



China Baoli Technologies Holdings Limited 中國寶力科技控股有限公司

(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: 164)

2019/20

Annual Report 年報



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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors:

Mr. Zhang Yi (*Chairman*)

Ms. Chu Wei Ning (*Chief Executive Officer*)

Ms. Lam Sze Man

Independent Non-executive Directors:

Mr. Chan Fong Kong, Francis

Mr. Chan Kee Huen, Michael

Mr. Feng Man

AUDIT COMMITTEE

Mr. Chan Kee Huen, Michael (*Chairman*)

Mr. Chan Fong Kong, Francis

Mr. Feng Man

REMUNERATION COMMITTEE

Mr. Chan Fong Kong, Francis (*Chairman*)

Mr. Chan Kee Huen, Michael

NOMINATION COMMITTEE

Mr. Chan Kee Huen, Michael (*Chairman*)

Mr. Chan Fong Kong, Francis

COMPANY SECRETARY

Ms. Huen Lai Chun

AUTHORISED REPRESENTATIVES

Ms. Chu Wei Ning

Ms. Huen Lai Chun

PRINCIPAL BANKER

The Hongkong and Shanghai Banking Corporation Limited

LEGAL ADVISER

Sidley Austin

39/F, Two International Finance Centre

Central, Hong Kong

董事會

執行董事：

張依先生(主席)

祝蔚寧女士(行政總裁)

林詩敏女士

獨立非執行董事：

陳方剛先生

陳記煊先生

馮滿先生

審核委員會

陳記煊先生(主席)

陳方剛先生

馮滿先生

薪酬委員會

陳方剛先生(主席)

陳記煊先生

提名委員會

陳記煊先生(主席)

陳方剛先生

公司秘書

禰麗珍女士

授權代表

祝蔚寧女士

禰麗珍女士

主要往來銀行

香港上海滙豐銀行有限公司

法律顧問

盛德律師事務所

香港中環

國際金融中心二期39樓

AUDITOR

Asian Alliance (HK) CPA Limited
Certified Public Accountants
8/F, Catic Plaza
8 Causeway Road
Causeway Bay
Hong Kong

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suites 3103-04, 31/F, Oxford House, Taikoo Place,
979 King's Road, Quarry Bay
Hong Kong

BERMUDA PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

MUFG Fund Services (Bermuda) Limited
4th Floor North, Cedar House
41 Cedar Avenue
Hamilton HM12
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

PLACING OF LISTING

Stock Exchange

STOCK CODE

164

核數師

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執業會計師
香港
銅鑼灣
高士威道8號
航空大廈8樓

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

香港主要營業地點

香港
鯉魚涌英皇道979號
太古坊濠豐大廈31樓3103-04室

百慕達主要股份過戶登記處

MUFG Fund Services (Bermuda) Limited
4th Floor North, Cedar House
41 Cedar Avenue
Hamilton HM12
Bermuda

香港股份過戶登記處分處

卓佳秘書商務有限公司
香港
皇后大道東183號
合和中心54樓

上市地點

聯交所

股份代號

164

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

The Group was principally engaged in mobile and multi-media technologies business, gamma ray irradiation services, tourism and hospitality business, and other operations — securities trading and investment.

The year under review was a turbulent year for the Group. Its businesses in Hong Kong and mainland China were being adversely affected by the intensification of geopolitical and trade tensions, the social incidents in Hong Kong and the outbreak of COVID-19 pandemic. The effect on the tourism and hospitality segment was particularly severe.

The ongoing Sino-US trade disputes and the COVID-19 pandemic are expected to continue to affect the economy and, in turn, the Group will face significant local and global challenges in the next financial year. The Group, under such conditions, will continue to deploy its mobile and multi-media technologies in expanding the product range by putting its proprietary technologies to application in the multi-media and advertising platforms. The Group will explore potential strategic investments and cooperation opportunities in expanding the scope of businesses in train media segment and gamma ray segment, so as to achieve growth and create value for shareholders in the long term.

Mobile and Multi-media Technologies Business

The Group has gained a strong foothold in the industry of mobile and multi-media technologies in China. The Group has also accumulated technologies, expertise, network and software resources in the construction of scalable multi-media sharing and advertising platforms and the dissemination and transmission of information via such platforms. Given the escalating trade dispute between China and the United States and China's slowdown in economic growth, the mobile technologies business in China market is expected to be volatile and will remain challenging in the foreseeable future. Therefore, the Group is focusing on putting its proprietary technologies into application, thereby strengthening its asset-light, less capital-intensive technology focused mobile and multi-media sharing and advertising platform business.

One substantial application of such knowhow and expertise is transport and other panels in the city centers. As portals to cities, trains are the city's nerve center and the daily channels for millions of people. It has transformed from a simple traffic tool to a living space on its own and can reach an ever-larger captive, network audience which is highly valued by advertisers. The Group helps clients produce high-quality and tailor-made multi-media contents on display media and O2O advertising which can be accessed by millions of travellers in one of the most developed train networks in the world, thereby providing a strategic and effective channel for the PRC and international brands to increase their brand awareness and promote their business in the Guangdong-Hong Kong-Macao Bay Area.

業務回顧

本集團主要從事手機及多媒體技術業務、伽瑪射線照射服務、旅遊及消閒業務以及其他業務 — 證券買賣及投資。

回顧年度對於本集團而言乃動盪不安的一年。地緣政治加劇、貿易衝突升溫、香港爆發社會事件及新冠肺炎疫情爆發對其於香港及中國內地的業務造成不利影響，對旅遊及消閒業務分部的影響尤為嚴重。

中美貿易糾紛僵持及新冠肺炎疫情料將繼續影響經濟，本集團因此於下一個財政年度將面臨來自當地及全球的重重挑戰。有見於此，本集團將其專有技術應用於多媒體及廣告平台，繼續部署自有手機及多媒體技術擴大產品範圍。本集團將挖掘潛在戰略投資及合作機遇，以求擴大列車媒體分部及伽瑪射線分部業務範圍，藉此實現增長並為股東創造長遠價值。

手機及多媒體技術業務

本集團於中國手機及多媒體技術行業穩站一席之地。本集團亦在建設可擴展的多媒體共享及廣告平台以及透過有關平台發佈及傳輸信息方面積累豐富技術、專業知識、網絡及軟件資源。隨著中國與美國之間的貿易糾紛升級，加上中國經濟增長減速，中國市場之手機技術業務預計會出現波動，並將於可預見未來仍面臨挑戰。因此，本集團致力將其專有技術投入應用，從而加強其輕資產、低資本密集度及以技術為重心之手機以及多媒體共享及廣告平台業務。

市中心交通及其他廣告牌即為有關技術及專業知識的重要應用領域之一。作為城市入口，火車是一個城市之神經中樞及數以百萬計人口之日常渠道。就火車本身而言，其已經由一種普通的交通工具轉變為一種生活空間，能夠觸及越來越多被動之網絡受眾，受到廣告商之高度重視。本集團協助客戶製作優質和量身訂做之播放媒體及O2O廣告多媒體內容，可接觸全球其中一個發展最完善之鐵路網絡內數以百萬計之乘客，從而為中國和國際品牌提供具策略性之有效渠道，以於粵港澳大灣區內增強品牌知名度及推廣業務。

Management Discussion and Analysis (continued)

管理層討論及分析(續)

BUSINESS REVIEW (continued)

Mobile and Multi-media Technologies Business (continued)

On 6 June 2019, the Group completed the acquisition of the entire equity interests of two outdoor advertisement and media companies, Hong Kong Made (Media) Limited and Ample Success Limited, which, possess the rights to operate multi-media business on Guangzhou-Shenzhen China Railway High-speed Harmony Series trains (廣深線和諧號) (the “GSCR Hexiehao Trains”). Through such acquisition, the Group is entitled to an exclusive usage of and the operating right to the 25 trains of GSCR Hexiehao Trains media and advertising business.

Apart from GSCR Hexiehao Trains, the Group has also looked into other opportunities which can deploy its edge and expertise in expanding the train media network, including but not limited to other train media related projects and advertising agency projects.

As at the date of this report, a variety of businesses, including but not limited to consumer products, mobile communications and automobile manufacturing, have placed multi-media contents on display media and O2O advertising on GSCR Hexiehao Trains.

Due to the COVID-19 outbreak in early 2020, most of the railway transport network services in mainland China have been largely reduced or suspended, as a result of which the performance of the train media business of the Group has inevitably been affected. Following the lift of travel restrictions in mainland China, the train media business is expected to resume gradually.

In the interim, the Group continues to be actively engaged in discussions with a number of new and existing customers placing multi-media contents on GSCR Hexiehao Trains. The Group has successfully built up its competitive advantage in multi-media and advertising platforms business and has attracted its existing clients to further retain the Group for its services. The Group will continue to develop its businesses related to multi-media technologies via different channels in China, thereby creating additional revenue to the Group and improving the Group's profitability to deliver long-term benefits to the Group and its Shareholders.

業務回顧(續)

手機及多媒體技術業務(續)

於二零一九年六月六日，本集團完成收購兩家戶外廣告及媒體公司，即香港製作(媒體)有限公司及博功有限公司的全部股本權益，該兩家公司有權於廣深線和諧號(「廣深線和諧號」)經營多媒體業務。透過有關收購，本集團享有25列廣深線和諧號媒體及廣告業務之獨家廣告使用權及經營權。

除廣深線和諧號外，本集團亦尋找其他機會充分利用其優勢及專長擴充列車媒體網絡，包括但不限於其他列車媒體相關項目及廣告代理項目。

於本報告日期，各類業務(包括但不限於消費品、移動通信及汽車製造)均在廣深線和諧號上投放播放媒體及O2O廣告多媒體內容。

由於二零二零年年初爆發新冠肺炎疫情，中國內地大部分鐵路運輸網絡服務大幅度減少或停運，因此本集團列車媒體業務之表現不可避免地受到影響。隨著內地解除旅遊限制後，列車媒體業務預期將逐步恢復。

於此期間，本集團繼續積極與於廣深線和諧號上投放多媒體內容的多個新客戶及現有客戶進行溝通。本集團成功鞏固其於多媒體及廣告平台業務方面的競爭優勢，並吸引現有客戶繼續使用本集團提供的服務。本集團將繼續於中國透過不同渠道開發與多媒體技術相關的業務，為本集團產生額外的收入並提高本集團的盈利能力以為本集團及其股東帶來長期的利益。

Management Discussion and Analysis (continued)

管理層討論及分析(續)

BUSINESS REVIEW (continued)

Mobile and Multi-media Technologies Business (continued)

During the year under review, the revenue from this segment was approximately HK\$39,946,000 (2019: HK\$34,610,000). Segment loss was approximately HK\$114,264,000 (2019: HK\$1,180,876,000). The Group considers that following the ease of lockdown measures in mainland China, the Group will allocate more resources to retain and to attract more customers in placing multi-media contents on GSCR Hexiehao Trains. This helps the Group in developing a scalable multi-media and mobile technologies business going forward.

Gamma Ray Irradiation Services

During the year under review, the Group's gamma ray irradiation business continued to provide irradiation sterilization processing services to different clients through a 80% owned subsidiary which is licensed by 中華人民共和國環境保護部 (Ministry of Environmental Protection of the PRC**). This segment performance was relatively less affected by the COVID-19 pandemic. Revenue generated from the gamma ray irradiation services for the year under review was approximately HK\$4,675,000 (2019: HK\$4,743,000). Segment loss was approximately HK\$1,250,000 (2019: HK\$2,515,000).

Following the reorganization of the Group in the year under review, the Group has formed a new wholly-owned subsidiary, Gamma Ray Technologies Services Limited, which is actively exploring opportunities to broaden the Group's gamma ray technologies to other industries applications such as metals and other commodities, healthcare and other industries.

Tourism and Hospitality Business

In 2019, real gross domestic product in Hong Kong contracted by 1.2%, the first annual decline since a decade. The weakening economic conditions dampened consumer sentiment, and the local social incidents and frictions in trade between China and the United States took a heavy toll on travel and tourism industry and other consumption-related sectors.

Total number of visitor arrivals in Hong Kong last year plunged 14.2 percent year-on-year to nearly 56 million as travelers shunned the city which has been rocked by the social incidents since mid-June 2019. After the outbreak of COVID-19 pandemic, the situation became worse and the total number of visitor arrivals has further plunged 80.9 percent year-on-year to less than 3.5 million; while the levy income slumped almost 82 percent in February 2020 year-on-year which reflected that the outbound market was also heavily struck by the pandemic.

業務回顧(續)

手機及多媒體技術業務(續)

於回顧年度內，本分部的收入約為39,946,000港元(二零一九年：34,610,000港元)。分部虧損約為114,264,000港元(二零一九年：1,180,876,000港元)。本集團認為隨著中國內地逐步解封，本集團將投入更多資源保留及吸引更多客戶在廣深線和諧號上投放多媒體內容，此舉有助本集團在未來打造一個可擴展的多媒體及手機技術業務。

伽瑪射線照射服務

於回顧年度內，本集團伽瑪射線照射業務繼續透過擁有80%權益之附屬公司向不同客戶提供放射消毒處理服務，該公司已獲中華人民共和國環境保護部發出許可證。該分部表現受新冠肺炎疫情影響相對較少。於回顧年度，伽瑪射線照射服務產生收入約4,675,000港元(二零一九年：4,743,000港元)。分部虧損為約1,250,000港元(二零一九年：2,515,000港元)。

於本集團於回顧年度重組後，本集團設立一家新全資附屬公司伽瑪射線技術服務有限公司，該公司積極探尋機會以將本集團伽瑪射線技術擴展至金屬及其他商品及保健等其他行業應用。

旅遊及消閒業務

於二零一九年，香港實際本地生產總值萎縮1.2%，乃十年來首次出現年度下滑。經濟狀況疲弱導致消費氛圍不振，加上當地社會事件爆發及中美貿易摩擦，嚴重打擊旅遊業及其他消費相關行業。

由於二零一九年六月中旬以來香港飽受社會事件衝擊，令遊客擔憂而紛紛遠離，去年訪港遊客總數同比下跌14.2%至接近56,000,000人次。爆發新冠肺炎疫情後，此情況雪上加霜，訪港遊客總數進一步同比暴跌80.9%至不足3,500,000人次，同時徵費收入於二零二零年二月同比下滑近82%，表明出境市場亦因疫情受到嚴重衝擊。

Management Discussion and Analysis (continued)

管理層討論及分析(續)

BUSINESS REVIEW (continued)

Tourism and Hospitality Business (continued)

During the year under review, the revenue in the tourism and hospitality business recorded a 10.4% year-on-year decline from approximately HK\$5,227,000 for the year ended 31 March 2019 to approximately HK\$4,681,000 for the year ended 31 March 2020.

The declining social, political, economic and financial environment in mainland China and Hong Kong due to the social incidents and the outbreak of COVID-19 pandemic seriously damaged not only the travel industry, but also the operation, financial position and cashflows of We Fly Travel Limited ("We Fly"), a non-wholly owned subsidiary of the Company, which operated an online travel product booking platform. We Fly received the winding-up petition presented by the Company on 20 March 2020 on the ground that We Fly is insolvent and unable to pay its debt.

On 24 June 2020, We Fly was ordered to be wound up by the High Court of Hong Kong (the "High Court") under the provisions of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). On 29 June 2020, the Company received a sealed copy of the winding up order against We Fly from the High Court.

Other Operations — Securities Trading and Investment

The Group's securities trading and investment business continued to adopt a wait and see attitude investment strategy during the year under review. The Group's securities trading and investment business reported a loss of approximately HK\$3,589,000 (2019: HK\$4,420,000), representing net unrealised losses of approximately HK\$266,000 (2019: HK\$1,377,000) arising from change in fair value of listed securities held for trading. As at 31 March 2020, the carrying amount of the listed securities was approximately HK\$512,000 (31 March 2019: HK\$778,000).

業務回顧(續)

旅遊及消閒業務(續)

於回顧年度內，旅遊及消閒業務所得收入同比減少10.4%，由截至二零一九年三月三十一日止年度約5,227,000港元減至截至二零二零年三月三十一日止年度約4,681,000港元。

由於社會事件及新冠肺炎疫情爆發，中國內地及香港的社會、政治、經濟及金融環境不斷惡化，對旅遊業甚至愛飛旅遊有限公司（「愛飛」，本公司一家非全資附屬公司，經營網上旅遊產品預訂平台）的經營、財務狀況及現金流量均造成嚴重危害。愛飛於二零二零年三月二十日接獲本公司呈交之清盤呈請，該清盤呈請乃因愛飛喪失償債能力及無法償還其債務。

於二零二零年六月二十四日，愛飛被香港高等法院（「高等法院」）根據香港法例第32章公司（清盤及雜項條文）條例的規定頒令清盤。於二零二零年六月二十九日，本公司接獲高等法院對愛飛頒佈的清盤令的蓋印副本。

其他業務 — 證券買賣及投資

於回顧年度，本集團的證券買賣及投資業務繼續採取持觀望態度之投資策略。本集團的證券買賣及投資業務錄得虧損約3,589,000港元（二零一九年：4,420,000港元），為因持作買賣上市證券公平值變動而產生之未變現虧損淨額約266,000港元（二零一九年：1,377,000港元）。於二零二零年三月三十一日，上市證券之賬面值為約512,000港元（二零一九年三月三十一日：778,000港元）。

Management Discussion and Analysis (continued)

管理層討論及分析(續)

BUSINESS REVIEW (continued)

Other Operations — Securities Trading and Investment (continued)

A summary of the listed securities held by the Group during the year under review is set out in the table below.

Company name	Place of incorporation	Percentage of shareholdings in equity investment as at 31 March 2020	Percentage of total asset of the Group as at 31 March 2020	Fair value as at 31 March 2020	Unrealised gain (loss) on fair value change for the year	Realised gain (loss) on fair value change for the year	Dividend received	Principal activities
公司名稱	註冊成立地點	於二零二零年三月三十一日佔股本投資股權之百分比	於二零二零年三月三十一日佔本集團總資產之百分比	於二零二零年三月三十一日之公平值 HK\$'000 千港元	本年度公平值變動之未變現收益(虧損) HK\$'000 千港元	本年度公平值變動之已變現收益(虧損) HK\$'000 千港元	已收股息 HK\$'000 千港元	主要業務
REXLot Holdings Limited	Bermuda	0.117%	—	—	(390)	—	—	Development of the lottery systems and games, as well as the distribution and marketing of lottery products in the PRC
御泰中彩控股有限公司	百慕達							於中國開發彩票系統及遊戲，以及分銷及營銷彩票產品
Greatwalle Inc	Cayman Islands	0.321%	0.296%	512	124	—	—	Provision of security guarding services and mobile game business
長城匯理公司	開曼群島							提供保安護衛服務及手機遊戲業務

業務回顧(續)

其他業務 — 證券買賣及投資(續)

下表載列本集團於回顧年度持有之上市證券概要。

MAJOR RISKS OF THE GROUP

The following risks were identified as the major risks of the Group during the year under review:

Health and social incidents may cause disruption on business

Widespread outbreak of COVID-19 pandemic and the social incidents in Hong Kong since June 2019 have disrupted the normal businesses operations. The Group's business is sensitive to the infectious diseases which could cause severe disruptions in trains and other forms of travel, and which would result in a decrease in demand for employing the Company's multi-media technologies and advertising platform. Regional political events or civil unrest will hamper domestic and international travel. Any of these events may disrupt the Company's business and operations and specifically, if the global response to contain the COVID-19 pandemic escalates or is unsuccessful, it may result in decreases in travel to and from, and economic activity in, areas in which the Company operates, thereby causing a material adverse effect on the Company's business, financial condition, results of operations and cash flows.

本集團之主要風險

於回顧年度，本集團之主要風險識別如下：

健康及社會事件可能造成業務中斷

新冠肺炎疫情肆虐蔓延，加上二零一九年六月以來香港社會事件不斷，造成正常業務營運中斷。本集團的業務易受傳染疾病影響，蓋因可能對列車及其他旅遊方式造成嚴重中斷，進而導致採用本公司多媒體技術及廣告平台的需求減少。地區政治事件或社會動亂將對國內外旅遊造成衝擊。發生任何該等事件，可能導致本公司業務營運中斷，特別是倘全球防疫措施升級或未能有效控制疫情，或會導致本公司經營所在地區的旅遊及經濟活動減少，從而對本公司的業務、財務狀況、經營業績及現金流造成重大不利影響。

Management Discussion and Analysis (continued)

管理層討論及分析(續)

MAJOR RISKS OF THE GROUP (continued)

Change of government policies

As a result of the COVID-19 pandemic, preventive measures and restrictions, among others, the compulsory quarantine measures for travellers had been put in place in the mainland China and Hong Kong. Policies and measures adopted from time to time by the Chinese and Hong Kong government have, and any future policy developments implemented may have, the effect of reducing the number of travellers which could adversely impact tourism and the multi-media technologies and advertising platform business of the Company.

Slow down of global and China economy

The Group's business is particularly sensitive to reductions in discretionary consumer and corporate spending as a result of downturns in the economy. Consumer demand for consumer products such as mobile is particularly sensitive to downturns in the economy and the corresponding impact on discretionary spending. Changes in discretionary consumer spending could reduce corporate demand for the multi-media technologies and advertising platform business, thus imposing additional limits on pricing and harming the business operations of the Company. The actual or perceived economy performance could adversely impact the multi-media technologies and advertising platform business and tourism and hospitality business of the Company.

The recent trade war between the China and the US has created a lot of uncertainties and risks on the global economy, in particular the Chinese and the US economies. If there is a slowdown in the growth of the China economy, Hong Kong's economies would suffer as less China tourists will visit Hong Kong, thereby affecting the Group's tourism and hospitality business. It might also drive up the price of the components of the Group's products, thereby increasing the costs of the Group. If the trade war continues, it might materially and adversely impact the Group's business.

Operating risk

The Group's multi-media and advertising platform business depends upon an independent third-party ("Licensor") licenses for the exclusive rights of usage of and the operating right to the 25 trains of GSCR Hexiehao Trains media and advertising business. Any adverse changes to, or loss of, our relationships with the Licensor may materially and adversely affect the renewal of the license, and in turn, materially and adversely affect the Group's business, operating results, and financial condition.

Even when the Group is able to enter into license agreement with the Licensor, the Group cannot guarantee that such agreements will continue to be renewed indefinitely. It is also possible that such agreements will never be renewed at all. The lack of renewal, or termination, of the license agreements, or the renewal of license agreements on less favorable terms, could have a material adverse effect on the Group's business, financial condition and results of operations.

本集團之主要風險(續)

政府政策變動

由於爆發新冠肺炎疫情，中國內地及香港均對遊客實施強制隔離等防疫措施及限制。中國及香港政府不時採納的政策及措施已經且日後出台的任何政策可能會導致遊客數量減少，從而可能會對本公司的旅遊以及多媒體技術及廣告平台業務造成不利影響。

全球及中國經濟放緩

經濟衰退導致消費者及企業可支配支出減少，令本集團業務備受衝擊。消費者對手機等消費品的需求，易受經濟低迷及引致的可支配支出減少所影響。消費者可支配支出的變化，可能導致企業對多媒體技術及廣告平台業務的需求減少，從而令本公司面臨更大價格壓力，並對本公司業務營運造成衝擊。實際或認知經濟表現可能會對本公司的多媒體技術及廣告平台業務以及旅遊及消閒業務造成不利影響。

中國與美國最近爆發貿易戰，為環球經濟帶來許多不確定性及風險，尤其是中美經濟。倘中國經濟增長放緩，則香港經濟可能面對中國旅客減少到訪香港之打擊，本集團之旅遊及消閒業務將繼而受到影響。中美貿易戰亦可能推高本集團產品部件之價格，繼而令本集團成本上升。倘貿易戰持續，則可能對本集團之業務造成重大不利影響。

營運風險

本集團的多媒體及廣告平台業務取決於25列廣深線和諧號列車媒體及廣告業務之獨家使用及經營權的獨立第三方(「許可方」)許可。倘我們與許可方的關係出現任何逆轉或結束，可能會對許可續期造成重大不利影響，從而會對本集團的業務、經營業績及財務狀況造成重大不利影響。

即使本集團能夠與許可方訂立許可協議，本集團無法保證能夠不限期地繼續重續有關協議，也可能根本無法重續有關協議。倘未能重續許可協議或有關協議被終止，或以較為不利的條款重續許可協議，均可能對本集團的業務、財務狀況及經營業績造成重大不利影響。

Management Discussion and Analysis (continued)

管理層討論及分析(續)

MAJOR RISKS OF THE GROUP (continued)

Loss of key individuals or the inability to attract and retain high-calibre personnel

Loss of key individuals could result in an adverse impact on the Group's operation and profitability. The risk of the loss of key personnel is mitigated by regular reviews of human resource management system, remuneration packages and succession planning within the management team.

Cyber and information security risk

Frequency of cyber-attacks like sophisticated phishing campaigns and ransomware have continuously increased in recent years. The potential threat of cyber-attacks is increasing. Cyber-attacks may lead to loss of information, leakage of confidential information, unavailability of systems and disruption of operation that significant costs may be incurred for data recovery and system restoration, and/or possible claims. The Group manages this risk by implementing security measures such as firewall, antispam and anti-virus protection.

CORPORATE, ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

The Group is committed to the long-term sustainability of its various businesses and recognises the importance of the views and interests of its stakeholders such as employees, customers, shareholders, business partners, regulators and the public in making its business decisions.

Environmental Protection

The Group is committed to minimising the impact of business activities on the environment, and supporting environmental protection programs. Management established environmental policy and communicated measurable environmental objectives and targets on energy and paper consumption. In particular, a number of initiatives designed to conserve resources, including paper recycle and electricity conservation, were introduced to promote employees' awareness of the need to achieve efficient utilisation of resources. In addition, measures were taken to reduce paper consumption in offices. These should help in building a sustainable environment for the Group.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

As far as the Board is aware, the Group has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Group.

本集團之主要風險(續)

關鍵人員流失或無法吸引及挽留優秀人才

關鍵人員流失可能會對本集團的營運及盈利能力造成不利影響。關鍵人員流失的風險可透過以下方式予以減輕：定期檢討人力資源管理系統、管理層團隊內部的薪酬方案及繼任規劃。

網絡及信息安全風險

近年來，複雜的網絡釣魚活動及勒索軟件等網絡攻擊的頻率持續上升。網絡攻擊的潛在威脅正日益增加。網絡攻擊可能會導致資料丟失、機密資料洩漏、系統不可用及運作中斷，從而可能就數據恢復及系統恢復及／或可能的申索而產生大量成本。本集團透過實施防火牆、反垃圾郵件及反病毒防護等安全措施管理該風險。

企業、環境及社會責任

本集團致力維持各項業務長遠可持續發展，並深明其持份者(如僱員、客戶、股東、業務夥伴、監管人及公眾人士)之意見及利益於作出營商決定時極為重要。

環境保護

本集團致力盡量減少業務活動對環境造成之影響，同時支持環保計劃。管理層已制定環保政策，並就能源及紙張消耗定下可計量環保宗旨及目標。本集團特別引進多項節約資源之措施，包括回收紙張及節約電力，從而令僱員意識到需要有效運用資源。此外，本集團亦採取措施減少辦公室紙張消耗。上述措施應有助於本集團建立可持續發展之環境。

遵守相關法律及法規

就董事會所知，本集團已在重大方面遵守對本集團業務及營運有重大影響之相關法律及法規。

Management Discussion and Analysis (continued)

管理層討論及分析(續)

RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND BUSINESS PARTNERS

The Group recognises its employees, customers and business partners are the keys to maintain the sustainable development of the Group. The Group is committed to building a close and intimate relationship with its employees, providing quality services and products to its customers, and enhancing cooperation with its business partners.

Employees are regarded as one of the vital and valuable assets of the Group. The Group encourages employees to participate in external seminars and lectures to keep abreast of changes and to enhance their knowledge on areas of industrial, legal and compliance. The Group also encourages continuous professional development training for the Directors to develop and refresh their knowledge and skills, which include seminars on updating regulatory requirement and development, and corporate governance practices.

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

IMPORTANT EVENTS AFTER THE REPORTING PERIOD

- (a) On 13 July 2020, Shanghai YunYao Culture & Media Limited* (上海雲遙文化傳媒有限公司) (the “Purchaser”), a wholly owned subsidiary of the Company, and Mr. Xu Shang Wu* (徐尚武) and Ms. Ou Xian Lan* (歐憲蘭) (the “Vendors”) entered into the share transfer agreements and supplemental agreements (collectively referred to the “Share Transfer Agreements”), pursuant to which the Vendors conditionally agreed to sell and the Purchaser conditionally agreed to purchase an aggregate of 80% of the entire issued share capital of ShenZhen ZiJun Media Company Limited* (深圳鈺駿傳媒有限公司) (“ZiJun”), for an aggregate consideration of RMB1,825,800 (equivalent to approximately HK\$2,008,380), which shall be satisfied in cash to the Vendors or their nominee in accordance with the terms and conditions of the Share Transfer Agreements. ZiJun has extensive experience in coordinating the operation of train media business in mainland China and is currently the Company’s agent organizing and coordinating the operation of the Company’s multi-media and advertising platform business. Through the acquisition, it will allow the Company to have better control of the agent. It will also create a synergetic effect and facilitate the operation of the Group’s train media business. The Group has put a lot of efforts and resources in building the multi-media sharing and advertising platform to today’s scale, and believes that the performance of the multi-media technologies and advertising business will improve and will continue to be one of the key revenue drivers of the Group.

與僱員、客戶及業務夥伴之關係

本集團深知其僱員、客戶及業務夥伴對於維持本集團持續發展至關重要。本集團致力與僱員建立深厚密切關係，向客戶提供優質服務及產品，並與業務夥伴加強合作。

僱員乃本集團重要及寶貴的資產之一。本集團鼓勵僱員參與外部研討會及講座，以緊貼、把握及提升行業、法律及合規知識。本集團亦推動董事之持續專業發展培訓，以提升及更新彼等之知識及技能，包括有關最新監管規定及發展以及企業管治常規之研討會。

本集團亦透過電話、電子郵件及親身會面等方式，與客戶及業務夥伴保持聯繫及溝通，以獲取彼等之回饋及意見。

報告期後重要事項

- (a) 於二零二零年七月十三日，本公司全資附屬公司上海雲遙文化傳媒有限公司(「買方」)與徐尚武先生及歐憲蘭女士(「賣方」)訂立股份轉讓協議及補充協議(統稱「股份轉讓協議」)，據此，賣方有條件同意出售而買方有條件同意購買深圳鈺駿傳媒有限公司(「鈺駿」)全部已發行股本的合計80%，總代價為人民幣1,825,800元(相當於約2,008,380港元)，將根據股份轉讓協議的條款及條件向賣方或其代名人以現金結付。鈺駿於中國內地經營列車媒體業務的協調方面擁有豐富經驗，現為本公司的代理公司，組織及協調本公司多媒體及廣告平台業務的經營。透過是次收購，本公司能夠更好地控制該代理公司，亦有助創造協同效應及推動本集團列車媒體業務的經營。本集團投入大量精力及資源，將多媒體共享及廣告平台發展至現今規模，並相信多媒體技術及廣告業務表現有望改善及將仍為本集團的主要收益來源之一。

Management Discussion and Analysis (continued)

管理層討論及分析(續)

IMPORTANT EVENTS AFTER THE REPORTING PERIOD (continued)

- (b) The outbreak of COVID-19 since early 2020 has brought about additional uncertainties in the Group's operating environment and has impacted the Group's operations and financial position and performance.

The Group has been closely monitoring the impact of the developments on the Group's businesses and has put in place contingency measures. These contingency measures include: exploring business opportunities in those businesses less influenced by COVID-19, such as gamma ray segment. The Company is in discussion of business cooperation with a state-owned enterprise in relation to gamma ray technologies. The Group will keep its contingency measures under review as the situation evolves.

This is not practicable to estimate the impact of COVID-19 on the financials of the Group as at the date of this report. However, following the lift of travel restrictions related to the COVID-19 pandemic in mainland China, the railway transport network services in mainland China have started to resume gradually. In the interim, the Company continues to be actively engaged in discussions with a number of new and existing customers placing multi-media contents on GSCR Hexiehao Trains. The Company expects its mobile and multi-media technologies business will regain its momentum once the COVID-19 pandemic has subsided and will continue a major drive in developing a scalable mobile and multi-media technology business going forward.

BUSINESS MODEL AND BUSINESS STRATEGY

Diversification is our core business strategy. The Group is committed to achieving long-term sustainable growth of its businesses in preserving and enhancing the Shareholders' value. The Group is focused on looking for attractive investment opportunities to strengthen and widen its business scope. The Group has maintained a prudent and disciplined financial management to ensure its sustainability.

PROSPECTS

COVID-19 is an unprecedented incident affecting not only the region but the entire world. The Company faces a very challenging business environment during the year, especially tourism and hospitality segment. In order to mitigate these challenges, the Group will adopt a flexible approach in allocating its resources, taking into account factors such as costs, market conditions and risk diversification, to make the Group's businesses more resilient. In view of the foregoing, the Group will continue to allocate substantial resources to multi-media technologies business segment and the gamma ray segment under the Group's long-term strategy and will seek to diversify the distribution channels and further enhance its knowhow and expertise in the multi-media sharing and advertising platform and gamma ray technology so as to achieve prominent growth in these business segments.

報告期後重要事項(續)

- (b) 自二零二零年年初以來，新冠肺炎疫情的爆發給本集團的經營增添不確定因素，並影響本集團的經營及財務狀況及表現。

本集團一直密切監察疫情發展對本集團業務造成的影響，並已採取應急措施。該等應急措施包括：挖掘伽瑪射線分部等受新冠肺炎疫情影響較小的業務的商機。本公司正與一家國有企業就伽瑪射線技術展開業務合作商討。隨著疫情形勢變化，本集團將持續檢討其應急措施。

於本報告日期估計新冠肺炎疫情對本集團財務狀況的影響並不切實可行。然而，隨著中國內地解除因新冠肺炎疫情施加的旅遊限制，中國內地的鐵路交通網絡服務已開始逐步恢復。於此期間，本公司繼續積極就於廣深線和諧號上投放多媒體內容與多名新客戶及現有客戶展開商討。本公司預期，一旦新冠肺炎疫情消退，其手機及多媒體技術業務將重拾增長動力，且於未來將繼續致力打造可擴展的手機及多媒體技術業務。

業務模式及業務策略

多元化乃我們核心業務策略之本。本集團致力實現業務之長遠可持續發展，以保持及提升股東價值。本集團專注物色具吸引力之投資機會，以加強及擴大其業務範圍。本集團維持審慎及有紀律之財務管理，以確保其可持續發展。

前景

新冠肺炎疫情前所未有，不僅對區內亦對整個世界造成影響。年內本公司面臨嚴峻的營商環境，尤其是旅遊及消閒業務分部。為降低所面臨的挑戰，本集團會以靈活方式分配資源，充分考慮成本、市況及風險分散等因素以使其業務較為快速地恢復。有見上文所述，本集團將繼續根據本集團長期策略分配大量資源至多媒體技術業務分部以及伽瑪射線業務分部，並將使其分銷渠道多元化，同時進一步提升自身在多媒體共享及廣告平台及伽瑪射線技術方面的技術及專業知識以期實現該等業務分部的顯著增長。

Management Discussion and Analysis (continued)

管理層討論及分析(續)

PROSPECTS (continued)

The Group will further examine its expenditure to focus on increased productivity and cost savings, and will focus on prioritising the projects and deferring or cancelling non-critical expenditure. The Company would like to thank all our staffs for the dedication they have shown during these exceptionally challenging times in ensuring that the Company can maintain its operations as competitive as possible.

Looking ahead, the Group will continue to explore potential strategic investment and cooperation opportunities with an aim of creating synergies for the Group in various aspects including technological development, product portfolio, channel expansion and/or cost control. The Company is confident that the operations and results of the Group will continue to improve in the near future upon control of the COVID-19 pandemic and the Group will continue to generate value to the Shareholders of the Company.

FINANCIAL REVIEW

During the year under review, the Group recorded revenue of approximately HK\$49,302,000 (2019: HK\$44,580,000), representing an increase of approximately 10.6% compared with last year. Loss for the year under review amounted to approximately HK\$118,559,000 (2019: HK\$1,305,950,000), representing a substantial decrease of 90.0% as compared to the year ended 31 March 2019. Net loss attributable to owners of the Company for the year under review amounted to approximately HK\$114,089,000 (2019: HK\$1,298,305,000).

