附註13及14。本集團投資物業之進一步詳情載於本年報第41頁。

股本及購股權

年內之股本及購股權之變動詳情(如有)，分別載於財務報表附註28及29。

股票掛鈎協議

除本年報所披露者外，本公司於截至二零二零年三月三十一日止年度內概無訂立股票掛鈎協議。

儲備

本集團於年內之儲備變動詳情載於本年報第88頁及89頁綜合權益變動表。

可分派儲備

於二零二零年三月三十一日，根據百慕達一九八一年公司法(經修訂)計算本公司可作現金分派及/或實物分派之儲備約為150,522,000港元。此外，本公司股份溢價賬及資本贖回儲備金額合共約為257,497,000港元，可以以繳足紅股形式分派。

根據百慕達一九八一年公司法(經修訂)，於若干情況下，本公司可從實繳盈餘中作出分派。

業務回顧

本集團截至二零二零年三月三十一日止年度的業務回顧載於本年報第7至21頁「管理層討論及分析」一節。該等討論構成本「董事會報告」之一部份。

This business review is made pursuant to paragraph 28(2)(d) of Appendix 16 to the Main Board Listing Rules (the “**Listing Rules**”) published by The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), pursuant to which further analysis of and discussion on the above principal activities of the Group as required by Schedule 5 to the Hong Kong Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the “**Companies Ordinance**”) are made. In the opinion of the Directors, the section headed “**Chairman’s statement**” and “**Management discussion and analysis**” provide a comprehensive review of the performance of the Group for the year ended 31 March 2020 as well as its future prospects.

PRINCIPAL RISKS AND UNCERTAINTIES

The following is a list of principal risks and uncertainties that are considered to be of significance and have potential to affect the Group’s businesses, results of operations and financial position. However, this list is non-exhaustive as there may be other risks and uncertainties which may arise as a result of changes in economic and other conditions over time. The Group employs a risk management and internal control framework to identify current and foreseeable risks at different levels of the organisation so as to take preventive actions to avoid or mitigate their adverse impacts.

Risks relating to property development and investment segment

The property development and investment segment is one of the major businesses of the Group, particularly in Mainland China. Accordingly, this segment is subject to economic, political and legal developments in Mainland China as well as in the economies in the surrounding region. In recent years, the properties market movements in Mainland China have been concurrently affected by the economic trend and government policies, including but not limited to, the adoption of category-based regulatory measures and the bilateral regulatory measures for the real estate market, policy changes in mortgage levels and ownership, interest rate changes, supply and demand conditions as well as the overall economic volatility in Mainland China. The Group’s property development and investment segment is expected to continue being exposed to these risks, which may affect the Group’s investment strategy as well as its performance. In this respect, the Group actively assesses the overall economic, political and legal developments as well as the property markets in other provinces in Mainland China in deciding viable acquisitions and selling strategies. For each potential project, detailed feasibility studies and stress tests in regard to all aspects will be carried out before an acquisition to minimise the risks.

業務回顧乃根據香港聯合交易所有限公司（「聯交所」）頒佈的主板上市規則（「《上市規則》」）附錄十六第28(2)(d)段進行，本集團已據此按照香港法例第622章香港公司條例（「《公司條例》」）附表5的要求對上述的主要業務作出進一步分析及論述。董事認為「**主席報告書**」及「**管理層討論及分析**」兩節已提供本集團截至二零二零年三月三十一日止年度之全面業務回顧及未來展望。

主要風險及不明朗因素

以下是被視為有可能對本集團業務、經營業績及財務狀況構成重大影響的主要風險及不明朗因素的目錄。惟以下目錄並非詳盡無遺，經濟及其它狀況隨時間改變均有可能產生其它風險及不明朗因素。本集團採用風險管理及內部監控框架來識別機構內不同層面當前及可預見的風險，以採取防範措施繼而避免或減輕風險帶來的不利影響。

與物業發展及投資分類有關的風險

物業發展及投資分類為本集團的主要業務之一，中國內地尤為重要。據此，該分類須視乎中國內地以及周邊地區經濟體的經濟、政治與法律方面的發展情況。近年，中國內地的物業市場變動一直同時受中國內地經濟趨勢及政府政策所影響，包括但不限於在房地產市場採納分類調控措施及雙邊調控措施、按揭水平及擁有權的政策改變、息率改變、供求狀況以及整體經濟動盪。本集團的物業發展及投資分類預期將繼續面對這些風險，這有可能影響本集團的投資策略以及其表現。為此，本集團積極評估中國內地其他省份的整體經濟、政治與法律方面的發展情況及物業市場，以決定可行的收購及銷售策略。在收購每個潛在項目前，本集團均會就所有方面進行詳盡的可行性研究及壓力測試，務求將風險減至最低。

Risks relating to financial conditions and results of operation

- (i) The Group's finance costs fluctuate with changes in interest rates. In the PRC, the Group's borrowings also include amounts denominated in RMB. The People's Bank of China adjusts its benchmark lending rates from time to time in response to domestic and global economic changes. The Group may be affected by changes in the prevailing interest rate of the global credit market. Any increase in interest rate in connection with the currencies the Group borrows will increase the Group's finance costs and customers' mortgage interest rates and may adversely and materially affect the Group's businesses, financial position, results of operations and growth prospects.
- (ii) The Group is required to reassess the fair value of its investment properties at the end of every reporting period to which financial statements are made up. Pursuant to Hong Kong Financial Reporting Standards, investment properties are stated at their fair value, and the changes in their valuation should be taken to the consolidated statement of profit or loss of the financial period in which it is incurred. Based on the valuation conducted by independent external valuers, the Group recognises the investment properties at fair value and the related deferred tax in the consolidated statement of financial position, while the changes in fair value and the related deferred tax of investment properties are recognised in the consolidated statement of profit or loss. Therefore, the assumptions made in the valuation of investment properties would change under changing market conditions. Notwithstanding any variations in profit, fair value gains and losses are non-cash items and will not increase or decrease cash and cash equivalents. The amount of revaluation adjustment has been and will continuously be subject to changes in market conditions. As such, there can be no assurance that changes in market conditions will continue to generate gains from fair value changes in investment properties at similar level or at all, or there will be no decline in the fair value of the Group's investment properties. If a property market in the region where the Group operates slows down, the fair value of the Group's investment properties may decline.

與財務狀況及經營業績有關的風險

- (i) 本集團的融資成本將隨利率變化而波動。中國方面，本集團的借款亦包括以人民幣計值的款項。中國人民銀行不時調整其基準貸款利率，以應對中國及全球經濟變動。全球信貸市場現行利率的變動亦或會對本集團有所影響。本集團就借款貨幣所支付的息率有任何增幅將增加本集團的融資成本及客戶按揭息率，並可能對本集團的業務、財務狀況、營運業績及增長前景造成重大不利影響。
- (ii) 本集團須於所發出財務報表各報告期末重估其投資物業的公平值。根據香港財務報告準則，投資物業按公平值列賬，其估值變動須於產生的財政期間計入綜合損益表。根據獨立外部估值師進行的估值，本集團於綜合財務狀況表按公平值確認投資物業，並確認相關遞延稅項，並於綜合損益表確認投資物業的公平值變動及相關遞延稅項的變動。因此，在市況變動下用於投資物業估值的假設亦有所變動。儘管溢利有升跌，公平值損益為非現金項目，因此並不因而增減現金及現金等值項目。重估調整金額一直並將繼續受市況波動影響。因此，本集團無法保證市況變動將於日後繼續按相若水平或甚至產生任何投資物業公平值變動帶來的收益，亦無法保證本集團投資物業的公平值日後不會下降。假如本集團經營所在地區的房地產市場放緩，本集團投資物業的公平值或會下滑。

(iii) Properties developed by the Group for sale in the PRC are subject to Land Appreciation Tax (“LAT”). LAT is calculated based on proceeds received from the sale of properties less deductible expenditures as provided in the relevant tax laws. Pending settlement with the relevant tax authorities, the Group makes provisions for the amount of LAT in accordance with the relevant PRC tax laws and regulations from time to time. Provisions for LAT are made on the Group’s own estimates based on, among other things, its own apportionment of deductible expenses which is subject to final confirmation by the relevant tax authorities upon settlement of the LAT. The Group only prepays a portion of such provisions each year as required by the local tax authorities. The Group cannot assure that the relevant tax authorities will agree with its calculation of LAT, nor can it assure that the LAT provisions will be sufficient to cover its LAT obligations in respect of its past LAT liabilities in relation to its combined property business. If the relevant tax authorities determine that its LAT exceeds the LAT prepayments and provisions, and seek to collect that excess amount, the Group’s cash flows, results of operations and financial position may be materially and adversely affected. As there are uncertainties as to when the tax authorities will enforce the LAT collection and whether it will apply the LAT collection retrospectively to properties sold before the enforcement, any payment as a result of the enforcement of LAT collection may significantly restrict the Group’s cash flow position, its ability to finance its land acquisitions and to execute its business plans.

(iii) 本集團發展供銷售的中國物業須繳納土地增值稅(「土地增值稅」)。土地增值稅按物業出售所得款項減相關稅法規定的可扣稅開支計算。在向相關稅務機關清繳土地增值稅前，本集團根據中國相關稅務法律及法規就土地增值稅金額不時進行撥備。土地增值稅撥備乃根據本集團基於(其中包括)本身所作可扣稅開支分攤(須待有關稅務機關於結清土地增值稅時最終確認)的估計而作出。本集團僅按地方稅務機關的要求每年預付該等撥備的一部份。本集團無法保證有關稅務機關會同意本集團計算土地增值稅的方法，亦無法保證土地增值稅撥備足以涵蓋本集團就經合併房地產業務過往土地增值稅負債的土地增值稅責任。倘相關稅務機關認定本集團的土地增值稅超過土地增值稅預付款項及撥備，並要求收取超出部份，本集團的現金流量、營運業績及財務狀況或會受到重大不利影響。由於就稅務機關會何時徵收土地增值稅，及在徵收前會否對已售物業追收土地增值稅上存在不確定性，就徵收土地增值稅而支付的金額或會嚴重限制本集團的現金流量狀況、本集團為土地收購提供資金及執行本集團業務計劃的能力。

ENVIRONMENTAL POLICIES, PERFORMANCE AND COMPLIANCE WITH LAWS AND REGULATIONS

The Group is committed to maintaining sustainable working practices and pays close attention to ensure that all resources are efficiently utilised. The Group strives to become an environmental-friendly corporation by saving electricity and encouraging the recycling of office supplies and other materials.

The Group and its business activities are subject to requirements under various laws. The laws and regulations which have a significant impact on the Group include, among others, Air Pollution Control Ordinance (Chapter 311 of the Laws of Hong Kong), Noise Control Ordinance (Chapter 400 of the Laws of Hong Kong), Water Pollution Control Ordinance (Chapter 358 of the Laws of Hong Kong), Waste Disposal Ordinance (Chapter 354 of the Laws of Hong Kong), Environmental Impact Assessment Ordinance (Chapter 499 of the Laws of Hong Kong), Minimum Wage Ordinance (Chapter 608 of the Laws of Hong Kong), Employees' Compensation Ordinance (Chapter 282 of the Laws of Hong Kong), Employment Ordinance (Chapter 57 of the Laws of Hong Kong), Occupiers Liability Ordinance (Chapter 314 of the Laws of Hong Kong), Occupational Safety and Health Ordinance (Chapter 509 of the Laws of Hong Kong), and Immigration Ordinance (Chapter 115 of the Laws of Hong Kong). The Group has put in place in-house rules containing measures and work procedures to ensure that the Group's operation is in compliance with the applicable laws and regulations.

環保政策、履行及遵守法律及規例

本集團致力於維持可持續工作常規並密切關注以確保所有資源得到有效利用。本集團透過節省電力及鼓勵循環使用辦公用品及其他材料，致力成為環保企業。

本集團及其業務活動受多條法例的規定所規限。對本集團有重大影響的法律及規例包括《空氣污染管制條例》(香港法例第311章)、《噪音管制條例》(香港法例第400章)、《水污染管制條例》(香港法例第358章)、《廢物處置條例》(香港法例第354章)、《環境影響評估條例》(香港法例第499章)、《最低工資條例》(香港法例第608章)、《僱員補償條例》(香港法例第282章)、《僱傭條例》(香港法例第57章)、《佔用人法律責任條例》(香港法例第314章)、《職業安全及健康條例》(香港法例第509章)及《入境條例》(香港法例第115章)。本集團已實施內部規則，當中載列有關確保本集團的營運符合適用法律及規例的措施及工作程序。

The Group's major business is property development in the PRC which is a heavily regulated industry. Property developers must abide by various laws and regulations, including rules stipulated by the national and local governments. To engage in property development, the Group must apply to relevant government authorities to obtain and renew various licenses, permits, certificates and approvals, including but not limited to, land use rights certificates, qualification certificates for property developers, construction work commencement permits, construction work planning permits, construction land planning permits and pre-sale permits. Before the government authorities issue or renew any certificate or permit, the Group must meet the relevant requirements. Set out below is a summary of certain aspects of PRC legal and regulatory provisions relating to our operations and business. These include laws and regulations relating to:

- Establishment of a real estate development enterprise
- Qualification of a real estate developer
- Land for property development
- Sale of commodity properties
- Transfer of real estate
- Mortgages of real estate
- Real estate management
- Measures on stabilising property prices
- PRC taxation
- Foreign currency exchange
- Labour protection
- 成立房地產開發企業
- 房地產開發商資質
- 物業開發用地
- 出售商品房
- 房地產轉讓
- 房地產按揭
- 房地產管理
- 穩定物業價格的措施
- 中國稅項
- 外幣匯率
- 勞動保障

The Group is committed to complying with the above laws and regulations and for the year ended 31 March 2020, there was no reported case of material non-compliance.

本集團的主要業務為在中國進行物業開發，該行業受到嚴格的監管。物業開發商必須遵守各種法律及法規，包括國家和地方政府訂定的規則。為從事物業開發，本集團必須向有關政府部門申請獲得及續新各種牌照、許可證、證書及批准，包括但不限於土地使用權證、物業開發商資質證明、建築工程施工許可證、建築工程規劃許可證、建設用地規劃許可證及預售許可證。在政府機構頒發或續新任何證書或許可證之前，本集團必須符合相關規定。下文載列與我們經營及業務相關的中國法定及監管條文若干方面的概要，包括以下相關方面的法律及法規：

本集團致力於遵守上述法例及法規及於截至二零二零年三月三十一日止年度，概無重大不合規案例報告。

KEY RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

As at 31 March 2020, the Group had a headcount of 180 employees (2019: 112). Salaries of employees are maintained at a competitive level and are reviewed annually, with close reference to the relevant labour market as well as the minimum wages guideline as prescribed by the local government from time to time.

The Group awards discretionary bonuses to eligible employees based upon profit achievements of the Group and individual performance. The Company has also adopted a share option scheme in order to attract and retain the best available personnel and to align the interests of the employees with the Group's interests. Being people-oriented, the Group ensures all staff are reasonably remunerated and continues to improve and regularly review and update its policies on remuneration and benefits, training, and occupational health and safety.

The Group also stays connected with its customers and suppliers and has ongoing communication with the customers and suppliers through various channels such as telephone, electronic mails and physical meetings to obtain their feedback and suggestions.

PERMITTED INDEMNITY PROVISION

Each Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he or she may sustain or incur in or about the execution of the duties of his or her office or otherwise in relation thereto. The Group has maintained appropriate directors and officers liability insurance in respect of relevant legal actions against the Directors and officers of the Group during the year ended 31 March 2020.

MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 March 2020, sales to the Group's five largest customers accounted for approximately 61% (2019: 16%) of the total sales for the year and sales to the largest customer included therein amounted to approximately 49% (2019: 8%). Purchases from the Group's five largest suppliers accounted for approximately 37% (2019: 42%) of the total purchases for the year and purchases from the largest supplier included therein amounted to approximately 14% (2019: 13%).

與僱員、客戶及供應商的主要關係

於二零二零年三月三十一日，本集團的僱員人數為180人（二零一九年：112人）。僱員薪酬維持在有競爭力的水平，並密切參考有關勞動市場及當地政府不時規定的最低工資指引作每年檢討。

本集團乃根據本集團的溢利成果及個人表現向合資格僱員派發酌情花紅。本公司亦已採納購股權計劃，用以招攬及保留最優秀人員，並使僱員利益與本集團利益保持一致。秉持以人為本的精神，本集團確保所有員工獲合理待遇，並且持續改善及定期檢討更新其有關薪酬與福利、培訓、職業健康與安全等政策。

本集團亦與其客戶及供應商保持聯繫以及透過各種渠道與客戶及供應商持續交流，例如電話、電郵及舉行會議從而獲得彼等的反饋及建議。

獲准許的彌償條文

本公司各位董事或其他高級人員均有權從本公司之資產獲得彌償，以就其履行職務或與之有關的情況下，所蒙受或招致之所有損失或責任或有其他情況作出補償。於截至二零二零年三月三十一日止年度內，本集團已就針對本集團董事及高級人員的相關法律訴訟購買適當的董事及高級人員責任保險。

主要客戶及供應商

截至二零二零年三月三十一日止年度，本集團五大客戶之銷售，佔年內銷售總額約61%（二零一九年：16%），其中最大客戶之銷售額約佔49%（二零一九年：8%）。本集團向五大供應商之採購，佔年內採購總額約37%（二零一九年：42%），其中向最大供應商採購之金額約佔14%（二零一九年：13%）。

None of the Directors of the Company or any of their associates (as defined in the Listing Rules) or any other shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any beneficial interest in any of the Group's five largest customers or suppliers during the year.

DIRECTORS

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

Executive Directors

Mr. LU Quanzhang (*Chairman*)
Mr. TJIA Boen Sien[#] (*Managing Director and Deputy Chairman*)
Mr. WANG Jing Ning[#]
Mr. TJIA Wai Yip, William

Independent non-executive Directors

Dr. HO Chung Tai, Raymond^{**}
Ir SIU Man Po^{**}
Mr. SIU Kam Chau^{**}

- * audit committee members
- # remuneration committee members
- ⊙ nomination committee members

Mr. Tjia Boen Sien, Dr. Ho Chung Tai, Raymond and Mr. Siu Kam Chau will retire by rotation according to the Company's Bye-Laws and, being eligible, will offer themselves for re-election at the forthcoming AGM to be held on Monday, 17 August 2020.

The Company considers that Dr. Ho Chung Tai, Raymond, Ir Siu Man Po and Mr. Siu Kam Chau are independent pursuant to the criteria set out in the Listing Rules and that it has received annual confirmations of independence from each of them.

本公司董事或其任何聯繫人士(定義見上市規則), 或就本公司董事所知擁有本公司已發行股本5%以上之任何其他股東, 於年內概無擁有本集團任何五大客戶或供應商的任何實益權益。

董事

本公司於年內及直至本報告日期之董事為:

執行董事

盧全章先生 (*主席*)
謝文盛先生[#] (*董事總經理兼副主席*)
王京寧先生[#]
謝維業先生

獨立非執行董事

何鍾泰博士^{**}
蕭文波工程師^{**}
蕭錦秋先生^{**}

- * 審核委員會成員
- # 薪酬委員會成員
- ⊙ 提名委員會成員

根據本公司細則, 謝文盛先生、何鍾泰博士及蕭錦秋先生將於二零二零年八月十七日(星期一)舉行的應屆股東週年大會上輪值告退, 彼等符合資格及表示願意膺選連任。

本公司認為, 根據上市規則所載標準, 何鍾泰博士、蕭文波工程師及蕭錦秋先生屬獨立, 並已收到彼等各自獨立性年度確認函。

DIRECTORS' SERVICE CONTRACTS

None of the Directors proposed for re-election at the forthcoming AGM has a service contract with the Company or any of its subsidiaries, which is not determinable by the employing company within one year without payment of compensation, other than statutory compensation.

DIRECTORS' REMUNERATION

The Directors' fees are subject to shareholders' approval at general meeting. Other emoluments are determined by the Company's board of Directors with reference to Directors' duties, responsibilities and performance and the results of the Group. For further details of the Directors' emoluments, please refer to note 8 to the financial statements.

DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed in paragraph headed "Continuing connected transactions" and note 34 to the financial statements, no Director, a connected entity of a Director nor a controlling shareholder of the Company had a material beneficial interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Group to which any of its holding companies, subsidiaries or fellow subsidiaries was a party during the year.

MANAGEMENT CONTRACTS

No contracts concerning the management and/or administration of the whole or any substantial part of the business of the Company were entered into or existed during the year ended 31 March 2020.

董事服務合約

於應屆股東週年大會上建議膺選連任之董事，概無與本公司或其任何附屬公司訂立本公司不可於一年內終止而毋須支付賠償（法定賠償除外）之服務合約。

董事酬金

董事袍金須於股東大會上獲得股東批准，其他酬金則由本公司董事會參照董事的職務、職責及表現以及本集團業績釐定。有關董事酬金的進一步詳情，請參閱財務報表附註8。

董事及控股股東於交易、安排或合約中的權益

除「持續關連交易」一段及財務報表附註34所披露者外，董事、董事的關連實體或本公司控股股東於其任何控股公司、附屬公司或同系附屬公司年內訂立而對本集團業務屬重要之任何交易、安排或合約中，概無直接或間接擁有重大實益權益。

管理合約

截至二零二零年三月三十一日止年度，概無訂立或存在有關本公司全部或任何主要部分業務的管理及／或行政合約。

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

At 31 March 2020, the interests and short positions of the Directors in the share capital and share options of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests and short positions which he would be deemed or taken to have under Section 344 and 345 of the SFO) or pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, were as follows:

Long positions in ordinary shares of the Company:

董事於股份及相關股份的權益及淡倉

於二零二零年三月三十一日，各董事於本公司或其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股本及購股權須記錄在本公司根據證券及期貨條例第352條置存之股東名冊內，或因其他理由根據證券及期貨條例第XV部第7及第8分部或根據上市公司董事進行證券交易的標準守則須知會本公司及聯交所之權益及淡倉（包括根據證券及期貨條例第344條及第345條被視作或當作擁有之權益及淡倉）如下：

於本公司普通股的好倉：

Name of Directors	董事姓名	Number of shares held, capacity and nature of interest			Percentage of the Company's issued share capital
		Directly beneficially owned	Through controlled corporation	Total	
		直接實益擁有	透過所控制法團	合計	佔本公司已發行股本百分比
Mr. Tjia (Note 1)	謝先生(附註1)	73,926,600	349,935,000	423,861,600	43.34
Mr. Lu Quanzhang	盧全章先生	150,000	—	150,000	0.02
Mr. Wang Jing Ning	王京寧先生	26,429,400	—	26,429,400	2.70
Mr. Tjia Wai Yip, William	謝維業先生	2,400,000	—	2,400,000	0.25
Dr. Ho Chung Tai, Raymond	何鍾泰博士	727,500	—	727,500	0.07
Ir Siu Man Po	蕭文波工程師	920,000	—	920,000	0.09

Note:

1. Sparta Assets, a company incorporated in the British Virgin Islands ("BVI") and wholly-owned by Mr. Tjia, is beneficially interested in 349,935,000 ordinary shares of the Company.

附註：

1. 在英屬處女群島（「英屬處女群島」）註冊成立並由謝先生全資擁有之Sparta Assets，實益擁有本公司349,935,000股普通股股份。

Long positions in ordinary shares of Sparta Assets:

於Sparta Assets普通股的好倉：

Name of Director	董事姓名	Number of shares held, capacity and nature of interest			Percentage of the Sparta Assets issued share capital 佔Sparta Assets已發行股本百分比
		Directly beneficially owned	Through controlled corporation	Total	
		直接實益擁有	透過所控制法團	合計	
Mr. Tjia*	謝先生*	1,000	—	1,000	100.00

* Sparta Assets, a company incorporated in the BVI and wholly-owned by Mr. Tjia, is beneficially interested in 349,935,000 ordinary shares of the Company.

* 在英屬處女群島註冊成立並由謝先生全資擁有之 Sparta Assets，實益擁有本公司349,935,000股普通股股份。

The interests of the Directors in the share options of the Company are separately disclosed in the section headed “Share option scheme” below.

董事於本公司購股權之權益，另行於下文「購股權計劃」一節披露。

Save as disclosed above and note 29 to the financial statements, none of the Directors had registered an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

除上文及於財務報表附註29所披露者外，各董事概無在本公司或其任何相聯法團之股份、相關股份或債券中，擁有須根據證券及期貨條例第352條或根據上市公司董事進行證券交易的標準守則須另行知會本公司及聯交所之權益或淡倉。

DISCLOSURE OF DIRECTORS' INFORMATION UNDER RULE 13.51B(1) OF THE LISTING RULES

The following is the change in the information of the Directors since the interim report of the Company dated 25 November 2019, which is required to be disclosed pursuant to the Rule 13.51B(1) of the Listing Rules:

Mr. Tjia Boen Sien

Resigned as the chairman and non-executive director of DCIHL (stock code: 8268), a company with its shares listed on the GEM of the Stock Exchange, on 29 July 2019.

根據上市規則第13.51B(1)條有關董事資料之披露

以下為自本公司日期為二零一九年十一月二十五日的中期報告起，根據上市規則第13.51B(1)條須予披露的董事資料之變動：

謝文盛先生

於二零一九年七月二十九日，辭去迪臣建設國際（股份代號：8268，其股份於聯交所GEM上市）的主席及非執行董事。

Dr. Ho Chung Tai, Raymond

Appointed as an independent non-executive director of Fu Shek Financial Holdings Limited (stock code: 2263), a company with its shares listed on the main board of the Stock Exchange, on 18 February 2020.

何鍾泰博士

於二零二零年二月十八日獲委任為富石金融控股有限公司（股份代號：2263，其股份於聯交所主板上市）的獨立非執行董事。

Resigned as the chairman and non-executive director of SCUD Group Limited (stock code: 1399), a company with its shares listed on the main board of the Stock Exchange, on 19 May 2020 and 16 June 2020, respectively.

Mr. Siu Kam Chau

Appointed as executive director of Power Financial Group Limited (stock code: 397), a company with its shares listed on the main board of the Stock Exchange, on 29 April 2020.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the headings “**Directors’ interests and short positions in shares and underlying shares**” above and “**Share option scheme**” below, and share option scheme disclosures set out in note 29 to the financial statements, at no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective spouse or minor children, nor were any such rights exercised by them; nor was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

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.

No share options were outstanding under the Scheme during the year.

Further details of the Scheme are included in note 29 to the financial statements.

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

At 31 March 2020, so far as is known to the Directors of the Company, the following interests of 5% or more of the issued share capital and share options of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

分別於二零二零年五月十九日及二零二零年六月十六日辭去飛毛腿集團有限公司(股份代號: 1399, 其股份於聯交所主板上市)的主席及非執行董事。

蕭錦秋先生

於二零二零年四月二十九日獲委任為權威金融集團有限公司(股份代號: 397, 其股份於聯交所主板上市)的執行董事。

董事認購股份或債券的權利

除上文「**董事於股份及相關股份的權益及淡倉**」一節及下文「**購股權計劃**」及財務報表附註29購股權計劃所披露者外，於本年度任何時間，並無向任何董事或彼等之配偶或未成子女授出任何透過購入本公司股份或債券而取得利益之權利，彼等亦無行使任何該等權利，而本公司或其任何附屬公司亦無作出任何安排，使董事可購入任何其他法人團體之該等權利。

購股權計劃

本公司設立一項購股權計劃(「**計劃**」)，旨在為對本集團業績作出貢獻之合資格參與者提供激勵及獎賞。

年內概無計劃下的購股權未獲行使。

計劃之進一步詳情，載於財務報表附註29。

主要股東及其他人士於股份及相關股份的權益及淡倉

於二零二零年三月三十一日，就本公司董事所知，根據證券及期貨條例第336條之規定本公司需置存之登記名冊所載，下列人士擁有本公司已發行股本及購股權5%或以上之權益：

Long positions:

好倉：

Name	Capacity and nature of interest	Number of ordinary shares held	Percentage of the Company's issued share capital 佔本公司已發行股本百分比
名稱／姓名	身份及權益性質	所持普通股數目	百分比
Sparta Assets (Note 1) Sparta Assets (附註1)	Beneficial owner 實益擁有人	349,935,000	35.79
Mr. Tjia 謝先生	Interests of controlled corporation 受控法團之權益 Directly beneficially owned 直接實益擁有	349,935,000 73,926,600	35.79 7.55
Granda Overseas Holding Co. Ltd. ("Granda") (Note 2) Granda Overseas Holding Co. Ltd. ("Granda")(附註2)	Beneficial owner 實益擁有人	173,698,740	17.76
Mr. Chen Huofa 陳火法先生	Interests of controlled corporation 受控法團之權益	173,698,740	17.76

Notes:

附註：

1. Sparta Assets, a company incorporated in the BVI and wholly-owned by Mr. Tjia, is beneficially interested in 349,935,000 ordinary shares of the Company.
2. Granda, a company incorporated in the BVI and wholly-owned by Mr. Chen Huofa, is beneficially interested in 173,698,740 ordinary shares of the Company.

1. 在英屬處女群島註冊成立並由謝先生全資擁有之 Sparta Assets，實益擁有本公司349,935,000股普通股股份。
2. 在英屬處女群島註冊成立並由陳火法先生全資擁有之 Granda，實益擁有本公司173,698,740股普通股股份。

Save as disclosed above, no person, other than the Directors of the Company, whose interests are set out in the section headed "Directors' interests and short positions in shares and underlying shares" above, at 31 March 2020, had registered an interest or short position in the shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

除上述所披露者外，於二零二零年三月三十一日，並無人士(本公司董事除外，其權益已載於上文「董事於股份及相關股份的權益及淡倉」一節)就根據證券及期貨條例第336條須予記錄之本公司股份之權益或淡倉作出登記。

PURCHASE, REDEMPTION OR SALES OF LISTED SECURITIES

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year ended 31 March 2020.

CAPITAL STRUCTURE

There was no change of the capital structure of the Company during the year ended 31 March 2020.

PRE-EMPTIVE RIGHTS

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

TAX RELIEF

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

CONTINUING CONNECTED TRANSACTIONS

Administrative services agreement

On 1 April 2017, Grand On Enterprise Limited ("**Grand On**"), a wholly-owned indirect subsidiary of the Company, and Deson Development Limited ("**DDL**"), an associate of the Company, entered into an administrative services agreement ("**Administrative Services Agreement**"), pursuant to which DDL, as a service provider, has agreed to provide Grand On certain administrative services including provision of office facilities, utilities and equipment support, cleaning services, administrative support and information technology system and technical training support, for a term of two years from 1 April 2017 to 31 March 2019. In consideration of the provision of such administrative services, Grand On shall pay DDL a service fee, based on DDL's actual direct and indirect cost incurred in the supply and procuring of the supply of such services, including overheads, human and/or other resources. The annual service fee payable by Grand On to DDL for each of the financial years ended 31 March 2018 and 31 March 2019 did not exceed HK\$600,000.

On 7 March 2019, the Administrative Services Agreement was renewed for a term of one year from 1 April 2019 to 31 March 2020. The annual service fee payable by Grand On to DDL for the year ended 31 March 2020 did not exceed HK\$480,000.

購買、贖回或出售上市證券

本公司或其任何附屬公司於截至二零二零年三月三十一日止年度並無購買、贖回或出售本公司之任何上市證券。

資本結構

本公司於截至二零二零年三月三十一日止年度的資本結構並無變動。

優先購買權

本公司細則或百慕達法例概無規定本公司須向其現有股東作出按比例發售新股之優先購買權條文。

稅務寬減

本公司概不知悉任何因股東持有本公司股份而向彼等提供之稅務寬減。

持續關連交易

行政服務協議

於二零一七年四月一日，本公司之全資間接附屬公司迪宏置業有限公司(「**迪宏**」)與本公司一間聯營公司迪臣發展有限公司(「**迪臣發展**」)訂立行政服務協議(「**行政服務協議**」)，據此，迪臣發展(作為服務供應商)已同意向迪宏提供若干行政服務，包括提供辦公設施、公用設施及設備支援、清潔服務、行政支援以及資訊科技系統及技術培訓支援，自二零一七年四月一日起至二零一九年三月三十一日止為期二年。作為提供有關行政服務的代價，迪宏會基於迪臣發展於提供及促使提供有關服務時產生的實際直接及間接成本(包括經常支出、人力及/或其他資源)，向迪臣發展支付一筆服務費。截至二零一八年三月三十一日及二零一九年三月三十一日止各財政年度，迪宏應付予迪臣發展的年度服務費並不超過600,000港元。

於二零一九年三月七日，行政服務協議已重續一年，由二零一九年四月一日至二零二零年三月三十一日。截至二零二零年三月三十一日止年度，迪宏應付予迪臣發展的年度服務費不超過480,000港元。

Leases of office premises in Hong Kong

- (i) On 15 April 2017, Grand On as landlord and DDL as tenant, entered into a tenancy agreement, for the rental of certain portions of the Nanyang Plaza property located at 11th Floor of Nanyang Plaza, 57 Hung To Road, Kwun Tong, Kowloon, Hong Kong with an aggregate floor area of approximately 9,500 square feet (“sq. ft.”) and the joint rights to occupy and use a common area with an aggregate floor area of approximately 3,200 sq. ft.. The term of tenancy was from 1 April 2017 to 31 March 2019, with a rental of HK\$143,000 per month payable in advance. The annual rental fee payable by DDL to Grand On for each of the financial years ended 31 March 2018 and 31 March 2019 did not exceed HK\$1,716,000.

On 15 April 2019, the tenancy agreement was renewed for a term of one year from 1 April 2019 to 31 March 2020, with a rental of HK\$209,000 per month payable in advance. The annual rental fee payable by DDL to Grand On for the year ended 31 March 2020 did not exceed HK\$2,508,000.

- (ii) On 15 April 2017, Grand On entered into a tenancy agreement (“**Tenancy Agreement**”) with Fitness Concept Limited, a company wholly-owned by Mr. Tjia, the Managing Director and Deputy Chairman and a substantial shareholder of the Company, for the leasing of a property of the Group in Hong Kong. The Tenancy Agreement was for a term of three years commencing from 1 April 2017 to 31 March 2020 at monthly rent of HK\$25,500. The rental income earned during the year ended 31 March 2020 from this Tenancy Agreement was approximately HK\$306,000.

On 15 April 2020, the Tenancy Agreement was renewed for a term of two years from 1 April 2020 to 31 March 2022, with a rental of HK\$25,500 per month payable in advance. The annual rental fee payable by Fitness Concept Limited to Grand On for the year ending 31 March 2021 is not expected to exceed HK\$306,000.

租賃香港辦事處

- (i) 於二零一七年四月十五日，迪宏（作為業主）與迪臣發展（作為租戶）訂立一份租賃協議，以租用位於香港九龍觀塘鴻圖道57號南洋廣場11樓的南洋廣場物業的若干部分，總樓面面積約9,500平方呎（「平方呎」），並取得佔用及使用總樓面面積約3,200平方呎的共用區域的連帶權利。租賃期限自二零一七年四月一日起至二零一九年三月三十一日止，預付租金每月143,000港元。截至二零一八年三月三十一日及二零一九年三月三十一日止各財政年度，迪臣發展應付迪宏的年度租金並不超過1,716,000港元。

於二零一九年四月十五日，租賃協議已重續一年，由二零一九年四月一日至二零二零年三月三十一日，每月須預付租金為209,000港元。截至二零二零年三月三十一日止年度，迪臣發展應向迪宏支付的年度租金不超過2,508,000港元。

- (ii) 於二零一七年四月十五日，迪宏已與啟康創建有限公司（由本公司董事總經理兼副主席兼主要股東謝先生全資擁有）就出租本集團位於香港之物業訂立一份租賃協議（「租賃協議」）。租賃協議合約期為三年，自二零一七年四月一日起至二零二零年三月三十一日止，應付月租金為25,500港元。截至二零二零年三月三十一日止年度自本租賃協議賺取之租金收入約為306,000港元。

於二零二零年四月十五日，租賃協議已重續兩年，由二零二零年四月一日至二零二二年三月三十一日，每月須預付租金為25,500港元。截至二零二一年三月三十一日止年度，啟康創建有限公司應向迪宏支付的年度租金預期不超過306,000港元。

Given that Mr. Tjia is the Managing Director and Deputy Chairman of the Company and has an approximately 43.34% equity interest in the Company at the time entering into the Tenancy Agreement, Mr. Tjia is a connected person of the Company within the meaning of the Listing Rules, the transaction therefore constitutes a connected transaction of the Company.

鑒於謝先生乃本公司之董事總經理兼副主席且於訂立租賃協議時持有本公司約43.34%股權，根據上市規則之涵義，謝先生為本公司之關連人士，因此該交易構成本公司一項關連交易。

As each of the applicable percentage ratios of the transaction was less than 5% and the total considerations involved were less than HK\$3,000,000, pursuant to Rule 14A.33 of the Listing Rules, the transactions were exempted from the reporting, annual review, announcement and independent shareholders' approval requirements of the Listing Rules.

由於該等交易之每項適用百分比率低於5%，而涉及總代價少於3,000,000港元，根據上市規則第14A.33條，該等交易獲豁免上市規則之申報、年度審核、公告及獨立股東批准之規定。

PARTICULARS OF PROPERTIES

The properties held for sale under development of the Group are as follows:

物業詳情

本集團發展中待售物業如下：

Location 地點	Attributable interest of the Group 本集團 應佔權益	Stage of completion 完成階段	Expected completion date 預計完成日期	Expected use 預計用途	Gross floor area 建築面積
Section G 1 Xi Da Jie Kaifeng City Henan Province PRC 中國河南省開封市 西大街1號 G區	100%	Construction stage 建設階段	2020 二零二零年	Residential/ commercial complex 住宅／商業綜合 項目	31,000 sq. m. 31,000平方米

The properties held for sale of the Group are as follows:

本集團待售物業如下：

Location 地點	Attributable interest of the Group 本集團 應佔權益	Tenure 年期	Current use 目前用途	Gross floor area 建築面積
Phase I to IV of Asian Villas City Square Southern Area Jinpen Industrial Development Zone Haikou Hainan Province PRC 中國 海南省 海口市 金盤工業開發區 南區 亞洲豪苑城市廣場 第一至四期	100%	The properties are held for a term of 70 years, commencing on 13 May 1998 and expiring on 12 May 2068	Residential/ commercial complex	87,647 sq. m.
	100%	該等物業年期由 一九九八年五月十三日至 二零六八年五月十二日止， 為期70年	住宅／商業綜 合項目	87,647平方米
Sections B to F 1 Xi Da Jie Kaifeng City Henan Province PRC 中國 河南省 開封市 西大街1號 B至F區	100%	The properties are held for a term of 70 years, commencing on 15 June 2005 and expiring on 15 June 2075	Residential/ commercial complex	136,591 sq. m.
	100%	該等物業年期由 二零零五年六月十五日至 二零七五年六月十五日止， 為期70年	住宅／商業綜 合項目	136,591平方米

Location 地點	Attributable interest of the Group 本集團 應佔權益	Tenure 年期	Current use 目前用途	Gross floor area 建築面積
Residential Zone 1-3 Commercial Zone A, B, C and D Core Lot No. 2012-1 Zheng Kai Avenue Kaifeng City Henan Province PRC 中國 河南省 開封市 鄭開大道 2012-1號宗地1-3住宅區 A、B、C及D商業區	100%	The properties are held for a term of 40 years, commencing on 3 June 2013 and expiring on 13 May 2053	Commercial	75,184 sq. m.
	100%	該等物業年期由 二零一三年六月三日至 二零五三年五月十三日止， 為期40年	商業	75,184平方米

The investment properties of the Group are as follows:

本集團投資物業如下：

Location 地點	Attributable interest of the Group 本集團 應佔權益	Tenure 年期	Lease term 租期	Current use 目前用途	Gross floor area 建築面積
12 Haixiu Avenue Meilan District Haikou Hainan Province PRC	100%	The properties are held for a term of 70 years, commencing on 15 September 2006 and expiring on 14 September 2076	Long	Commercial	22,803 sq. m.
中國 海南省 海口市 美蘭區 海秀路12號	100%	該等物業年期由二零零六年九月十五日至二零七六年九月十四日止，為期70年	長期	商業	22,803平方米
Section A 1 Xi Da Jie Kaifeng City Henan Province PRC	100%	The properties are held for a term of 70 years, commencing on 15 June 2005 and expiring on 15 June 2075	Long	Commercial	53,624 sq. m.
中國 河南省 開封市 西大街1號 A區	100%	該等物業年期由二零零五年六月十五日至二零七五年六月十五日止，為期70年	長期	商業	53,624平方米
Phase I to IV of Asian Villas City Square Southern Area Jinpen Industrial Development Zone Haikou Hainan Province PRC	100%	The properties are held for a term of 70 years, commencing on 13 May 1998 and expiring on 12 May 2068	Long	Commercial	29,325 sq. m.
中國 海南省 海口市 金盤工業開發區 南區 亞洲豪苑城市廣場 第一至四期	100%	該等物業年期由一九九八年五月十三日至二零六八年五月十二日止，為期70年	長期	商業	29,325平方米

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total number of issued shares were held by the public throughout the year ended 31 March 2020.

EVENTS AFTER THE REPORTING PERIOD The COVID-19 Outbreak

The COVID-19 Outbreak since early 2020 has continued in China and countries across the world. The Group will monitor the developments of the COVID-19 Outbreak closely and will assess and react actively to its impacts on the financial position and operating results of the Group. Up to the date of this Annual Report, the assessment was still in progress. Given the dynamic nature of these circumstances, the related impact on the Group's consolidated results of operations, cash flows and financial condition could not be reasonably estimated at this stage and will be disclosed in the Group's 2020/21 interim and annual financial statements.

AUDIT COMMITTEE

The Company has an audit committee which was established in accordance with the requirements of the Code on Corporate Governance Practices for the purpose of reviewing and providing supervision over the Group's internal controls, risk management and financial reporting matters, including the review of the annual results for the year ended 31 March 2020, and adequacy of resources and qualifications of the Company's accounting staff. The audit committee comprises of three independent non-executive directors of the Company, namely Dr. Ho Chung Tai, Raymond, Ir Siu Man Po and Mr. Siu Kam Chau. Mr. Siu Kam Chau is the Chairman of the committee.

The annual results of the Group for the year ended 31 March 2020 have been reviewed by the audit committee members who have provided advice and comments thereon.

AUDITOR

Ernst & Young retire and a resolution for their reappointment as auditor of the Company will be proposed at the forthcoming AGM. There has been no change in the Company's auditor in any of the preceding three years.

Tjia Boen Sien

Managing Director and Deputy Chairman

Hong Kong
26 June 2020

足夠公眾持股量

根據本公司可公開獲得之資料及董事所知悉，於截至二零二零年三月三十一日止年度內，公眾至少持有本公司已發行股份總數之25%。

報告期後事項 COVID-19爆發

COVID-19爆發自二零二零年初在中國爆發及於全球多國持續爆發。本集團將密切監察COVID-19爆發的情況發展，並將就有關情況對本集團財務狀況及營運業績的影響作出評估及主動回應。直至本年報日期，有關評估仍在進行。由於此等情況瞬息萬變，現階段無法合理估計其對本集團綜合營運業績、現金流量及財務狀況的相關影響，有關影響將於本集團二零二零／二一年中期及年度財務報表中披露。

審核委員會

本公司之審核委員會乃根據企業管治常規守則之規定成立，以檢討及監察本集團之內部監控、風險管理及財務申報事宜，包括審閱截至二零二零年三月三十一日止年度之年度業績，及本公司會計人員之資源充足性及資歷。審核委員會由本公司三名獨立非執行董事組成，即何鍾泰博士、蕭文波工程師及蕭錦秋先生。蕭錦秋先生為該委員會主席。

本集團截至二零二零年三月三十一日止年度之年度業績已由審核委員會成員審閱，彼等已就此提供建議及意見。

核數師

安永會計師事務所退任且於應屆股東週年大會上將提呈繼續委任彼等為本公司核數師之決議案。於前三個年度，本公司的核數師概無變動。

董事總經理兼副主席

謝文盛

香港
二零二零年六月二十六日

EXECUTIVE DIRECTOR

LU Quanzhang (“Mr. Lu”), aged 64, is an executive Director of the Company since 9 November 2011. He is also the Chairman of the Board. Mr. Lu has over 24 years of experience in legal practice in the PRC. Mr. Lu is a registered lawyer in the PRC and holds a master post graduate certificate of law from China University of Political Science and Law (Practicing). Mr. Lu was a founding partner of Jun Yan Law Firm in Guangdong where he has practiced since 2003. He worked at Jun Yan Law Firm until 2015. Currently, Mr. Lu is the senior partner of S D & Partners, a private leading law firm in Shenzhen and South China. He is an arbitrator of the China International Economic and Trade Arbitration Commission, Shenzhen Court of International Arbitration and Shanghai International Arbitration Centre.

TJIA Boen Sien (“Mr. Tjia”), aged 76, is one of the co-founders of the Group. He is the Managing Director and Deputy Chairman of the Company. Mr. Tjia is the member of remuneration committee and the member of nomination committee of the Board. Mr. Tjia is well respected and has established connections in the PRC construction industry through his extensive experience. He has over 37 years’ experience in the construction industry in the PRC and Hong Kong. Mr. Tjia is responsible for the overall corporate strategy and the daily operations of the Group, including business development and overall management.

He graduated from chemistry studies at the Huaqiao University (華僑大學) in the PRC in July 1966. He was admitted as member of The Chartered Institute of Building in November 1996 and is a professional member of The Royal Institution of Chartered Surveyors since October 2002. Mr. Tjia previously served as the vice chairman and honourable member of Zhan Tian You Civil Engineering Science and Technology Development Fund Management Committee (詹天佑土木工程科學技術發展基金管理委員會).

In the past three years, Mr. Tjia was the chairman and non-executive director of DCIHL (stock code: 8268), a company listed on the GEM of the Stock Exchange, for a period from 16 December 2014 to 29 July 2019.

執行董事

盧全章 (「盧先生」)，六十四歲，於二零一一年十一月九日為本公司執行董事。彼亦為董事會主席。盧先生於中國超過二十四年執業律師經驗。盧先生是中國的註冊律師，持有中國政法大學法學院(在職)研究生文憑。盧先生是廣東君言律師事務所始創合夥人，自二零零三年起在該律師事務所執業。他於君言律師事務所工作至二零一五年。盧先生現為廣東晟典律師事務所高級合夥人，並在該律師事務所執業；彼亦為中國國際經濟貿易仲裁委員會、深圳國際仲裁院及上海國際仲裁中心仲裁員。

謝文盛 (「謝先生」)，現年七十六歲，為本集團共同創辦人之一，並為本公司董事總經理兼副主席。彼亦為董事會薪酬委員會及提名委員會成員。謝先生於中國之建築業具有廣泛經驗，備受業內人士尊崇，且與中國建築界關係良好。彼於中國及香港建築業已有三十七年以上經驗。謝先生負責本集團整體公司策略及日常業務，包括本集團之業務發展與整體管理。

謝先生於一九六六年七月畢業於中國華僑大學化學系。彼於一九九六年十一月獲認為英國特許建造學會會員，並自二零零二年十月起為英國皇家特許測量師學會專業會員。謝先生曾擔任詹天佑土木工程科學技術發展基金管理委員會副主席及榮譽委員。

謝先生於過往三年，在二零一四年十二月十六日至二零一九年七月二十九日期間曾擔任迪臣建設國際(股份代號：8268，一間於聯交所GEM上市之公司)的主席及非執行董事。

Biographical Details of Directors and Senior Management

董事及高級管理人員履歷

WANG Jing Ning (“Mr. Wang”), aged 64, is an executive Director of the Company and was appointed as a director of the Company in September 1993. He is also a director of various main operating subsidiaries of the Group, among others, Deson Ventures (HK) Limited, Winsome Properties Limited and Honour Advance Limited. Mr. Wang has over 40 years’ experience in hotel management and construction engineering in Mainland China and Hong Kong. He is responsible for managing the Group’s projects in Mainland China.

TJIA Wai Yip, William (“Mr. William Tjia”), aged 44, is an executive Director of the Company since January 2015. Mr. William Tjia joined the Group in February 2000. He is a director of Deson Innovative Limited since July 2005, one of the subsidiaries of the Company. He is responsible for intelligent building and security systems business of the Group. His major duty now is responsible for the Group’s development including business development and overall management. He graduated from the City University of Hong Kong with a Bachelor of Arts with Honours Degree in Information Systems in 1998. He is the son of Mr. Tjia, the Managing Director and Deputy Chairman of the Group.

INDEPENDENT NON-EXECUTIVE DIRECTOR

Dr. Raymond Ho Chung-Tai (“Dr. Ho”), SBS, MBE, S.B. St. J., JP, aged 81, is an independent non-executive Director of the Company and was appointed as a director of the Company in September 1993.

Dr. Ho has 57 years’ experience in the fields of civil, structural, energy, environmental and geotechnical engineering and direct project management of many mega size engineering projects including 47 years in Hong Kong and 10 years in the United Kingdom. He has direct management responsibility in the HK\$3.0 billion (cost at the time) project of Electrification and Modernisation of Kowloon-Canton Railway (now called “The East Rail”) from the mid-70’s till early 80’s; and all the government-funded infrastructure works for Shatin New Town and Tseung Kwan O New Town from early 80’s till the end of 1993, experience including construction of tunnels, bridges, flyovers, roads, dockyards, jetties, hospitals, hotels, incinerators, high-rise commercial/residential buildings, slopes, reclamation, chimneys, Ocean Park environmental studies and environmental protection projects.

王京寧(「王先生」)，現年六十四歲，為本公司執行董事及於一九九三年九月獲委任為本公司董事。彼為本集團多個主要經營附屬公司(其中包括迪臣置業(香港)有限公司、榮信置業有限公司及江裕有限公司)的董事。王先生於中國及香港之酒店管理及建築工程方面擁有逾四十年經驗。彼負責管理本集團在中國內地之工程。

謝維業(「謝維業先生」)，四十四歲，自二零一五年一月為本公司的執行董事。謝維業先生於二零零零年二月加入本集團，彼自二零零五年七月起，為迪衛智能系統有限公司(本公司附屬公司之一)的董事。彼負責本集團的智能樓宇及安保系統業務。彼現在主要負責集團發展，包括業務開拓及整體管理。彼於一九九八年畢業於香港城市大學，獲資訊系統榮譽文學士學位。彼為本集團董事總經理兼副主席謝先生之子。

獨立非執行董事

何鍾泰博士(「何博士」)銀紫荊星章、MBE、聖約翰五級勳銜、太平紳士，現年八十一歲，為本公司獨立非執行董事及於一九九三年九月獲委任為本公司董事。

何博士在土木、結構、能源、環保及岩土工程與大型工程項目管理方面有五十七年的經驗，包括四十七年在香港及十年在英國。他直接負責管理在七十年代中至八十年代初價值三十億港元(當時的項目造價)的九廣鐵路(即現時的東鐵)電氣化及現代化項目；及由八十年代初至一九九三年年末的整個沙田新市鎮及整個將軍澳新市鎮的所有政府撥款之基礎建設，工程建造經驗包括隧道、橋樑、高架公路、道路、船廠、碼頭、醫院、酒店、焚化爐、高層商住樓宇、斜坡、填海、煙囪、香港海洋公園環境研究以及環保項目。

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

Dr. Ho holds a doctorate degree in civil engineering from the City University of London, United Kingdom; Honourary Doctor of Business Administration from the City University of Hong Kong; Honourary Doctor of Laws from University of Manchester, United Kingdom; a postgraduate diploma in geotechnical engineering from Manchester University, United Kingdom; and a bachelor degree in civil engineering from the University of Hong Kong; and was awarded Honourary University Fellow of The University of Hong Kong and Honourary University Fellow of The University of Central Lancashire, United Kingdom.

Dr. Ho was formerly a partner and senior director of Maunsell Consultants Asia Limited from January 1976 to August 1993. Dr. Ho was formerly Hong Kong Deputy to the 10th & 11th terms of National People's Congress of the PRC, member of the 1st, 2nd, 3rd & 4th terms of Legislative Council (Engineering Functional Constituency) (1998–2012), member of the Provisional Legislative Council (1996–1998), President of the Hong Kong Institution of Engineers (1987/1988), Member of the Former Basic Law Consultation Committee, Founding Council Chairman of the City University of Hong Kong, Council Chairman of the former City Polytechnic of Hong Kong, Chairman of Hong Kong Technology Committee of the Industry & Technology Development Council (ITDC) and member of ITDC, Chairman of the Transport Advisory Committee, Hong Kong Affairs Adviser, Chairman of the Infrastructure Development Services Advisory Committee of the HKTDC, board member of the Hong Kong Airport Authority, member of the Court of the City University of Hong Kong, member of the Chinese Medicine Consultative Committee of the School of Chinese Medicine of Hong Kong Baptist University, member of Consultative Committee on the New Airport and Related Projects, and member of the Gas Safety Advisory Committee. Currently, Dr. Ho is Honourary Chairman and Past Chairman of Guangdong Daya Bay Nuclear Plant, LingAo Nuclear Plant Safety Consultative Committee and Professional Advisor (Architecture, Engineering and Surveying) to the Ombudsman, Hong Kong.

Dr. Ho currently is also a director of the following companies which are listed on the Stock Exchange:

An independent non-executive director of:
GCL-Poly Energy Holdings Limited (stock code: 3800)
ChinLink International Holdings Limited (stock code: 997)
AP Rentals Holdings Limited (stock code: 1496)
Fu Shek Financial Holdings Limited (stock code: 2263)

何博士持有英國倫敦城市大學之土木工程博士學位、香港城市大學榮譽工商管理學博士、英國曼徹斯特大學榮譽法律學博士、英國曼徹斯特大學之岩土工程研究文憑及香港大學之土木工程學士學位、香港大學榮譽院士、英國中央蘭開夏大學榮譽院士。

何博士於一九七六年一月至一九九三年八月期間曾出任茂盛工程顧問有限公司之合夥人及高級董事。他亦曾出任中華人民共和國第十屆及第十一屆全國人大代表大會香港區代表、香港特別行政區臨時立法會議員（一九九六年至一九九八年）、第一屆至第四屆工程界功能組別議員（一九九八年至二零一二年）、香港工程師學會會長（一九八七年至一九八八年）、基本法諮詢委員會委員、香港城市大學創校校董會主席、前香港城市理工院校董會主席、科技委員會主席及工業及技術發展局委員、交通諮詢委員會主席、港事顧問、香港新機場與有關工程諮詢委員會成員、氣體安全諮詢委員會委員、香港機場管理局董事局成員（二零零八年至二零一四年）、香港城市大學顧問委員會委員、香港浸會大學中醫藥學院諮詢委員會委員及香港貿易發展局基建發展服務諮詢委員會主席等、廣東大亞灣核電站及嶺澳核電站核安全諮詢委員會前主席、香港國際機場與有關工程諮詢委員會委員。何博士現為香港申訴專員公署專業顧問（工程及測量）及廣東大亞灣核電站及嶺澳核電站核安全諮詢委員會榮譽主席。

何博士亦擔任多家於聯交所上市公司之董事：

獨立非執行董事
保利協鑫能源控股有限公司（股份代號：3800）
普匯中金國際控股有限公司（股份代號：997）
亞積邦租賃控股有限公司（股份代號：1496）
富石金融控股有限公司（股份代號：2263）

Biographical Details of Directors and Senior Management

董事及高級管理人員履歷

Dr. Ho was an independent non-executive director of China State Construction International Holdings Limited (Stock Code: 3311) for a period from June 2005 to 3 June 2019, and was the chairman and non-executive director of SCUD Group Limited (stock code: 1399) for a period from 27 September 2018 to 16 June 2020, both are companies listed on the Stock Exchange in the past three years.

Ir SIU Man-po (“Ir Siu”), is an independent non-executive Director of the Company since September 2001. Ir Siu is a member of the audit committee and the remuneration committee, and the chairman of the nomination committee of the Board.

Ir Siu was awarded the MEDAL OF HONOUR (MH) by the Chief Executive of the Government of the Hong Kong Special Administrative Region (HKSAR) in July 2004 for his dedication and meritorious services to the development of engineering profession in Hong Kong.

Ir Siu, aged 82, obtained his Master of Science in Civil Engineering in 1963 from Auburn University in Auburn, Alabama, U.S.A.

Ir Siu has extensive experience in construction field including the construction of Tsing Yi Power Station in 1966–1977, MTR stations in 1977–1987, and Hong Kong Baptist University campus development in 1989–1999. Ir Siu was the Managing Director of Ho Wang Siu Mak Management Ltd. (an engineering consultancy company) from 2008 to 2019.

Ir Siu is a Fellow Member of the Hong Kong Institution of Engineers and the American Society of Civil Engineers.

SIU Kam Chau (“Mr. Siu”), aged 55, joined the Company in March 2014 as an independent non-executive Director. Mr. Siu is the chairman of the audit committee and the chairman of the remuneration committee, and a member of the nomination committee of the Board. Mr. Siu graduated from the City University of Hong Kong with a bachelor’s degree in Accountancy. He is a fellow of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. He is also a Certified Public Accountant (practising) in Hong Kong. Mr. Siu has over 30 years of working experience in auditing, accounting, company secretarial and corporate finance. Mr. Siu is currently an executive director of Power Financial Group Limited (stock code: 397) and an independent non-executive director of Wang On Group Limited (stock code: 1222), which are companies listed on the Stock Exchange.

何博士於過往三年分別在2005年6月至2019年6月3日期間曾擔任中國建築國際集團有限公司(股份代號：3311)獨立非執行董事；及於2018年9月27日至2020年6月16日期間曾擔任飛毛腿集團有限公司(股份代號：1399)主席及非執行董事。兩間公司均於聯交所上市。

蕭文波工程師(「蕭工程師」)於二零零一年九月獲委任為本公司的獨立非執行董事，並為審核委員會及薪酬委員會成員，以及提名委員會主席。

蕭工程師於二零零四年七月榮獲香港特別行政區行政長官頒授榮譽勳章，以表彰其對香港工程行業之寶貴貢獻。

蕭工程師，現年八十二歲，於一九六三年取得美國Alabama洲Auburn大學之土木工程碩士學位。

蕭工程師擁有三十多年大型基建項目的經驗，包括：一九六六至一九七七年在中華電力有限公司建造青衣發電廠；一九七七至一九八七年在香港地鐵公司建造地鐵站及一九八九至一九九九年香港浸會大學建造校園等。二零零八至二零一零年在會泰文成管理有限公司(一間工程顧問公司)擔任董事總經理。

蕭工程師為下列學會資深會員：香港工程師學會及美國土木工程師學會。

蕭錦秋(「蕭先生」)，現年五十五歲，於二零一四年三月獲委任為本公司獨立非執行董事。蕭先生並為審核委員會主席及薪酬委員會主席，以及提名委員會成員。蕭先生畢業於香港城市大學，持有會計學文學士學位。彼為特許公認會計師公會及香港會計師公會資深會員。彼亦為香港執業會計師。蕭先生於審計、會計、公司秘書及企業財務方面擁有逾30年工作經驗。蕭先生現時為權威金融集團有限公司之執行董事(股份代號：397)及宏安集團有限公司之獨立非執行董事(股份代號：1222)，該些公司在聯交所上市。

SENIOR MANAGEMENT

LAM Wing Wai, Angus (“Mr. Lam”), aged 44, joined the Group in September 2005. He is the Company Secretary and the Financial Controller of the Group. He is responsible for monitoring all the Group’s accounting, finance, listing compliance and company secretarial functions. He holds a Bachelor Degree in Business Administration from the Hong Kong University of Science and Technology. He is a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants. Before joining the Group, he has several years’ experience with an international accounting firm.

In the past three years, Mr Lam was the company secretary and financial controller of DCIHL (stock code: 8268), a company listed on the GEM of the Stock Exchange, for the period from 8 January 2015 to 29 July 2019.

TSE Hoi Ying, Irene (“Ms. Tse”), aged 48, joined the Group in August 1999. She is the director of the Group’s subsidiaries, Medical Technologies Limited and Allied Health Elements Company Limited in September 2002 and September 2019 respectively. Ms. Tse is responsible for trading of medical equipment, health products and related consulting business of the Group, and has over 18 years of experience in rehabilitation and medical equipment. Ms. Tse has been invited to join as professional consultant for different esteemed medical groups. She graduated from the University of British Columbia (Canada) with a Bachelor of Arts (Psychology) in May 1995. She is the daughter of Mr. Tjia, the Managing Director and Deputy Chairman of the Group.

KWOK Chun Fai (“Mr. Kwok”), aged 76, joined the Group in February 1991. He is the project manager of the Group and is responsible for the Group’s construction projects in Mainland China. He has over 46 years’ experience in the industry. He graduated from Fujian Overseas Chinese University in Mainland China in Civil Industrial and Civil Building. He obtained the International Engineering and Professional Manager Qualification Certificate and is a Member of Architectural Society of Chinese.

高級管理人員

林榮偉 (「林先生」)，現年四十四歲，於二零零五年加入本集團，為本集團公司秘書及財務總監，負責本集團會計、財務、上市遵規及公司秘書工作。彼持有香港科技大學工商管理學士學位，為香港會計師公會之會計師。於加盟本集團前，彼曾於一間國際會計師事務所任職多年。

林先生於過去三年自二零一五年一月八日至二零一九年七月二十九日期間擔任迪臣建設國際(股份代號：8268)的公司秘書及財務總監，該公司於聯交所 GEM 上市。

謝海英 (「謝小姐」)，四十八歲，自一九九九年八月加入本集團。謝小姐分別於二零零二年九月及二零一九年九月擔任本集團之附屬公司迪臣國際醫學儀器有限公司及圓方醫療科技有限公司董事職務。謝小姐負責本集團的買賣醫療器材、健康產品及相關顧問業務，並於康復醫療領域擁有逾十八年經驗。謝小姐亦獲邀加入多間備受尊崇的醫療集團擔任專業顧問。彼於一九九五年五月畢業於加拿大卑斯省大學，獲文學士學位，主修心理學。彼為本集團董事總經理兼副主席謝先生之女兒。

郭振輝 (「郭先生」)，現年七十六歲，於一九九一年二月加盟本集團，為本集團策劃經理，負責本集團在國內工程項目。彼擁有逾四十六年經驗。彼畢業於中國福建華僑大學士建系工業與民用建築。彼持有國際職業經理人資格證書及為中國建築學會會員。

The Company is committed to a high standard of corporate governance practices and business ethics in enhancing the confidence of shareholders, investors, employees, creditors and business partners and also the growth of its business. The Company's corporate governance practices are based on the principles ("Principles") and the code provisions ("Code Provisions") as set out in the Code on Corporate Governance Practices ("CG Code") contained in Appendix 14 to the Rules Governing the Listing of Securities ("Listing Rules") on The Stock Exchange of Hong Kong Limited ("Stock Exchange"). The Company has complied with most of the Code Provisions throughout the year ended 31 March 2020 save for the deviation from the Code Provision A.4.1, details of which are explained below. The Company regularly reviews its corporate governance practices in order to meet the rising expectations of stakeholders and comply with increasingly stringent regulatory requirements, and to fulfill its commitment to excellent corporate governance.

Summary of deviation of the CG Code: Code Provision A.4.1

Code Provision A.4.1 stipulates that non-executive directors should be appointed for a specific term, subject to re-election.

The independent non-executive directors are not appointed for a specific term. However, all independent non-executive directors are subject to the retirement and rotation once every three years in accordance with the Company's Bye-Laws. As such, the Board considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are comparable with those in the CG Code.

THE KEY CORPORATE GOVERNANCE PRINCIPLES AND PRACTICES

The Company acknowledges the important role of its Board of Directors ("Board") in providing effective leadership and direction of the Company towards its objectives and ensuring transparency and accountability of all operations. The key corporate governance principles and practices of the Company are summarised as follows:

本公司致力保持高水平之企業管治常規及商業道德標準，以增強股東、投資者、僱員、債權人及業務夥伴之信心，以及推動公司業務增長。本公司企業管治常規以香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十四所載之企業管治守則（「企業管治守則」）載列之原則（「原則」）及守則條文（「守則條文」）為基礎。本公司於截至二零二零年三月三十一日止年度內已遵守大部分守則條文，只有第 A.4.1 條守則條文偏離，詳細闡釋見下文。本公司定期檢討企業管治常規，為了達到持份者對企業管治水平不斷提升的期望及符合日趨嚴謹的法規要求，以及實踐董事會對堅守優越企業管治的承諾。

企業管治守則之偏離概要： 守則條文 A.4.1

守則條文 A.4.1 訂明委任非執行董事應有指定任期，並須接受重新選舉。

獨立非執行董事之委任並無指定任期。然而，所有獨立非執行董事須遵守本公司細則之規定每三年輪席退任一次。因此，董事會認為已採取充分措施，確保本公司之企業管治常規與企業管治守則所規定者相若。

企業管治主要原則及常規

本公司確認，董事會（「董事會」）就提供有效領導，指引本公司邁向其目標及確保一切運作的透明度及問責方面擔當重要角色。本公司主要企業管治原則及常規概述如下：

THE BOARD Responsibilities

The Company has a division of functions reserved to the Board and delegated to the management. The Board provides leadership and approves strategic policies and plans with a view to enhance shareholders' interests while the day-to-day operations of the Company are delegated to the management with proper supervision from the Board. The Board reserves for its decisions on all major matters of the Company, including the approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, corporate governance, material transactions (in particular those may involve conflict of interests), financial information, appointment of directors and other significant financial and operational matters.

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

- (a) to develop and review the Company's policies and practices on corporate governance;
- (b) to review and monitor the training and continuous professional development of Directors and senior management;
- (c) to review and monitor the Company's policies and practices in compliance with legal and regulatory requirement;
- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- (e) to review the Company's compliance with the CG Code.

The Company Secretary assists the Chairman in preparing the agenda for Board meetings. All Directors have full and timely access to all relevant information as well as the advice and services of the Company Secretary, with a view to ensuring that Board procedures and all applicable rules and regulations are followed. Each director is normally able to seek independent professional advice in appropriate circumstances at the Company's expense, upon making request to the Board.

董事會 責任

本公司有保留予董事會之職能分工並將其委派予管理層。董事會發揮領導職能，並通過策略政策及計劃，務求提升股東利益；而本公司日常運作則委派予管理層處理，並由董事會適當監管。董事會保留就本公司所有重大事項之決策權力，包括批准及監察所有政策事項、整體策略及預算、內部監控及風險管理制度、企業管治、重大交易（尤其是可能涉及利益衝突之交易）、財務資料、委任董事及其他重大財務及營運事宜。

董事會負責釐定本公司企業管治政策，以及履行企業管治職責，包括：

- (a) 制訂及檢討本公司的企業管治政策及常規；
- (b) 檢討及監控董事及高級管理人員的培訓及持續專業發展；
- (c) 檢討及監控本公司的政策及慣例是否遵守法定監管規定；
- (d) 制訂、檢討及監控僱員及董事適用的行為守則及合規手冊（如有）；及
- (e) 檢討本公司遵守企業管治守則的情況。

公司秘書協助主席編製董事會會議議程。所有董事已全面及適時獲得所有相關資料以及公司秘書之建議及服務，以確保董事會處事程序及所有適用規則及規例已獲得遵循。任何董事向董事會提出要求後，一般可在適當情況下諮詢獨立專業意見，費用由本公司承擔。

The day-to-day management, administration and operation of the Company are delegated to the Managing Director and the management. The delegated functions and work tasks are periodically reviewed by the Board after being reported on by management. Approval has to be obtained from the Board prior to any significant decisions being made or significant transactions or commitments being entered into by the abovementioned officers, who cannot exceed any authority given to them by resolutions of the Board or the Company.

The Board has the full support of the Managing Director and the management to discharge its responsibilities.

The Company has arranged for appropriate insurance cover in respect of legal actions against the Board and to indemnify its directors for their liabilities arising out of corporate activities. The insurance coverage is reviewed on an annual basis.

Composition

As at the date of this report, the Board comprises seven members, consisting of four executive Directors, and three independent non-executive Directors.

The Company had adopted a Board diversity policy aims to set out the approach to achieve the diversity of the Board. The Company recognises and embraces the benefits of having a diverse Board to enhance the quality of its performance. The Board has in its composition a balance of skills, expertise, qualifications, experience and diversity of perspectives necessary for independent decision making and fulfilling its business needs. All Board appointments will continue to be made on a merit basis with due regard for the benefits of diversity of the Board members.

The Nomination Committee will follow a range of diversified perspectives, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service. The ultimate decision will be made upon possible contribution that the selected candidates will bring to the Board.

本公司日常管理、行政及經營委派予董事總經理及管理層。待管理層匯報，董事會定期檢討所委派職能及工作任務。上述高級職員於作出任何重大決定或進行重大交易或承諾前，均須獲得董事會批准，而有關職員不得超越董事會或本公司決議案賦予彼等的任何授權行事。

董事會全力支持董事總經理及管理層履行其職責。

本公司已就針對董事會之法律訴訟安排適當保險，並就董事因公司事務所產生的責任提供彌償保證。本公司會每年審閱受保範圍。

組成

於本報告日，董事會由七名成員組成，包四名執行董事及三名獨立非執行董事。

本公司已採納董事會成員多元化政策，該政策旨在制訂達致董事會成員多元化的方針。本公司瞭解並認同董事會成員多元化對提升表現質素的裨益。作為作出獨立決策及滿足本公司業務需要的必要條件，董事會具備均衡技能、專業知識、資格、及多元化觀點。全體董事會成員均將繼續經適當考慮董事會成員多元化的裨益後因才委任。

提名委員會將奉行多項多元化考量因素，包括但不限於性別、年齡、文化及教育背景、專業經驗、技能、知識及任期。最終將因應獲選候選人日後可對董事會帶來的貢獻作出決定。

The Board of the Company comprises the following Directors as at 31 March 2020:

Executive Directors

Mr. Lu Quanzhang (*Chairman*)
Mr. Tjia Boen Sien (*Managing Director and Deputy Chairman*)
(*Member of Remuneration Committee and Nomination Committee*)
Mr. Wang Jing Ning (*Member of Remuneration Committee and Nomination Committee*)
Mr. Tjia Wai Yip, William

Independent Non-Executive Directors

Dr. Ho Chung Tai, Raymond (*Member of Audit Committee, Remuneration Committee and Nomination Committee*)
Ir Siu Man Po (*Member of Audit Committee, Remuneration Committee and Chairman of Nomination Committee*)
Mr. Siu Kam Chau (*Chairman of Audit Committee, Remuneration Committee and member of Nomination Committee*)

Details of the backgrounds and qualifications of the chairman of the Company and the other Directors are set out under the section headed “**Biographical Details of Directors and Senior Management**” on pages 43 to 47 of this annual report. All Directors have given sufficient time and attention to the affairs of the Group. Each executive Director has sufficient experience to hold the position so as to carry out his duties effectively and efficiently. Save for Mr. Tjia Boen Sien and Mr. Tjia Wai Yip, William, who are father and son, none of the members of the Board are related to one another or have any financial, business, family or other material or relevant relationships with each other.

During the year ended 31 March 2020, the Board at all times complied with the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors with at least one independent non-executive Director possessing appropriate professional qualifications, or accounting or related financial management expertise.

The Company has received written annual confirmation from each independent non-executive Director of his independence pursuant to the requirements of the Listing Rules. The Company considers all independent non-executive Directors to be independent in accordance with the independence guidelines set out in the Listing Rules.

本公司董事會於二零二零年三月三十一日由以下董事組成：

執行董事

盧全章先生 (*主席*)
謝文盛先生 (*董事總經理兼副主席*)
(*薪酬委員會及提名委員會成員*)
王京寧先生 (*薪酬委員會及提名委員會成員*)
謝維業先生

獨立非執行董事

何鍾泰博士 (*審核委員會、薪酬委員會及提名委員會成員*)
蕭文波工程師 (*審核委員會及薪酬委員會成員，提名委員會主席*)
蕭錦秋先生 (*為審核委員會及薪酬委員會主席，提名委員會成員*)

本公司主席及其他董事的背景資料及資歷載於本年報第 43 至 47 頁之「**董事及高級管理人員履歷**」一節中。所有董事均付出足夠時間及注意力處理本集團的事務。各執行董事均有足夠經驗，可有效率地履行職務。除謝文盛先生與謝維業先生為父子關係外，董事會成員之間均無關連或並無任何財務、業務、家族或其他重要或相關關係。

於截至二零二零年三月三十一日止年度，董事會符合上市規則之規定，至少委任三名獨立非執行董事，且其中至少一名獨立非執行董事擁有相關專業資格或會計或相關財務管理專業知識。

本公司已收到各獨立非執行董事根據上市規則規定就其獨立性發出之年度確認函。本公司認為，所有獨立非執行董事均符合上市規則載列之獨立性指引規定。

The independent non-executive Directors brings independent judgement on issues of strategies direction, policies, development, performance and risk management through their contribution at Board Meetings.

The independent non-executive Directors bring a wide range of business and financial expertise, experiences and independent judgement to the Board. Through active participation in Board meetings, taking the lead in managing issues involving potential conflict of interests and serving on Board committees, all independent non-executive Directors will scrutinise the performance of the Company in achieving corporate goals and objectives and monitor performance reporting. By doing so, they are able to contribute positively to the Company's strategy and policies through independent, constructive and informed comments at Board and committee meetings.

The Board values the contribution of the independent non-executive Directors, and strives to ensure constructive relations between them and the executive Directors. All Directors are encouraged to contribute their views during Board meetings.

Appointment and Succession Planning of Directors

The Company has established formal, considered and transparent procedures for the appointment and succession planning of Directors. Directors to be appointed will receive a formal letter of appointment setting out the key terms and conditions of their appointment. Any Board member is entitled to recommend suitable candidate that meet the requirements of the Listing Rules for consideration by the Board.

Code Provision A.4.1 stipulates that non-executive directors should be appointed for a specific term, subject to re-election. In accordance with the Company's Bye-Laws, every Director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. Although the independent non-executive Directors do not have a specific term of appointment, all Directors of the Company retire by rotation once every three years. As such, the Board considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are comparable with those in the CG Code.

獨立非執行董事透過參與董事會會議，就策略方向、政策、發展、表現及風險管理等事宜作出獨立判斷。

獨立非執行董事俱備廣泛的行業及財務專業知識、經驗及為董事會提供獨立判斷。所有獨立非執行董事透過積極參與董事會會議，在處理可能涉及利益衝突的問題上發揮領導作用以及服務董事委員會，以監督本公司在實現企業目標及目的方面之表現，以及監察業務表現的報告。由此，彼等可透過於董事會及委員會會議上提出獨立、富建設性及知情意見，對本公司制定策略及政策作出正面貢獻。

董事會十分重視獨立非執行董事的貢獻，並努力確保彼等與執行董事之間建立積極關係。本公司鼓勵全體董事於董事會會議上發表彼等意見。

董事之委任及繼任方法

本公司已就董事委任及繼任計劃制定正式、審慎及透明程序。將獲委任的董事均會接獲一份正式委任函，當中載有其委任的相關主要條款及條件。任何董事會成員有權推薦符合上市規則要求的適合候選人供董事會考慮。

守則條文第 A.4.1 條規定，委任非執行董事應有指定任期，可接受重選。根據本公司細則，每名董事（包括有指定任期的董事）應最少每三年輪值退任一次。儘管獨立非執行董事之委任並無指定任期，惟所有本公司董事須每三年輪值退任。就此而言，董事會認為已採取足夠措施確保本公司之企業管治常規與企業管治守則所規定者相若。

Training for Directors and Company Secretary

Each newly appointed director receives comprehensive, formal induction to ensure that he/she has appropriate understanding of the business and his/her responsibilities and obligations under the Listing Rules and relevant regulatory requirements.

During the year ended 31 March 2020, the Directors are regularly updated and appraised with any new regulations and guideline, as well as any amendments thereto issued by the Stock Exchange, particularly the effects of such new or amended regulations and guidelines on directors specifically. On an ongoing basis, Directors are encouraged to keep up to date on all matters relevant to the Group and attend briefings and seminars as appropriate.

The Company is aware of the requirement to regularly review and agrees with each Director their training needs. The continuing professional training program of the Company for Directors will be reviewed on an ongoing basis by the Nomination Committee. During the year ended 31 March 2020, all Directors have individually attended seminars and training courses conducted by qualified professions on accounting, taxation and Listing Rules.

There are also arrangements in place for providing continuing briefing and professional development to directors whenever necessary.

For the financial year ended 31 March 2020, the Company Secretary of the Company has taken no less than 15 hours of relevant professional training.

Board Meetings

Code Provision A.1.1 stipulates that the Company should hold at least four regular Board meetings a year at approximately quarterly intervals with active participation of a majority of Directors, either in person or through other electronic means of communication.

Regular Board meetings were held during the year for reviewing and approving the financial and operating performance, and considering and approving the overall strategies and policies of the Company.

董事及公司秘書培訓

每名新任董事需接受全面及正式任職培訓，以確保充分了解業務及根據上市規則及有關法例規定彼等之責任及義務。

於截至二零二零年三月三十一日止年度內，董事有定期更新及評價聯交所頒佈的任何新規定及指引以及任何有關修訂，尤其是該等新訂或經修訂規定及指引對董事的特定影響。在持續的基礎上，本公司亦鼓勵董事保持對有關本集團的所有事宜的最新發展，並於適當時參加簡介會及研討會。

本公司明白定期檢討及與各董事協定有關培訓需要的規定。提名委員會以持續基準檢討本公司為董事安排的持續專業培訓計劃。於截至二零二零年三月三十一日止年度內，全體董事已個別出席由合資格專業人士提供有關會計、稅務以及上市規則的研討會及培訓課程。

本公司亦作出安排，在需要時向董事提供持續簡報及專業培訓。

截至二零二零年三月三十一日止財政年度，本公司公司秘書已接受不少於15個小時的相關專業培訓。

董事會會議

守則條文第 A.1.1 條規定，本公司應每年至少舉行四次董事會會議，大約每季一次。每次董事會會議應有大部分董事親身出席或透過電子通訊方式積極參與。

本公司於年內舉行董事會會議，檢討及通過財務及經營業績以及審議及通過本公司整體策略及政策。

During the year under review, seven Board meetings were held. Details of the attendance of the Directors are as follows:

於回顧年度內，本公司舉行七次董事會會議。董事出席詳情如下：

Executive Directors	執行董事	Directors' Attendance 董事出席次數
Mr. Lu Quanzhang (<i>Chairman</i>)	盧全章先生 (<i>主席</i>)	6/7
Mr. Tjia Boen Sien (<i>Managing Director and Deputy Chairman</i>)	謝文盛先生 (<i>董事總經理兼副主席</i>)	7/7
Mr. Wang Jing Ning	王京寧先生	7/7
Mr. Tjia Wai Yip, William	謝維業先生	7/7
Independent Non-executive Directors	獨立非執行董事	
Dr. Ho Chung Tai, Raymond	何鍾泰博士	7/7
Ir Siu Man Po	蕭文波工程師	7/7
Mr. Siu Kam Chau	蕭錦秋先生	7/7

Notices of regular Board meetings were served to all Directors at least 14 days before the meetings. For other Board and committee meetings, reasonable notice is generally given.

董事會會議通知於舉行會議前至少十四天送交所有董事。就其他董事會及委員會會議而言，一般發出合理通知。

Agenda and Board papers together with all appropriate information are sent to all Directors at least three days before each Board meeting or committee meeting so as to ensure that there is timely access to relevant information. All Directors can give notice to the Chairman of the Board or the Company Secretary if they intend to include matters in the agenda for Board meetings. The Board and the senior management are also obligated to keep the Directors apprised of the latest developments and financial position of the Group and to enable them to make informed decisions. The Board and each Director also have separate and independent access to the senior management whenever necessary in a timely manner.

每次董事會會議或委員會會議至少提前三日向所有董事寄發議程及董事會文件連同所有相關資料，以確保適時取得相關資料。董事如有意於董事會會議議程加入任何事項，均可知會董事會主席或公司秘書。董事會及高級管理人員亦有義務讓董事瞭解本集團最新發展及財政狀況以便彼等作出知情決定。董事會及各董事在需要時可及時各自及獨立接觸高級管理人員。

Apart from the above regular Board meetings of the year, the Board will meet on other occasions when a Board-level decision on a particular matter is required. The Directors will receive details of agenda items for decision in advance of each Board meeting.

除上述年內定期董事會會議外，董事會將於特定事宜需要董事會決定時召開會議。董事將於每次董事會會議前事先獲發詳細的議程。

The Company Secretary, who is an employee of the Company, is responsible to take and keep minutes of all Board meetings and Board committee meetings, which record in sufficient detail the matters considered by the Board and decisions reached, including any concerns raised by Directors or dissenting views expressed. At Board meetings, all Directors have ample opportunities to express their respective views, voice any concerns and discuss the matters under consideration, and the results of voting at Board meetings fairly reflects the consensus of the Board. Draft minutes are normally circulated to Directors for comment within a reasonable time after each meeting and the final version is open for Directors' inspection. Directors are entitled to have access to board papers and queries will be responded fully. According to current Board practice, any material transaction, which involves a conflict of interests for a substantial shareholder or a Director, will be considered and dealt with by the Board at a duly convened Board meeting. Such Director must abstain from voting and will not be counted as quorum.

Directors' commitments

Each Director has confirmed that he can give sufficient time and attention to the Group's affairs, and has regularly provided information on the number and nature of offices held in public companies or organisations and other significant commitments, including the identity of such companies or organisations and an indication of the time involved.

ANNUAL GENERAL MEETING

The Company held the annual general meeting ("2019 AGM") on 20 August 2019. Mr. Lu Quanzhang was unable to attend the 2019 AGM of the Company due to business engagements. Mr. Tjia Wai Yip, William, the executive Director, was elected as the chairman of 2019 AGM to ensure effective communication with shareholders of the Company at the meeting.

SPECIAL GENERAL MEETING

The Company held the special general meeting in relation to the disposal of 31.18% shareholding in Deson Construction International Holdings Limited on 11 June 2019. Mr. Tjia Wai Yip, William, the executive Director, was elected as the chairman of the special general meeting to ensure effective communication with shareholders of the Company at the meeting.

Details of which please refer to the Company's announcements and notice published on 24 May 2019 and 11 June 2019, as well as the circular dated 24 May 2019.

公司秘書(本公司僱員)負責記錄及保存所有董事會會議及董事委員會會議的有關記錄，當中記錄董事會考慮事宜及達成決策的充足詳情，包括董事提出的任何關注或反對意見。於董事會會議上，全體董事有充足的機會表達彼等的意見、提出任何問題及討論審議中的事宜，而董事會投票結果充分反映董事會的一致性。草擬記錄一般於各會議後之合理時間內傳閱董事，以作評論，而最終版本可供董事查閱。董事有權查閱董事會文件，所作提問會獲得充分解答。根據現行董事會常規，涉及主要股東或董事利益衝突之任何重大交易，將由董事會在正式召開之董事會會議上予以考慮及處理；相關董事必須放棄投票，其出席不計入法定人數。

董事承諾

各董事已確認，彼可為本集團事宜提供充足時間及精力，並已定期提供有關彼等於上市公司或機構擔任職務數目及性質的資料以及其他重大承諾，包括該公司或機構身份及指定參與時間。

股東週年大會

本公司於二零一九年八月二十日舉行股東週年大會(「二零一九年股東週年大會」)。盧全章先生因業務安排而未能出席本公司二零一九年股東週年大會。執行董事謝維業先生獲選任為二零一九年股東週年大會主席，以確保與本公司股東於會上保持有效的溝通。

股東特別大會

本公司於二零一九年六月十一日舉行了股東特別大會，涉及出售迪臣建設國際集團有限公司31.18%的股權。執行董事謝維業先生當選為股東特別大會主席，以確保在會議上與本公司股東進行有效溝通。

有關詳情，請參閱本公司於二零一九年五月二十四日和二零一九年六月十一日發佈的公告和通知，以及日期為二零一九年五月二十四日的通函。

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The Company fully supports the division of responsibility between the Chairman of the Board and the Managing Director, who performs similar role as Chief Executive Officer, to ensure a balance of power and authority. The respective responsibilities of the Chairman and the Managing Director are clearly defined and set out in writing. The Chairman provides leadership for the Board and is responsible for the effective functioning of the Board in accordance with good corporate governance practice. The Chairman is primarily responsible for ensuring good corporate governance practices and procedures are established. He encourages all Directors to make full and active contribution to the Board's affairs and take the lead to ensure that it acts in the best interests of the Company. He ensures that appropriate steps are taken to provide effective communication with shareholders and their views are communicated to the Board as a whole. With the support of the management, the Chairman is also responsible for ensuring that the Directors receive adequate information (whether from senior management or otherwise) in a timely manner, which is accurate, clear, complete and reliable, and appropriate briefing on issues arising at Board meetings as well as to ensure constructive relations between the executive and non-executive Directors.

The Managing Director focuses on implementing objectives, policies and strategies approved and delegated by the Board. He is in charge of the Group's day-to-day management and operations. The Managing Director is also responsible for developing strategic plans and formulating the organisational structure, control systems and internal procedures and processes for the Board's approval, as well as developing policies and practices on corporate governance and compliance with legal and regulatory requirements. The position of the Chairman is held by Mr. Lu Quanzhang while the position of the Managing Director is held by Mr. Tjia Boen Sien.

The Chairman has held a meeting with the independent non-executive Directors without the executive Directors.

主席及行政總裁

本公司全面支持董事會主席與擔當跟行政總裁相似角色之董事總經理之職權劃分，以確保權力及授權之平衡。主席及董事總經理各自之職權經清楚界定並以書面形式列明。主席發揮董事會領導作用，並根據良好企業管治常規負責董事會之有效運作。主席主要負責確保設立良好的企業管制常規及程序。並鼓勵全體董事全力積極參與董事會事務，確保董事會行事符合本公司最佳利益。彼確保採取適當步驟，保持董事會與股東之間的有效溝通，以及確保股東意見可傳達到整個董事會。主席在管理層支持下，亦負責確保所有董事及時獲得準確、清晰、全面及可靠之充足資料，及獲得董事會會議上所提出問題之適當簡介，並確保執行董事及非執行董事之間維持積極關係。

董事總經理集中於董事會通過並授權遵循之公司目標、政策及策略付諸實行，負責本集團日常管理及營運。董事總經理亦負責制訂策略計劃及草擬組織結構、監控制度及內部手續與程序，並由董事會批准，以及制定企業管治的政策及常規，以及遵守法律及監管規定。主席一職由盧全章先生擔任，而董事總經理一職由謝文盛先生擔任。

主席曾在執行董事缺席的情況下與獨立非執行董事舉行會議。

BOARD COMMITTEES

The Board has established three committees, namely, the Remuneration Committee, Nomination Committee and Audit Committee, for overseeing particular aspects of the Group's affairs. All Board committees of the Company are established with defined written terms of reference. The terms of reference of the Board committees have complied with the Code Provisions and are available on the Stock Exchange website www.hkexnews.hk and the Company's website www.deson.com and are available to shareholders upon request. The Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expenses. These Board committees will report back to the Board on their decisions or recommendations.

Remuneration Committee

Mr. Tjia Boen Sien, Mr. Wang Jing Ning, Dr. Ho Chung Tai, Raymond, Ir Siu Man Po and Mr. Siu Kam Chau are the members of the Remuneration Committee and Mr. Siu Kam Chau is the chairman of the committee. The primary objectives of the Remuneration Committee include making recommendations on and approving the remuneration policy and structure and remuneration packages of the executive Directors and the executives after consultation with the Chairman/Managing Director and accessed to professional advice, at the Group's expense, when necessary. The Remuneration Committee is also responsible for establishing transparent procedures for developing such remuneration policy and structure to ensure that no Director or any of his/her associates will participate in deciding his/her own remuneration, which remuneration will be determined by reference to the performance of the individual and the Group as well as market practice and conditions. The Remuneration Committee normally meets towards the end of each year to review the remuneration policy and structure and determination of the annual remuneration packages of the executive Directors, independent non-executive Directors and senior management and other related matters. The Group's remuneration policy is to maintain fair and competitive remuneration packages based on business needs and market practice. Factors such as market rate, an individual's qualification, experience, performance and time commitment are taken into account during the remuneration package determination process. The Remuneration Committee met once during the year ended 31 March 2020 and reviewed the remuneration policy and structure of the Company and remuneration packages of the executive Directors, independent non-executive Directors and senior management for the year under review. Recommendations have been made to the Board.

董事委員會

董事會之下設立三個委員會，即薪酬委員會、提名委員會及審核委員會，以監督本集團具體事務。本公司所有董事委員會均以書面形式訂定職權範圍。本公司所有董事委員會之職權範圍已遵守守則條文並載於聯交所網頁(www.hkexnews.hk)及本公司網頁(www.deson.com)並供股東索閱。董事委員會獲得足夠資源以履行職責，若提出合理要求，及在適當情況下，可尋求獨立專業意見，費用由本公司承擔。董事委員會將就彼等之決定或推薦意見向董事會匯報。

薪酬委員會

謝文盛先生、王京寧先生、何鍾泰博士、蕭文波工程師及蕭錦秋先生為薪酬委員會成員，而蕭錦秋先生為委員會主席。薪酬委員會之主要目標(在徵得主席/董事總經理意見及如有需要在獲得專業意見，費用由本集團承擔)，包括就執行董事及行政人員薪酬政策及結構及薪酬待遇提出建議及予以批准。薪酬委員會亦負責為制訂此等薪酬政策及結構設立具透明度的程序，確保董事或其聯繫人士不會參與決定其本身之薪酬；薪酬應根據個人表現、本集團業績以及市場慣例及條件而釐定。在一般情況下，薪酬委員會於每年接近年末時舉行會議，檢討薪酬政策及結構並決定執行董事、獨立非執行董事及高級管理人員之年度薪酬待遇及其他相關事項。本集團的薪酬政策乃根據業務需要及市場慣例，維持公平及具競爭力的薪酬待遇。於釐定薪酬待遇的過程中，已考慮市場水平、個人資歷、經驗、表現及工作時間等因素。於截至二零二零年三月三十一日止年度，薪酬委員會舉行了一次會議，檢討本公司薪酬政策及結構及回顧年度內執行董事、獨立非執行董事及高級管理人員薪酬待遇。已向董事會作出推薦意見。

Details of the attendance record of members of the Remuneration Committee are set out below: 薪酬委員會成員出席記錄詳情如下：

Name of Members	成員姓名	Members' Attendance 成員出席次數
Mr. Tjia Boen Sien	謝文盛先生	1/1
Mr. Wang Jing Ning	王京寧先生	1/1
Dr. Ho Chung Tai, Raymond	何鍾泰博士	1/1
Ir Siu Man Po	蕭文波工程師	1/1
Mr. Siu Kam Chau	蕭錦秋先生	1/1

Nomination Committee

Mr. Tjia Boen Sien, Mr. Wang Jing Ning, Dr. Ho Chung Tai, Raymond, Ir Siu Man Po and Mr. Siu Kam Chau are the members of the Nomination Committee and Ir Siu Man Po is the chairman of the committee. The primary objectives of the Nomination Committee include reviewing the Board composition and identifying and nominating candidates for appointment to the Board such that it has the relevant blend of skills, knowledge, gender, age, cultural, educational background, professional experience and diversity of perspectives. The Nomination Committee also assesses the independence of independent non-executive Directors and make recommendation to the Board on the appointment and reappointment of Directors and succession planning for Directors. Candidates for appointment as Directors may be sourced internally or externally through various channels such as using the services of specialist executive search firms. The aim is to appoint individuals of the highest caliber in their area of expertise and experience. The Nomination Committee met once during the year ended 31 March 2020 and reviewed the structure, size and composition of the Board for the year under review.

提名委員會

謝文盛先生、王京寧先生、何鍾泰博士、蕭文波工程師及蕭錦秋先生為提名委員會成員，而蕭文波工程師為委員會主席。提名委員會的主要責任乃檢討董事會的組成，以及甄選及提名董事人選，以符合董事會所需的相關技術、知識、性別、年齡、文化、教育背景、專業經驗及多元化觀點。提名委員會亦評估獨立非執行董事的獨立性並就委任及重新委任董事及董事繼任計劃向董事會提供意見。董事人選可以由內部提升或經高級行政人員招聘顧問公司聘請，以委任擁有相關專門知識及經驗的精英為目的。於截至二零二零年三月三十一日止年度，提名委員會舉行了一次會議，並於回顧年度檢討董事會之架構、人數及組成。

Details of the attendance record of members of the Nomination Committee are set out below: 提名委員會成員出席記錄詳情如下：

Name of Members	成員姓名	Members' Attendance 成員出席次數
Mr. Tjia Boen Sien	謝文盛先生	1/1
Mr. Wang Jing Ning	王京寧先生	1/1
Dr. Ho Chung Tai, Raymond	何鍾泰博士	1/1
Ir Siu Man Po	蕭文波工程師	1/1
Mr. Siu Kam Chau	蕭錦秋先生	1/1

The following policy has been adopted by the nomination committee to assist in fulfilling its duties and responsibilities as provided in its terms of reference. The policy may be amended from time to time by the committee as provided therein.

Recommended candidates

The committee shall consider any and all candidates recommended as nominees for directors to it by any director or shareholder; provided that in the case of shareholder recommendations, such recommendations comply with all applicable notice requirements set forth in the Company's Bye-laws, the procedures for a shareholder's nomination to be properly brought before a general meeting, and the Listing Rules. The committee may also consider, in its sole discretion, any and all candidates recommended as nominees for directors to it by any source.

Desired qualifications, qualities and skills

The committee shall endeavour to find individuals of high integrity who have a solid record of accomplishment in their chosen fields and who possess the qualifications, qualities and skills to effectively represent the best interests of all shareholders. Candidates will be selected for their ability to exercise good judgment, to provide the commitment to enhancing shareholder value, practical insights and diverse perspectives. Candidates will also be assessed in the context of the then-current composition of the board, the operating requirements of the Company and the long-term interests of all shareholders. In conducting this assessment, the committee will, in connection with its assessment and recommendation of director candidates, consider diversity (including, but not limited to, gender, age, cultural and educational background, ethnicity, professional experience and skills) and such other factors as it deems appropriate given the then-current and anticipated future needs of the board and the Company, and to maintain a balance of perspectives, qualifications, qualities and skills on the board. The committee may also consider such other factors as it may deem are in the best interests of the Company and its shareholders. The above diversity perspectives, taking into account the Company's business model and needs, are set out in a board diversity policy which has been established by the Company to see that diversity on the board can be achieved.