Mobile and Multi-media Technologies Business

Against the current backdrop of economic uncertainties under the COVID-19 pandemic, local social incidents and US-China trade tension during the year under review, the revenue of mobile and multi-media technologies business was HK\$39,946,000 (2019: HK\$34,610,000), which has increased by 15.4%. Segment loss was significantly narrowed by 90.3% to HK\$114,264,000 compared with HK\$1,180,876,000 last year. The Group has successfully built up its competitive advantage in mobile and multi-media technologies business and will continue its asset-light, less capital-intensive multi-media technologies focused business strategy.

Gamma Ray Irradiation Services

During the year under review, the performance of gamma ray irradiation services is relatively stable. The revenue has remained flat at approximately HK\$4,675,000 (2019: HK\$4,743,000) for the year ended 31 March 2020.

前景(續)

本集團將進一步審查其開支，專注提高產能及節約成本，並將著重安排好項目優先順序，推遲或取消不重要的開支。本公司謹對全體員工在此異常艱困時期為確保本公司盡可能保持業務競爭力所作的無私奉獻表示感謝。

展望未來，本集團將繼續探索潛在戰略投資及合作機會，以於多個方面(包括技術開發、產品組合、渠道擴展及／或成本控制)為本集團創造協同效應。本公司堅信，本集團的業務及業績於新冠肺炎疫情得到控制後的不遠將來將繼續提升，且本集團將持續為本公司股東締造價值。

財務回顧

於回顧年度，本集團錄得收入約49,302,000港元(二零一九年：44,580,000港元)，較去年增加約10.6%。於回顧年度的虧損約為118,559,000港元(二零一九年：1,305,950,000港元)，較截至二零一九年三月三十一日止年度大幅減少90.0%。於回顧年度，本公司擁有人應佔虧損淨額約為114,089,000港元(二零一九年：1,298,305,000港元)。

手機及多媒體技術業務

在當前新冠肺炎疫情下經濟前景不明，加上回顧年度內發生地方社會事件及中美貿易緊張的背景，手機及多媒體技術業務的收入為39,946,000港元(二零一九年：34,610,000港元)，增加15.4%。分部虧損較去年的1,180,876,000港元大幅減少90.3%至114,264,000港元。本集團成功鞏固其於手機及多媒體技術業務方面的競爭優勢，並將繼續其輕資產、低資本密集度、以多媒體技術為重心之業務策略。

伽瑪射線照射服務

於回顧年度內，伽瑪射線照射服務的表現相對穩定。截至二零二零年三月三十一日止年度，有關收入保持平穩於約4,675,000港元(二零一九年：4,743,000港元)。

Management Discussion and Analysis (continued)

管理層討論及分析(續)

FINANCIAL REVIEW (continued)

Tourism and Hospitality Business

We Fly reported around HK\$4,681,000 revenue in 2020 (2019: HK\$5,227,000). A drop of 10.4% of revenue was recorded in 2020 as compared with the performance in 2019. Segment loss was HK\$4,998,000. In the year ended 31 March 2019, segment loss was HK\$86,039,000 which included an impairment of goodwill of HK\$77,880,000.

Other Operations — Securities Trading and Investment

No revenue (2019: HK\$0) has been recognised for the year ended 31 March 2020. The loss was narrowed by 18.8% to approximately HK\$3,589,000 for the year under review from approximately HK\$4,420,000 for the year ended 31 March 2019. The improvement is mainly due to net unrealized losses of approximately HK\$266,000 for the year under review as compared to approximately HK\$1,377,000 for the preceding year.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2020, the Group had bank balance and cash of approximately HK\$2,715,000 (2019: HK\$7,317,000), of which 47.6% was in Hong Kong dollars, 49.8% was in Renminbi and 0.1% was in other currencies. As at 31 March 2020, the Group had total bank and other borrowings of approximately HK\$269,859,000 (2019: HK\$238,790,000), of which 53.3% was in Hong Kong dollars and 46.7% was in Renminbi and of which borrowings within one year was HK\$259,491,000 (2019: HK\$209,895,000), accounting for approximately 96.2% (2019: 87.90%) of the total borrowings. The increase in borrowings was mainly due to the loan was obtained by an indirect wholly-owned subsidiary during the year under review. As at 31 March 2020, the Group's borrowings with fixed interest rates to total borrowings was approximately 19.0%. The gearing ratio, being the ratio of the sum of total borrowings to total deficit, was 100.4% as at 31 March 2020 (2019: 66%). The increase in gearing ratio was mainly due to the loan obtained by an indirect wholly-owned subsidiary during the year under review. The liquidity ratio, being the ratio of current assets over current liabilities, was 8.37% as at 31 March 2020 (2019: 9.33%). The increase of liquidity ratio was mainly due to the decrease in amounts due from associates during the year under review.

財務回顧(續)

旅遊及消閒業務

於二零二零年，愛飛呈報約4,681,000港元的收入(二零一九年：5,227,000港元)。與二零一九年的業績比較，二零二零年錄得的收入下跌10.4%。分部虧損為4,998,000港元。截至二零一九年三月三十一日止年度，分部虧損為86,039,000港元，包括商譽減值77,880,000港元。

其他業務 — 證券買賣及投資

截至二零二零年三月三十一日止年度，尚未確認任何收入(二零一九年：0港元)。有關虧損由截至二零一九年三月三十一日止年度的約4,420,000港元收窄18.8%至回顧年度的約3,589,000港元。該改善主要是由於回顧年度的未實現虧損淨額為約266,000港元，而上一一年則為約1,377,000港元。

流動資金及財務資源

於二零二零年三月三十一日，本集團擁有銀行結餘及現金約2,715,000港元(二零一九年：7,317,000港元)，其中47.6%以港元計值，49.8%以人民幣計值，而0.1%以其他貨幣計值。於二零二零年三月三十一日，本集團有銀行及其他借貸合共約269,859,000港元(二零一九年：238,790,000港元)，其中53.3%以港元計值，而46.7%以人民幣計值，當中為期一年內之借貸為259,491,000港元(二零一九年：209,895,000港元)，佔總借貸約96.2%(二零一九年：87.90%)。借貸增加主要是由於回顧年內一間間接全資附屬公司取得貸款所致。於二零二零年三月三十一日，本集團定息借貸相對總借貸之比率約為19.0%。於二零二零年三月三十一日，資產負債比率(即總借貸相對虧絀總額之比率)為100.4%(二零一九年：66%)。資產負債比率上升主要是由於回顧年內一間間接全資附屬公司取得貸款所致。於二零二零年三月三十一日，流動資金比率(即流動資產除以流動負債之比率)為8.37%(二零一九年：9.33%)。流動資金比率上升主要是由於回顧年內應收聯營公司款項減少所致。

Management Discussion and Analysis (continued)

管理層討論及分析(續)

PLEDGE OF ASSETS

As at 31 March 2020, the Group's rights-of-use assets and property, plant and equipment with carrying amount of approximately HK\$11,021,000 (2019: HK\$12,584,000) were pledged to a bank to secure the bank borrowing granted to the Group. As at 31 March 2020, the Group's listed securities with carrying amount of approximately HK\$512,000 (2019: HK\$759,000) were pledged to secure margin account payable granted to the Group.

CAPITAL COMMITMENTS

As at 31 March 2020, the Group had capital commitments contracted but not provided for in the consolidated financial statements of approximately HK\$327,961,000 (2019: HK\$220,828,000). Details of the capital commitments are set out in Note 48 to the consolidated financial statements.

CONTINGENT LIABILITIES

As at 31 March 2020, save as disclosed in Note 39 to the consolidated financial statements, the Group had no significant contingent liabilities.

EXPOSURE TO EXCHANGE RATE RISK AND INTEREST RATE RISK

The Group's transactions are mainly denominated in Hong Kong dollars, Renminbi and United States dollars. The Group did not enter into any foreign exchange forward contracts to hedge against exchange rates fluctuations during the year under review. Foreign exchange risk arising from the normal course of operations is considered to be minimal and the management will closely monitor the fluctuation in the currency and take appropriate actions when condition arises.

In terms of the interest rate risk exposures, the Group does not have any significant interest rate risk as the interest rates currently remain at low levels. As at 31 March 2020, the Group's bank and other borrowings with fixed interest rates accounted for approximately 38% of total borrowings.

資產質押

於二零二零年三月三十一日，本集團賬面值約11,021,000港元(二零一九年：12,584,000港元)之使用權資產以及物業、廠房及設備已質押予一間銀行，以取得其授予本集團之銀行借貸。於二零二零年三月三十一日，本集團賬面值約512,000港元(二零一九年：759,000港元)之上市證券已作質押，以擔保本集團獲授之應付孖展賬戶款項。

資本承擔

於二零二零年三月三十一日，本集團有已訂約但未於綜合財務報表撥備之資本承擔約327,961,000港元(二零一九年：220,828,000港元)。資本承擔之詳情載於綜合財務報表附註48。

或然負債

於二零二零年三月三十一日，除綜合財務報表附註39所披露者外，本集團並無重大或然負債。

匯率風險及利率風險

本集團之交易主要以港元、人民幣及美元計值。於回顧年度內，本集團並無訂立任何遠期外匯合約以對沖匯率波動。本集團認為來自正常營運過程之外匯風險甚微，且管理層將密切監察貨幣波動情況，並在必要時採取恰當措施應對。

利率風險方面，由於目前利率仍處於低水平，故本集團並無任何重大利率風險。於二零二零年三月三十一日，本集團按固定利率計息之銀行及其他借貸佔總借貸約38%。

Management Discussion and Analysis (continued)

管理層討論及分析(續)

MATERIAL ACQUISITION OR DISPOSAL OF SUBSIDIARIES

- (1) On 29 March 2019, the Company and KK Culture Holdings Limited, Team Pride Limited, Mr. Sui Chok Lee and Silver Golden Limited (collectively, the “Vendors”) entered into the purchase agreements pursuant to which the Vendors conditionally agreed to sell and the Company conditionally agreed to purchase interests, representing directly and indirectly the entire issued share capital of Hong Kong Made (Media) Limited (“Hong Kong Made”) and Ample Success Limited (“Ample Success”), for an aggregate consideration of HK\$50,000,000, which shall be satisfied by the allotment and issue of 250,000,000 Shares in tranches as consideration at the issue price of HK\$0.200 per Share to the Vendors or their respective nominees in accordance with the terms and conditions of the respective agreements. Completion took place on 6 June 2019. As part of the payment of the consideration for the acquisition of Hong Kong Made and Ample Success, the Company allotted and issued to the Vendors the first tranche consideration Shares, being 83,333,325 Shares, representing approximately 2.24% of the issued share capital of the Company as enlarged by the allotment and issue of such Shares. The aggregate nominal value of the first tranche consideration Shares amounted to HK\$8,333,332.50.

On 14 August 2020, the Vendors and the Company have entered into a supplemental agreement (“Supplemental Agreement”) to the Agreements. Pursuant to the Agreements and the Supplemental Agreement, the remaining consideration will be satisfied as follow:

The Company shall pay the Vendors HK\$16,666,667 (the “Second Tranche Consideration”) and HK\$16,666,668 (the “Third Tranche Consideration”), representing one third of the Consideration each, by the allotment and issue of the Second Tranche Consideration Shares and the Third Tranche Consideration Shares, being 83,333,335 Shares and 83,333,340 Shares respectively, to the Vendors or their respective nominees on or before 15 July 2022 and 15 July 2023 respectively, subject to the terms and conditions as disclosed on Note 42 to the consolidated financial statements.

- (2) On 18 March 2020, the Group disposed of its 100% equity interests of China Baoli Innovation Technologies Limited, at a consideration of HK\$100,000 to an independent third party.

附屬公司之重大收購或出售

- (1) 於二零一九年三月二十九日，本公司與KK文化控股有限公司、Team Pride Limited、蕭作利先生及Silver Golden Limited（統稱「賣方」）訂立購買協議，據此，賣方有條件同意出售且本公司有條件同意購買權益，該權益直接及間接相當於香港製作（媒體）有限公司（「香港製作」）及博功有限公司（「博功」）的全部已發行股本，總代價為50,000,000港元，總代價應透過根據相關協議的條款及條件按每股股份0.200港元的發行價分批配發及發行250,000,000股股份（作為代價）予賣方或其各自的代名人的方式予以支付。交易已於二零一九年六月六日完成。作為收購香港製作及博功之代價的部分付款，本公司向賣方配發及發行第一批代價股份，即83,333,325股股份，佔本公司經配發及發行該等股份擴大之已發行股本約2.24%。第一批代價股份之總面值為8,333,332.50港元。

於二零二零年八月十四日，賣方與本公司就該等協議訂立補充協議（「補充協議」）。根據該等協議及補充協議，餘下代價將按以下方式支付：

根據綜合財務報表附註42所披露之條款及條件，本公司須分別於二零二二年七月十五日及二零二三年七月十五日或之前透過向賣方或彼等各自之代名人配發及發行第二批代價股份及第三批代價股份（即分別為83,333,335股股份及83,333,340股股份）向賣方支付16,666,667港元（「第二批代價」）及16,666,668港元（「第三批代價」），分別相當於代價的三分之一。

- (2) 於二零二零年三月十八日，本集團以100,000港元之代價，向一名獨立第三方出售其於中國寶力創新科技有限公司之全部股本權益。

Management Discussion and Analysis (continued)

管理層討論及分析(續)

LITIGATIONS

- (1) In April 2016, the Company completed a placing pursuant to the terms of the placing agreement with a placing agent and allotted and issued 25,000,000,000 new shares to various placees (the “Placing”). Pursuant to the terms of the placing agreement, each placee undertook to the Company that the shares issued and allotted to it under the Placing would be subject to a lock-up period of 24 months from the date of allotment and issue of such shares. In May 2016, three placees under the Placing were found to have breached their lock-up undertakings to the Company under the Placing by pledging their shares to two lenders as security for loans. An interlocutory injunction order (the “Injunction Order”) was obtained by the Company from the High Court of Hong Kong (the “Court”) on 27 May 2016, which was subsequently continued by a court order given on 3 June 2016, restraining the three placees from breaching the lock-up undertakings by, among other things, directly or indirectly selling, mortgaging, charging, pledging, hypothecating, lending, granting or selling any option, warrant, contract or right to purchase, transferring, disposing of, creating any right over, or agreeing or offering to do any of the aforesaid in relation to the 1,667 million shares allotted and issued to them under the Placing until trial or further order. Further details of the court orders are set out in the announcements of the Company dated 29 May 2016 and 7 June 2016. The two lenders then took out applications in the Court in June 2016 and July 2016 respectively seeking declarations that they are beneficially entitled to the shares being the subject matter of the Injunction Order and later for variation of the Injunction Order to the effect that those shares shall no longer be the subject matter of the Injunction Order. The three placees disputed the contention that the lenders are the beneficial owners of the shares and legal proceedings regarding the ownership of those shares were brought in foreign jurisdictions. On 12 June 2017, the Court ordered that one of the lenders’ (the “2nd Third Party”) application be adjourned pending the decision of the legal proceedings in foreign jurisdiction and the other lender’s application be dismissed with costs to the Company. The lock-up period has already expired in April 2018 and the Injunction Order has been automatically discharged upon expiry of the lock-up period. As at the date hereof, the litigation is still in progress against the three placees for their breach of the lock-up undertakings. On 6 July 2020, the Company received a letter from the 2nd Third Party indicating its intention to restore the hearing for its applications. The 2nd Third Party had also communicated its intention to the Court. Up to the date hereof, the Company has not received the 2nd Third Party’s application to restore the hearing.

訴訟

- (1) 於二零一六年四月，本公司根據與一名配售代理訂立之配售協議之條款完成向多名承配人配發及發行25,000,000,000股新股份（「配售事項」）。根據配售協議之條款，每名承配人向本公司承諾，彼根據配售事項獲發行及配發之股份應受限於由該等股份配發及發行日期起計24個月之禁售期。於二零一六年五月，三名配售事項之承配人被發現向兩名貸款人質押其股份作為貸款之抵押品，已違反彼等於配售事項下向本公司作出之禁售承諾。於二零一六年五月二十七日，本公司已取得香港高等法院（「法院」）發出之臨時禁制令（「禁制令」），其後藉二零一六年六月三日作出之法院命令延續，限制該三名承配人不可違反禁售承諾（其中包括）直接或間接銷售、按揭、押記、質押、抵押、借出、轉讓、處置彼等根據配售事項獲配發及發行之1,667,000,000股股份，或授出或出售涉及該等股份之任何購股權、認股權證、合約或購買權、設立任何涉及該等股份之權利或同意或要約進行上述任何事項，直至審訊或進一步頒令為止。法院命令之進一步詳情載於本公司日期為二零一六年五月二十九日及二零一六年六月七日之公告內。該兩名貸款人其後分別於二零一六年六月及二零一六年七月向法院申請宣告彼等為禁制令所涉股份之實益擁有人，其後申請修改禁制令，致使該等股份不再受禁制令限制。該三名承配人反對貸款人為該等股份之實益擁有人之論點，並於境外司法權區提出有關該等股份擁有權之法律程序。於二零一七年六月十二日，法院命令將其中一名貸款人（「第二名第三方」）之申請擱置，等待境外司法權區之法律程序裁決，而另一名貸款人之申請則被駁回，且本公司獲得訟費。禁售期已於二零一八年四月屆滿，且禁制令已於禁售期屆滿時自動解除。於本報告日期，有關針對三名承配人違反禁售承諾的訴訟仍在進行中。於二零二零年七月六日，本公司收到第二名第三方之函件，表明其有意恢復其申請之聆訊。第二名第三方亦已向法院表達此意願。截至本報告日期，本公司尚未收到第二名第三方提出之恢復聆訊申請。

Management Discussion and Analysis (continued)

管理層討論及分析(續)

LITIGATIONS (continued)

(2) On 20 August 2013, the Company entered into a Placing Agreement with a Placing Agent. Pursuant to the 2013 Placing Agreement, the Placing Notes carry interest at 5% per annum and are to be redeemed on the seventh anniversary from the respective issue dates of the Placing Notes. One creditor had taken legal actions against the Company to recover the alleged outstanding debts under the Placing Notes. The alleged debts amount includes the principal of HK\$10,000,000 and outstanding interests of approximately HK\$1,264,000. The Placing Agent was added as the 2nd Defendant (the "2nd Defendant") in the Amended Statement of Claim by the Plaintiff on 16th March 2020. On 10th July 2020, the Company filed and served its Amended Defence and was served the Plaintiff's reply. To date, the Company has not been served with the Defence of the 2nd Defendant. This action is still in progress and the Company intends to defend this matter vigorously.

Save as disclosed above, there is no other material litigation expected to result in a significant adverse effect on the financial position of the Group, either collectively or individually. Management believes that adequate provisions have been made in respect of such litigation.

EMPLOYEE AND EMOLUMENT POLICY

As at 31 March 2020, the Group employed 22 employees (2019: 47). Remuneration packages are generally structured by reference to market terms and individual merits. Salaries are reviewed periodically based on performance appraisal and other relevant factors. Staff benefits plans maintained by the Group include medical insurance, hospitalisation scheme, mandatory provident fund, share option scheme and share award scheme. Employees in the PRC are remunerated according to the prevailing market conditions in the locations of their employments.

The emolument policy of the employees of the Group is set up by the Board on the basis of their merit, qualifications and competence. The emoluments of the Directors are decided by the Board, as authorised by the Shareholders at the annual general meeting of the Company, having regard to the Group's operating results, individual performance and comparable market statistics.

訴訟(續)

(2) 於二零一三年八月二十日，本公司與一名配售代理訂立配售協議。根據二零一三年配售協議，配售票據按年利率5厘計息，並將於每份配售票據之發行日期起計第七週年贖回。一名債權人已對本公司採取法律行動，以追回配售票據項下之指稱的未償還債務。指稱的債務金額包括本金10,000,000港元及未償還利息約1,264,000港元。於二零二零年三月十六日，原告在經修訂申索陳述書中將配售代理加為第二被告（「第二被告」）。於二零二零年七月十日，本公司提交及送達其經修訂抗辯書，並收到原告之答覆。迄今為止，本公司尚未收到第二被告之抗辯書。此訴訟仍在進行中，本公司將積極抗辯。

除上文所披露者外，概無其他重大訴訟預期會共同或個別地對本集團之財務狀況造成重大不利影響。管理層認為已就該訴訟計提充足撥備。

僱員及酬金政策

於二零二零年三月三十一日，本集團聘用22名僱員（二零一九年：47名）。薪酬待遇一般參考市場條款及個人表現釐定。薪金乃根據表現評核及其他有關因素定期檢討。本集團推行之員工福利計劃包括醫療保險、住院計劃、強制性公積金、購股權計劃及股份獎勵計劃。中國僱員之薪酬待遇根據僱員受僱地區之現行市況釐定。

本集團僱員之酬金政策由董事會按僱員之長處、資歷及才能制定。董事之酬金由董事會（獲股東於本公司股東週年大會上授權）考慮本集團營運業績、個人表現及可資比較市場統計數據後決定。

Management Discussion and Analysis (continued)

管理層討論及分析(續)

DISCLAIMER OF OPINION

The auditors of the Company expressed a disclaimer of opinion in the independent auditors' report on the consolidated financial statements of the Group for the ended 31 March 2020 (the "Independent Auditors' Report"). As stated in the paragraph headed "BASIS FOR DISCLAIMER OF OPINION" in the Independent Auditors' Report, the basis for the auditors of the Company to express a disclaimer of opinion was (a) limitation of scope on prior year's scope limitation affecting comparative figures and related disclosures, (b) limitation of scope on loss on deconsolidation of We Fly, (c) limitation of scope on share of results and derecognition of interests in associates and (d) multiple fundamental uncertainties relating to going concern.

RESUMPTION GUIDANCE

On 11 July 2019, the Company received a letter from the Stock Exchange, in which, among other things, the Stock Exchange sets out the following resumption guidance:

- (a) to publish all outstanding financial results required by the Listing Rules and address any audit qualifications if any;
- (b) to demonstrate its compliance with Rules 13.24 of the Listing Rules; and
- (c) to inform the market of all material information for the Company's shareholders and investors to appraise the Company's position.

As set out in the letter from the Stock Exchange, the Company must remedy the issues causing its trading suspension and fully comply with the Listing Rules to the Stock Exchange's satisfaction before trading in the Shares is allowed to resume.

On 24 January 2020, the Company submitted a resumption proposal to the Stock Exchange and received follow-up queries from the Stock Exchange. The Company will continue to work towards resumption and will provide further submission(s) to the Stock Exchange to address the resumption conditions as set out in the resumption guidance. As at the date of this report, the Company is working towards resumption and is taking appropriate steps to fulfil the resumption conditions. The Company will keep the shareholders of the Company and the public on, among others, the progress as and when appropriate.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 2 July 2019 and will remain suspended until further notice pending the fulfilment of the resumption conditions.

不發表意見

本公司核數師在關於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的獨立核數師報告(「獨立核數師報告」)中不發表意見。誠如獨立核數師報告「不發表意見之基準」一段所述，本公司核數師不發表意見之基準為(a)對上年度影響比較數字及相關披露之範圍限制之範圍限制；(b)對愛飛終止綜合入賬所產生虧損之範圍限制；(c)對分佔聯營公司業績及終止確認聯營公司權益之範圍限制及(d)有關持續經營之多項基本不明朗因素。

復牌指引

於二零一九年七月十一日，本公司接獲聯交所之函件，當中(其中包括)聯交所載列以下復牌指引：

- (a) 刊發上市規則規定之所有尚未刊發之財務業績並說明任何審核保留意見(如有)；
- (b) 證明其遵守上市規則第13.24條；及
- (c) 知會市場所有重要資料，以供本公司股東及投資者評估本公司之狀況。

誠如聯交所函件所載，本公司須糾正導致其暫停買賣之事項，並全面遵守上市規則以令聯交所滿意，此後股份方會獲准恢復買賣。

於二零二零年一月二十四日，本公司向聯交所提交復牌建議並接獲聯交所發出的跟進查詢。本公司將繼續為復牌而努力，並會向聯交所提供進一步資料以處理復牌指引所載的復牌條件。於本報告日期，本公司現正為復牌而努力並採取適當措施以達成復牌條件。本公司將適時知會本公司股東及公眾人士(其中包括)有關進展。

持續暫停買賣

因應本公司要求，本公司股份已由二零一九年七月二日上午九時正起於聯交所暫停買賣，並將繼續暫停買賣直至進一步通知為止，以待達成復牌條件。

Biographical Details of Directors and Senior Management

董事及高級管理人員履歷

EXECUTIVE DIRECTORS

Mr. Zhang Yi, aged 47, was appointed as an executive Director on 5 September 2016. Mr. Zhang is also the Chairman of the Board. He graduated from Zhejiang University in 1994 with a major in Finance. Mr. Zhang has over 16 years of investment experience in the technology field, with the scope of investment spanning across various regions including Canada, the United States of America, Singapore, the Mainland China and Hong Kong. He is in particular familiar with the investment and operations of telecommunications and communications industries. Mr. Zhang has good relations with the telecommunications operators and has accumulated extensive local and overseas network in the industry. Mr. Zhang is currently the chairman of a private company in the Mainland China which was founded by Mr. Zhang in 2002. Under his leadership, the company has now developed into an enterprise with large investment scale and wide investment geographical range in real estates, biological medicine, new energy and media, etc. It has a number of projects including a large-scale urban complex with a gross area of over a million square meters in Shanghai, Hangzhou and Shenyang. As at the date of this report, Mr. Zhang is interested in 215,427,500 Shares (within the meaning of Part XV of the SFO) and does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders.

Ms. Chu Wei Ning, aged 48, was appointed as an executive Director on 8 July 2015. Ms. Chu is also the Chief Executive Officer of the Company, an authorised representative of the Company and a director of various subsidiaries of the Group. She is currently responsible for the strategic investment and business development of the Company. Ms. Chu obtained a bachelor degree in Business Administration from the Chinese University of Hong Kong in May 1994 and a master degree of Business Administration from the University of Texas at Austin with Honors in May 1998. She has been a veteran investment banker and venture capital investment professional with over 16 years of experience. Prior to joining the Company, Ms. Chu has been a founding member and the managing director of a private investment fund which focus on investments in telecommunications, media, and technology. Previously, she also held various capacities in Bank of China International, Bear Stearns Asia Limited and Chase Manhattan Bank (which was subsequently acquired by JP Morgan). She is currently an independent non-executive director of Bosa Technology Holdings Limited (Stock Code: 8140), a listed company on the GEM of the Stock Exchange. As at the date of this report, Ms. Chu is interested in 30,000,000 Shares (within the meaning of Part XV of the SFO) and does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders.

執行董事

張依先生，47歲，於二零一六年九月五日獲委任為執行董事。張先生亦為董事會主席。彼在一九九四年畢業於浙江大學，主修金融。張先生擁有超過16年科技領域投資經驗，投資地域遍及加拿大、美利堅合眾國、新加坡、中國內地及香港等多個地區。彼尤其熟悉電訊及通訊行業投資及營運。張先生與電訊營運商關係良好，已建立廣泛之地方及海外行業人脈網絡。張先生目前為中國內地一間私人公司之主席。該公司由張先生於二零零二年創辦，在張先生之領導下，現已發展成為一間具有龐大投資規模及地域版圖之企業，投資行業包括房地產、生物醫藥、新能源及媒體等。該公司現時於上海、杭州及瀋陽擁有多個項目，包括總面積逾一百萬平方米之大型城市綜合項目。於本報告日期，張先生於215,427,500股股份中擁有權益（定義見證券及期貨條例第XV部），且並無與任何董事、高級管理人員、主要股東或控股股東有任何關係。

祝蔚寧女士，48歲，於二零一五年七月八日獲委任為執行董事。祝女士亦為本公司之行政總裁、本公司之授權代表及本集團多間附屬公司之董事。彼現時負責本公司之戰略投資及業務發展。祝女士於一九九四年五月取得香港中文大學工商管理學士學位，以及於一九九八年五月取得美國德州（奧斯汀）大學工商管理榮譽碩士學位。彼為資深投資銀行家及創投資本投資專業人士，於有關方面擁有逾16年經驗。在加入本公司前，祝女士為一項私人投資基金之創始成員及董事總經理，該基金專注於電訊、媒體及科技方面之投資。彼過往亦曾於中銀國際、貝爾斯登亞洲有限公司及大通銀行（其後被摩根收購）出任不同職位。彼現為聯交所GEM上市公司人和科技控股有限公司（股份代號：8140）之獨立非執行董事。於本報告日期，祝女士於30,000,000股股份中擁有權益（定義見證券及期貨條例第XV部），且並無與任何董事、高級管理人員、主要股東或控股股東有任何關係。

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

EXECUTIVE DIRECTORS (continued)

Ms. Lam Sze Man, aged 37, was appointed as an executive Director on 3 October 2019. Ms. Lam is a director of various subsidiaries of the Group. Ms. Lam obtained a degree of Bachelor of Arts in Accountancy from the Hong Kong Polytechnic University in 2005. She is a member of the Hong Kong Institute of Certified Public Accountants. She has around 13 years of working experience in accounting. As at the date of this report, Ms. Lam is interested in 277,500 Shares (within the meaning of Part XV of the SFO) and does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chan Fong Kong, Francis, aged 44, was appointed as an independent non-executive Director on 23 August 2018. He is also the chairman of the Remuneration Committee, and a member of the Audit Committee and Nomination Committee. He has over 15 years of experience in capital investment, assurance and consultancy services industry. Mr. Chan obtained a Bachelor's Degree in Commerce, majoring in Accounting and Finance from Deakin University (Melbourne, Australia) in 2000. He is a fellow member of CPA Australia. He is holding the position of director in a local consultancy firm. He is also currently a director of New Territories General Chamber of Commerce; a director, vice president and committee member of Care of Rehabilitated Offenders Association. He is also currently an independent non-executive director of Kwoon Chung Bus Holdings Limited (Stock code: 306), which is listed on the Stock Exchange. He was an independent non-executive director of e-Kong Group Limited (now known as Great Wall Belt & Road Holdings Limited) (Stock code: 524) from June 2015 to May 2017, China Best Group Holding Limited (Stock code: 370) from September 2014 to October 2016, Leyou Technologies Holdings Limited (formerly known as Sumpo Food Holdings Limited) (Stock code: 1089) from January 2015 to July 2015 and SingAsia Holdings Limited (Stock code: 8293) from February 2018 to March 2020, all of which are listed on the Stock Exchange. As at the date of this report, Mr. Chan does not have any interest in the Shares and underlying Shares (within the meaning of Part XV of the SFO) and does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders.

執行董事(續)

林詩敏女士，37歲，於二零一九年十月三日獲委任為執行董事。林女士為本集團多個附屬公司之董事。林女士於二零零五年取得香港理工大學會計學文學學士學位。彼現為香港會計師公會會員。彼於會計方面積累約13年工作經驗。於本報告日期，林女士於277,500股股份中擁有權益(定義見證券及期貨條例第XV部)，且並無與任何董事、高級管理人員、主要股東或控股股東有任何關係。

獨立非執行董事

陳方剛先生，44歲，於二零一八年八月二十三日獲委任為獨立非執行董事。彼亦為薪酬委員會主席，及審核委員會及提名委員會之成員。彼在資本投資、保證及顧問服務行業擁有逾15年經驗。陳先生於二零零零年取得澳洲墨爾本迪肯大學商科學士學位，主修會計及金融。彼為澳洲會計師公會之資深會員。彼現於當地一家諮詢公司擔任董事職務。彼亦現任新界總商會董事、關顧更生人士會的董事、副主席兼委員會成員。彼亦現任冠忠巴士集團有限公司(股份代號：306)之獨立非執行董事，該公司於聯交所上市。彼自二零一五年六月至二零一七年五月擔任e-Kong Group Limited (現稱長城一帶一路控股有限公司)(股份代號：524)之獨立非執行董事；自二零一四年九月至二零一六年十月擔任國華集團控股有限公司(股份代號：370)之獨立非執行董事；自二零一五年一月至二零一五年七月擔任樂遊科技控股有限公司(前稱森寶食品控股有限公司)(股份代號：1089)之獨立非執行董事；及自二零一八年二月至二零二零年三月擔任星亞控股有限公司(股份代號：8293)之獨立非執行董事，該等公司均於聯交所上市。於本報告日期，陳先生並無於股份及相關股份中擁有任何權益(定義見證券及期貨條例第XV部)，且並無與任何董事、高級管理人員、主要股東或控股股東有任何關係。

Biographical Details of Directors and Senior Management (continued)

董事及高級管理人員履歷(續)

INDEPENDENT NON-EXECUTIVE DIRECTORS (continued)

Mr. Chan Kee Huen, Michael, aged 68, was appointed as an independent non-executive Director on 18 August 2017. He is also the chairman of the Audit Committee and Nomination Committee, and a member of the Remuneration Committee. He has over 35 years of experience in external audit, IT audit, training, accounting and finance, company secretarial and corporate administration, MIS management, internal audit, information security, risk management and compliance. Mr. Chan is currently an independent non-executive director of Huarong Investment Stock Corporation Limited (Stock Code: 2277), Lansan Pharmaceutical Holdings Limited (Stock Code: 503) and Sterling Group Holdings Limited (Stock Code 1825), all of which are listed companies in Hong Kong. Also, he is the chief executive of C&C Advisory Services Limited. Mr. Chan is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants, a fellow member and specialist in Information Technology of CPA Australia and an associate of the Institute of Chartered Accountants in England and Wales. He was admitted as a certified information systems auditor with the Information Systems Audit and Control Association in 1985 and a fellow member of the Hong Kong Institute of Directors in 2000. He was admitted as a member of the Chartered Institute of Arbitrators in 2000 and became a member of the Institute of Internal Auditors in 1997. Mr. Chan was an adjunct professor in the School of Accounting and Finance of The Hong Kong Polytechnic University from 2009 to 2014. Mr. Chan worked at CMG Life Assurance Limited (formerly known as Jardine CMG Life Assurance Limited) from 1991 to 1996 and his last position was general manager, compliance and corporate affairs. He was employed by Dao Heng Bank Limited in 1996 as the group auditor (which was subsequently acquired by DBS Bank (Hong Kong) Limited) and he ceased working for the bank in 2004 with his last position as managing director and head of compliance, Hong Kong and Greater China. Mr. Chan was also the group financial controller of Lam Soon (Hong Kong) Limited from 2004 to 2005, the director of quality assurance of the Hong Kong Institute of Certified Public Accountants in 2005 and the deputy general manager of the compliance department of Ping An Insurance (Group) Company of China, Limited from 2006 to 2009. Mr. Chan graduated with a higher diploma in accountancy from Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University) in November 1976 and was awarded the postgraduate diploma in business administration from the University of Surrey in March 1998. As at the date of this report, Mr. Chan is interested in 25,000 Shares (within the meaning of Part XV of the SFO) and does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders.