提名委員會已採納以下政策，以協助其履行於職權範圍所列明之職務及責任。委員會可根據當中規定不時修訂有關政策。

推薦候選人

委員會應考慮所有獲任何董事或股東推薦為董事提名人的候選人，惟倘為股東推薦，有關推薦須遵守本公司細則，股東提名應正式於股東大會上提呈的程序以及《上市規則》所載所有適用通知規定。委員會亦可全權酌情考慮由任何人士推薦為董事提名人的任何候選人。

所需資歷、素質及技能

委員會致力物色誠實可靠並在彼等從事的行業擁有傑出成就及相關資歷、素質及技能的人，以有效地付予全體股東的最佳利益。甄選候選人時將根據彼等的判斷力、承諾提升股東價值、提升實務見解以及多元化觀點的能力。委員會亦會就董事會當時的組成、本公司營運需求及全體股東長遠利益對候選人作出相關評估。進行評估時，委員會不僅考慮有關董事候選人的評估及推薦建議，亦考慮多元化（包括但不限於性別、年齡、文化和教育背景、種族、專業經驗和技能）以及鑑於董事會與本公司當時及預期將來的需要而視為合適的其他因素，並維持董事會觀點、資歷、素質及技能的平衡。委員會亦可考慮彼等視為符合本公司與其股東最佳利益的其他因素。以上多元化觀點考慮到本公司的業務模式及需要，並載於本公司為達致董事會多元化而設的董事會多元化政策。

Independence

The committee shall ensure that at least one-third of the board members (or such other number of the members of the board as prescribed by the Listing Rules from time to time) meet the definition of independent non-executive director. The committee shall annually assess each nominee for independent non-executive director by reviewing any potential conflicts of interest that he or she and their immediate family members (as defined in the Listing Rules) may have, based on the criteria for independence set forth in Rule 3.13 of the Listing Rules. A retiring independent non-executive director who has served the board for a period of nine consecutive years or more is eligible for nomination by the board to stand for re-election at a general meeting provided that he or she is still considered independent by the board.

The following information has been set out in the Company's circular to shareholders for the proposed resolution to elect an individual as an independent non-executive director at the AGM:

1. the process used for identifying the individual and why the Board believes the individual should be elected and the reasons why the Board considers the individual to be independent;
2. if the proposed independent non-executive director will be holding their seventh (or more) listed company directorship, why the Board believes the individual would still be able to devote sufficient time to the Board;
3. the perspectives, skills and experience that the individual can bring to the Board; and
4. how the individual contributes to diversity of the Board.

獨立性

委員會應確保董事會成員最少三分之一(或《上市規則》不時訂明的其他董事會成員人數)符合獨立非執行董事的定義。委員會將根據《上市規則》3.13條所載獨立性標準,透過每年審查每位獨立非執行董事提名人或其直系親屬(定義見《上市規則》)的潛在利益衝突而對各獨立非執行董事提名人進行評估。已於董事會連續九年或以上的退任獨立非執行董事,符合資格獲董事會提名以便於股東大會膺選連任,惟其仍須被董事會視為獨立。

有關應屆股東週年大會上提呈決議案選任某人士為獨立非執行董事,本公司致股東通函中已列明以下資料:

1. 用以物色該名人士的流程、董事會認為應選任該名人士的理由以及彼等認為該名人士屬獨立人士的原因;
2. 如候任獨立非執行董事將出任第七間(或以上)(如適用)上市公司的董事,董事會認為該名人士仍可投入足夠時間履行董事責任的原因;
3. 該名人士可為董事會帶來的觀點與角度、技能及經驗;及
4. 該名人士如何促進董事會成員多元化。

Nominee evaluation process

The committee will consider as a candidate any director who has indicated his or her willingness to stand for re-election and any other person who is recommended by any shareholder. The committee may also undertake its own search process for candidates and may retain the services of professional firms or other third parties to assist in identifying and evaluating potential nominees. The committee may use any process it deems appropriate for the purpose of evaluating candidates which is consistent with those set forth in its terms of reference, the Company's Bye-laws, the corporate governance policy and the policy described herein; provided that the process used for evaluating a nominee for each election or appointment of director shall be substantially similar and under no circumstances shall the committee evaluate nominees recommended by a shareholder pursuant to a process that is substantially different than that used for other nominees for the same election or appointment of director.

Nomination procedures

1. The secretary of the committee shall call a meeting of the committee, and invite nominations of candidates from board members, if any, for consideration by the committee prior to its meeting. The committee may also put forward candidates who are not nominated by board members.
2. For filling a casual vacancy, the committee shall make recommendations for the board's consideration and approval. For proposing candidates to stand for election at a general meeting, the committee shall make nominations to the board for its consideration and recommendation.
3. Until the issue of the shareholder circular, the nominated persons shall not assume that they have been proposed by the board to stand for election at the general meeting.
4. In order to provide information of the candidates nominated by the board to stand for election at a general meeting, a circular will be sent to shareholders. The circular will set out the names, brief biographies (including qualifications and relevant experience), and any other information, as required pursuant to applicable laws, rules and regulations, of the proposed candidates.

提名人評估流程

委員會將考慮任何表示願意膺選連任的董事以及任何股東推薦的任何其他人士為候選人。委員會亦可自行物色候選人，並聘請專業機構或其他第三方的服務以協助物色及評估潛在的提名人。委員會可採用任何其視為合適之程序評估候選人，相關程序須符合其職權範圍、本公司細則、企業管治政策以及本文所述政策一致的程序評估候選人，惟就各選舉或委任董事評估提名人的程序必須大致相同，且於任何情況下，委員會評估由股東推薦的提名人時所根據的程序，均不會與評估同一董事選舉或委任的其他提名人的程序有重大差異。

提名程序

1. 委員會秘書將召開委員會會議，並邀請董事會成員提名候選人(如有)，以供委員會於大會前考慮。委員會亦可提名非董事會成員提名的候選人。
2. 就填補臨時空缺時，委員會將提供推薦意見，以供董事會考慮及批准。就建議候選人於股東大會上參選而言，委員會將向董事會提名以供考慮及提出推薦意見。
3. 直至刊發股東通函為止，獲提名人士不得視其已獲董事會建議於股東大會上參選。
4. 為提供有關董事會提名於股東大會上參選候選人的資料，股東將獲寄發一份通函。該通函內將根據適用法律、法規及規則的規定，載有建議候選人的姓名、履歷簡述(包括資歷及相關經驗)以及任何其他資料。

5. A shareholder can serve a notice to the board of directors or the company secretary within the lodgement period of its intention to propose a resolution to elect a certain person as a director in accordance with the relevant procedures posted on the Company's website. The particulars of the candidates so proposed will be provided to all shareholders for information by way of announcement and/or supplementary circular.
 6. A candidate is allowed to withdraw his or her candidature at any time before the general meeting by serving a notice in writing to the board of directors or the company secretary.
 7. The board shall have the final decision on all matters relating to its recommendation of candidates to stand for election at any general meeting.
 8. Shareholder proposed resolutions shall take the same form as the resolutions proposed for the candidates recommended by the board.
5. 股東可根據於本公司網站所載相關程序於提出通知期間內向董事會或公司秘書發出通知，表明其有意提呈推選特定人士擔任董事的決議案。有關建議的候選人的詳情將透過公告及／或補充通函寄發予全體股東以供參考。
 6. 候選人可於股東大會舉行前任何時間向董事會或公司秘書發出書面通知退選。
 7. 董事會就有關建議候選人於任何股東大會參選事宜擁有最終決定權。
 8. 股東提呈的決議案與董事會建議候選人的決議案形式一致。

During the year, the nomination committee reviewed the board composition and independence of independent non-executive directors, and considered the suitability of those retiring directors standing for re-election at the next annual general meeting as well as the need for a director succession plan. The committee also reviewed the nomination policy and the board diversity policy and discussed the objectives set for implementing the latter, and noted that those objectives had been achieved. The committee concluded that the board composition should continue unchanged.

Audit Committee

The Audit Committee comprises three independent non-executive Directors (including one independent non-executive Director who possesses the appropriate professional qualifications or accounting or related financial management expertise) and Mr. Siu Kam Chau is the chairman of the committee. None of the members of the Audit Committee is a former partner of the Company's existing external auditor.

The main duties of the Audit Committee include the following:

- (a) to review the financial statements and reports and consider any significant or unusual items raised by the qualified accountant, compliance officer (if any) or external auditor before submission to the Board;

年內，提名委員會檢討董事會之組合及獨立非執行董事之獨立性，並考慮於下屆股東週年大會上備選連任之退任董事是否適合，以及董事繼任人選計劃之需要。委員會亦檢討提名政策及董事會成員多元化政策，並討論為推行後者而設定之目標，及確認該等目標已經實現。委員會之結論為董事會之組合應維持不變。

審核委員會

審核委員會由三名獨立非執行董事（包括一名擁有適當專業資格或會計或相關財務管理專業知識之獨立非執行董事）組成。蕭錦秋先生為委員會主席。審核委員會成員均非本公司現時外聘核數師之前合夥人。

審核委員會之主要職責包括以下各項：

- (a) 審議財務報表及報告，並在提交董事會前審議合資格會計師、監察主任（如有）或外聘核數師提出的任何重大或不尋常事項；

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|--|---|
| <p>(b) to review the relationship with the external auditor by reference to the work performed by the auditor, their fees, terms of engagement and independence, and make recommendation to the Board on the appointment, reappointment and removal of external auditor;</p> | <p>(b) 根據核數師所進行之工作、其袍金、受聘條款及獨立性檢討與外聘核數師之關係，並就委任、重新委任及罷免外聘核數師向董事會提出建議；</p> |
| <p>(c) to review the adequacy and effectiveness of the Group's financial reporting system, and risk management system, internal control system and associated procedures; and</p> | <p>(c) 檢討本集團財務申報系統、風險管理系統、內部監控系統及相關程序是否適當及有效；及</p> |
| <p>(d) to review the adequacy of resources, qualifications and experience of the Group's accounting and financial reporting staff, their training programs, and budget.</p> | <p>(d) 檢討本集團會計及財務人員的資源、學歷、經驗的足夠性及其培訓計劃與預算。</p> |

The Audit Committee held two meetings during the year ended 31 March 2020 to review the financial results and reports, financial reporting and compliance procedures, and discussed matters concerning the effectiveness of internal control systems and the re-appointment of the external auditor. Minutes of Audit Committee meetings are kept by the Company Secretary of the Company. Draft and final version of the minutes of meetings are sent to all committee members for comments within a reasonable time after the meeting. There are no material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. Sufficient resources are provided by the Company for the Audit Committee to perform its duties.

截至二零二零年三月三十一日止年度，審核委員會舉行兩次會議，檢討財務業績及報告、財務申報及合規程序、及討論關於內部監控系統之有效性以及續聘外聘核數師。審核委員會會議記錄由本公司之公司秘書保存。會議記錄之草稿及最終版本將於會議後合理時間內寄送予所有委員會成員以提供意見。發現並無可能對本公司作為持續經營企業之持續經營能力產生重大疑問之事件或情況。本公司已向審核委員會提供充足資源以使其履行職責。

There is no disagreement between the Board and the Audit Committee regarding the selection, appointment, resignation or dismissal of the external auditor.

董事會與審核委員會就外聘核數師之甄選、委任、辭任或解聘並無分歧意見。

Details of the attendance record of members of the Audit Committee are set out below:

審核委員會成員出席記錄詳情如下：

Name of Members	成員姓名	Members' Attendance 成員出席次數
Mr. Siu Kam Chau	蕭錦秋先生	2/2
Dr. Ho Chung Tai, Raymond	何鍾泰博士	2/2
Ir Siu Man Po	蕭文波工程師	2/2

COMPANY SECRETARY

Please refer to section headed “**Biographical Details of Directors and Senior Management**” on page 47 of the Annual Report for biographical details of the Company Secretary.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

Details of the Directors’ and chief executive’s remuneration, five highest paid employees and senior management are set out in notes 8 and 9 to the consolidated financial statements.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (“ESG REPORT”)

The Company will issue a separate ESG Report no later than three months after the publication date of this Annual Report in compliance with Appendix 27 to the Listing Rules.

DIVIDEND POLICY

The Board has adopted its dividend policy on 1 January 2019. The Company’s dividend policy allows the shareholders of the Company (the “**Shareholders**”) to share the profits of the Company whilst retaining adequate reserves for the Group’s future growth. According to the Company’s dividend policy, in addition to the final dividends, the Company may declare interim dividends or special dividends from time to time.

According to the Company’s dividend policy, the Board shall consider the following factors before proposing and declaring dividends:

- (i) the Group’s general financial condition;
- (ii) the Group’s working capital and debt level;
- (iii) the Group’s liquidity position;
- (iv) retained earnings and distributable reserves of the Company and each of the members of the Group;
- (v) future cash requirements and availability for business operations, business strategies and future development needs;
- (vi) any restrictions on payment of dividends that may be imposed by the Group’s lenders;

公司秘書

有關公司秘書的履歷詳情，請參閱本年報第47頁「**董事及高級管理人員履歷**」一節。

董事及高級管理層薪酬

董事及主要行政人員酬金及五名最高薪僱員及高級管理層的詳情載於綜合財務報表附註8及9內。

環境、社會及管治報告 (「環境、社會及管治報告」)

本公司將根據上市規則附錄27，於不遲於本年報刊發日期後三個月發出獨立的環境、社會及管治報告。

股息政策

董事會已於二零一九年一月一日採納股息政策。本公司的股息政策准許本公司股東(「**股東**」)分享本公司利潤，同時預留足夠儲備以供本集團日後發展之用。根據本公司股息政策，除派發末期股息外，本公司亦可不時宣派中期股息或特別股息。

根據本公司股息政策，董事會於建議派付及宣派股息前須考慮以下因素：

- (i) 本集團之一般財務狀況；
- (ii) 本集團之營運資金及債務水平；
- (iii) 本集團之流動資金狀況；
- (iv) 本公司及本集團各成員公司之保留盈利及可分派儲備；
- (v) 未來現金需求以及業務營運、業務戰略和未來發展需求之可用資金；
- (vi) 本集團貸方可能施加之任何派息限制；

- | | |
|---|--|
| (vii) the general market conditions; | (vii) 一般市況； |
| (viii) the general economic conditions and other internal or external factors that may have an impact on the business or financial performance and position of the Group; and | (viii) 整體經濟狀況以及可能影響本集團業務或財務表現及狀況之其他內部及外部因素；及 |
| (ix) any other factors that the Board deems relevant. | (ix) 董事會認為相關之任何其他因素。 |

The declaration and payment of dividends by the Company is also subject to any restrictions under the Laws of the Bermuda, the memorandum of association and Bye-Laws of the Company and any applicable laws, rules and regulations.

本公司宣派及派付股息亦須遵守百慕達法律、本公司組織章程大綱及細則以及任何適用法律、規則及法規所載之任何限制。

The Company's dividend policy will be reviewed from time to time by the Board and there can be no assurance that dividends will be paid in any particular amount for any given period.

董事會將不時檢討股息政策，並不保證在任何指定期間派發任何特定金額之股息。

AUDITOR'S REMUNERATION

For the year ended 31 March 2020, the Group had engaged the Group's external auditor, Ernst & Young, to provide the following services and their respective fees charged are set out below:

核數師酬金

於截至二零二零年三月三十一日止年度，本集團聘用安永會計師事務所為本集團外聘核數師，所提供服務及相關費用如下：

Fees charged for the year ended 31 March 2020:

截至二零二零年三月三十一日止年度收取之費用：

Types of services: 服務類別：		HK\$'000 千港元
Annual audit for the Group	本集團年度審核	1,650
Other audit/review-related services for the Group	本集團其他審核／審閱相關服務	680
		2,330

INSIDE INFORMATION

The board is responsible for ensuring the Group's compliance with its disclosure obligations regarding inside information, and has appointed a disclosure group with specific designated duties to assist it in, among other things, overseeing and co-ordinating the disclosure of inside information. The procedures and internal controls for the handling and dissemination of inside information are given in the policy (the "PSI Policy") adopted by the Company to ensure that it is able to meet relevant obligations under Part XIVA of the Securities and Futures Ordinance (Cap. 571) (the "SFO"). The PSI Policy applies to the directors, officers and employees of the Group. Under the PSI Policy, the Company must disclose inside information to the public by way of an announcement as soon as reasonably practicable unless the information falls within any of the safe harbours described under the SFO. Any director, officer or employee who becomes aware of a matter, development or event that he or she considers to be, or potentially to be, inside information shall report it promptly to the disclosure group. Before the relevant information is fully disclosed to the public, the disclosure group should take reasonable precautions to ensure that the information is kept strictly confidential. Where it is believed that the necessary degree of confidentiality cannot be maintained or that confidentiality may have been breached, the information should be disclosed immediately to the public. If the disclosure group needs time to clarify the details of, and the impact arising from, an event or a set of circumstances before it is in a position to issue a full announcement to properly inform the public, the disclosure group should consider issuing a "holding announcement" which details as much ascertainable information of the subject matter as possible and sets out the reasons why a fuller announcement cannot be made. Following a holding announcement, the disclosure group should ensure that a full announcement is made as soon as reasonably practicable. In the event that confidentiality has not been maintained and it is not able to make a full announcement or a holding announcement, the disclosure group should consider applying for a suspension of trading in the Company's securities, subject to approval of the board, until disclosure can be made. All inside information related announcements must be properly approved by the board before publication, and all unpublished inside information must be kept in strict confidence until a formal announcement is made. The disclosure group must further ensure that access to unpublished inside information is given only to employees on a "need-to-know" basis for discharging their duties. Apart from reporting to the disclosure group, every director, officer or employee who possesses or has been given access to unpublished inside information must not disclose, discuss or share such

內幕消息

董事會有責任確保本集團遵守內幕消息披露責任，並經已委派披露小組專責協助（其中包括）監督及協調披露內幕消息。內幕消息的處理及發佈程序與內部監控載於本公司為確保能夠符合《證券及期貨條例》（「《證券及期貨條例》」）第571章第XIVA部規定之相關責任而採納的政策（「股價敏感資料政策」）。股價敏感資料政策適用於本集團董事、高級人員及僱員。根據股價敏感資料政策，本公司須於合理可行時盡快以公告方式向公眾披露內幕信息，惟屬於《證券及期貨條例》規定之安全港範疇的信息除外。倘任何董事、高級人員或僱員一旦獲悉其認為屬於或可能屬於內幕消息的事項、發展或事件，須立即匯報披露小組。向公眾全面披露相關信息前，披露小組應採取合理預防措施，確保信息嚴格保密。當披露小組認為無法維持必要的保密水平或機密已遭洩露時，須立即向公眾披露信息。倘披露小組向公眾發佈妥善載述有關信息的全面公告前，需時釐清事件始末或相關背景因素及有關影響，應考慮發佈「臨時公告」，盡量詳述目標事項較確實的信息及尚未發佈全面公告的原因。發佈臨時公告後，披露小組須確保盡快合理發佈全面公告。倘未能保持機密性，亦未能作出全面公告或臨時公告，披露小組應考慮申請暫停本公司證券買賣（須經董事會批准）直至作出披露。所有內幕消息公告於發佈前均須經董事會正式批准，而所有未公佈的內幕消息均須嚴格保密直至發出正式公告。披露小組須進一步確保僅向履行職責「有需要知道」之僱員提供尚未公佈的內幕信息。除向披露小組匯報外，管有或經已取得未公佈內幕信息的各董事、高級人員或僱員不得向本集團內外任何其他人士披露或與之討論或分享有關信息。股價敏感資料政策亦載有必要時向特定類別之人士預先披露

information to or with any other parties within or outside the Group. The PSI Policy also sets out the criteria for advance disclosure of inside information to certain categories of people as may be necessary in the circumstances. In this case, the disclosure group should monitor the situation so that disclosure may be made as soon as reasonably practicable if there is any leakage of information. Directors, officers and employees must refrain from dealing in the shares of the Company at any time when they are in possession of unpublished inside information. Securities dealings are governed by the securities codes applicable to directors and relevant employees (within the meaning of the CG Code), as described in the section below.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 to the Listing Rules. Specific enquiry has been made of all the Directors and the Directors have confirmed that they have complied with the Model Code throughout the year ended 31 March 2020. The Company has adopted the same Model Code for securities transactions by employees who are likely to be in possession of unpublished price-sensitive information of the Company. No incident of non-compliance of the Model Code by the relevant employees was noted by the Company.

Whistleblowing Policy

The Company is committed to achieving and maintaining a high standard of probity, openness, and accountability. A Whistleblowing Policy is in place to create a system for the employees and other stakeholders of the Company to raise concerns, in confidence, about possible improprieties. The identity of each whistleblower and all information provided in connection with a whistleblowing report will be treated with the strictest confidence.

內幕信息的標準。在此情況下，披露小組應進行監控，一旦信息洩露則盡快合理作出披露。董事、高級人員及僱員管有未披露內幕信息時禁止交易本公司股份。證券買賣受下節所述適用於董事及相關僱員（定義見《企業管治守則》）的證券守則規限。

證券交易之標準守則

本公司已採納上市規則附錄十所載上市發行人之董事進行證券交易之標準守則（「**標準守則**」）。經向所有董事作出具體查詢後，董事均確認彼等於截至二零二零年三月三十一日止年度內一直遵守標準守則。本公司已就可能擁有本公司未公佈股價敏感資料之僱員進行之證券交易，採納相同之標準守則。本公司並無察覺相關僱員未遵守標準守則之情況。

舉報政策

本公司致力於實現和保持高標準的廉潔、開放和問責性。為建立一個對本公司員工和其他有關人士對可能的不當行為提出意見的保密系統，舉報政策已經制定。每位舉報人的身份與舉報報告內有關的一切信息將嚴格保密。

Continuous Disclosure Policy

A Continuous Disclosure Policy is in place to ensure potential inside information as defined in the SFO is identified and confidentiality of such information is maintained until timely and appropriate disclosure is made in accordance with the Listing Rules. The policy regulates the handling and dissemination of inside information, which includes:

- Roles and responsibilities of the divisions/departments of the Company in identifying and escalating any potential inside information within the Company; and
- Procedures for determining the necessity, means and/or extent of disclosure of such information.

RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Board is responsible for overseeing the preparation of financial statements on a going concern basis, with supporting assumptions or qualifications as necessary, for each financial period with a view to ensuring that such financial statements give a true and fair view of the consolidated financial position of the Group and its consolidated financial performance and consolidated cash flows for the financial year. Management of the Company has provided such explanation and information to the Board to enable the Board to make an informed assessment of the financial and other information put before the Board for approval. The Group's consolidated financial statements are prepared in accordance with the Listing Rules, the disclosure requirements of the Hong Kong Companies Ordinance, all relevant statutory requirements and applicable accounting standards. The Group has selected appropriate accounting policies and has applied them consistently based on prudent and reasonable judgements and estimates.

The Directors endeavour to ensure a balanced, clear and understandable assessment of the Company's position and prospect in the annual reports, interim reports, price-sensitive announcements and other disclosures required under the Listing Rules and other regulatory requirements. The Directors acknowledge their responsibility for preparing the consolidated financial statements of the Group for the year ended 31 March 2020. The statement of the external auditor of the Group about their reporting responsibilities on the financial statements is set out in the "Independent Auditor's Report" on pages 74 to 83. Management of the Group is obligated to provide sufficient explanation and information to the Board so that it can make informed assessment of relevant matters.

持續披露政策

為確保在證券及期貨條例定義下之潛在內幕消息能被識別和該消息的保密性能維持直到適時和按上市規則下適當披露，持續披露政策已經制定。該政策規定內部消息的處理和發放，其中包括：

- 本公司的部門於識別和評估本公司內之潛在內幕消息時的角色和職任；及
- 決定有關資料披露的必要性、手法及／或程度之程序。

有關財務報表之責任

董事負責監督按持續經營基準編製各財政期間財務報表，並作出所需相關假設或條件，務求確保有關財務報表能真實公平反映本集團的綜合財務狀況及該財政年度的綜合財務表現與綜合現金流量。本公司管理層已提供有關解釋及資料予董事會，以使董事會就提交董事會以供批准前的財務及其他資料作出知情評估。本集團綜合財務報表乃根據上市規則、香港公司條例披露規定、所有相關的法定規定與適用的會計準則編製。根據審慎與合理判斷及估計，本集團已選用恰當會計政策且貫徹採用。

董事會按上市規則及其他法例規定負責確保均衡、清晰及簡易之年報及中期報告所載列本集團狀況及前景、價格敏感之公告及其他披露。董事確認負責編製本集團截至二零二零年三月三十一日止年度之綜合財務報表。有關對本集團之外聘核數師財務報表申報責任之聲明載於第 74至83頁之「獨立核數師報告」。本集團管理層有義務向董事會提供充分解釋及資料，以便彼等就相關事項作出知情評估。

RISK MANAGEMENT AND INTERNAL MONITORING Risk Management and Internal Control

During the year, the Group has complied with Principle C.2 of the CG Code by establishing appropriate and effective risk management and internal control systems. Management is responsible for the design, implementation and monitoring of such systems, while the Board oversees management in performing its duties on an ongoing basis. Main features of the risk management and internal control systems are described in the sections below:

Risk Management System

The Group adopts a risk management system which manages the risk associated with its business and operations. The system comprises the following phases:

Identification: Identify ownership of risks, business objectives and risks that could affect the achievement of objectives.

Evaluation: Analyse the likelihood and impact of risks and evaluate the risk portfolio accordingly.

Management: Consider the risk responses, ensure effective communication to the Board and on-going monitor the residual risks.

Based on the risk assessments conducted in 2019/20, no significant risk was identified.

Internal Control System

The Company has in place an internal control system which is compatible with the Committee of Sponsoring Organisations of the Treadway Commission (“**COSO**”) 2013 framework. The framework enables the Group to achieve objectives regarding effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations. The components of the framework are shown as follows:

Control Environment: A set of standards, processes and structures that provide the basis for carrying out internal control across the Group;

Risk Assessment: A dynamic and iterative process for identifying and analysing risks to achieve the Group's objectives, forming a basis for determining how risks should be managed;

風險管理及內部監察

風險管理及內部監控

本年度內，本集團遵守企業管治守則原則 C.2，設立合適及有效的風險管理及內部監控系統。管理層負責構思、執行及監察該系統，而董事會持續監督管理層履行其職責。風險管理及內部監控系統的主要特點列述於下文各節：

風險管理系統

本集團採納風險管理系統，以管理關乎其業務及營運的風險。該系統包括以下階段：

識別：識別風險源頭、業務目標及可能影響達成目標的風險。

評估：分析有關風險的可能性及影響，並據此評估風險組合。

管理：考慮風險對策，確保與董事會有效溝通並持續監察餘下風險。

基於二零一九／二零二零年進行的風險評定，概無識別重大風險。

內部監控系統

本公司已制定符合美國反虛假財務報告委員會發起組織委員會（「**COSO**」）二零一三年框架之內部監控系統。該框架可促使本集團達致營運有效性及效率性、財務報告可靠性及遵守適用法例及規例的目標。框架由以下部份組成：

監控環境：為本集團開展內部監控提供基礎的一套標準、程序及結構；

風險評估：識別及分析風險以達成本集團目標並就如何管理風險形成依據的動態交互流程；

Control Activities: Action established by policies and procedures to help ensure that management directives to mitigate risks to the achievement of objectives are carried out;

Information and Communication: Internal and external communication to provide the Group with the information needed to carry out day-to-day controls; and

Monitoring: Ongoing and separate evaluations to ascertain whether each components of internal control is present and functioning.

In order to enhance the Group's system of handling inside information, and to ensure the truthfulness, accuracy, completeness and timeliness of its public disclosures, the Group also adopts and implements an inside information policy and procedures. Certain reasonable measures have been taken from time to time to ensure that proper safeguards exist to prevent a breach of a disclosure requirement in relation to the Group, which include:

- The access of information is restricted to a limited number of employees on a need-to-know basis. Employees who are in possession of inside information are fully conversant with their obligations to preserve confidentiality.
- Confidentiality agreements are in place when the Group enters into significant negotiations.
- The executive Directors are designated persons who speak on behalf of the Company when communicating with external parties such as the media, analysts or investors.

Based on the internal control reviews conducted in 2019/20, no significant control deficiency was identified.

Internal Auditors

The Group has an Internal Audit ("IA") function, which is consisted of professional staff with relevant expertise (such as Certified Public Accountant). The IA function is independent of the Group's daily operation and carries out appraisal of the risk management and internal control systems by conducting interviews, walkthroughs and tests of operating effectiveness.

An IA plan has been approved by the Board. According to the established plan, review of the risk management and internal control systems is conducted semi-annually and the results are reported to the Board via Audit Committee afterwards.

監控行動：政策及程序為幫助確保減輕風險以達成目標的管理層指令獲執行而制定的行動；

資料及通訊：為本集團提供進行日常監控所需資料的內部及外部通訊；及

監察：為確定內部監控的各組成部份是否存在及運行而進行的持續及單獨評估。

為提高本集團處理內幕消息的系統，並為確保其公開披露的真實性、準確性、完整性和及時性，本集團亦採納一套內幕消息政策及程序。本集團已不時採納若干合理措施以確保存在適當保障以防止違反有關本集團的披露規定，其中包括：

- 僅少數僱員可按需要查閱相關資料。掌握內幕消息的僱員充分熟知彼等的保密責任。
- 本集團進行重大磋商時將會訂立保密條款。
- 當與外界團體譬如媒體、分析家或投資者溝通時，執行董事為代表本公司發言之指定人士。

根據二零一九／二零二零年進行的內部監控檢討，並無識別重大監控不足。

內部審核師

本集團設有內部審核（「內部審核」）部門，由擁有相關資質（如執業會計師）的專業員工構成。內部審核部門獨立於本集團日常營運，透過進行訪談、穿行及營運有效性測試對風險管理及內部監控系統進行評核。

內部審核計劃已獲董事會批准。根據現有計劃，風險管理及內部監控系統乃每半年進行檢討，檢討結果其後經由審核委員會向董事會匯報。

Effectiveness of the Risk Management and Internal Control Systems

The Board is responsible for the risk management and internal control systems of the Group and ensuring review of the effectiveness of these systems has been conducted annually. Several areas have been considered during the Board's reviews, which include but not limited to (i) the changes in the nature and extent of significant risks since the last annual review, and the Group's ability to respond to changes in its business and the external environment; and (ii) the scope and quality of management's ongoing monitoring of risks and of the internal control systems.

The Board, through its review and the reviews made by IA function and Audit Committee, concluded that the risk management and internal control systems were effective and adequate. Such systems, however, are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss. It is also considered that the resources, staff qualifications and experience of relevant staff were adequate and the training programs and budget provided were sufficient.

INVESTOR RELATIONS

The Company is committed to maintaining an open and effective investor relations policy and to updating investors on relevant information/developments in a timely manner, subject to relevant regulatory requirements. Briefings and meetings with institutional investors and analysts are conducted from time to time. The Company also replied to any enquiries from shareholders in a timely manner. The Directors host the annual general meeting each year to meet the shareholders and answer their enquiries. The corporate website of the Company at www.deson.com provides a communication platform via which the public and investor community can access up-to-date information regarding the Group.

風險管理及內部監控系統的有效性

董事會對本集團的風險管理及內部監控系統承擔責任，並負責確保每年進行有關系統的有效性檢討。董事會的審閱過程中已考慮以下若干領域，包括但不限於 (i) 自上次年度檢討後，重大風險的性質及程度變動，以及本集團於業務及外部環境應對變動的能力；及 (ii) 管理層對風險及內部監控系統持續監察的範圍及品質。

董事會透過其及內部審核部門及審核委員會執行的檢討，總結認為有關風險管理及內部監控系統為有效及充足。然而，設計有關系統乃旨在管理而非消除無法達致業務目標的風險，且只能提供合理但並非絕對的保證，不會出現重大失誤或虧損。董事會亦認為，我們的人力資源、員工資質及相關員工的經驗充足，且培訓課程及所獲提供的預算亦充沛。

投資者關係

在遵守相關之監管要求下，本公司努力維持開放及有效之投資者關係政策並適時向投資者提供相關資料及發展情況，本公司不時為機構投資者及分析員舉行簡報會及會議，並及時回應股東的任何查詢。董事每年舉行股東週年大會，與股東會晤並回答問題。本公司網站(www.deson.com)提供溝通平台，讓公眾及投資人士獲得有關本集團之最新資料。

The Company's 2019 AGM was held on 20 August 2019. The notice of the 2019 AGM, the annual report and the circular containing relevant information of the proposed resolutions were sent to shareholders more than 20 clear business days before the 2019 AGM. All Board members, except Mr. Lu Quanzhang together with the key executives and the external auditor attended the 2019 AGM. The executive Director explained the poll voting procedures at the 2019 AGM. Separate resolutions for each substantially separate issue, including the re-election of individual Directors, were proposed at the 2019 AGM. All the resolutions at the 2019 AGM were dealt with by poll. The poll results of the 2019 AGM are available on the Company's website and the Stock Exchange's website.

Shareholders may also send any enquiries, suggestions or concerns to the Board at any time through the Company Secretary, whose contact details are as follows:

Address : The Company Secretary
Deson Development International
Holdings Limited
11th Floor, Nanyang Plaza, 57 Hung To
Road, Kwun Tong, Kowloon, Hong Kong

Email : deson@deson.com
Telephone no. : (852) 2570 1118
Fax no. : (852) 3184 3402

The Company Secretary will forward such communications to the Board, the relevant Board committees and/or the Chief Executive Officer, as appropriate.

SHAREHOLDER RIGHTS

To ensure compliance with the CG Code, the notice of the meeting, the annual report and the circular containing information on the proposed resolutions will be sent to shareholders at least 20 clear business days before the annual general meeting. Voting at the forthcoming annual general meeting will be by way of a poll. An explanation of the detailed procedures of conducting a poll will be provided to shareholders at the commencement of the annual general meeting to ensure that shareholders are familiar with such procedures.

本公司二零一九年度股東週年大會已於二零一九年八月二十日舉行。二零一九年度股東週年大會之通告、年報及載有擬提呈決議案有關資料之通函已於二零一九年度股東週年大會日前多於20個清晰營業日向股東分發。全體董事會成員(除盧全章先生外)連同主要行政人員及外聘核數師均有出席二零一九年度股東週年大會。執行董事於二零一九年度股東週年大會上闡釋按股數投票表決之程序。個別決議案因應個別重要事項(包括重選個別董事)已於二零一九年度股東週年大會上提呈。所有於二零一九年度股東週年大會上提呈之決議案均以按股數投票表決方式處理。二零一九年度股東週年大會按股數投票之結果已刊載於本公司網站及聯交所網站內

股東亦可隨時通過公司秘書各董事會提出查詢、建議或關注。公司秘書之聯絡詳情如下：

地址 : 香港九龍觀塘鴻圖道
五十七號南洋廣場十一樓
迪臣發展國際集團有限公司
公司秘書收

電郵 : deson@deson.com
電話號碼 : (852) 2570 1118
傳真 : (852) 3184 3402

在適當情況下，公司秘書會將有關通訊資料轉發予董事會、相關董事委員會及／或行政總裁。

股東權利

為符合企業管治守則，股東週年大會通告、年報及載有擬提呈決議案有關資料之通函須於股東週年大會日前最少足20個營業日向全體股東分發。將至的股東週年大會將採用股東投票方式表決。股東按投票方式表決之詳情將於股東週年大會開始時向各列席股東說明以確保股東熟悉是項投票之程序。

Poll results will be counted by Hong Kong Branch Share Registrar, Tricor Tengis Limited and will be posted on the websites of the Company and of the Stock Exchange on the day the annual general meeting held. The general meetings of the Company provide an opportunity for communication between the shareholders and the Board. The Chairman of the Board as well as chairmen of the Remuneration Committee, Nomination Committee and Audit Committee, or in their absence, other members of the respective committees, and where applicable, the independent Board committee, are available to answer questions at the annual general meetings. The Company will also arrange for the external auditor to attend the annual general meetings to answer relevant questions if necessary.

Separate resolutions are proposed at annual general meetings on each substantial issue, including the election of individual directors.

In addition to regular Board meetings, the Board, on the requisition of shareholders of the Company holding not less than one-tenth of the paid-up capital of the Company, may convene a special general meeting to address specific issues of the Company within 21 days from the date of deposit of written notice to the Company Secretary, at the Company's head office at 11th Floor, Nanyang Plaza, 57 Hung To Road, Kwun Tong, Kowloon, Hong Kong. The requisition must state the purposes of the meeting, and must be signed by the requisitioner(s). Shareholders may also use this same method to put forward proposals for the next general meeting.

There was no significant change in the Company's constitutional documents during the year ended 31 March 2020.

SHAREHOLDERS COMMUNICATION POLICY

The Company has established a Shareholders Communication Policy to set out the Company's procedures in providing the shareholders and the investment community with ready, equal and timely access to balanced and understandable information about the Company, in order to enable the shareholders to exercise their rights in an informed manner and to allow the shareholders and the investment community to engage actively with the Company.

投票由香港股份過戶登記分處卓佳登捷時有限公司點票並於股東週年大會舉行之日載入本公司及聯交所網頁。本公司股東大會提供股東與董事會之間的溝通機會。董事會主席及薪酬委員會、提名委員會及審核委員會主席(或其缺席時由各委員會其他成員及董事會獨立委員會(視乎情況))參加股東週年大會回答提問。如有需要,本公司亦會安排外聘核數師出席股東週年大會解答相關問題。

重要事項,包括選舉個別董事,將在股東週年大會上提出獨立決議案。

除董事會例會外,在持有不少於本公司繳足股本十分之一的股東要求下,董事會可於向本公司的公司秘書發出書面通知的二十一日內召開股東特別大會處理本公司的特定議題。書面通知應送達本公司的總辦事處地址:香港九龍觀塘鴻圖道五十七號南洋廣場十一樓。該要求必須列明會議目的,及經該要求人士簽署。股東亦可採用相同方法在下次股東大會上提呈建議。

截至二零二零年三月三十一日止年度,本公司文據並無重大變動。

股東通訊政策

本公司已設立一項與股東通訊之政策,載列本公司完備地、相同地及及時地向股東及投資人士提供平衡及容易理解的本公司資料之程序,一方面使股東可在知情情況下行使權力,另一方面也讓股東及投資人士與本公司加強溝通。



Independent Auditor's Report

To the shareholders of Deson Development International Holdings Limited

(Incorporated in Bermuda with limited liability)

OPINION

We have audited the consolidated financial statements of Deson Development International Holdings Limited (the “**Company**”) and its subsidiaries (the “**Group**”) set out on pages 84 to 222, which comprise the consolidated statement of financial position as at 31 March 2020, 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, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2020, 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.

獨立核數師報告

致迪臣發展國際集團有限公司全體股東

(於百慕達註冊成立之有限責任公司)

意見

我們已審計列載於第84至222頁的迪臣發展國際集團有限公司(「**貴公司**」)及其附屬公司(「**貴集團**」)的綜合財務報表，此綜合財務報表包括於二零二零年三月三十一日的綜合財務狀況表與截至該日止年度的綜合損益表、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，該等綜合財務報表已根據香港會計師公會(「**香港會計師公會**」)頒布的《香港財務報告準則》(「**香港財務報告準則**」)真實而中肯地反映了 貴集團於二零二零年三月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

意見的基礎

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

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進行處理的，我們不對這些事項提供單獨的意見。我們對下述每一事項在審計中是如何應對的描述也以此為背景。

我們已經履行了本報告「核數師就審計綜合財務報表所承擔的責任」部分闡述的責任，包括與這些關鍵審計事項相關的責任。相應地，我們的審計工作包括執行為應對評估的綜合財務報表重大錯誤陳述風險而設計的審計程序。我們執行審計程序的結果，包括應對下述關鍵審計事項所執行的程序，為綜合財務報表整體發表審計意見提供了基礎。

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key audit matter
關鍵審計事項

How our audit addressed the key audit matter
該事項在審計中是如何應對的

Valuation of investment properties
投資物業估值

As at 31 March 2020, the Group's investment properties measured at fair value amounted to HK\$947,100,000 with an aggregate loss arising from the changes in fair value recognised in the statement of profit or loss of HK\$22,758,000 for the year then ended. The valuation process is inherently subjective, and dependent on a number of estimates. To support management's determination of the fair value, the Group has engaged an independent professionally qualified valuer to perform the valuation of investment properties.

於二零二零年三月三十一日，貴集團所持有的投資物業按公平值計量為947,100,000港元，截至當日止年度於損益表內確認由公平值變動所產生的總虧損為22,758,000港元。估值程序本質上屬主觀，及取決於若干估計。為協助管理層釐定公平值，貴集團已委聘獨立並持專業資格的估值師對投資物業進行估值。

Our audit procedures included the evaluation of the objectivity, independence and expertise of the valuer, and assessment of their valuation methodology. We examined the data used as inputs for the valuation, which included making reference to the market unit selling price of comparable properties nearby used in the valuation and performing market value benchmarking against comparable properties. We also involved our internal valuation specialists to assist us in evaluating the key assumptions and methodologies for the valuation of the investment properties held by the Group.

我們的審計程序包括對估值師的客觀性、獨立性及專業知識作評估，並評估其採用的估值方法。我們考查用作估值時輸入的數據，包括參考估值應用的附近可資比較物業的市場銷售單價，並使用可資比較物業的市場價進行基準分析程序。我們亦有內部估值專家協助我們評估為貴集團持有的投資物業估值時所使用的關鍵假設及方法。

Relevant disclosures are included in notes 3 and 14 to the financial statements.

相關披露載於財務報表附註3及14。

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key audit matter

關鍵審計事項

How our audit addressed the key audit matter

該事項在審計中是如何應對的

Net realisable value assessment on properties held for sale under development and properties held for sale

發展中待售物業及待售物業可變現淨值評估

As at 31 March 2020, the Group's properties held for sale under development and properties held for sale amounted to HK\$145,038,000 and HK\$493,153,000, respectively. Properties held for sale under development and properties held for sale were stated at the lower of cost and net realisable value. The net realisable value of these properties was assessed by management and was heavily influenced by developments in the housing market in Mainland China and economic considerations. To assist management's determination of the net realisable value, the Group has engaged an independent professionally qualified valuer to perform the valuation of certain of these properties.

於二零二零年三月三十一日，貴集團所持有的發展中待售物業及待售物業分別為145,038,000港元及493,153,000港元。發展中待售物業及待售物業按成本與可變現淨值之間的較低者呈列。該等物業的可變現淨值由管理層評定並受到中國內地的住房市場及經濟情況的重大影響。為協助管理層釐定可變現淨值，貴集團已委聘獨立並持專業資格的估值師對若干該等物業進行估值。

Our audit procedures included the understanding and reviewing of management's assessment process and assumptions adopted; referring to externally available industry and market data; and considering actual sales transactions of the Group's properties during the year and subsequent to the end of the reporting period.

我們的審計程序包括瞭解及審閱管理層的評估過程及所採納的假設；參考外部可獲得的行業及市場數據；及考慮年內及報告期末後貴集團物業的實際銷售交易。

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key audit matter
關鍵審計事項

How our audit addressed the key audit matter
該事項在審計中是如何應對的

Net realisable value assessment on properties held for sale under development and properties held for sale (Continued)

發展中待售物業及待售物業可變現淨值評估(續)

The assessment was significant to our audit, considering the complexity of the estimation process where construction budgeting is involved; the estimation of sales proceeds and the assumptions used in the estimates; and the degree of judgement involved.

考慮到涉及建築預算、估計銷售所得款項及其中所用的假設，以及判斷的程度，引致估計程序繁複，可變現淨值的評估對我們的審計非常重要。

Relevant disclosures are included in notes 3 and 18 to the financial statements.
相關披露載於財務報表附註3及18。

When external valuation was performed by the valuer and considered by management to assist their net realisable value assessment, we evaluated the objectivity, independence and expertise of the valuer, and performed assessment on their valuation methodology. We discussed with and understood from management for how they would apply the valuation in their net realisable value assessment and the rationale. We examined the data used as inputs for the valuation, which included making reference to the market unit selling price of comparable properties nearby used in the valuation and performing market value benchmarking against comparable properties. We also involved our internal valuation specialists to assist us in evaluating the key assumptions and methodologies for the valuation of the properties subject to such valuation.

當估值師進行外部估值，同時管理層對此予以考慮以協助本身進行可變現淨值評估時，我們評估估值師的客觀性、獨立性及專業知識，及對其估值方法進行評估。我們與管理層討論及瞭解其於可變現淨值評估時如何運用外部估值及其根據。我們考查用作估值時輸入的數據，包括參考估值應用的附近可資比較物業的市場銷售單價，並使用可資比較物業的市場價進行基準分析程序。我們亦有內部估值專家協助我們評估於有關估值中，物業估值的關鍵假設及方法。

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key audit matter

關鍵審計事項

How our audit addressed the key audit matter

該事項在審計中是如何應對的

Valuation of unlisted equity investments

對非上市股權投資的估值

As at 31 March 2020, the Group's unlisted equity investments measured at fair value through profit or loss amounted to HK\$124,931,000, which were measured at fair value and categorised as Level 3 within the fair value hierarchy with significant unobservable inputs. The Group has engaged an independent professionally qualified valuer to perform the valuation of these investments. The external valuer has applied valuation techniques to determine the fair value of these unlisted investments that were not quoted in active markets. These valuation techniques, in particular those including significant unobservable inputs, involved subjective judgements and assumptions. Changes in the key inputs and assumptions on which the fair value of these unlisted equity investments is based could have a material impact on the valuation of these unlisted investments as at the end of the reporting period and could significantly affect the change in fair value being recognised for the reporting period.

於二零二零年三月三十一日，貴集團按公平值計入損益的非上市股權投資為124,931,000港元，均按公平值計量並分類為公平值層級中具有重大不可觀察輸入數據的第三層級。貴集團已委聘獨立專業合資格估值師對該等投資進行估值。外部估值師已應用估值技術釐定該等沒有活躍市場報價之非上市投資公平值。該等估值技術，尤其該等包括重大不可觀察輸入數據的估值技術，涉及主觀判斷及假設。該等非上市股權投資公平值所依據的關鍵輸入數據及假設的變動會對該等非上市投資於報告期末的估值產生重大影響，並對報告期間確認的公平值變動產生重大影響。

Relevant disclosures are included in notes 3, 16 and 36 to the financial statements.

相關披露載於財務報表附註3、16及36。

Our audit procedures included the evaluation of the objectivity, independence and expertise of the valuer, and assessment of their valuation methodology. We reviewed and tested the inputs and assumptions used for the valuation of the unlisted equity investments. We also involved our internal valuation specialists to assist us in evaluating the key assumptions and methodologies for the valuation of the unlisted equity investments of the Group, such as market comparables, discount rates, volatility through comparison with the valuation methodologies that are commonly used in the market and checking various inputs used against available market information.

我們的審計程序包括對估值師的客觀性、獨立性及專業知識作評估，並評估其採用的估值方法。我們對用於非上市股權投資估值的輸入數據及假設進行評估及測試。我們亦有內部估值專家協助我們評估貴集團持有的非上市股權投資估值時所使用的關鍵假設和方法，例如透過比較市場普遍使用的估值方法評估市場可比較資料、貼現率、波幅，並對照可得到的市場資料以檢查多項輸入數據。

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

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

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

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

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The directors of the Company are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

刊載於年報的其他資料

貴公司董事需對其他資料負責。其他資料包括刊載於年度報告內的資料，但不包括綜合財務報表及我們的核數師報告。

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

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

董事就綜合財務報表所承擔的責任

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

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

審計委員會協助貴公司董事履行職責，監督貴集團的財務報告過程。

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. Our report is made solely to you, as a body, in accordance with section 90 of the Bermuda Companies Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

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

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

核數師就審計綜合財務報表所承擔的責任

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。我們遵照百慕達一九八一年公司法第90條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上或承擔任何責任。

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

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

核數師就審計綜合財務報表所承擔的責任(續)

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

我們與審計委員會溝通了(其中包括)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。

我們還向審計委員會提交聲明，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。

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF
THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)**

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

The engagement partner on the audit resulting in this independent auditor's report is Lai Ho Yin.

Ernst & Young
Certified Public Accountants

22/F CITIC Tower
1 Tim Mei Avenue
Central
Hong Kong

26 June 2020

**核數師就審計綜合財務報表所承擔的
責任(續)**

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

出具本獨立核數師報告的審計項目合夥人是黎浩賢。

安永會計師事務所
執業會計師

香港
中環
添美道1號
中信大廈22樓

二零二零年六月二十六日

Consolidated Statement of Profit or Loss

綜合損益表

Year ended 31 March 2020
截至二零二零年三月三十一日止年度

		Notes 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
REVENUE	收入	5	351,614	259,417
Cost of sales	銷售成本		(267,766)	(168,056)
Gross profit	毛利		83,848	91,361
Other income and gains	其他收入及收益	5	9,393	11,694
Fair value gain/(loss) on investment properties	投資物業之公平值收益/ (虧損)		(22,758)	66,456
Administrative expenses	行政開支		(73,498)	(72,349)
Other operating expenses, net	其他經營開支，淨額		(20,664)	(54,502)
Finance costs	財務費用	7	(9,544)	(1,566)
Share of profits and losses of associates	應佔聯營公司溢利及虧損		(1,790)	(4,527)
PROFIT/(LOSS) BEFORE TAX	除稅前溢利/(虧損)	6	(35,013)	36,567
Income tax expense	所得稅開支	10	(2,523)	(13,165)
PROFIT/(LOSS) FOR THE YEAR	本年度溢利/(虧損)		(37,536)	23,402
Attributable to:	以下應佔：			
Owners of the Company	本公司擁有人		(35,296)	27,486
Non-controlling interests	非控股權益		(2,240)	(4,084)
			(37,536)	23,402
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	本公司普通股本持有人 應佔每股盈利/(虧損)			
Basic and diluted	基本及攤薄	12	(3.61) cents 港仙	2.81 cents 港仙

Consolidated Statement of Comprehensive Income

綜合全面收益表

Year ended 31 March 2020
截至二零二零年三月三十一日止年度

	Notes 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
PROFIT/(LOSS) FOR THE YEAR	本年度溢利/(虧損)	(37,536)	23,402
OTHER COMPREHENSIVE INCOME/(LOSS)	其他全面收益/(虧損)		
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:	於以後期間可能重新分類至損益之其他全面虧損：		
Exchange differences:	匯兌差額：		
Exchange differences on translation of foreign operations	換算海外業務所產生之匯兌差額	(82,060)	(83,352)
Share of other comprehensive loss of associates	應佔聯營公司其他全面虧損	(2,763)	(1,608)
Reclassification adjustment of exchange differences of associates disposed of during the year	本年度出售聯營公司之匯兌差額重新分類調整	(726)	—
Reclassification adjustment of exchange differences of a subsidiary dissolved during the year	本年度解散之一間附屬公司之匯兌差額重新分類調整	(1,184)	—
Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods	於以後期間將可能重新分類至損益之其他全面虧損淨額	(86,733)	(84,960)
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:	於以後期間將不會重新分類至損益之其他全面收益/(虧損)：		
Equity investment designated at fair value through other comprehensive income:	指定按公平值計入其他全面收益之股權投資：		
Changes in fair value	公平值變動	7,550	(8,400)
Income tax effect	所得稅影響	(537)	622
Leasehold land and buildings:	租賃土地及樓宇：		
Surplus/(deficit) on revaluation	重估盈餘/(虧拙)	(7,218)	14,422
Income tax effect	所得稅影響	1,446	(2,663)
Share of other comprehensive income of associates	應佔聯營公司其他全面收益	—	715
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	於以後期間將不會重新分類至損益之其他全面收益淨額	1,241	4,696
OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF TAX	本年度其他全面虧損，除稅後	(85,492)	(80,264)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	本年度全面虧損總額	(123,028)	(56,862)
Attributable to:	以下應佔：		
Owners of the Company	本公司擁有人	(120,788)	(52,790)
Non-controlling interests	非控股權益	(2,240)	(4,072)
		(123,028)	(56,862)

Consolidated Statement of Financial Position

綜合財務狀況表

31 March 2020

於二零二零年三月三十一日

		Notes	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
		附註		
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	13	352,089	228,562
Investment properties	投資物業	14	947,100	1,031,589
Investments in associates	於聯營公司之投資	15	22,476	27,109
Equity investment designated at fair value through other comprehensive income	指定按公平值計入其他全面收益之股權投資	16	—	9,400
Equity investments at fair value through profit or loss	按公平值計入損益賬之股權投資	16	124,931	105,380
Total non-current assets	非流動資產總值		1,446,596	1,402,040
CURRENT ASSETS	流動資產			
Due from associates	應收聯營公司款項	15	5,242	4,515
Due from related companies	應收關連公司款項	17	1,291	4,237
Properties held for sale under development and properties held for sale	發展中待售物業及待售物業	18	638,191	973,913
Inventories	存貨	19	12,729	11,505
Accounts receivable	應收賬項	20	34,442	20,655
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	21	43,030	46,789
Tax recoverable	可收回稅項		22,108	27,234
Pledged deposits	已抵押存款	22	3,500	3,000
Cash and cash equivalents	現金及現金等值項目	22	20,099	29,487
			780,632	1,121,335
Non-current asset classified as held for sale	分類為持作出售之非流動資產	23	—	68,589
Total current assets	流動資產總值		780,632	1,189,924

Consolidated Statement of Financial Position

綜合財務狀況表

31 March 2020
於二零二零年三月三十一日

			2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
	Notes 附註			
CURRENT LIABILITIES		流動負債		
Accounts payable	24	應付賬項	8,160	6,655
Other payables and accruals	25	其他應付款項及應計費用	71,260	299,480
Due to associates	15	應付聯營公司款項	8,280	5,177
Tax payable		應付稅項	19,715	22,499
Interest-bearing bank and other borrowings	26	計息銀行及其他借貸	191,423	226,632
Total current liabilities		流動負債總額	298,838	560,443
NET CURRENT ASSETS		流動資產淨值	481,794	629,481
TOTAL ASSETS LESS CURRENT LIABILITIES		資產總值減流動負債	1,928,390	2,031,521
NON-CURRENT LIABILITIES		非流動負債		
Interest-bearing bank and other borrowings	26	計息銀行及其他借貸	231,550	192,642
Deferred tax liabilities	27	遞延稅項負債	181,164	191,538
Total non-current liabilities		非流動負債總額	412,714	384,180
Net assets		資產淨值	1,515,676	1,647,341
EQUITY		權益		
Equity attributable to owners of the Company		本公司擁有人應佔權益		
Issued capital	28	已發行股本	97,788	97,788
Reserves	30	儲備	1,422,917	1,553,485
			1,520,705	1,651,273
Non-controlling interests		非控股權益	(5,029)	(3,932)
Total equity		權益總額	1,515,676	1,647,341

Tjia Boen Sien
謝文盛
Director
董事

Wang Jing Ning
王京寧
Director
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

Year ended 31 March 2020

截至二零二零年三月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔													Non-controlling interests		Total equity
		Share Issued capital 已發行股本	Share premium 股份溢價	Contributed surplus 實繳盈餘	Other reserve 其他儲備	Property revaluation reserve 物業重估儲備	Fair value reserve 公平值儲備	Capital reserve 資本儲備	Capital redemption reserve 資本贖回儲備	Share option reserve 購股權儲備	Exchange fluctuation reserve 匯率波動儲備	Reserve funds 儲備基金	Retained profits 保留溢利	Total	Total	Non-controlling interests 非控股權益	Total equity 權益總額
Note		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	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	千港元	千港元	千港元	千港元	千港元	千港元
At 1 April 2018	於二零一八年四月一日	97,788	243,040	15,262	23,061	129,250	5,594	(9,240)	14,457	2,398	85,383	961	1,100,998	1,708,952	(609)	1,708,343	
Profit for the year	本年度溢利	—	—	—	—	—	—	—	—	—	—	—	27,486	27,486	(4,084)	23,402	
Other comprehensive income/(loss) for the year:	本年度其他全面收益/(虧損):																
Surplus on revaluation of leasehold land and buildings, net of tax	重估租賃土地及樓宇之盈餘，稅後淨額	—	—	—	—	11,759	—	—	—	—	—	—	—	11,759	—	11,759	
Share of other comprehensive income/(loss) of associates	應佔聯營公司其他全面收益/(虧損)	—	—	—	—	715	—	—	—	—	(1,608)	—	—	(893)	—	(893)	
Changes in fair value of equity investment at fair value through other comprehensive income, net of tax	按公平值計入其他全面收益的股權投資公平值變動，稅後淨額	—	—	—	—	—	(7,778)	—	—	—	—	—	—	(7,778)	—	(7,778)	
Exchange differences on translation of foreign operations	換算海外業務所產生之匯兌差額	—	—	—	—	—	—	—	—	—	(83,364)	—	—	(83,364)	12	(83,352)	
Total comprehensive loss for the year	本年度全面虧損總額	—	—	—	—	12,474	(7,778)	—	—	—	(84,972)	—	27,486	(52,790)	(4,072)	(56,862)	
Release of revaluation reserve	重估儲備之撥回	—	—	—	—	(5,004)	—	—	—	—	—	—	5,004	—	—	—	
Expiry of share options	購股權屆滿	29	—	—	—	—	—	—	—	(2,398)	—	—	2,398	—	—	—	
Final 2018 dividend paid	已付二零一八年末期股息	—	—	—	—	—	—	—	—	—	—	—	(4,889)	(4,889)	—	(4,889)	
Contributions from non-controlling interests	來自非控股權益的注資	—	—	—	—	—	—	—	—	—	—	—	—	—	749	749	
At 31 March 2019	於二零一九年三月三十一日	97,788	243,040*	15,262*	23,061*	136,720*	(2,184)*	(9,240)*	14,457*	—*	411*	961*	1,130,997*	1,651,273	(3,932)	1,647,341	

Consolidated Statement of Changes in Equity

綜合權益變動表

Year ended 31 March 2020
截至二零二零年三月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔														
		Share				Property			Capital		Exchange	Reserve		Retained	Non-	Total
		Issued capital	premium account	Contributed surplus	Other reserve	revaluation reserve	Fair value reserve	Capital reserve	redemption reserve	fluctuation reserve	Reserve funds	Retained profits	Total	controlling interests	Total equity	
		已發行股本	溢價賬	實繳盈餘	其他儲備	物業重估儲備	公平值儲備	資本儲備	資本贖回儲備	匯率波動儲備	儲備基金	保留溢利	總計	非控股權益	權益總額	
		Note	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		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	千港元	千港元	千港元	
At 1 April 2019	於二零一九年四月一日		97,788	243,040	15,262	23,061	136,720	(2,184)	(9,240)	14,457	411	961	1,130,997	1,651,273	(3,932)	1,647,341
Loss for the year	本年度虧損		—	—	—	—	—	—	—	—	—	(35,296)	(35,296)	(2,240)	(37,536)	
Other comprehensive income/(loss) for the year:	本年度其他全面收益/(虧損):															
Deficit on revaluation of leasehold land and buildings, net of tax	重估租賃土地及樓宇之虧損，稅後淨額		—	—	—	(5,772)	—	—	—	—	—	—	(5,772)	—	(5,772)	
Share of other comprehensive loss of associates	應佔聯營公司其他全面虧損		—	—	—	—	—	—	—	(2,763)	—	—	(2,763)	—	(2,763)	
Changes in fair value of equity investment designated at fair value through other comprehensive income, net of tax	指定按公平值計入其他全面收益的股權投資公平值變動，稅後淨額		—	—	—	—	7,013	—	—	—	—	—	7,013	—	7,013	
Exchange differences on translation of foreign operations	換算海外業務所產生之匯兌差額		—	—	—	—	—	—	—	(82,060)	—	—	(82,060)	—	(82,060)	
Reclassification adjustment of exchange differences of associates disposed of during the year	本年度出售聯營公司之匯兌差額重新分類調整		—	—	—	—	—	—	—	(726)	—	—	(726)	—	(726)	
Reclassification adjustment of exchange differences of a subsidiary dissolved during the year	本年度解散之一間附屬公司之匯兌差額重新分類調整		—	—	—	—	—	—	—	(1,184)	—	—	(1,184)	—	(1,184)	
Total comprehensive loss for the year	本年度全面虧損總額		—	—	—	(5,772)	7,013	—	—	(86,733)	—	(35,296)	(120,788)	(2,240)	(123,028)	
Release of revaluation reserve	重估儲備之撥回		—	—	—	(5,405)	—	—	—	—	—	5,405	—	—	—	
Release of reserve funds of a subsidiary dissolved during the year	本年度解散之一間附屬公司儲備基金之撥回		—	—	—	—	—	—	—	—	(961)	961	—	—	—	
Transfer of fair value reserve upon the disposal of an equity investment designated at fair value through other comprehensive income	出售指定按公平值計入其他全面收益的股權投資時轉撥之公平值儲備		—	—	—	—	(4,829)	—	—	—	—	4,829	—	—	—	
Final 2019 dividend paid	已付二零一九年末期股息	11	—	—	—	—	—	—	—	—	—	(4,890)	(4,890)	—	(4,890)	
Special 2019 dividend paid	已付二零一九年特別股息	11	—	—	—	—	—	—	—	—	—	(4,890)	(4,890)	—	(4,890)	
Contributions from non-controlling interests	來自非控股權益的注資		—	—	—	—	—	—	—	—	—	—	—	1,143	1,143	
At 31 March 2020	於二零二零年三月三十一日		97,788	243,040*	15,262*	23,061*	125,543*	—*	(9,240)*	14,457*	(86,322)*	—*	1,097,116*	1,520,705	(5,029)	1,515,676

* These reserve accounts comprise the consolidated reserves of HK\$1,422,917,000 (2019: HK\$1,553,485,000) in the consolidated statement of financial position.

* 該等儲備賬包括於綜合財務狀況表內之綜合儲備 1,422,917,000 港元 (二零一九年: 1,553,485,000 港元)。

The contributed surplus of the Group represents the excess of the nominal value of the subsidiaries' shares acquired over the nominal value of the Company's shares issued in exchange thereof, pursuant to the Group's reorganisation on 21 May 1997.

本集團之實繳盈餘指根據於一九九七年五月二十一日本集團重組所購入附屬公司股份之面值高出發行以換取該等股份之本公司股份面值之差額。

The reserve funds of the Group include statutory reserves required to be appropriated from the profits after tax of the Company's subsidiaries in Mainland China under the laws and regulations of the People's Republic of China ("PRC"). The amount of the appropriation is at the discretion of these subsidiaries' boards of directors.

本集團之儲備基金包括本公司於中國內地之附屬公司根據中華人民共和國(「中國」)法律及規例須從除稅後溢利中分配之法定儲備，並由該等附屬公司之董事會酌情決定分配金額。

Consolidated Statement of Cash Flows

綜合現金流量表

Year ended 31 March 2020

截至二零二零年三月三十一日止年度

	Notes 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
CASH FLOWS FROM OPERATING ACTIVITIES	經營業務所得現金流量		
Profit/(loss) before tax	除稅前溢利/(虧損)：	(35,013)	36,567
Adjustments for:	就下列項目作出調整：		
Finance costs	財務費用	7 9,544	1,566
Share of profits and losses of associates	應佔聯營公司溢利及虧損	1,790	4,527
Interest income	利息收入	5 (130)	(1,084)
Fair value loss/(gain) on investment properties	投資物業之公平值虧損/(收益)	6 22,758	(66,456)
Dividend income from equity investments at fair value through profit or loss	按公平值計入損益賬之股權投資之股息收入	5 (1,900)	(722)
Dividend income from a financial asset at fair value through profit or loss	按公平值計入損益賬之金融資產股息收入	5 —	(48)
Fair value gain on financial assets at fair value through profit or loss	按公平值計入損益賬之金融資產公平值收益	5 —	(118)
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目虧損	6 131	96
Loss on disposal of associates	出售聯營公司之虧損	6 493	—
Depreciation	折舊	6 8,931	8,435
Provision/(reversal of provision) for net realisable value of properties held for sale	待售物業之可變現淨值撥備/(撥備撥回)	6 4,430	(12,870)
Provision/(reversal of provision) for inventories	存貨撥備/(撥備撥回)	6 (360)	836
Impairment/(reversal of impairment) of accounts receivable	應收賬項減值/(減值撥回)	6 (81)	728
Impairment of other receivables	其他應收款項減值	6 142	1,902
Fair value loss on equity investments at fair value through profit or loss	按公平值計入損益賬之股權投資之公平值虧損	6 14,806	35,984
Impairment of investments in associates	於聯營公司投資減值	6 —	27,190
		25,541	36,533
Decrease/(increase) in amounts due from related companies	應收關連公司款項減少/(增加)	2,946	(758)
Decrease in properties held for sale under development and properties held for sale	發展中待售物業及待售物業減少	154,271	135,410
Increase in inventories	存貨增加	(904)	(4,146)
Decrease/(increase) in accounts receivable	應收賬項減少/(增加)	(14,279)	11,744
Decrease/(increase) in prepayments, deposits and other receivables	預付款項、按金及其他應收款項減少/(增加)	1,629	(19,270)
Increase/(decrease) in accounts payable	應付賬項增加/(減少)	1,733	(5,018)
Decrease in other payables and accruals	其他應付款項及應計費用減少	(215,167)	(377)
Cash generated from/(used in) operations	經營業務所得/(所用)現金	(44,230)	154,118
Interest paid	已付利息	(27,963)	(32,750)
Overseas taxes paid	已付海外稅項	(5,633)	(35,835)
Net cash flows from/(used in) operating activities	經營業務所得/(所用)現金流量淨額	(77,826)	85,533

Consolidated Statement of Cash Flows

綜合現金流量表

Year ended 31 March 2020
截至二零二零年三月三十一日止年度

	Notes 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
CASH FLOWS FROM INVESTING ACTIVITIES	投資業務所得現金流量		
Interest received	已收利息	130	1,084
Dividend received from equity investments at fair value through profit or loss	按公平值計入損益賬之股權投資已收股息	1,900	722
Dividend received from a financial asset at fair value through profit or loss	按公平值計入損益賬之金融資產已收股息	—	48
Purchases of equity investments at fair value through profit or loss	購買按公平值計入損益賬之股權投資	(34,357)	(66,364)
Purchases of items of property, plant and equipment	購入物業、廠房及設備項目	(1,356)	(44)
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備項目所得款項	4	61
Proceeds from disposal of financial assets at fair value through profit or loss	出售按公平值計入損益賬之金融資產所得款項	—	4,628
Proceeds from disposal of an equity investment designated at fair value through other comprehensive income	出售指定按公平值計入其他全面收益之股權投資所得款項	16,950	—
Proceeds from disposal of associates, net of directly attributable transaction costs	出售聯營公司所得款項，扣除直接應佔交易成本	66,837	—
Repayment from/(advances to) associates, net	聯營公司償還墊付款項／(向聯營公司墊付款項)，淨額	2,376	(4,020)
Capital contributions to associates	向聯營公司注資	—	(15,460)
Decrease/(increase) in pledged deposits	已抵押存款減少／(增加)	(500)	115,000
Net cash flows from investing activities	投資業務所得現金流量淨額	51,984	35,655
CASH FLOWS FROM FINANCING ACTIVITIES	融資業務所得現金流量		
New bank and other borrowings	新增銀行及其他借貸	134,849	164,966
Repayment of bank and other borrowings	償還銀行及其他借貸	(125,751)	(320,839)
Contributions to subsidiaries from non-controlling interests	非控股權益向附屬公司注資	1,143	749
Dividends paid	已付股息	(9,780)	(4,889)
Net cash flows from/(used in) financing activities	融資業務所得／(所用)現金流量淨額	461	(160,013)
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值項目減少淨額	(25,381)	(38,825)
Cash and cash equivalents at beginning of year	於年初之現金及現金等值項目	28,130	68,259
Effect of foreign exchange rate changes, net	匯率變動之影響，淨額	(562)	(1,304)
CASH AND CASH EQUIVALENTS AT END OF YEAR	於年底之現金及現金等值項目	2,187	28,130
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等值項目結餘之分析		
Cash and bank balances	現金及銀行結餘	22	29,487
Bank overdrafts	銀行透支	26	(1,357)
Cash and cash equivalents as stated in the statement of cash flows	於現金流量表所列之現金及現金等值項目	2,187	28,130

Notes to Financial Statements

財務報表附註

31 March 2020
二零二零年三月三十一日

1. CORPORATE AND GROUP INFORMATION

Deson Development International Holdings Limited (the “Company”) is a limited liability company incorporated in Bermuda. The principal place of business of the Company is located at 11th Floor, Nanyang Plaza, 57 Hung To Road, Kwun Tong, Kowloon, Hong Kong.

During the year, the Group was involved in the following principal activities:

- property development and investment; and
- trading of medical equipment and home security and automation products.

Information about subsidiaries

Particulars of the Company's principal subsidiaries as of the end of the reporting period are as follows:

1. 公司及集團資料

迪臣發展國際集團有限公司(「本公司」)是一間於百慕達註冊成立之有限責任公司。本公司之主要營業地點為香港九龍觀塘鴻圖道57號南洋廣場11樓。

年內，本集團之業務範圍如下：

- 物業發展及投資；及
- 買賣醫療設備及家居保安及自動化產品。

有關附屬公司的資料

於報告期末本公司主要附屬公司的詳情如下：

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/ 註冊股本	Class of shares held 所持股份類別	Percentage of equity attributable to the Company 本公司應佔權益 百分比		Principal activities 主要業務
				Direct 直接	Indirect 間接	
Advancost Assets Limited*	British Virgin Islands ("BVI"/Hong Kong) 英屬處女群島 (「英屬處女群島」)/香港	US\$1 1美元	Ordinary 普通股	—	100	Investment holding 投資控股
Allied Health Elements Company Limited 圓方醫療科技有限公司	Hong Kong 香港	HK\$10,000 10,000港元	Ordinary 普通股	—	90	Selling of wellness and pandemic prevention products 銷售健康及防疫產品
Blocks Success International Limited*	BVI/Hong Kong 英屬處女群島/香港	US\$1 1美元	Ordinary 普通股	—	100	Investment holding 投資控股
Century Logistics Limited*	BVI/Hong Kong 英屬處女群島/香港	US\$1 1美元	Ordinary 普通股	—	100	Investment holding 投資控股
Deson Commercial City Limited 迪臣商業城有限公司	Hong Kong 香港	HK\$10,000 10,000港元	Ordinary 普通股	—	100	Investment holding 投資控股
Deson Development Holdings Limited* 迪臣發展集團有限公司*	BVI/Hong Kong 英屬處女群島/香港	US\$200 200美元	Ordinary 普通股	100	—	Investment holding 投資控股

1. CORPORATE AND GROUP INFORMATION
(Continued)
Information about subsidiaries (Continued)

1. 公司及集團資料(續)
有關附屬公司的資料(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/ 註冊股本	Class of shares held 所持股份類別	Percentage of equity attributable to the Company 本公司應佔權益 百分比		Principal activities 主要業務
				Direct 直接	Indirect 間接	
Deson Dynasty Investment (HK) Limited 迪臣宋城投資(香港)有限公司	Hong Kong 香港	HK\$1 1港元	Ordinary 普通股	—	100	Investment holding 投資控股
Deson Innovative Concept Limited 迪臣智能科技發展有限公司	Hong Kong 香港	HK\$1 1港元	Ordinary 普通股	—	100	Investment holding 投資控股
Deson Innovative Limited* 迪衛智能系統有限公司*	Hong Kong 香港	HK\$1,000,000 1,000,000港元	Ordinary 普通股	—	100	Selling, distribution and marketing of home security and automation products 銷售、分銷及推廣 家居保安及自動化 產品
Deson Medical Limited*	BVI/Hong Kong 英屬處女群島/香港	US\$1 1美元	Ordinary 普通股	—	100	Investment holding 投資控股
Deson (Ningbo) Ventures Limited* 迪臣(寧波)投資有限公司	BVI/Hong Kong 英屬處女群島/香港	US\$100 100美元	Ordinary 普通股	—	100	Investment holding 投資控股
Deson Property Development (Kaifeng) Co., Ltd. (a)* 迪臣置業發展(開封)有限公司(a)*	PRC/Mainland China 中國/中國內地	HK\$311,880,000 311,880,000港元	N/A 不適用	—	100	Property development 物業發展
Deson Ventures (Hong Kong) Limited 迪臣置業(香港)有限公司	Hong Kong 香港	HK\$1 1港元	Ordinary 普通股	—	100	Investment holding 投資控股
Deson Ventures Limited* 迪臣投資有限公司*	BVI/Hong Kong 英屬處女群島/香港	US\$1 1美元	Ordinary 普通股	—	100	Investment holding 投資控股
Gosford Technology Limited*	BVI/Hong Kong 英屬處女群島/香港	US\$1 1美元	Ordinary 普通股	—	100	Investment holding 投資控股
Grand On Enterprise Limited 迪宏置業有限公司	Hong Kong 香港	HK\$1 1港元	Ordinary 普通股	—	100	Property holding 物業控股
Medical Technologies Limited 迪臣國際醫學儀器有限公司	Hong Kong 香港	HK\$10,000 10,000港元	Ordinary 普通股	—	100	Trading of medical equipment 買賣醫療設備

Notes to Financial Statements

財務報表附註

31 March 2020
二零二零年三月三十一日

1. CORPORATE AND GROUP INFORMATION (Continued) Information about subsidiaries (Continued)

1. 公司及集團資料(續) 有關附屬公司的資料(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/ 註冊股本	Class of shares held 所持股份類別	Percentage of equity attributable to the Company 本公司應佔權益 百分比		Principal activities 主要業務
				Direct 直接	Indirect 間接	
MTL Engineering Limited 迪臣醫學儀器工程有限公司	Hong Kong 香港	HK\$2 2港元	Ordinary 普通股	—	100	Installation and maintenance of medical equipment and health care products 安裝及維修醫療儀器 及保健產品
New Perfect Limited*	BVI/Hong Kong 英屬處女群島/香港	US\$1 1美元	Ordinary 普通股	—	100	Investment holding 投資控股
Often Reach Limited*	BVI/Hong Kong 英屬處女群島/香港	US\$1 1美元	Ordinary 普通股	—	100	Investment holding 投資控股
Super Sight Investments Inc.*	BVI/Mainland China 英屬處女群島/中國內地	US\$1 1美元	Ordinary 普通股	—	100	Property development 物業發展
Universal Focus Developments Limited*	BVI/Hong Kong 英屬處女群島/香港	HK\$390,000 390,000港元	Ordinary 普通股	—	80	Investment holding 投資控股
Win Glory Properties Limited 榮山置業有限公司	Hong Kong 香港	HK\$10,000 10,000港元	Ordinary 普通股	—	100	Human resources 人力資源
Wonderful Hope Limited*	BVI/Mainland China 英屬處女群島/中國內地	US\$1 1美元	Ordinary 普通股	—	100	Property development 物業發展
Woodmont Profits Limited*	BVI/Hong Kong 英屬處女群島/香港	US\$1 1美元	Ordinary 普通股	—	100	Investment holding 投資控股
Yan Man Developments Limited*	BVI/Hong Kong 英屬處女群島/香港	US\$1 1美元	Ordinary 普通股	—	100	Investment holding 投資控股
海南亞豪置業有限公司 (a)*	PRC/Mainland China 中國/中國內地	RMB10,000,000 人民幣 10,000,000元	N/A 不適用	—	100	Property investment 物業投資
(a)	Registered as wholly-foreign-owned enterprises under PRC law.		(a)	根據中國法律註冊為外商獨資企業。		
*	Not audited by Ernst & Young, Hong Kong or another member firm of the Ernst & Young global network.		*	未經香港安永會計師事務所或其他安永會計師事務所全球網絡成員所審核。		

1. CORPORATE AND GROUP INFORMATION (Continued)

Information about subsidiaries (Continued)

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.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKAs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for leasehold land and buildings classified as property, plant and equipment, investment properties and equity investments which have been measured at fair value. These financial statements are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand (HK\$’000) except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 March 2020. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

1. 公司及集團資料(續)

有關附屬公司的資料(續)

上表所列者為董事認為會對本集團本年度業績構成主要影響或構成本集團資產淨值重要部分之本公司附屬公司。董事認為如將其他附屬公司之詳情列出，會使本附註過於冗長。

2.1 編製基準

此等財務報表乃根據香港會計師公會(「香港會計師公會」)所頒佈之香港財務報告準則(「香港財務報告準則」)(包括所有香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋)、香港公認會計準則及香港公司條例之披露規定而編製。此等財務報表乃根據歷史成本慣例編製，惟租賃土地及樓宇(分類為物業、廠房及設備)、投資物業及股權投資乃按公平值計量則除外。除特別說明外，此等財務報表乃以港元(「港元」)呈列，所有價值調整至最接近之千位數(「千港元」)。

綜合基準

綜合財務報表包括本公司及其附屬公司(統稱「本集團」)截至二零二零年三月三十一日止年度之財務報表。附屬公司指受本公司直接或間接控制的實體(包括結構性實體)。倘本集團因參與被投資方業務而對可變回報承擔風險或享有權利，且有能力行使在被投資方的權力影響有關回報(即現時賦予本集團指導被投資方相關活動的能力)，則本集團擁有該實體的控制權。

31 March 2020

二零二零年三月三十一日

2.1 BASIS OF PREPARATION (Continued)

Basis of consolidation (Continued)

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

2.1 編製基準(續)

綜合基準(續)

倘本公司直接或間接擁有少於被投資方大多數的投票權或類似權利，則評估本公司對被投資方是否擁有權力時，本集團會考慮所有相關事實及情況，包括：

- (a) 與該被投資方其他投票權擁有人之合約安排；
- (b) 根據其他合約安排所享有之權利；及
- (c) 本集團的投票權及潛在投票權。

附屬公司財務報表乃以與本公司相同之報告期按相同會計政策編製。附屬公司之業績自本集團取得控制權當日起綜合入賬，並直至該控制權終止當日為止。

損益及其他全面收益各項目即使導致非控股權益結餘虧絀，仍歸屬於本公司擁有人及非控股權益。所有集團內公司間之資產與負債、權益、收入、開支及本集團成員公司間交易相關的現金流均於綜合入賬時全數對銷。

倘事實及情況顯示上述三項控制權要素其中一項或多項有變，本集團會重估是否仍然控制被投資方。附屬公司所有權益變動但未失去控制權，則入賬為股本交易。

2.1 BASIS OF PREPARATION (Continued)

Basis of consolidation (Continued)

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements.

Amendments to HKFRS 9 HKFRS 16	<i>Prepayment Features with Negative Compensation</i> <i>Leases</i>
Amendments to HKAS 19 Amendments to HKAS 28	<i>Plan Amendment, Curtailment or Settlement</i> <i>Long-term Interests in Associates and Joint Ventures</i>
HK(IFRIC)-Int 23	<i>Uncertainty over Income Tax Treatments</i>
<i>Annual Improvements to HKFRSs 2015–2017 Cycle</i>	Amendments to HKFRS 3, HKFRS 11, HKAS 12 and HKAS 23

2.1 編製基準(續)

綜合基準(續)

倘本集團失去附屬公司之控制權，則會終止確認 (i) 該附屬公司之資產 (包括商譽) 及負債，(ii) 任何非控股權益之賬面值，及 (iii) 計入權益的累計匯兌差額；並確認 (i) 已收代價的公平值，(ii) 任何獲保留投資的公平值，及 (iii) 計入損益賬的任何相關盈餘或虧損。先前於其他全面收益已確認的本集團應佔成份，重新分類至損益賬或保留溢利 (如適用)，其基準與倘本集團已直接出售相關資產或負債者相同。

2.2 會計政策及披露變更

本集團已於本年度之財務報表首次採納下列新訂及經修訂之香港財務報告準則。

香港財務報告準則第9號之修訂	具有負賠償之預付款項特性
香港財務報告準則第16號	租賃
香港會計準則第19號之修訂	計劃修訂、縮減或結算
香港會計準則第28號之修訂	於聯營公司及合營公司之長期權益
香港(國際財務報告詮釋委員會) — 詮釋第23號	所得稅待遇之不確定性
香港財務報告準則二零一五年至二零一七年週期之年度改進	香港財務報告準則第3號、香港財務報告準則第11號、香港會計準則第12號及香港會計準則第23號之修訂

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

Except for the amendments to HKFRS 9 and HKAS 19, and *Annual Improvements to HKFRSs 2015–2017 Cycle*, which are not relevant to the preparation of the Group's financial statements, the nature and the impact of the new and revised HKFRSs, are described below:

- (a) HKFRS 16 replaces HKAS 17 *Leases*, HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease*, HK(SIC)-Int 15 *Operating Leases — Incentives* and HK(SIC)-Int 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model to recognise and measure right-of-use assets and lease liabilities, except for certain recognition exemptions. Lessor accounting under HKFRS 16 is substantially unchanged from HKAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in HKAS 17. HKFRS 16 did not have any significant impact on leases where the Group is the lessor.

The Group has adopted HKFRS 16 using the modified retrospective method with the date of initial application of 1 April 2019. Under this method, the comparative information for 2019 was not restated and continued to be reported under HKAS 17 and related interpretations.

2.2 會計政策及披露變更(續)

除香港財務報告準則第9號及香港會計準則第19號之修訂，以及香港財務報告準則二零一五年至二零一七年週期之年度改進(均與編製本集團財務報表不相關)外，新訂及經修訂香港財務報告準則之性質及影響說明如下：

- (a) 香港財務報告準則第16號替代香港會計準則第17號租賃、香港(國際財務報告詮釋委員會)一詮釋第4號釐定安排是否包括租賃、香港(準則詮釋委員會)一詮釋第15號經營租賃 — 優惠及香港(準則詮釋委員會)一詮釋第27號評估涉及租賃法律形式交易的內容。該準則載列有關租賃確認、計量、呈列及披露之原則，並要求承租人按照單一資產負債表模式對所有租賃進行會計處理，以確認及計量使用權資產及租賃負債，惟若干確認豁免除外。香港財務報告準則第16號大致沿用香港會計準則第17號內出租人之會計處理方式。出租人將繼續使用與香港會計準則第17號類似的原則將租賃分類為經營租賃或融資租賃。於本集團為出租人的身份下，香港財務報告準則第16號對租賃並無任何重大影響。

本集團使用經修訂追溯法採納香港財務報告準則第16號，且首次應用日期為二零一九年四月一日。根據該方法，截至二零一九年的比較資料並未重列，而是繼續根據香港會計準則第17號及相關詮釋予以呈報。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

(a) (Continued)

New definition of a lease

Under HKFRS 16, a contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to obtain substantially all of the economic benefits from use of the identified asset and the right to direct the use of the identified asset. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 at the date of initial application. Contracts that were not identified as leases under HKAS 17 and HK(IFRIC)-Int 4 were not reassessed. Therefore, the definition of a lease under HKFRS 16 has been applied only to contracts entered into or changed on or after 1 April 2019.

As a lessee — Leases previously classified as operating leases

Nature of the effect of adoption of HKFRS 16

The Group has lease contracts for various items of properties. As a lessee, the Group previously classified leases as either finance leases or operating leases based on the assessment of whether the lease transferred substantially all the rewards and risks of ownership of assets to the Group. Under HKFRS 16, the Group applies a single approach to recognise and measure right-of-use assets and lease liabilities for all leases, except for two elective exemptions for leases of low-value assets (elected on a lease-by-lease basis) and leases with a lease term of 12 months or less (“short-term leases”) (elected by class of underlying asset). Instead of recognising rental expenses under operating leases on a straight-line basis over the lease term commencing from 1 April 2019, the Group recognises depreciation (and impairment, if any) of the right-of-use assets and interest accrued on the outstanding lease liabilities (as finance costs).

2.2 會計政策及披露變更(續)

(a) (續)

租賃的新定義

根據香港財務報告準則第16號，倘合約為換取代價而授予在一段期間內控制可識別資產使用的權利，則該合約為租賃或包含租賃。當客戶有權從使用可識別資產獲得絕大部分經濟利益以及有權主導可識別資產的使用時，即擁有控制權。本集團選擇使用過渡性的可行權宜方法，僅在首次應用日期對先前應用香港會計準則第17號及香港(國際財務報告詮釋委員會)——詮釋第4號識別為租賃的合約應用該準則。根據香港會計準則第17號及香港(國際財務報告詮釋委員會)——詮釋第4號未識別為租賃的合約不會進行重新評估。因此，香港財務報告準則第16號項下的租賃定義僅適用於在二零一九年四月一日或之後訂立或變更的合約。

作為承租人 — 先前分類為經營租賃的租賃

採納香港財務報告準則第16號的影響性質

本集團就多項物業訂有租約。作為承租人，本集團先前根據對租賃是否將資產所有權的絕大部分回報及風險轉移至本集團的評估，將租賃分類為融資租賃或經營租賃。根據香港財務報告準則第16號，本集團採用單一方法確認及計量所有租賃的使用權資產及租賃負債，惟低價值資產租賃(按個別租賃基準選擇)及租期為十二個月或以下的租賃(「短期租賃」)(按相關資產的分類選擇)的兩項選擇性豁免除外。本集團確認使用權資產折舊(及減值，如有)及未償還租賃負債累計的利息(作為財務費用)，而非對二零一九年四月一日開始的租期內按直線法確認經營租賃下的租賃開支。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

(a) (Continued)

As a lessee — Leases previously classified as operating leases (Continued)

Impact on transition

Lease liabilities at 1 April 2019 were quantified and assessed by management based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at 1 April 2019. The right-of-use assets were measured at the amount of the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to the lease recognised in the statement of financial position immediately before 1 April 2019.

All the right-of-use assets were assessed for any impairment based on HKAS 36 on that date. The Group elected to present the right-of-use assets in the balance of property, plant and equipment in the statement of financial position.

For the leasehold land and buildings (that were held to earn rental income and/or for capital appreciation) previously included in investment properties and measured at fair value, the Group has continued to include them as investment properties at 1 April 2019. They continue to be measured at fair value applying HKAS 40.

The Group has used the following elective practical expedients when applying HKFRS 16 at 1 April 2019:

- Applying the short-term lease exemptions to leases with a lease term that ends within 12 months from the date of initial application;
- Using hindsight in determining the lease term where the contract contains options to extend/terminate the lease; and
- Applying a single discount rate to a portfolio of leases with reasonably similar characteristics when measuring the lease liabilities at 1 April 2019.

2.2 會計政策及披露變更(續)

(a) (續)

作為承租人 — 先前分類為經營租賃的租賃(續)

過渡的影響

管理層已根據剩餘租賃款項之現值，量化及評估於二零一九年四月一日之租賃負債，並使用於二零一九年四月一日之增量借貸利率貼現。使用權資產乃按租賃負債金額計量，並經緊接二零一九年四月一日前財務狀況表所確認租賃有關之任何預付或累計租賃款項所調整。

所有使用權資產於該日根據香港會計準則第36號評估是否有任何減值。本集團已選擇於財務狀況表中，在物業、廠房及設備結餘中呈列使用權資產。

就先前計入投資物業並按公平值計量的租賃土地及樓宇(持作以賺取租金收入及/或資本增值)而言，本集團於二零一九年四月一日繼續將其列為投資物業。該等租賃土地及樓宇繼續應用香港會計準則第40號按公平值計量。

於二零一九年四月一日應用香港財務報告準則第16號時，本集團已使用以下選擇性可行權宜方法：

- 對租期於首次應用日期起十二個月內終止的租賃，應用短期租賃豁免；
- 如合約包含延長/終止租賃的選擇權，使用事後方式釐定租期；及
- 於計量二零一九年四月一日的租賃負債時，對具合理相似特徵的租賃組合應用單一貼現率。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

(a) (Continued)

Financial impact at 1 April 2019

The adoption of HKFRS 16 on 1 April 2019 by the Group did not give rise to any additional lease liabilities at 1 April 2019, as the Group considered that the financial impact of the initial adoption of HKFRS 16 to be immaterial to the Group on 1 April 2019. Moreover, the Group's leasehold land previously included in property, plant and equipment of HK\$135,456,000 was reclassified to right-of-use assets included in property, plant and equipment upon initial adoption of HKFRS 16 on 1 April 2019. There were no changes to different line item of assets and liabilities in the consolidated statement of financial position. The adoption has had no impact on the Group's equity as at 1 April 2019.

There is no significant difference between the amount of operating lease commitments at 31 March 2019 disclosed applying the previous standards (see note 32(b)), discounted using the incremental borrowing rate at 1 April 2019 and the amount of lease liabilities at 1 April 2019 as quantified and assessed by management.

2.2 會計政策及披露變更(續)

(a) (續)

於二零一九年四月一日的財務影響

本集團認為，於二零一九年四月一日首次採納香港財務報告準則第16號，對本集團構成的財務影響並不重大，因此本集團於二零一九年四月一日採納香港財務報告準則第16號，並無於當日產生任何額外租賃負債。此外，於二零一九年四月一日首次採納香港財務報告準則第16號後，先前列入物業、廠房及設備之租賃土地135,456,000港元已重新分類為列入物業、廠房及設備之使用權資產。綜合財務狀況表內不同項目資產及負債並無變動。採納香港財務報告準則第16號並無對本集團於二零一九年四月一日的股本產生影響。

應用過往準則披露，並使用於二零一九年四月一日之增量借貸利率貼現之於二零一九年三月三十一日經營租賃承擔金額，與已量化及獲管理層評估，於二零一九年四月一日的租賃負債金額，兩者間並無重大差異(見附註32(b))。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

- (b) Amendments to HKAS 28 clarify that the scope exclusion of HKFRS 9 only includes interests in an associate or joint venture to which the equity method is applied and does not include long-term interests that in substance form part of the net investment in the associate or joint venture, to which the equity method has not been applied. Therefore, an entity applies HKFRS 9, rather than HKAS 28, including the impairment requirements under HKFRS 9, in accounting for such long-term interests. HKAS 28 is then applied to the net investment, which includes the long-term interests, only in the context of recognising losses of an associate or joint venture and impairment of the net investment in the associate or joint venture. The Group assessed its business model for its long-term interests in associates and joint ventures upon adoption of the amendments on 1 April 2019 and concluded that the long-term interests in associates and joint ventures continued to be measured at amortised cost in accordance with HKFRS 9. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.
- (c) HK(IFRIC)-Int 23 addresses the accounting for income taxes (current and deferred) when tax treatments involve uncertainty that affects the application of HKAS 12 (often referred to as “**uncertain tax positions**”). The interpretation does not apply to taxes or levies outside the scope of HKAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The interpretation specifically addresses (i) whether an entity considers uncertain tax treatments separately; (ii) the assumptions an entity makes about the examination of tax treatments by taxation authorities; (iii) how an entity determines taxable profits or tax losses, tax bases, unused tax losses, unused tax credits and tax rates; and (iv) how an entity considers changes in facts and circumstances. The Group considered that the interpretation did not have any impact on the financial position or performance of the Group.

2.2 會計政策及披露變更(續)

- (b) 香港會計準則第28號之修訂澄清香港財務報告準則第9號之範疇豁免僅包括權益法適用之於聯營公司或合營公司之權益，且並不包括並無應用權益法而實質上組成於聯營公司或合營公司投資淨額一部分之長期權益。因此，實體應用香港財務報告準則第9號而非香港會計準則第28號(包括香港財務報告準則第9號項下之減值規定)以就有關長期權益入賬。僅在確認聯營公司或合營公司虧損及聯營公司或合營公司投資淨額之減值下，香港會計準則第28號方會應用於投資淨額(包括長期權益)。本集團於二零一九年四月一日採納該等修訂本，其後就於聯營公司及合營公司長期權益評估其業務模式。有關結論為於聯營公司及合營公司的長期權益繼續根據香港財務報告準則第9號，按攤銷成本計量。因此，有關修訂本對本集團財務狀況或表現並無任何影響。
- (c) 香港(國際財務報告詮釋委員會)——詮釋第23號，針對稅務處理涉及影響香港會計準則第12號應用之不確定性(通常稱為「**不確定稅務狀況**」)時之所得稅(即期及遞延)之會計處理。該詮釋不適用於香港會計準則第12號範圍以外之稅項或徵費，亦無具體包括與不確定稅務處理相關利息及罰款之規定。該詮釋特別針對(i)實體有否分開考慮不確定稅務處理；(ii)實體就稅務機關審查稅務處理作出之假設；(iii)實體如何確定應課稅利潤或稅損、稅基、未使用稅損、未使用稅收抵免及稅率；以及(iv)實體如何考慮事實與情況之變化。本集團認為有關詮釋對本集團的財務狀況或表現並無任何影響。

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

Amendments to HKFRS 3	Definition of a Business ¹
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform ¹
Amendments to HKFRS 10 and HKAS 28 (2011)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
HKFRS 17	Insurance Contracts ²
Amendments to HKAS 1 and HKAS 8	Definition of Material ¹

¹ Effective for annual periods beginning on or after 1 January 2020

² Effective for annual periods beginning on or after 1 January 2021

³ No mandatory effective date yet determined but available for adoption

Further information about those HKFRSs that are expected to be applicable to the Group is described below.

2.3 已頒佈但尚未生效之香港財務報告準則

本集團並無於該等財務報表應用下列已頒佈但尚未生效之新訂及經修訂香港財務報告準則。

香港財務報告準則第3號之修訂	業務之定義 ¹
香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號之修訂	利率基準改革 ¹
香港財務報告準則第10號及香港會計準則第28號（二零一一年）之修訂	投資者與其聯營公司或合資公司之間的資產出售或出資 ³
香港財務報告準則第17號	保險合約 ²
香港會計準則第1號及香港會計準則第8號之修訂	重大之定義 ¹

¹ 於二零二零年一月一日或之後開始之年度期間生效

² 於二零二一年一月一日或之後開始之年度期間生效

³ 可供採納但尚未釐定強制生效日期

預期將適用於本集團之該等香港財務報告準則之進一步資料載述如下。

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

Amendments to HKFRS 3 clarify and provide additional guidance on the definition of a business. The amendments clarify that for an integrated set of activities and assets to be considered a business, it must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. A business can exist without including all of the inputs and processes needed to create outputs. The amendments remove the assessment of whether market participants are capable of acquiring the business and continue to produce outputs. Instead, the focus is on whether acquired inputs and acquired substantive processes together significantly contribute to the ability to create outputs. The amendments have also narrowed the definition of outputs to focus on goods or services provided to customers, investment income or other income from ordinary activities. Furthermore, the amendments provide guidance to assess whether an acquired process is substantive and introduce an optional fair value concentration test to permit a simplified assessment of whether an acquired set of activities and assets is not a business. The Group expects to adopt the amendments prospectively from 1 April 2020. Since the amendments apply prospectively to transactions or other events that occur on or after the date of first application, the Group will not be affected by these amendments on the date of transition.

Amendments to HKFRS 9, HKAS 39 and HKFRS 7 address the effects of interbank offered rate reform on financial reporting. The amendments provide temporary reliefs which enable hedge accounting to continue during the period of uncertainty before the replacement of an existing interest rate benchmark. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties. The amendments are effective for annual periods beginning on or after 1 April 2020. Early application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

2.3 已頒佈但尚未生效之香港財務報告準則(續)

香港財務報告準則第3號之修訂澄清及提供有關業務定義之額外指引。該等修訂澄清，就一組經整合活動及資產被視為業務而言，其必須最少包括輸入及實質性流程以共同絕大部分貢獻創造產出之能力。業務可在並無包括創造產出所需之所有輸入值及流程下存在。該等修訂移除對市場參與者能否購入業務並繼續生產產出的評估。反之，重點在於所購入輸入值及所購入實質性流程是否共同絕大部分貢獻創造產出之能力。該等修訂亦已收窄產出之定義，以專注於提供予客戶之貨品或服務、投資收入或來自日常活動之其他收入。另外，該等修訂提供指引，以供評估所購入流程是否屬實質性，並引入選擇性公平值集中測試，容許簡略評估所購買之一組活動或資產是否屬於業務。本集團預期將自二零二零年四月一日起按未來基準採納該等修訂。由於有關修訂對首次應用日期或之後的交易或其他活動，以未來基準作出應用，於交易日期，本集團不受此等修訂影響。

香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號之修訂應對銀行同業利率改革對財務報告之影響。有關修訂提供暫時寬免，容許於取代現有利率基準前的不確定期間內，繼續應用對沖會計方法。此外，有關修訂要求公司向投資者提供直接受此等不確定性影響的對沖關係之額外資料。有關修訂自二零二零年四月一日或之後開始的年度期間生效，並准許提早應用。有關修訂預期不會對本集團財務報表產生任何重大影響。

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

Amendments to HKFRS 10 and HKAS 28 (2011) address an inconsistency between the requirements in HKFRS 10 and in HKAS 28 (2011) in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss when the sale or contribution of assets between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to HKFRS 10 and HKAS 28 (2011) was removed by the HKICPA in January 2016 and a new mandatory effective date will be determined after the completion of a broader review of accounting for associates and joint ventures. However, the amendments are available for adoption now.