獨立非執行董事(續)

陳記煊先生，68歲，於二零一七年八月十八日獲委任為獨立非執行董事。彼亦為本公司審核委員會及提名委員會之主席以及薪酬委員會之成員。彼在外部審核、資訊科技審核、培訓、會計及金融、公司秘書及公司行政管理、管理資訊系統管理、內部審核、資訊保安、風險管理及合規方面擁有超過35年經驗。陳先生現為華融投資股份有限公司(股份代號：2277)、朗生醫藥控股有限公司(股份代號：503)及美臻集團控股有限公司(股份代號：1825)之獨立非執行董事，該等公司均為香港上市公司。此外，彼為思與智顧問有限公司之行政總裁。陳先生為香港會計師公會及英國特許公認會計師公會資深會員、澳洲會計師公會資深會員及信息科技專家以及英格蘭及威爾斯特許會計師公會會員。彼於一九八五年獲認可為國際信息系統審計協會之註冊信息系統審計師，並於二零零零年成為香港董事學會資深會員。彼於二零零零年獲認可為英國特許仲裁員協會會員，並於一九九七年成為內部審計師學會會員。於二零零九年至二零一四年間，陳先生擔任香港理工大學會計及金融學院之兼任教授。於一九九一年至一九九六年間，陳先生任職於康聯人壽保險有限公司(前稱怡和人壽保險有限公司)，離職前為合規及企業事務總經理。彼於一九九六年受僱於道亨銀行有限公司(其後被星展銀行(香港)有限公司收購)，擔任集團核數師，於二零零四年從該銀行離職，離職前為香港及大中華區董事總經理及合規主管。此外，陳先生於二零零四年至二零零五年擔任南順(香港)有限公司之集團財務總監，於二零零五年擔任香港會計師公會專業水準審核總監，並於二零零六年至二零零九年擔任中國平安保險(集團)股份有限公司合規部副總經理。陳先生於一九七六年十一月畢業於香港理工學院(現稱香港理工大學)，獲頒高級會計文憑，並於一九九八年三月獲薩里大學頒授工商管理研究生文憑。於本報告日期，陳先生於25,000股股份中擁有權益(定義見證券及期貨條例第XV部)，且並無與任何董事、高級管理人員、主要股東或控股股東有任何關係。

Biographical Details of Directors and Senior Management (continued)

董事及高級管理人員履歷(續)

INDEPENDENT NON-EXECUTIVE DIRECTORS (continued)

Mr. Feng Man, aged 52, was appointed as an independent non-executive Director on 13 December 2019. He is also a member of the Audit Committee. Mr. Feng obtained a Bachelor degree in Civil Engineering from the Shanghai Institute of Railway Sciences, Shanghai in 1989, a Master degree in Geotechnical Engineering from China Academy of Railway Sciences, Beijing in 1992 and a Master degree in Geotechnical Engineering from the University of Saskatchewan, Canada in 1999. He is currently a Registered Professional Engineer in Canada. He has experience over a wide range of resource types (oil sands, iron, gold, uranium, copper, tin, etc.), with focus on iron mine development in the last 10 years and project experiences in Canada, China, Africa, South America, Mongolia, Australia, etc.. In addition, he has 25 years of mine infrastructure engineering and engineering management experience. He is currently the general manager of PeiSi Engineering Co. Ltd.. As at the date of this report, Mr. Feng does not have any interest in the Shares and underlying Shares (within the meaning of Part XV of the SFO) and does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders.

SENIOR MANAGEMENT

Ms. Chau Lan Sze, aged 45, is the chief executive at train media business of the Group and is responsible for all marketing and sales function for the train media business of the Group. She has more than ten years of experience in advertising planning and business development in China and Hong Kong. She has numerous experiences in marketing and sales in different train media channels such as Kowloon Canton Railway Through Train and Guangzhou-Shenzhen China Railway High-speed Harmony Series trains.

COMPANY SECRETARY

Ms. Huen Lai Chun, aged 54, was appointed as the company secretary of the Company on 2 September 2015. She is also an authorised representative of the Company. Ms. Huen is an associate member of both of The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators in United Kingdom, and also a fellow member of The Association of Chartered Certified Accountants. She has over 10 years of experience in handling secretarial and compliance related matters of listed corporations.

獨立非執行董事(續)

馮滿先生，52歲，於二零一九年十二月十三日獲委任為獨立非執行董事。彼亦為審核委員會之成員。馮先生於一九八九年自上海鐵道學院取得土木工程學士學位，於一九九二年自北京鐵道部科學研究院取得岩土工程學碩士學位，並於一九九九年自加拿大薩斯卡徹溫大學取得岩土工程學碩士學位。彼現時為加拿大註冊職業工程師。其項目經驗包括多種資源(石油砂、鐵、金、鈾、銅、錫等)之開發，最近十年側重於鐵礦項目，所從事項目位於加拿大、中國、非洲、南美、蒙古、澳大利亞等地區。此外，彼擁有25年礦山及工業基礎設施設計以及礦山項目設計及建設管理經驗。彼現時為佩思礦業工程設計有限公司之總經理。於本報告日期，馮先生並無於股份及相關股份中擁有任何權益(定義見證券及期貨條例第XV部)，且並無與任何董事、高級管理人員、主要股東或控股股東有任何關係。

高級管理層

鄒蘭施女士，45歲，本集團列車媒體業務之行政總裁，負責本集團列車媒體業務的所有市場推廣及銷售職能。彼於中國及香港之廣告策劃及業務發展方面擁有逾十年經驗。彼於九廣通及廣深線和諧號等不同列車媒體渠道的市場推廣及銷售方面擁有豐富經驗。

公司秘書

禰麗珍女士，54歲，於二零一五年九月二日獲委任為本公司之公司秘書。彼亦為本公司之授權代表。禰女士為香港特許秘書公會以及英國特許秘書及行政人員公會會員，及亦為英國特許公認會計師公會資深會員。彼於處理上市公司秘書事務及合規相關事務方面擁有逾10年經驗。

Report of the Directors

董事會報告

The Board hereby presents its report and the audited consolidated financial statements of the Group for the year ended 31 March 2020.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is investment holding. Its subsidiaries are principally engaged in mobile and multi-media technologies business, gamma ray irradiation services, tourism and hospitality business, and other operation — securities trading and investment.

Details of the principal activities of the principal subsidiaries of the Company are set out in Note 52 to the consolidated financial statements.

Further discussion and analysis of these activities as required by Schedule 5 to the Companies Ordinance, including an indication of likely future developments in the Group's business, can be found in the "Management Discussion and Analysis" section set out on pages 4 to 19 of this annual report. These discussions form part of this Report of the Directors.

RESULTS

The results of the Group for the year ended 31 March 2020 are set out in the consolidated statement of profit or loss on pages 59 to 60 of this annual report.

DIVIDENDS

The Board does not recommend the payment of a final dividend for the year ended 31 March 2020 (2019: Nil).

FIVE-YEAR FINANCIAL SUMMARY

A summary of the consolidated results, and consolidated assets and liabilities of the Group for the last five financial years is set out on page 225 of this annual report.

DONATIONS

The Group did not make any charitable donations during the year ended 31 March 2020.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group during the year ended 31 March 2020 are set out in Note 19 to the consolidated financial statements.

董事會謹此提呈截至二零二零年三月三十一日止年度本集團之經審核綜合財務報表。

主要業務及業務回顧

本公司之主要業務為投資控股。其附屬公司主要從事手機及多媒體技術業務、伽瑪射線照射服務、旅遊及消閒業務以及其他業務 — 證券買賣及投資。

本公司主要附屬公司之主要業務詳情載於綜合財務報表附註52。

公司條例附表5所規定對該等業務之進一步討論及分析(包括有關本集團業務相當可能有的未來發展的揭示)載於本年報第4至第19頁之「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分。

業績

本集團截至二零二零年三月三十一日止年度之業績載於本年報第59至第60頁之綜合損益表。

股息

董事會不建議就截至二零二零年三月三十一日止年度派付末期股息(二零一九年:無)。

五年財務摘要

本集團過去五個財政年度之綜合業績以及綜合資產與負債概要載於本年報第225頁。

捐款

本集團於截至二零二零年三月三十一日止年度並無作出任何慈善捐款。

物業、廠房及設備

本集團之物業、廠房及設備於截至二零二零年三月三十一日止年度之變動詳情載於綜合財務報表附註19。

Report of the Directors (continued)

董事會報告(續)

DISTRIBUTABLE RESERVES

As at 31 March 2020, the Company had no reserves available for distribution (2019: Nil).

BANK AND OTHER BORROWINGS

Details of the movements in bank and other borrowings of the Group during the year ended 31 March 2020 are set out in Note 34 to the consolidated financial statements.

SHARE CAPITAL

Details of the movements in the share capital of the Company during the year ended 31 March 2020 are set out in Note 37 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Bye-laws, or the laws of Bermuda, which would oblige the Company to offer new Shares on a pro-rata basis to its existing Shareholders.

PERMITTED INDEMNITY PROVISION

A permitted indemnity provision for the benefit of the Directors is currently in force and was in force throughout the year under review.

During the year under review, the Company has put in place appropriate insurance cover in respect of Directors' liabilities.

RETIREMENT BENEFITS SCHEME

The Group operates a MPF scheme for all qualifying employees in Hong Kong. The assets of the schemes are held separately from those of the Group, in funds under the control of trustee. The Group contributes 5% of relevant payroll costs capped at HK\$1,500 per month to MPF scheme, in which the contribution is matched by employees.

The employees of the Group's subsidiaries in the PRC are members of the state-managed retirement benefits scheme operated by the government of PRC. The subsidiaries in the PRC are required to contribute a certain percentage of the payroll cost to the retirement benefits scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefits scheme is to make the required contributions under the scheme.

SHARE OPTION SCHEME

During the year under review, no share option was granted, exercised, cancelled or lapsed under the Share Option Scheme. As at 31 March 2020, the Company had no unexercised outstanding share option granted under the Share Option Scheme.

可供分派儲備

本公司於二零二零年三月三十一日並無可供分派儲備(二零一九年:無)。

銀行及其他借貸

本集團銀行及其他借貸於截至二零二零年三月三十一日止年度之變動詳情載於綜合財務報表附註34。

股本

本公司股本於截至二零二零年三月三十一日止年度之變動詳情載於綜合財務報表附註37。

優先購買權

公司細則或百慕達法例均無有關優先購買權之條文，規定本公司須按比例向現有股東提呈發售新股份。

獲准許彌償條文

本公司現時及於回顧年度內均為董事之利益設有有效之獲准許彌償條文。

於回顧年度，本公司已就董事責任提供合適保險保障。

退休福利計劃

本集團為其全部合資格香港僱員推行強積金計劃。計劃之資產與本集團之資產分開，由受託人控制之基金持有。本集團每個月向強積金計劃供款相關工資成本的5%，上限為1,500港元，其中供款與僱員相稱。

本集團位於中國之附屬公司僱員為中國政府運作之國家管理之退休福利計劃成員。中國之附屬公司須向退休福利計劃提供工資成本一定百分比之供款，以便為福利提供資金。本集團有關退休福利計劃之唯一義務為根據計劃作出所需之供款。

購股權計劃

於回顧年度內，並無購股權根據購股權計劃而授出、行使、註銷或失效。於二零二零年三月三十一日，本公司並無根據購股權計劃授出尚未行使的發行在外購股權。

Report of the Directors (continued)

董事會報告(續)

SHARE OPTION SCHEME (continued)

The following is a summary of the principal terms of the Share Option Scheme:

Purpose of the Share Option Scheme

The primary purpose of the Share Option Scheme is to provide incentives or reward to the eligible persons for their contributions to, and continuing efforts to promote the interests of, the Group.

Participants of the Share Option Scheme

Under the Share Option Scheme and subject to its terms and conditions, the Board may at its discretion offer to any eligible employee, director, consultant, agent, supplier, customer or contractor of the Group options to subscribe for Shares.

Period within which the Shares must be taken up under an option and minimum period (if any) for which an option must be held before it can be exercised

Such offer shall be open for acceptance on a day specified in the letter of grant which shall be no longer than thirty days from the date of the letter of grant. An option may be exercised in accordance with the terms of the Share Option Scheme during such period as may be determined by the Board (which shall not be more than ten years commencing on the date on which the share option is granted and accepted). Unless otherwise determined by the Board, there is no minimum period for which a share option must be held before it can be exercised.

Amount payable on application or acceptance of share options

The share options shall be deemed to have been granted and accepted and taken effect when the duplicate letter of grant is signed by the eligible person and returned to the Company together with a remittance in favour of the Company of HK\$1 for each acceptance of grant of the share options.

Total number of Shares available for issue under the Share Option Scheme and percentage of the issued Shares as at the date of this annual report

The maximum aggregate number of Shares which may be issued upon the exercise of all outstanding vested or unvested options granted and yet to be exercised under the Share Option Scheme and any other schemes must not, in aggregate, exceed 30% of the total number of Shares in issue from time to time (the "Overriding Limit")

購股權計劃(續)

購股權計劃之主要條款概要如下：

購股權計劃之目的

購股權計劃之主要目的在於向合資格人士就彼等對本集團之貢獻及推動本集團利益之不懈努力提供激勵或獎勵。

購股權計劃之參與人

根據購股權計劃及受其條款及條件所限，董事會可酌情向本集團任何合資格僱員、董事、顧問、代理、供應商、客戶或承包商授出可認購股份之購股權。

根據購股權須認購股份之期間及購股權可予行使前必須持有之最短期間(如有)

有關授出將於授出函件指定之日期(不遲於授出函件日期起計三十天)可供接納。購股權可於董事會釐定之期間(不得超過自購股權授出及獲接納之日起計十年)內根據購股權計劃之條款行使。除董事會另行釐定外，並無設定可行使前必須持有購股權之最短期間。

申請或接納購股權時應付之款項

當授出函件副本獲合資格人士簽署及交回本公司，並就接納每次授出購股權向本公司匯款1港元時，購股權將被視為已獲授出並接納及生效。

根據購股權計劃可供發行之股份總數及於本年報日期佔已發行股份之百分比

因根據購股權計劃及任何其他計劃授出及仍未行使之所有尚未行使已歸屬或未歸屬購股權獲行使而可能發行之股份總數，合共最多不得超過不時已發行股份總數之30% (「最高上限」)。

SHARE OPTION SCHEME (continued)

Total number of Shares available for issue under the Share Option Scheme and percentage of the issued Shares as at the date of this annual report (continued)

The aggregate number of Shares which may be issued upon exercise of all share options to be granted under the Share Option Scheme and any other schemes shall not in aggregate exceed 10% of the total number of Shares in issue as at the date of Shareholders' approval of the Share Option Scheme (the "Scheme Mandate Limit"). Subject to the Overriding Limit, the Company may refresh the Scheme Mandate Limit by ordinary resolution of the Shareholders in general meeting, provided that the Scheme Mandate Limit so refreshed shall not exceed 10% of the total number of Shares in issue as at the date of Shareholders' approval of the refreshment.

As approved by the Shareholders at the annual general meeting held on 2 September 2016 (the "2016 AGM"), the total number of Shares in respect of which options may be granted under the Scheme Mandate Limit was refreshed to 3,255,719,561 Pre-Adjusted Shares (the "Refreshed Scheme Mandate Limit") which is equivalent to 10% of the issued Shares as at the date of the 2016 AGM.

The total number of Shares available for issue under the Refreshed Scheme Mandate Limit pursuant to the Share Option Scheme is 325,571,956 Adjusted Shares, representing approximately 8.75% of the total number of issued Shares as at the date of this report.

Maximum entitlement of each participant under the Share Option Scheme

The maximum number of Shares (issued and to be issued) in respect of which options may be granted under the Share Option Scheme and any other schemes to any eligible person in any 12-month period shall not exceed 1% of the total number of Shares in issue, unless a Shareholders' approval has been obtained.

Any grant of share options to a Director, chief executive or substantial Shareholder of the Company, or any of their respective associates must be approved by the independent non-executive Directors. Where share options are proposed to be granted to a substantial Shareholder or an independent non-executive Director, or any of their respective associates, and the grant would result in the aggregate of Shares issued and to be issued upon exercise of all options granted or to be granted under the Share Option Scheme and any other schemes to such person in the 12-month period up to and including the date of offer of the relevant share options to (i) represent in aggregate over 0.1% of the total number of issued Shares for the time being; and (ii) have an aggregate value, based on the closing price of the Shares, in excess of HK\$5,000,000, the proposed grant shall be subject to the approval of the Shareholders in general meeting with the connected persons abstaining from voting in favour.

購股權計劃(續)

根據購股權計劃可供發行之股份總數及於本年報日期佔已發行股份之百分比(續)

因根據購股權計劃及任何其他計劃將授出之所有購股權獲行使而可能發行之股份總數，合共不得超過於股東批准購股權計劃當日已發行股份總數之10%（「計劃授權上限」）。受限於最高上限，本公司可透過於股東大會上通過股東普通決議案更新計劃授權上限，惟經更新之計劃授權上限不得超過股東批准更新當日已發行股份總數之10%。

經股東於二零一六年九月二日舉行之股東週年大會（「二零一六年股東週年大會」）上批准，根據計劃授權上限可授出之購股權所涉股份總數已更新為3,255,719,561股調整前股份（「經更新計劃授權上限」），相當於二零一六年股東週年大會日期已發行股份之10%。

於本報告日期，根據購股權計劃按照經更新計劃授權上限可供發行之股份總數為325,571,956股經調整股份，相當於已發行股份總數約8.75%。

各參與人於購股權計劃下之最高配額

除已獲股東批准外，於任何十二個月期間根據購股權計劃及任何其他計劃可能授予任何合資格人士之購股權所涉及之已發行及將予發行股份數目最多不得超過已發行股份總數之1%。

授予本公司董事、最高行政人員或主要股東或任何彼等各自之聯繫人任何購股權，必須獲得獨立非執行董事之批准。倘建議向主要股東或獨立非執行董事或任何彼等各自之聯繫人授出購股權，而建議授出購股權將導致於截至提呈有關購股權當日（包括該日）止十二個月期間，因根據購股權計劃及任何其他計劃已授予或將授予有關人士之所有購股權獲行使而已發行及將予發行之股份總數(i)合共佔當時已發行股份總數的逾0.1%；及(ii)總價值（根據股份收市價計算）超過5,000,000港元，則建議授出須獲股東於股東大會上批准後，方可作實，且關連人士須放棄投贊成票。

Report of the Directors (continued)

董事會報告(續)

SHARE OPTION SCHEME (continued)

Basis of determining the exercise price

The exercise price determined by the Directors shall be at least the highest of:

- (i) the closing price of the Shares on the date of offer;
- (ii) the average closing price of the Shares for the five business days immediately preceding the date of offer; and
- (iii) the nominal value of the Shares.

Remaining life of the Share Option Scheme

Subject to early termination by the Company in general meeting or the Board, the Share Option Scheme shall be valid and effective for a period of ten years commencing on its date of adoption. The Share Option Scheme will expire on 21 August 2021 and the remaining life of the Share Option Scheme is about one year.

SHARE AWARDS

During the year under review, no share award was granted, vested or forfeited under the Share Award Scheme. As at 31 March 2020, the Company had 155,000 unvested Shares (Note 41 to the consolidated financial statements) awarded under the Share Award Scheme.

EQUITY-LINKED AGREEMENTS

On 29 March 2019, the Company and KK Culture Holdings Limited, Team Pride Limited, Mr. Sui Chok Lee and Silver Golden Limited (collectively, the "Vendors") entered into the purchase agreements pursuant to which the Vendors conditionally agreed to sell and the Company conditionally agreed to purchase interests, representing directly and indirectly the entire issued share capital of Hong Kong Made (Media) Limited ("Hong Kong Made") and Ample Success Limited ("Ample Success"), for an aggregate consideration of HK\$50,000,000, which shall be satisfied by the allotment and issue of 250,000,000 Shares in tranches as consideration at the issue price of HK\$0.200 per Share to the Vendors or their respective nominees in accordance with the terms and conditions of the respective agreements. Completion took place on 6 June 2019. As part of the payment of the consideration for the acquisition of Hong Kong Made and Ample Success, the Company allotted and issued to the Vendors the first tranche consideration Shares, being 83,333,325 Shares, representing approximately 2.24% of the issued share capital of the Company as enlarged by the allotment and issue of such Shares. The aggregate nominal value of the first tranche consideration Shares amounted to HK\$8,333,332.50.

購股權計劃(續)

釐定行使價之基準

由董事釐定之行使價將不低於以下各項之最高者：

- (i) 提呈要約日期之股份收市價；
- (ii) 緊接提呈要約日期前五個營業日股份平均收市價；及
- (iii) 股份面值。

購股權計劃尚餘年期

除非本公司於股東大會或董事會提早終止，購股權計劃將於採納日期起計十年期間內有效及生效。購股權計劃將於二零二一年八月二十一日屆滿，餘下年期約為一年。

股份獎勵

於回顧年度內，並無股份獎勵根據股份獎勵計劃而授出、歸屬或沒收。於二零二零年三月三十一日，本公司有155,000股根據股份獎勵計劃獎勵而尚未歸屬的股份(綜合財務報表附註41)。

股票掛鈎協議

於二零一九年三月二十九日，本公司與KK文化控股有限公司、Team Pride Limited、蕭作利先生及Silver Golden Limited(統稱「賣方」)訂立購買協議，據此，賣方有條件同意出售且本公司有條件同意購買權益，該權益直接及間接相當於香港製作(媒體)有限公司(「香港製作」)及博功有限公司(「博功」)的全部已發行股本，總代價為50,000,000港元，總代價應透過根據相關協議的條款及條件按每股股份0.200港元的發行價分批次發及發行250,000,000股股份(作為代價)予賣方或其各自的代名人的方式予以支付。交易已於二零一九年六月六日完成。作為收購香港製作及博功之代價的部分付款，本公司向賣方配發及發行第一批代價股份，即83,333,325股股份，佔本公司經配發及發行該等股份擴大之已發行股本約2.24%。第一批代價股份之總面值為8,333,332.50港元。

Report of the Directors (continued)

董事會報告(續)

EQUITY-LINKED AGREEMENTS (continued)

On 14 August 2020, the Vendors and the Company have entered into a supplemental agreement ("Supplemental Agreement") to the Agreements. Pursuant to the Agreements and the Supplemental Agreement, the remaining consideration will be satisfied as follow:

The Company shall pay the Vendors HK\$16,666,667 (the "Second Tranche Consideration") and HK\$16,666,668 (the "Third Tranche Consideration"), representing one third of the Consideration each, by the allotment and issue of the Second Tranche Consideration Shares and the Third Tranche Consideration Shares, being 83,333,335 Shares and 83,333,340 Shares respectively, to the Vendors or their respective nominees on or before 15 July 2022 and 15 July 2023 respectively, subject to the terms and conditions as disclosed on Note 42 to the consolidated financial statements.

Save for the Share Option Scheme, the Share Award Scheme and the above agreements, no other equity-linked agreements were entered by the Group or existed during the year under review.

ARRANGEMENT TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed above, at no time during the year under review was the Company, its holding companies, its fellow subsidiaries or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of Shares in, or debentures of, the Company or any other body corporate.

DIRECTORS

The Directors during the year under review were:

Executive Directors:

Mr. Zhang Yi (*Chairman*)
Ms. Chu Wei Ning (*Chief Executive Officer*)
Ms. Lam Sze Man (*appointed on 3 October 2019*)
Mr. Yeung Chun Wai, Anthony (*resigned on 9 September 2019*)
Mr. Wong King Shiu, Daniel (*resigned on 3 October 2019*)

Independent non-executive Directors:

Mr. Chan Fong Kong, Francis
Mr. Chan Kee Huen, Michael
Mr. Feng Man (*appointed on 13 December 2019*)
Mr. Chan Chi Yuen (*resigned on 18 September 2019*)
Mr. Han Chunjian (*retired on 30 September 2019*)

DIRECTORS' SERVICE CONTRACTS

No Directors proposed for re-election at the Company's forthcoming annual general meeting have an unexpired service contract, which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than statutory compensation.

股票掛鈎協議(續)

於二零二零年八月十四日，賣方與本公司就該等協議訂立補充協議(「補充協議」)。根據該等協議及補充協議，餘下代價將按以下方式支付：

根據綜合財務報表附註42所披露之條款及條件，本公司須分別於二零二二年七月十五日及二零二三年七月十五日或之前透過向賣方或彼等各自之代名人配發及發行第二批代價股份及第三批代價股份(即分別為83,333,335股股份及83,333,340股股份)向賣方支付16,666,667港元(「第二批代價」)及16,666,668港元(「第三批代價」)，分別相當於代價的三分之一。

除購股權計劃、股份獎勵計劃及上述協議外，於回顧年度內本集團概無訂立或存續任何其他股票掛鈎協議。

購入股份或債券之安排

除上文所披露者外，本公司、其控股公司、其同系附屬公司或其任何附屬公司於回顧年度內任何時間均無參與任何安排，致令董事可藉購入本公司或任何其他法人團體之股份或債券而獲益。

董事

於回顧年度內之董事如下：

執行董事：

張依先生(主席)
祝蔚寧女士(行政總裁)
林詩敏女士(於二零一九年十月三日獲委任)
楊俊偉先生(於二零一九年九月九日辭任)
黃景兆先生(於二零一九年十月三日辭任)

獨立非執行董事：

陳方剛先生
陳記煊先生
馮滿先生(於二零一九年十二月十三日獲委任)
陳志遠先生(於二零一九年九月十八日辭任)
韓春劍先生(於二零一九年九月三十日退任)

董事之服務合約

擬於本公司應屆股東週年大會上重選之董事概無訂立本公司或其任何附屬公司如不作出賠償(法定賠償除外)則不能於一年內終止之未屆滿服務合約。

Report of the Directors (continued)

董事會報告(續)

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

Other than those disclosed in the sections headed "Directors' Material Interest in Transactions, Arrangements or Contracts of Significance" in Note 46 to the consolidated financial statements and "Transactions and Balances with Related Parties" in Note 51 to the consolidated financial statements, no transactions, arrangements and contracts of significance in relation to the Company's business to which the subsidiaries, fellow subsidiaries or parent company of the Company was a party and in which a Director or an entity connected with a Director had a material interest, whether directly or indirectly, subsisted at the end of the year under review or at any time during the year under review.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of Directors and senior management are set out on pages 20 to 23 of this annual report.

INTERESTS OF DIRECTORS AND CHIEF EXECUTIVE

As at 31 March 2020, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register maintained by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

Long position in Shares

Name of Directors	Capacity/Nature of interest	Number of Shares held	Approximate percentage of issued share capital of the Company (Note 2) 佔本公司已發行股本概約百分比 (附註2)
董事姓名	身份／權益性質	所持有股份數目	
Zhang Yi 張依	Interest in controlled corporation (Note 1) 受控法團權益(附註1)	215,347,500	5.79%
	Beneficial owner 實益擁有人	80,000	0.002%
	Sub-total 小計	215,427,500	5.792%
Chu Wei Ning 祝蔚寧	Beneficial owner 實益擁有人	30,000,000	0.81%
Lam Sze Man 林詩敏	Beneficial owner 實益擁有人	277,500	0.007%
Chan Kee Huen, Michael 陳記煊	Beneficial owner 實益擁有人	25,000	0.0007%

董事於本公司重大業務交易、安排及合約中之重大權益

除綜合財務報表附註46「董事於重大交易、安排或合約中之重大權益」及綜合財務報表附註51「與關連人士之交易及結餘」等章節所披露者外，於回顧年度結束時或回顧年度內任何時間，概無存在本公司之附屬公司、同系附屬公司或母公司為訂約方而董事或與董事有關連之實體擁有任何直接或間接重大權益之任何本公司重大業務交易、安排及合約。

董事及高級管理人員履歷

董事及高級管理人員履歷概要載於本年報第20至第23頁。

董事及最高行政人員之權益

於二零二零年三月三十一日，本公司董事及最高行政人員於本公司及其相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債券中擁有記錄在本公司根據證券及期貨條例第352條存置之登記冊內之權益及淡倉，或根據標準守則已知會本公司及聯交所之權益及淡倉如下：

於股份之好倉

Report of the Directors (continued)

董事會報告(續)

INTERESTS OF DIRECTORS AND CHIEF EXECUTIVE (continued)

Long position in Shares (continued)

Notes:

- (1) These Shares are held by One Faith Investments Limited, which is beneficially and wholly-owned by Mr. Zhang Yi.
- (2) Based on the number of issued Shares of 3,721,561,225 as at 31 March 2020.

Save as disclosed above, as at 31 March 2020, none of the Directors or chief executive of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS

So far as the Directors are aware of, as at 31 March 2020, there was no person (other than the Directors or chief executive of the Company) who had any interests or short positions in the Shares or underlying Shares which would be required to be recorded in the register required to be kept by the Company under Section 336 of the SFO.

MANAGEMENT CONTRACTS

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

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 March 2020, the Group made approximately 67.52% of its entire sales to the five largest customers and sales to the largest customer included therein amounted to approximately 45.67%. Purchases from the Group's five largest suppliers accounted for approximately 52.64% of the total purchases for the year ended 31 March 2020 and purchases from the largest supplier included therein amounted to approximately 12.59%.

None of the Directors or any of their respective close associates or any Shareholders, to the best knowledge of the Directors, holding more than 5% of the Company's total issued share capital, had any beneficial interest in the Group's five largest customers or suppliers during the year under review.

董事及最高行政人員之權益(續)

於股份之好倉(續)

附註:

- (1) 該等股份由One Faith Investments Limited持有，而該公司由張依先生實益全資擁有。
- (2) 按照於二零二零年三月三十一日之已發行股份數目3,721,561,225股計算。

除上文所披露者外，於二零二零年三月三十一日，本公司董事或最高行政人員概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債券中擁有記錄在根據證券及期貨條例第352條須存置之登記冊內之任何權益或淡倉，或根據標準守則已知會本公司及聯交所之任何權益或淡倉。

主要股東之權益

就董事所知，於二零二零年三月三十一日，概無任何人士(除本公司董事或最高行政人員外)於本公司股份或相關股份中擁有任何須記錄於本公司根據證券及期貨條例第336條存置之登記冊內之權益或淡倉。

管理合約

於回顧年度內並無訂立或存在有關本公司全部或任何重大部分業務管理及行政之合約。

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總額佔總銷售額約67.52%，其中向最大客戶銷售之銷售額約佔45.67%。截至二零二零年三月三十一日止年度，本集團向五大供應商採購之採購額佔總採購額約52.64%，其中向最大供應商採購之採購額約佔12.59%。

於回顧年度內，董事或彼等各自之任何緊密聯繫人或任何股東(就董事所深知持有本公司全部已發行股本5%以上者)概無於本集團之五大客戶或供應商中擁有任何實益權益。

Report of the Directors (continued)

董事會報告(續)

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

Particulars of transactions with related parties of the Group during the year ended 31 March 2020 are set out in Note 51 to the consolidated financial statements. These transactions were exempt connected transactions for the Company or did not fall under the definition of “connected transaction” under Chapter 14A of the Listing Rules.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this annual report, at least 25% of the Company's total issued share capital was held by the public.

AUDIT COMMITTEE

The Audit Committee has reviewed with the management and the external auditor of the Company the accounting principles and practices adopted by the Group, and discussed the auditing, internal control and financial reporting process including the review of the consolidated financial statements of the Group for the year ended 31 March 2020.

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

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

TAX RELIEF

The Company is not aware of any relief from taxation available to the Shareholders by reason of their holding of the Shares. Intending holders and investors of the Shares are recommended to consult their professional advisers if they are in any doubt as to the taxation implications (including tax relief) of subscribing for, purchasing, holding, disposing of or dealing in the Shares. It is emphasised that none of the Company or its Directors or officers will accept any responsibility for any tax effect on, or liabilities of, holders of Shares resulting from their subscription for, purchase, holding, disposal of or dealing in such Shares.

關連交易及持續關連交易

於截至二零二零年三月三十一日止年度與本集團關連人士進行之交易詳情載於綜合財務報表附註51。該等交易為本公司之獲豁免關連交易，或並不屬於上市規則第十四A章定義之「關連交易」。

公眾持股量

根據可供本公司公開查閱之資料，就董事所知，於本年報日期，本公司已發行股本總額中最少25%由公眾人士持有。

審核委員會

審核委員會已聯同本公司管理層及外聘核數師審閱本集團所採納之會計原則及慣例，以及討論核數、內部監控及財務申報程序，包括審閱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。

購買、出售或贖回本公司之上市證券

截至二零二零年三月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

稅務寬免

本公司並不知悉股東因持有股份而可享有之任何稅務寬免。股份之有意持有人及投資者如對認購、購買、持有、處置或買賣股份之稅務影響(包括稅務寬免)有任何疑問，務請諮詢彼等之專業顧問。謹此重申，本公司或其董事或高級職員概不就股份持有人因認購、購買、持有、處置或買賣該等股份而產生之任何稅務影響或責任負責。

Report of the Directors (continued)

董事會報告(續)

AUDITOR

The Board appointed Asian Alliance (HK) CPA Limited ("Asian Alliance") as the new auditor of the Company on 19 April 2018 to fill the vacancy following the resignation of Ting Ho Kwan & Chan CPA Limited.

The consolidated financial statements of the Group for the year ended 31 March 2020 have been audited by Asian Alliance who will retire and, being eligible, offer itself for re-appointment at the forthcoming annual general meeting of the Company. A resolution for re-appointment of Asian Alliance as the auditor of the Company will be proposed at the forthcoming annual general meeting of the Company.

APPRECIATION

On behalf of the Board, I would like to express my heartfelt gratitude to the Shareholders, customers, suppliers, bankers and professional advisors for their support to the Company over the past year and to sincerely thank the staff for their ongoing dedication and contribution made in the year.

On behalf of the Board

Zhang Yi

Chairman

Hong Kong, 31 August 2020

核數師

董事會已於二零一八年四月十九日委任華融(香港)會計師事務所有限公司(「華融」)為本公司新核數師，以填補丁何關陳會計師事務所有限公司辭任後之空缺。

華融已審核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。華融將會於本公司應屆股東週年大會上退任，並合資格且願意接受續聘。本公司應屆股東週年大會上將提呈決議案，續聘華融為本公司核數師。

致謝

本人謹代表董事會，衷心多謝各股東、客戶、供應商、往來銀行及專業顧問去年給予本公司鼎力支持，亦感謝各員工於本年度努力不懈地作出貢獻。

代表董事會

主席

張依

香港，二零二零年八月三十一日

Corporate Governance Report

企業管治報告

Good corporate governance has always been recognised as vital to the Group's success and sustainable development. We commit ourselves to a high standard of corporate governance and have devoted considerable efforts in identifying and formulating corporate governance practices appropriate to the Company's needs.

The Company has put in place corporate governance practices to meet the code provision (the "Code Provision(s)") as set out in the CG Code, that are considered to be relevant to the Group, and has complied with most of the Code Provisions for the time being in force throughout the year under review save for certain deviations from the Code Provisions, details of which are explained in the relevant paragraphs in this annual report. The Company periodically reviews its corporate governance practices to ensure that these continue to meet the requirements of the CG Code.

BOARD OF DIRECTORS

The Board is collectively responsible for formulating the Group's overall strategy, reviewing and monitoring the Group's business performance, preparing and approving the Group's financial statements, recommending the Directors' appointment or re-appointment to Shareholders, considering and approving the Group's material contracts and transactions (in particular those may involve conflict of interests) as well as other significant policies and financial matters. The Board gives clear directions as to the powers delegated to the management for the day-to-day operation, management and administration functions of the Group. Approval has to be obtained from the Board prior to any significant transactions being carried out by the Group's management and the Board has full support from the Group's management to discharge its responsibilities.

The Directors are collectively responsible for the oversight of the management of business and affairs of the Group in the best interests of the Shareholders.

As at the date of this annual report, the Board comprised a total of six Directors, with three executive Directors, namely Mr. Zhang Yi, Ms. Chu Wei Ning and Ms. Lam Sze Man. Ms. Lam Sze Man was appointed as an executive Director on 3 October 2019. Mr. Yeung Chun Wai, Anthony and Mr. Wong King Shiu, Daniel resigned as executive Directors with effect from 9 September 2019 and 3 October 2019 respectively. The three independent non-executive Directors were, namely Mr. Chan Fong Kong, Francis, Mr. Chan Kee Huen, Michael and Mr. Feng Man. Mr. Feng Man was appointed as an independent non-executive Director on 13 December 2019. Mr. Chan Chi Yuen resigned as an independent non-executive Director with effect from 18 September 2019. Mr. Han Chunjian retired as an independent non-executive Director at the Annual General Meeting held on 30 September 2019. A list containing the names of the Directors and their roles and functions is published on the websites of the Company and the Stock Exchange.