Amendments to HKAS 1 and HKAS 8 provide a new definition of material. The new definition states that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments clarify that materiality will depend on the nature or magnitude of information. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. The Group expects to adopt the amendments prospectively from 1 April 2020. The amendments are not expected to have any significant impact on the Group's financial statements.

2.3 已頒佈但尚未生效之香港財務報告準則(續)

香港財務報告準則第10號及香港會計準則第28號(二零一一年)之修訂解決香港財務報告準則第10號及香港會計準則第28號(二零一一年)對於處理投資者與其聯營公司或其合營公司之間有關資產出售或注資之不一致規定。該等修訂規定當投資者與其聯營公司或其合營公司之間有關資產出售或注資構成業務時，需全面確認盈虧。若涉及資產之交易不構成業務，則投資者於損益確認交易產生之盈虧只限於不屬於投資者於該聯營公司或合營公司權益之部份。該等修訂乃按未來基準應用。香港財務報告準則第10號及香港會計準則第28號(二零一一年)修訂早前訂定之強制性生效日期已於二零一六年一月被香港會計師公會刪除，而新強制性生效日期將待對聯營公司及合營公司之會計處理完成廣泛審閱後訂定。儘管如此，有關修訂現已可作採納。

香港會計準則第1號及香港會計準則第8號之修訂就重大性提供新定義。該新定義列明倘遺漏、錯述或遮蓋有關資料預期或會合理地影響一般用途財務報表之主要使用者按該等財務報表作出之決定，則有關資料屬重大。該等修訂澄清，重大性將取決於資料之性質或幅度。倘其預期或會合理地影響主要使用者作出之決定，則有關資料之錯誤陳述屬重大。本集團預期將自二零二零年四月一日起按未來基準採納該等修訂。該等修訂預期將不會對本集團之財務報表造成任何重大影響。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Investments in associates

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The Group's investments in associates are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

The Group's share of the post-acquisition results and other comprehensive income of associates is included in the consolidated statement of profit or loss and consolidated other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's investments in the associates, except where unrealised losses provide evidence of an impairment of the asset transferred. Goodwill arising from the acquisition of associates is included as part of the Group's investments in associates.

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other cases, upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

2.4 主要會計政策概要

於聯營公司的投資

聯營公司指本集團擁有一般不少於20%股份投票權的長期權益，並可對其實施重大影響力的實體。重大影響力指參與被投資方財政及經營決策的權力，但非控制或共同控制該等政策。

本集團於聯營公司的投資以權益會計法按本集團應佔資產淨值減任何減值虧損於綜合財務狀況表列賬。會計政策如有差異則作出調整使之一致。

本集團應佔聯營公司收購後業績及其他全面收益分別於綜合損益表及綜合其他全面收益表列賬。此外，倘直接於聯營公司的權益確認一項變動，則本集團會視乎情況於綜合權益變動表確認應佔任何變動。本集團與其聯營公司交易產生的未變現收益及虧損均按本集團所佔聯營公司的投資比例撇銷，惟如有證據顯示未變現虧損是由於所轉讓資產出現減值則除外。收購聯營公司所產生的商譽計入本集團對聯營公司的投資。

倘對聯營公司的投資成為對一間合營企業的投資或相反情況出現時，則不會重新計量留存權益，而是繼續按權益法將投資列賬。在所有其他情況下，若失去對聯營公司的重大影響力或對合營企業的共同控制，本集團會按其公平值計量及確認任何留存投資。失去對聯營公司的重大影響力或共同控制時聯營公司的賬面值與留存投資公平值及出售所得款項之間的差額於損益賬確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation either at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets of the subsidiary acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

2.4 主要會計政策概要(續)

業務合併及商譽

業務合併乃以收購法入賬。轉讓之代價乃以收購日期的公平值計算，該公平值為本集團轉讓的資產於收購日期的公平值、本集團對被收購方之前度擁有人承擔的負債，及本集團發行以換取被收購方控制權的股本權益的總和。於各業務合併中，本集團選擇是否以公平值或被收購方可識別資產淨值的應佔比例，計算於被收購方屬現時擁有權權益並賦予其持有人權利於清盤時按比例分佔資產淨值的非控股權益。非控股權益之所有其他部分乃按公平值計量。收購相關成本於產生時列為開支。

當本集團收購一項業務時，會根據合約條款、於收購日期的經濟環境及相關條件，評估將承接的金融資產及負債，以作出適合的分類及標示，其中包括將被收購方主合約中的嵌入式衍生工具進行分離。

倘業務合併分階段進行，先前持有的股權按其收購日期的公平值重新計量，且產生的收益或虧損於損益賬確認。

由收購方將予轉讓的任何或然代價按於收購日期的公平值確認。倘或然代價分類為資產或負債，則按公平值計量，公平值的變動於損益賬確認。分類為權益之或然代價毋須重新計量，其後結算在權益中入賬。

商譽起初按成本計量，即已轉讓總代價、已確認非控股權益及本集團先前持有的被收購方股權的任何公平值總額，與所收購可識別資產淨值及所承擔負債的差額。如代價及其他項目之總和低於所收購附屬公司資產淨值的公平值，於重新評估後其差額將於損益賬中確認為議價收購收益。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations and goodwill (Continued)

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 March. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

2.4 主要會計政策概要(續)

業務合併及商譽(續)

於初始確認後，商譽按成本減任何累計減值虧損計量。商譽須每年作減值測試，若有事件發生或情況改變顯示賬面值有可能減值時，則會更頻密地進行檢討。本集團於三月三十一日進行商譽之年度減值測試。為進行減值測試，因業務合併而購入的商譽自購入之日被分配至預期可從合併產生的協同效益中獲益的本集團各個現金產生單位或現金產生單位組別，而無論本集團其他資產或負債是否已分配予該等單位或單位組別。

減值乃通過評估與商譽有關的現金產生單位(或現金產生單位組別)的可收回金額釐定。當現金產生單位(或現金產生單位組別)的可收回金額低於賬面金額時，減值虧損便予以確認。已就商譽確認的減值虧損不得於往後期間撥回。

倘商譽分配至一個現金產生單位(或現金產生單位組別)，而該單位的部份業務已出售，則在釐定出售的收益或虧損時，與所出售業務相關的商譽會計入該業務的賬面值。在該情況下出售的商譽，乃根據所出售業務的相對價值及現金產生單位的保留份額進行計量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair value measurement

The Group measures its leasehold land and buildings classified as property, plant and equipment, investment properties and equity investments designated 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.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2.4 主要會計政策概要(續)

公平值計量

本集團於各報告期末計量分類為物業、廠房及設備之租賃土地及樓宇、投資物業及指定按公平值計量之股權投資。公平值指於計量日市場參與者之間的有序交易中，就出售資產所收取之價格或轉讓負債所支付之價格。公平值計量假設出售資產或轉讓負債之交易於資產或負債的主要市場或在未有主要市場的情況下對該資產或負債最有利市場進行。主要或最有利市場須為本集團能參與的市場。假設市場參與者基於最佳經濟利益行事，資產或負債的公平值使用市場參與者於為資產或負債定價時所用假設計量。

非金融資產之公平值計量會計及市場參與者以最高及最佳用途使用資產或售予會以最高及最佳用途使用資產之另一市場參與者而創造經濟利益的能力。

本集團針對不同情況使用不同估值方法，確保有足夠數據計量公平值，並盡量利用相關可觀察輸入數據，減少使用不可觀察輸入數據。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair value measurement (Continued)

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

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.

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, leasehold lands and buildings classified as property, plant and equipment, financial assets and investment properties), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

2.4 主要會計政策概要(續)

公平值計量(續)

公平值於財務報表計量或披露之所有資產及負債，均基於對計量公平值整體而言屬重要之最低層輸入數據按下述公平值層級分類：

- 級別一 — 根據相同資產或負債在活躍市場中之報價(未經調整)
- 級別二 — 根據最低輸入數據(對公平值計量具有重大影響者)可直接或間接觀察之估值方法
- 級別三 — 根據最低輸入數據(對公平值計量具有重大影響者)不可觀察之估值方法

對於按經常性基準於財務報表確認之資產及負債，本集團於各報告期末重新評估分類(基於對計量公平值整體而言屬重要之最低層輸入數據)，以確定有否在各等級之間轉移。

非金融資產減值

倘有跡象顯示出現減值或須就一項資產進行年度減值測試(不包括存貨、分類為物業、廠房及設備的租賃土地及樓宇、金融資產及投資物業)，則估計資產之可收回金額。一項資產之可收回金額按資產或現金產生單位之使用價值與其公平值減銷售成本之較高者計算，並就個別資產而釐定，除非有關資產並無產生在頗大程度上獨立於其他資產或資產組別產生之現金流入，在此情況下，可收回金額就資產所屬之現金產生單位而釐定。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of non-financial assets (Continued)

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the statement of profit or loss in the period in which it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the statement of profit or loss in the period in which it arises, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

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;

2.4 主要會計政策概要(續)

非金融資產減值(續)

如資產之賬面值超逾其可收回金額時，減值虧損方予確認。於評估使用價值時，估計日後現金流量按反映現時市場評估之貨幣時間價值及資產特定風險之稅前折現率折減至現值。除非該資產以重估數額列賬，減值虧損方根據該重估價值資產之有關會計政策處理，否則減值虧損於產生期間在損益表內扣除。

於每個報告期末均會進行評估，以檢測是否有任何跡象顯示過往年度確認之減值虧損不再存在或可能已經減少。倘存有任何該等跡象，便估計可收回金額。除商譽外，僅於釐定資產之可收回金額之估計出現變動時，於先前已確認之資產減值虧損方可撥回，惟倘若於以往年度並無就該資產確認任何減值虧損，則對比經扣除折舊／攤銷後之賬面值，高出金額不得撥回。除非該資產以重估金額列賬，減值虧損之撥回方根據有關會計政策就該重估資產處理，否則，任何減值虧損之撥回於產生當期計入損益表內。

關連人士

一方被視為本集團之關連人士，倘：

- (a) 屬以下人士，即該人士或該人士之近親與本集團有關連：
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本集團母公司之主要管理層成員；

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related parties (Continued)

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;
 - (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 party, provides key management personnel services to the Group or to the parent of the Group.

2.4 主要會計政策概要(續)

關連人士(續)

或

- (b) 符合下列任何條件，即該實體與本集團有關連：
 - (i) 該實體與本集團屬同一集團之成員公司；
 - (ii) 一實體為另一實體(或另一實體之母公司、附屬公司或同系附屬公司)之聯營公司或合營企業；
 - (iii) 該實體與本集團為同一第三方之合營企業；
 - (iv) 一實體為第三方實體之合營企業，而另一實體為第三方實體之聯營公司；
 - (v) 該實體為本集團或與本集團有關連之實體就僱員福利設立之離職後福利計劃；
 - (vi) 該實體受(a)所識別人士控制或共同控制；
 - (vii) 於(a)(i)所識別人士對該實體有重大影響力或屬該實體(或該實體之母公司)主要管理層成員；及
 - (viii) 該實體或是其集團中一部分之任何成員，而提供主要管理人員服務予本集團或本集團之母公司。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost or valuation less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Land and buildings, classified as right-of-use assets and owned assets, are measured at fair value less subsequent accumulated depreciation and impairment losses.

Valuations are performed frequently enough to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. Changes in the values of property, plant and equipment are dealt with as movements in the property revaluation reserve. If the total of this reserve is insufficient to cover a deficit, on an individual asset basis, the excess of the deficit is charged to the statement of profit or loss. Any subsequent revaluation surplus is credited to the statement of profit or loss to the extent of the deficit previously charged. An annual transfer from the property revaluation reserve to retained profits is made for the difference between the depreciation based on the revalued carrying amount of an asset and the depreciation based on the asset's original cost. On disposal of a revalued asset, the relevant portion of the property revaluation reserve realised in respect of previous valuations is transferred to retained profits as a movement in reserves.

2.4 主要會計政策概要(續)

物業、廠房及設備以及折舊

物業、廠房及設備按成本或估值減累計折舊及任何減值虧損入賬。物業、廠房及設備之成本值包括購入價格及將該資產投入可使用狀況及地點作擬定用途所須直接支付之費用。

物業、廠房及設備投入運作後所產生之開支，如維修及保養費等，一般在費用產生之期間內自損益表扣除。倘能符合確認條件，重大檢查之開支可於資產賬面值予以資本化作為代替。倘物業、廠房及設備之主要部份需分期替換，本集團會確認該等部份為有特定使用年期之個別資產，並對其作出相應折舊。

分類為使用權資產及自有資產的土地及樓宇按公平值減其後累計折舊及減值虧損計量。

本集團經常進行估值以確保重估資產之公平值與其賬面值不會有重大差異。物業、廠房及設備之價值變動作物業重估儲備變動處理。如按個別資產基準，此儲備之總數不足以彌補虧絀，則超逾虧絀之數在損益表扣除。其後任何重估盈餘計入損益表，惟以過往扣除之虧絀為限。基於資產經重估賬面值之折舊與基於該項資產原來成本之折舊之差額部份，每年會由物業重估儲備轉撥至保留溢利。出售一項重估資產時，於以往估值實現之物業重估儲備之有關部份乃轉入保留溢利，作為儲備之變動處理。

31 March 2020

二零二零年三月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment and depreciation (Continued)

Depreciation is calculated on the straight-line basis or reducing balance basis to write off the cost or valuation amount of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Buildings	Over the remaining lease terms
Leasehold improvements	Over the remaining lease terms
Furniture and fixtures	15% on the reducing balance basis
Office equipment	15% on the reducing balance basis
Tools and equipment	15% on the reducing balance basis
Motor vehicles	15% on the reducing balance basis

Where parts of an item of property, plant and equipment have different useful lives, the cost or valuation amount of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation methods are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the statement of profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

2.4 主要會計政策概要(續)

物業、廠房及設備以及折舊(續)

折舊乃按個別物業、廠房與設備項目以直線法，或按餘額遞減法按估計可使用年期撇銷其成本值或估值至剩餘價值計算。就此而言之主要年率如下：

樓宇	按剩餘租賃年期
租賃裝修	按剩餘租賃年期
傢具及裝置	15% (按餘額遞減法)
辦公室設備	15% (按餘額遞減法)
工具及設備	15% (按餘額遞減法)
汽車	15% (按餘額遞減法)

當一項物業、廠房及設備之各部份之可使用年期各有不同，此項目各部份之成本或估值將按合理基礎分配，而每部份將作個別折舊。剩餘價值、可使用年期和折舊方法至少於各財政年度末進行檢討和調整(如適合)。

物業、廠房及設備項目(包括任何首次確認之重大部份)於出售時，或預期使用或出售於日後不再有經濟效益時，將終止確認。年內終止確認之資產因其出售或報廢並在損益表被確認之任何收益或虧損，乃有關資產之銷售所得款項淨額與賬面值之差額。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment properties

Investment properties are interests in land and buildings (including the leasehold property held as a right-of-use asset (2019: leasehold property under an operating lease) which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of the reporting period.

Gains or losses arising from changes in the fair values of investment properties are included in the statement of profit or loss in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in the statement of profit or loss in the year of the retirement or disposal.

Non-current assets and disposal groups held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sales transaction rather than through continuing use. For this to be the case, the assets or disposal group must be available for immediate sale in its present condition subject only to terms that are usual and customary for the sale of such assets or disposal groups and its sale must be highly probable.

Non-current assets and disposal groups (other than investment properties and financial assets) classified as held for sale are measured at the lower of their carrying amounts and fair value less costs to sell.

2.4 主要會計政策概要(續)

投資物業

投資物業為持作賺取租金收入及／或資本升值，而非用作生產或供應貨物或服務或用作行政用途；或供日常業務過程中出售之所持土地及樓宇之權益(包括可能符合投資物業定義，並以使用權資產持有之租賃物業(二零一九年：經營租賃下的租賃物業))。該等物業最初按成本(包括交易成本)計量。於首次確認後，投資物業乃按公平值列賬，乃反映於報告期末之市況。

投資物業之公平值變動所產生之收益或虧損，於彼等產生年度計入損益表內。

因一項投資物業報廢或出售而產生之任何收益或虧損，於其報廢或出售之年度在損益表內確認。

持作出售之非流動資產及出售組合

倘非流動資產及出售組別之賬面值將主要透過銷售交易而非透過持續使用而收回，則分類為持作出售。資產或出售組別必須可即時以現狀出售(只受出售該等資產或出售組別時之一般及慣常條款規限)，且成交機會頗高，方符合此分類之規定。

分類為持作出售之非流動資產及出售組別(投資物業及金融資產除外)乃按其賬面值及公平值減銷售成本兩者中之較低值計量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (applicable from 1 April 2019)

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, except for land which is measured at fair value, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Leasehold land	Over the remaining lease terms
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If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

2.4 主要會計政策概要(續)

租賃(自二零一九年四月一日起適用)

本集團於合約開始時評估合約是否一項租賃或包含一項租賃。倘合約將一段期間內使用一項已識別資產的控制權轉讓以換取代價，則該合約為一項租賃或包含一項租賃。

本集團為承租人

本集團就所有租賃應用單一確認及計量方法，惟短期租賃及低價值資產租賃除外。本集團確認租賃負債，使租賃付款及使用權資產代表使用相關資產的權利。

(a) 使用權資產

使用權資產於租賃開始日期(即相關資產可供使用日期)確認。使用權資產按成本計量，惟土地則按公平值減任何累計折舊及任何減值虧損計量，並經租賃負債的任何重新計量所調整。使用權資產成本包括已確認租賃負債金額、所產生的初步直接成本，以及於開始日期或之前作出的租賃付款減任何已收取的租賃優惠。

使用權資產以直線法，於租期及資產估計可使用年期兩者中較短者進行折舊。資產估計可使用年期如下：

租賃土地	按剩餘租賃年期
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倘租賃資產擁有權於租期結束時轉讓予本集團，或成本反映行使購買權，則使用資產估計可使用年期計算折舊。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (applicable from 1 April 2019) (Continued)

Group as a lessee (Continued)

(a) Right-of-use assets (Continued)

When the right-of-use assets relate to interests in leasehold land held as inventories, they are subsequently measured at the lower of cost and net realisable value in accordance with the Group's policy for "inventories". When a right-of-use asset meets the definition of investment property, it is included in investment properties. The corresponding right-of-use asset is initially measured at cost, and subsequently measured at fair value, in accordance with the Group's policy for "investment properties".

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

2.4 主要會計政策概要(續)

租賃(自二零一九年四月一日起適用)(續)

本集團為承租人(續)

(a) 使用權資產(續)

當使用權資產與持作存貨的租賃土地權益相關時，其後按本集團「存貨」政策，以成本與可變現淨值兩者中較低者計量。當使用權資產符合投資物業的定義時，則計入投資物業中。相關使用權資產初步按成本計量，其後根據本集團「投資物業」政策按公平值計量。

(b) 租賃負債

租賃負債於租賃開始日期，按將於租期內作出的租賃付款現值確認。租賃付款包括固定款項(包括實質上固定的款項)減任何應收租賃優惠，而可變租賃款項則取決於一項指數或比率，金額為預期根據剩餘價值擔保將予支付的價值。租賃款項亦包括合理確定本集團將予行使的購買權行使價，如租期反映本集團行使終止權，則亦包括終止租賃的罰款。並非取決於一項指數或比率可變租賃款項，於導致付款的事件或條件發生的期間確認為開支。

於計算租賃款項現值時，本集團使用租賃開始日期的增量借貸利率，原因是租賃內含的利率並非可即時釐定。於開始日期後，租賃負債金額增至反映利息增加及就作出的租賃付款減少。此外，倘出現修訂、租期變更、租賃款項變動(例如指數或比率變動導致未來租賃款項變動)或購買相關資產選擇權的評估出現變動，租賃負債的賬面值會被重新計量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (applicable from 1 April 2019) (Continued)

Group as a lessee (Continued)

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment and laptop computers that are considered to be of low value.

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Group as a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases that transfer substantially all the rewards and risks and rewards incidental to ownership of an underlying assets to the lessee Group, other than legal title, are accounted for as finance leases.

2.4 主要會計政策概要(續)

租賃(自二零一九年四月一日起適用)(續)

本集團為承租人(續)

(c) 短期租賃及低價值資產租賃

本集團對機械與設備的短期租賃(即租期自開始日期起十二個月或更短時間完結, 及並無包含購買權的租賃)應用短期租賃確認豁免。其亦對低價值資產(辦公室設備及被視為低價值的手提電腦租賃)租賃應用確認豁免。

短期租賃及低價值資產租賃的租賃款項, 以直線法於租期內確認為開支。

本集團作為出租人

當本集團以出租人身份行事, 其於租賃開始時(或當出現租賃修訂時)將各項租賃分類為經營租賃或融資租賃。

本集團並無將一項資產擁有權附帶的絕大部份風險及回報轉讓的租賃, 會分類為經營租賃。當合約包含租賃及非租賃部份, 本集團將合約內的代價, 按相關獨立售價基準分配至各部份。租金收入以直線法於租期內入賬, 並因其屬營運性質而計入損益表之收益內。商討及安排經營租賃產生的初步直接成本加進已租賃資產的賬面值中, 並按租金收入相同基準於租期內確認。或然租金於賺取期間確認為收益。

本集團將相關資產擁有權附帶的絕大部份回報及風險(法定所有權除外)轉讓予承租人的租賃, 會分類為融資租賃。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (applicable before 1 April 2019)

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 are charged to the statement of profit or loss on the straight-line basis over the lease terms.

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 leasehold land and buildings as a finance lease in property, plant and equipment.

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of accounts receivable that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value, plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Accounts receivable that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under HKFRS 15 in accordance with the policies set out for "Revenue recognition" below.

2.4 主要會計政策概要(續)

租賃(二零一九年四月一日前適用)

當資產擁有權之絕大部份回報及風險保留於出租人之租約，以經營租賃處理。當本集團為出租人時，本集團於經營租賃下租出資產包括在非流動資產內，於經營租賃下之應收租金以直線法按租期計入損益表內。當本集團為承租人時，於經營租賃下之應付租金以直線法按租期於損益表扣除。

經營租賃之預付土地租賃款項最初按成本列報，並於其後以直線法在租賃年期確認。倘租賃款項不能可靠分配至土地及樓宇成份，則全部租賃款項將計入租賃土地及樓宇成本，作為物業、廠房及設備之融資租賃。

投資及其他金融資產

初步確認及計量

金融資產於初始確認時分類為其後按攤銷成本計量、按公平值計入其他全面收益及按公平值計入損益賬計量。

於初步確認時，金融資產分類取決於金融資產之合約現金流量特性及本集團管理該等資產之業務模式。除並無包含重大融資部分或本集團已經應用不會調整重大融資部分影響之實務情況之應收賬款外，本集團初步按其公平值計量金融資產，在並非按公平值計入損益賬之金融資產的情況下，另加上交易成本。並無包含重大融資部分或本集團已經應用實務情況之應收賬款根據下文「收益確認」所載之政策根據香港財務報告準則第15號釐定之交易價格計量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and other financial assets (Continued)

Initial recognition and measurement (Continued)

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest (“SPPI”) on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group’s business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured 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:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss when the asset is derecognised, modified or impaired.

2.4 主要會計政策概要(續)

投資及其他金融資產(續)

初步確認及計量(續)

為使金融資產分類及按攤銷成本計量或按公平值計入其他全面收益，其需要產生純粹作為本金及尚未清償本金額之利息(「純粹支付本金及利息」)之現金流量。擁有並非純粹支付本金及利息現金流的金融資產，乃分類及按公平值計入損益賬計量，而不論業務模式為何。

本集團管理金融資產之業務模式指其管理其金融資產以產生現金流量之方式。業務模式釐定現金流量將產生自收取合約現金流量、出售金融資產或兩者兼而有之。分類並按攤銷成本計量的金融資產，乃於目的為持有金融資產以收取合約現金流量的業務模式內持有，而分類及按公平值計入其他全面收益的金融資產，則為目的為同時持有以收取合約現金流量及出售的業務模式內持有。並非於上述業務模式內持有的金融資產乃分類及按公平值計入損益賬中計量。

正常情況下買入及出售之金融資產於交易日確認，即本集團承諾購入或出售該資產之日期。正常情況下買入或出售乃必須按規例或市場慣例一般設定之期間內交付資產之買入或出售金融資產。

其後計量

金融資產之其後計量視以下分類而定：

按攤銷成本計量之金融資產(債務工具)

按攤銷成本計量之金融資產其後使用實際利率法計量，並須予減值。當資產取消確認、修改或減值時，則會在損益表內確認收益及虧損。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and other financial assets (Continued)

Subsequent measurement (Continued)

Financial assets designated at fair value through other comprehensive income (equity investments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity investments designated at fair value through other comprehensive income when they meet the definition of equity under HKAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to the statement of profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

Financial assets at fair value through profit or loss

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.

This category includes derivative instruments and equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on equity investments classified as financial assets at fair value through profit or loss are also recognised as other income in the statement of profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

2.4 主要會計政策概要(續)

投資及其他金融資產(續)

其後計量(續)

指定為按公平值計入其他全面收益之金融資產(權益投資)

於初始確認後，倘符合香港會計準則第32號金融工具：呈列項下之權益定義且並非持作買賣，本集團可選擇不可撤銷地分類其權益投資為指定為按公平值計入其他全面收益之權益投資。該分類乃按逐項工具釐定。

該等金融資產之收益及虧損永不循環至損益表。股息於確立付款權利、與股息相關之經濟利益將可能流入本集團及能夠可靠地計量股息金額時，則在損益表內確認為其他收入，惟當本集團受惠於有關所得款項作為收回金融資產成本之一部分除外，而在該情況下，有關收益乃在其他全面收益內記賬。指定為按公平值計入其他全面收益之權益投資毋須進行減值評估。

按公平值計入損益賬之金融資產

按公平值計入損益賬之金融資產按公平值在財務狀況表內列賬，而公平值之淨變動則在損益表內確認。

此類別包括本集團並無不可撤銷地選擇分類為按公平值計入其他全面收益之衍生工具及權益投資。於確立付款權利、與股息相關之經濟利益將可能流入本集團及能夠可靠地計量股息金額時，有關分類為按公平值計入損益賬之金融資產之權益投資股息亦在損益表內確認為其他收入。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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 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.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. 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, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

2.4 主要會計政策概要(續)

終止確認金融資產

金融資產(或如適用,金融資產其中一部份或一組類似之金融資產其中一部份)在下列情況下初步終止確認(即從本集團綜合財務狀況表中刪除):

- 自該資產收取現金流量之權利已屆滿;或
- 當本集團已轉讓其收取該項資產所得現金流量之權利,或已根據一項「轉遞」安排承擔責任,在無重大延誤之情況下,將所收到之現金流量全數付予第三方;及(a)本集團已轉讓該資產之大部份風險及回報,或(b)本集團無轉讓或保留該資產之大部份風險及回報,惟已轉讓該資產之控制權。

當本集團在已轉讓其自資產收取現金流量之權利或已訂立一項轉遞安排時,需評估是否保留該資產擁有權之風險及回報,以及其程度。當並無轉讓或保留資產之大部份風險及回報,亦無轉讓資產之控制權時,則本集團繼續確認所轉讓資產,以本集團繼續參與為限。於此情況下,本集團亦確認相關負債。已轉讓資產及相關負債乃按反映本集團保留之權利及義務之基準計量。

金融資產減值

本集團就所有並非持有為按公平值計入損益賬之債務工具確認預期信貸損失(「預期信貸損失」)撥備。預期信貸損失乃按根據合約到期之合約現金流量與本集團預期將會收取之所有現金流量之間的差異,按概約原始實際利率貼現得出。預期現金流量將包括出售所持有抵押品之現金流量或屬於合約條款完整部分之其他信貸增級措施。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets (Continued)

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12 month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.4 主要會計政策概要(續)

金融資產減值(續)

一般方式

預期信貸損失分兩個階段確認。就自初始確認以來信貸風險並無大幅增加之信貸風險而言，預期信貸損失乃就可能於未來12個月發生之違約事件所導致之信貸損失計提撥備(12個月預期信貸損失)。就自初始確認以來信貸風險已經大幅增加之該等信貸風險而言，需要就於風險剩餘年期內之預期信貸損失計提損失撥備，而不論違約時間(全期預期信貸損失)。

於各報告日期，本集團評估金融工具之信貸風險自初始確認以來有否大幅增加。當作出該評估時，本集團比較金融工具於報告日期產生之違約風險與於初始確認日期就金融工具產生違約之風險，並考慮在並無繁重成本或工作下可得之合理及具有理據資料，包括歷史及前瞻性資料。

當合約付款逾期90日時，本集團會視金融資產違約。然而，在若干情況下，於內部或外部資料顯示本集團不大可能在計入本集團持有之任何信貸增級措施前悉數收取尚未清償合約金額時，本集團亦可能會視金融資產違約。倘並無合理預期收回合約現金流量，則會撇銷金融資產。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets (Continued)

General approach (Continued)

Financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for accounts receivable which apply the simplified approach as detailed below.

- Stage 1 — Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs
- Stage 2 — Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs
- Stage 3 — Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For accounts receivable that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

2.4 主要會計政策概要(續)

金融資產減值(續)

一般方式(續)

按攤銷成本計量之金融資產根據一般方式須面臨減值，且其在下列計量預期信貸損失階段內分類，惟應用下文所詳述簡化方針之應收賬款除外。

- 第1階段 — 信貸風險自初始確認以來並無大幅增加且損失撥備按相等於12個月預期信貸損失金額計量之金融工具
- 第2階段 — 信貸風險自初始確認以來已經大幅增加惟並非屬已經出現信貸減值金融資產且損失撥備按相等於全期預期信貸損失金額計量之金融工具
- 第3階段 — 於報告日期已經出現信貸減值(惟並非購買或起始信貸減值)且損失撥備按相等於全期預期信貸損失金額計量之金融資產

簡化方式

就並不包含重大融資部分之應收賬款而言或當本集團應用實務情況而並無調整重大融資部分之影響時，本集團應用簡化方式計算預期信貸損失。根據簡化方式，本集團並無追蹤信貸風險變動，惟按照於各報告日期之全期預期信貸損失確認損失撥備。本集團已經按照其歷史信貸損失經驗設立撥備矩陣，並就債務人及經濟環境之具體前瞻性因素作出調整。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include accounts payable, other payables, certain accruals, amounts due to associates and interest-bearing bank and other borrowings.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at amortised cost (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 included in finance costs in the statement of profit or loss.

2.4 主要會計政策概要(續)

金融負債

初步確認及計量

金融負債於初步確認時被分類為按公平值計入損益賬之金融負債、貸款及借款、應付款項，或被指定為一項有效對沖之對沖工具之衍生工具(如適用)。

所有金融負債初步按公平值確認，及倘為貸款及借款以及應付款項，則應扣除直接應佔交易成本。

本集團之金融負債包括應付賬項、其他應付款項、若干應計費用、應付聯營公司款項及計息銀行及其他借貸。

其後計量

金融負債其後計量視以下分類而定：

按攤銷成本計量之金融負債(貸款及借款)

於初步確認後，計息貸款及借款隨後以實際利率法按攤銷成本計量，除非貼現影響並不重大，在該情況下則按成本列賬。當負債終止確認以及按實際利率進行攤銷程序時，其損益在損益表內確認。

攤銷成本於計及收購事項之任何折讓或溢價及屬實際利率整體一部份之費用或成本後計算。實際利率攤銷計入損益表之財務費用內。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial liabilities (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 contracts at the higher of: (i) the ECL allowance determined in accordance with the policy as set out in "Impairment of financial assets"; and (ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expired.

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.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to disposal.

2.4 主要會計政策概要(續)

金融負債(續)

融資擔保合約

本集團發出的融資擔保合約指要求支付款項補償持有人由於特定債務人未能按照債務工具的條款支付到期款項所產生的虧損之合約。融資擔保合約初步按公平值確認為負債，並就發出擔保直接應佔的交易成本作出調整。於初步確認後，本集團按以下各項中的較高者計量融資擔保合約：(i)根據「金融資產減值」所載的政策釐定預期信貸損失撥備；及(ii)初步確認的金額減去(如適用)已確認累計收入金額。

終止確認金融負債

金融負債於負債之責任已解除或註銷或屆滿時終止確認。

當現有金融負債為同一貸款人以大致上不同條款之負債取代時，或現有負債之條款有重大修改時，有關交換或修改則被視為終止確認原有負債及確認一項新負債，而各項賬面值之間之差額乃於損益表中確認。

抵銷金融工具

倘目前具有合法可執行權利以抵銷確認金額及有意按淨額基準償付，或變現資產與清償負債同時進行，則金融資產及金融負債予以抵銷及淨額於財務狀況表內呈報。

存貨

存貨乃按成本與可變現淨值兩者中之較低者列賬。成本則按先進先出法計算。可變現淨值是根據估計售價扣除任何直至出售所產生之估計成本。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Properties held for sale under development and properties held for sale

Properties under development which are intended for sale are included in properties held for sale under development and properties held for sale and are stated at the lower of cost and net realisable value, which is estimated by the directors based on the prevailing market conditions. Costs include all costs directly incurred in the properties under development, including development expenditure, borrowing costs and other direct costs.

Completed properties for sale are stated at the lower of cost and net realisable value. Cost includes all development expenditure, applicable borrowing costs and other direct costs attributable to such properties. Net realisable value is determined by reference to the prevailing market prices on an individual property basis.

Cash and cash equivalents

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

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

2.4 主要會計政策概要(續)

發展中待售物業及待售物業

擬作出售用途之發展中物業計入發展中待售物業及待售物業項下，按成本及董事根據現時市況估計之可變現淨值兩者中之較低者入賬。成本包括發展中物業直接產生之一切成本，即發展開支、借貸成本及其他直接成本。

已落成待售物業以成本及可變現淨值兩者中之較低者列賬。成本包括所有發展開支、適用借貸成本及該等物業之其他應佔直接成本。可變現淨值乃參考現時市價，按個別物業基準而釐定。

現金及現金等值項目

就綜合現金流量表而言，現金及現金等值項目指手頭現金及活期存款以及可隨時兌換為已知數額現金，承受之價值變動風險輕微以及一般於購入後三個月內到期之短期及高流動投資，扣除須於提出要求時即時償還之銀行透支。現金及現金等值項目構成本集團現金管理之其中一部份。

就綜合財務狀況表而言，現金及現金等值項目為用途不受限制之手頭現金以及銀行存款(包括定期存款)。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and a joint venture, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

2.4 主要會計政策概要(續)

所得稅

所得稅包括即期稅項及遞延稅項。與於損益賬外確認之項目有關之所得稅於損益賬外之其他全面收益或直接於權益確認。

本期及過往期間之即期稅項資產及負債，乃根據已實施或於報告期末已大致實施之稅率(及稅法)，並考慮本集團業務所在國家之現有詮釋及慣例，按預期將從稅務機關收回或將支付予稅務機關之金額計量。

遞延稅項乃就於報告期末之資產與負債之稅基與其用作財務申報之賬面值之間之所有暫時差額以負債法撥備。

遞延稅項負債就所有應課稅暫時差額予以確認，惟以下情況除外：

- 當遞延稅項負債源於初次確認商譽或一項交易(並非一項業務合併)之資產或負債，而於該項交易進行時不影響會計溢利或應課稅溢利或虧損者；及
- 遞延稅項負債源於附屬公司、聯營公司及合營企業之投資之應課稅暫時差額予以確認，暫時差額之撥回時間可予控制及暫時差額於可見之未來不可能撥回者。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax (Continued)

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and a joint venture, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profits will be available against which the temporary differences can be utilised.

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

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

2.4 主要會計政策概要(續)

所得稅(續)

遞延稅項資產就所有可扣減暫時差額、未使用稅項抵免及任何未使用稅項虧損之結轉予以確認。遞延稅項資產於可能有應課稅溢利以對銷可扣減暫時差額、未使用稅項抵免及未使用稅項虧損之結轉時才予確認，惟以下情況除外：

- 有關可扣減暫時差額之遞延稅項資產源於初次確認一項交易(並非一項業務合併)之資產或負債，而於該項交易進行時不影響會計溢利或應課稅溢利或虧損者；及
- 遞延稅項資產源於附屬公司、聯營公司及合營企業之投資之可扣減暫時差額予以確認，惟僅限於在可見之未來可撥回暫時差額及可能有應課稅溢利以抵銷暫時差額時才予確認。

遞延稅項資產之賬面值乃於各報告期末進行檢討，並扣減至不再可能有足夠應課稅溢利可供全部或部份遞延稅項資產被動用為止。未予確認之遞延稅項資產會於各報告期末進行重估，並限於可能有足夠應課稅溢利可供全部或部份遞延稅項資產可予撥回之部份則予確認。

遞延稅項資產與負債以預期適用於資產變現及負債清償期間之稅率計算，並以報告期末已頒佈或實際上已頒佈之稅率(及稅法)計算。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax (Continued)

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Revenue recognition

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 contract contains a financing component which provides the customer with 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.

2.4 主要會計政策概要 (續)

所得稅 (續)

遞延稅項資產和遞延稅項負債在當且僅當具有抵銷即期稅項資產和即期稅項負債之合法權利時才會被抵銷，且遞延稅項資產和遞延稅項負債乃與同一稅務機關就同一應課稅實體或不同應課稅實體徵收之所得稅有關，而有關應課稅實體在未來各期間將有大額遞延稅項負債或資產預期結算或收回並計劃以淨額基準結算即期稅項負債及資產，或同時變現資產與清償負債。

收益確認

客戶合約收益

客戶合約收益於貨品或服務之控制權轉移至客戶時，按反映本集團預期將有權就該等貨品或服務交換代價之金額確認。

當合約包含融資部分，向客戶提供撥支向客戶轉移貨品或服務超過一年之重大利益時，收益則按應收款項之現值計量，並使用將反映於本集團與客戶於合約起始時之獨立融資交易之貼現率進行貼現。當合約包含融資部分，為本集團提供重大財務利益超過一年，則根據合約確認之收益包括根據實際利率法就合約負債計算之利息開支。就客戶付款與轉移已承擔貨品或服務之期間為一年或以內之合約而言，交易價格不會使用香港財務報告準則第15號之實務情況就重大融資部分之影響進行調整。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Revenue from contracts with customers (Continued)

(a) Sale of properties

Revenue from the sale of properties is recognised at the point in time when the purchasers obtained the physical possession of the completed property, and the Group has a present right to payment and the collection of the consideration is probable.

(b) Sale of products

Revenue from the sale of products is recognised at the point in time when control of the assets is transferred to customers, generally on delivery of products.

Revenue from other sources

Rental income is recognised on a time proportion basis over the lease terms.

Other income

Rental income is recognised on a time proportion basis over the lease terms.

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 instruments or a shorter period, when appropriate, to the net carrying amount of the financial assets.

Dividend income is recognised when the shareholders' right to receive payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfer control of the related goods or services to the customer).

2.4 主要會計政策概要(續)

收益確認(續)

客戶合約收益(續)

(a) 銷售物業

銷售物業收入於購買方實質擁有已竣工之物業時，且本集團擁有現行權利要求付款並有可能取得代價之時點確認。

(b) 銷售產品

銷售產品收入於資產控制權轉移予客戶時的時間點確認，一般於交付產品時。

來自其他來源之收益

租金收入按時間比例基準於租賃年期內確認。

其他收入

租金收入按時間比例基準於租賃年期內確認。

利息收入按應計基準以實際利率法確認，所用利率為在金融工具之預期壽命或更短期間內(如適用)將估計未來現金收入準確貼現至金融資產賬面淨值之比率。

股息收入在股東收取付款之權利確認、與股息相關之經濟利益將可能流入本集團及能夠可靠地計量股息金額時確認。

合約負債

合約負債於本集團轉讓相關貨品或服務前，自客戶收取代價或付款到期時(以較早者為準)確認。合約負債於本集團根據合約履約時(即將相關貨品或服務之控制權轉讓予客戶時)確認為收入。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("**equity-settled transactions**").

The cost of equity-settled transactions with employees for grants after 7 November 2002 is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a trinomial model, further details of which are given in note 29 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.

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.

2.4 主要會計政策概要(續)

以股份為基礎之付款

本公司營運購股權計劃，旨在為對本集團業務成就作出貢獻之合資格參與者提供激勵及獎賞。本集團之僱員(包括董事)會收取以股份計算之酬金，而僱員則提供服務以作為股本工具之代價(「以股權結算之交易」)。

與僱員進行於二零零二年十一月七日後授出之以股權結算之交易成本乃參考授出該等工具當日之公平值計算。公平值乃由外聘估值師使用三項式期權定價模型釐定，進一步詳情載於財務報表附註29。

以股權結算之交易之成本連同股權之相應升幅會於表現及／或服務條件獲履行之期間於僱員福利開支中確認。於各報告期末就按以股權結算之交易已確認至歸屬期之累計開支反映歸屬期到期之程度及本集團最終將歸屬之股本工具之最佳估計數目。某一期間損益表之扣除或計入乃指期初及期終之已確認累計開支變動。

釐定獎勵的授出日期公平值並不考慮服務及非市場表現條件，惟達成條件的可能性被評定為本集團最終將予歸屬權益工具數目的最佳估計其中一部分。市場表現條件於授出日期公平值內反映。獎勵所附帶但並無關聯服務要求的其他任何條件均被視為非歸屬條件。除非另有服務及／或表現條件，否則非歸屬條件於獎勵公平值中反映，並即時予以支銷。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-based payments (Continued)

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.

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/(loss) per share.

2.4 主要會計政策概要(續)

以股份為基礎之付款(續)

概不會就未能達成非市場表現及／或服務條件而最終並無歸屬的獎勵確認開支。倘獎勵包括市場或非歸屬條件，則無論市場或非歸屬條件能否達成，有關交易均被視為已歸屬，前提為所有其他表現及／或服務條件已達成。

倘若以股權結算之交易之條款有所變更，則倘獎勵原有條件已達成下，所確認之開支最少須達到猶如條款並無任何變更之水平。此外，倘任何變更導致於修訂日期計量以股份為基礎支付方式之總公平值有所增加，或對僱員帶來其他利益，則應就該等變更確認開支。

以股權結算之獎勵被取消時會被視為於取消日期歸屬，而任何有關獎勵尚未確認之支出須立刻確認。這包括在本集團或僱員控制範圍內非歸屬條件未達致情況下之任何獎勵。然而，若有新獎勵取代已取消之獎勵，並於授出當日指定為取代獎勵，則已取消之獎勵及新獎勵將被視為對前段提及原有獎勵之修正。

現時尚未行使之購股權之攤薄影響已反映為計算每股盈利／(虧損)時之額外股份攤薄。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Other employee benefits

Pension schemes

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the “**MPF Scheme**”) under the Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees’ basic salaries and are charged to the statement of profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group’s employer contributions vest fully with the employees when contributed into the MPF Scheme.

The Group also operates a defined contribution retirement benefit scheme (the “**ORSO Scheme**”) under the Occupational Retirement Schemes Ordinance, for those employees who were eligible to participate. The ORSO Scheme operated in a similar way to the MPF Scheme, except that when an employee left the ORSO Scheme before his/her interest in the Group’s employer contributions vesting fully, the ongoing contributions payable by the Group were reduced by the relevant amount of the forfeited contributions. With effect from 1 December 2000, the Group has operated both schemes and those employees who are not eligible to participate in the ORSO Scheme are eligible to participate in the MPF Scheme.

The employees of the Group’s subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a percentage of their payroll costs to the central pension scheme. The contributions are charged to the statement of profit or loss as they become payable in accordance with the rules of the central pension scheme.

2.4 主要會計政策概要(續)

其他僱員福利

退休金計劃

本集團根據強制性公積金計劃條例實施一項界定供款強制性公積金退休福利計劃(「**強積金計劃**」)，供所有合資格之僱員參與強積金計劃。供款按僱員基本薪金之某一百分比提撥，並於根據強積金計劃規定需要支付時自損益表扣除。強積金計劃資產乃與本集團資產分開，由獨立管理基金持有。本集團作出之僱主供款在繳入強積金計劃時即全數歸屬於僱員。

根據職業退休計劃條例，本集團亦為合資格參與之僱員實施定額供款退休福利計劃(「**公積金計劃**」)。公積金計劃之運作模式與強積金計劃類似，惟倘僱員於悉數取得本集團僱主供款前退出公積金計劃，則本集團之未來應付之供款會以沒收之供款相關金額予以削減。本計劃於二零零零年十二月一日生效時起，本集團已實行上述兩項計劃，該等不合資格參與公積金計劃之僱員合資格參與強積金計劃。

本集團於中國內地運作之附屬公司之僱員均須參加由當地市政府運作之中央退休金計劃。此等附屬公司須提撥薪金費用之若干百分比為中央退休金計劃供款，並根據中央退休金計劃規定須予供款時於損益表扣除。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Where funds have been borrowed generally, and used for the purpose of obtaining qualifying assets, a capitalisation rate of 7.3% (2019: 7.4%) has been applied to the expenditure on the individual assets.

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the notes to the financial statements.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum of association and Bye-Laws grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

2.4 主要會計政策概要(續)

借貸成本

因收購或建設合資格資產(需於一段長時間方能達致其原定用途或出售者)而直接產生之借貸成本乃作為該等資產之部份成本而予以資本化。倘資產已大致上可作其擬定用途或出售,則該等借貸成本將會停止資本化。將有待用作合資格資產支出之特定借貸,用作短期投資而賺取之投資收入,乃從資本化之借貸成本中扣除。所有其他借貸成本均於產生期間支銷。借貸成本包括一間實體就借取資金產生之利息及其他成本。當資金大致已借入及用作取得合資格資產時,個別資產之開支乃按7.3%(二零一九年:7.4%)之資本化比率計算。

股息

末期股息獲股東於股東大會批准時確認為負債。建議末期股息披露於財務報表附註。

由於本公司組織章程大綱及細則授予董事權力宣派中期股息,中期股息之擬派及宣派乃同步進行。故此,中期股息於擬派及宣派後即時確認為負債。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e. translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

2.4 主要會計政策概要(續)

外幣

此等財務報表乃以本公司之功能貨幣港元列報。本集團內每個實體均自行決定其功能貨幣，而每個實體之財務報表所包含之項目均採用該功能貨幣計量。本集團旗下實體所記錄之外幣結算交易最初以交易當日之功能貨幣匯率記錄。以外幣計算之貨幣資產及負債按報告期末之功能貨幣匯率換算。貨幣項目結算或換算產生之差額於損益表確認。

以外幣歷史成本計算之非貨幣項目按最初交易當日之匯率換算。以外幣公平值計算之非貨幣項目按釐定公平值當日之匯率換算。換算按公平值計量之非貨幣項目所產生之收益或虧損與確認該項目公平值變動之盈虧之處理方法一致(即於其他全面收益或損益中確認公平值盈虧之項目之換算差額，亦分別於其他全面收益或損益確認)。

於釐定初始確認相關資產之匯率、取消確認預收代價相關非貨幣資產或非貨幣負債之開支或收入時，初始交易日期為本集團初始確認預收代價所產生非貨幣資產或非貨幣負債當日。倘有多項預付款項或預收款項，則本集團釐定各項預收代價付款或收款之交易日期。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

The functional currencies of certain overseas subsidiaries and associates are currencies other than the Hong Kong dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into Hong Kong dollars at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into Hong Kong dollars at the weighted average exchange rates for the year.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the statement of profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

2.4 主要會計政策概要(續)

外幣(續)

若干海外附屬公司及聯營公司之功能貨幣為港元以外之貨幣。於報告期末，該等實體之資產與負債按報告期末之現行匯率換算為港元，而損益表則按年度之加權平均匯率換算為港元。

所產生之匯兌差額於其他全面收益內確認，並於匯兌波動儲備中累計。於出售海外業務時，與該特定海外業務有關之其他全面收益部分於損益表確認。

收購海外業務產生的任何商譽及收購所導致資產及負債賬面值的任何公平值調整被當作海外業務的資產及負債，並按收市匯率換算。

就綜合現金流量表而言，海外附屬公司之現金流量乃按現金流量當日之匯率換算為港元。年內海外附屬公司日常產生之現金流量乃按年內之加權平均匯率換算為港元。

3. 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.