本集團一直認為良好之企業管治乃本集團成功及持續發展之關鍵。我們致力維持高水平之企業管治並全力找出及制定適合本公司業務需要之企業管治常規。

本公司已實施企業管治常規，以符合企管守則所載被視為與本集團有關之守則條文（「守則條文」），而本公司已於整個回顧年度內遵守大部分當其時生效之守則條文，惟若干偏離守則條文之情況除外，詳情於本年度報告相關段落解釋。本公司定期檢討其企業管治常規，以確保能持續符合企管守則之規定。

董事會

董事會共同負責制訂本集團之整體策略、檢討及監察本集團之業務表現、編製及批准本集團之財務報表、就董事之委任或重新委任股東提出推薦意見、考慮及批准本集團之重大合約及交易（尤其是可能涉及利益衝突者）以及其他重大政策及財務事宜。董事會就授予管理層於本集團日常營運、管理及行政職能之權力給予清晰指引。本集團之管理層於進行任何重大交易前，必須取得董事會批准，而董事會於本集團管理層全力支持下履行其職務。

董事共同負責監察本集團業務及事務之管理工作，以符合股東之最佳利益。

於本年報日期，董事會由合共六名董事組成，包括三名執行董事張依先生、祝蔚寧女士及林詩敏女士。林詩敏女士於二零一九年十月三日獲委任為執行董事。楊俊偉先生及黃景兆先生辭任執行董事，分別自二零一九年九月九日及二零一九年十月三日起生效。三名獨立非執行董事為陳方剛先生、陳記煊先生及馮滿先生。馮滿先生於二零一九年十二月十三日獲委任為獨立非執行董事。陳志遠先生辭任獨立非執行董事，自二零一九年九月十八日起生效。韓春劍先生於二零一九年九月三十日舉行的股東週年大會上退任獨立非執行董事。一份載有董事姓名及其角色與職能之名單已於本公司及聯交所之網站登載。

Corporate Governance Report (continued)

企業管治報告(續)

BOARD OF DIRECTORS (continued)

The biographical details of the Directors are set out on pages 20 to 23 of this annual report. To the best knowledge of the Directors, there is no financial, business, family or other material or relevant relationships between the members of the Board.

There were six Board meetings and one general meeting held during the year ended 31 March 2020 and Directors' attendance at the meetings are as follows:

董事會(續)

各董事之履歷載於本年報第20至第23頁。就董事所深知，董事會各成員之間並無財務、業務、家屬或其他重大或相關關係。

截至二零二零年三月三十一日止年度，本公司曾舉行六次董事會會議及一次股東大會，董事出席會議之紀錄如下：

Name of Directors		Number of Board meetings attended/held 出席／舉行 董事會會議次數	Number of general meeting attended/held 出席／舉行 股東大會次數
Executive Directors:	執行董事：		
Mr. Zhang Yi (Chairman)	張依先生(主席)	3/6	0/1
Ms. Chu Wei Ning (Chief Executive Officer)	祝蔚寧女士(行政總裁)	6/6	1/1
Ms. Lam Sze Man (appointed on 3 October 2019)	林詩敏女士 (於二零一九年十月三日獲委任)	4/4	0/0
Mr. Yeung Chun Wai, Anthony (resigned on 9 September 2019)	楊俊偉先生 (於二零一九年九月九日辭任)	1/2	0/0
Mr. Wong King Shiu, Daniel (resigned on 3 October 2019)	黃景兆先生 (於二零一九年十月三日辭任)	2/2	0/1
Independent non-executive Directors:	獨立非執行董事：		
Mr. Chan Fong Kong, Francis	陳方剛先生	6/6	1/1
Mr. Chan Kee Huen, Michael	陳記煊先生	6/6	1/1
Mr. Feng Man (appointed on 13 December 2019)	馮滿先生 (於二零一九年十二月十三日獲委任)	2/3	0/0
Mr. Chan Chi Yuen (resigned on 18 September 2019)	陳志遠先生 (於二零一九年九月十八日辭任)	2/2	0/0
Mr. Han Chunjian (retired on 30 September 2019)	韓春劍先生 (於二零一九年九月三十日退任)	0/2	0/1

Save for the following deviations, none of the Directors is aware of any information which would reasonably indicate that the Company is not, or was not, throughout the year under review, in compliance with the Code Provisions of the CG Code:

除下列偏離外，董事概不知悉有任何資料合理顯示，本公司現時或曾於回顧年度內並無遵守企管守則的守則條文：

Corporate Governance Report (continued)

企業管治報告(續)

BOARD OF DIRECTORS (continued)

Under Code Provision A.6.7 of the CG Code, independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders. During the year under review, Mr. Han Chunjian, who retired at the Annual General Meeting, was absent at the Annual General Meeting due to other important engagement.

Under Code Provision A.4.1 of the CG Code, non-executive directors should be appointed for a specific term, subject to re-election. Currently, save for Mr. Chan Chi Yuen who was appointed as an independent non-executive Director not for a specific term, the other independent non-executive Directors were appointed for a term of three years, while all of them are subject to retirement by rotation at the Company's annual general meetings as specified in the Bye-laws. Mr. Chan Chi Yuen resigned as an independent non-executive Director on 18 September 2019.

The Directors have disclosed to the Company the number and nature of offices held in other public companies or organisations and other significant commitments in a timely manner and will provide updates to the Company on any subsequent changes.

All Directors have been provided with updates by the Group's management, giving a balanced and understandable assessment of the Group's performance, position, recent developments and prospects in sufficient details to keep them abreast of the Group's affairs and facilitate them to discharge their duties under the relevant requirements of the Listing Rules.

董事會(續)

根據企管守則之守則條文A.6.7，獨立非執行董事及其他非執行董事應出席股東大會，對股東的意見有公正的了解。於回顧年度內，韓春劍先生於股東週年大會上退任，因其他重要事務缺席股東週年大會。

根據企管守則之守則條文A.4.1，非執行董事的委任應有指定任期，並須接受重新選舉。除陳志遠先生獲委任為獨立非執行董事並無指定任期外，目前其他獨立非執行董事之任期為三年，惟彼等均須按照細則於本公司之股東週年大會上輪值告退。陳志遠先生於二零一九年九月十八日辭任獨立非執行董事。

各董事已適時向本公司披露彼等於其他公眾公司或組織所任職務數目及性質以及其他重大承擔，並將於其後有任何變動時向本公司提供最新資料。

全體董事已獲本集團管理層提供最新資料，當中載有對本集團之表現、狀況、近期發展及前景作出公正及易於理解之評估，內容足以讓董事緊貼本集團事務，並有助彼等按照上市規則相關規定履行職務。

Corporate Governance Report (continued)

企業管治報告(續)

BOARD OF DIRECTORS (continued)

In accordance with Rule 13.51B(1) of the Listing Rules, the changes in information of Directors required to be disclosed pursuant to paragraphs (a) to (e) and (g) of Rule 13.51(2) of the Listing Rules during the year under review and up to the date of this annual report are set out below:

董事會(續)

根據上市規則第13.51B(1)條之規定，於回顧年度期間及直至本年度報告日期根據上市規則第13.51(2)條第(a)至(e)段及(g)段須予披露之董事資料變動載列如下：

Name of Directors 董事姓名

Details of Change 變動詳情

Mr. Yeung Chun Wai, Anthony
楊俊偉先生

Resigned as an executive Director with effect from 9 September 2019, and ceased to be a member of the Remuneration Committee.
自二零一九年九月九日起辭任執行董事，並不再為薪酬委員會成員。

Mr. Chan Chi Yuen
陳志遠先生

Resigned as an independent non-executive Director with effect from 18 September 2019, and ceased to be the chairman of the Remuneration Committee and a member of the Audit Committee and Nomination Committee.
自二零一九年九月十八日起辭任獨立非執行董事，並不再為薪酬委員會主席以及審核委員會及提名委員會成員。

Mr. Chan Fong Kong, Francis
陳方剛先生

Appointed as the chairman of the Remuneration Committee with effect from 18 September 2019.
自二零一九年九月十八日起獲委任為薪酬委員會主席。
Resigned as an independent non-executive director of SingAsia Holdings Limited (Stock code: 8293) with effect from 31 March 2020.
自二零二零年三月三十一日起辭任星亞控股有限公司(股份代號：8293)獨立非執行董事。

Mr. Han Chunjian
韓春劍先生

Retired as an independent non-executive Director at the Annual General Meeting with effect from 30 September 2019.
自二零一九年九月三十日起於股東週年大會上退任獨立非執行董事。

Mr. Wong King Shiu, Daniel
黃景兆先生

Resigned as an executive Director with effect from 3 October 2019, and ceased to be an authorised representative as required under Rule 3.05 of the Listing Rules, and an authorised representative of the Company for the acceptance of service of process and notices in Hong Kong under the Companies Ordinance.
自二零一九年十月三日起辭任執行董事，並不再為上市規則第3.05條所規定授權代表，及根據公司條例代表本公司在香港接收法律程序文件及通知的本公司授權代表。

Ms. Lam Sze Man
林詩敏女士

Appointed as an executive Director with effect from 3 October 2019.
自二零一九年十月三日起獲委任為執行董事。

Mr. Feng Man
馮滿先生

Appointed as an independent non-executive Director and a member of the Audit Committee with effect from 13 December 2019.
自二零一九年十二月十三日起獲委任為獨立非執行董事及審核委員會成員。

Corporate Governance Report (continued)

企業管治報告(續)

BOARD OF DIRECTORS (continued)

Pursuant to Rule 3.21 of the Listing Rules, an audit committee must comprise a minimum of three members. Following the resignation of Mr. Chan Chi Yuen as an independent non-executive Director with effect from 18 September 2019 and ceased to be a member of the Audit Committee, the Company then had only two members in the Audit Committee which did not meet the requirement under Rule 3.21 of the Listing Rules.

Pursuant to Rule 3.10(1) of the Listing Rules, every board of directors of a listed issuer must include at least three independent non-executive directors. Following the retirement of Mr. Han Chunjian as an independent non-executive Director at the Annual General Meeting with effect from 30 September 2019, the Company then had only two independent non-executive Directors, thus the number of independent non-executive directors fell below the minimum number as required under Rule 3.10(1) of the Listing Rules.

The Board appointed Mr. Feng Man as an independent non-executive Director and a member of the Audit Committee with effect from 13 December 2019. Following the appointment of Mr. Feng Man as an independent non-executive Director and a member of the Audit Committee, the Company has met the requirements under Rules 3.10(1) and 3.21 of the Listing Rules with effect from 13 December 2019 respectively.

CHAIRMAN AND CHIEF EXECUTIVE

Mr. Zhang Yi was appointed as the chairman of the Board on 5 September 2016 and Ms. Chu Wei Ning was appointed as the chief executive officer of the Company on 27 June 2016.

The chairman provides leadership for the Board and is responsible for ensuring that good corporate governance practices and procedures are established and the effective functioning of the Board in accordance with good corporate governance practices. The chairman is also responsible for ensuring that the Directors receive, in a timely manner, adequate information, with the support of the company secretary and the senior management, which must be accurate, clear, complete and reliable, appropriate briefing on issues arising at Board meetings, and all key and appropriate issues are discussed by the Board in a timely manner.

The chairman encourages the Directors to make a full and active contribution to the Board's affairs, taking the lead to act in the best interests of the Company. The chairman also promotes a culture to facilitate effective contributions, encourages the Directors to express dissenting views and concerns and allows sufficient discussion of issues before decisions are made.

董事會(續)

根據上市規則第3.21條，審核委員會必須由至少三名成員組成。於陳志遠先生自二零一九年九月十八日起辭任獨立非執行董事及不再為審核委員會成員後，本公司審核委員會因此僅有兩名成員，並不符合上市規則第3.21條的規定。

根據上市規則第3.10(1)條，各上市發行人董事會必須包括至少三名獨立非執行董事。於韓春劍先生自二零一九年九月三十日起於股東週年大會上退任獨立非執行董事後，本公司因此僅有兩名獨立非執行董事，故獨立非執行董事人數低於上市規則第3.10(1)條所規定最低人數。

董事會委任馮滿先生為獨立非執行董事及審核委員會成員，自二零一九年十二月十三日起生效。於馮滿先生自二零一九年十二月十三日起分別獲委任為獨立非執行董事及審核委員會成員後，本公司已符合上市規則第3.10(1)條及第3.21條的規定。

主席及行政總裁

張依先生於二零一六年九月五日獲委任為董事會主席，而祝蔚寧女士於二零一六年六月二十七日獲委任為本公司行政總裁。

主席領導董事會，負責確保制訂良好企業管治常規及程序，以及董事會按照良好企業管治常規有效運作。主席亦負責確保董事在公司秘書及高級管理人員協助下，適時收取充分、準確、清晰、完備及可靠之資訊，就董事會會議處理之事宜獲得適當簡報，以及董事會適時討論所有關鍵及適當事宜。

主席鼓勵各董事全面積極地為董事會事務作出貢獻，牽頭以本公司之最佳利益行事。主席亦推動促進有效貢獻之文化，鼓勵董事表達不同意見及關注，容許各事項於決策前有充分討論。

CHAIRMAN AND CHIEF EXECUTIVE (continued)

The chief executive officer focuses on implementing objectives, policies and strategies approved and delegated by the Board. The chief executive officer is in charge of the Company's day-to-day management and operations and is also responsible for developing strategic plans, and formulating and reviewing the organisational structure, control systems and internal procedures and processes for the Board's approval.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Throughout the year under review, the Board at all times met the requirements under Rules 3.10(2) and 3.10A of the Listing Rules respectively that it has at least one of the independent non-executive Directors possessing appropriate professional qualifications or accounting or related financial management expertise, and the number of independent non-executive Directors represent at least one-third of the Board.

Pursuant to Rule 3.10(1) of the Listing Rules, every board of directors of a listed issuer must include at least three independent non-executive directors. Following the retirement of Mr. Han Chunjian as an independent non-executive Director at the Annual General Meeting held on 30 September 2019, the Company had only two independent non-executive Directors, thus the number of independent non-executive Directors fell below the minimum number as required under Rule 3.10(1) of the Listing Rules. Following the appointment of Mr. Feng Man as an independent non-executive Director, the Company has met the requirements set out in Rule 3.10(1) of the Listing Rules with effect from 30 September 2019.

The independent non-executive Directors bring a wide range of business and financial expertise, experience and independent judgment to the Board. Through active participation at Board meetings, taking the lead in managing issues involving potential conflict of interests, the independent non-executive Directors have made various contributions to the development of the Company's strategies.

All independent non-executive Directors are financially independent from the Group. The Company has confirmed with all independent non-executive Directors as to their independence and received an annual confirmation of independence from each of them for the year under review, having regard to the factors as set out in the Rule 3.13 of the Listing Rules.

Under Code Provision A.4.1 of the CG Code, non-executive directors should be appointed for a specific term, subject to re-election. Save for Mr. Chan Chi Yuen who was appointed as an independent non-executive Director not for a specific term, the other independent non-executive Directors were appointed for a term of three years, while all of them are subject to retirement by rotation at the Company's annual general meetings as specified in the Bye-laws. Mr. Chan Chi Yuen resigned as an independent non-executive Director on 18 September 2019.

主席及行政總裁(續)

行政總裁主力實施經董事會批准及指派之目標、政策及策略。行政總裁主管本公司之日常管理及營運，亦負責制訂策略規劃，制訂及檢討組織架構、監控系統及內部程序及流程，以供董事會批准。

獨立非執行董事

於回顧年度內，董事會於任何時間均一直符合上市規則第3.10(2)及3.10A條之規定，即至少一名獨立非執行董事必須具備適當的專業資格，或具備適當的會計或相關的財務管理專長，且獨立非執行董事人數必須佔董事會成員人數至少三分之一。

根據上市規則第3.10(1)條，各上市發行人董事會必須包括至少三名獨立非執行董事。於韓春劍先生在二零一九年九月三十日舉行的股東週年大會上退任獨立非執行董事後，本公司僅有兩名獨立非執行董事，故獨立非執行董事人數低於上市規則第3.10(1)條所規定最低人數。於馮滿先生自二零一九年九月三十日起獲委任為獨立非執行董事後，本公司已符合上市規則第3.10(1)條所載規定。

獨立非執行董事為董事會帶來多樣之業務及財務專業知識、經驗及獨立判斷。獨立非執行董事通過積極參與董事會會議，主理涉及潛在利益衝突事宜等，為本公司之策略發展作出不同貢獻。

全體獨立非執行董事在財政上均獨立於本集團。就上市規則第3.13條所載之因素，本公司已向全體獨立非執行董事確認彼等之獨立地位，並收到彼等各自所發出有關於回顧年度之獨立地位之年度確認書。

根據企管守則之守則條文A.4.1，非執行董事的委任應有指定任期，並須接受重新選舉。除陳志遠先生獲委任為無指定任期之獨立非執行董事外，其他獨立非執行董事任期為期三年，惟彼等均須按照細則於本公司之股東週年大會上輪值告退。陳志遠先生於二零一九年九月十八日辭任獨立非執行董事。

Corporate Governance Report (continued)

企業管治報告(續)

BOARD COMMITTEES

The Board has established relevant Board committees to assist it in discharging its responsibilities.

Nomination Committee

The Nomination Committee was established on 27 March 2012. As at the date of this report, the Nomination Committee consisted of two independent non-executive Directors, namely Mr. Chan Kee Huen, Michael (as Chairman) and Mr. Chan Fong Kong, Francis. Mr. Chan Chi Yuen resigned as an independent non-executive Director and ceased to be a member of the Nomination Committee with effect from 18 September 2019.

The Nomination Committee is mainly responsible for reviewing the structure, size and composition of the Board, making recommendations to the Board on the selection of candidates for directorship, appointment or re-appointment and succession of Directors, and assessing the independence of independent non-executive Directors. Details of the duties and powers of the Nomination Committee are set out in its written terms of reference which are available on the websites of the Company and the Stock Exchange.

There was one Nomination Committee meeting held during the year ended 31 March 2020 and members' attendance at the meeting are as follows:

Name of members		Number of meetings attended/held
成員姓名		出席／舉行會議次數
Mr. Chan Kee Huen, Michael (<i>Chairman</i>)	陳記煊先生(主席)	1/1
Mr. Chan Fong Kong, Francis	陳方剛先生	1/1
Mr. Chan Chi Yuen (<i>resigned on 18 September 2019</i>)	陳志遠先生 (於二零一九年九月十八日辭任)	1/1

In assessing the Board composition, the Nomination Committee would take into account various aspects as well as factors concerning Board diversity, including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge, and industry and regional experience etc. The Nomination Committee would discuss and agree on measurable objectives for achieving diversity on the Board, where necessary, and recommend them to the Board for adoption.

董事委員會

董事會已成立相關董事委員會，助其履行職務。

提名委員會

提名委員會於二零一二年三月二十七日成立。於本報告日期，提名委員會由兩名獨立非執行董事陳記煊先生(主席)及陳方剛先生組成。陳志遠先生辭任獨立非執行董事及不再為提名委員會成員，自二零一九年九月十八日起生效。

提名委員會主要負責檢討董事會之架構、人數及組成，就甄選董事人選、董事委任或重新委任及繼任向董事會提出推薦意見，以及評核獨立非執行董事之獨立性。提名委員會之職務及權力詳情載於其書面職權範圍，可於本公司及聯交所網站閱覽。

截至二零二零年三月三十一日止年度，提名委員會曾舉行一次會議，成員出席會議之情況如下：

於評估董事會組成時，提名委員會將考慮與董事會成員多元化有關之多個範疇及因素，包括但不限於性別、年齡、文化及教育背景、專業資格、技能、知識以及行業及地區經驗等。如有需要，提名委員會將討論並議定達成董事會成員多元化之可計量目標，並向董事會推薦該等目標以供採納。

BOARD COMMITTEES (continued)

Nomination Committee (continued)

The nomination policy of the Company aims to ensure that the Board has a balance of skills, experience, knowledge and diversity of perspectives appropriate to the requirements of the Company's business. In identifying and selecting suitable candidates for directorships, the Nomination Committee would consider the candidate's character, qualifications, experience, independence and other relevant criteria necessary to complement the Company's corporate strategy and achieve Board diversity, where appropriate, before making recommendation to the Board. In evaluating and recommending retiring Directors to the Board for re-appointment, the Nomination Committee would also consider the overall contribution and service of the retiring Directors to the Company, including but not limited to the attendance of the meetings of the Board and/or its committees and general meetings of the Company where applicable, in addition to the level of participation in and performance on the Board and/or its committees.

During the year under review, the work performed by the Nomination Committee included (i) reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board; (ii) reviewing the annual confirmation of independence submitted by the independent non-executive Directors and assessing their independence; and (iii) making recommendations to the Board on the selection of candidates for directorship and re-appointment of Directors.

During the year under review, the Nomination Committee made recommendations to the Board on the selection of candidates for directorship. In identifying suitable candidates for directorship, the Nomination Committee reviewed the structure, size and composition of the Board, and carried out the selection process by making reference to the profile such as age, cultural and educational background, professional experience, skills and knowledge of candidates. Recommendations of candidates for directorship to the Board was based on merit, experience, skills and knowledge relevant to the needs of the Board and the Company.

Remuneration Committee

The Remuneration Committee was established on 20 July 2006. As at the date of this report, the Remuneration Committee consisted of two independent non-executive Directors, namely Mr. Chan Fong Kong, Francis (as Chairman) and Mr. Chan Kee Huen, Michael. Mr. Yeung Chun Wai, Anthony resigned as an executive Director and ceased to be a member of the Remuneration Committee on 9 September 2019, and Mr. Chan Chi Yuen resigned as an independent non-executive Director and ceased to be the chairman of the Remuneration Committee on 18 September 2019.

董事委員會(續)

提名委員會(續)

本公司提名政策旨在確保董事會在本公司業務適當所需之技巧、經驗、知識及多元化觀點方面達到平衡。於物色及甄選合適董事人選以向董事會推薦前，提名委員會將考慮人選之必要品格、資格、經驗、獨立性及其他相關條件，以配合本公司的企業策略及達成董事會成員多元化(如適用)。在評估及向董事會推薦退任董事進行重新委任時，提名委員會亦將考慮退任董事對本公司的整體貢獻和服務，包括但不限於董事會及／或其委員會會議及本公司股東大會(如適用)的出席情況，以及在董事會及／或其屬下委員會的參與程度及表現。

於回顧年度，提名委員會進行之工作包括(i)檢討董事會之架構、人數及組成(包括技能、知識及經驗)；(ii)審閱獨立非執行董事提交之年度獨立性確認書，以及評核彼等之獨立性；及(iii)就甄選董事人選及重新委任董事向董事會提出推薦意見。

於回顧年度，提名委員會已就甄選董事人選向董事會提出推薦意見。於物色合適之董事候選人時，提名委員會已審閱董事會之架構、規模及成員組合，並參考候選人之年齡、文化及教育背景、專業經驗、技能以及知識進行甄選程序。向董事會作出有關董事候選人之推薦意見時乃以與董事會及本公司之需要相關之長處、經驗、技能及知識為基礎。

薪酬委員會

薪酬委員會於二零零六年七月二十日成立。於本報告日期，薪酬委員會由兩名獨立非執行董事陳方剛先生(主席)及陳記煊先生組成。楊俊偉先生於二零一九年九月九日辭任執行董事及不再為薪酬委員會成員，而陳志遠先生則於二零一九年九月十八日辭任獨立非執行董事及不再為薪酬委員會主席。

Corporate Governance Report (continued)

企業管治報告(續)

BOARD COMMITTEES (continued)

Remuneration Committee (continued)

The Remuneration Committee is mainly responsible for reviewing remuneration proposals made by the management, and making recommendations to the Board on remuneration policy and structure of the Company and remuneration packages of Directors and senior management. Details of the duties and powers of the Remuneration Committee are set out in its written terms of reference which are available on the websites of the Company and the Stock Exchange.

The Remuneration Committee has adopted the model that it will review the proposals made by the management on the remuneration of individual executive Director and senior management, and make recommendations to the Board. The Board will have final authority to approve the recommendations made by the Remuneration Committee.

There were one Remuneration Committee meeting held during the year ended 31 March 2020 and members' attendance at the meetings are as follow:

Name of members	Number of meetings attended/held 出席／舉行會議次數
成員姓名	
Mr. Chan Fong Kong, Francis (appointed as Chairman on 18 September 2019)	陳方剛先生(於二零一九年九月十八日獲委任為主席) 0/0
Mr. Chan Kee Huen, Michael	陳記煊先生 1/1
Mr. Yeung Chun Wai, Anthony (resigned on 9 September 2019)	楊俊偉先生(於二零一九年九月九日辭任) 0/1
Mr. Chan Chi Yuen (resigned on 18 September 2019)	陳志遠先生(於二零一九年九月十八日辭任) 1/1

During the year under review, the work performed by the Remuneration Committee included (i) making recommendations to the Board on remuneration packages of proposed candidates for Directors; and (ii) reviewing and making recommendations to the Board on Directors' fees and remuneration packages of executive Directors.

The remuneration packages of the Directors for the year ended 31 March 2020 have been reviewed by the Remuneration Committee and approved by the Board by taking into consideration factors such as salaries paid by comparable companies, time commitment, duty and responsibility, market conditions and desirability of performance based remuneration. Details of the emoluments of all Directors are set out in Note 15 to the consolidated financial statements.

董事委員會(續)

薪酬委員會(續)

薪酬委員會主要負責檢討管理層提出之薪酬方案，就本公司之薪酬政策及架構以及董事及高級管理人員之薪酬待遇向董事會提出推薦意見。薪酬委員會之職務及權力詳情載於其書面職權範圍，可於本公司及聯交所網站閱覽。

按薪酬委員會所採納之模式，薪酬委員會將審閱管理層就個別執行董事及高級管理人員薪酬提出之方案，並向董事會提出推薦意見。董事會擁有審批薪酬委員會提出之推薦意見之最終決定權。

截至二零二零年三月三十一日止年度，薪酬委員會曾舉行一次會議，成員出席會議之情況如下：

於回顧年度，薪酬委員會進行之工作包括(i)就董事建議人選之薪酬待遇向董事會提出推薦意見；及(ii)檢討董事袍金及執行董事之薪酬待遇並向董事會提出推薦意見。

截至二零二零年三月三十一日止年度之董事薪酬待遇已由薪酬委員會作出檢討，並獲董事會批准，當中已考慮多項因素，如可比較公司支付之薪金、董事投入之時間、職務及職責、市場情況以及與表現掛鈎之薪酬是否可取。各董事之酬金詳情載於綜合財務報表附註15。

Corporate Governance Report (continued)

企業管治報告(續)

BOARD COMMITTEES (continued)

Remuneration Committee (continued)

Pursuant to Code Provision B.1.5 of the CG Code, details of the annual remuneration of the members of the senior management by band for the year ended 31 March 2020 are as follows:

		Number of employees 僱員人數
HK\$1 to HK\$500,000	1港元至500,000港元	1
Total	總計	1

Audit Committee

The Audit Committee was established on 26 March 1999. As at the date of this report, the Audit Committee consisted of three independent non-executive Directors, namely Mr. Chan Kee Huen, Michael (as Chairman), Mr. Chan Fong Kong, Francis and Mr. Feng Man. Pursuant to Rule 3.21 of the Listing Rules, an audit committee must comprise a minimum of three members. Following Mr. Chan Chi Yuen's resignation as an independent non-executive Director and cessation as a member of the Audit Committee with effect from 18 September 2019, the Company then had only two members in the Audit Committee which did not meet the requirement under Rule 3.21 of the Listing Rules. Following the appointment of Mr. Feng Man as an independent non-executive Director and a member of the Audit Committee with effect from 13 December 2019, the Company then re-complied with Rule 3.21 of the Listing Rules.

The Audit Committee members possess appropriate professional qualifications, business or accounting and related financial management expertise and experience to provide relevant advice and recommendations to the Company. The Audit Committee is mainly responsible for oversight of the financial reporting system and risk management and internal control systems of the Company, making recommendations to the Board on the appointment, re-appointment and removal of the external auditor, approving the remuneration and terms of engagement of the external auditor, and reviewing and monitoring the independence and objectivity of the external auditor. Details of the duties and powers of the Audit Committee are set out in its written terms of reference which are available on the websites of the Company and the Stock Exchange.

The Audit Committee is also responsible for performing the corporate governance duties which include: (i) developing and reviewing the Company's policies and practices on corporate governance; (ii) reviewing and monitoring the training and continuous professional development of Directors and senior management; (iii) reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements; (iv) developing, reviewing and monitoring the code of conduct and compliance (if any) applicable to the Directors and employees; and (v) reviewing the Company's compliance with the CG Code and disclosures in the Corporate Governance Report.

董事委員會(續)

薪酬委員會(續)

根據企管守則之守則條文B.1.5，高級管理層人員於截至二零二零年三月三十一日止年度之年薪等級詳列如下：

審核委員會

審核委員會於一九九九年三月二十六日成立。於本報告日期，審核委員會由三名獨立非執行董事陳記煊先生(主席)、陳方剛先生及馮滿先生組成。根據上市規則第3.21條，審核委員會須由最少三名成員組成。自陳志遠先生於二零一九年九月十八日辭任獨立非執行董事及不再為審核委員會成員後，本公司審核委員會僅剩兩名成員，並不符合上市規則第3.21條項下規定。於馮滿先生自二零一九年十二月十三日起獲委任為獨立非執行董事及審核委員會成員後，本公司得以重新遵守上市規則第3.21條。

審核委員會成員均具備適當專業資格、商業或會計及相關財務管理專業知識及經驗，可向本公司提供相關意見及推薦意見。審核委員會主要負責監察本公司之財務申報制度以及風險管理及內部監控制度、就委任、重新委任及罷免外聘核數師向董事會提出推薦意見、批准外聘核數師之酬金及委聘條款，以及檢討及監察外聘核數師之獨立性及客觀性。審核委員會職務及權力詳情載於其書面職權範圍，可於本公司及聯交所網站閱覽。

審核委員會亦負責履行企業管治職務，包括(i)制訂及檢討本公司之企業管治政策及常規；(ii)檢討及監察董事及高級管理人員之培訓及持續專業發展；(iii)檢討及監察本公司就遵守法律及監管規定方面之政策及常規；(iv)制定、檢討及監察適用於董事及僱員之操守及合規守則(如有)；及(v)檢討本公司遵守企管守則之情況及於企業管治報告內之披露。

Corporate Governance Report (continued)

企業管治報告(續)

BOARD COMMITTEES (continued)

Audit Committee (continued)

There were five Audit Committee meetings held during the year ended 31 March 2020 and members' attendance at the meetings are as follows:

Name of members		Number of meetings attended/held
成員姓名		出席／舉行會議次數
Mr. Chan Kee Huen, Michael (<i>Chairman</i>)	陳記煊先生(主席)	5/5
Mr. Chan Fong Kong, Francis	陳方剛先生	4/5
Mr. Feng Man (<i>appointed on 13 December 2019</i>)	馮滿先生(於二零一九年十二月十三日獲委任)	0/0
Mr. Chan Chi Yuen (<i>resigned on 18 September 2019</i>)	陳志遠先生(於二零一九年九月十八日辭任)	4/4

During the year under review, the work performed by the Audit Committee included (i) reviewing the unaudited interim results for the six months ended 30 September 2019 and the audited annual results for the year ended 31 March 2019 of the Group; (ii) reviewing the independence and objectivity of the external auditor; (iii) reviewing the internal control review reports, and the compliance and corporate governance issues of the Group; and (iv) discussing with the external auditor the sufficiency of the internal control of the Group. There was no disagreement between the Board and the Audit Committee on the selection and appointment of the external auditor during the year under review.

BOARD DIVERSITY POLICY

The Company has adopted a board diversity policy since August 2013 which sets out the approach to achieve diversity in the Board. The Company recognises and embraces the benefits of having a diverse Board, and sees board diversity as an essential element in achieving a sustainable and balanced development. In reviewing Board composition, the Nomination Committee will consider balancing of a number of factors, including but not limited to age, cultural and educational background, professional experience, skills, knowledge and length of service. All Board members' appointments will be based on merit, having due regard to the overall effective function of the Board as a whole.

DIVIDEND POLICY

The aim of the dividend policy of the Company is to distribute to the Shareholders the funds surplus to the operating needs of the Group. The distribution of dividend depends upon, among others, the financial performance, future funding needs of the Company and the interests of the Shareholders as a whole.

董事委員會(續)

審核委員會(續)

截至二零二零年三月三十一日止年度，審核委員會曾舉行五次會議，成員出席會議之情況如下：

於回顧年度，審核委員會進行之工作包括(i)審閱本集團截至二零一九年九月三十日止六個月之未經審核中期業績及截至二零一九年三月三十一日止年度之經審核全年業績；(ii)檢討外聘核數師之獨立性及客觀性；(iii)審閱本集團之內部監控審閱報告，並檢討合規及企業管治事宜；及(iv)與外聘核數師討論本集團內部監控充足性。於回顧年度，董事會與審核委員會並無就外聘核數師甄選及委任出現任何意見分歧。

董事會多元化政策

本公司自二零一三年八月起採納董事會成員多元化政策，當中載列達致董事會多元化之方針。本公司肯定及推崇多元董事會之裨益，視董事會多元化為實現可持續均衡發展之要素。於檢討董事會組成時，提名委員會將權衡多項因素，包括但不限於年齡、文化及教育背景、專業經驗、技能、知識及服務年資。所有董事會成員委任均以用人唯才為原則，且適當考慮到董事會整體效益功能。

股息政策

本公司股息政策的目的是向股東分配經扣除本集團營運所需後的資金盈餘。股息的分派視乎(其中包括)本公司的財務表現、未來融資需要及股東的整體利益而定。

AUDITOR'S REMUNERATION

The consolidated financial statements of the Group for the year ended 31 March 2020 was audited by Asian Alliance. During the year under review, the remuneration payable to Asian Alliance for their statutory audit services amounted to HK\$1,210,000 and non-audit services for reviewing working capital forecast amounted to HK\$40,000.

DIRECTORS' AND AUDITOR'S RESPONSIBILITIES FOR CONSOLIDATED FINANCIAL STATEMENTS

The Directors acknowledge their responsibilities to prepare consolidated financial statements for each financial year which give a true and fair view of the state of affairs of the Group. In preparing the consolidated financial statements of the Group for the year ended 31 March 2020, the Directors have adopted suitable accounting policies which are pertinent to its operations and relevant to the consolidated financial statements, have made judgments and estimates that are prudent and reasonable, and have prepared the consolidated financial statements on a going concern basis. The responsibilities of the Directors for the consolidated financial statements of the Group for the year ended 31 March 2020 and those of the auditor to the Shareholders are set out on pages 57 to 58 of this annual report.

GOING CONCERN UNCERTAINTIES

As mentioned above, the Directors have acknowledged their responsibilities for preparing the financial statements which give true and fair view of the state of affairs of the Group. The Directors are aware of the Group's reported loss attributable to owners of the Company of approximately HK\$114,089,000 and net cash used in operating activities of approximately HK\$27,785,000 for the year ended 31 March 2020, as well as the Group's net current liabilities of approximately HK\$521,198,000 and net liabilities of approximately HK\$430,491,000 as at 31 March 2020. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Further discussion on this issue has been set out in "Note 2 — Basis of preparation — Going concern basis" to the consolidated financial statements in this annual report. Having made appropriate enquiries and examined the major areas which will give rise to the aforesaid significant financial exposures, the Directors, based on the cash flow forecast which has been prepared on the basis that the Group will successfully implement the plans and measures as set out in Note 2 to the consolidated financial statements, are satisfied that the Group will have sufficient working capital to meet with its financial obligations when they fall due. In this connection, the Directors have continued to prepare the financial statements on a going concern basis for the year ended 31 March 2020 and considered that the Group has applied consistent accounting policies, and made judgements and estimates that are appropriate and reasonable in accordance with the applicable accounting standards.

核數師酬金

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由華融審核。於回顧年度，就華融提供法定審核服務及審閱營運資金預測的非審核服務應付其之酬金分別為1,210,000港元及40,000港元。

董事及核數師就綜合財務報表所承擔之責任

董事知悉彼等有責任編製各財政年度真實兼公平反映本集團事務狀況之綜合財務報表。於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時，董事已採納切合本集團營運並與綜合財務報表相關之合適會計政策，作出審慎合理之判斷及估計，並已按持續經營基準編製綜合財務報表。董事就本集團截至二零二零年三月三十一日止年度綜合財務報表所承擔之責任及核數師對股東所負之責任載於本年報第57至第58頁。

持續經營之不確定性

誠如上文所述，董事已承認彼等編製真實而公平地反映本集團事務狀況的財務報表的責任。董事注意到，本集團呈報截至二零二零年三月三十一日止年度本公司擁有人應佔虧損約114,089,000港元及經營活動所用現金淨額約27,785,000港元，以及本集團於二零二零年三月三十一日的流動負債淨額約521,198,000港元及負債淨額約430,491,000港元。該等情況顯示存在重大不明朗因素可能對本集團持續經營能力產生重大質疑。有關該問題的進一步討論載於本年報的綜合財務報表「附註2 — 編製基準 — 持續經營基準」。經作出適當查詢及檢查可能引致上述重大財務風險的重大方面後，董事根據已按本集團將成功實施綜合財務報表附註2所載之計劃和措施之基準所編製的現金流量預測，信納本集團將擁有充足營運資金，可履行其到期財務責任。就此而言，截至二零二零年三月三十一日止年度，董事已繼續按持續經營基準編製財務報表，並認為本集團已運用一致的會計政策及根據適用會計準則作出屬適當及合理的判斷和估計。

Corporate Governance Report (continued)

企業管治報告(續)

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS

During the year under review, 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 Assessment System

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

- Identification: Understand business objectives, identify risks that could affect the achievement of objectives, and the ownership of risks.
- Evaluation: Evaluate the identified risks based on the likelihood of the occurrence and impact level of the identified risks.
- Management: Consider the risk responses, ensure effective communication to the Board and on-going monitor the residual risks.