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:

Determining the timing of satisfaction of contracts related to sale of properties

The Group determined that the sales contract with customers requires the Group to complete the development of property before transferring the legal title of the relevant property to customers. The Group also determined that the Group does not have an enforceable right to payment from customers for performance completed to date before the transfer of legal title of the relevant property to customers. Consequently, the Group concluded that the timing of transfer of properties is at the point in time when the purchasers obtained the physical possession or the legal title of the completed property.

3. 主要會計判斷及估計

管理層編製本集團之財務報表時，須作出判斷、估計及假設，而該等判斷、估計及假設對所呈報之收益、開支、資產及負債之金額，及其隨附披露以及或然負債披露會產生影響。由於有關假設和估計存在不確定因素，因此可能導致須於將來對受影響之資產或負債之賬面值作出重大調整。

判斷

應用本集團之會計政策時，除涉及估計者外，管理層作出下列對財務報表已確認金額影響重大之判斷：

釐定滿足與出售物業有關合約之時間

本集團釐定與客戶簽訂之銷售合約必須待相關物業之開發竣工後才可將有關物業之合法所有權轉予給客戶。本集團亦確定自有關物業之法定所有權轉讓予客戶前，本集團並無就迄今已完成履約部份擁有可強制執行支付之權利。因此，本集團認為物業轉讓之時間點乃在購買者取得已竣工物業之實質擁有權或法定所有權之時。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Judgements (Continued)

Impairment of non-current assets

In determining whether an asset is impaired or the event previously causing the impairment no longer exists, the Group has to exercise judgement in the area of asset impairment, particularly in assessing: (1) whether an event has occurred that may affect the asset value or such event affecting the asset value does not exist; (2) whether the carrying value of an asset can be supported by the net present value of future cash flows which are estimated based upon the continued use of the asset or derecognition; and (3) the appropriate key assumptions to be applied in preparing cash flow projections, including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by management to determine the level of impairment, including the discount rates or the growth rate assumptions in the cash flow projections, could materially affect the net present value used in the impairment test.

Property lease classification — Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all the fair value of the commercial property, that it retains substantially all the significant risks and rewards of incidental to ownership of these properties which are leased out on and accounts for the contracts as operating leases.

3. 主要會計判斷及估計(續)

判斷(續)

非流動資產減值

於釐定資產是否減值或以往導致減值之事件是否不再存在時，本集團須在資產減值方面作出判斷，尤其評估：(1)是否曾發生可能影響資產價值之事件或有關影響資產價值之事件是否不曾存在；(2)資產之賬面值能否以未來現金流量之現時淨值(乃按照持續使用資產或終止確認而估計)支持；及(3)編製現金流量預測時將採用之適當主要假設，包括該等現金流量預測是否使用適當比率貼現。更改管理層就用以釐定減值水平而選取之假設(包括現金流量預測之貼現率或增長率假設)可大幅影響減值測試所用之淨現值。

物業租賃分類 — 本集團作為出租人

本集團已就其投資物業組合訂立商業物業租約。基於對安排之條款及條件(例如並不構成商用物業經濟周期主要部份的租期，以及金額並非商業物業絕大部份公平值的最低租賃款項現值)的評估，本集團已決定保留於經營租賃合約租出之該等物業擁有權附帶之絕大部份重大風險及回報，合約以經營租賃入賬。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Judgements (Continued)

Classification between investment properties and owner-occupied properties

The Group determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group. Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

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.

3. 主要會計判斷及估計(續)

判斷(續)

投資物業與自用物業之分類

本集團釐定一項物業是否符合一項投資物業之資格，及已制定作出該判斷之標準。投資物業乃為賺取租金或資本增值或同時兩者而持有之物業。因此，本集團考慮一項物業是否很大程度上獨立於本集團所持有之其他資產而產生現金流量。部份物業包括為賺取租金或資本增值而持有的部份及另一部份為用於生產或供應貨品或服務或用作行政用途而持有的部份。倘該等部份能被獨立出售(或按融資租賃獨立租出)，本集團將獨立入賬該等部份。倘該等部份不能被獨立出售，該物業為投資物業，惟不重要之部份乃僅為生產或供應貨品或服務或用作行政用途而持有。將按個別物業基準作出判斷，以釐定輔助設施是否重要，致使該物業不能符合投資物業之資格。

估計不明朗因素

以下敘述於報告期末，對須於下一個財政年度就資產及負債賬面值作出重大調整構成重大風險之未來及其他主要估計不明朗因素來源所作之主要假設。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

Estimation of fair value of investment properties

In the absence of current prices in an active market for similar properties, the Group considers information from a variety of sources, including:

- (a) current prices in an active market for properties of a different nature, condition or location (or subject to different leases or other contracts), adjusted to reflect those differences;
- (b) recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the dates of the transactions that occurred at those prices; and
- (c) discounted cash flow projections based on reliable estimates of future cash flows, supported by the terms of any existing lease and other contracts and (when possible) by external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

The carrying amount of investment properties at 31 March 2020 was HK\$947,100,000 (2019: HK\$1,031,589,000). Further details, including the key assumptions used for fair value measurement and a sensitivity analysis, are given in note 14 to the financial statements.

Estimation of net realisable value of properties held for sale under development and properties held for sale

The Group considers information from a variety of sources, including recent prices of similar properties in the same location and condition, with adjustments to reflect any changes in economic conditions since the dates of transactions that occurred at those prices. Particulars of the properties held for sale under development and properties held for sale of the Group are set out in note 18 to the financial statements.

3. 主要會計判斷及估計(續)

估計不明朗因素(續)

投資物業之公平值估計

於類似物業之活躍市場缺乏現行價格之情況下，本集團考慮眾多來源之資料，包括：

- (a) 不同性質、狀況或地點之物業(或受不同租賃或其他合約之規限)於活躍市場之現行價格，並作出調整以反映該等差異；
- (b) 活躍程度較遜之市場所提供相類物業之近期價格(須作出調整以反映自按有關價格達成交易當日以來經濟狀況出現之任何變化)；及
- (c) 根據未來現金流量所作可靠估計之現金流量折現推算，此項推算源自任何現有租約與其他合約之條款及(在可能情況下)外在證據(如地點及狀況相同之類似物業之現行市值租金)，並採用足以反映現時市場就現金流量金額及時間不確定性評估之折現率計算。

於二零二零年三月三十一日，投資物業之賬面值為947,100,000港元(二零一九年：1,031,589,000港元)。有關詳情(包括用於公平值計量及敏感度分析之主要假設)載於財務報表附註14。

估計發展中待售物業及待售物業之可變現淨值

本集團考慮來自各項來源之資料，包括於相同地點及狀況之同類物業之近期價格，並作出調整以反映該等價格進行交易當日以來經濟狀況出現之任何變動。有關本集團之發展中待售物業及待售物業之詳情載於財務報表附註18。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

Land appreciation tax

Under the Provisional Regulations on land appreciation tax (“LAT”) implemented upon the issuance of the Provisional Regulations of the PRC on 27 January 1995, all gains arising from the transfer of real estate properties in Mainland China with effect from 1 January 1994 are subject to LAT at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sales of properties less deductible expenditures, including the amortisation of land use rights, borrowing costs and all property development expenditures.

The subsidiaries of the Group engaged in the property development business in Mainland China are subject to LAT, which have been included in income tax. However, the implementation of these taxes varies amongst various Mainland China cities and the Group has not finalised its LAT returns with various tax authorities. Accordingly, significant judgement is required in determining the amount of land appreciation and its related taxes. The ultimate tax determination is uncertain during the ordinary course of business. The Group recognises these liabilities based on management’s best estimates. When the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact on the income tax and provisions for LAT in the period in which such determination is made.

Estimates regarding the realisability of deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

3. 主要會計判斷及估計(續)

估計不明朗因素(續)

土地增值稅

根據中國於一九九五年一月二十七日頒佈暫行法規而實施之土地增值稅(「土地增值稅」)暫行法規，從轉讓中國內地房地產引致之所有收益，自一九九四年一月一日起須按土地價值升幅之30%至60%累進土地增值稅率繳納土地增值稅，價值升幅即出售物業所得款項減可扣減開支(包括土地使用權攤銷、借貸成本及所有物業開發開支)。

本集團在中國內地從物業開發業務之附屬公司須繳納土地增值稅，而所得稅中已包括該稅項。然而，該等稅項之實施在多個中國內地城市各有不同，而本集團並未辦妥向多個稅務機關提交之土地增值稅報稅表。因此，於釐定土地增值稅及其有關稅項之金額時，須作出重大判斷。最終稅項之釐定於日常業務中有不明朗因素。本集團按管理層的最佳估計確認該等負債。於該等事項之最終稅項結果有別於最初記錄之金額時，該等差額將影響作出有關決定的期間之所得稅及土地增值稅撥備。

估計遞延稅項資產之可變現性

未動用稅項虧損，如日後有可能出現應課稅溢利可用作抵銷該等虧損，則確認為遞延稅項資產。在釐定可予確認的遞延稅項資產數額時，管理層須根據可能出現未來應課稅溢利的時間及數額連同未來稅項計劃策略作出重大判斷。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

Fair value of unlisted equity investments

The unlisted equity investments have been valued based on a market-based valuation technique as detailed in note 36 to the financial statements. The valuation requires the Group to determine the comparable public companies (peers) and select the price multiple. In addition, the Group makes estimates about the discount for illiquidity and size differences. The Group classifies the fair value of these investments as Level 3. Further details are included in note 16 to the financial statements.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has two reportable operating segments as follows:

- (a) the property development and investment business segment is engaged in property development of residential and commercial properties and the holding of investment properties; and
- (b) the “others” segment comprises, principally, the trading of medical equipment and home security and automation products.

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 profit/loss before tax. The profit/loss before tax is measured consistently with the Group’s profit/loss before tax that interest and dividend income, fair value changes on equity investments at fair value through profit or loss, unallocated expenses, finance costs, share of profits and losses of associates, impairment of investments in associates, loss on disposal of associates as well as head office and corporate expenses are excluded from such measurement.

Segment assets exclude investments in associates, non-current asset classified as held for sale and other unallocated head office and corporate assets as these assets are managed on a group basis.

3. 主要會計判斷及估計(續)

估計不明朗因素(續)

非上市股權投資之公平值

非上市股權投資乃根據市場基準評估技術進行估值，詳情載於財務報表附註36。估值要求本集團確定可比上市公司(同業)及選擇價格比率。此外，本集團就非流動性及規模差異之折算作出估計。本集團將該等投資之公平值分類為第3級。進一步詳情載於財務報表附註16。

4. 經營分類資料

出於管理需要，本集團按產品及服務構組業務單元，共有下列兩個可報告經營分類：

- (a) 物業發展及投資業務分類，乃從事住宅及商用物業之物業發展及持有投資物業；及
- (b) 「其他」分類主要包括買賣醫療設備及家居保安及自動化產品。

管理層獨立監察本集團經營分類的業績，以作出有關資源分配及表現評估的決策。分類表現乃根據可報告分類溢利/虧損予以評估，乃一種除稅前溢利/虧損的計量方式。除稅前溢利/虧損的計量與本集團的除稅前溢利/虧損計量一致，惟利息及股息收入、按公平值計入損益賬之股權投資之公平值變動、未分配開支、財務費用、應佔聯營公司之溢利及虧損、於聯營公司的投資減值、出售聯營公司虧損以及總部及公司開支不包含於該計量內。

分類資產不包括於聯營公司之投資、分類為持作銷售的非流動資產及其他未分配總部及公司資產，因該等資產按集團層面管理。

Notes to Financial Statements

財務報表附註

31 March 2020

二零二零年三月三十一日

4. OPERATING SEGMENT INFORMATION (Continued)

Segment liabilities exclude 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.

Year ended 31 March 2020

4. 經營分類資料(續)

分類負債不包括其他未分配總部及公司負債，因該等負債乃按集團層面管理。

各分類間之銷售及轉讓乃參考向第三方銷售所採用之售價，按當時市價進行交易。

截至二零二零年三月三十一日止年度

		Property development and investment business 物業發展及 投資業務 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment revenue (note 5)	分類收入(附註5)			
Sales to external customers	銷售予外部客戶	302,170	49,444	351,614
Other income and gains	其他收入及收益	6,474	889	7,363
		308,644	50,333	358,977
Segment results	分類業績			
Operating profit	經營溢利	5,069	723	5,792
<i>Reconciliation:</i>	<i>對賬:</i>			
Bank interest income	銀行利息收入			130
Dividend income from equity investments at fair value through profit or loss	按公平值計入損益賬之股權投資股息收入			1,900
Fair value loss on equity investments at fair value through profit or loss	按公平值計入損益賬之股權投資之公平值虧損			(14,806)
Unallocated expenses	未分配開支			(16,202)
Finance costs	財務費用			(9,544)
Share of profits and losses of associates	應佔聯營公司溢利及虧損			(1,790)
Loss on disposal of associates	出售聯營公司虧損			(493)
Loss before tax	除稅前虧損			(35,013)

4. OPERATING SEGMENT INFORMATION
(Continued)
Year ended 31 March 2020 (Continued)

4. 經營分類資料(續)

截至二零二零年三月三十一日止年
度(續)

		Property development and investment business 物業發展及 投資業務 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment assets	分類資產	1,844,120	149,708	1,993,828
<i>Reconciliation:</i>	<i>對賬:</i>			
Investments in associates	於聯營公司之投資			22,476
Corporate and other unallocated assets	公司及其他未分配資產			210,924
Total assets	資產總值			2,227,228
Segment liabilities	分類負債	403,456	12,122	415,578
<i>Reconciliation:</i>	<i>對賬:</i>			
Corporate and other unallocated liabilities	公司及其他未分配負債			295,974
Total liabilities	負債總額			711,552
Other segment information:	其他分類資料:			
Fair value loss on investment properties, net	投資物業公平值虧損，淨額	22,758	—	22,758
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目虧損	131	—	131
Reversal of impairment of accounts receivable	應收賬項減值撥回	(81)	—	(81)
Impairment of other receivables	其他應收款項減值	—	142	142
Reversal of provision for inventories	存貨撥備撥回	—	(360)	(360)
Provision for net realisable value of properties held for sale	持作出售物業之可變現淨值撥備	4,430	—	4,430
Depreciation of property, plant and equipment	物業、廠房及設備折舊	8,665	266	8,931
Capital expenditure*	資本開支*	6	1,350	1,356

* Capital expenditure represents additions of property, plant and equipment.

* 資本開支指添置物業、廠房及設備。

Notes to Financial Statements

財務報表附註

31 March 2020

二零二零年三月三十一日

4. OPERATING SEGMENT INFORMATION (Continued)

Year ended 31 March 2019

4. 經營分類資料(續)

截至二零一九年三月三十一日止年度

		Property development and investment business 物業發展及 投資業務 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment revenue (note 5)	分類收入(附註5)			
Sales to external customers	銷售予外部客戶	217,365	42,052	259,417
Other income and gains	其他收入及收益	9,334	388	9,722
		226,699	42,440	269,139
Segment results	分類業績			
Operating profit	經營溢利	104,084	8,289	112,373
<i>Reconciliation:</i>	<i>對賬:</i>			
Bank interest income	銀行利息收入			1,084
Dividend income from equity investments at fair value through profit or loss	按公平值計入損益賬之股權投資股息收入			722
Dividend income from a financial asset at fair value through profit or loss	按公平值計入損益賬之金融資產股息收入			48
Fair value gain on financial assets at fair value through profit or loss	按公平值計入損益賬之金融資產之公平值收益			118
Fair value loss on equity investments at fair value through profit or loss	按公平值計入損益賬之股權投資之公平值虧損			(35,984)
Unallocated expenses	未分配開支			(8,511)
Finance costs	財務費用			(1,566)
Share of profits and losses of associates	應佔聯營公司溢利及虧損			(4,527)
Impairment of investments in associates	於聯營公司的投資減值			(27,190)
Profit before tax	除稅前溢利			36,567

4. OPERATING SEGMENT INFORMATION
(Continued)
Year ended 31 March 2019 (Continued)

4. 經營分類資料(續)

截至二零一九年三月三十一日止年
度(續)

		Property development and investment business 物業發展及 投資業務 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment assets	分類資產	2,248,101	29,672	2,277,773
<i>Reconciliation:</i>	<i>對賬:</i>			
Investments in associates	於聯營公司之投資			27,109
Non-current asset classified as held for sale	分類為持作出售之 非流動資產			68,589
Corporate and other unallocated assets	公司及其他未分配資產			218,493
Total assets	資產總值			2,591,964
Segment liabilities	分類負債	657,771	13,832	671,603
<i>Reconciliation:</i>	<i>對賬:</i>			
Corporate and other unallocated liabilities	公司及其他未分配負債			273,020
Total liabilities	負債總額			944,623
Other segment information:	其他分類資料:			
Fair value gain on investment properties	投資物業公平值收益	(66,456)	—	(66,456)
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備 項目虧損	16	80	96
Impairment of accounts receivable	應收賬項減值	—	728	728
Impairment of other receivables	其他應收款項減值	1,902	—	1,902
Provision for inventories	存貨撥備	—	836	836
Reversal of provision for net realisable value of properties held for sale	持作出售物業之可變現 淨值撥備撥回	(12,870)	—	(12,870)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	8,330	105	8,435
Capital expenditure*	資本開支*	9	35	44

* Capital expenditure represents additions of property, plant and equipment.

* 資本開支指添置物業、廠房及設備。

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4. OPERATING SEGMENT INFORMATION (Continued)

Geographical information

(a) Revenue from external customers

	Hong Kong		Mainland China		Consolidated	
	香港		中國內地		綜合	
	2020	2019	2020	2019	2020	2019
	二零二零年	二零一九年	二零二零年	二零一九年	二零二零年	二零一九年
	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
Segment revenue:	分類收入：					
Sales to external customers	銷售予外部客戶					
	30,428	20,949	321,186	238,468	351,614	259,417

The revenue information above is based on locations of the operations.

上述收入資料乃基於業務地理位置作出。

(b) Non-current assets

	2020	2019
	二零二零年	二零一九年
	HK\$'000	HK\$'000
	千港元	千港元
Hong Kong	139,342	149,737
Mainland China	1,159,847	1,110,414
	1,299,189	1,260,151

The non-current assets information above is based on the locations of the assets and excludes investments in associates, equity investments at fair value through profit or loss and equity investment designated at fair value through other comprehensive income.

上述非流動資產資料乃基於資產所處位置，不包括於聯營公司之投資，按公平值計入損益賬之股權投資及指定按公平值計入其他全面收益之股權投資。

Information about a major customer

During the year, revenue of approximately HK\$170,667,000 was derived from sales by the property development and investment business segment to a single customer. There was no single external customer with revenue greater than 10% or more of the Group's revenue for the year ended 31 March 2019.

有關主要客戶的資料

於年內，物業發展及投資業務分類向單一客戶銷售收入約為170,667,000港元。截至二零一九年三月三十一日止年度，概無單一外部客戶的收入超過本集團收入10%或以上。

5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

5. 收入、其他收入及收益

收入分析如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Revenue from contracts with customers:	客戶合約收入：		
Income from property development and investment business	物業發展及投資業務之收入	282,301	195,605
Income from trading of medical equipment and home security and automation products	買賣醫療設備及家居保安及自動化產品之收入	49,444	42,052
Revenue from other sources:	其他收入來源：		
Gross rental income	總租金收入	19,869	21,760
		351,614	259,417

(i) Disaggregated revenue information For the year ended 31 March 2020

(i) 分拆收入資料 截至二零二零年三月三十一日止年度

		Property development and investment business 物業發展及投資業務 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Geographical markets:	地區市場：			
Hong Kong	香港	—	30,428	30,428
Mainland China	中國內地	282,301	19,016	301,317
Total revenue from contracts with customers recognised at a point in time	於某一時間點確認之與客戶合約收入總額	282,301	49,444	331,745

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5. REVENUE, OTHER INCOME AND GAINS (Continued)

(i) Disaggregated revenue information (Continued)

For the year ended 31 March 2019

	Property development and investment business 物業發展及投資業務 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Geographical markets:	地區市場：		
Hong Kong	—	20,949	20,949
Mainland China	195,605	21,103	216,708
Total revenue from contracts with customers recognised at a point in time	於某一時間點 確認之與客戶 合約收入總額	195,605	42,052
		237,657	

(ii) Performance obligations

Information about the Group's performance obligations is summarised below:

Sale of properties

The performance obligation is satisfied when the physical possession or the legal title of the completed property is obtained by the purchaser.

Sale of goods

The performance obligation is satisfied upon delivery of the products and payment is generally due within 90 days from delivery.

As a practical expedient, the transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) are not disclosed in the notes to the financial statements because all the remaining performance obligations in relation to the income from property development and investment business are a part of contracts that have an original expected duration of one year or less.

5. 收入、其他收入及收益(續)

(i) 分拆收入資料(續)

截至二零一九年三月三十一日止年度

(ii) 履約責任

本集團的履約責任資料概述如下：

銷售物業

履約責任乃於買家取得已竣工物業的實際擁有權或法定所有權時完成。

銷售貨品

履約責任於產品交付時即告完成，而賬款通常須於交付後90天內到期支付。

作為可行權宜方法，分配至剩餘履約責任(未達成或部分未達成)的交易價格不會於財務報表附註中披露，因為與物業發展及投資業務收入有關的所有剩餘履約責任乃原本預期期限為一年或以下的合約的一部分。

5. REVENUE, OTHER INCOME AND GAINS
(Continued)

An analysis of other income and gains is as follows:

5. 收入、其他收入及收益(續)

其他收入及收益分析如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Other income and gains	其他收入及收益		
Bank interest income	銀行利息收入	130	1,084
Dividend income from equity investments at fair value through profit or loss	按公平值計入損益賬之股權投資股息收入	1,900	722
Dividend income from a financial asset at fair value through profit or loss	按公平值計入損益賬之金融資產股息收入	—	48
Fair value gain on financial assets at fair value through profit or loss	按公平值計入損益賬之金融資產之公平值收益	—	118
Gross rental income	總租金收入	6,184	9,137
Others	其他	1,179	585
		9,393	11,694

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6. PROFIT/(LOSS) BEFORE TAX

The Group's profit/(loss) before tax is arrived at after charging/(crediting):

6. 除稅前溢利/(虧損)

本集團除稅前溢利/(虧損)乃經扣除/(計入)下列各項：

	Notes 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Cost of properties sold		233,881	136,497
Cost of inventories sold		33,885	31,559
Provision/(reversal of provision) for inventories, included in cost of inventories sold above		(360)	836
Auditor's remuneration		1,650	2,150
Depreciation of property, plant and equipment	13	8,931	8,435
Direct operating expenses (including repairs and maintenance) rising on rental-earning investment properties		2,563	3,341
Minimum lease payments under operating leases on land and buildings		—	910
Lease payments not included in the measurement of lease liabilities		497	—
Rental income on investment properties less direct operating expenses of HK\$2,563,000 (2019: HK\$3,341,000)		(17,306)	(18,419)
Rental income on other properties less direct operating expenses of HK\$569,000 (2019: HK\$1,176,000)		(5,615)	(7,961)
Employee benefit expense (including directors' and chief executive's remuneration (note 8)):			
Wages, salaries, bonuses and allowances		29,501	23,809
Pension schemes contributions*		524	472
Less: Amount capitalised		(1,646)	(2,176)
		28,379	22,105
Fair value loss/(gain) on investment properties, net	14	22,758	(66,456)
Loss on disposal of items of property, plant and equipment [^]		131	96
Impairment/(reversal of impairment) of accounts receivable [^]	20	(81)	728
Impairment of other receivables [^]	21	142	1,902
Impairment of investments in associates [^]	15	—	27,190
Fair value loss on equity investments at fair value through profit or loss [^]		14,806	35,984
Provision/(reversal of provision) for net realisable value of properties held for sale [^]		4,430	(12,870)
Loss on disposal of associates [^]		493	—
Foreign exchange differences, net [^]		743	1,472

* At 31 March 2020, there were no forfeited contributions available to the Group to reduce contributions to the pension schemes in future years (2019: Nil).

[^] These amounts are included in "Other operating expenses, net" in the consolidated statement of profit or loss.

* 於二零二零年三月三十一日，本集團並無沒收供款可供於未來數年減少其退休金計劃供款(二零一九年：無)。

[^] 此等款項列入綜合損益表內之「其他經營開支·淨額」。

7. FINANCE COSTS

An analysis of finance costs is as follows:

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Interest on bank loans and other borrowings	27,963	32,750
Less: Interest capitalised	(18,419)	(31,184)
	9,544	1,566

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of information about Benefits of Directors) Regulation, is as follows:

7. 財務費用

財務費用分析如下：

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
銀行貸款及其他借貸之利息	27,963	32,750
減：已資本化之利息	(18,419)	(31,184)
	9,544	1,566

8. 董事及主要行政人員酬金

根據上市規則及香港公司條例第383(1)(a)、(b)、(c)及(f)條以及公司(披露董事利益資料)規例第2部，董事及主要行政人員年內薪酬披露如下：

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Fees	600	560
Other emoluments:		
Salaries, bonuses and allowances	8,104	6,634
Pension schemes contributions	77	59
	8,181	6,693
	8,781	7,253

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8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (Continued)

In prior years, 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 29 to the financial statements. The fair value of such options, which was recognised in the statement of profit or loss over the vesting period, was determined as at the date of grant and the amount included in the financial statements for that year was included in the above directors' and chief executive's remuneration disclosures.

(a) Independent non-executive directors

2020

Dr. Ho Chung Tai, Raymond
Ir Siu Man Po
Mr. Siu Kam Chau

二零二零年

何鍾泰博士
蕭文波工程師
蕭錦秋先生

Fees

袍金

HK\$'000

千港元

600

2019

Dr. Ho Chung Tai, Raymond
Ir Siu Man Po
Mr. Siu Kam Chau

二零一九年

何鍾泰博士
蕭文波工程師
蕭錦秋先生

560

There were no other emoluments paid or payable to independent non-executive directors during the year (2019: Nil).

年內概無已付或應付獨立非執行董事之其他酬金(二零一九年：無)。

8. 董事及主要行政人員酬金(續)

於過往年度，根據本公司購股權計劃，若干董事因其為本集團提供的服務獲授購股權，進一步詳情載於財務報表附註29。相關購股權的公平值已於歸屬期內在損益表內確認，而此公平值乃於授出日期釐定，而計入該年財務報表內的金額載於上述董事及主要行政人員薪酬披露內。

(a) 獨立非執行董事

8. DIRECTORS' AND CHIEF EXECUTIVE'S
REMUNERATION (Continued)
(b) Executive directors and chief executive

8. 董事及主要行政人員酬金(續)
(b) 執行董事及行政總裁

		Salaries, bonuses and allowances 薪金、花紅 及津貼 HK\$'000 千港元	Pension schemes contributions 退休金 計劃供款 HK\$'000 千港元	Total remuneration 酬金總額 HK\$'000 千港元
2020	二零二零年			
Mr. Lu Quanzhang	盧全章先生	300	—	300
Mr. Tjia Boen Sien ("Mr. Tjia")*	謝文盛先生 (「謝先生」)*	3,420	—	3,420
Mr. Wang Jing Ning	王京寧先生	2,920	18	2,938
Mr. Tjia Wai Yip, William	謝維業先生	1,464	59	1,523
		8,104	77	8,181
2019	二零一九年			
Mr. Lu Quanzhang	盧全章先生	300	—	300
Mr. Tjia*	謝先生*	3,190	—	3,190
Mr. Wang Jing Ning	王京寧先生	2,020	18	2,038
Mr. Tjia Wai Yip, William	謝維業先生	1,124	41	1,165
		6,634	59	6,693

There was no arrangement under which a director waived or agreed to waive any remuneration during the year (2019: Nil).

本年度內概無董事放棄或同意放棄任何酬金之安排(二零一九年：無)。

* Mr. Tjia is also the chief executive of the Group as defined in the Listing Rules.

* 謝先生亦為本集團的行政總裁(定義見上市規則)。

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9. FIVE HIGHEST PAID EMPLOYEES AND SENIOR MANAGEMENT

The five highest paid employees during the year included three (2019: three) directors including the chief executive, details of whose remuneration are set out in note 8 above. Details of the remuneration for the year of the remaining two (2019: two) highest paid employees who are neither a director nor chief executive of the Company are as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Salaries, bonuses and allowances	薪金、花紅及津貼	2,071	1,880
Pension schemes contributions	退休金計劃供款	36	46
		2,107	1,926

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

		Number of employees 僱員人數	
		2020 二零二零年	2019 二零一九年
Nil to HK\$1,000,000	零至1,000,000港元	—	1
HK\$1,000,001 to HK\$1,500,000	1,000,001港元 至1,500,000港元	2	1
		2	2

9. 五名最高薪僱員及高級管理人員

本年度之五名最高薪僱員包括三名(二零一九年:三名)董事(包括主要行政人員),有關其酬金之詳情已載於上文附註8。有關本年度其餘兩名(二零一九年:兩名)既非董事亦非本公司主要行政人員之最高薪僱員之酬金詳情載列如下:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Salaries, bonuses and allowances	薪金、花紅及津貼	2,071	1,880
Pension schemes contributions	退休金計劃供款	36	46
		2,107	1,926

薪酬在下列範圍之既非董事亦非主要行政人員之最高薪僱員人數如下:

		Number of employees 僱員人數	
		2020 二零二零年	2019 二零一九年
Nil to HK\$1,000,000	零至1,000,000港元	—	1
HK\$1,000,001 to HK\$1,500,000	1,000,001港元 至1,500,000港元	2	1
		2	2

9. FIVE HIGHEST PAID EMPLOYEES AND SENIOR MANAGEMENT (Continued)

Other than the directors' remuneration and five highest paid employees disclosed above, the amounts paid to senior management as disclosed in the "Biographical details of directors and senior management" section are as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Salaries, bonuses and allowances	薪金、花紅及津貼	407	1,083
Pension schemes contributions	退休金計劃供款	19	35
		426	1,118

10. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2019: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, unless the Group's subsidiaries did not generate any assessable profits arising in Hong Kong during the year or the Group's subsidiaries had available tax losses brought forward from previous years to offset the assessable profits generated during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

9. 五名最高薪僱員及高級管理人員 (續)

除了以上披露之董事酬金及五位最高薪僱員外，支付予「董事及高級管理人員履歷」一節所披露之高級管理人員的酬金如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Salaries, bonuses and allowances	薪金、花紅及津貼	407	1,083
Pension schemes contributions	退休金計劃供款	19	35
		426	1,118

10. 所得稅

於本年度，香港利得稅乃按於香港產生之估計應課稅溢利，按稅率16.5%（二零一九年：16.5%）計提，除非年內本集團之附屬公司概無在香港產生任何應課稅溢利或本集團之附屬公司擁有結轉自過往年度之可用稅項虧損以抵扣年內產生之應課稅溢利則除外。其他地區之應課稅溢利稅項已按本集團業務所在之司法權區之現行適用稅率計算。

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10. INCOME TAX (Continued)

LAT in Mainland China is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from the sale of properties less deductible expenditure, including the amortisation of land use rights, borrowing costs and all property development expenditures.

10. 所得稅(續)

於中國內地土地增值稅按土地價值升幅之30%至60%累進稅率徵收，土地增值稅即出售物業所得款項減包括土地使用權攤銷、借貸成本及所有物業發展支出之可扣稅開支。

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Current — Elsewhere	本年度 — 其他地區		
Charge for the year	本年度支出	2,712	9,554
LAT in Mainland China	中國內地之土地增值稅	4,499	(14,040)
Deferred (note 27)	遞延(附註27)	(4,688)	17,651
Total tax charge for the year	本年度稅項支出總額	2,523	13,165

10. INCOME TAX (Continued)

A reconciliation of the tax expense/(credit) applicable to profit/(loss) before tax at the statutory rates for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax charge at the effective tax rate is as follows:

10. 所得稅(續)

適用於使用本公司及其大部份附屬公司所在司法權區之法定稅率計算之除稅前溢利/(虧損)之稅項開支/(抵免)與按實際稅率計算之稅項開支對賬如下:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Profit/(loss) before tax	除稅前溢利/(虧損)	(35,013)	36,567
Tax at the applicable statutory tax rates	按適用法定稅率計算之稅項	(4,905)	16,106
Profits and losses attributable to associates	聯營公司應佔溢利及虧損	295	747
Income not subject to tax	不需繳稅之收入	(4,316)	(6,994)
Expenses not deductible for tax	不可扣減稅項之開支	3,238	10,901
Effect of withholding tax at 10% or 5% on the distributable profits of the Group's PRC subsidiaries	本集團於中國之附屬公司之可供分派溢利徵收10%或5%預扣稅之影響	1,434	2,674
Tax losses utilised from previous periods	動用過往期間之稅項虧損	(1,004)	(154)
Tax losses and temporary differences not recognised	未確認之稅項虧損及暫時差異	2,530	3,649
LAT	土地增值稅	4,499	(14,040)
Others	其他	752	276
Tax charge at the Group's effective rate of -7.2% (2019: 36.0%)	按本集團實際稅率-7.2% (二零一九年: 36.0%) 計算之稅項開支	2,523	13,165

The share of tax charge attributable to associates amounting to HK\$159,000 (2019: HK\$1,383,000) is included in "Share of profits and losses of associates" on the face of the consolidated statement of profit or loss.

聯營公司應佔稅項開支159,000港元(二零一九年: 1,383,000港元)列入綜合損益表之「應佔聯營公司溢利及虧損」內。

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11. DIVIDENDS

11. 股息

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Special — HK0.5 cent per ordinary share (2019: Nil) 特別 — 每股普通股0.5港仙 (二零一九年：無)	4,890	—
Proposed final — Nil (2019: HK0.5 cent per ordinary share) 建議末期 — 無 (二零一九年：每股普通股0.5港仙)	—	4,890
	4,890	4,890

During the year, the special dividend of HK0.5 cent per ordinary share was approved at a special general meeting on 11 June 2019.

The proposed final dividend for the year ended 31 March 2019 was approved at the annual general meeting on 20 August 2019.

年內，特別股息每股普通股0.5港仙已於二零一九年六月十一日舉行的股東特別大會上獲得批准。

截至二零一九年三月三十一日止年度之建議末期股息已於二零一九年八月二十日的股東週年大會上獲得批准。

12. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings/(loss) per share amount is based on the profit/(loss) for the year attributable to ordinary equity holders of the Company, and the weighted average number of ordinary shares of 977,880,400 (2019: 977,880,400) in issue during the year.

The Group had no potentially dilutive ordinary shares in issue during the year ended 31 March 2020. In the prior year, no adjustment was made to the basic earnings per share amount presented for the year ended 31 March 2019 as the impact of share options had no dilutive effect on the basic earnings per share amount on 31 March 2019.

12. 本公司普通股本持有人應佔每股盈利／(虧損)

每股基本盈利／(虧損)乃根據本公司普通股本持有人應佔年內溢利／(虧損)及年內已發行之普通股加權平均數977,880,400股(二零一九年：977,880,400股)計算。

截至二零二零年三月三十一日止年度，本集團概無已發行潛在攤薄普通股。去年，並無就截至二零一九年三月三十一日止年度呈列之每股基本盈利金額作出調整，原因是購股權的影響，對於二零一九年三月三十一日的每股基本盈利金額並無攤薄影響。

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Earnings/(loss)		
Profit/(loss) attributable to ordinary equity holders of the Company, used in the basic and diluted earnings/(loss) per share calculation	(35,296)	27,486
盈利／(虧損)		
每股基本及攤薄盈利／(虧損)計算所採用之本公司普通股本持有人應佔溢利／(虧損)		

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13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、廠房及設備

		Right-of-use assets 使用權資產		Owned assets 自有資產					Total 總額	Total 總額
		Leasehold land 租賃土地及樓宇/樓宇	Leasehold buildings/ 租賃樓宇	Leasehold improvements 租賃裝修	Furniture and fixtures 傢具及裝置	Office and other equipment 辦公室及其他設備	Tools and equipment 工具及設備	Motor vehicles 汽車		
		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
31 March 2020	二零二零年三月三十一日									
At 1 April 2019 (as originally presented):	於二零一九年四月一日 (原先呈列):									
Cost or valuation	成本或估值	—	226,905	6,357	957	1,984	40	1,939	238,182	238,182
Accumulated depreciation	累計折舊	—	—	(5,780)	(834)	(1,686)	(26)	(1,294)	(9,620)	(9,620)
Net carrying amount	賬面淨值	—	226,905	577	123	298	14	645	228,562	228,562
Effect of adoption of HKFRS 16 (note)	採納香港財務報告準則第16號之影響 (附註)	135,456	(135,456)	—	—	—	—	—	(135,456)	—
At 1 April 2019 (as restated)	於二零一九年四月一日 (經重列)	135,456	91,449	577	123	298	14	645	93,106	228,562
At 1 April 2019, net of accumulated depreciation	於二零一九年四月一日， 扣除累計折舊	135,456	91,449	577	123	298	14	645	93,106	228,562
Additions	增添	—	—	178	69	1,022	87	—	1,356	1,356
Disposals	出售	—	—	—	(43)	(64)	—	(28)	(135)	(135)
Surplus/(deficit) on revaluation	重估盈餘/(虧損)	(7,858)	640	—	—	—	—	—	640	(7,218)
Depreciation provided during the year	年內計提折舊	(4,644)	(3,791)	(181)	(15)	(210)	(12)	(78)	(4,287)	(8,931)
Transfers from properties held for sale under development	自發展中待售物業轉撥	17,920	124,127	—	—	—	—	—	124,127	142,047
Exchange realignment	匯兌調整	(1,520)	(1,999)	(34)	(6)	(24)	(1)	(8)	(2,072)	(3,592)
At 31 March 2020	於二零二零年三月三十一日	139,354	210,426	540	128	1,022	88	531	212,735	352,089
At 31 March 2020:	於二零二零年三月三十一日:									
Cost or valuation	成本或估值	139,354	210,426	6,151	564	2,454	123	1,591	221,309	360,663
Accumulated depreciation	累計折舊	—	—	(5,611)	(436)	(1,432)	(35)	(1,060)	(8,574)	(8,574)
Net carrying amount	賬面淨值	139,354	210,426	540	128	1,022	88	531	212,735	352,089

13. PROPERTY, PLANT AND EQUIPMENT
(Continued)

13. 物業、廠房及設備(續)

		Leasehold land and buildings 租賃土地及 樓宇 HK\$'000 千港元	Leasehold improvements 租賃裝修 HK\$'000 千港元	Furniture and fixtures 傢具及裝置 HK\$'000 千港元	Office equipment 辦公室設備 HK\$'000 千港元	Tools and equipment 工具及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總額 HK\$'000 千港元
31 March 2019	二零一九年三月三十一日							
At 1 April 2018:	於二零一八年四月一日:							
Cost or valuation	成本或估值	224,450	7,540	1,164	2,732	1,305	2,023	239,214
Accumulated depreciation	累計折舊	—	(6,760)	(936)	(2,370)	(1,134)	(1,278)	(12,478)
Net carrying amount	賬面淨值	224,450	780	228	362	171	745	226,736
At 1 April 2018, net of accumulated depreciation	於二零一八年四月一日， 扣除累計折舊	224,450	780	228	362	171	745	226,736
Additions	增添	—	—	—	44	—	—	44
Disposals	出售	—	—	(7)	(13)	(137)	—	(157)
Surplus on revaluation	重估盈餘	14,422	—	—	—	—	—	14,422
Depreciation provided during the year	年內計提折舊	(8,015)	(153)	(84)	(80)	(11)	(92)	(8,435)
Exchange realignment	匯兌調整	(3,952)	(50)	(14)	(15)	(9)	(8)	(4,048)
At 31 March 2019	於二零一九年三月 三十一日	226,905	577	123	298	14	645	228,562
At 31 March 2019:	於二零一九年三月 三十一日:							
Cost or valuation	成本或估值	226,905	6,357	957	1,984	40	1,939	238,182
Accumulated depreciation	累計折舊	—	(5,780)	(834)	(1,686)	(26)	(1,294)	(9,620)
Net carrying amount	賬面淨值	226,905	577	123	298	14	645	228,562

Note: The Group's right-of-use assets represent prepaid land lease payments which are measured at fair value. The leasehold land, together with the owned buildings, are held for own use. The land leases are expiring between 2047 to 2053.

附註：本集團之使用權資產指按公平值計量之預付土地租賃款項。租賃土地連同自有樓宇乃持作自用。土地租賃將於二零四七年至二零五三年之間屆滿。

The Group's leasehold land and buildings were revalued individually at the end of the reporting period by Peak Vision Appraisals Limited, an independent professionally qualified valuer, at an aggregate open market value of HK\$349,780,000 (2019: HK\$226,905,000) based on their existing use.

本集團之租賃土地及樓宇於報告期末由獨立專業合資格估值師滂鋒評估有限公司按現時用途單獨重估，總公開市值為349,780,000港元(二零一九年：226,905,000港元)。

A revaluation deficit of HK\$7,218,000 (2019: surplus of HK\$14,422,000) resulting from the revaluation has been charged (2019: credited) to other comprehensive income.

重估產生之重估虧拙7,218,000港元(二零一九年：盈餘14,422,000港元)已於其他全面收益扣除(二零一九年：計入)。

Had these land and buildings been carried at historical cost less accumulated depreciation, their carrying amount would have been approximately HK\$198,218,000 (2019: HK\$61,020,000).

倘該等土地及樓宇按歷史成本減累計折舊列賬，其賬面值將約為198,218,000港元(二零一九年：61,020,000港元)。

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13. PROPERTY, PLANT AND EQUIPMENT (Continued)

As at 31 March 2020, certain leasehold land and buildings of the Group with an aggregate carrying amount of HK\$281,800,000 (2019: HK\$208,419,000) were pledged to secure certain banking facilities granted to the Group (note 26).

The Group appointed an external valuer to be responsible for the valuation of the Group's properties held for own use and had discussions with the valuer on the valuation assumptions and valuation results when the valuation is performed for annual financial reporting.

Fair value hierarchy

The following table illustrates the fair value measurement hierarchy of the Group's properties held for own use:

13. 物業、廠房及設備(續)

於二零二零年三月三十一日，賬面總值281,800,000港元(二零一九年：208,419,000港元)之本集團若干租賃土地及樓宇均已予抵押，作為本集團獲授若干銀行信貸之擔保(附註26)。

本集團委任外部估值師負責對本集團持作自用之物業進行估值，並於就年度財務報告進行估值時，與估值師就估值假設及估值結果進行討論。

公平值等級

下表闡述本集團持作自用物業公平值計量等級：

Fair value measurement as at 31 March 2020 using 於二零二零年三月三十一日公平值計量，使用				
	Quoted prices in active markets 於活躍市場之 報價 (Level 1) (級別一) HK\$'000 千港元	Significant observable inputs 重大可觀察 輸入數據 (Level 2) (級別二) HK\$'000 千港元	Significant unobservable inputs 重大不可觀察 輸入數據 (Level 3) (級別三) HK\$'000 千港元	Total 總計 HK\$'000 千港元
Recurring fair value measurement for:	就以下項目進行之經常性公平值計量：			
Hotel property*	—	—	143,000	143,000
Commercial properties and car park spaces**	—	—	206,780	206,780
Properties held for own use	—	—	349,780	349,780

13. PROPERTY, PLANT AND EQUIPMENT
(Continued)
Fair value hierarchy (Continued)

13. 物業、廠房及設備(續)
公平值等級(續)

		Fair value measurement as at 31 March 2019 using 於二零一九年三月三十一日公平值計量，使用			
		Quoted prices in active markets 於活躍市場之 報價 (Level 1) (級別一) HK\$'000 千港元	Significant observable inputs 重大可觀察 輸入數據 (Level 2) (級別二) HK\$'000 千港元	Significant unobservable inputs 重大不可觀察 輸入數據 (Level 3) (級別三) HK\$'000 千港元	Total 總計 HK\$'000 千港元
Recurring fair value measurement for:	就以下項目進行之 經常性公平值 計量：				
Commercial properties and car park spaces	商業物業及停車位	—	—	226,905	226,905

* Included leasehold land in right-of-use assets of HK\$18,040,000 (2019: Nil)

* 使用權資產包括租賃土地18,040,000港元(二零一九年：無)。

** Included leasehold land in right-of-use assets of HK\$121,314,000 (2019: Nil)

** 使用權資產包括租賃土地121,314,000港元(二零一九年：無)。

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 (2019: Nil).

於年內，級別一與級別二之間並無公平值計量之轉撥，亦無轉撥至或轉撥自級別三(二零一九年：無)。

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13. PROPERTY, PLANT AND EQUIPMENT (Continued)

Fair value hierarchy (Continued)

Reconciliation of fair value measurements categorised within Level 3 of the fair value hierarchy:

13. 物業、廠房及設備(續)

公平值等級(續)

分類為公平值等級級別三內之公平值計量之對賬：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Carrying amount at beginning of year	於年初之賬面值	226,905	224,450
Surplus/(deficit) on revaluation recognised in other comprehensive income	於其他全面收益內確認之重估盈餘/(虧拙)	(7,218)	14,422
Depreciation	折舊	(8,435)	(8,015)
Transfers from properties held for sale under development	自發展中待售物業轉撥	142,047	—
Exchange realignment	匯兌調整	(3,519)	(3,952)
Carrying amount at end of year	於年末之賬面值	349,780	226,905

13. PROPERTY, PLANT AND EQUIPMENT
(Continued)

Fair value hierarchy (Continued)

Below is a summary of the valuation techniques used and the key inputs to the valuation of properties held for own use:

13. 物業、廠房及設備(續)

公平值等級(續)

持作自用物業估值所用之估值技巧及主要輸入數據概述如下：

	Valuation techniques 估值技巧	Significant unobservable inputs 重大不可觀察輸入數據	Range 範圍	
			2020 二零二零年	2019 二零一九年
Properties held for own use: 持作自用物業				
Hotel property 酒店物業	Investment method 投資法	Estimated rental value (per square metre and per month) 估計租金價值 (每平方米及每月)	RMB50 人民幣50元	—
		Term yield 年期收益率	3.75%	—
		Reversionary yield 復歸收益率	5.75%	—
Commercial properties 商業物業	Direct comparison approach 直接比較法	Market unit selling price (per square foot) 市場單位售價 (每平方呎)	HK\$1,408 to HK\$6,560 1,408港元至 6,560港元	HK\$1,625 to HK\$7,050 1,625港元至 7,050港元
Car park spaces 停車位	Direct comparison approach 直接比較法	Market unit selling price 市場單位售價	RMB300,000 人民幣 300,000元	RMB300,000 人民幣 300,000元

13. PROPERTY, PLANT AND EQUIPMENT (Continued)

Fair value hierarchy (Continued)

The investment method

Under the investment method, fair value is estimated on the basis of capitalisation of existing rent receivable from the existing tenancies and the potential reversionary market rent of the properties.

The valuation takes into account the characteristics of the properties held for own use, which included the location, size, shape, view, floor level, year of completion and other factors collectively, to arrive at the estimated rental value and reversionary yield, while it takes into account the rental value generated from the existing lease term to arrive at the term yield.

The key inputs were the estimated rental value, term yield and reversionary yield, which a significant increase/(decrease) in these inputs would result in a significant increase/(decrease) in the fair value of the properties held for own use.