Based on the risk assessments done by the Internal Control Advisor, certain significant risks were identified during the year under review.

Operational Risk

As at 31 March 2020, there were insufficient written policies and procedures for revenue and receipts cycle. Under this circumstance, the staff would not be able to understand the standard of the procedures when performing the duties and hence, some key control activities may not be performed. The management has established those written policies and procedures for revenue and receipts processes and approve, review and update on a regular basis.

There was lack of approval signature on sale discount approval from train media business. If the Group is without a proper documentation, the management may have difficulties in ensuring whether the sale discount has been properly approved and thus the Company may suffer losses. The Company has developed a written policy to state the approval procedures of sale discount.

風險管理及內部監控系統

於回顧年度，本集團已遵守企管守則之原則C.2，設立合適及有效之風險管理及內部監控系統。管理層負責對該系統之設計、實施及監察，董事會則持續監督管理層履行有關工作。下文闡述該風險管理及內部監控系統之主要特點：

風險評核系統

本集團已採納風險管理系統管理與其業務及營運有關之風險。該系統包括以下階段：

- 識別：了解業務目標、識別可對達成目標造成影響之風險、以及風險源頭。
- 評估：按照所識別風險發生之可能性及影響程度，評估所識別風險。
- 管理：考慮風險應變措施，確保董事會盡快獲悉，以及持續監察遺留風險。

根據內部監控顧問所進行之風險評核工作，於回顧年度已發現若干重大風險。

營運風險

於二零二零年三月三十一日，收益及收款週期並無制定充分書面政策及程序。在此情況下，員工於履職時無法了解程序標準，因此可能無法進行一些關鍵控制活動。管理層就收益及收款流程設立書面政策及程序，並定期進行審批、檢討及更新。

列車媒體業務的銷售折扣審批未經批准簽字。倘本集團並無妥當文件記錄，管理層可能難以確保銷售折扣乃經妥當審批，因而本公司可能蒙受損失。本公司制定書面政策，列明銷售折扣的審批程序。

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS (continued)

Operational Risk (continued)

The Group has put in place the measures to mitigate those significant risks. Also, an internal audit advisor will be appointed to provide further advice and support to the Group.

Internal Control System

The Company has in place an internal control system which is compatible with the Committee of Sponsoring Organizations 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 follow:

- Control Environment: A set of standards, processes and structures that provide the basis 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.
- Control Activities: Actions 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 information needed to carry out day-to-day controls.
- Monitoring: Ongoing and separate evaluations to ascertain whether each component of internal control is present and functioning.

風險管理及內部監控系統(續)

營運風險(續)

本集團已採取措施緩解該等重大風險。此外，本集團將委聘一名內部審計顧問為本集團提供進一步意見及支持。

內部監控系統

本公司已設立內部監控系統，該系統符合Committee of Sponsoring Organizations of the Treadway Commission (「COSO」)之二零一三年框架。該框架協助本集團達成有關運作效能和效率、財務報告可靠性以及遵守適用法律及法規之目標。下文載列該框架之內容：

- 監控環境：一系列為本集團進行整體內部監控提供基礎之標準、程序及架構。
- 風險評核：辨識並分析風險之主動兼互動程序，協助本集團達成目標，並為確定風險管理措施提供基礎。
- 監控活動：制定政策及程序確立行動，以確保管理層減輕風險以達成目標之指示得到切實執行。
- 資料溝通：透過本集團內外部溝通，收集所需資料，進行日常監控。
- 監察：持續進行個別評估，確定各內部監控程序運作良好。

Corporate Governance Report (continued)

企業管治報告(續)

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS (continued)

Internal Control System (continued)

In order to enhance the Group's system of handling inside information and enable a consistent practice of timely, accurate and complete disclosure of material information of the Group, the Group has adopted policies and procedures which set out guidelines and procedures as well as measures to handle and disseminate inside information. 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 by the Internal Control Advisor, deficiencies in the design and implementation of internal controls are identified and recommendations are proposed for improvement during the year under review.

Internal Control Advisor

The Group has engaged the Internal Control Advisor to carry out the internal audit functions by performing independent appraisal of the adequacy and effectiveness of the Group's risk management and internal control systems. The Internal Control Advisor is independent of the Group's daily operation and carries out appraisal of the risk management and internal control systems by conducting periodic interviews, walkthroughs and tests of operational effectiveness to identify any irregularities and risks, develops action plans and makes recommendations to address the identified risks, and reports to the Audit Committee on any key findings and progress of the internal audit process. The Audit Committee in turn reports to the Board on any material issues and makes recommendations to the Board.

風險管理及內部監控系統(續)

內部監控系統(續)

為了加強本集團處理內幕消息之制度，確保貫徹執行迅速、準確及完整之本集團重大消息披露，本集團已採納若干政策及程序，制定指引、步驟及措施，處理並發佈內幕消息。已不時採取若干合理措施以確保存在適當保障措施，防止違反有關本集團的披露規定，包括：

- 少數僱員僅在必須知曉時方可查閱資料。持有內幕信息的僱員需充分知悉彼等的保密義務。
- 本集團進行重大談判時須簽立保密協議。
- 執行董事為與媒體、分析師及投資者等外部各方溝通時代表本公司發言的指定人士。

根據內部監控顧問所進行之內部監控檢討工作，於回顧年度發現內部控制的設計及實施存在缺失並就此提出改進建議。

內部監控顧問

本集團已委託內部監控顧問承擔內部審計功能，對本集團之風險管理及內部監控系統是否足夠及有效進行獨立評核。內部監控顧問獨立於本集團之日常運作，透過進行定期會面、巡視及測試營運效率評核風險管理及內部監控系統，以識別任何違規行為及風險，制定措施計劃及提出建議以應對識別的風險並向審核委員會報告任何內部審計程序的主要發現及進度。然後，審核委員會向董事會報告任何重大問題並向其提出建議。

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS (continued)

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 reviewing their effectiveness. The Board is also responsible for reviewing the internal control review reports, and approving policies and procedures designed by the management. The Board conducted a review and assessment of the effectiveness of the Group's risk management and internal control systems and procedures for the financial year ended 31 March 2020 by way of discussions with the management of the Group, the members of the Audit Committee and the Internal Control Advisor.

The Board, through its review and the review made by the Internal Control Advisor and Audit Committee, concluded that, the adequacy and effectiveness of the risk management and internal control systems need to be improved during the year under review. 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.

COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

During the year under review, the Company has adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standard as set out in the Model Code.

The Board was informed by Mr. Yeung Chun Wai, Anthony ("Mr. Yeung") (resigned as executive Director with effect from 9 September 2019) on 5 July 2019 that he has entered into certain margin financing arrangement(s) and certain Shares held by Mr. Yeung, his spouse and their controlled corporations were deposited in a margin securities trading account (the "Margin Account") maintained with a securities firm (the "Broker") as collaterals to secure his margin financing (the "Margin Securities"). Mr. Yeung informed the Board that pursuant to the terms and conditions applicable to the Margin Account, the Broker disposed of 71,983,720, 12,625,000 and 13,500,000 Margin Securities, representing approximately 2.64% in total of the entire issued share capital of the Company, on the market on 25 June 2019, 26 June 2019 and 27 June 2019 respectively (the "Disposals") to settle the outstanding balances owing to the Broker. The Disposals fell within the black-out period in relation to the publication of the annual results of the Company for the year ended 31 March 2019 (the "Black-out Period"). The Directors (except Mr. Yeung), after considering the above-mentioned information provided by Mr. Yeung, were satisfied that the Disposals during the Black-out Period were made under exceptional circumstances under paragraph C.14 of the Model Code.

風險管理及內部監控系統(續)

風險管理及內部監控系統之效能

董事會對本集團之風險管理及內部監控系統負責，並有責任檢討該等系統的有效性。董事會亦負責審閱內部監控檢討報告，審批管理層所設計之政策及程序。於截至二零二零年三月三十一日止財政年度，董事會已與本集團管理層、審核委員會成員和內部監控顧問進行討論，檢討及評核本集團風險管理及內部監控系統和程序之效能。

回顧年度內，董事會認為，按照其本身之檢討以及內部監控顧問和審核委員會所進行之檢討，該風險管理及內部監控系統的充分性及有效性需要得到提升。然而，該等系統旨在管理而非消除未能達成業務目標之風險，而且只能就不會有重大之失實陳述或損失作出合理而非絕對之保證。

遵守董事進行證券交易之標準守則

回顧年度內，本公司已採納董事進行證券交易之操守守則，其條款不遜於標準守則所載之規定標準。

於二零一九年七月五日，董事會接獲楊俊偉先生（「楊先生」，於二零一九年九月九日辭任執行董事）的通知，指彼已訂立若干保證金融資安排，而楊先生、其配偶及彼等控制公司持有的若干股份，存放於保證金證券買賣賬戶（「孖展賬戶」），該戶口於一間證券行（「經紀」）開設，作為取得彼的保證金融資（「保證金證券」）的抵押品。楊先生知會董事會，指根據適用於孖展賬戶的條款及條件，經紀分別於二零一九年六月二十五日、二零一九年六月二十六日及二零一九年六月二十七日於市場上出售71,983,720、12,625,000及13,500,000項保證金證券（「出售事項」），合共佔本公司全部已發行股本約2.64%，以結付結欠經紀的未償還結餘。出售事項乃於刊發本公司截至二零一九年三月三十一日止年度的全年業績的相關禁售期（「禁售期」）內進行。董事（楊先生除外）於考慮楊先生提供的上述資料後，信納於禁售期內的出售事項乃根據標準守則第C.14段的除外情況作出。

Corporate Governance Report (continued)

企業管治報告(續)

COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS (continued)

Save as disclosed above, having made specific enquiry, all current Directors have confirmed that they have complied with the required standard set out in the Model Code and the Company's code of conduct regarding Directors' securities transactions throughout the year under review and up to the date of this annual report.

Every newly appointed Director will be given a comprehensive and tailored induction on his/her first appointment so as to ensure that he/she has appropriate understanding of the business and operations of the Group and of his/her duties, responsibilities and obligations under the Listing Rules and the relevant statutory and regulatory requirements.

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

The Directors are continuously updated on latest developments regarding the Listing Rules and other applicable regulatory requirements to ensure compliance with the same by them.

The Directors are committed to complying with Code Provision A.6.5 of the CG Code on directors' training to develop and refresh their knowledge and skills so as to ensure that their contribution to the Board will be informed and relevant.

All current Directors have provided their training records for the year under review to the Company pursuant to the CG Code. The individual training record of each Director for the year ended 31 March 2020 is summarised below:

Name of Directors

董事姓名

Type of trainings

培訓類別

Executive Directors:

Mr. Zhang Yi (Chairman)
Ms. Chu Wei Ning (Chief Executive Officer)
Ms. Lam Sze Man (appointed on 3 October 2019)

執行董事

張依先生(主席)
祝蔚寧女士(行政總裁)
林詩敏女士(於二零一九年十月三日獲委任)

A,B
A,B
A,B

Independent non-executive Directors:

Mr. Chan Fong Kong, Francis
Mr. Chan Kee Huen, Michael
Mr. Feng Man (appointed on 13 December 2019)

獨立非執行董事

陳方剛先生
陳記煊先生
馮滿先生(於二零一九年十二月十三日獲委任)

A,B
A,B
A,B

A: Attending seminars/conferences/training sessions and reading materials relating to corporate governance, directors' duties and responsibilities, and updates on rules, laws and/or regulations relating to listed companies

B: Reading newspapers/journals/articles and in-house briefings relating to the economy, general business, and/or the Company's business

遵守董事進行證券交易之標準守則(續)

除上文所披露者外，經本公司作出具體查詢後，全體現任董事確認彼等於整個回顧年度內及直至本年度報告日期一直遵守標準守則所載之規定標準及本公司之董事進行證券交易之操守守則。

每位新委任董事將於首次獲委任時獲得全面兼專為其而設的就任須知，以確保新任董事適當掌握本集團之業務及營運、彼等於上市規則及相關法定及監管規定下之職務、職責及義務。

本集團亦訂有安排於有需要時向董事提供簡報及專業發展。

董事持續獲得有關上市規則及其他適用監管規定之最新發展資訊，確保彼等符合有關規定。

董事致力遵守企管守則之守則條文A.6.5，內容有關董事發展及更新其知識及技能之培訓，以確保彼等為董事會作出知情並相關之貢獻。

全體現任董事已根據企管守則向本公司提供彼等於回顧年度內之培訓紀錄。於截至二零二零年三月三十一日止年度，各董事所接受之個別培訓紀錄概述如下：

A: 出席有關企業管治、董事職務及職責以及上市規則相關規則、法律及／或規例最新資料之座談會／會議／培訓以及閱讀相關資料

B: 閱讀有關經濟、一般事務及／或本公司業務之報章／期刊／文章及內部簡介

DIRECTORS' LIABILITY INSURANCE

During the year ended 31 March 2020, the Company has arranged appropriate insurance cover for directors' liabilities in respect of potential legal actions against the Directors arising out of corporate activities of the Group pursuant to Code Provision A.1.8 of the CG Code. Such directors' liability insurance will be reviewed and renewed annually.

During the year ended 31 March 2020, no claim has been made against the Directors.

COMPANY SECRETARY

The Company engaged an external service provider as its Company Secretary since 2 September 2015. Ms. Chu Wei Ning, the chief executive officer of the Company, and Ms. Lam Sze Man, an executive Director, are the contact person of the external service provider. The biographical details of the Company Secretary are disclosed in the "Biographical Details of Directors and Senior Management" section of this annual report. During the year under review, Ms. Huen Lai Chun, being the Company Secretary of the Company, undertook over 15 hours of relevant professional training to update her skills and knowledge.

SHAREHOLDERS' RIGHT

Procedures for Shareholders to convene a special general meeting

Pursuant to Section 74(1) of the Bermuda Companies Act and the By-laws 58, the Shareholder(s) holding as at the date of the deposit of the requisition not less than one-tenth of the paid-up capital of the Company with the right of voting at general meetings of the Company may request the Board to convene a special general meeting.

The requisition must state the purposes of the meeting, and must be signed by the requisitionists and deposited at the registered office of the Company at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda for the attention of the Company Secretary and may consist of several documents in like form each signed by one or more requisitionists.

If the Directors do not within twenty-one days from the date of the deposit of the requisition proceed duly to convene a meeting, the requisitionists, or any of them representing more than one half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three months from the said date.

董事之責任保險

截至二零二零年三月三十一日止年度，本公司已按照企管守則之守則條文A.1.8，就因本集團企業活動而產生可能針對董事之法律行動，為董事責任安排合適保險。有關董事之責任保險將每年檢討及續保。

截至二零二零年三月三十一日止年度，並無針對董事之申索。

公司秘書

本公司自二零一五年九月二日起委聘外部服務提供者擔任其公司秘書。本公司之行政總裁祝蔚寧女士及執行董事林詩敏女士為外部服務提供者之聯絡人。公司秘書履歷於本年報「董事及高級管理人員履歷」一節內披露。於回顧年度，禰麗珍女士作為本公司之公司秘書已接受逾15小時之相關專業培訓，以更新其技能及知識。

股東權利

股東召開股東特別大會之程序

根據百慕達公司法第74(1)條及細則第58條，股東可要求董事會召開股東特別大會，惟有關股東於遞交要求當日須持有不少於十分之一賦有本公司股東大會投票權之本公司繳足股本。

有關要求必須列明會議目的及由提出要求者簽署，並提交本公司註冊辦事處（地址為Clarendon House, 2 Church Street, Hamilton HM11, Bermuda），註明收件人為公司秘書，且可包含由一名或多名提出要求者分別簽署而格式類同之多份文件。

倘董事並無於提交要求日期起計二十一天內妥為安排召開會議，則有關提出要求者或佔彼等各人總投票權逾半之任何一名提出要求者，可自行召開會議，惟按此召開之任何會議不得於上述日期起計三個月屆滿後舉行。

Corporate Governance Report (continued)

企業管治報告(續)

SHAREHOLDERS' RIGHT (continued)

Procedures for directing Shareholders' enquiries to the Board

Shareholders should direct their enquiries about their shareholdings to the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong.

Other Shareholders' enquiries can be directed in writing with contact details (including name, address, telephone number and email address) to the principal office in Hong Kong of the Company at Suites 3103-04, 31/F, Oxford House, Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong for the attention of the Company Secretary.

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

Procedures for putting proposals at a general meeting

Shareholders are welcomed to suggest proposals relating to the operations, strategy and/or management of the Group to be discussed at general meetings of the Company. Proposals shall be directed in writing with contact details (including name, address, telephone number and email address) to the principal office in Hong Kong of the Company at Suites 3103-04, 31/F, Oxford House, Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong for the attention of the Company Secretary.

The procedures for proposing a person for election as a Director are available on the website of the Company.

The Board may, in its sole discretion, consider if such proposals are appropriate and shall be put forward to the Shareholders for approval at the next general meeting of the Company to be convened by the Board.

股東權利(續)

股東向董事會提出查詢之程序

股東應向本公司之香港股份過戶登記分處卓佳秘書商務有限公司(地址為香港皇后大道東183號合和中心54樓)提出有關彼等股權之查詢。

其他股東查詢連同聯絡資料(包括姓名／名稱、地址、電話號碼及電郵地址)可以書面提交本公司之香港主要辦事處(地址為香港鰂魚涌英皇道979號太古坊濠豐大廈31樓3103-04室)，註明收件人為公司秘書。

股東亦可於本公司股東大會上向董事會作出查詢。

於股東大會提呈建議之程序

本公司歡迎股東提出有關本集團營運、策略及／或管理之建議以於本公司股東大會上討論。建議連同聯絡資料(包括姓名／名稱、地址、電話號碼及電郵地址)可以書面提交本公司之香港主要辦事處(地址為香港鰂魚涌英皇道979號太古坊濠豐大廈31樓3103-04室)，註明收件人為公司秘書。

提名人士參選董事之程序可於本公司網站閱覽。

董事會可全權酌情考慮有關建議是否合適，以及應否於董事會召開之下次本公司股東大會上提呈股東批准。

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

The Company communicates with its Shareholders and investors through various channels including publication of interim and annual reports, announcements, circulars, press releases and other corporate communications and publications available on the websites of the Company and the Stock Exchange.

The general meetings of the Company provide an opportunity for direct communication between the Board and the Shareholders. The Company encourages their participation through general meetings where they meet and exchange views with the Board, and exercise their right to vote at general meetings.

To promote the communication between the Company and its Shareholders, the Company has established a Shareholders' communication policy which will be reviewed on a regular basis to ensure its effectiveness and compliance with the prevailing regulatory and other requirements.

An up-to-date consolidated version of the Memorandum of Association and Bye-laws of the Company is published on the websites of the Company and the Stock Exchange. There have been no changes to such constitutional documents during the year under review.

與股東通訊及投資者關係

本公司透過多種渠道與其股東及投資者通訊，包括於本公司及聯交所網站登載中期及年度報告、公告、通函、新聞稿及其他公司通訊及刊物。

本公司之股東大會提供董事會與股東直接溝通之機會。本公司鼓勵彼等藉股東大會積極發言，使彼等與董事會會面及交流意見，並於股東大會上行使其投票權。

為加強本公司與其股東之溝通，本公司已制訂股東通訊政策，並會作定期檢討，以確保其成效及符合通行監管及其他規定。

本公司組織章程大綱及細則之最新綜合版本已於本公司及聯交所網站登載。於回顧年度，該等憲章文件並無任何改動。

Independent Auditor's Report 獨立核數師報告



TO THE MEMBERS OF CHINA BAOLI TECHNOLOGIES HOLDINGS LIMITED

中國寶力科技控股有限公司
(Incorporated in Bermuda with limited liability)

DISCLAIMER OF OPINION

We were engaged to audit the consolidated financial statements of China Baoli Technologies Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 59 to 224, 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 profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matters described in the *Basic for Disclaimer of Opinion* section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements. In all other respects, in our opinion, the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR DISCLAIMER OF OPINION

(a) Limitation of scope on prior year's scope limitation affecting comparative figures and related disclosures

As explained in our report dated 12 July 2019 on the Group's consolidated financial statements for the year ended 31 March 2019 (the "2019 Consolidated Financial Statements"), we were not provided with sufficient evidence to enable us to satisfy ourselves as to whether the Group's share of result and thus impairment loss of Yota and its subsidiaries (the "Yota Group") for the year ended 31 March 2019 were fairly stated and whether the summarised financial information of the Yota Group as shown in Note 21 to the 2019 Consolidated Financial Statements were properly disclosed. We qualified our opinion on the Group's 2019 Consolidated Financial Statements in respect of this limitation of scope accordingly.

致中國寶力科技控股有限公司
(於百慕達註冊成立之有限公司)
股東

不發表意見

本核數師(以下簡稱「我們」)獲委聘審計中國寶力科技控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)載於第59至第224頁之綜合財務報表，此綜合財務報表包括於二零二零年三月三十一日之綜合財務狀況表、截至該日止年度之綜合損益表、綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表以及綜合財務報表附註，包括主要會計政策概要。

我們對 貴集團之綜合財務報表不發表意見。由於我們報告中不發表意見之基準一節內所述事項的重大性，我們並未能夠取得充足適當審核憑據以就該等綜合財務報表發表審核意見提供基準。在所有其他方面，我們認為綜合財務報表已根據香港公司條例的披露規定妥為編製。

不發表意見之基準

(a) 對上年度影響比較數字及相關披露之範圍限制

誠如我們就 貴集團截至二零一九年三月三十一日止年度之綜合財務報表(「二零一九年綜合財務報表」)於二零一九年七月十二日作出之報告所闡述，我們未獲提供足夠證據，以讓我們信納 貴集團截至二零一九年三月三十一日止年度分佔Yota及其附屬公司(「Yota集團」)的業績及減值虧損是否公平載列以及二零一九年綜合財務報表附註21所示Yota集團之財務資料概要是否適當披露。因此，我們已就此範圍限制對 貴集團二零一九年綜合財務報表作出保留意見。

Independent Auditor's Report (continued)

獨立核數師報告(續)

BASIS FOR DISCLAIMER OF OPINION (continued)

(a) Limitation of scope on prior year's scope limitation affecting comparative figures and related disclosures (continued)

Any adjustments found to be necessary to the figures as described above may affect the related disclosures in the notes to the consolidated financial statements of the Group for the year ended 31 March 2020. The comparative figures for the year ended 31 March 2019 shown in these consolidated financial statements may not be comparable with the figures for the current year.

(b) Limitation of scope on loss on deconsolidation of We Fly Travel Limited ("We Fly")

As stated in Note 43 to the consolidated financial statements, a director who was appointed by the Group as a director of We Fly, resigned on 3 February 2020, accordingly, the directors of the Company (the "Directors") resolved that the Group no longer had the power to govern the financial and operating policies of We Fly, and the control over We Fly was lost on that date and deconsolidate We Fly since 3 February 2020 (the "Deconsolidation Date").

Due to the non-cooperation of the management of We Fly, the Directors were unable to access to the books and records of We Fly since the Deconsolidation Date, despite the fact that the Directors have taken all reasonable steps and has used its best endeavors to resolve the matter.

Under the circumstances as explained above, we were not able to carry out procedures which we considered necessary on the books and records of We Fly, to satisfy ourselves as to the existence, ownership, completeness, accuracy, valuation and classification of its total assets of approximately HK\$194,116,000 and total liabilities of approximately HK\$23,956,000 as at the Deconsolidation Date and of its loss of approximately HK\$4,998,000 for the period from 1 April 2019 to the Deconsolidation Date. Consequently, we were unable to satisfy ourselves as to whether the loss on deconsolidation of approximately HK\$175,437,000 arising thereon was fairly stated. There were no other satisfactory audit procedures that we could adopt to obtain sufficient appropriate evidence in this regard.

Any adjustments found to be necessary to the above amounts would affect the amounts recorded in the consolidated statement of profit or loss and other comprehensive income in respect of We Fly for the period from 1 April 2019 to the Deconsolidation Date, with a corresponding effect on the loss on deconsolidation of a subsidiary, and the related disclosures thereof in the consolidated financial statements.

不發表意見之基準(續)

(a) 對上年度影響比較數字及相關披露之範圍限制(續)

上文所述對數字之任何必要調整可能會對貴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附註內所作之相關披露造成影響。該等綜合財務報表所示截至二零一九年三月三十一日止年度之比較數字或與本年度數字不具可比性。

(b) 對愛飛旅遊有限公司(「愛飛」)終止綜合入賬所產生虧損之範圍限制

誠如綜合財務報表附註43所述，一名曾由貴集團委任為愛飛董事之董事，於二零二零年二月三日辭任愛飛董事，因此，貴公司董事(「董事」)議決 貴集團不再有權監管愛飛之財務及經營政策，而對愛飛之控制權亦於該日喪失及自二零二零年二月三日起將愛飛終止綜合入賬(「終止綜合入賬日期」)。

由於愛飛管理層不予配合，儘管董事已採取所有合理措施並盡全力解決此事，董事自終止綜合入賬日期以來無法查閱愛飛之賬簿及記錄。

在上述情況下，我們無法就愛飛之賬簿及記錄進行我們認為必要之程序，以令我們信納其於終止綜合入賬日期資產總值約194,116,000港元及負債總額約23,956,000港元以及其於二零一九年四月一日起至終止綜合入賬日期止期間之虧損約4,998,000港元之存在、擁有權、完整性、準確性、估值及分類情況。因此，我們無法信納由此產生之終止綜合入賬之虧損約175,437,000港元是否公平載列。此外，亦無其他令人滿意之審核程序可供我們採納，以就此獲取充足適當證據。

就上述款項之任何必要調整將對綜合損益及其他全面收益表內所錄得於二零一九年四月一日起至終止綜合入賬日期止期間愛飛有關款項造成影響，並對附屬公司終止綜合入賬之虧損以及綜合財務報表內相關披露造成相應影響。

Independent Auditor's Report (continued)

獨立核數師報告(續)

BASIS FOR DISCLAIMER OF OPINION (continued)

(c) Limitation of scope on share of results and derecognition of interests in associates

As stated in Note 24 to the consolidated financial statements, the Directors assessed that the Group has lost its significant influence on the Yota Group on 30 April 2019 (the "Derecognition Date"). As the books and records of the Yota Group were kept and maintained by the official liquidator, which were not made available to the Group's management, we have not been provided with sufficient appropriate audit evidence, including information and explanations, to ascertain the financial position of the Yota Group as at the Derecognition Date and its result of operations for the period from 1 April 2019 to the Derecognition Date. There were no other satisfactory audit procedures that we could adopt to obtain sufficient appropriate evidence in this regard.

Any adjustments found to be necessary to the above amounts would affect the amounts recorded in the consolidated statement of profit or loss and other comprehensive income in respect of the Yota Group for the period from 1 April 2019 to the Derecognition Date, with a corresponding effect on the loss on derecognition of associates, and the related disclosures thereof in the consolidated financial statements.

(d) Multiple fundamental uncertainties relating to going concern

As stated in Note 2 to the consolidated financial statements, the Group reported loss attributable to the owners of the Company of approximately HK\$114,089,000 for the year ended 31 March 2020 and, as of that date, the Group's current liabilities exceeded its current assets by approximately HK\$521,198,000 and the Group had net liabilities of approximately HK\$430,491,000, in which total borrowings amounted to approximately HK\$269,359,000, while its cash and cash equivalents amounted to approximately HK\$2,715,000.

These conditions indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business.

As explained in Note 2 to the consolidated financial statements, the consolidated financial statements have been prepared by the Directors on a going concern basis, the validity of which is dependent on the Group's ability to obtain sufficient future funding. Due to the uncertainty of the Group's ability to maintain adequate future cash flows, we were unable to ascertain whether the assumptions made by the Directors in preparing the consolidated financial statements on a going concern basis are proper and appropriate.

不發表意見之基準(續)

(c) 對分佔業績及終止確認聯營公司權益之範圍限制

誠如綜合財務報表附註24所述，經董事評定，貴集團已於二零一九年四月三十日（「終止確認日期」）失去對Yota集團之重大影響力。由於Yota集團之賬簿及記錄由法定清盤人存置，貴集團管理層無法獲得，我們未獲提供充足適當之審核證據，包括資料及說明，以便確定Yota集團於終止確認日期之財務狀況及其於二零一九年四月一日起至終止確認日期止期間之經營業績。此外，亦無其他令人滿意之審核程序可供我們採納，以就此獲取充足適當證據。

就上述款項之任何必要調整將對綜合損益及其他全面收益表內所錄得於二零一九年四月一日起至終止確認日期止期間Yota集團有關款項造成影響，並對綜合財務報表內終止確認聯營公司之虧損及其相關披露造成相應影響。

(d) 有關持續經營之多項基本不明朗因素

誠如綜合財務報表附註2所述，貴集團呈報截至二零二零年三月三十一日止年度，貴公司擁有人應佔虧損約114,089,000港元，及截至該日，貴集團的流動負債超過其流動資產約521,198,000港元，且貴集團有負債淨額約430,491,000港元，其中借款總額約為269,359,000港元，而現金及現金等額項目約為2,715,000港元。

該等情況顯示存在重大不明朗因素，可能對貴集團持續經營能力產生重大質疑，因此，貴集團未必可以在日常業務過程中變現其資產及償還其負債。

誠如綜合財務報表附註2所闡述，綜合財務報表乃由董事按持續經營基準編製，其有效性取決於貴集團獲取足夠未來資金之能力。鑒於貴集團維持充足未來現金流量之能力存在不確定因素，我們未能確定董事於按持續經營基準編製綜合財務報表過程中所作之假設是否屬妥善及恰當。

Independent Auditor's Report (continued)

獨立核數師報告(續)

BASIS FOR DISCLAIMER OF OPINION (continued)

(d) Multiple fundamental uncertainties relating to going concern (Continued)

Should the going concern assumption be inappropriate, adjustments would be necessary to reclassify all non-current assets and liabilities as current assets and liabilities respectively, write-down the value of assets to their recoverable amounts and to provide for further liabilities which may arise. The consolidated financial statements have not incorporated any of these adjustments. However, the uncertainty surrounding the Group's future cash flows raises significant doubt about the Group's ability to continue as a going concern. We consider that appropriate disclosures have been made in the consolidated financial statements concerning this situation, but we are unable to obtain adequate evidence concerning the Group's ability to meet any financial obligations as and when they fall due and we consider that these material uncertainties relating to going concern basis.

We consider the cumulative effect of the above matters on the consolidated financial statements is so extreme that we have disclaimed our opinion.

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

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

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

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

不發表意見之基準(續)

(d) 有關持續經營之多項基本不明朗因素(續)

倘持續經營假設不適用，必須作出調整以分別將所有非流動資產及負債重新分類為流動資產及負債，將資產價值撇減至其可收回金額，及為可能產生的進一步負債計提撥備。綜合財務報表並無納入任何該等調整。然而，有關貴集團未來現金流量的不明朗因素對貴集團持續經營能力產生重大質疑。我們認為，綜合財務報表已就有關情況作出適當披露，惟我們無法獲得有關貴集團有能力履行任何到期財務責任的充分憑證，因此我們認為持續經營基準存在該等重大不明朗因素。

我們認為上述事項對綜合財務報表之累計影響實屬非常，我們不發表意見。

董事及治理層就綜合財務報表須承擔之責任

董事須負責根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)及香港公司條例之披露規定擬備真實而中肯之綜合財務報表，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之重大錯誤陳述所需之內部監控負責。

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

治理層負責監督貴集團之財務申報過程。

Independent Auditor's Report (continued)

獨立核數師報告(續)

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

Our responsibility is to conduct an audit of the Group's consolidated financial statements in accordance with Section 90 of the Bermuda Companies Act and Hong Kong Standards on Auditing issued by the HKICPA and to issue an auditor's report that includes our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. However, because of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

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.

Asian Alliance (HK) CPA Limited

Certified Public Accountants (Practising)

Lam Chik Tong

Practising Certificate Number: P05612

8/F., Catic Plaza
8 Causeway Road
Causeway Bay
Hong Kong

31 August 2020

核數師就審計綜合財務報表承擔之責任

我們的責任為按照百慕達公司法第90條及香港會計師公會頒佈之香港審計準則審計 貴集團之綜合財務報表，並僅向 閣下(作為整體)出具載有我們意見的核數師報告，該報告別無其他目的。我們不會就本報告之內容向任何其他人士負上或承擔任何責任。然而，由於我們報告不發表意見之基準一節所述之事項，我們並未能夠取得充足適當審核憑據以就該等財務報表發表之審核意見提供基準。

按照香港會計師公會頒佈之專業會計師道德守則(以下簡稱「守則」)，我們獨立於 貴集團，並已履行守則中的其他專業道德責任。

華融(香港)會計師事務所有限公司

執業會計師

林植棠

執業證書編號：P05612

香港
銅鑼灣
高士威道8號
航空大廈8樓

二零二零年八月三十一日

Consolidated Statement of Profit or Loss

綜合損益表

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

			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			
Revenue from contracts with customers	客戶合約收入	8	49,302	44,580
Cost of revenue	收入成本		(42,636)	(103,149)
Gross profit (loss)	毛利(毛損)		6,666	(58,569)
Other income, gains and losses, net	其他收入、收益及虧損淨額	10	15,140	30,024
Impairment losses under expected credit loss model, net of reversal	預期信貸虧損模式下之減值虧損(扣除撥回值)	12	(6,464)	(612,901)
Impairment loss on interests in associates	聯營公司權益之減值虧損	24	—	(331,352)
Impairment loss on goodwill	商譽之減值虧損	25	—	(87,196)
Administrative expenses	行政費用		(118,216)	(203,888)
Selling and distribution expenses	銷售及分銷費用		(4,912)	(19,576)
Loss on deconsolidation of a subsidiary	附屬公司終止綜合入賬之虧損	43	(175,437)	—
Gain on deregistration of subsidiaries	註銷附屬公司之收益		3,445	—
Loss on derecognition of associates	終止確認聯營公司之虧損	24	(313)	—
Gain on disposal of a subsidiary	出售附屬公司之收益	44	207,760	—
Finance costs	融資成本	11	(43,138)	(25,468)
Share of profit of associates	應佔聯營公司之溢利	24	—	474
Loss before tax	除稅前虧損		(115,469)	(1,308,452)
Income tax (expense) credit	所得稅(開支)抵免	13	(3,090)	2,502
Loss for the year	本年度虧損	14	(118,559)	(1,305,950)
Loss for the year attributable to:	以下人士應佔本年度虧損：			
— Owners of the Company	— 本公司擁有人		(114,089)	(1,298,305)
— Non-controlling interests	— 非控股權益		(4,470)	(7,645)
			(118,559)	(1,305,950)
Loss per share	每股虧損	18		
— Basic and diluted	— 基本及攤薄		(3.08) cents 仙	(36.29) cents 仙

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

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

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Loss for the year	本年度虧損	(118,559)	(1,305,950)
Other comprehensive income (expense):	其他全面收入(支出):		
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>其後可重新分類至損益之項目:</i>		
Exchange differences arising on translation of foreign operations	換算海外業務時產生之匯兌差額	11,874	(25)
Release of exchange reserve upon deregistration of subsidiaries	於註銷附屬公司時解除匯兌儲備	(3,923)	—
Share of exchange reserve of associates	應佔聯營公司之匯兌儲備	—	(3,168)
Release of exchange reserve upon derecognition of associates	於終止確認聯營公司時解除匯兌儲備	313	—
Other comprehensive income (expense) for the year, net of income tax	本年度其他全面收入(支出) (除所得稅後)	8,264	(3,193)
Total comprehensive expense for the year	本年度全面支出總額	(110,295)	(1,309,143)
Total comprehensive expense attributable to:	以下人士應佔全面支出總額:		
Owners of the Company	本公司擁有人	(106,395)	(1,301,645)
Non-controlling interests	非控股權益	(3,900)	(7,498)
		(110,295)	(1,309,143)

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 March 2020 於二零二零年三月三十一日

			2020 二零二零年	2019 二零一九年
	Notes 附註		HK\$'000 千港元	HK\$'000 千港元
Non-current assets		非流動資產		
Property, plant and equipment	19	物業、廠房及設備	6,699	9,986
Land use rights	20	土地使用權	—	8,328
Right-of-use asset	21	使用權資產	11,197	—
Intangible assets	23	無形資產	52,292	19
Goodwill	25	商譽	54,962	185,285
Interests in associates	24	於聯營公司之權益	—	—
Deferred tax assets	36	遞延稅項資產	—	2,524
			125,150	206,142
Current assets		流動資產		
Inventories	26	存貨	7	11,638
Trade and other receivables	27	應收貿易及其他賬項	44,374	36,005
Financial assets at fair value through profit or loss		按公平值計入損益之		
	28	金融資產	512	778
Bank balances and cash	29	銀行結餘及現金	2,715	7,317
			47,608	55,738
Current liabilities		流動負債		
Trade and other payables	30	應付貿易及其他賬項	237,970	387,047
Contract liabilities	33	合約負債	26,543	469
Lease liabilities	31	租賃負債	3,586	—
License fees payables	32	應付特許權費	28,633	—
Tax payable		應付稅項	3,090	—
Bank and other borrowings	34	銀行及其他借貸	259,491	209,895
Convertible loan	35	可換股貸款	9,493	—
			568,806	597,411
Net current liabilities		流動負債淨值	(521,198)	(541,673)
Total assets less current liabilities		總資產減流動負債	(396,048)	(335,531)

Consolidated Statement of Financial Position (continued)

綜合財務狀況表(續)

As at 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			
Non-current liabilities		非流動負債		
Bank and other borrowings	34	銀行及其他借貸	9,868	28,895
Lease liabilities	31	租賃負債	812	—
License fees payables	32	應付特許權費	23,763	—
Deferred tax liabilities	36	遞延稅項負債	—	30
			34,443	28,925
Net liabilities		負債淨值	(430,491)	(364,456)
Capital and reserves		資本及儲備		
Share capital	37	股本	372,156	363,823
Reserves		儲備	(790,861)	(716,627)
Equity attributable to owners of the Company		本公司擁有人應佔權益	(418,705)	(352,804)
Non-controlling interests	53	非控股權益	(11,786)	(11,652)
Total deficit		虧絀總額	(430,491)	(364,456)

The consolidated financial statements on pages 59 to 224 were approved and authorised for issue by the Board of Directors on 31 August 2020 and are signed on its behalf by:

第59頁至第224頁的綜合財務報表於二零二零年八月三十一日獲董事會批准及授權刊發，並由以下人士代表簽署：

Zhang Yi
張依
Director
董事

Chu Wei Ning
祝蔚寧
Director
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

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

		Attributable to the owner of the Company 本公司擁有人應佔													Non-controlling interests		
		Share capital	Share premium	Capital redemption reserve	Other reserve	Share options reserve	Shares held under share award scheme reserve	Share-based payment reserve	Exchange reserve	Special reserve	Contributed surplus	Accumulated losses	Total				Total
		股本	股份溢價	資本贖回儲備	其他儲備	購股權儲備	根據股份獎勵計劃所持股份儲備	以股份為基礎之付款儲備	匯兌儲備	特別儲備	撥入盈餘	累計虧損	總額	非控股權益			總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
										(Note a)	(Note b)						
										(附註a)	(附註b)						
At 1 April 2018	於二零一八年四月一日	352,251	2,044,106	13,878	46,962	28,216	(1,268)	20,421	13,969	78,176	684,966	(2,420,199)	861,478	(4,154)			857,324
Loss for the year	本年度虧損	—	—	—	—	—	—	—	—	—	—	(1,298,305)	(1,298,305)	(7,645)			(1,305,950)
Other comprehensive (expense) income for the year	本年度其他全面(支出)收入																
Items that may be reclassified subsequently to profit or loss:	其後可重新分類至損益之項目:																
Exchange differences arising on translation of foreign operations	換算海外業務時產生之匯兌差額	—	—	—	—	—	—	—	(172)	—	—	—	(172)	147			(25)
Share of exchange reserve of associates	應佔聯營公司之匯兌儲備	—	—	—	—	—	—	—	(3,168)	—	—	—	(3,168)	—			(3,168)
Other comprehensive (expense) income for the year, net of income tax	本年度其他全面(支出)收入(除所得稅後)	—	—	—	—	—	—	—	(3,340)	—	—	—	(3,340)	147			(3,193)
Total comprehensive expense for the year	本年度全面支出總額	—	—	—	—	—	—	—	(3,340)	—	—	(1,298,305)	(1,301,645)	(7,498)			(1,309,143)
Issuance of shares for the further acquisition of an associate (Note 37(b))	就進一步收購一間聯營公司發行股份(附註37(b))	2,543	32,452	—	—	—	—	—	—	—	—	—	34,995	—			34,995
Issuance of shares under share award scheme (Note 37(c))	根據股份獎勵計劃發行股份(附註37(c))	9,029	—	—	—	—	(9,029)	—	—	—	—	—	—	—			—
Equity settled share-based transaction (Note 41)	以權益結算以股份為基礎之交易(附註41)	—	—	—	—	—	—	52,368	—	—	—	—	52,368	—			52,368
Allotment of awarded shares to trustee (Note 41)	向受託人配發獎勵股份(附註41)	—	62,258	—	—	—	10,281	(72,539)	—	—	—	—	—	—			—
Share award forfeited (Notes 41)	沒收獎勵股份(附註41)	—	—	—	—	—	—	(250)	—	—	—	250	—	—			—
Lapse of share options (Note 40)	購股權失效(附註40)	—	—	—	—	(28,216)	—	—	—	—	—	28,216	—	—			—
At 31 March 2019	於二零一九年三月三十一日	363,823	2,138,816	13,878	46,962	—	(16)	—	10,629	78,176	684,966	(3,690,038)	(352,804)	(11,652)			(364,456)

Consolidated Statement of Changes in Equity (continued)

綜合權益變動表(續)

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

		Attributable to the owner of the Company 本公司擁有人應佔													
		Share capital	Share premium	Capital redemption reserve	Other reserve	Contingent consideration reserve	Shares held under share award scheme reserve 根據股份獎勵計劃所持股份儲備	Share-based payment reserve 以股份為基礎之付款儲備	Exchange reserve	Special reserve	Contributed surplus	Accumulated losses	Total	Non-controlling interests	Total
		股本 HK\$'000 千港元	股份溢價 HK\$'000 千港元	資本贖回儲備 HK\$'000 千港元	其他儲備 HK\$'000 千港元	或然代價儲備 HK\$'000 千港元	股份儲備 HK\$'000 千港元	HK\$'000 千港元	匯兌儲備 HK\$'000 千港元	特別儲備 HK\$'000 千港元 (附註a)	撥入盈餘 HK\$'000 千港元 (Note b) (附註b)	累計虧損 HK\$'000 千港元	總額 HK\$'000 千港元	非控股權益 HK\$'000 千港元	總額 HK\$'000 千港元
At 1 April 2019	於二零一九年四月一日	363,823	2,138,816	13,878	46,962	—	(16)	—	10,629	78,176	684,966	(3,690,038)	(352,804)	(11,652)	(364,456)
Loss for the year	本年度虧損	—	—	—	—	—	—	—	—	—	—	(114,089)	(114,089)	(4,470)	(118,559)
Other comprehensive income for the year	本年度其他全面收入														
Items that may be reclassified subsequently to profit or loss	其後可重新分類至損益之項目：														
Exchange differences arising on translation of foreign operations	換算海外業務時產生之匯兌差額	—	—	—	—	—	—	—	11,304	—	—	—	11,304	570	11,874
Release of exchange reserve upon deregistration of subsidiaries	於附屬公司註銷時解除匯兌儲備	—	—	—	—	—	—	—	(3,923)	—	—	—	(3,923)	—	(3,923)
Release of exchange reserve upon derecognition of associates	於終止確認聯營公司時解除匯兌儲備	—	—	—	—	—	—	—	313	—	—	—	313	—	313
Other comprehensive income for the year, net of income tax	本年度其他全面收入(除所得稅後)	—	—	—	—	—	—	—	7,694	—	—	—	7,694	570	8,264
Total comprehensive expense for the year	本年度全面支出總額	—	—	—	—	—	—	—	7,694	—	—	(114,089)	(106,395)	(3,900)	(110,295)
Acquisition of subsidiaries (Note 42)	收購附屬公司(附註42)	8,333	6,000	—	—	25,800	—	—	—	—	—	—	40,133	—	40,133
Deemed disposal of equity interest of a subsidiary without losing control (Note 45)	視作出售附屬公司股權而無失去控制權(附註45)	—	—	—	361	—	—	—	—	—	—	—	361	(361)	—
Deconsolidation of a subsidiary (Note 43)	附屬公司終止綜合入賬(附註43)	—	—	—	—	—	—	—	—	—	—	—	—	4,127	4,127
At 31 March 2020	於二零二零年三月三十一日	372,156	2,144,816	13,878	47,323	25,800	(16)	—	18,323	78,176	684,966	(3,804,127)	(418,705)	(11,786)	(430,491)

Notes:

- (a) The special reserve of the Group represents the difference between the nominal amount of the share capital issued by the Company in exchange for the nominal amount of share capital of its subsidiaries acquired at the date of the group reorganisation.
- (b) The contributed surplus of the Group represents the difference between the consolidated shareholders' funds of the subsidiaries at the date on which they were acquired by the Company, and the nominal value of the Company's shares issued for the acquisition at the time of the group reorganisation; the cancellation of an amount of approximately HK\$48,000,000 from the share premium account of the Company and the credit of an amount of approximately HK\$610,247,000 of the Company's share capital cancelled in 2002 and the contribution of approximately HK\$26,719,000 from the placing of warrants in 2002 that had expired in 2003.

Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus account of the Company is available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

- (i) the Company is, or would after the payment be, unable to pay its liabilities as they become due; or
- (ii) the realisable value of the Company's assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium account.
- (c) The other reserve with the amount of HK\$46,962,000 represents the capital injection from an investor in relation to the disposal of certain equity interest in a subsidiary not resulting in the Group losing control over that subsidiary, in which the disposal had not yet been completed at the reporting date.
- On 19 March 2020, the Group and the investor entered into a supplemental agreement pursuant to which the Group and the investor agreed to extend the completion of the disposal to not later than 18 March 2021.
- (d) In the opinion of the directors of the Company, the Company had no reserves available for distribution to shareholders as at 31 March 2020 and 31 March 2019.

附註：

- (a) 本集團之特別儲備指本公司為交換於集團重組當日所收購附屬公司之股本面額而發行之股本面額之差額。
- (b) 本集團之繳入盈餘指附屬公司於獲本公司收購當日之綜合股東資金與於集團重組之時為收購發行之本公司股份面值之差額；從本公司之股份溢價賬註銷約48,000,000港元及於二零二零年註銷之本公司股本之進賬額約610,247,000港元，以及於二零二零年配售並於二零二零三年到期之認股權證所得貢獻約26,719,000港元。

根據百慕達一九八一年公司法(經修訂)，本公司之繳入盈餘賬可供分派。然而，倘出現下列情況，則本公司不可宣派或派付股息，或從繳入盈餘作出分派：

- (i) 本公司無法或將於付款後無法支付其到期負債；或
- (ii) 本公司資產之可變現價值將因此而小於本公司負債及已發行股本和股份溢價賬之總額。
- (c) 其他儲備46,962,000港元指一名投資者就出售一間附屬公司若干股本權益(並無導致本集團喪失對該附屬公司之控制權，而有關出售於報告日期尚未完成)所作注資。
- 於二零二零年三月十九日，本集團與該投資者訂立補充協議，據此，本集團及該投資者同意將出售事項的完成日期延長至不遲於二零二一年三月十八日。
- (d) 本公司董事認為，本公司於二零二零年三月三十一日及二零一九年三月三十一日並無可供分派予股東之儲備。

Consolidated Statement of Cash Flows

綜合現金流量表

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

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
OPERATING ACTIVITIES	經營活動		
Loss before tax	除稅前虧損	(115,469)	(1,308,452)
Adjustments for:	就下列項目調整：		
Interest income	利息收入	(155)	(32,988)
Finance costs	融資成本	43,138	25,468
Gain from change in fair value of convertible loan derivative component	可換股貸款衍生工具部分之公平值變動收益	(49)	—
Impairment losses recognised in respect of interests in associates	就聯營公司權益確認之減值虧損	—	331,352
Impairment losses recognised in respect of trade receivables	就應收貿易賬項確認之減值虧損	5,930	792
Impairment losses recognised in respect of other receivables	就應收其他賬項確認之減值虧損	2,057	2,126
Impairment loss recognised in respect of amounts due from associates	就應收聯營公司款項確認之減值虧損	—	610,077
Reversal of impairment loss recognised in respect of trade receivables	撥回就應收貿易賬項確認之減值虧損	(134)	(64)
Reversal of impairment loss recognised in respect of other receivables	撥回就應收其他賬項確認之減值虧損	(1,389)	(30)
Impairment loss on goodwill	商譽減值虧損	—	87,196
Depreciation of property, plant and equipment	物業、廠房及設備折舊	1,953	3,029
Depreciation of right-of-use assets	使用權資產折舊	3,525	—
Written off of property, plant and equipment	物業、廠房及設備撇銷	479	63
Written-down of inventories	存貨撇減	—	21,426
Amortisation of land use rights	土地使用權攤銷	—	463
Amortisation of intangible asset	無形資產攤銷	20,673	8
Net unrealised losses on financial assets at fair value through profit or loss	按公平值計入損益之金融資產之未變現虧損淨額	266	1,377
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	(1)	(149)
Gain on deregistration of subsidiaries	註銷附屬公司之收益	(3,445)	—
Loss on deconsolidation of a subsidiary	附屬公司終止綜合入賬之虧損	175,437	—
Gain on disposal of a subsidiary	出售附屬公司之收益	(207,760)	—
Loss on derecognition of associates	終止確認聯營公司之虧損	313	—
Gain on early renewal of license fee agreement	提前重續特許權費協議之收益	(17,382)	—
Share of profit of associates	應佔聯營公司之溢利	—	(474)
Share-based payments	以股份為基礎之付款	—	52,368
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	(92,013)	(206,412)
Decrease in inventories	存貨減少	12,744	64,010
(Increase) decrease in trade and other receivables	應收貿易及其他賬項(增加)減少	(6,908)	27,062
Increase in trade and other payables	應付貿易及其他賬項增加	32,318	72,703
Increase (decrease) in contract liabilities	合約負債增加(減少)	26,074	(939)
NET CASH USED IN OPERATING ACTIVITIES	經營活動所用現金淨額	(27,785)	(43,576)

Consolidated Statement of Cash Flows (continued)

綜合現金流量表(續)

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

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
INVESTING ACTIVITIES	投資活動		
Interest received	已收利息	10	24
Payment for the purchase of property, plant and equipment	購買物業、廠房及設備之付款	(3)	(3,619)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	128	2,032
Advance to associates	向聯營公司墊款	—	(20,895)
Net cash outflow from deconsolidation of a subsidiary	附屬公司終止綜合入賬之現金流出淨額	(2,153)	—
Net cash inflow from disposal of a subsidiary	出售附屬公司之現金流入淨額	100	—
Net cash outflow from deregistration of subsidiaries	註銷附屬公司之現金流出淨額	(2)	—
Net cash inflow from acquisition of a subsidiary	收購附屬公司之現金流入淨額	107	—
NET CASH USED IN INVESTING ACTIVITIES	投資活動所用現金淨額	(1,813)	(22,458)
FINANCING ACTIVITIES	融資活動		
Interest paid	已付利息	(493)	(2,034)
Proceeds from issue of convertible loan	發行可換股貸款之所得款項	8,550	—
New bank and other borrowings raised	新增銀行及其他借貸	8,049	20,528
Repayment of bank and other borrowings	償還銀行及其他借貸	(3,120)	(9,144)
Repayment of lease liabilities	償還租賃負債	(3,300)	—
Advance from shareholders and directors	股東及董事墊款	948	26,903
NET CASH FROM FINANCING ACTIVITIES	融資活動所得現金淨額	10,634	36,253
NET DECREASE IN BANK BALANCES AND CASH	銀行結餘及現金減少淨額	(18,964)	(29,781)
BANK BALANCES AND CASH AT BEGINNING OF THE YEAR	年初之銀行結餘及現金	7,317	33,271
Effect of foreign exchange rate changes	匯率變動之影響	14,362	3,827
BANK BALANCES AND CASH AT END OF THE YEAR,	年終之銀行結餘及現金		
represented by bank balances and cash	以銀行結餘及現金表示	2,715	7,317

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

1. GENERAL INFORMATION

China Baoli Technologies Holdings Limited (the “Company”) was incorporated in Bermuda as an exempted company with limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and its principal place of business in Hong Kong is located at Suites 3103-04, 31/F., Oxford House, Taikoo Place, 979 King’s Road, Quarry Bay, Hong Kong.

The principal activity of the Company is investment holding and the principal activities of its subsidiaries are mobile and multi-media technologies business, gamma ray irradiation services, tourism and hospitality business, and other operations — securities trading and investment.

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

2. BASIS OF PREPARATION

Going concern basis

As stated in the consolidated financial statements, the Group reported loss attributable to the owners of the Company of approximately HK\$114,089,000 for the year ended 31 March 2020 and, as of that date, the Group’s current liabilities exceeded its current assets by approximately HK\$521,198,000 and the Group had net liabilities of approximately HK\$430,491,000, in which total bank and other borrowings amounted to approximately HK\$269,359,000, while its cash and cash equivalents amounted to approximately HK\$2,715,000 only. Notwithstanding the above, the consolidated financial statements have been prepared on a going concern basis as the directors of the Company (the “Directors”) have given careful consideration to the impact of the current and anticipated future liquidity of the Group and are satisfied that:

- (1) The Company is in the final stage of discussion with the People’s Government of Tongnan County of Chongqing City to capitalise its loan which amounted to approximately HK\$121,839,000;
- (2) The Company reached an agreement with one of the creditors to capitalise the loan which amounted to approximately HK\$23,400,000 subsequent to the reporting period;

1. 一般資料

中國寶力科技控股有限公司(「本公司」)乃於百慕達註冊成立之獲豁免有限公司，其股份在香港聯合交易所有限公司(「聯交所」)主板上市。本公司之註冊辦事處位於Clarendon House, 2 Church Street, Hamilton HM11, Bermuda，而其香港主要營業地點位於香港鰂魚涌英皇道979號太古坊濠豐大廈31樓3103-04室。

本公司之主要業務為投資控股，而其附屬公司之主要業務為手機及多媒體技術業務、伽瑪射線照射服務、旅遊及消閒業務以及其他業務 — 證券買賣及投資。

綜合財務報表以本公司之功能貨幣港元(「港元」)呈列。

2. 編製基準

持續經營基準

誠如綜合財務報表所述，截至二零二零年三月三十一日止年度，本集團呈報本公司擁有人應佔虧損約114,089,000港元，及截至該日，本集團的流動負債超過其流動資產約521,198,000港元，且本集團有負債淨額約430,491,000港元，其中銀行及其他借貸總額約為269,359,000港元，而現金及現金等額項目僅約為2,715,000港元。儘管如此，綜合財務報表仍按持續經營基準編製，原因是本公司董事(「董事」)已認真考慮本集團當前和預期未來流動資金的影响，並信納：

- (1) 本公司正處於與重慶市潼南區人民政府商討的最後階段，以將其約121,839,000港元的貸款資本化；
- (2) 於報告期後，本公司與其中一名債權人達成協議以資本化貸款約23,400,000港元；

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

2. BASIS OF PREPARATION (continued)

Going concern basis (continued)

- (3) The shareholders and directors of the Company undertake not to require the Company to repay their loans until such time when repayment will not affect the ability of the Group to repay other creditors in the normal course of business;
- (4) The mobile and multi-media technologies business has generated approximately HK\$39,946,000 revenue for the year ended 31 March 2020 and this proves the success of Company's business strategies in focusing more on asset-light, less capital-intensive mobile and multi-media technologies business; and
- (5) The Company is in discussion with potential investors to implement a fund-raising exercise which can raise fund in the maximum amount of HK\$200,000,000.

In addition, the management of the Company has been actively working on restructuring and resumption progress. Through fund-raising exercises and continuing the above mentioned business strategies, the Group would be able to meet its financial obligations and obtain additional financing resources in pursuing other business and fulfilling the operational needs. The Directors have prepared a cash flow forecast covering a period up to 31 March 2021 on the basis that the Group's aforementioned plans and measures will be successful, and are satisfied that the Group will have sufficient working capital to meet its financial obligations as and when they fall due within the twelve months from 31 March 2020. Accordingly, the Directors consider that it is appropriate to prepare the consolidated financial statements on a going concern basis.

The consolidated financial statements do not include any adjustments that would result from the failure of the Group to obtain sufficient future funding. Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to reduce the carrying amounts of the assets of the Group to their recoverable amounts, to provide for further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively.

2. 編製基準(續)

持續經營基準(續)

- (3) 於還款將不會影響本集團於一般業務過程中償還其他債權人的能力之前，本公司股東及董事承諾不要求本公司償還彼等的貸款；
- (4) 截至二零二零年三月三十一日止年度，手機及多媒體技術業務產生收入約39,946,000港元，由此印證本公司在更專注於輕資產、低資本密集度的手機及多媒體技術業務方面的業務戰略卓有成效；及
- (5) 本公司正與潛在投資者展開討論以實施籌資活動，該活動可籌集資金的最大金額為200,000,000港元。

此外，本公司管理層一直積極進行重組及推進復牌。透過籌資活動及繼續實行上述業務戰略，本集團將在探索其他業務及滿足運營需求之際，能夠履行其財務責任並獲得額外融資資源。董事根據本集團成功實施上述計劃及措施的基準編製涵蓋直至二零二一年三月三十一日止期間的現金流量預測，並信納自二零二零年三月三十一日起計12個月內本集團將擁有足夠的營運資金可於財務責任到期時履行有關責任。因此，董事認為按持續經營基準編製綜合財務報表乃屬適宜。

綜合財務報表並未包括任何因本集團未能取得充足未來資金所作的調整。倘本集團未能繼續按持續經營基準經營，須作出調整以調低本集團資產的賬面值至其可收回金額，以就可能產生的進一步負債作出撥備及將非流動資產及負債分別重新分類為流動資產及負債。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

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

New and Amendments to HKFRSs that are mandatorily effective for the current year

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

HKFRS 16	Leases
HK(IFRIC)-Interpretation (“Int”) 23	Uncertainty over Income Tax Treatments
Amendments to HKFRS 9	Prepayment Features with Negative Compensation
Amendments to Hong Kong Accounting Standard (“HKAS”) 19	Plan Amendment, Curtailment or Settlement
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015–2017 Cycle

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

3.1 HKFRS 16 Leases

The Group has applied HKFRS 16 for the first time in the current year. HKFRS 16 superseded HKAS 17 Leases (“HKAS 17”), and the related interpretations.

Definition of a lease

The Group has elected the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease* and not apply this standard to contracts that were not previously identified as containing a lease. Therefore, the Group has not reassessed contracts which already existed prior to the date of initial application.

3. 應用新訂香港財務報告準則及其修訂(「香港財務報告準則」)

於本年度強制生效之新訂香港財務報告準則及其修訂

在本年度，本集團首次應用以下由香港會計師公會(「香港會計師公會」)頒佈之新訂香港財務報告準則及其修訂：

香港財務報告準則 第16號	租賃
香港(國際財務報告詮釋委員會) — 詮釋(「詮釋」) 第23號	所得稅處理之不確定性
香港財務報告準則 第9號之修訂	具有負補償之提前償付特徵
香港會計準則(「香港會計準則」) 第19號之修訂	計劃修訂、縮減或支付
香港會計準則 第28號之修訂	於聯營公司及合營企業之長期權益
香港財務報告準則之修訂	二零一五年至二零一七年週期之香港財務報告準則年度改進

除下述者外，於本年度應用新訂香港財務報告準則及其修訂對本集團本年度及過往年度之財務狀況和表現及／或該等綜合財務報表所載披露信息並無重大影響。

3.1 香港財務報告準則第16號租賃

本集團於本年度首次應用香港財務報告準則第16號。香港財務報告準則第16號取代香港會計準則第17號租賃(「香港會計準則第17號」)及相關詮釋。

租賃之定義

本集團選擇可行權宜方法，就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號釐定安排是否包含租賃識別為租賃的合約應用香港財務報告準則第16號，而並無就先前並未識別為包含租賃的合約應用該準則。因此，本集團並無重新評估於首次應用日期之前已存在的合約。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (continued)

New and Amendments to HKFRSs that are mandatorily effective for the current year (continued)

3.1 HKFRS 16 Leases (continued)

Definition of a lease (continued)

For contracts entered into or modified on or after 1 April 2019, the Group applies the definition of a lease in accordance with the requirements set out in HKFRS 16 in assessing whether a contract contains a lease.

As a lessee

The Group has applied HKFRS 16 retrospectively with the cumulative effect recognised at the date of initial application, 1 April 2019.

As at 1 April 2019, the Group recognised additional lease liabilities and right-of-use assets at amounts equal to the related lease liabilities by applying HKFRS 16.C8(b)(ii) transition. Any difference at the date of initial application is recognised in the opening accumulated losses and comparative information has not been restated.

When applying the modified retrospective approach under HKFRS 16 at transition, the Group applied the following practical expedients to leases previously classified as operating leases under HKAS 17, on lease-by-lease basis, to the extent relevant to the respective lease contracts:

- (i) relied on the assessment of whether leases are onerous by applying HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets* as an alternative of impairment review;
- (ii) elected not to recognise right-of-use assets and lease liabilities for leases with lease term ends within 12 months of the date of initial application;
- (iii) excluded initial direct costs from measuring the right-of-use assets at the date of initial application; and
- (iv) used hindsight based on facts and circumstances as at date of initial application in determining the lease term for the Group's leases with extension and termination options.

3. 應用新訂香港財務報告準則及其修訂(「香港財務報告準則」)(續)

於本年度強制生效之新訂香港財務報告準則及其修訂(續)

3.1 香港財務報告準則第16號租賃(續)

租賃之定義(續)

就於二零一九年四月一日或之後訂立或修訂的合約而言，本集團於評估合約是否包含租賃時根據香港財務報告準則第16號所載的規定應用租賃的定義。

作為承租人

本集團已追溯應用香港財務報告準則第16號，累計影響於首次應用日期(二零一九年四月一日)確認。

於二零一九年四月一日，本集團透過應用香港財務報告準則第16.C8(b)(ii)號過渡條文按相當於相關租賃負債的金額確認額外租賃負債及使用權資產。於首次應用日期的任何差額於期初累計虧損確認，並無重列比較資料。

於過渡時應用香港財務報告準則第16號項下的經修訂追溯方法時，本集團按逐項租賃基準就先前根據香港會計準則第17號分類為經營租賃且與各租賃合約相關的租賃應用以下可行權宜方法：

- (i) 依賴應用香港會計準則第37號撥備、或然負債及或然資產評估租賃是否繁重作為另一種減值審閱方法；
- (ii) 選擇不就租期於首次應用日期起計12個月內結束的租賃確認使用權資產及租賃負債；
- (iii) 於首次應用日期計量使用權資產時撇除初始直接成本；及
- (iv) 根據於首次應用日期的事實及情況於事後釐定本集團帶有續租及終止選擇權的租賃的租期。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (continued)

New and Amendments to HKFRSs that are mandatorily effective for the current year (continued)

3.1 HKFRS 16 Leases (continued)

As a lessee (continued)

When recognising the lease liabilities for leases previously classified as operating leases, the Group has applied incremental borrowing rates of the relevant group entities at the date of initial application. The incremental borrowing rate applied is 10.62%.

3. 應用新訂香港財務報告準則及其修訂(「香港財務報告準則」)(續)

於本年度強制生效之新訂香港財務報告準則及其修訂(續)

3.1 香港財務報告準則第16號租賃(續)

作為承租人(續)

於確認先前分類為經營租賃的租賃的租賃負債時，本集團已應用於首次應用日期相關集團實體的增量借款利率。所應用的增量借款利率為10.62%。

		At 1 April 2019 於二零一九年 四月一日 HK\$'000 千港元
Operating lease commitments disclosed as at 31 March 2019	於二零一九年三月三十一日已披露的經營租賃承擔	7,774
Lease liabilities discounted at relevant incremental borrowing rates	按有關增量借款利率貼現的租賃負債	6,531
Add: Change in allocation basis between lease and non-lease components	加：租賃與非租賃部分之間分配基準的變動	834
Less: Practical expedient — leases with lease term ending within 12 months from the date of initial application	減：可行權宜法 — 租期於首次應用日期起計12個月內屆滿的租賃	(785)
Lease liabilities relating to operating leases recognised upon application of HKFRS 16 and lease liabilities as at 1 April 2019	於應用香港財務報告準則第16號時確認的與經營租賃有關的租賃負債及於二零一九年四月一日的租賃負債	6,580
Add: Accrued lease payments at 31 March 2019	加：於二零一九年三月三十一日的應計租賃付款	550
Lease liabilities as at 1 April 2019	於二零一九年四月一日的租賃負債	7,130
Analysed as:	分析為：	
Current	流動	3,283
Non-current	非流動	3,847
		7,130

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (continued)

New and Amendments to HKFRSs that are mandatorily effective for the current year (continued)

3.1 HKFRS 16 Leases (continued)

As a lessee (continued)

The carrying amount of right-of-use assets as at 1 April 2019 comprises the following:

		Notes	Right-of-use assets 使用權資產
		附註	HK\$'000 千港元
Right-of-use assets relating to operating leases recognised upon application of HKFRS 16	於應用香港財務報告準則第16號時確 認的與經營租賃有關的使用權資產		7,130
Adjustments on rental deposits at 1 April 2019	於二零一九年四月一日對租金按金作 出的調整	(a)	348
Reclassified from land use rights	自土地使用權重新分類	(b)	8,328
Less: Accrued lease liabilities at 1 April 2019	減：於二零一九年四月一日的應計 租賃負債		(550)
			<u>15,256</u>

(a) Before the application of HKFRS 16, the Group considered refundable rental deposits paid as rights and obligations under leases to which HKAS 17 applied under other receivables. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use of the underlying assets and were adjusted to reflect the discounting effect at transition. Accordingly, approximately HK\$348,000 was adjusted from refundable rental deposits paid to right-of-use assets.

(b) Upfront payments for leasehold lands in the People's Republic of China (the "PRC") for own used properties were classified as land use rights as at 31 March 2019. Upon application of HKFRS 16, the non-current portion of land use rights amounting to approximately of HK\$8,328,000 was reclassified to right-of-use assets.

3. 應用新訂香港財務報告準則及其修訂(「香港財務報告準則」)(續)

於本年度強制生效之新訂香港財務報告準則及其修訂(續)

3.1 香港財務報告準則第16號租賃(續) 作為承租人(續)

於二零一九年四月一日的使用權資產賬面值包括以下各項：

(a) 於應用香港財務報告準則第16號前，本集團將已付可退回租金按金視為其他應收款項下香港會計準則第17號適用的租賃項下的權利及責任。根據香港財務報告準則第16號下租賃付款的定義，該等按金並非與相關資產使用權相關的付款，並經調整以反映於過渡時的貼現影響。因此，本集團將約348,000港元由已付可退回租金按金調整至使用權資產。

(b) 於二零一九年三月三十一日，於中華人民共和國(「中國」)作自用物業的租賃土地的預付款項分類為土地使用權。於應用香港財務報告準則第16號後，土地使用權的非流動部分約8,328,000港元重新分類至使用權資產。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (continued)

New and Amendments to HKFRSs that are mandatorily effective for the current year (continued)

3.1 HKFRS 16 Leases (continued)

As a lessee (continued)

The transition to HKFRS 16 has no impact on the accumulated losses at 1 April 2019.

The following adjustments were made to the amounts recognised in the consolidated statement of financial position at 1 April 2019. Line items that were not affected by the changes have not been included.

3. 應用新訂香港財務報告準則及其修訂(「香港財務報告準則」)(續)

於本年度強制生效之新訂香港財務報告準則及其修訂(續)

3.1 香港財務報告準則第16號租賃(續)

作為承租人(續)

過渡至香港財務報告準則第16號對於二零一九年四月一日的累計虧損並無影響。

於二零一九年四月一日綜合財務狀況表中確認的金額已作出以下調整。未有關變動影響的項目並無包括在內。

		Carrying amounts previously reported at 31 March 2019	Adjustments	Carrying amounts under HKFRS 16 at 1 April 2019
		先前於二零一九年三月三十一日呈報的賬面值 HK\$'000 千港元	調整 HK\$'000 千港元	於二零一九年四月一日根據香港財務報告準則第16號計算的賬面值 HK\$'000 千港元
Non-current assets	非流動資產			
Land use rights	土地使用權	8,328	(8,328)	—
Right-of-use assets	使用權資產	—	15,256	15,256
Current assets	流動資產			
Trade and other receivables	應收貿易及其他賬項	36,005	(348)	35,657
Current liabilities	流動負債			
Trade and other payables	應付貿易及其他賬項	387,047	(550)	386,497
Lease liabilities — current portion	租賃負債 — 流動部分	—	3,283	3,283
Non-current liabilities	非流動負債			
Lease liabilities — non-current portion	租賃負債 — 非流動部分	—	3,847	3,847

Note: For the purpose of reporting cash flows from operating activities under indirect method for the year ended 31 March 2020, movements in working capital have been computed based on opening consolidated statement of financial position as at 1 April 2019 as disclosed above.

附註： 就呈報截至二零二零年三月三十一日止年度按間接法計量的經營活動所產生現金流量而言，營運資金變動乃根據上文所披露於二零一九年四月一日的期初綜合財務狀況表計算。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (continued)

New and Amendments to HKFRSs that are mandatorily effective for the current year (continued)

3.1 HKFRS 16 Leases (continued)

As a lessor

In accordance with the transitional provisions in HKFRS 16, the Group is not required to make any adjustment on transition for leases in which the Group is a lessor but account for these leases in accordance with HKFRS 16 from the date of initial application and comparative information has not been restated.

Before application of HKFRS 16, refundable rental deposits received were considered as rights and obligations under leases to which HKAS 17 applied under trade and other payables. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right-of-use assets should be adjusted to reflect the discounting effect at transition. Based on the assessment by the management of the Company, the amount of the adjustment is insignificant and therefore no adjustment to refundable rental deposits received has been made.

New and amendments to HKFRSs in issue but not yet effective

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

HKFRS 17	Insurance Contracts ¹
Amendments to HKFRS 3	Definition of Business ²
Amendments to HKAS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to HKAS 1 and HKAS 8	Definition of Material ⁴
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform ⁴

3. 應用新訂香港財務報告準則及其修訂(「香港財務報告準則」)(續)

於本年度強制生效之新訂香港財務報告準則及其修訂(續)

3.1 香港財務報告準則第16號租賃(續)

作為出租人

根據香港財務報告準則第16號的過渡條文，本集團毋須就本集團為出租人的租賃過渡作出任何調整，但須自首次應用日期起根據香港財務報告準則第16號將該等租賃入賬，且並無重列比較資料。

於應用香港財務報告準則第16號前，已收可退回租金按金被視為應付貿易及其他賬項下香港會計準則第17號適用的租賃項下的權利及責任。根據香港財務報告準則第16號下租賃付款的定義，該等按金並非與使用權資產相關的付款，並須作出調整以反映於過渡時的貼現影響。根據本公司管理層的評估，調整金額並不重大，因此並無對已收可退回租金按金作出調整。

已頒佈但尚未生效之新訂香港財務報告準則及其修訂

本集團並無提早應用下列已頒佈但尚未生效之新訂香港財務報告準則及其修訂：

香港財務報告準則第17號	保險合約 ¹
香港財務報告準則第3號之修訂	業務之定義 ²
香港會計準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營企業間之資產出售或投入 ³
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 ⁴
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 ⁴

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

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

New and amendments to HKFRSs in issue but not yet effective (continued)

- 1 Effective for annual periods beginning on or after 1 January 2021.
- 2 Effective for business combinations and asset acquisitions for which the acquisition is on or after the beginning of the first annual period beginning on or after 1 January 2020.
- 3 Effective for annual periods beginning on or after a date to be determined.
- 4 Effective for annual periods beginning on or after 1 January 2020.