The direct comparison approach

Under the direct comparison approach, fair value is estimated by the direct comparison method on the assumption of the sale of the property interest with the benefit of vacant possession and by making reference to comparable sales transactions as available in the market.

The valuation takes into account the characteristics of the properties held for own use, which included the location, size, shape, view, floor level, year of completion and other factors collectively, to arrive at the market price per square foot.

The key input was the market price per square foot, which a significant increase/(decrease) in the market price would result in a significant increase/(decrease) in the fair value of the properties held for own use.

13. 物業、廠房及設備(續)

公平值等級(續)

投資法

根據投資法，公平值乃將該等物業自現有租賃之應收現有租金及潛在復歸市場租金予以資本化之基準而估計。

進行估值時會整體考慮持作自用物業之特點，包括位置、面積、形狀、景觀、樓層、落成年份及其他因素，以得出估計租金價值及復歸收益率，同時考慮自現有租期產生之租金價值，以得出年期收益率。

主要輸入數據為估計租金價值、年期收益率及復歸收益率，該等輸入數據大幅上升/(下跌)時，會導致持作自用物業公平值大幅上升/(下跌)。

直接比較法

根據直接比較法，公平值乃以直接比較法，假設物業權益可交吉出售並經參考有關市場可獲得之可比較銷售交易而作估計。

進行估值時會整體考慮持作自用物業之特點，包括位置、面積、形狀、景觀、樓層、落成年份及其他因素，以得出每平方呎市場價格。

主要輸入數據為每平方呎市場價格，市場價格大幅上升/(下跌)時，會導致持作自用物業公平值大幅上升/(下跌)。

14. INVESTMENT PROPERTIES

14. 投資物業

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Carrying amount at beginning of year	於年初之賬面值	1,031,589	1,031,125
Net gain/(loss) from fair value adjustment (note 6)	公平值調整之收益/ (虧損)淨額(附註6)	(22,758)	66,456
Exchange realignment	匯兌調整	(61,731)	(65,992)
Carrying amount at end of year	於年末之賬面值	947,100	1,031,589

The Group's investment properties were revalued on 31 March 2020 based on a valuation performed by Peak Vision Appraisals Limited, an independent professionally qualified valuer, at HK\$947,100,000 (2019: HK\$1,031,589,000).

As at 31 March 2020, certain investment properties of the Group with an aggregate carrying amount of HK\$539,000,000 (2019: HK\$579,150,000) were pledged to secure certain banking facilities granted to the Group (note 26).

The investment properties are leased to third parties under operating leases, further summary details of which are included in note 32(a) to the financial statements.

The directors of the Company have determined that the investment properties are hotel properties, commercial properties and car park spaces, based on the nature, characteristics and risk of the properties. Each year, the Group appoints an external valuer to be responsible for the valuation of the Group's properties and has discussions with the valuer on the valuation assumptions and valuation results when the valuation is performed for annual financial reporting.

Particulars of the Group's investment properties are included on page 41.

於二零二零年三月三十一日，本集團之投資物業經由獨立專業合資格估值師滙鋒評估有限公司按所執行估值重估為947,100,000港元(二零一九年：1,031,589,000港元)。

於二零二零年三月三十一日，本集團賬面總值為539,000,000港元(二零一九年：579,150,000港元)的若干投資物業被抵押，作為本集團獲授若干銀行信貸的擔保(附註26)。

根據經營租賃將投資物業出租予第三方，有關其進一步概要載於財務報表附註32(a)。

根據物業的性質、特點及風險，本公司董事已確定投資物業為酒店物業、商業物業及停車位。本集團每年委任外部估值師負責對本集團物業進行估值，並於就年度財務報告進行估值時，就估值假設及估值結果與估值師進行討論。

本集團投資物業之詳情載於第41頁。

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14. INVESTMENT PROPERTIES (Continued)

Fair value hierarchy

The following table illustrates the fair value measurement hierarchy of the Group's investment properties:

14. 投資物業(續)

公平值等級

下表闡述本集團投資物業公平值計量等級：

		Fair value measurement as at 31 March 2020 using 於二零二零年三月三十一日公平值計量，使用			
Recurring fair value measurement for:		Quoted prices in active markets 於活躍市場之 報價 (Level 1) (級別一) HK\$'000 千港元	Significant observable inputs 重大可觀察 輸入數據 (Level 2) (級別二) HK\$'000 千港元	Significant unobservable inputs 重大不可觀察 輸入數據 (Level 3) (級別三) HK\$'000 千港元	Total 總計 HK\$'000 千港元
Hotel properties	就以下項目進行之 經常性公平值 計量： 酒店物業	—	—	167,640	167,640
Commercial properties and car park spaces	商業物業及停車位	—	—	779,460	779,460
		—	—	947,100	947,100

14. INVESTMENT PROPERTIES (Continued)
Fair value hierarchy (Continued)

14. 投資物業(續)
公平值等級(續)

		Fair value measurement as at 31 March 2019 using 於二零一九年三月三十一日公平值計量，使用			
Recurring fair value measurement for:		Quoted prices in active markets 於活躍市場之 報價 (Level 1) (級別一) HK\$'000 千港元	Significant observable inputs 重大可觀察 輸入數據 (Level 2) (級別二) HK\$'000 千港元	Significant unobservable inputs 重大不可觀察 輸入數據 (Level 3) (級別三) HK\$'000 千港元	Total 總計 HK\$'000 千港元
就以下項目進行之 經常性公平值 計量：					
Hotel properties	酒店物業	—	—	203,229	203,229
Commercial properties and car park spaces	商業物業及停車位	—	—	828,360	828,360
		—	—	1,031,589	1,031,589

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14. INVESTMENT PROPERTIES (Continued)

Fair value hierarchy (Continued)

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 (2019: Nil).

Reconciliation of fair value measurements categorised within Level 3 of the fair value hierarchy:

14. 投資物業(續)

公平值等級(續)

於年內，級別一與級別二之間並無公平值計量之轉撥，亦無轉撥至或轉撥自級別三(二零一九年：無)。

分類為公平值等級級別三內之公平值計量之對賬：

		Hotel properties	Commercial properties and car park spaces
		酒店物業	商業物業及 停車位
		HK\$'000	HK\$'000
		千港元	千港元
Carrying amount at 1 April 2018	於二零一八年四月一日 之賬面值	193,375	837,750
Net gain from a fair value adjustment recognised	來自己確認公平值調整 收益淨額	22,230	44,226
Exchange realignment	匯兌調整	(12,376)	(53,616)
Carrying amount at 31 March 2019 and 1 April 2019	於二零一九年三月 三十一日及二零一九年 四月一日之賬面值	203,229	828,360
Net gain/(loss) from a fair value adjustment recognised	來自己確認公平值調整 收益/(虧損)淨額	(23,430)	672
Exchange realignment	匯兌調整	(12,159)	(49,572)
Carrying amount at 31 March 2020	於二零二零年三月 三十一日之賬面值	167,640	779,460

14. INVESTMENT PROPERTIES (Continued)
Fair value hierarchy (Continued)

Below is a summary of the valuation techniques used and the key inputs to the valuation of investment properties:

14. 投資物業(續)
公平值等級(續)

投資物業估值所用之估值技巧及主要輸入數據概述如下：

	Valuation techniques 估值技巧	Significant unobservable inputs 重大不可觀察輸入數據	Range 範圍	
			2020 二零二零年	2019 二零一九年
Hotel properties and commercial properties 酒店物業及商業物業	Investment method 投資法	Estimated rental value (per square metre and per month) 估計租金價值 (每平方米及每月)	RMB37 to RMB64 人民幣37元至人民幣64元	RMB27 to RMB130 人民幣27元至人民幣130元
		Term yield 年期收益率	2.00% to 6.25% 2.00%至6.25%	2.00% to 6.25% 2.00%至6.25%
		Reversionary yield 復歸收益率	5.50% to 7.25% 5.50%至7.25%	5.50% to 7.25% 5.50%至7.25%
Car park spaces 停車位	Direct comparison approach 直接比較法	Market unit selling price 市場單位售價	RMB160,000 人民幣160,000元	RMB160,000 人民幣160,000元

The investment method

Under the investment method, fair value is estimated on the basis of capitalisation of existing rent receivable from the existing tenancies and the potential reversionary market rent of the properties.

The valuation takes into account the characteristics of the investment properties, which included the location, size, shape, view, floor level, year of completion and other factors collectively, to arrive at the estimated rental value and reversionary yield, while it takes into account the rental value generated from the existing lease term to arrive at the term yield.

The key inputs were the estimated rental value, term yield and reversionary yield, which a significant increase/(decrease) in these inputs would result in a significant increase/(decrease) in the fair value of the investment properties.

投資法

根據投資法，公平值乃將該等物業自現有租賃之應收現有租金及潛在復歸市場租金予以資本化之基準而估計。

進行估值時會整體考慮投資物業之特點，包括位置、面積、形狀、景觀、樓層、落成年份及其他因素，以得出估計租金價值及復歸收益率，同時考慮自現有租期產生之租金價值，以得出年期收益率。

主要輸入數據為估計租金價值、年期收益率及復歸收益率，該等輸入數據大幅上升/(下跌)時，會導致投資物業公平值大幅上升/(下跌)。

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14. INVESTMENT PROPERTIES (Continued)

Fair value hierarchy (Continued)

The direct comparison approach

Under the direct comparison approach, fair value is estimated by the direct comparison method on the assumption of the sale of the property interest with the benefit of vacant possession and by making reference to comparable sales transactions as available in the market.

The valuation takes into account the characteristics of the investment properties, which included the location, size, shape, view, floor level, year of completion and other factors collectively, to arrive at the market price per square metre.

The key input was the market price per square metre, which a significant increase/(decrease) in the market price would result in a significant increase/(decrease) in the fair value of the investment properties.

14. 投資物業(續)

公平值等級(續)

直接比較法

根據直接比較法，公平值乃以直接比較法，假設物業權益可交吉出售並經參考有關市場可獲得之可比較銷售交易而作估計。

進行估值時會整體考慮投資物業之特點，包括位置、面積、形狀、景觀、樓層、落成年份及其他因素，以得出每平方米市場價格。

主要輸入數據為每平方米市場價格，當市場價格大幅上升／(下跌)時，會導致投資物業公平值大幅上升／(下跌)。

15. INVESTMENTS IN ASSOCIATES

15. 於聯營公司之投資

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Share of net assets	應佔資產淨額	8,254	12,887
Loan to an associate	對一間聯營公司作出的 貸款	14,222	14,222
		22,476	27,109
Amounts due from associates	應收聯營公司款項	5,242	4,515
Amounts due to associates	應付聯營公司款項	(8,280)	(5,177)

The loan to an associate is unsecured, interest-free and repayable on demand. In the opinion of the directors, this loan is considered as part of the Group's net investments in associates.

The balances with associates are unsecured, interest-free and repayable on demand.

In the prior year, the Group made capital contributions of HK\$15,210,000 to an existing associate which carrying out property investment business in Mainland China, and the Group also invested in trading business through the subscription of new shares of a new associate of HK\$250,000.

對一間聯營公司作出的貸款為無抵押、免息及須按要求償還。董事認為，該貸款被視為本集團投資聯營公司淨值的一部分。

與聯營公司之結餘為無抵押、免息及須按要求償還。

去年，本集團向一間於中國內地從事物業投資業務的現有聯營公司注資15,210,000港元，本集團亦透過認購一間新聯營公司250,000港元新股份而投資於貿易業務。

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15. INVESTMENTS IN ASSOCIATES (Continued)

Particulars of the principal associates are as follows:

15. 於聯營公司之投資(續)

主要聯營公司之詳情如下：

Name 名稱	Issued ordinary/ registered share capital 已發行普通/註冊股本	Place of incorporation/ registration and business 註冊成立/註冊及 營業地點	Percentage of ownership attributable to the Group		Principal activities 主要業務
			本集團應佔擁有權百分比 2020 二零二零年	2019 二零一九年	
Achieve Plus Investment Limited 采帆投資有限公司	HK\$1 1港元	Hong Kong 香港	—	31.18	Property investment 物業投資
Asia Construction Holdings Limited 亞洲建築集團有限公司	HK\$980,000 980,000港元	Hong Kong 香港	49	49	Investment holding 投資控股
Axonsoft Hong Kong Limited*	HK\$500,000 500,000港元	Hong Kong 香港	50	50	Investment holding and software licensing 投資控股及軟件授權
Beijing Chang-de Architectural & Decoration Co., Ltd. (a)(iii)* 北京長迪建築裝飾工程有限公司 (a)(iii)*	RMB16,000,000 人民幣16,000,000元	PRC/Mainland China 中國/中國內地	—	18.71	Decoration engineering 裝修工程
Deson Construction International Holdings Limited ("DCIHL") 迪臣建設國際集團有限公司 (「迪臣建設國際」)	HK\$25,000,000 25,000,000港元	The Cayman Islands/ Hong Kong 開曼群島/香港	—	31.18	Investment holding 投資控股
Deson Development Limited 迪臣發展有限公司	HK\$20,000,100 (Class A) (i) 20,000,100港元 (A類) (i) HK\$20,000,000 (Class B) (i) 20,000,000港元 (B類) (i)	Hong Kong 香港	—	31.18	Construction contracting and investment holding 建築承包及投資控股
Deson Engineering Limited 迪臣工程有限公司	HK\$10,000 10,000港元	Hong Kong 香港	—	31.18	Decoration engineering 裝修工程
Deson Industries Limited* 迪臣實業有限公司*	US\$1 1美元	BVI/Hong Kong 英屬處女群島/香港	—	31.18	Investment holding 投資控股
Deson Metals Company Limited* 迪臣五金建材有限公司*	HK\$2,000,000 2,000,000港元	Hong Kong/Mainland China 香港/中國內地	40	40	Trading of construction materials 建築材料貿易
Golden Kindex Limited* 金龍有限公司*	HK\$1 1港元	Hong Kong 香港	—	31.18	Property investment 物業投資
Hua Sheng International Real Estate Development (Shanghai) Co., Ltd. (b)* 華勝國際置業開發(上海)有限 公司 (b)*	US\$12,900,000 12,900,000美元	PRC/Mainland China 中國/中國內地	30	30	Property investment 物業投資
Kenworth Engineering Limited 堅穩工程有限公司	HK\$54,374,140 (Ordinary) HK\$20,000,000 (Preference) (ii) 54,374,140港元 (普通) 20,000,000港元 (優先)(ii)	Hong Kong 香港	—	31.18	Provision of electrical and mechanical engineering services and investment in securities 提供機電工程服務及 證券投資
New Leaves Limited*	US\$100 100美元	BVI/Hong Kong 英屬處女群島/香港	30	30	Investment holding 投資控股
Rosy Beauty Investments Limited*	US\$1 1美元	BVI/Hong Kong 英屬處女群島/香港	—	31.18	Investment holding 投資控股
Yew Siang Limited ("Yew Siang")*	US\$11,700,000 11,700,000美元	BVI/Hong Kong 英屬處女群島/香港	30	30	Investment holding 投資控股
上海迪申建築裝潢有限公司 (b)*	US\$900,000 900,000美元	PRC/Mainland China 中國/中國內地	—	31.18	Decoration engineering 裝修工程

* Not audited by Ernst & Young, Hong Kong or another member firm of the Ernst & Young global network.

* 未經香港安永會計師事務所或任何其他安永會計師事務所全球網絡成員所審核。

15. INVESTMENTS IN ASSOCIATES (Continued)

Notes:

- (a) Registered as a Sino-foreign investment enterprise under PRC law.
- (b) Registered as wholly-foreign-owned enterprises under PRC law.
- (i) The holders of class A shares have voting rights and are entitled to dividend distributions. Upon the winding up of this company, the class A shareholders are entitled to return of assets. The holders of non-voting class B shares are not entitled to dividend distributions. Moreover, upon the winding-up of this company, the class B shareholders are not entitled to any return of assets if the assets of this company are less than HK\$100 trillion.
- (ii) The holders of the preference shares have a cumulative preferential right to this company's profits at 10% of its share capital, but are not entitled to receive notice of or attend or vote at any meeting of members or any meeting of directors.
- (iii) The Group had significant influence in this company through an associate and this company was accounted for as an associate in the prior year.

The above table lists the associates of the Group 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 associates would, in the opinion of the directors, result in particulars of excessive length.

The Group's shareholdings in the associates are held through subsidiaries of the Company.

The Group has discontinued the recognition of its share of losses of certain associates because it exceeded the Group's interests in these associates and the Group has no obligation to take up further losses. The Group's aggregate unrecognised share of losses for the current year and share of accumulated losses of these associates amounted to HK\$82,000 (2019: HK\$49,000) and HK\$1,535,000 (2019: HK\$1,453,000), respectively.

15. 於聯營公司之投資(續)

附註：

- (a) 根據中國法律，該實體註冊為中外合資企業。
- (b) 根據中國法律，該實體註冊為外商獨資企業。
- (i) A類股份持有人擁有投票權並有權獲享股息分派。於該公司清盤時，A類股份股東有權獲退還資產。該等無投票權B類股份之持有人無權獲享股息分派。此外，於該公司清盤時，倘公司之資產少於100,000,000,000,000港元，B類股份股東不能獲退還任何資產。
- (ii) 優先股持有人擁有分享該公司溢利之累積優先權利，比例達股本面值10%，但無權收取任何股東會議或董事會議通知，亦無權出席或在會上投票。
- (iii) 本集團透過一間聯營公司對該公司擁有重大影響力及該公司去年入賬列為聯營公司。

上表所列者為董事認為會對本集團本年度業績構成主要影響或構成本集團資產淨值重要部份之本公司聯營公司。董事認為如將其他聯營公司之詳情列出，會使本附註過於冗長。

本集團於聯營公司之股權乃透過本公司附屬公司持有。

本集團已終止確認其應佔部份聯營公司之虧損，乃由於其超逾本集團於該等聯營公司之權益且本集團並無責任承擔更多虧損。本集團於本年度尚未確認之應佔虧損總額及應佔該等聯營公司之累計虧損分別為82,000港元(二零一九年：49,000港元)及1,535,000港元(二零一九年：1,453,000港元)。

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15. INVESTMENTS IN ASSOCIATES (Continued)

During the year, the Group completed the disposal of its interests in DCIHL for the consideration of HK\$66,837,000, net of directly attributable transaction costs. In the prior year, the Group, as one of the sellers, entered into a memorandum of understanding with an independent third party to dispose of the Group's entire equity interest in DCIHL. In view of the aforementioned plan to dispose of this equity interest in DCIHL, the Group had classified its interests in the DCIHL Group as a non-current asset held for sale as at 31 March 2019 (note 23). In the prior year, the Group recognised an impairment of investments in associates of HK\$27,190,000 (note 6) with reference to the consideration for the proposed disposal transaction. DCIHL was a limited liability company incorporated in Cayman Islands and was listed on GEM of the Stock Exchange. DCIHL and its subsidiaries (collectively, the "DCIHL Group") were considered material associates of the Group, and were engaged in the construction business, as a main contractor and fitting-out works, as well as the provision of electrical and mechanical engineering services and other construction related business, investment in securities and property investment, and were accounted for using the equity method.

The following table illustrates the summarised consolidated financial information in respect of the DCIHL Group adjusted for any differences in accounting policies and reconciled to the carrying amount in the consolidated financial statements:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Current assets	流動資產	—	373,005
Non-current assets	非流動資產	—	42,113
Current liabilities	流動負債	—	(314,008)
Non-current liabilities	非流動負債	—	(1,397)
Net assets	資產淨值	—	99,713

15. 於聯營公司之投資(續)

年內，本集團完成出售其於迪臣建設國際的權益，代價為66,837,000港元，並已扣除直接應佔交易成本。去年，本集團(作為賣方之一)與一名獨立第三方訂立諒解備忘錄，以出售本集團於迪臣建設國際全部股權。鑒於上述計劃出售本集團於迪臣建設國際股權，於二零一九年三月三十一日，本集團已將於迪臣建設國際集團之權益分類為持作出售非流動資產(附註23)。去年，經參考建議出售交易的代價後，本集團已確認於聯營公司的投資減值27,190,000港元(附註6)。迪臣建設國際為一間於開曼群島註冊成立之有限責任公司，其股份於聯交所GEM上市。迪臣建設國際及其附屬公司(統稱為「迪臣建設國際集團」)被視為本集團的重大聯營公司，乃以總承包商身份從事建築業務及裝修工程，以及提供機電工程服務及其他建築相關業務、證券投資及物業投資，並採用權益法入賬。

下表列示迪臣建設國際集團的綜合財務資料概要，已就會計政策的任何差異作出調整，並與綜合財務報表的賬面值對賬：

15. INVESTMENTS IN ASSOCIATES (Continued)

15. 於聯營公司之投資(續)

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Reconciliation to the Group's interest in the DCIHL Group:	與本集團於迪臣建設國際集團的權益對賬：		
Proportion of the Group's ownership	本集團擁有權比例	—	31.18%
The Group's share of net assets of the DCIHL Group	本集團分佔迪臣建設國際集團資產淨值	—	31,090
Goodwill on acquisition	收購時產生之商譽	—	37,499
Carrying amount of the investment	投資之賬面值	—	68,589
Revenue	收入	—	645,835
Loss for the year	年內虧損	—	(19,722)
Other comprehensive income	其他全面收益	—	1,745
Total comprehensive loss for the year	年內全面虧損總額	—	(17,977)
Fair value of the Group's investment	本集團投資之公平值	—	56,124

The following table illustrates the aggregate financial information of the Group's associates that are not individually material:

下表列示本集團之聯營公司之並非個別重要之合計財務資料：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Share of the associates' profit/(loss) for the year	應佔聯營公司年內溢利／(虧損)	(1,790)	1,621
Share of the associates' other comprehensive loss	應佔聯營公司其他全面虧損	(2,763)	(1,437)
Share of the associates' total comprehensive income/(loss)	應佔聯營公司全面收益／(虧損)總額	(4,553)	184
Dividend received	已收股息	(80)	—
Aggregate carrying amount of the Group's investments in the associates that are not individually material	本集團於聯營公司個別不屬重大之投資之賬面值總額	22,476	27,109

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16. EQUITY INVESTMENT DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME AND EQUITY INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

16. 指定為按公平值計入其他全面收益的股權投資及按公平值計入損益的股權投資

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Equity investment designated at fair value through other comprehensive income	指定為按公平值計入其他全面收益的股權投資		
Unlisted equity investment, at fair value	非上市股權投資，按公平值		
Fortune Taker Limited	Fortune Taker Limited	—	9,400
Equity investments at fair value through profit or loss	按公平值計入損益的股權投資		
Unlisted equity investments, at fair value	非上市股權投資，按公平值		
Century Rosy Limited	Century Rosy Limited	11,359	11,686
Deson Development International Holdings Investment Limited (“DDIHIL”)	迪臣發展國際集團投資有限公司 (「DDIHIL」)	54,039	58,092
Excel Castle International Limited	卓堡國際有限公司	50,407	30,198
Pamfleet Shanghai Real Estate Fund II, L.P.	Pamfleet Shanghai Real Estate Fund II, L.P.	3,992	—
Sky Fox Limited	Sky Fox Limited	5,134	5,404
		124,931	105,380

The above equity investments were irrevocably designated at fair value through other comprehensive income or through profit or loss as the Group considers these investments to be strategic in nature.

由於本集團認為上述股權投資屬戰略性質，故該等投資已不可撤銷地指定為按公平值計入其他全面收入或計入損益。

During the year ended 31 March 2020, the Group received dividends in the amounts of HK\$1,900,000 (2019: HK\$722,000) from DDIHIL.

於截至二零二零年三月三十一日止年度，本集團自DDIHIL收到股息1,900,000港元(二零一九年：722,000港元)。

17. DUE FROM RELATED COMPANIES

The amounts due from related companies are unsecured, interest-free and repayable on demand.

The particulars of amounts due from related companies are as follows:

17. 應收關連公司款項

應收關連公司款項為無抵押、免息及須按的要求償還。

應收關連公司款項的詳情如下：

		Maximum amount outstanding during the year	31 March 2020	Maximum amount outstanding during the year	31 March 2019 and 1 April 2019	Maximum amount outstanding during the year	1 April 2018
		年內最高欠款金額	二零二零年三月三十一日	年內最高欠款金額	二零一九年三月三十一日及二零一九年四月一日	年內最高欠款金額	二零一八年四月一日
		HK\$'000	千港元	HK\$'000	千港元	HK\$'000	千港元
Excel Win Limited	Excel Win Limited	1,128	1,128	6,369	4,013	4,013	3,288
Fitness Concept Limited ("FCL")	啟康創建有限公司 (「啟康創建」)	1	1	70	51	59	6
海南海旭物聯網科技有限公司	海南海旭物聯網科技有限公司	162	162	173	173	185	185
		1,291	1,291		4,237		3,479

18. PROPERTIES HELD FOR SALE UNDER DEVELOPMENT AND PROPERTIES HELD FOR SALE

18. 發展中待售物業及待售物業

		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		千港元	千港元
Completed properties held for sale	已落成待售物業	493,153	771,902
Properties held for sale under development	發展中待售物業	145,038	202,011
		638,191	973,913
Properties held for sale under development	發展中待售物業		
— expected to be recovered:	— 預期可於以下期間收回：		
Within one year	一年內	145,038	202,011

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18. PROPERTIES HELD FOR SALE UNDER DEVELOPMENT AND PROPERTIES HELD FOR SALE (Continued)

As at 31 March 2020, certain completed properties held for sale under development and properties held for sale of the Group with an aggregate carrying amount of HK\$151,470,000 (2019: HK\$339,332,000) were pledged to secure certain banking facilities granted to the Group (note 26).

Particulars of the Group's properties held for sale under development and properties held for sale are included on pages 38 to 40.

19. INVENTORIES

Trading goods	交易貨品
---------------	------

20. ACCOUNTS RECEIVABLE

Accounts receivable	應收賬項
Impairment	減值

18. 發展中待售物業及待售物業(續)

於二零二零年三月三十一日，賬面總值為151,470,000港元(二零一九年：339,332,000港元)之本集團若干已落成發展中待售物業及待售物業已抵押，作為本集團獲授若干銀行信貸額度之擔保(附註26)。

本集團發展中待售物業及待售物業之詳情載於第38至40頁。

19. 存貨

2020	2019
二零二零年	二零一九年
HK\$'000	HK\$'000
千港元	千港元

12,729	11,505
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20. 應收賬項

2020	2019
二零二零年	二零一九年
HK\$'000	HK\$'000
千港元	千港元

36,134	22,470
(1,692)	(1,815)
34,442	20,655

20. ACCOUNTS RECEIVABLE (Continued)

The Group's trading terms with its customers are mainly on credit. The credit period is generally 90 days for the sale of trading goods and up to 180 days for the sale of completed properties held for sale. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's accounts receivable relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its accounts receivable balances. Accounts receivable are non-interest-bearing.

An ageing analysis of the accounts receivable as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Within 90 days	90日內	24,594	14,336
91 to 180 days	91日至180日	4,202	1,846
181 to 360 days	181日至360日	3,444	12
Over 360 days	逾360日	2,202	4,461
		34,442	20,655

The movements in the loss allowance for impairment of accounts receivable are as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
At beginning of year	於年初	1,815	1,087
Impairment/(reversal of impairment) losses, net (note 6)	減值虧損/(減值虧損撥回), 淨額(附註6)	(81)	728
Exchange realignment	匯兌調整	(42)	—
At end of year	於年末	1,692	1,815

20. 應收賬項(續)

本集團主要以記賬形式與其客戶訂立貿易條款。交易貨品銷售信貸期一般為90日，而已落成待售物業之銷售則最多為180日。每名客戶均設有最高信貸限額。本集團務求對未清還之應收賬項維持嚴格監管。高級管理層會定期審閱逾期未收結餘情況。鑒於以上所述及本集團應收賬項與為數眾多之多元化客戶有關，因此並無重大集中信貸風險。本集團並無就其應收賬項餘額持有任何抵押品或其他提升信貸措施。應收賬項為免息。

於報告期間末，按發票日期及扣除虧損撥備後計算之應收賬項之賬齡分析如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Within 90 days	90日內	24,594	14,336
91 to 180 days	91日至180日	4,202	1,846
181 to 360 days	181日至360日	3,444	12
Over 360 days	逾360日	2,202	4,461
		34,442	20,655

應收賬項之減值虧損撥備變動如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
At beginning of year	於年初	1,815	1,087
Impairment/(reversal of impairment) losses, net (note 6)	減值虧損/(減值虧損撥回), 淨額(附註6)	(81)	728
Exchange realignment	匯兌調整	(42)	—
At end of year	於年末	1,692	1,815

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20. ACCOUNTS RECEIVABLE (Continued)

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region and product type). 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. Generally, accounts receivable are written off if past due for more than one year and are not subject to enforcement activity.

An analysis of accounts receivable by operating segment is as follows:

20. 應收賬項(續)

於各報告日期均採用撥備矩陣進行減值分析，以計量預期信貸損失。撥備率乃基於因就擁有類似虧損模式(即按地理區域及產品類型)的多個客戶分部進行分組而以逾期的日數計算。該計算反映或然率加權結果、貨幣時值及於報告日期可得的有關過往事項、當前條件及未來經濟狀況預測的合理及可靠資料。一般而言，倘逾期超過一年及並無可強制執行活動，將撇銷應收賬款。

按營運分類應收賬項分析如下：

			2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Trading of medical equipment and home security and automation products	買賣醫療設備及家居保安及自動化產品	(i)	16,862	12,716
Property development and investment business	物業發展及投資業務	(ii)	19,272	9,754
			36,134	22,470

20. ACCOUNTS RECEIVABLE (Continued)

Notes:

- (i) Set out below is the information about the credit risk exposure on the accounts receivable related to the trading business using a provision matrix:

As at 31 March 2020

		Current	Past due				Total
			Less than 3 months	3 to 6 months	7 to 12 months	Over 12 months	
		當期	少於三個月	三至六個月	七至十二個月	十二個月以上	總額
Expected credit loss rate	預期信貸損失率	1.8%	9.6%	11.0%	12.5%	79.6%	10.0%
Gross carrying amount (HK\$'000)	總賬面值(千港元)	10,186	2,058	3,444	—	1,174	16,862
Expected credit losses (HK\$'000)	預期信貸損失(千港元)	180	197	380	—	935	1,692

As at 31 March 2019

		Current	Past due				Total
			Less than 3 months	3 to 6 months	7 to 12 months	Over 12 months	
		當期	少於三個月	三至六個月	七至十二個月	十二個月以上	總額
Expected credit loss rate	預期信貸損失率	2.2%	15.1%	23.1%	50.0%	81.3%	14.3%
Gross carrying amount (HK\$'000)	總賬面值(千港元)	10,639	139	13	12	1,913	12,716
Expected credit losses (HK\$'000)	預期信貸損失(千港元)	230	21	3	6	1,555	1,815

- (ii) There was no recent history of default on accounts receivable related to the property development and investment business. As at 31 March 2020 and 2019, the loss allowance was assessed to be minimal.

The ageing analysis of the accounts receivable related to property development and investment business that are neither individually nor collectively considered to be impaired is as follows:

		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		千港元	千港元
Neither past due nor impaired	未逾期或未減值	14,588	3,697
Less than 3 months past due	逾期少於三個月	2,341	1,695
More than 6 months past due	逾期六個月以上	2,343	4,362
		19,272	9,754

20. 應收賬項(續)

附註:

- (i) 以下載列有關使用撥備矩陣的有關貿易業務應收賬項的信貸風險:

於二零二零年三月三十一日

	Current	Past due				Total
		Less than 3 months	3 to 6 months	7 to 12 months	Over 12 months	
	當期	少於三個月	三至六個月	七至十二個月	十二個月以上	總額
Expected credit loss rate	1.8%	9.6%	11.0%	12.5%	79.6%	10.0%
Gross carrying amount (HK\$'000)	10,186	2,058	3,444	—	1,174	16,862
Expected credit losses (HK\$'000)	180	197	380	—	935	1,692

於二零一九年三月三十一日

	Current	Past due				Total
		Less than 3 months	3 to 6 months	7 to 12 months	Over 12 months	
	當期	少於三個月	三至六個月	七至十二個月	十二個月以上	總額
Expected credit loss rate	2.2%	15.1%	23.1%	50.0%	81.3%	14.3%
Gross carrying amount (HK\$'000)	10,639	139	13	12	1,913	12,716
Expected credit losses (HK\$'000)	230	21	3	6	1,555	1,815

- (ii) 物業發展及投資業務有關之應收賬項並無近期違約紀錄。於二零二零年及二零一九年三月三十一日，虧損撥備被評估為極微。

個別及綜合而言被視為並無出現減值，並與物業發展及投資業務有關之應收賬項賬齡分析如下:

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21. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Prepayments	預付款項	15,556	20,505
Deposits	按金	214	172
Other receivables	其他應收款項	44,397	46,291
Impairment allowance	減值撥備	(17,137)	(20,179)
		27,260	26,112
		43,030	46,789

An impairment analysis is performed at each reporting date by applying a loss rate approach with reference to the historical loss record of the Group. The loss rate is adjusted to reflect the current conditions and forecasts of future economic conditions, as appropriate. The loss rate applied to other receivables of HK\$17,137,000 (2019: HK\$20,179,000) relating to debtors that were in financial difficulties or were in default in payments as at 31 March 2020 was 100% (2019: 100%).

Deposits and other receivables that were not impaired related to receivables for which there is no recent history of default.

21. 預付款項、按金及其他應收款項

本集團於每個報告日參考本集團的歷史損失記錄應用損失率法進行減值分析。損失率會作出調整，以反映當前情況及未來經濟狀況預測(如適當)。於二零二零年三月三十一日，對17,137,000港元(二零一九年：20,179,000港元)之其他應收賬項採用之虧損率為100%(二零一九年：100%)，其與出現財務困難或付款出現違約之債務人有關。

尚未減值之按金及其他應收賬款涉及無最近違約歷史的應收款項。

21. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (Continued)

The movements in the provision for impairment of other receivables are as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
At beginning of year	於年初	20,179	19,519
Impairment losses, net (note 6)	減值損失，淨額(附註6)	142	1,902
Amount written off as uncollectible	撇銷為無法收回之款項	(1,984)	—
Exchange realignment	匯兌調整	(1,200)	(1,242)
At end of year	於年末	17,137	20,179

Included in the above provision for impairment of other receivables is a provision for individual other receivables that defaulted in repayments and these receivables were not expected to be recovered. The Group does not hold any collateral or other credit enhancements over these balances.

21. 預付款項、按金及其他應收款項 (續)

其他應收款項之減值撥備變動如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
At beginning of year	於年初	20,179	19,519
Impairment losses, net (note 6)	減值損失，淨額(附註6)	142	1,902
Amount written off as uncollectible	撇銷為無法收回之款項	(1,984)	—
Exchange realignment	匯兌調整	(1,200)	(1,242)
At end of year	於年末	17,137	20,179

上述其他應收款項之減值撥備包括拖欠償還之個別其他應收款項之撥備，且該等應收款項預期不能收回。本集團並未就該等結餘持有任何抵押品或其他信貸強化措施。

22. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Cash and bank balances	現金及銀行結餘	20,099	18,987
Time deposits	定期存款	3,500	13,500
		23,599	32,487
Less: Pledged deposits for banking facilities (note 26)	減：銀行信貸之已抵押存款(附註26)	(3,500)	(3,000)
Cash and cash equivalents	現金及現金等值項目	20,099	29,487

22. 現金及現金等值項目及已抵押存款

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Cash and bank balances	現金及銀行結餘	20,099	18,987
Time deposits	定期存款	3,500	13,500
		23,599	32,487
Less: Pledged deposits for banking facilities (note 26)	減：銀行信貸之已抵押存款(附註26)	(3,500)	(3,000)
Cash and cash equivalents	現金及現金等值項目	20,099	29,487

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22. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS (Continued)

At the end of the reporting period, the aggregate cash and bank balances and deposits of the Group denominated in RMB amounted to approximately HK\$10,706,000 (2019: approximately HK\$8,595,000). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.

23. NON-CURRENT ASSET CLASSIFIED AS HELD FOR SALE

In the prior year, the Group, as one of the sellers, entered into a memorandum of understanding dated 21 February 2019 with an independent third party to dispose of the Group's entire equity interest in DCIHL, an associate of the Group. In view of the aforementioned plan to dispose of this equity interest in DCIHL, the Group classified its interests in the DCIHL Group as a non-current asset held for sale as at 31 March 2019.

An analysis of the non-current asset classified as held for sale as at 31 March 2019 is as follows:

	HK\$'000 千港元
Investments in associates	68,589

Particulars and the summarised consolidated financial information of the DCIHL Group for the year ended 31 March 2019 are set out in note 15 to the financial statements.

22. 現金及現金等值項目及已抵押存款(續)

於報告期末，本集團以人民幣為單位之現金及銀行結餘及存款總額約為10,706,000港元(二零一九年：約8,595,000港元)。人民幣不可自由兌換為其他貨幣，然而根據中國內地外匯管制條例及結匯、售匯及付匯管理規定，本集團被准許透過獲授權進行外匯業務之銀行將人民幣兌換為其他貨幣。

銀行現金根據每日銀行存款利率按浮動利率計息。短期定期存款一般一日至三個月不定，須視乎本集團對即時現金需求而定，並按各自短期定期存款利率賺取利息。銀行結餘及已抵押存款存放於近期並無違約記錄之信譽良好的銀行。

23. 分類為持作出售非流動資產

於上一年度，本集團(作為賣方之一)與一名獨立第三方訂立日期為二零一九年二月二十一日的諒解備忘錄，以出售本集團於迪臣建設國際(為本集團一間聯營公司)全部股權。鑒於上述計劃出售本集團於迪臣建設國際股權，於二零一九年三月三十一日，本集團已將於迪臣建設國際集團之權益分類為持作出售非流動資產。

於二零一九年三月三十一日分類為持作出售非流動資產分析如下：

迪臣建設國際集團截至二零一九年三月三十一日止年度之綜合財務資料詳情及概述載於財務報表附註15。

24. ACCOUNTS PAYABLE

An ageing analysis of the accounts payable as at the end of the reporting period, based on the invoice date, is as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Within 90 days	90日內	3,679	2,997
91 to 180 days	91日至180日	624	—
181 to 360 days	181日至360日	276	42
Over 360 days	逾360日	3,581	3,616
		8,160	6,655

Accounts payable are non-interest-bearing and are normally settled on 30-day terms.

24. 應付賬項

於報告期間末，應付賬項按發票日期計算之賬齡分析如下：

應付賬項為免息，一般須於30日內結算。

25. OTHER PAYABLES AND ACCRUALS

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Deposits received	已收按金	4,920	6,709
Other payables	其他應付款項	36,979	33,176
Contract liabilities (note a)	合約負債(附註a)	7,270	246,150
Accruals	應計費用	7,230	4,365
Due to non-controlling shareholders (note b)	應付非控股股東款項(附註b)	14,861	9,080
		71,260	299,480

25. 其他應付款項及應計費用

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25. OTHER PAYABLES AND ACCRUALS (Continued)

Notes:

(a) Details of contract liabilities are as follows:

	31 March 2020 二零二零年 三月三十一日 HK\$'000 千港元	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元	1 April 2018 二零一八年 四月一日 HK\$'000 千港元
Short-term advances received from customers			
Sale of properties and goods	7,270	246,150	268,265

Contract liabilities included short-term advances received to transfer property interests and to deliver trading goods to customers. The decrease in contract liabilities in the current year was mainly due to the decrease in short-term advances received from customers in relation to the sales of properties at the end of the year.

(b) The amounts due to non-controlling shareholders are unsecured, interest-free and repayable on demand.

25. 其他應付款項及應計費用(續)

附註：

(a) 合約負債詳情如下：

合約負債包括收到的短期墊款以轉移物業權益及交付交易貨品至客戶。本年度合約負債減少主要由於年末銷售物業的已收客戶的短期墊款減少。

(b) 應付非控股股東款項為無抵押、免息及須按要求償還。

26. INTEREST-BEARING BANK AND OTHER BORROWINGS

26. 計息銀行及其他借貸

		2020 二零二零年			2019 二零一九年		
		Contractual interest rate (%) per annum 合約年利率 (%)	Maturity 到期日	HK\$'000 千港元	Contractual interest rate (%) per annum 合約年利率 (%)	Maturity 到期日	HK\$'000 千港元
Current	即期						
Bank loans	銀行貸款	3.6 to 7.5	2020	143,700	3.23 to 7.6	2019	134,110
— secured	— 有抵押	3.6至7.5	二零二零年		3.23至7.6	二零一九年	
Bank loans	銀行貸款	6.3	On demand	20,875	—	—	—
— secured	— 有抵押		按要求				
Bank loans	銀行貸款	—	—	—	4.5	2019	689
— unsecured	— 無抵押					二零一九年	
Other borrowings	其他借貸	—	—	—	9.5	2019	85,410
— unsecured	— 無抵押					二零一九年	
Bank overdrafts	銀行透支	Best Lending Rate – 0.5 or Hong Kong Inter-bank offered rate +1.0 最優惠借貸利率–0.5或香港銀行同業拆息+1.0	On demand	17,912	Best Lending Rate – 1.5 最優惠借貸利率–1.5	On demand	1,357
			按要求			按要求	
Trust receipt loans	信託收據貸款	2.0 to 3.9 2.0至3.9	2020 二零二零年	8,936	Hong Kong Inter-bank Offered Rate +2.0 香港銀行同業拆息+2.0	2019 二零一九年	5,066
				191,423			226,632
Non-current	非即期						
Bank loans	銀行貸款	6.4	2021 to 2026	151,250	6.37 to 7.6	2020 to 2026	192,465
— secured	— 有抵押		二零二一年至二零二六年		6.37至7.6	二零二零年至二零二六年	
Bank loans	銀行貸款	—	—	—	4.5	2020	177
— unsecured	— 無抵押					二零二零年	
Other borrowings	其他借貸	9.5	2022	80,300	—	—	—
— unsecured	— 無抵押		二零二二年				
				231,550			192,642
				422,973			419,274

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26. INTEREST-BEARING BANK AND OTHER BORROWINGS (Continued)

26. 計息銀行及其他借貸(續)

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Analysed into:	分析為：		
Bank loans repayable:	應償還銀行貸款：		
Within one year or on demand	一年內或按要求	191,423	141,222
In the second year	第二年	27,500	31,767
In the third to fifth years	第三至五年	82,500	87,750
Beyond five years	五年以上	41,250	73,125
		342,673	333,864
Other borrowings, repayable:	應償還其他借貸：		
Within one year or on demand	一年內或按要求	—	85,410
In the second year	第二年	—	—
In the third to fifth years	第三至五年	80,300	—
		80,300	85,410
		422,973	419,274

Except for secured bank loans of HK\$245,825,000 (2019: HK\$289,575,000) and unsecured other borrowings of HK\$80,300,000 (2019: HK\$85,410,000) which are denominated in RMB, and trust receipt loans of HK\$3,464,000 (2019: HK\$5,066,000) and HK\$1,252,000 (2019: Nil) which are denominated in United States dollars and Euro, respectively, all remaining borrowings are denominated in Hong Kong dollar.

除已抵押銀行貸款245,825,000港元(二零一九年：289,575,000港元)及無抵押其他借貸80,300,000港元(二零一九年：85,410,000港元)以人民幣計值，及信託收據貸款3,464,000港元(二零一九年：5,066,000港元)及1,252,000港元(二零一九年：無)分別以美元及歐元計值外，所有餘下借貸均以港元計值。

26. INTEREST-BEARING BANK AND OTHER BORROWINGS (Continued)

The Group's banking facilities are secured by:

- (i) the pledge of certain of the Group's leasehold land and buildings situated in Hong Kong and the PRC of HK\$281,800,000 (2019: HK\$208,419,000) (note 13);
- (ii) the pledge of certain of the Group's investment properties situated in the PRC of HK\$539,000,000 (2019: HK\$579,150,000) (note 14);
- (iii) the pledge of certain of the Group's properties held for sale and properties held for sale under development situated in the PRC of HK\$151,470,000 (2019: HK\$339,332,000) (note 18); and
- (iv) the pledge of the Group's time deposits of HK\$3,500,000 (2019: HK\$3,000,000) (note 22).

In addition, certain banking facilities are secured by corporate guarantees executed by the Company as at 31 March 2020 and 31 March 2019.

26. 計息銀行及其他借貸(續)

本集團之銀行信貸乃由下列各項作抵押：

- (i) 抵押本集團位於香港及中國的若干租賃土地及樓宇，為數281,800,000港元(二零一九年：208,419,000港元)(附註13)；
- (ii) 抵押本集團位於中國的若干投資物業，為數539,000,000港元(二零一九年：579,150,000港元)(附註14)；
- (iii) 抵押本集團位於中國的若干待售物業及發展中待售物業，為數151,470,000港元(二零一九年：339,332,000港元)(附註18)；及
- (iv) 抵押本集團的定期存款，為數3,500,000港元(二零一九年：3,000,000港元)(附註22)。

另外，於二零二零年三月三十一日及二零一九年三月三十一日若干銀行信貸以本公司簽訂之公司擔保作抵押。

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27. DEFERRED TAX

The movements in deferred tax liabilities during the year are as follows:

27. 遞延稅項

年內，遞延稅項負債之變動如下：

		2020 二零二零年		
		Revaluation of properties 重估物業 HK\$'000 千港元	Withholding taxes 預扣稅 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At beginning of year	於年初	172,062	19,476	191,538
Deferred tax charged/(credited) to the statement of profit or loss during the year (note 10)	年內於損益表扣除／(計入)之遞延稅項(附註10)	(5,690)	1,002	(4,688)
Deferred tax charged/(credited) to the statement of comprehensive income during the year	年內於全面收益表扣除／(計入)之遞延稅項	(1,446)	537	(909)
Exchange realignment	匯兌調整	(4,777)	—	(4,777)
At end of year	於年末	160,149	21,015	181,164
		2019 二零一九年		
		Revaluation of properties 重估物業 HK\$'000 千港元	Withholding taxes 預扣稅 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At beginning of year	於年初	157,846	19,061	176,907
Deferred tax charged to the statement of profit or loss during the year (note 10)	年內於損益表扣除之遞延稅項(附註10)	16,614	1,037	17,651
Deferred tax charged/(credited) to the statement of comprehensive income during the year	年內於全面收益表扣除／(計入)之遞延稅項	2,663	(622)	2,041
Exchange realignment	匯兌調整	(5,061)	—	(5,061)
At end of year	於年末	172,062	19,476	191,538

27. DEFERRED TAX (Continued)

The Group has estimated tax losses arising in Hong Kong of approximately HK\$109,477,000 (2019: HK\$115,267,000) that are available for offsetting against future taxable profits of the companies in which the losses arose. The Group also has tax losses arising in Mainland China of approximately HK\$34,571,000 (2019: HK\$24,977,000) that will expire in one to five years for offsetting against future taxable profit. Deferred tax assets have not been recognised in respect of these losses as in the opinion of the directors, they have arisen in subsidiaries with uncertain future operating 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.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

27. 遞延稅項(續)

本集團估計於香港產生之稅務虧損約為109,477,000港元(二零一九年:115,267,000港元),可供使用以對銷產生虧損之公司之未來應課稅溢利。同時本集團於中國內地產生稅務虧損約為34,571,000港元(二零一九年:24,977,000港元)將於一至五年內屆滿,以供對銷未來應課稅溢利。由於董事認為,此等虧損乃來自未來經營溢利不明朗之附屬公司,故並未就該等虧損確認遞延稅項資產。

根據中國企業所得稅法,於中國內地成立之外商投資企業向外國投資者宣派股息須徵收10%預扣稅。此規定由二零零八年一月一日起生效,並適用於二零零七年十二月三十一日後之盈利。倘中國內地與外國投資者之司法權區有簽訂相關稅務協議,則可運用較低的預扣稅率。就本集團而言,適用稅率為5%或10%。因此,本集團有責任就於中國內地成立之該等附屬公司於二零零八年一月一日起產生的盈利所分派的股息繳付預扣稅。

本公司繳付股息予股東並未對所得稅構成影響。

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28. SHARE CAPITAL

28. 股本

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Authorised:	法定股本：		
1,500,000,000 (2019: 1,500,000,000) ordinary shares of HK\$0.10 each	1,500,000,000股 (二零一九年： 1,500,000,000股) 每股 面值0.10港元之普通股	150,000	150,000
Issued and fully paid:	已發行及繳足股本：		
977,880,400 (2019: 977,880,400) ordinary shares of HK\$0.10 each	977,880,400股 (二零一九年： 977,880,400股) 每股 面值0.10港元之普通股	97,788	97,788

Details of the Company's share option scheme and the share options issued under the scheme are included in note 29 to the financial statements.