In addition to the above new and amendments to HKFRSs, a revised Conceptual Framework for Financial Reporting was issued in 2018. Its consequential amendments, *the Amendments to References to the Conceptual Framework in HKFRS Standards*, will be effective for annual periods beginning on or after 1 January 2020.

Except for the new and amendments to HKFRSs mentioned below, the Directors anticipate that the application of all other new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

Amendments to HKAS 1 and HKAS 8 Definition of Material

The amendments provide refinements to the definition of material by including additional guidance and explanations in making materiality judgments. In particular, the amendments:

- include the concept of “obscuring” material information in which the effect is similar to omitting or misstating the information;
- replace threshold for materiality influencing users from “could influence” to “could reasonably be expected to influence”; and

3. 應用新訂香港財務報告準則及其修訂(「香港財務報告準則」)(續)

已頒佈但尚未生效之新訂香港財務報告準則及其修訂(續)

- 1 於二零二一年一月一日或之後開始之年度期間生效。
- 2 對收購日期為於二零二零年一月一日或之後開始之首個年度期間開始當日或之後之業務合併及資產收購生效。
- 3 於其待定日期或之後開始之年度期間生效。
- 4 於二零二零年一月一日或之後開始之年度期間生效。

除上述新訂香港財務報告準則及其修訂外，經修訂財務報告概念框架已於二零一八年頒佈。其相應之修訂「香港財務報告準則之概念框架指引之修訂」將於二零二零年一月一日或之後開始的年度期間生效。

除下文所述之新訂香港財務報告準則及其修訂外，董事預期應用所有其他新訂香港財務報告準則及其修訂於可見將來對綜合財務報表並無重大影響。

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

該等修訂透過載入作出重大判斷時的額外指引及解釋，對重大的定義進行修訂。尤其是有關修訂：

- 包含「掩蓋」重要資料的概念，其與遺漏或誤報資料有類似效果；
- 就影響使用者重要性的範圍以「可合理預期影響」取代「可影響」；及

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

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

New and amendments to HKFRSs in issue but not yet effective (continued)

Amendments to HKAS 1 and HKAS 8 Definition of Material (continued)

- include the use of the phrase “primary users” rather than simply referring to “users” which was considered too broad when deciding what information to disclose in the financial statements.

The amendments also align the definition across all HKFRSs and will be mandatorily effective for the Group’s annual period beginning on 1 April 2020. The application of the amendments is not expected to have significant impact on the financial position and performance of the Group but may affect the presentation and disclosures in the consolidated financial statements.

Amendments to HKFRS 3 Definition of a Business

The amendments:

- add an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The election on whether to apply the optional concentration test is available on transaction-by-transaction basis;
- clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs; and
- narrow the definitions of a business and of outputs by focusing on goods and services provided to customers and by removing the reference to an ability to reduce costs.

The amendments are applied prospectively to all business combinations and asset acquisitions for which the acquisition date is on or after the first annual reporting period beginning on or after 1 April 2020, with early application permitted.

The Directors anticipate that the application of the amendments is not expected to have significant impact on the consolidated financial statements.

3. 應用新訂香港財務報告準則及其修訂(「香港財務報告準則」)(續)

已頒佈但尚未生效之新訂香港財務報告準則及其修訂(續)

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(續)

- 包含使用詞組「主要使用者」，而非僅指「使用者」，於決定於財務報表披露何等資料時，該用語被視為過於廣義。

該等修訂亦與各香港財務報告準則的定義一致，並將在本集團於二零二零年四月一日開始的年度期間強制生效。預期應用該等修訂不會對本集團的財務狀況及表現造成重大影響，惟可能影響於綜合財務報表中的呈列及披露。

香港財務報告準則第3號之修訂業務之定義

該等修訂：

- 增加可選之集中性測試，該測試可簡化評估被收購之一組活動及資產是否為業務。可按逐項交易選擇是否應用可選之集中性測試；
- 闡明被收購之一組活動及資產需至少包括對創造產出能力有重大貢獻之投入及重大過程，交易方可被視為一項業務；及
- 收窄業務及產出之定義，專注於向客戶提供之產品及服務，並不再提及降低成本之能力。

該等修訂前瞻性應用於所有收購日期為於二零二零年四月一日或之後開始的首個年度呈報期間或之後的業務合併及資產收購，並允許提前採用。

董事預期應用該等修訂不會對綜合財務報表造成重大影響。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

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

New and amendments to HKFRSs in issue but not yet effective (continued)

Conceptual Framework for Financial Reporting 2018 (the “New Framework”) and the Amendments to References to the Conceptual Framework in HKFRS Standards

The New Framework:

- reintroduces the terms stewardship and prudence;
- introduces a new asset definition that focuses on rights and a new liability definition that is likely to be broader than the definition it replaces, but does not change the distinction between a liability and an equity instrument;
- discusses historical cost and current value measures, and provides additional guidance on how to select a measurement basis for a particular asset or liability;
- states that the primary measure of financial performance is profit or loss, and that only in exceptional circumstances other comprehensive income will be used and only for income or expenses that arise from a change in the current value of an asset or liability; and
- discusses uncertainty, derecognition, unit of account, the reporting entity and combined financial statements.

Consequential amendments have been made so that references in certain HKFRSs have been updated to the New Framework, whilst some HKFRSs are still referred to the previous versions of the framework. These amendments are effective for annual periods beginning on or after 1 January 2020, with earlier application permitted. Other than specific standards which still refer to the previous versions of the framework, the Group will rely on the New Framework on its effective date in determining the accounting policies especially for transactions, events or conditions that are not otherwise dealt with under the accounting standards.

3. 應用新訂香港財務報告準則及其修訂(「香港財務報告準則」)(續)

已頒佈但尚未生效之新訂香港財務報告準則及其修訂(續)

二零一八年財務報告概念框架(「新框架」)及香港財務報告準則之概念框架指引之修訂

新框架：

- 重新引入管理及審慎此等術語；
- 引入著重權利的新資產定義以及範圍可能比所取代定義更廣的新負債定義，惟並無改變負債與權益工具之間的區別；
- 討論歷史成本及現值計量，並就如何為某一特定資產或負債選擇計量基準提供額外指引；
- 指出財務表現主要計量標準為損益，且於特殊情況下方會使用其他全面收入，且僅用於資產或負債現值變動產生的收入或開支；及
- 討論不確定因素、終止確認、會計單位、報告實體及合併財務報表。

相應修訂已作出，使有關若干香港財務報告準則中的提述已更新至符合新框架，惟部分香港財務報告準則仍參考該框架的先前版本。該等修訂於二零二零年一月一日或之後開始的年度期間生效，並允許提早應用。除仍參考該框架先前版本的特定準則外，本集團將於其生效日期按新框架決定會計政策，尤其是會計準則未有處理的交易、事件或條件。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

4. SIGNIFICANT ACCOUNTING POLICIES

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

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies set out below.

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are accounted for in accordance with HKFRS 16 *Leases* (since 1 April 2019) or HKAS 17 *Leases* (before application of HKFRS 16), and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets*.

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.

For financial instruments which are transacted at fair value and a valuation technique that unobservable inputs is to be used to measure fair value in subsequent periods, the valuation technique is calibrated so that at initial recognition the results of the valuation technique equals the transaction price.

4. 主要會計政策

綜合財務報表乃按照香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表包括聯交所證券上市規則(「上市規則」)及香港公司條例(「公司條例」)規定之適用披露事項。

綜合財務報表乃按歷史成本基準編製，惟如下文所載之會計政策所闡釋，若干於各報告期末按公平值計量之金融工具除外。

歷史成本一般以為交換貨品及服務給予之代價之公平值為基礎。

公平值為市場參與者之間在計量日進行有序交易時就出售資產收取或就轉移負債支付之價格，而不論該價格乃直接觀察所得還是利用其他估值技術估計。於估計資產或負債之公平值時，本集團會考慮市場參與者在計量日為該資產或負債定價時考慮之特徵。在該等綜合財務報表中計量及／或披露之公平值均按此基準釐定，惟香港財務報告準則第2號「以股份為基礎之付款」範圍內之以股份為基礎之付款交易、根據香港財務報告準則第16號「租賃」(自二零一九年四月一日起)或香港會計準則第17號「租賃」(應用香港財務報告準則第16號前)入賬之租賃交易，以及與公平值類似但並非公平值之計量(例如香港會計準則第2號「存貨」中之可變現淨值或香港會計準則第36號「資產減值」中之使用價值)除外。

非金融資產之公平值計量會考慮市場參與者透過最大限度地使用資產或將資產售予其他市場參與者以最大限度地使用該資產而產生經濟利益的能力。

按公平值交易之金融工具，凡於其後期間應用以不可觀察之輸入數據計量公平值之估值技術，估值技術應予校正，以致於初步確認時估值技術之結果相等於交易價格。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

The principal accounting policies are set out below.

Basis of consolidation

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

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

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

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

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

4. 主要會計政策(續)

此外，就財務報告而言，公平值計量基於公平值計量之輸入數據可觀察程度及公平值計量之輸入數據對其整體之重要性分類為第一層、第二層或第三層，詳情如下：

- 第一層輸入數據為實體於計量日可就相同資產或負債於活躍市場獲得之報價(未經調整)；
- 第二層輸入數據為就資產或負債可直接或間接地觀察得出之輸入數據(第一層內包括之報價除外)；及
- 第三層輸入數據為資產或負債之不可觀察輸入數據。

主要會計政策列載於下文。

綜合基準

綜合財務報表包括本公司、其控制之實體及其附屬公司之財務報表。當出現以下情況時，即表示本公司獲得控制權：

- 可對被投資方行使權力；
- 因參與被投資方之業務而可獲得或有權獲得可變回報；及
- 有能力運用其權力影響其回報。

倘有事實及情況顯示上述三項控制權因素中一項或以上有變，則本集團會重新評估其是否控制被投資方。

本集團於獲得附屬公司控制權時將附屬公司綜合入賬，並於失去附屬公司控制權時終止綜合入賬。具體而言，於年內購入或出售之附屬公司之收入及開支，按自本集團獲得控制權當日起至本集團失去附屬公司控制權當日止，計入綜合損益表。

損益及各個其他全面收入項目歸屬於本公司擁有人及非控股權益。附屬公司之全面收入總額歸屬於本公司擁有人及非控股權益，即使此舉會導致非控股權益出現虧絀結餘。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of consolidation (continued)

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

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

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

Changes in the Group's interests in existing subsidiaries

Changes in the Group's interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries, including re-attribution of relevant reserves between the Group and the non-controlling interests according to the Group's and the non-controlling interests' proportionate interests.

Any difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognised. A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKFRS 9 or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

4. 主要會計政策(續)

綜合基準(續)

附屬公司之財務報表會於必要時作出調整，使其會計政策與本集團會計政策一致。

與本集團成員公司間進行之交易有關之所有集團內公司間資產、負債、權益、收入、開支及現金流量於綜合賬目時全部對銷。

附屬公司的非控股權益與本集團於當中的權益分開呈列，而該等權益代表其持有人於清盤時有權按相關附屬公司的資產淨值比例分配現有所有權權益。

本集團於現有附屬公司之權益變動

並無導致本集團失去對附屬公司控制權之本集團於附屬公司之權益變動按權益交易入賬。本集團相關權益組成部分及非控股權益之賬面值會作調整，以反映彼等於附屬公司相對權益之變動，包括按照本集團與非控股權益之權益比例於本集團與非控股權益之間重新分配相關儲備。

非控股權益之調整金額與已付或已收代價公平值之任何差額，乃直接於權益確認並歸屬於本公司擁有人。

當本集團失去對附屬公司之控制權時，會終止確認該附屬公司之資產及負債以及非控股權益(如有)。本集團於損益確認收益或虧損，而收益或虧損乃按(i)已收代價之公平值及任何保留權益之公平值之總額；與(ii)本公司擁有人應佔該附屬公司資產(包括商譽)及負債之賬面值之差額計算。過往於其他全面收入所確認有關該附屬公司之所有金額按本集團已直接出售該附屬公司相關資產或負債之方法入賬(即按適用香港財務報告準則所指定／允許重新分類至損益或轉撥至另一權益類別)。失去控制權當日於前附屬公司保留之任何投資公平值，於其後根據香港財務報告準則第9號入賬時視為初始確認時之公平值，或(如適用)初始確認於聯營公司或合營企業之投資之成本。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations

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

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

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 *Share-based Payment* at the acquisition date;
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard; and
- lease liabilities are recognised and measured at the present value of the remaining lease payments (as defined in HKFRS 16) as if the acquired leases were new leases at the acquisition date, except for leases for which (a) the lease term ends within 12 months of the acquisition date; or (b) the underlying asset is of low value. Right-of-use assets are recognised and measured at the same amount as the relevant lease liabilities, adjusted to reflect favourable or unfavourable terms of the lease when compared with market terms.

4. 主要會計政策(續)

業務合併

收購業務採用收購法入賬。於業務合併中轉讓之代價按公平值計量，而公平值之計算方法為本集團所轉讓資產、本集團向被收購方前擁有人承擔之負債及本集團為交換被收購方控制權所發行之股權於收購日期之公平值總和計量。收購相關成本一般於產生時在損益確認。

於收購日期，所收購之可識別資產及所承擔之負債按公平值確認，惟以下情況除外：

- 遞延稅項資產或負債及與僱員福利安排有關之資產或負債分別按照香港會計準則第12號「所得稅」及香港會計準則第19號「僱員福利」確認及計量；
- 於收購日期，與被收購方以股份為基礎之付款安排或為取代被收購方以股份為基礎之付款安排而作出之本集團以股份為基礎之付款安排相關之負債或股本工具，根據香港財務報告準則第2號「以股份為基礎之付款」計量；
- 按照香港財務報告準則第5號「持作出售之非流動資產及已終止經營業務」分類為持作出售之資產(或出售組別)根據該準則計量；及
- 除(a)租賃期於收購日期起計12個月內屆滿；或(b)相關資產為低價值的租賃外，租賃負債按剩餘租賃付款(定義見香港財務報告準則第16號)的現值確認及計量，猶如收購的租賃於收購日期為新租賃。使用權資產按與相關租賃負債相同的金額確認及計量，並作出調整以反映與市場條款相比租賃的有利或不利條款。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations (continued)

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

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation are initially measured at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets or at fair value. The choice of measurement basis is made on a transaction-by-transaction basis.

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

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

4. 主要會計政策(續)

業務合併(續)

商譽按所轉讓代價、任何非控股權益於被收購方中所佔金額及收購方過往所持被收購方股權(如有)之公平值之總和，超出所收購可識別資產與所承擔負債於收購日期之淨值之差額計量。倘經重新評估後，所收購可識別資產與所承擔負債之淨值超出所轉讓代價、任何非控股權益於被收購方中所佔金額及收購方過往所持被收購方股權(如有)之公平值之總和，則差額即時於損益確認為議價購買收益。

屬現時擁有權權益且於清盤時賦予持有人權利按比例應佔相關附屬公司淨資產之非控股權益，初始按非控股權益按比例應佔被收購方可識別淨資產或按公平值之已確認金額計量。計量基準視乎每項交易而作出選擇。

當本集團於業務合併中轉移之代價包括或然代價安排時，或然代價會按收購日期之公平值計量，並計入作為於業務合併中轉移之代價之一部分。合資格作計量期調整之或然代價之公平值變動會追溯調整。計量期調整為於「計量期」(不得超過由收購日期起計一年)因取得於收購日期已存在之事實及情況之額外資料而作出之調整。

不合資格作為計量期調整之或然代價之其後會計處理，取決於或然代價之分類方式。分類為權益之或然代價不會於其後報告日期重新計量，其後結算於權益內入賬。分類為資產或負債之或然代價於其後報告日期重新計量至公平值，而相應收益或虧損於損益確認。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Goodwill

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

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or group of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

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

On disposal of the relevant cash-generating unit or any of the cash-generating unit within the group of cash-generating units, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal. When the Group disposes of an operation within the cash-generating unit (or a cash-generating unit within a group of cash-generating units), the amount of goodwill disposed of is measured on the basis of the relative values of the operation (or the cash-generating unit) disposed of and the portion of the cash-generating unit (or the group of cash-generating units) retained.

The Group's policy for goodwill arising on the acquisition of an associate and a joint venture is described below.

4. 主要會計政策(續)

商譽

因收購業務而產生之商譽按於收購業務當日確立之成本(參閱上文會計政策)扣除累計減值虧損(如有)列賬。

就減值測試而言，商譽乃分配至本集團各個預期可受惠於合併協同效益之現金產生單位(或現金產生單位組別)，代表於就內部管理而言商譽受監察之最低層級但不大於經營分部。

獲分配商譽之現金產生單位(或現金產生單位組別)每年或於有跡象顯示單位可能已出現減值時更頻密地進行減值測試。就於某一報告期間進行收購所產生之商譽而言，本集團會於該報告期末前為獲分配商譽之現金產生單位(或現金產生單位組別)進行減值測試。倘可收回金額少於其賬面值，則減值虧損會先分配至減少任何商譽之賬面值，然後基於該單位(或現金產生單位組別)內各項資產之賬面值按比例分配至其他資產。

出售相關現金產生單位或現金產生單位組別內任何現金產生單位時，釐定出售損益金額時會計入商譽應佔金額。當本集團出售現金產生單位(或現金產生單位組別內現金產生單位)內的業務時，所出售商譽金額按所出售業務(或現金產生單位)與所保留現金產生單位(或現金產生單位組別)部分的相對價值計量。

本集團有關收購聯營公司及合營企業而產生之商譽之政策載於下文。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments in associates

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

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. Changes in net assets of the associate other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

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

4. 主要會計政策(續)

於聯營公司之投資

聯營公司為本集團對其擁有重大影響力之實體。重大影響力指有權參與被投資方之財務及營運決策，惟對該等政策並無控制權或共同控制權。

聯營公司之業績及資產與負債按權益會計法計入綜合財務報表。聯營公司用於權益會計處理之財務報表按與本集團於類似情況就同類交易及事件所遵循者一致之會計政策編製。根據權益法，於一間聯營公司之投資初步按成本於綜合財務狀況表確認，並於其後就確認本集團應佔該聯營公司之損益及其他全面收入作出調整。聯營公司淨資產(損益及其他全面收入除外)之變動除非導致本集團持有之擁有權權益有變，否則不予入賬。當本集團應佔一間聯營公司之虧損超出本集團於該聯營公司之權益(包括實質上構成本集團於該聯營公司投資淨額一部分之任何長遠權益)時，本集團會終止確認其應佔之進一步虧損。僅於本集團產生法定或推定責任或代表該聯營公司付款時，方會確認額外虧損。

於一間聯營公司之投資自被投資方成為聯營公司當日起使用權益法入賬。收購於一間聯營公司之投資時，投資成本超出本集團應佔被投資方可識別資產與負債公平淨值之差額會確認為商譽，並計入該投資之賬面值。本集團應佔可識別資產與負債之公平淨值超出投資成本之任何差額，於重新評估後即時於收購投資期間之損益確認。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments in associates (continued)

The Group assesses whether there is an objective evidence that the interest in an associate may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When the Group ceases to have significant influence over an associate, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former associate and the retained interest is a financial asset within the scope of HKFRS 9, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the associate and the fair value of any retained interest and any proceeds from disposing the relevant interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) upon disposal/partial disposal of the relevant associate.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

4. 主要會計政策(續)

於聯營公司之投資(續)

本集團會評估是否存在客觀證據證明於一間聯營公司的權益將會減值。於存在客觀證據時，投資(包括商譽)的全部賬面值將會根據香港會計準則第36號作為單一資產透過比較可收回金額(使用價值及公平值減出售成本之較高者)與其賬面值進行減值測試。任何確認之減值虧損不會分配至屬投資賬面值一部分之任何資產(包括商譽)。減值虧損之任何撥回乃按香港會計準則第36號確認，惟僅限於投資之可收回金額隨後增加。

當本集團不再對聯營公司擁有重大影響力時，會入賬列作出售於被投資方之全部權益，所產生之盈虧於損益確認。當本集團保留於前聯營公司之權益，且該保留權益為香港財務報告準則第9號範圍內之金融資產時，本集團會於該日按公平值計量保留權益，而該公平值會視為於初步確認時之公平值。聯營公司之賬面值與任何保留權益及出售聯營公司相關權益之任何所得款項之公平值之間的差額，會於釐定出售聯營公司之盈虧計算在內。此外，本集團會將過往於其他全面收入內該聯營公司確認之所有金額按該聯營公司直接出售相關資產或負債所用之相同基準入賬。因此，倘該聯營公司過往於其他全面收入確認之盈虧會於出售相關資產或負債時重新分類至損益，則本集團會於出售／部分出售相關聯營公司將該盈虧由權益重新分類至損益(作為重新分類調整)。

當於一間聯營公司之投資成為於一間合營企業之投資時，本集團會繼續採用權益法。於擁有權權益出現變動時不會重新計量公平值。

當本集團削減於一間聯營公司之擁有權權益但繼續採用權益法時，倘過往於其他全面收入所確認與削減擁有權權益有關之部分盈虧會於出售相關資產或負債時重新分類至損益，則本集團會將該盈虧重新分類至損益。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments in associates (continued)

When a group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

Revenue from contracts with customers

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates or enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

4. 主要會計政策(續)

於聯營公司之投資(續)

當集團實體與本集團一間聯營公司進行交易時，與該聯營公司交易所產生之損益會於本集團之綜合財務報表確認，惟僅以該聯營公司與本集團無關之權益所涉者為限。

客戶合約收入

本集團於完成履約責任時(即當特定的履約責任涉及的貨品或服務的「控制權」轉移至客戶時)確認收入。

履約責任指一項明確貨品或服務(或一批明確貨品或服務)或一系列大致相同的明確貨品或服務。

倘符合以下標準之一，則控制權隨時間轉移，而收入經參考相關履約責任的完成進度按時間確認：

- 於本集團履約時，客戶同時收取及消耗本集團履約所提供的利益；
- 本集團的履約創建或提升客戶於本集團履約時控制的資產；或
- 本集團的履約並未創建對本集團具有替代用途的資產，而本集團可強制執行權利以收取至今已完履約部分的款項。

否則，收入於客戶取得明確貨品或服務控制權的時間點確認。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue from contracts with customers (continued)

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A contract asset and a contract liability relating to the same contract are accounted for and presented on a net basis.

Over time recognition: measurement of progress towards complete satisfaction of a performance obligation

Output method

The progress towards complete satisfaction of a performance obligation is measured based on output method, which is to recognise revenue on the basis of direct measurements of the value of the goods or services transferred to the customer to date relative to the remaining goods or services promised under the contract, that best depict the Group's performance in transferring control of goods or services.

Sale with a right of return/exchange

For a sale of products with a right of return/exchange for dissimilar products, the Group recognises all of the following:

- (a) revenue for the transferred products in the amount of consideration to which the Group expects to be entitled (therefore, revenue would not be recognised for the products expected to be returned/exchanged);
- (b) a refund liability/contract liability; and
- (c) an asset (and corresponding adjustment to cost of sales) for its right to recover products from customers.

4. 主要會計政策(續)

客戶合約收入(續)

合約資產指本集團就已轉讓予客戶的貨品或服務收取相應代價的權利(尚未成為無條件)。根據香港財務報告準則第9號評估減值。相反，應收款項指本集團收取代價的無條件權利，即只需待時間推移代價即須到期支付。

合約負債指本集團因已自客戶收取代價(或已到期收取代價)，而須向客戶轉讓貨品或服務的責任。

與相同合約相關的合約資產及合約負債按淨額基準入賬及呈列。

隨時間推移確認：完成履約責任的進度計量

產量法

完成履約責任的進度乃根據產量法計量，即按直接計量迄今為止已向客戶轉移貨品或服務的價值與合約項下所承諾的餘下貨品或服務的比較以確認收益，有關方法最能反映本集團於轉讓貨品或服務控制權方面的履約情況。

具有退貨／換貨權的銷售

對於具有退回／交換不同產品權利的產品銷售，本集團確認以下各項：

- (a) 轉讓產品的收入，即本集團預期有權獲得的代價金額(因此，不會確認預期退回／交換的產品收入)；
- (b) 退款負債／合約負債；及
- (c) 從客戶收回產品的權利(以及對銷售成本的相應調整)。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue from contracts with customers (continued)

Over time recognition: measurement of progress towards complete satisfaction of a performance obligation (continued)

Existence of significant financing component

In determining the transaction price, the Group adjusts the promised amount of consideration for the effects of the time value of money if the timing of payments agreed (either explicitly or implicitly) provides the customer or the Group with a significant benefit of financing the transfer of goods or services to the customer. In those circumstances, the contract contains a significant financing component. A significant financing component may exist regardless of whether the promise of financing is explicitly stated in the contract or implied by the payment terms agreed to by the parties to the contract.

For contracts where the period between payment and transfer of the associated goods or services is less than one year, the Group applies the practical expedient of not adjusting the transaction price for any significant financing component.

Principal versus agent

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group is an agent).

The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer.

The Group is an agent if its performance obligation is to arrange for the provision of the specified good or service by another party. In this case, the Group does not control the specified good or service provided by another party before that good or service is transferred to the customer. When the Group acts as an agent, it recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party.

4. 主要會計政策(續)

客戶合約收入(續)

隨時間推移確認：完成履約責任的進度計量 (續)

存在重大融資成份

於釐定交易價時，倘向客戶轉移貨品或服務（不論以明示或暗示方式）而協定之付款時間為客戶或本集團帶來重大融資利益，則本集團就金錢時間價值的影響而調整承諾的代價金額。於該等情況下，合約含有重大融資成份。不論於合約中明文規定或合約訂約方協定的支付條款暗示融資承諾，合約中均存在重大融資成份。

就相關貨品或服務的支付與轉移間隔期間少於一年的合約而言，本集團就任何重大融資成份應用不調整交易價格的可行權宜方法。

委託人與代理人

當另一方從事向客戶提供商品或服務，本集團釐定其承諾之性質是否為提供指定商品或服務本身之履約責任（即本集團為委託人）或安排由另一方提供該等商品或服務（即本集團為代理人）。

倘本集團在向客戶轉讓商品或服務之前控制指定商品或服務，則本集團為委託人。

倘本集團之履約責任為安排另一方提供指定的商品或服務，則本集團為代理人。在此情況下，在將商品或服務轉讓予客戶之前，本集團不控制另一方提供的指定商品或服務。當本集團為代理人時，應就為換取安排另一方提供的指定商品或服務預期有權取得之任何收費或佣金之金額確認收益。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases

Definition of a lease (upon application of HKFRS 16 in accordance with transitions in note 3)

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.

For contracts entered into or modified or arising from business combinations on or after the date of initial application, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception, modification date or acquisition date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 3)

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group also applies practical expedient not to separate non-lease components from lease component, and instead account for the lease component and any associated non-lease components as a single lease component.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases of offices 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 lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis or another systematic basis over the lease term.

4. 主要會計政策(續)

租賃

租賃之定義(根據附註3的過渡規定應用香港財務報告準則第16號後)

倘合約賦予在一段時期內控制一項已識別資產的使用的權利以換取代價，則該合約為一項租賃或包含一項租賃。

對於首次應用日期或之後訂立或修訂或業務合併產生的合約，本集團根據香港財務報告準則第16號項下的定義，於開始日期、修訂日期或收購日期(如適用)評估合約是否為一項租賃或包含一項租賃。除非合約條款及條件隨後發生變動，否則不會對該合約進行重新評估。

本集團作為承租人(根據附註3的過渡規定應用香港財務報告準則第16號後)

將合約代價分配至各組成部分

就包含租賃組成部分以及一項或多項額外租賃或非租賃組成部分的合約而言，本集團根據租賃組成部分的相對獨立價格及非租賃組成部分的合計獨立價格將合約代價分配至各項租賃組成部分。

本集團亦應用可行權宜方法不將非租賃組成部分與租賃組成部分分開，而是將租賃組成部分及任何相關非租賃組成部分入賬列為單一租賃組成部分。

短期租賃及低價值資產租賃

本集團將短期租賃確認豁免應用於租期自開始日期起計12個月或以下且不包含購買選擇權的辦公室租賃。其亦就低價值資產租賃應用確認豁免。短期租賃及低價值資產租賃的租賃付款於租賃期內按直線法或另一系統基準確認為開支。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases (continued)

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 3) (continued)

Right-of-use assets

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term are depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

Refundable rental deposits

Refundable rental deposits paid are accounted under HKFRS 9 *Financial Instruments* ("HKFRS 9") and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

4. 主要會計政策(續)

租賃(續)

本集團作為承租人(根據附註3的過渡規定應用香港財務報告準則第16號後)(續)

使用權資產

使用權資產的成本包括：

- 租賃負債的初步計量金額；
- 於開始日期或之前作出的任何租賃付款，減任何已收租賃優惠；
- 本集團產生的任何初始直接成本；及
- 本集團於拆除及拆遷相關資產、復原相關資產所在場地或復原相關資產至租賃的條款及條件所規定的狀況而產生的成本估計。

使用權資產按成本減任何累計折舊及減值虧損計量，並就租賃負債的任何重新計量作出調整。

就本集團合理確定於租期屆滿時獲取相關租賃資產所有權的使用權資產而言，有關使用權資產自開始日期起至使用年期結束期間計提折舊。在其他情況下，使用權資產按直線基準於其估計使用年期及租期(以較短者為準)內計提折舊。

本集團於綜合財務狀況表中將使用權資產呈列為獨立項目。

可退還租金按金

已付可退還租賃按金按香港財務報告準則第9號「金融工具」(「香港財務報告準則第9號」)入賬，並初步按公平值計量。對初步確認公平值的任何調整被視為額外租賃付款，並計入使用權資產成本。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases (continued)

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 3) (continued)

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

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, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise the option; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising an option to terminate the lease.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

The Group as lessee (prior to 1 January 2019)

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

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

4. 主要會計政策(續)

租賃(續)

本集團作為承租人(根據附註3的過渡規定應用香港財務報告準則第16號後)(續)

租賃負債

於租賃開始日期，本集團以於該日期尚未支付的租賃付款的現值確認並計量租賃負債。倘租賃隱含的利率不易釐定，則本集團會使用於租賃開始日期的增量借款利率計算租賃付款現值。

租賃付款包括：

- 固定付款(包括實質固定付款)減任何應收租賃優惠；
- 取決於指數或利率的可變租賃付款，於開始日期使用指數或利率進行初始計量；
- 本集團根據剩餘價值擔保預期應付的款項；
- 購買選擇權的行使價(倘本集團合理確定行使有關選擇權)；及
- 為終止租賃而支付的罰款(倘租賃條款反映本集團行使終止選擇權以終止租賃)。

於開始日期後，租賃負債透過增加利息及租賃付款作出調整。

本集團於綜合財務狀況表中將租賃負債呈列為獨立項目。

本集團作為承租人(於二零一九年一月一日前)

每當租賃條款將擁有權之絕大部分風險及回報轉移至承租人時，有關租賃會列為融資租賃。所有其他租賃分類為經營租賃。

經營租賃款項於租期內以直線法確認為費用。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies

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

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

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

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

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

4. 主要會計政策(續)

外幣

於編製各個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣(外幣)計價之交易按交易日期之通行匯率確認。於報告期末，以外幣計值之貨幣項目按該日之通行匯率重新換算。以外幣計值並以公平值列賬之非貨幣項目按釐定公平值當日之通行匯率重新換算。以外幣計值並以歷史成本計量之非貨幣項目不作重新換算。

結算及重新換算貨幣項目所產生之匯兌差額於產生之期間在損益確認。

於呈列綜合財務報表時，本集團業務之資產及負債利用各報告期末之通行匯率換算為本集團之呈列貨幣(即港元)。收入及費用項目按期內之平均匯率換算，惟倘匯率於期內大幅波動，則使用交易日期之通行匯率。所產生之匯兌差額(如有)於其他全面收入確認，並於權益內之換算儲備(在適用情況下歸屬於非控股權益)下累計。

出售海外業務(即出售本集團於海外業務之全部權益，或涉及失去包含海外業務之附屬公司之控制權之出售事項，或部分出售於包含海外業務(其保留權益成為金融資產)之一項合營安排或聯營公司之權益)時，於權益累計有關該海外業務之匯兌差額累計金額全部重新分類至損益。

收購海外業務所產生之已收購可識別資產商譽及公平值調整被視作該海外業務的資產及負債，並按各報告期末的匯率重新換算。產生之匯兌差額於其他全面收入確認。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Borrowing costs

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

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Employee benefits

Retirement benefit costs

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

Short-term and other long-term employee benefits

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

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

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

4. 主要會計政策(續)

借貸成本

借貸成本均於產生之期間在損益確認。

政府補助金

政府補助金在未有合理保證本集團將遵從政府補助金所有附帶條件並收取補助金前不予確認。應收作補償已產生之開支或虧損或向本集團提供即時財務資助而無未來相關成本之政府補助金於應收期間於損益確認。

僱員福利

退休福利成本

向強制性公積金計劃(「強積金計劃」)及國家管理退休福利計劃支付之款項於僱員提供服務而有權獲得供款時確認為費用。

短期及其他長期僱員福利

短期僱員福利於僱員提供服務時預期支付之福利之未折現金額確認。短期僱員福利均確認為開支，惟倘另一項香港財務報告準則規定或允許將福利納入資產成本則作別論。

負債於扣除任何已付金額後確認為僱員應計福利(例如工資及薪金、年假及病假)。

就其他長期僱員福利確認之負債按本集團就僱員截至報告日期止所提供服務預期將作出之估計未來現金流出之現值計量。因服務成本、利息及重新計量而產生之負債賬面值之任何變動於損益確認，惟倘另一項香港財務報告準則規定或允許將該等項目納入資產成本則作別論。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Employee benefits (continued)

Share-based payments

Equity-settled share-based payment transactions

Share options granted to employees

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share options reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share options reserve. For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

When share options are exercised, the amount previously recognised in share option reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will be transferred to accumulated losses.

Share options granted to suppliers/consultants

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service. The fair values of the goods or services received are recognised as expenses (unless the goods or services qualify for recognition as assets).

4. 主要會計政策(續)

僱員福利(續)

以股份為基礎之付款

以權益結算以股份為基礎之付款交易

授予僱員之購股權

向僱員及提供類似服務之其他人士作出以權益結算以股份為基礎之付款，按授出日期股本工具之公平值計量。

於授出日期所釐定以權益結算以股份為基礎之付款之公平值(並無考慮所有非市場歸屬條件)，會基於本集團所估計最終歸屬之股本工具數目，於歸屬期內以直線法支銷，而權益(購股權儲備)則作出相應增加。於各報告期末，本集團會基於對所有相關非市場歸屬條件之評估，修訂對預期歸屬之股本工具數目之估計。修訂原先估計數目(如有)之影響在損益確認，致使累計費用反映經修訂估計，而購股權儲備亦作相應調整。就於授出日期即時歸屬之購股權而言，所授出購股權之公平值會即時於損益支銷。

當購股權獲行使時，過往於購股權儲備確認之數額將轉撥至股份溢價。當購股權於歸屬日期後被沒收或於到期日仍未獲行使，則過往於購股權儲備確認之數額將轉撥至累計虧損。

授予供應商／顧問之購股權

與僱員以外之人士進行之以權益結算以股份為基礎之付款交易，按已收貨品或服務之公平值計量，惟倘公平值未能可靠地計量，則按已授出股本工具之公平值計量。已授出股本工具之公平值於實體取得貨品或對手方提供服務當日計量。已收貨品或服務之公平值確認為費用，惟有關貨品或服務符合資格確認為資產，則作別論。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Employee benefits (continued)

Share-based payments (continued)

Equity-settled share-based payment transactions (continued)

Share award

The Group also grants shares of the Company to employees under its share award scheme, under which the awarded shares are either newly issued or are purchased from the open market. The net consideration paid, including any directly attributable incremental costs, is presented as “Shares held under share award scheme reserve” and deducted from equity.

For the shares granted under the share award scheme, the fair value of shares granted to employees is recognised as share-based payment expenses with a corresponding increase in share-based payment reserve within equity. The fair value is based on the closing price of the Company's shares on grant date plus any directly attributable incremental costs. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the shares, the total fair value of the shares is spread over the vesting period, taking into account the probability that the shares will vest.

During the vesting period, the number of shares that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised in prior years is charged/credited to profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the share-based payment reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of shares that vest with corresponding adjustment to the share-based payment reserve.

When the awarded shares are transferred to the awardees upon vesting, the related acquisition cost of the awarded shares vested are credited to the “Shares held under share award scheme reserve”, and the grant date fair value of the awarded shares vested are debited to the share-based payment reserve. The difference between the related weighted average acquisition cost and the grant date fair value of the awarded shares vested is transferred to retained profits directly.

4. 主要會計政策(續)

僱員福利(續)

以股份為基礎之付款(續)

以權益結算以股份為基礎之付款交易(續)

股份獎勵

此外，本集團根據其股份獎勵計劃向僱員授出本公司股份，據此，獎勵股份乃新發行或於公開市場購回。已付代價淨額(包括任何直接應佔增加成本)以「根據股份獎勵計劃持有之股份儲備」呈列，並於權益扣除。

就根據股份獎勵計劃授出之股份而言，向僱員授出之股份之公平值確認為以股份為基礎之付款開支，而相應增加於權益內之以股份為基礎之付款儲備內確認。公平值乃根據本公司股份於授出日期之收市價加任何直接應佔增加成本計算。倘僱員於無條件享有股份前須符合歸屬條件，則股份之公平值總額將於歸屬期內攤分，並計及歸屬股份之可能性。

預期歸屬之股份數目於歸屬期內會作審閱。就此對過往年度已確認累計公平值所作之任何調整，扣自／計入回顧年度之損益，除非原有僱員開支合資格確認為資產，則會對以股份為基礎之付款儲備作相應調整。於歸屬日期，已確認為開支之金額會作調整，以反映所歸屬之實際股份數目，並對以股份為基礎之付款儲備作相應調整。

當獎勵股份於歸屬時轉讓予領獎人，已歸屬獎勵股份之相關收購成本計入「根據股份獎勵計劃持有之股份儲備」，而已歸屬獎勵股份於授出日期之公平值則於以股份為基礎之付款儲備中扣除。相關加權平均收購成本與已歸屬獎勵股份於授出日期之公平值之差額直接轉撥至留存溢利。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation

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

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

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

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

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

4. 主要會計政策(續)

稅項

所得稅開支指當期應付稅項與遞延稅項之總和。

當期應付稅項基於年內應課稅溢利計算。由於其他年度之應課稅收入或可扣稅支出以及無須課稅或不可扣稅之項目，故應課稅溢利有別於除稅前溢利或虧損。本集團當期稅項負債以報告期末或之前已頒佈或實質上已頒佈之稅率計算。

遞延稅項按綜合財務報表內資產及負債之賬面值與用於計算應課稅溢利之相應稅基之間之暫時差異確認。本集團一般會就所有應課稅暫時差異確認遞延稅項負債，亦會在可能有應課稅溢利可用於抵銷可扣稅暫時差異時就所有可扣稅暫時差異確認遞延稅項資產。倘暫時差異乃因初始確認(於業務合併中除外)某項不影響應課稅溢利及會計溢利之交易資產及負債而產生，則不會確認該等遞延稅項資產及負債。此外，倘暫時差異乃因初始確認商譽而產生，則不會確認遞延稅項負債。

本集團會就與於附屬公司及聯營公司之投資相關之應課稅暫時差異確認遞延稅項負債，惟倘本集團能夠控制暫時差異之撥回及暫時差異不可能於可見將來轉回之情況則作別論。與該等投資及權益相關之可扣稅暫時差異所產生之遞延稅項資產，僅於可能有足夠應課稅溢利以供動用暫時差異之利益，並預期可於不久將來撥回之情況下確認。

本集團會於各報告期末審閱遞延稅項資產之賬面值，並於不再可能有足夠應課稅溢利以收回該項資產之全部或部分時作出扣減。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation (continued)

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

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

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 *Income Taxes* requirements to right-of-use assets and lease liabilities separately. Temporary differences relating to right-of-use assets and lease liabilities are not recognised at initial recognition and over the lease terms due to application of the initial recognition exemption.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

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

In assessing any uncertainty over income tax treatments, the Group considers whether it is probable that the relevant tax authority will accept the uncertain tax treatment used, or proposed to be used by individual group entities in their income tax filings. If it is probable, the current and deferred taxes are determined consistently with the tax treatment in the income tax filings. If it is not probable that the relevant taxation authority will accept an uncertain tax treatment, the effect of each uncertainty is reflected by using either the most likely amount or the expected value.

4. 主要會計政策(續)

稅項(續)

遞延稅項資產及負債按預期清償負債或變現資產期間適用之稅率，基於報告期末或之前已頒佈或實質上頒佈之稅率(及税法)計算。

遞延稅項負債及資產之計量方式反映按照本集團預期之方式於報告期末收回資產及清償負債賬面值之稅務結果。

就計量本集團確認使用權資產及相關租賃負債的租賃交易的遞延稅項，本集團首先釐定稅項扣減是否歸因於使用權資產或租賃負債。

就稅項扣減歸因於租賃負債的租賃交易而言，本集團將香港會計準則第12號*所得稅*規定分別應用於使用權資產及租賃負債。由於應用初步確認豁免，有關使用權資產及租賃負債的暫時差異並未於初步確認時及於租賃期間內確認。

當有合法執行權利許可將現時稅項資產與現時稅項負債抵銷並涉及由同一稅務機關向同一應課稅實體徵收之所得稅時，則遞延稅項資產及負債可相互對銷。

即期及遞延稅項於損益確認，惟當其與其他全面收入確認之項目或直接於權益確認之項目有關時，即期及遞延稅項亦分別於其他全面收入確認或直接於權益確認。倘因對業務合併進行初始會計處理而產生即期稅項或遞延稅項，則稅務影響會於將業務合併入賬時計算在內。

於評估所得稅處理方面的任何不確定性時，本集團考慮相關稅務機關是否有可能接受個別集團實體在所得稅申報中使用或擬使用的不確定稅務處理。倘有此可能，則當期及遞延稅項一貫採用所得稅申報之稅務處理方式。倘有關稅務機關不可能接受不確定稅務處理，則採用最可能的金額或預期價值以反映各項不確定性的影響。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes. Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

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

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

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less any subsequent accumulated impairment losses.

Intangible assets acquired in a business combination

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

4. 主要會計政策(續)

物業、廠房及設備

物業、廠房及設備乃持作生產或供應貨品或服務或作行政用途之有形資產。物業、廠房及設備按成本減其後累計折舊及其後累計減值虧損(如有)於綜合財務狀況表列賬。

本集團會確認折舊，以於估計可使用年期內以直線法撇銷資產之成本減剩餘價值。本集團於各報告期末檢討估計可使用年期、剩餘價值及折舊方法，而任何估計變動之影響按未來適用法入賬。

物業、廠房及設備項目於出售時或當繼續使用該資產預期不會產生任何未來經濟利益時終止確認。出售物業、廠房及設備項目或有關項目報廢所產生之任何收益或虧損按該資產之銷售所得款項與賬面值間之差額釐定，並於損益確認。

無形資產

獨立收購之無形資產

獨立收購而具有有限可使用年期之無形資產按成本減累計攤銷及任何累計減值虧損列賬。具有有限可使用年期之無形資產之攤銷按資產估計可使用年期以直線法確認。本集團於各報告期末檢討估計可使用年期及攤銷方法，而任何估計變更之影響會按未來適用法入賬。獨立收購而具有無限可使用年期之無形資產按成本減任何其後累計減值虧損列賬。

於業務合併收購之無形資產

於業務合併收購之無形資產與商譽分開確認，初始按收購日期之公平值(被視為其成本)確認。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Intangible assets (continued)

Intangible assets acquired in a business combination (continued)

Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at costs less accumulated amortisation and any accumulated impairment losses, on the same basis as intangible assets that are acquired separately. Intangible assets acquired in a business combination with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Impairment on property, plant and equipment, right-of-use assets and intangible assets other than goodwill

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use assets and intangible assets with finite useful life to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss, if any.

The recoverable amount of property, plant and equipment, right-of-use assets and intangible assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In addition, the Group assesses whether there is indication that corporate assets may be impaired. If such indication exists, corporate assets are also allocated to individual cash-generating units, when a reasonable and consistent basis of allocation can be identified, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

4. 主要會計政策(續)

無形資產(續)

於業務合併收購之無形資產(續)

於初始確認後，於業務合併收購之無形資產如具有有限可使用年期，乃按另行收購之無形資產之相同基準按成本減累計攤銷及任何累計減值虧損呈報。於業務合併中所收購的無形資產具無限可使用年期乃按成本減任何其後累計減值虧損列賬。

無形資產於出售或預期不會從使用或出售產生未來經濟利益時終止確認。終止確認無形資產產生之盈虧按出售所得款項淨額與資產賬面值之差額計量，並於資產終止確認時於損益確認。

物業、廠房及設備、使用權資產及無形資產(商譽除外)之減值

本集團於報告期末審閱其物業、廠房及設備、使用權資產及有限可使用年期的無形資產之賬面值，以釐定是否有跡象顯示該等資產已出現減值虧損。如存在任何有關跡象，則會估計相關資產之可收回金額以釐定減值虧損之程度(如有)。

物業、廠房及設備、使用權資產及無形資產之可收回金額乃作為個別估計。倘當無法個別估計可收回金額時，本集團會估計資產所屬現金產生單位之可收回金額。

此外，本集團評估公司資產是否存在可能減值的跡象。倘存在有關跡象，當可識別合理及一致之分配基準時，公司資產亦會分配至個別之現金產生單位，否則會分配至可識別合理及一致之分配基準之最小現金產生單位組別。

可收回金額為公平值減出售成本與使用價值之較高者。於評估使用價值時，估計未來現金流量乃使用除稅前折現率(反映市場現時對貨幣時間價值之評估及未調整估計未來現金流量之資產(或現金產生單位)之特定風險)折現至現值。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment on property, plant and equipment, right-of-use assets and intangible assets other than goodwill (continued)

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

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

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

4. 主要會計政策(續)

物業、廠房及設備、使用權資產及無形資產(商譽除外)之減值(續)

倘資產(或現金產生單位)之可收回金額估計少於其賬面值,則該資產(或現金產生單位)之賬面值會撇減至其可收回金額。就不能按合理及一致基準分配至現金產生單位的企業資產或部分企業資產而言,本集團將一組現金產生單位的賬面值(包括分配至該組現金產生單位的企業資產或部分企業資產的賬面值)與該組現金產生單位的可收回金額進行比較。分配減值虧損時,減值虧損會先分配至減少任何商譽(如適用)之賬面值,然後基於該單位或現金產生單位組別內各項資產之賬面值按比例分配至其他資產。資產之賬面值不會撇減至低於其公平值減出售成本(如可計量)、其使用價值(如可釐定)及零三者之最高者。分配至資產之減值虧損金額按該單位或現金產生單位組別之其他資產比例分配。減值虧損即時於損益確認。

倘其後撥回減值虧損,則資產(或現金產生單位或現金產生單位組別)之賬面值會增至經修訂估計之可收回金額,惟增加後之賬面值不得超過假設過往年度並無就資產(或現金產生單位或現金產生單位組別)確認減值虧損而釐定之賬面值。減值虧損之撥回即時於損益確認。

存貨

存貨按成本與可變現淨值之較低者列賬。存貨成本按加權平均成本法釐定。可變現淨值指存貨之估計售價減所有估計完成成本及作出銷售所需之成本。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

For onerous contracts relating to leases in which the Group opts to apply HKFRS 16.C10(b) practical expedient at date of initial application of HKFRS 16, the Group adjusted the amount of provision for onerous lease recognised in the consolidated statement of financial position immediately before the date of initial application to the relevant right-of-use assets.

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

4. 主要會計政策(續)

撥備

倘本集團因過往事件而須承擔現時責任(法律或推定)，而本集團可能須履行該責任且該責任之金額能可靠地估計，則確認撥備。

確認為撥備之金額乃經計及有關責任之風險及不確定因素後，對於報告期末履行現時責任所需代價作出之最佳估計。當撥備按履行現時責任估計所需之現金流量計量時，其賬面值為有關現金流量之現值(倘貨幣時間價值之影響屬重大)。

虧損性合約

虧損性合約項下產生的現時責任確認及計量為撥備。當本集團訂有一份合約，而為達成合約項下責任所產生的不可避免成本超逾預期自該合約收取的經濟利益時，即視為存在虧損性合約。

對於本集團於首次應用香港財務報告準則第16號之日選擇應用香港財務報告準則第16.C10(b)條可行權宜方法的與租賃有關的虧損性合約而言，本集團已將於緊接首次應用日期前於綜合財務狀況表確認的虧損性租賃撥備金額調整至相關使用權資產。

金融工具

當集團實體成為金融資產及金融負債合約條文之訂約方時，便會確認該項工具。金融資產之所有之一般買賣按交易日基準確認及終止確認。一般買賣指於市場規例或慣例設定之期限內交付資產之金融資產買賣。

金融資產及金融負債初始按公平值計量(除與客戶簽訂合約產生的應收貿易款項初步根據香港財務報告準則第15號計量外)。直接歸屬於購入或發行金融資產及金融負債(按公平值計入損益(「按公平值計入損益」))之金融資產或金融負債除外之交易成本於初始確認時計入金融資產或金融負債(視適用情況而定)之公平值或從中扣除。直接歸屬於購入按公平值計入損益之金融資產或金融負債之交易成本即時於損益確認。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

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

Interest/dividend income which are derived from the Group's ordinary course of business are presented as revenue.

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVTOCI"):

- the financial asset is held within a business model whose objective is achieved by both selling and collecting contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL, except that at the date of initial application of HKFRS 9/initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income ("OCI") if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 *Business Combinations* applies.

4. 主要會計政策(續)

金融工具(續)

實際利息法為計算金融資產或金融負債攤銷成本及於相關期間分配利息收入及利息開支之方法。實際利率為於金融工具或金融負債預計年期或(倘適用)較短期間將估計未來現金收款及付款(包括所有組成實際利率完整部分之已付或已收之全部費用及基點、交易成本以及其他溢價或折讓)準確折現至初始確認時之賬面淨值之利率。

源自本集團日常業務範圍的利息／股息收入呈列為收入。

金融資產

金融資產的分類及其後計量

滿足下列條件之金融資產於其後按攤銷成本計量：

- 金融資產以目標為收取合約現金流量之業務模式下持有；及
- 合約條款令於特定日期產生之現金流量僅為支付本金及未償還本金之利息。

符合下述條件之金融資產其後按公平值計入其他全面收益(「按公平值計入其他全面收益」)計量：

- 金融資產以目標為出售金融資產及收取合約現金流量之業務模式下持有；及
- 合約條款令於特定日期產生之現金流量僅為支付本金及未償還本金之利息。

所有其他金融資產其後會按公平值計入損益，惟於初始應用香港財務報告準則第9號日期／初始確認金融資產之日，倘股權投資並非持作買賣用途或收購方於香港財務報告準則第3號「業務合併」適用的業務合併確認的或然代價，則本集團可不可撤銷地選擇於其他全面收益(「其他全面收益」)中呈列有關股權投資公平值的其後變動。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Classification and subsequent measurement of financial assets (continued)

A financial asset is held for trading if:

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

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

- (i) Amortised cost and interest income
- Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

4. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產的分類及其後計量(續)

在下列情況下，金融資產分類為持作買賣：

- 主要為於近期銷售而購入；或
- 該金融資產於初始確認時構成本集團一併管理且具有近期實際短期獲利模式之已識別金融工具組合之一部分；或
- 金融資產為未被指定及有效作為對沖工具之衍生工具。

此外，倘如此可消除或大幅減少會計錯配，則本集團可不可撤銷地指定符合按攤銷成本或按公平值計入其他全面收益(透過損益按公平值列賬計量)計量的金融資產。

- (i) 攤銷成本及利息收入
- 其後按攤銷成本計量的金融資產乃使用實際利息法予以確認利息收入。利息收入乃對一項金融資產賬面總額應用實際利率予以計算，惟其後出現信貸減值的金融資產除外(見下文)。就其後出現信貸減值的金融資產而言，自下一報告期起，利息收入乃對金融資產攤銷成本應用實際利率予以確認。倘信貸減值金融工具的信貸風險好轉，使金融資產不再出現信貸減值，於釐定資產不再出現信貸減值後，自報告期開始起利息收入乃對金融資產賬面總額應用實際利率予以確認。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Classification and subsequent measurement of financial assets (continued)

- (ii) Financial assets at FVTPL
- Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in the "other gains and losses" line item.

Impairment of financial assets

The Group performs impairment assessment under expected credit loss ("ECL") model on financial assets (including trade receivables, deposits, other receivables, amounts due from associates and bank balances) which are subject to impairment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables. The ECL on trade receivables are assessed collectively using a provision matrix with appropriate groupings.

4. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產的分類及其後計量(續)

- (ii) 按公平值計入損益之金融資產
- 不符合按攤銷成本或按公平值計入其他全面收益或指定為按公平值計入其他全面收益計量的準則的金融資產乃按公平值透過損益入賬計量。

按公平值透過損益入賬之金融資產按各報告期末的公平值計量，而任何公平值收益或虧損均於損益確認。於損益確認的收益或虧損淨額並不包括就金融資產賺取的任何股息或利息並計入「其他收益及虧損」行項目內。

金融資產減值

本集團根據預期信貸虧損(「預期信貸虧損」)模式對根據香港財務報告準則第9號就須予減值的金融資產(包括應收貿易賬項、按金、其他應收賬項、應收聯營公司款項及銀行結餘)進行減值評估。預期信貸虧損金額於各報告日期更新，以反映自初步確認以來的信貸風險變動。

全期預期信貸虧損指於相關工具預期年內發生的所有可能違約事件所導致的預期信貸虧損。與此相對，12個月預期信貸虧損(「12個月預期信貸虧損」)指預期於報告日期後12個月內可能發生的違約事件所導致的部分全期預期信貸虧損。評估根據本集團過往信貸虧損經驗進行，並根據應收賬款特定因素、整體經濟狀況以及於報告日期對當前狀況及未來狀況預測的評估而作出調整。

本集團始終確認應收貿易款項的全期預期信貸虧損。應收貿易款項的預期信貸虧損全部採用具有適當組別的撥備矩陣進行估算。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, 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. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

4. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

就所有其他工具而言，本集團計量的虧損撥備相等於12個月預期信貸虧損，除非信貸風險自初步確認以來顯著上升，在此情況下，本集團確認全期預期信貸虧損。應否確認全期預期信貸虧損乃基於自初步確認以來發生違約的可能性或風險有否顯著上升而進行評估。

(i) 信貸風險顯著上升

於評估信貸風險是否自初步確認以來顯著上升時，本集團比較金融工具於報告日期出現違約的風險與該金融工具於初步確認日期出現違約的風險。作此評估時，本集團會考慮合理及有理據的定量及定性資料，包括歷史經驗及毋須花費不必要成本或精力即可獲得的前瞻性資料。

尤其是，評估信貸風險是否顯著上升時會考慮下列資料：

- 金融工具外部(如有)或內部信貸評級的實際或預期重大惡化；
- 信貸風險的外界市場指標的重大惡化，例如信貸息差大幅增加、債務人的信貸違約掉期價；
- 預期將導致債務人履行其債務責任的能力大幅下降的業務、財務或經濟狀況的現有或預測不利變動；
- 債務人經營業績的實際或預期重大惡化；
- 導致債務人履行其債務責任的能力大幅下降的債務人監管、經濟或技術環境的實際或預期重大不利變動。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(i) Significant increase in credit risk (continued)

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if i) it has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of "investment grade" as per globally understood definitions.

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

4. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

(i) 信貸風險顯著上升(續)

無論上述評估結果如何，本集團假定合約付款逾期超過30日時，信貸風險自初步確認以來已顯著上升，除非本集團有合理及有理據的資料證明可予收回則當別論。

儘管上文所述，倘債務工具於報告日期被釐定為具有較低信貸風險，則本集團假設該債務工具之信貸風險自初始確認以來並無顯著上升。債務工具於以下情況下被釐定為具有較低信貸風險：(i)具有低違約風險；(ii) 借款人有足夠能力於短期內履行其合約現金流量責任；及 (iii)經濟及業務狀況之長期不利變動可能但未必會削弱借款人履行其合約現金流量責任之能力。倘債務工具之內部或外部信貸評級屬國際通用釋義所界定之「投資級別」，則本集團認為該債務工具具有較低信貸風險。

就財務擔保合約而言，本集團成為不可撤銷承擔一方的日期被視為就減值評估進行初始確認之日期，故於估計信貸風險自財務擔保合約初始確認起是否有顯著上升時，本集團考慮指定債務人違約風險的變動。

本集團定期監控用於識別信貸風險是否顯著上升的標準是否有效及適時修訂該等標準，以確保有關標準能於款項逾期前識別信貸風險的顯著上升。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- (e) the disappearance of an active market for that financial asset because of financial difficulties.

4. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

(ii) 違約的定義

就內部信貸風險管理而言，本集團認為，違約事件在內部制定或取自外界來源的資料顯示債務人不大可能悉數向其債權人(包括本集團)還款(未計及本集團所持任何抵押品)時發生。

無論上述情形如何，本集團認為，倘金融資產逾期超過90天，則發生違約事件，除非本集團有合理及有理據的資料證明更寬鬆的違約標準更為合適，則作別論。

(iii) 信貸減值之金融資產

金融資產在一件或多件事件(對該金融資產估計未來現金流量構成不利影響)發生時出現信貸減值。金融資產出現信貸減值的證據包括有關以下事件的可觀察數據：

- (a) 發行人或借款人出現重大財務困難；
- (b) 違約，如拖欠或逾期事件；
- (c) 借款人的貸款人因有關借款人出現財務困難的經濟或合約理由而向借款人批出貸款人不會另行考慮的優惠；
- (d) 借款人可能破產或進行其他財務重組；或
- (e) 該金融資產的活躍市場因財政困難而消失。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

For a financial guarantee contract, the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed. Accordingly, the expected losses is the present value of the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

4. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

(iv) 撇銷政策

本集團於有資料顯示交易對手處於嚴重財務困難且無實際復甦前景時，例如交易對手處於清盤程序或已進入破產程序時，或者就應收貿易款項而言，相關金額逾期超過兩年(以較早者為準)撇銷金融資產。於計及適用法律意見的情況下，已撇銷的金融資產可仍然受限於根據本集團的收回程序進行的強制執行工作。撇銷構成終止確認事項。任何後續收回款項將於損益確認。

(v) 預期信貸虧損之計量及確認

預期信貸虧損之計量乃違約概率、違約損失率(即發生違約的損失程度)及違約風險之函數。違約概率及違約損失率之評估立足於按前瞻性資料進行調整之歷史數據。預期信貸虧損之估計體現了不偏不倚之概率加權數，其取決於作為加權數之各種違約風險。

一般而言，預期信貸虧損估計為根據合約應付本集團的所有合約現金流量與本集團預期收取的現金流量之間的差額，並按初始確認時釐定之實際利率貼現。

就財務擔保合約而言，本集團僅在債務人違約之情況下須根據所擔保金融工具之條款付款。據此，預計虧損為就所引致信貸虧損賠償予持有人之預期付款現值減去本集團預計收取持有人、債務人或任何其他各方之任何款項所得。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(v) Measurement and recognition of ECL (continued)

For ECL on financial guarantee contracts for which the effective interest rate cannot be determined, the Group will apply a discount rate that reflects the current market assessment of the time value of money and the risks that are specific to the cash flows but only if, and to the extent that, the risks are taken into account by adjusting the discount rate instead of adjusting the cash shortfalls being discounted.

Where ECL is measured on a collective basis or cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments (i.e. the Group's trade receivables and deposit and other receivables are each assessed as a separate group);
- Past-due status;
- Nature, size and industry of debtors; or
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

For financial guarantee contracts, the loss allowances are recognised at the higher of the amount of the loss allowance determined in accordance with HKFRS 9; and the amount initially recognised less, where appropriate, cumulative amount of income recognised over the guarantee period.

Except for financial guarantee contracts, the Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables where the corresponding adjustment is recognised through a loss allowance account.

4. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

(v) 預期信貸虧損之計量及確認(續)

對於無法釐定實際利率財務擔保合約之預期信貸虧損，本集團將採用體現當前市場對貨幣時間價值之評估之貼現率及現金流量之特定風險，唯一條件是有關風險乃經調整貼現率而納入，而非調整貼現之現金缺口。

在預期信貸虧損按統一基準計量或因應單個金融工具尚未有虧損跡象之各個情況而定之下，金融工具按以下基準分組：

- 金融工具性質(如本集團之應收貿易賬項以及按金及其他應收賬項各自作為獨立組別進行評估)；
- 逾期情況；
- 應收賬項之性質、規模及行業；或
- 外部信貸評級(倘有)。

管理層定期檢討分組情況，以確保各分組的組成部分繼續共有相似之信貸風險特征。

利息收入按金融資產之總賬面值計量，除非金融資產入賬記為減值，於此情況下將按金融資產之攤銷成本計量。

就財務擔保合約而言，虧損撥備按以下者中之較高數額進行確認：根據香港財務報告準則第9號釐定之虧損撥備款項及初始確認之款項減去(倘適用)於擔保期間確認之累計收入款項。

除財務擔保合約外，本集團透過調整所有金融工具之賬面值於損益確認彼等之減值收益或虧損，而應收貿易賬項除外，其相應調整乃透過虧損撥備賬確認。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Derecognition of financial assets

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

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity

Classification as debt or equity

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

Equity instruments

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

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

4. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產之終止確認

僅當金融資產現金流量之合約權利屆滿，或本集團將金融資產連同其擁有權之絕大部分風險及回報轉讓予另一實體，本集團方會終止確認該項資產。本集團如並無轉讓或保留擁有權之絕大部分風險及回報，並繼續控制已轉讓之資產，則會確認其於資產之保留權益及可能須支付之相關負債款項。本集團如保留已轉讓金融資產擁有權之絕大部分風險及回報，則會繼續確認金融資產並同時就所得款項確認已抵押借貸。

於終止確認按攤銷成本計量之金融資產時，資產賬面值與已收及應收代價之總和之差額於損益確認。

金融負債及股本

分類為債務或股本

根據合約安排之內容及金融負債及股本工具之定義，債務及股本工具乃分類為金融負債或股本。

股本工具

股本工具為任何證明某一實體在扣除一切負債後於資產中有剩餘權益之合約。本公司發行之股本工具按已收所得款項(已扣除直接發行成本)確認。

購回之本公司自身股本工具直接於股本確認及扣減。概無就購入、銷售、發行或註銷本公司自有之股本工具而於損益確認收益或虧損。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial liabilities and equity (continued)

Financial liabilities at amortised cost

Financial liabilities including trade and other payables, lease liabilities, license fees payables, bank and other borrowings and convertible loan are subsequently measured at amortised cost, using the effective interest method.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder in accordance with the terms and conditions. Financial guarantee contracts liabilities are measured initially at their fair values. It is subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with HKFRS 9 (since 1 April 2018)/HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets* (before application of HKFRS 9 on 1 April 2018); and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised over the guarantee period.

Convertible loan

A conversion option that will be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Group's own equity instruments is a conversion option derivative.

At the date of issue, both the debt component and derivative components are recognised at fair value. In subsequent periods, the debt component of the convertible loan is carried at amortised cost using the effective interest method. The derivative component is measured at fair value with changes in fair value recognised in profit or loss.

Derecognition of financial liabilities

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

4. 主要會計政策(續)

金融工具(續)

金融負債及股本(續)

按攤銷成本計量之金融負債

金融負債(包括應付貿易及其他賬項、租賃負債、應付特許權費、銀行及其他借貸以及可換股貸款)隨後使用實際利息法按攤銷成本計量。

財務擔保合約

財務擔保合約乃發行人根據條款及條件須支付特定款項以彌償持有人之合約。財務擔保合約負債初步按彼等公平值計量，之後按以下各項中之最高者計量：

- 按照香港財務報告準則第9號(自二零一八年四月一日起)/香港會計準則第37號「撥備、或然負債及或然資產」(於二零一八年四月一日應用香港財務報告準則第9號之前)釐定之虧損撥備額；及
- 初始確認之金額減(如適用)於擔保期內之已確認累計攤銷。

可換股貸款

並非以定額現金或其他金融資產交換固定數目的本集團自身股本工具的方式結算的換股選擇權，為換股選擇權衍生工具。

於發行日期，負債部分及衍生工具部分均按公平值確認。於後續期間，可換股貸款的負債部分採用實際利率法以攤銷成本列賬，而衍生工具部分按公平值計量，其公平值變動於損益內確認。

終止確認金融負債

本集團於(且僅於)本集團之義務解除、取消或已到期時終止確認金融負債。已終止確認之金融負債之賬面值與已付及應付代價之間之差額會於損益確認。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

5. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 4, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

The following is the critical judgement, apart from those involving estimations (see below), that the management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Going concern and liquidity

As explained in Note 2 to the consolidated financial statements, the financial position of the Group indicates the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. The assessment of the going concern assumptions involves making judgement by the management, at a particular point of time, about the future outcome of events or conditions which are inherently uncertain. The management considers that the Group has ability to continue as a going concern and the major conditions that may cast significant doubt about the going concern assumptions are set out in Note 2 to the consolidated financial statements.

5. 關鍵會計判斷及估計不確定性之主要來源

於應用附註4所述本集團之會計政策時，董事須就無法即時從其他途徑獲取之資產及負債賬面值作出判斷、估計及假設。有關估計及相關假設乃基於過往經驗及其他被視為相關之因素作出。實際結果或會有別於該等估計。

本集團會持續檢討該等估計及相關假設。會計估計之修訂如僅影響作出修訂之期間，則於該期間確認；有關修訂如影響當前及未來期間，則於修訂期間及未來期間確認。

應用會計政策時的關鍵判斷

以下為管理層已於應用本集團會計政策的過程中作出且對綜合財務報表中確認的金額造成最重大影響的關鍵判斷（涉及估計（見下文）者除外）。

持續經營及流動資金

誠如綜合財務報表附註2所說明，本集團的財務狀況表明存在可能導致對本集團持續經營的能力提出嚴重質疑的重大不確定性。評估持續經營假設涉及管理層於特定的時間點對就內在而言乃屬不確定的事件或條件的未來結果作出判斷。管理層認為，本集團有能力持續經營，且可能對持續經營假設提出嚴重質疑的主要條件載列於綜合財務報表附註2。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

5. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Provision of ECL for trade and other receivables

The Group uses provision matrix to calculate ECL for the trade receivable under simplified approach. The provision rates are based on aging analysis as groupings of various debtors that have similar loss patterns. The provision matrix are based on internal credit ratings and the Group's historical default rates taking into consideration forward-looking information that is reasonable and supportable available without undue costs or effort. At every reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered.

The Group calculate the ECL for the other receivables by grouping the counterparties with similar nature under general approach. The provision rate are based on internal credit ratings and taking into consideration forward-looking information that is reasonable and supportable available without undue costs or effort. At every reporting date, changes in the forward-looking information are considered.

The provision of ECL is sensitive to changes in estimates. The information about the ECL and the Group's trade and other receivables are disclosed in Notes 7(b) and 27 respectively.

Principal versus agent consideration (agent)

The Group is considered as an agent for its contracts with customers relating to the provision of online travel product booking service as the Group did not obtain the control over the travel products before passing on to customers taking into consideration indicators such as the Group is not exposed to inventory risk. When the Group satisfies the performance obligation, the Group recognises a fee revenue in the amount it expects to be entitled as specified in the contracts.

During the year ended 31 March 2020, the Group recognised revenue relating to provision of online travel product booking service amounted to approximately HK\$4,681,000 (2019: HK\$5,227,000).

5. 關鍵會計判斷及估計不確定性之主要來源(續)

估計不確定性之主要來源

以下為於報告期末有關未來之關鍵假設及估計不確定性之其他主要來源，該等假設可能存在導致對下個財年之資產及負債之賬面值作出重大調整之重大風險。

應收貿易及其他賬項之預期信貸虧損撥備

本集團根據簡化方法使用撥備矩陣計算應收貿易賬項的預期信貸虧損。撥備率乃基於賬齡分析將具有類似虧損模式的多個債務人分類組別。撥備矩陣基於內部信用評級及本集團的歷史違約率計算，並考慮無需過度的成本或努力而可獲得的合理及有理據的前瞻性資料。在各報告日期，歷史觀測到的違約率會重新評估，並考慮前瞻性資料的變動。

本集團根據一般方法對類似性質的对手方進行分組，計算其他應收賬項的預期信貸虧損。撥備率乃基於內部信用評級及計及無需過度的成本或努力即可獲得的合理及有理據的前瞻性資料。於各報告日期，均考慮到前瞻性資料的變動。

預期信貸虧損的撥備對估計的變化比較敏感。有關預期信貸虧損以及本集團應收貿易及其他賬項的資料分別載於附註7(b)及27。

委託人與代理人的考慮(代理人)

本集團被視為其就提供網上旅遊產品預訂服務與客戶所訂合約的代理人，蓋因本集團在傳遞給客戶之前未獲得對旅遊產品的控制權，並考慮到諸如本集團不會面臨庫存風險的指標。當本集團履行履約責任時，本集團按合約所訂明其預期有權收取的金額確認費用收入。

於截至二零二零年三月三十一日止年度，本集團就提供網上旅遊產品預訂服務確認收入約4,681,000港元(二零一九年：5,227,000港元)。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

5. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Key sources of estimation uncertainty (continued)

Principal versus agent consideration (principal)

The Group engages in provision of multi-media and advertising services. The Group concluded that the Group acts as the principal for such transactions as it controls the specified good before it is transferred to the customer after taking into consideration indicators such as the Group is primarily responsible for fulfilling the promise to provide the multi-media and advertising services. The Group has inventory risk, latitude in establishing prices and selecting suppliers. When the Group satisfies the performance obligation, the Group recognises revenue in the gross amount of consideration to which the Group expects to be entitled as specified in the contracts.

During the year ended 31 March 2020, the Group recognised revenue relating to provision of multi-media and advertising services amounted to approximately HK\$33,683,000 (2019: Nil).

Loss of control over We Fly Travel Limited ("We Fly")

As stated in Note 43 to the consolidated financial statements, on 3 February 2020, a director who was appointed by the Group as a director of We Fly has resigned as a director of We Fly, accordingly, the Directors resolved that the Group no longer had the power to govern the financial and operating policies of We Fly, and the control over We Fly could no longer meet the definition of control in HKFRS 10 *Consolidated Financial Statements* on that date and the financial statements of We Fly have been deconsolidated from the financial statements of the Company since 3 February 2020.

Loss of significant influence over Yota Group

As stated in Note 24 to the consolidated financial statements, upon submission of all the information to the official liquidator on 30 April 2019, the Directors were of the opinion that the Group has lost its significant influence on the Yota Group on 30 April 2019 and Yota will cease to be accounted for as an associate of the Group.

Net realisable value of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale. These estimates are based on the current market condition and the historical experience of selling products of similar nature. It could change significantly as a result of changes in customer taste or competitor actions. Management reassesses these estimates at each reporting date. As at 31 March 2020, inventories of approximately HK\$7,000 (2019: HK\$11,638,000) are stated at net realisable value.

5. 關鍵會計判斷及估計不確定性之主要來源(續)

估計不確定性之主要來源(續)

委託人與代理人的考慮(委託人)

本集團從事提供多媒體及廣告服務。本集團的結論是，本集團是作為該等交易的委託人，蓋因經考慮多項指標(例如本集團主要負責履行提供多媒體及廣告服務的承諾)後其於指定貨品轉讓予客戶之前控制該貨品。本集團承受存貨風險，定價及篩選供應商方面受限。當本集團履行履約責任時，本集團按合約所