本公司之購股權計劃及根據計劃發行之購股權詳情載於財務報表附註29。

29. SHARE OPTION SCHEME

On 13 August 2012, the share option scheme of the Company adopted on 14 August 2002 ceased to operate and a new share option scheme (the "Scheme") was adopted on 15 August 2012 to comply with the requirements of Chapter 17 of the Listing Rules regarding share option schemes of a company. There was no outstanding share option under the old scheme upon its cessation.

The Company operates 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, the Company's shareholders and other employees of the Group. The Scheme became effective on 15 August 2012 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

29. 購股權計劃

於二零一二年八月十三日，本公司終止於二零零二年八月十四日採納的購股權計劃，並於二零一二年八月十五日採納新購股權計劃（「計劃」）以符合上市規則第17章有關公司購股權計劃之規定。舊計劃於終止後概無任何未行使購股權。

本公司設有計劃，藉以鼓勵及回饋對本集團之成功經營作出貢獻之合資格參與者。計劃之合資格參與者包括本公司董事（包括獨立非執行董事）、本公司股東及本集團其他僱員。計劃於二零一二年八月十五日起生效，除非另外註銷或修訂，計劃將由該日起十年內有效。

29. SHARE OPTION SCHEME (Continued)

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 Group at the adoption date of the Scheme.

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 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.

The offer of a grant of share options may be accepted within 30 days from the date of offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. An option may be exercised under the Scheme at any time during a period not exceeding 10 years after the date when the option is granted and will expire on the last date of such period.

The exercise price of the share options is determinable by the directors, but may not be less than the highest of (i) the Stock Exchange closing price of the Company's shares on the date of offer of the share options; (ii) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of offer; and (iii) the nominal value of an ordinary share.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

29. 購股權計劃(續)

根據計劃，現時可授出之未行使購股權最高數目，於獲行使時，可相等本集團於採納計劃日期之股份之10%。

於任何十二個月期間按購股權可向計劃每名合資格參與者發行股份之數目，最多以本公司任何時候已發行股份之1%為限。授出超過此限額之購股權，須於股東大會上獲股東批准。

向本公司董事、主要行政人員或主要股東或其任何聯繫人士授出購股權，必須事先獲獨立非執行董事批准。此外，任何十二個月期間向本公司主要股東或獨立非執行董事或任何彼等之聯繫人士授出之任何購股權，如超過本公司於任何時間已發行股份0.1%或總值(按授出日期之本公司股份價格計算)超過5,000,000港元，須事先於股東大會上獲股東批准。

承授人可於授出購股權建議之日起計三十日內支付象徵式總代價1港元而接納購股權。購股權可於由授出購股權之日起計十年內直至該段期間屆滿之日任何時間內根據計劃行使。

購股權之行使價由董事釐定，惟不得少於(i)本公司股份於授出購股權建議之日於聯交所所報之收市價；(ii)本公司股份於緊接授出建議之前五個交易日於聯交所所報之平均收市價；及(iii)普通股面值(以最高者為準)。

購股權不會授予持有人享有股息或於股東大會上投票之權利。

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29. SHARE OPTION SCHEME (Continued)

In the prior year, the following share options were outstanding under the Scheme during that year:

		2019 二零一九年	
		Weight average exercise price 加權平均行使價	Number of options 購股權數目
		HK\$ 港元	'000 千份
At beginning of year	於年初	0.71	14,740
Expired during the year	年內已到期	0.71	(14,740)
At end of year	於年末	—	—

In the prior year, 14,740,000 share options expired and the corresponding share option reserve of HK\$2,398,000 was released to retained profits. No share options were granted, exercised nor expired during the year ended 31 March 2020.

At the end of the reporting period and at the date of approval of these financial statements, the Company had no share options outstanding under the Scheme (2019: Nil).

30. 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 88 and 89 of the financial statements.

29. 購股權計劃(續)

於上一年度，該年內計劃項下的以下購股權尚未行使：

		2019 二零一九年	
		Weight average exercise price 加權平均行使價	Number of options 購股權數目
		HK\$ 港元	'000 千份

於上一年度，14,740,000份購股權已屆滿及相應購股權儲備2,398,000港元已解除至保留溢利。於截至二零二零年三月三十一日止年度，概無購股權獲授出、行使或到期。

於報告期末及於此等財務報表獲批准當日，本公司根據計劃並無未行使購股權(二零一九年：無)。

30. 儲備

於本年度及過往年度，本集團儲備金額及其變動情況於財務報表第88及89頁之綜合權益變動表內呈列。

31. NOTE TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Changes in liabilities arising from financing activities

31. 綜合現金流量表附註

融資活動產生的負債變動

		Interest-bearing bank and other borrowings
		計息銀行及其他借貸
		HK\$'000
		千港元
At 1 April 2018	於二零一八年四月一日	611,962
Changes from financing cash flows	融資現金流量變動	(155,873)
Foreign exchange movement	外匯變動	(38,172)
At 31 March 2019 and 1 April 2019	於二零一九年三月三十一日及二零一九年四月一日	417,917
Changes from financing cash flows	融資現金流量變動	9,098
Foreign exchange movement	外匯變動	(21,954)
At 31 March 2020	於二零二零年三月三十一日	405,061

32. LEASE ARRANGEMENTS

(a) The Group as lessor

The Group leased certain of its properties under operating lease arrangements, with leases negotiated for terms ranging from one to twenty years. The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

32. 租約安排

(a) 本集團作為出租人

本集團根據經營租約安排租賃若干物業，議定租約為期一年至二十年不等。此外，租約條款一般要求租戶支付保證金，並規定須因應當時市況定期調整租金。

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32. LEASE ARRANGEMENTS (Continued)

(a) The Group as lessor (Continued)

At 31 March 2020, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Within one year	一年內	24,440	28,002
In the second to fifth years, inclusive	第二年至第五年 (包括首尾兩年)	85,114	88,175
After five years	五年後	115,667	140,915
		225,221	257,092

No contingent rental receivable was recognised by the Group during the year (2019: Nil).

(b) The Group as lessee

The Group leased certain of its office properties under operating lease arrangements, with leases negotiated for terms ranging from one to fifteen years.

At 31 March 2019, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		2019 二零一九年 HK\$'000 千港元
Within one year	一年內	300
In the second to fifth years, inclusive	第二年至第五年 (包括首尾兩年)	928
		1,228

32. 租約安排(續)

(a) 本集團作為出租人(續)

於二零二零年三月三十一日，本集團根據與租戶訂立的不可撤銷經營租約，其未來最低租賃應收款項於如下日期到期：

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Within one year	24,440	28,002
In the second to fifth years, inclusive	85,114	88,175
After five years	115,667	140,915
	225,221	257,092

本集團於本年度並無確認或然應收租金(二零一九年：無)。

(b) 本集團作為承租人

本集團根據經營租約安排租賃其若干辦公室物業，議定租約為期一至十五年不等。

於二零一九年三月三十一日，本集團根據不可撤銷經營租約於如下日期到期之未來租約付款之最低總額：

	2019 二零一九年 HK\$'000 千港元
Within one year	300
In the second to fifth years, inclusive	928
	1,228

33. COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Contracted, but not provided for:	已訂約但未撥備：		
Capital contributions payable to equity investments at fair value through profit or loss	應付按公平值計入損益賬之股權投資之資本出資	5,837	22,400
Leasehold improvements	租賃裝修	7,274	—
		13,111	22,400

33. 承擔

本集團於報告期末有以下資本承擔：

34. RELATED PARTY TRANSACTIONS

(a) In addition to the transactions and balances detailed elsewhere in these financial statements, the Group had the following material transactions with related parties during the year:

		Notes 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Management fee income from a related company	來自一間關連公司之管理費收入	(i)	55	55
Management fee income from an associate	來自一間聯營公司之管理費收入	(i)	474	—
Management fee to an associate	向一間聯營公司支付管理費	(ii)	21	110
Rental income from a related company	來自一間關連公司之租金收入	(iii)	306	306
Rental income from an associate	來自一間聯營公司之租金收入	(iv)	543	1,716

34. 關連人士交易

(a) 除該等財務報表其他地方詳述之交易及結餘外，下列為年內本集團與關連人士進行之重大交易：

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34. RELATED PARTY TRANSACTIONS (Continued)

(a) (Continued)

Notes:

- (i) The management fee was charged by reference to actual costs incurred for the services provided by the Group.
- (ii) The management fee was charged by reference to actual costs incurred for the services provided by an associate.
- (iii) During the year, rental income was charged to FCL at HK\$26,000 (2019: HK\$26,000) per month. Mr. Tjia is a director of and has beneficial interests in the Company and FCL, while Mr. Tjia Wai Yip, William is a director of the Company and FCL.
- (iv) In the prior year and up to the completion date of the disposal of the DCIHL Group on 18 June 2019, rental income was charged to a wholly-owned subsidiary of DCIHL at HK\$209,000 (2019: HK\$143,000) per month as mutually agreed between the parties.

(b) Outstanding balances with related parties:

Details of the Group's balances with associates as at the end of the reporting period are included in note 15 to the financial statements.

Details of the Group's balances with related companies as at the end of the reporting period are included in note 17 to the financial statements.

Details of the Group's balances with non-controlling shareholders as at the end of the reporting period are included in note 25 to the financial statements.

(c) Compensation of key management personnel of the Group:

The key management personnel of the Group are the directors and chief executive of the Company. Details of their remuneration are disclosed in note 8 to the financial statements.

The related party transactions above also constituted continuing connected transactions as defined in Chapter 14A of the Listing Rules.

34. 關連人士交易(續)

(a) (續)

附註:

- (i) 管理費乃參照本集團提供之服務所產生之實際成本而收取。
- (ii) 管理費乃參照一間聯營公司提供之服務所產生之實際成本而收取。
- (iii) 本年度內收取啟康創建每月租金收入為26,000港元(二零一九年: 26,000港元)。謝先生為本公司及啟康創建之董事並擁有實益權益, 而謝維業先生為本公司及啟康創建之董事。
- (iv) 於上一年度及直至於二零一九年六月十八日出售迪臣建設國際集團之完成日期, 經訂約雙方協定, 向迪臣建設國際一間全資附屬公司收取租金收入每月209,000港元(二零一九年: 143,000港元)。

(b) 與關連人士尚未結算之結餘:

於報告期末, 本集團與聯營公司之結餘詳情載於財務報表附註15。

於報告期末, 本集團與關連公司之結餘詳情載於財務報表附註17。

於報告期末, 本集團與非控股股東之結餘詳情載於財務報表附註25。

(c) 本集團主要管理人員之薪酬:

本集團主要管理人員為本公司之董事及主要行政人員。彼等酬金詳情於財務報表附註8內披露。

上文涉及之關連人士交易均構成上市規則第14A章界定之持續關連交易。

35. 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:

2020

Financial assets

35. 按類別劃分之金融工具

於報告期末，各類金融工具賬面值如下：

二零二零年

金融資產

	Financial assets at fair value through profit or loss – designated as such upon initial recognition	Financial assets at amortised cost	Total
	按公平值計入損益的金融資產 — 於初始確認時指定為此類別	按攤銷成本計量之金融資產	總額
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Equity investments at fair value through profit or loss	按公平值計入損益賬之股權投資	—	124,931
Due from associates	應收聯營公司	5,242	5,242
Due from related companies	應收關聯公司	1,291	1,291
Accounts receivable	應收賬項	34,442	34,442
Financial assets included in prepayments, deposits and other receivables (note 21)	計入預付款項、按金及其他應收款項的金融資產 (附註21)	27,474	27,474
Pledged deposits	已抵押存款	3,500	3,500
Cash and cash equivalents	現金及現金等值項目	20,099	20,099
	124,931	92,048	216,979

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35. FINANCIAL INSTRUMENTS BY CATEGORY (Continued)

2020 (Continued)

Financial liabilities

		Financial liabilities at amortised cost 按攤銷成本計量之金融負債 HK\$'000 千港元
Accounts payable	應付賬項	8,160
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	57,338
Due to associates	應付聯營公司	8,280
Interest-bearing bank and other borrowings	計息銀行及其他借貸	422,973
		496,751

2019

Financial assets

	Financial assets at fair value through profit or loss – designated as such upon initial recognition 按公平值計入損益的金融資產—於初始確認時指定為此類別 HK\$'000 千港元	Financial asset at fair value through other comprehensive income – equity investment 按公平值計入其他全面收益的金融資產—股權投資 HK\$'000 千港元	Financial assets at amortised cost 按攤銷成本計量之金融資產 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Equity investment designated at fair value through other comprehensive income	指定按公平值計入其他全面收益之股權投資	—	9,400	—
Equity investments at fair value through profit or loss	按公平值計入損益賬之股權投資	105,380	—	—
Due from associates	應收聯營公司	—	—	4,515
Due from related companies	應收關聯公司	—	—	4,237
Accounts receivable	應收賬項	—	—	20,655
Financial assets included in prepayments, deposits and other receivables (note 21)	計入預付款項、按金及其他應收款項的金融資產(附註21)	—	—	26,284
Pledged deposits	已抵押存款	—	—	3,000
Cash and cash equivalents	現金及現金等值項目	—	—	29,487
		105,380	9,400	88,178
				202,958

35. 按類別劃分之金融工具(續)

二零二零年(續)

金融負債

		Financial liabilities at amortised cost 按攤銷成本計量之金融負債 HK\$'000 千港元
應付賬項		8,160
計入其他應付款項及應計費用的金融負債		57,338
應付聯營公司		8,280
計息銀行及其他借貸		422,973
		496,751

二零一九年

金融資產

	Financial assets at fair value through profit or loss – designated as such upon initial recognition 按公平值計入損益的金融資產—於初始確認時指定為此類別 HK\$'000 千港元	Financial asset at fair value through other comprehensive income – equity investment 按公平值計入其他全面收益的金融資產—股權投資 HK\$'000 千港元	Financial assets at amortised cost 按攤銷成本計量之金融資產 HK\$'000 千港元	Total 總額 HK\$'000 千港元
指定按公平值計入其他全面收益之股權投資	—	9,400	—	9,400
按公平值計入損益賬之股權投資	105,380	—	—	105,380
應收聯營公司	—	—	4,515	4,515
應收關聯公司	—	—	4,237	4,237
應收賬項	—	—	20,655	20,655
計入預付款項、按金及其他應收款項的金融資產(附註21)	—	—	26,284	26,284
已抵押存款	—	—	3,000	3,000
現金及現金等值項目	—	—	29,487	29,487
	105,380	9,400	88,178	202,958

**35. FINANCIAL INSTRUMENTS BY CATEGORY
(Continued)**

2019 (Continued)

Financial liabilities

		Financial liabilities at amortised cost 按攤銷成本計量 之金融負債 HK\$'000 千港元
Accounts payable	應付賬項	6,655
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	44,891
Due to associates	應付聯營公司	5,177
Interest-bearing bank and other borrowings	計息銀行及其他借貸	419,274
		475,997

35. 按類別劃分之金融工具(續)

二零一九年(續)

金融負債

**36. FAIR VALUE AND FAIR VALUE HIERARCHY OF
FINANCIAL INSTRUMENTS**

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

36. 金融工具之公平值及公平值級別

本集團之金融工具(不包括賬面值合理約等於公平值的金融工具)的賬面值及公平值如下:

	Carrying amounts 賬面值		Fair values 公平值	
	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Financial assets	金融資產			
Equity investment designated at fair value through other comprehensive income	—	9,400	—	9,400
Equity investments at fair value through profit or loss	124,931	105,380	124,931	105,380
Financial liabilities	金融負債			
Interest-bearing bank and other borrowings (with non-current portion)	259,050	237,791	259,050	237,791

36. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

The Group's corporate finance team headed by the financial controller is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The corporate finance team reports directly to the directors of the Company. At each reporting date, the corporate finance team analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the directors of the Company.

Management has assessed that the fair values of cash and cash equivalents, pledged deposits, accounts receivable, accounts payable, financial assets included in prepayments, deposits and other receivables, financial liabilities included in other payables and accruals, amounts due from/to associates and related companies, and interest-bearing bank and other borrowings classified as current liabilities 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:

36. 金融工具之公平值及公平值級別 (續)

由財務總監領導的本集團之公司財務團隊負責釐定金融工具的公平值計量的政策及程序。公司財務團隊直接向本公司董事匯報。於各報告日期，公司財務團隊分析金融工具價值的波動並釐定估值中所應用的主要輸入數據。估值由本公司董事審閱及批准。

管理層已評估現金及現金等值項目、已抵押存款、應收賬項、應付賬項、計入預付款項、按金及其他應收款項之金融資產、計入其他應付款項及應付費用之金融負債、應收／應付聯營公司及關連公司款項及計息銀行及其他借貸並分類為流動負債之公平值，同時認為皆與其賬面值相若，主要因為該等工具皆於短期內到期。

金融資產及負債的公平值乃按有意願之雙方於當前交易中可以之達成交易（強制或停業清理拍賣除外）的金額計入。採用下列方法及假設對公平值進行估計：

36. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

The fair values of unlisted equity investments have been estimated using a market-based valuation technique based on assumptions that are supported by observable market prices or rates. As at 31 March 2020, certain unlisted equity investments carry out property redevelopment projects and the fair values of the properties under these projects are considered in the fair value assessment by the directors; while an unlisted investment carries a listed equity investment and its quoted market price is also considered in the fair value assessment by the directors. Last year's valuation also required the directors to determine comparable public companies (peers) based on industry, size, leverage and strategy, and to calculate an appropriate price multiple, such as price-to-book ("P/B") multiple and price-to-earnings ("P/E") multiple, for each comparable company identified. The multiple was calculated by dividing the enterprise value of the comparable company by an earnings measure. The trading multiple was then adjusted for considerations such as illiquidity and size differences between the comparable companies based on company-specific facts and circumstances. A discount for lack of marketability ("DLOM") is applied in the fair value assessment, representing the amounts of premium and discounts determined by the Group that market participants would take into account when pricing the investments. The adjusted multiple was applied to the corresponding equity and earnings measure of the unlisted equity investments to measure the fair value. The directors believe that the estimated fair values resulting from the valuation techniques, which are recorded in the consolidated statement of financial position, and the related changes in fair values, which are recorded in profit or loss and other comprehensive income, are reasonable, and that they were the most appropriate values at the end of the reporting period. The fair values of interest-bearing bank and other borrowings repayable beyond one year after the end of the reporting period as assessed on an individual borrowing basis have been calculated by discounting the expected future cash flows using rates currently available for instruments on similar terms, credit risk and remaining maturities.

The Group did not have any financial liabilities measured at fair value as at 31 March 2020 and 31 March 2019.

36. 金融工具之公平值及公平值級別 (續)

非上市股權投資公平值基於由可觀察市場價格或比率支持之假定採用基於市場的估值方法進行估算。於二零二零年三月三十一日，若干非上市股權投資進行物業重建項目，董事於公平值評估中亦有考慮此等項目下物業之公平值，同時亦有考慮附有上市股權投資之非上市投資以及其市場報價。於過往年度，估值亦要求董事根據行業、規模、槓桿及策略確定可比公眾公司(同業)，並為每家可比公司計算適當的價格，如市賬率(「市賬率」)倍數及市盈率(「市盈率」)倍數。倍數透過將可比公司的企業價值除以盈利指標來計算。然後根據公司特定的事實及情況，考慮諸如流動性不足和可比公司之間的規模差異等因素對買賣倍數進行調整。公平值評估上應用缺乏市場流通性折價(「缺乏市場流通性折價」)。缺乏市場流通性折價指由本集團釐定的溢價及折扣金額，而市場參與者在對該等投資定價時將考慮在內。經調整的倍數用作非上市股權投資的相應股權及盈利指標，以計量公平值。董事認為，估值方法得出的估計公平值(計入綜合財務狀況表)及公平值的相關變動(計入損益及其他全面收益)是合理的，且為報告期末最合適的價值。按個別借貸基準評估的須於報告期末後一年後償還的計息銀行及其他借貸的公平值乃以採用附帶類似條款、信貸風險及剩餘年期的工具按現時可達到的利率貼現預計未來現金流量的方式計算。

於二零二零年三月三十一日及二零一九年三月三十一日，本集團並無任何按公平值計量的金融負債。

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36. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Below is a summary of significant unobservable inputs to the valuation of financial instruments, together with a quantitative sensitivity analysis, as at 31 March 2020 and 2019:

	Valuation techniques	Significant unobservable inputs	Range	Sensitivity of fair value to the input
	估值技術	重大不可觀察輸入數據	幅度	公平值對輸入數據之敏感度
Unlisted equity investments 未上市股權投資	Investment method 投資法	Estimated rental value (per square metre and per month) and reversionary yield 估計租金價值(每平方米及每月)及復歸收益率	RMB168 to RMB258 (2019: N/A) and 5.50% to 5.75% (2019: N/A) 人民幣168元至人民幣258元 (二零一九年：不適用)及5.50%至5.75% (二零一九年：不適用)	1% increase/decrease in estimated rental value and multiple would result in increase/decrease in fair value by HK\$19,732,000 (2019: N/A) 1% 估計租金價值及倍數增加/減少將導致公平值增加/減少19,732,000港元(二零一九年：不適用)
	Direct comparison approach 直接比較法	Market unit selling price 市場單位售價	RMB105,700 (2019: RMB64,900) 人民幣105,700元 (二零一九年：人民幣64,900元)	1% increase/decrease in market unit selling price would result in increase/decrease in fair value by HK\$4,872,000 (2019: HK\$4,696,000) 1% 市場單位售價增加/減少將導致公平值增加/減少4,872,000港元(二零一九年：4,696,000港元)
		Market unit selling price 市場單位售價	HK\$22,400 (2019: HK\$24,200) 22,400港元 (二零一九年：24,200港元)	1% increase/decrease in market unit selling price would result in increase/decrease in fair value by HK\$6,942,000 (2019: HK\$8,463,000) 1% 市場單位售價增加/減少將導致公平值增加/減少6,942,000港元(二零一九年：8,463,000港元)
	Asset approach 資產法	Discount for lack of marketability 就缺乏市場流通性而折讓	20.89% to 32.30% (2019: 20.89%) 20.89%至32.30% (二零一九年：20.89%)	1% increase/decrease in multiple would result in increase/decrease in fair value by HK\$19,930,000 (2019: HK\$3,030,000) 1% 倍數增加/減少將導致公平值增加/減少19,930,000港元 (二零一九年：3,030,000港元)
	Valuation multiples 估值倍數	Average market capitalisation/equity multiple of peers (or average P/B multiple of peers) 同業平均市值/股權倍數(或同業平均市賬倍數)	N/A 不適用 (2019: 1.5 to 1.75) (二零一九年：1.5至1.75)	N/A 不適用 (2019: 1% increase/decrease in multiple would result in increase/decrease in fair value by HK\$44,000,000) (二零一九年：1% 倍數增加/減少將導致公平值增加/減少44,000,000港元)
		Average market capitalisation/earnings multiple of peers (or average P/E multiple of peers) 同業平均市值/盈利倍數(或同業平均市盈倍數)	N/A 不適用 (2019: 9.08) (二零一九年：9.08)	N/A 不適用 (2019: 1% increase/decrease in multiple would result in increase/decrease in fair value by HK\$40,000,000) (二零一九年：1% 倍數增加/減少將導致公平值增加/減少40,000,000港元)

36. 金融工具之公平值及公平值級別(續)

以下為於二零二零年及二零一九年三月三十一日對金融工具估值之重大不可觀察輸入數據概要連同定量敏感度分析：

36. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 31 March 2020

36. 金融工具之公平值及公平值級別 (續)

公平值級別

下表列示本集團金融工具之公平值計量等級：

按公平值計量的資產：

二零二零年三月三十一日

		Fair value measurement using 公平值計量使用的等級			
		Quoted prices in active markets (Level 1) 於活躍市場之 報價 (級別一) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (級別二) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (級別三) HK\$'000 千港元	Total 合計 HK\$'000 千港元
Equity investments at fair value through profit or loss	按公平值計入損益賬之 股權投資	—	—	124,931	124,931

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36. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Fair value hierarchy (Continued)

Assets measured at fair value: (Continued)

As at 31 March 2019

36. 金融工具之公平值及公平值級別 (續)

公平值級別 (續)

按公平值計量的資產：(續)

於二零一九年三月三十一日

		Fair value measurement using 公平值計量使用的等級			
		Quoted prices in active markets (Level 1) 於活躍市場的 報價 (級別一) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (級別二) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (級別三) HK\$'000 千港元	Total 總計 HK\$'000 千港元
Equity investment designated at fair value through other comprehensive income	指定為按公平值計入 其他全面收益之 股權投資	—	—	9,400	9,400
Equity investments at fair value through profit or loss	按公平值計入損益賬之 股權投資	—	—	105,380	105,380
		—	—	114,780	114,780

The movements in fair value measurements within Level 3 during the year are as follows:

年內級別三公平值計量之變動如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Equity investments — unlisted:	股權投資 — 非上市：		
At beginning of year	於年初	114,780	92,800
Purchases	購入	34,357	66,364
Disposals	出售	(16,950)	—
Total losses recognised in the statement of profit or loss	於損益表內確認的虧損 總額	(14,806)	(35,984)
Total gain/(losses) recognised in other comprehensive income	於其他全面收益確認的 收益/(虧損)總額	7,550	(8,400)
At end of year	於年末	124,931	114,780

36. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Fair value hierarchy (Continued)

Assets measured at fair value: (Continued)

As at 31 March 2020, the Group's financial liabilities not measured at fair value but for which fair values were disclosed included those interest-bearing bank and other borrowings with non-current portion of HK\$259,050,000 (2019: HK\$237,791,000). The fair values of these financial liabilities disclosed were measured based on valuation techniques for which all inputs which have a significant effect on the recorded fair value are unobservable (Level 3).

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 (2019: Nil).

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise interest-bearing bank and other borrowings, equity investments, balances with associates and related companies, cash and cash equivalents and pledged deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as accounts receivable, accounts payable, deposits and other receivables, and other payables and certain accruals, which 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 reviews and agrees policies for managing each of these risks and they are summarised below.

36. 金融工具之公平值及公平值級別 (續)

公平值級別 (續)

按公平值計量的資產：(續)

於二零二零年三月三十一日，本集團之並無以公平值計量但就此披露公平值之金融負債包括該等無即期部份計息銀行及其他借貸259,050,000港元(二零一九年：237,791,000港元)。該等金融負債所披露之公平值乃基於估值技術而計量，而該估值技術中之已入賬公平值產生重大影響之所有輸入數據均不可觀察(級別三)。

於本年度，金融資產及金融負債之級別一與級別二之間並無公平值計量之轉撥，亦無轉撥至或轉撥自級別三(二零一九年：無)。

37. 財務風險管理目標及政策

本集團主要金融工具包括計息銀行及其他借貸、股權投資、與聯營公司及關連公司之結餘、現金及現金等值項目及已抵押存款。該等金融工具之主要用途是為本集團業務籌集資金。本集團還有各種其他於其業務直接產生之其他金融資產及負債，諸如應收賬項、應付賬項、按金及其他應收款項及其他應付款項及若干應計費用。

本集團金融工具之主要風險為利率風險、外幣風險、信貸風險及流動資金風險。董事會檢討及協定管理各類風險之政策，及該等風險概述如下。

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37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates in Hong Kong and the PRC.

The interest rates and terms of repayment of interest-bearing bank and other borrowings are disclosed in note 26 to the financial statements. Other financial assets and liabilities of the Group do not have material interest rate risk. Interest-bearing bank loans and overdrafts, other interest-bearing loans, cash and cash equivalents, and short term deposits are stated at cost and are not revalued on a periodic basis. Floating-rate interest income and expense are charged to the consolidated statement of profit or loss as incurred.

The nominal interest rates of the financial instruments approximate to their respective effective interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in the Hong Kong dollar interest rate, with all other variables held constant, of the Group's profit/(loss) before tax and equity (through the impact on floating rate borrowings).

		Increase/ (decrease) in basis points 基點上升/ (下降)	Decrease/ (increase) in loss before tax 除稅前虧損 減少/(增加) HK\$'000 千港元	Increase/ (decrease) in equity* 權益增加/ (減少)* HK\$'000 千港元
2020	二零二零年			
Hong Kong dollar	港元	100	(3,817)	—
Hong Kong dollar	港元	(100)	3,817	—

37. 財務風險管理目標及政策(續)

利率風險

本集團之市場利率變動風險主要與本集團於香港及中國之浮動利率債務有關。

計息銀行及其他借貸之利率及償還條款於財務報表附註26內披露。本集團之其他金融資產及負債無重大利率風險。計息銀行貸款及透支、其他計息貸款、現金及現金等值項目及短期存款按成本列值並且不會定期進行重估。浮息收入及開支於產生時自綜合損益表扣除。

金融工具之名義利率與其各自之實際利率相若。

下表展示於其他變數保持不變的情況下，本集團除稅前溢利/(虧損)及權益(透過浮動利率借款影響)對港元利率可能出現合理波動之敏感度。

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)
Interest rate risk (Continued)

37. 財務風險管理目標及政策(續)

利率風險(續)

		Increase/ (decrease) in basis points 基點上升/ (下降)	Increase/ (decrease) in profit before tax 除稅前溢利 增加/(減少) HK\$'000 千港元	Increase/ (decrease) in equity* 權益增加/ (減少)* HK\$'000 千港元
2019	二零一九年			
Hong Kong dollar	港元	100	(4,441)	—
Hong Kong dollar	港元	(100)	4,441	—

* Excluding retained profits

* 不包括保留溢利

Foreign currency risk

The monetary assets and transactions of several subsidiaries of the Group are principally denominated in foreign currencies, which expose the Group to foreign currency risk. The Group currently has no particular hedging vehicles to hedge its exposure to foreign exchange risk. It is the Group's policy to monitor foreign exchange exposure and to make use of appropriate hedging measures when required.

外幣風險

本集團若干附屬公司之貨幣資產及交易主要以外幣為單位，因而使本集團面臨外幣風險。本集團目前並無特別對沖工具以對沖外匯風險。本集團之政策為監控外匯風險及在需要時使用適當之對沖措施。

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37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Foreign currency risk (Continued)

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the RMB exchange rate, with all other variables held constant, of the Group's profit/(loss) before tax and the Group's equity (due to changes in the fair value of monetary assets and liabilities).

		Increase/ (decrease) in exchange rate 匯率上升/ (下降) %	Increase/ (decrease) in loss before tax 除稅前虧損 減少/(增加) HK\$'000 千港元	Increase/ (decrease) in equity* 權益增加/ (減少)* HK\$'000 千港元
2020	二零二零年			
If Hong Kong dollar weakens against RMB	若港元兌人民幣轉弱	5	(14,991)	—
If Hong Kong dollar strengthens against RMB	若港元兌人民幣轉強	(5)	14,991	—
		Increase/ (decrease) in exchange rate 匯率上升/ (下降) %	Increase/ (decrease) in profit before tax 除稅前溢利 增加/(減少) HK\$'000 千港元	Increase/ (decrease) in equity* 權益增加/ (減少)* HK\$'000 千港元
2019	二零一九年			
If Hong Kong dollar weakens against RMB	若港元兌人民幣轉弱	5	(17,309)	—
If Hong Kong dollar strengthens against RMB	若港元兌人民幣轉強	(5)	17,309	—

* Excluding retained profits

37. 財務風險管理目標及政策(續)

外幣風險(續)

下表展示於報告期末其他變數保持不變的情況下，本集團除稅前溢利/(虧損)及本集團權益(因貨幣資產及負債之公平值出現變動)對人民幣匯率可能出現合理波動之敏感度。

* 不包括保留溢利

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

Maximum exposure and year-end staging

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 March 2020 and 2019. The amounts presented are gross carrying amounts for financial assets.

As at 31 March 2020

		12-month ECLs 十二個月預期信貸損失		Lifetime ECLs 全期預期信貸損失		
		Stage 1 第一階段 HK\$'000 千港元	Stage 2 第二階段 HK\$'000 千港元	Stage 3 第三階段 HK\$'000 千港元	Simplified approach 簡化方法 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Accounts receivable*	應收賬項*	—	—	—	36,134	36,134
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收款項的金融資產					
— Normal**	— 正常**	27,474	—	—	—	27,474
— Doubtful**	— 呆賬**	—	—	17,137	—	17,137
Due from associates**	應收聯營公司**	5,242	—	—	—	5,242
Due from related companies**	應收關連公司**	1,291	—	—	—	1,291
Pledged deposits	已抵押存款					
— Not yet past due	— 未逾期	3,500	—	—	—	3,500
Cash and cash equivalents	現金及現金等值項目					
— Not yet past due	— 未逾期	20,099	—	—	—	20,099
		57,606	—	17,137	36,134	110,877

37. 財務風險管理目標及政策(續)

信貸風險

本集團僅與獲認可及信譽可靠的第三方進行交易。按照本集團的政策，所有擬按信貸條款進行交易的客戶，必須經過信貸核實程序後，方可落實。此外，本集團會持續監察應收結餘的情況，而本集團的壞賬風險並不重大。

最高風險及所處年結階段

下表顯示基於本集團信貸政策的信貸質素及最高信貸風險(主要按逾期資料得出，除非其他可得資料無需付出額外成本或努力)，以及於二零二零年及二零一九年三月三十一日的年結階段分類。所呈列的金額為金融資產的總賬面值。

於二零二零年三月三十一日

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37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk (Continued)

Maximum exposure and year-end staging (Continued)

As at 31 March 2019

37. 財務風險管理目標及政策(續)

信貸風險(續)

最高風險及所處年結階段(續)

於二零一九年三月三十一日

		12-month ECLs		Lifetime ECLs		
		十二個月預期信貸損失		全期預期信貸損失		
		Stage 1	Stage 2	Stage 3	Simplified approach	Total
		第一階段	第二階段	第三階段	簡化方法	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
Accounts receivable*	應收賬項*	—	—	—	22,470	22,470
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收款項的金融資產					
— Normal**	— 正常**	26,284	—	—	—	26,284
— Doubtful**	— 呆賬**	—	—	20,179	—	20,179
Due from associates**	應收聯營公司**	4,515	—	—	—	4,515
Due from related companies**	應收關連公司**	4,237	—	—	—	4,237
Pledged deposits	已抵押存款					
— Not yet past due	— 未逾期	3,000	—	—	—	3,000
Cash and cash equivalents	現金及現金等值項目					
— Not yet past due	— 未逾期	29,487	—	—	—	29,487
		67,523	—	20,179	22,470	110,172

* For accounts receivable to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in note 20 to the financial statements.

** The credit quality of the financial assets included in prepayments, deposits and other receivables, and amounts due from associates and related companies are considered as "normal" when they are not past due and there is no information indicating that the financial assets have a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets are considered as "doubtful".

* 就本集團應用減值簡化法的應收賬款而言，根據撥備矩陣釐定的資料於財務報表附註20披露。

** 倘計入預付款項、按金及其他應收款項的金融資產及應收聯營公司及關聯公司款項並無逾期且並無資料顯示該等金融資產的信貸風險自初步確認起顯著增加，則其信貸質素被視為「正常」。反之，該等金融資產的信貸質素被視為「呆賬」。

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets (e.g., accounts receivable) and projected cash flows from operations.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and other interest-bearing borrowings. The Group's policy is to ensure the matching of maturity of its financial liabilities against that of its financial assets, and the maintenance of a current ratio, which is defined as current assets over current liabilities, at above one so as to enhance stable liquidity.

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, was as follows:

37. 財務風險管理目標及政策(續)

流動資金風險

本集團採用經常性流動資金規劃工具監控資金短缺的風險。該工具考慮其涉及金融工具及金融資產(如應收賬項)之到期日期以及自營運業務之預期營運現金流量。

本集團之目標乃是透過利用銀行透支、銀行貸款及其他計息借貸以保持融資之持續性和靈活性之平衡。本集團之政策是確保其金融負債與金融資產之到期日相配，以及維持流動比率(界定為流動資產除以流動負債之比率)處於一以上之水準，以加強穩定之流動資金。

於報告期末，本集團之金融負債根據已訂約但未貼現付款之到期情況如下：

		2020 二零二零年		
		On demand or less than 12 months 按要求或 少於十二個月 HK\$'000 千港元	1 to 5 years 一至五年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Accounts payable	應付賬項	8,160	—	8,160
Financial liabilities included in other payables and accruals	計入其他應付款項及應計 費用之金融負債	57,338	—	57,338
Due to associates	應付聯營公司	8,280	—	8,280
Interest-bearing bank and other borrowings	計息銀行及其他借貸	213,708	270,455	484,163
		287,486	270,455	557,941

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37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Liquidity risk (Continued)

37. 財務風險管理目標及政策(續)

流動資金風險(續)

		2019 二零一九年		
		On demand or less than 12 months 按要求或 少於十二個月 HK\$'000 千港元	1 to 5 years 一至五年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Accounts payable	應付賬項	6,655	—	6,655
Financial liabilities included in other payables and accruals	計入其他應付款項及應計 費用之金融負債	44,891	—	44,891
Due to associates	應付聯營公司	5,177	—	5,177
Interest-bearing bank and other borrowings	計息銀行及其他借貸	248,375	231,632	480,007
		305,098	231,632	536,730

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 support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020 and 31 March 2019.

The Group monitors capital using a gearing ratio, which is net debt divided by the total capital plus net debt. Net debt includes accounts payable, other payables and accruals, amounts due to associates and interest-bearing bank and other borrowings, less pledged deposits, and cash and cash equivalents. Capital represents equity attributable to owners of the Company.

資本管理

本集團資本管理之首要目標，乃保障本集團能夠繼續按持續經營基準經營，及維持穩健之資本比率，以支持業務運作，爭取最大之股東價值。

本集團因應經濟情況之變動，管理其資本結構並作出調整。為維持或調整資本結構，本集團可能調整向股東派發之股息、向股東派回資本或發行新股份。截至二零二零年三月三十一日及二零一九年三月三十一日止年度內，並無為資本管理而更改其目標、政策或程序。

本集團利用資本負債比率(債項淨額除以總資本加債項淨額)監控資本之情況。債項淨額包括應付賬項、其他應付款項及應計費用、應付聯營公司款項，以及計息銀行及其他借貸減已抵押存款及現金及現金等值項目。資本指本公司擁有人應佔權益。

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Capital management (Continued)

The gearing ratios as at the end of the reporting periods were as follows:

37. 財務風險管理目標及政策(續)

資本管理(續)

於報告期末，資本負債比率如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Accounts payable	應付賬項	8,160	6,655
Other payables and accruals	其他應付款項及應計費用	71,260	299,480
Due to associates	應付聯營公司	8,280	5,177
Interest-bearing bank and other borrowings	計息銀行及其他借貸	422,973	419,274
Less: Pledge deposits	減：已抵押存款	(3,500)	(3,000)
Less: Cash and cash equivalents	減：現金及現金等值項目	(20,099)	(29,487)
Net debt	債項淨額	487,074	698,099
Total capital	總資本	1,520,705	1,651,273
Total capital and net debt	總資本及債項淨額	2,007,779	2,349,372
Gearing ratio	資本負債比率	24%	30%

Notes to Financial Statements

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38. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

38. 本公司之財務狀況表

有關於報告期末本公司之財務狀況表之資料如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產		
Investments in subsidiaries	於附屬公司之投資	569,053	591,850
CURRENT ASSETS	流動資產		
Due from a related company	應收一間關連公司	42	42
Prepayments	預付款項	1	191
Cash and cash equivalents	現金及現金等值項目	792	690
Total current assets	流動資產總值	835	923
CURRENT LIABILITIES	流動負債		
Accruals	應計費用	1,337	1,355
Due to subsidiaries	應付附屬公司	62,744	62,771
Due to a related company	應付一間關連公司	—	2,249
Total current liabilities	流動負債總額	64,081	66,375
NET CURRENT LIABILITIES	流動負債淨額	(63,246)	(65,452)
Net assets	資產淨值	505,807	526,398
EQUITY	權益		
Issued capital	已發行股本	97,788	97,788
Reserves (note)	儲備(附註)	408,019	428,610
Total equity	權益總額	505,807	526,398

38. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued) 38. 本公司之財務狀況表(續)

Note:

A summary of the Company's reserves is as follows:

附註：

本公司儲備概要如下：

		Share premium account	Contributed surplus	Capital redemption reserve	Share option reserve	Retained profits	Total
		股份溢價賬	實繳盈餘	資本贖回 儲備	購股權儲備	保留溢利	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
At 1 April 2018	於二零一八年四月一日	243,040	155,531	14,457	2,398	862	416,288
Profit for the year and total comprehensive income for the year	本年度溢利及本年度全面收益總額	—	—	—	—	17,211	17,211
Expiry of share options	購股權屆滿	—	—	—	(2,398)	2,398	—
Final 2018 dividend paid	已付二零一八年末期股息	—	—	—	—	(4,889)	(4,889)
At 31 March 2019 and 1 April 2019	於二零一九年三月三十一日及二零一九年四月一日	243,040	155,531	14,457	—	15,582	428,610
Loss for the year and total comprehensive loss for the year	本年度虧損及本年度全面虧損總額	—	—	—	—	(10,811)	(10,811)
Final 2019 dividend paid	已付二零一九年末期股息	—	—	—	—	(4,890)	(4,890)
Special 2019 dividend paid	已付二零一九年特別股息	—	—	—	—	(4,890)	(4,890)
At 31 March 2020	於二零二零年三月三十一日	243,040	155,531	14,457	—	(5,009)	408,019

The Company's contributed surplus represents the excess of the fair value of the shares of the subsidiaries acquired pursuant to the Group's reorganisation on 21 May 1997 over the nominal value of the Company's shares issued in exchange therefor. Under the Companies Act 1981 of Bermuda (as amended), a distribution may be made out of the contributed surplus, provided that the Company will be able to pay its liabilities as they fall due and subsequent to the distribution, the aggregate amount of its total liabilities, issued share capital and share premium is less than the realisable value of its assets.

本公司之實繳盈餘指根據於一九九七年五月二十一日本集團重組所購入附屬公司股份之公平值高出發行以換取該等股份之本公司股份面值之差額。根據百慕達一九八一年公司法(經修訂)，實繳盈餘可作分派，條件為本公司將有能力償付其到期應付負債，且於分派後，其負債總額、已發行股本及股份溢價之合計總額須為少於其資產之可變現價值。

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38. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

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 2.4 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 retained profits should the related options expire or be forfeited.

39. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 26 June 2020.

38. 本公司之財務狀況表(續)

購股權儲備包括本公司已授出但仍未行使的購股權的公平值，財務報表附註2.4所載有關以股份為基礎之付款的會計政策載有更詳盡的解釋。有關開支將於相關購股權獲行使時轉撥至股份溢價賬，或於相關購股權屆滿或被沒收時轉撥至保留溢利。

39. 批准財務報表

本財務報表已由董事會於二零二零年六月二十六日批准及授權發行。

Summary of Financial Information

財務資料概要

A summary of the published results and of the assets, liabilities and non-controlling interests of the Group for the last five financial years is set out below.

本集團於過去五個財政年度已刊發之業績及資產、負債及非控股權益概要，載列如下。

RESULTS

業績

		Year ended 31 March 截至三月三十一日止年度				
		2020	2019	2018	2017	2016
		二零二零年	二零一九年	二零一八年	二零一七年	二零一六年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
REVENUE	收入					
Continuing operations	持續經營業務	351,614	259,417	190,783	199,683	91,467
PROFIT/(LOSS) FROM OPERATING ACTIVITIES AFTER FINANCE COSTS	扣除財務費用後經營業務所得溢利／(虧損)	(33,223)	41,094	54,562	36,575	206,413
Share of profits and losses of associates	應佔聯營公司溢利及虧損	(1,790)	(4,527)	8,671	1,616	483
PROFIT/(LOSS) BEFORE TAX	除稅前溢利／(虧損)	(35,013)	36,567	63,233	38,191	206,896
Income tax expense	所得稅開支	(2,523)	(13,165)	(16,198)	(35,069)	(73,171)
PROFIT/(LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS	本年度持續經營業務溢利／(虧損)	(37,536)	23,402	47,035	3,122	133,725
DISCONTINUED OPERATIONS	已終止經營業務					
Profit/(loss) for the year from discontinued operations	本年度已終止經營業務溢利／(虧損)	—	—	—	174,863	14,061
		(37,536)	23,402	47,035	177,985	147,786
Attributable to:	以下人士應佔：					
Owners of the Company	本公司擁有人	(35,296)	27,486	47,776	144,934	140,998
Non-controlling interests	非控股權益	(2,240)	(4,084)	(741)	33,051	6,788
		(37,536)	23,402	47,035	177,985	147,786

ASSETS, LIABILITIES AND NON-CONTROLLING INTERESTS

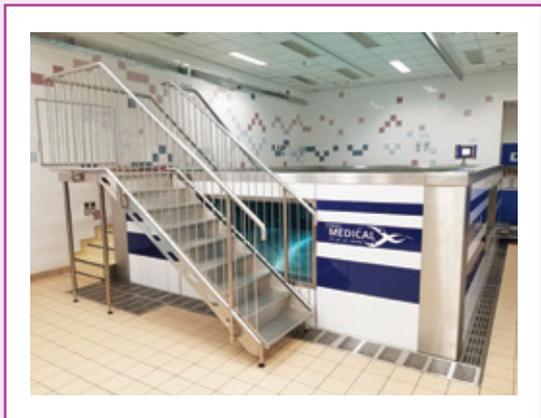
資產、負債及非控股權益

		As at 31 March				
		於三月三十一日				
		2020	2019	2018	2017	2016
		二零二零年	二零一九年	二零一八年	二零一七年	二零一六年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Total assets	總資產	2,227,228	2,591,964	2,804,205	2,783,058	3,302,666
Total liabilities	總負債	(711,552)	(944,623)	(1,154,401)	(1,326,345)	(1,921,417)
Non-controlling interests	非控股權益	5,029	3,932	609	(120)	(20,983)
		1,520,705	1,651,273	1,650,413	1,456,593	1,360,266

Trading of Medical Equipment and Home Security and Automation Products

銷售醫療設備及家居保安及自動化產品

Medical Technologies Limited 迪臣國際醫學儀器有限公司



Supply and Installation of the First Freestanding Underwater Treadmill and Modernised Hydrotherapy Pool Equipment in Hong Kong.

提供及安裝全香港首套獨立式水中跑步機和現代化水療設備。



Robotic Rehabilitating System and Air Purifying Project — Synergic Pro Medical Centre (Tsim Sha Tsui).

機械手康復系統及空氣淨化項目 — 先普專科醫務中心(尖沙咀)。



Deson Innovative Limited 迪衛智能系統有限公司

The surveillance projects involved the planning, technical consulting and equipment supply of closed-circuit television — video management system for Pacific Place, Admiralty and Get Nice Centre, Hung Hom 包括規劃、技術諮詢和提供閉路電視設備的監控項目於金鐘太古廣場及紅磡結好中心的視頻管理系統



Pacific Place, Admiralty
金鐘 - 太古廣場

Get Nice Centre, Hung Hom
紅磡 - 結好中心

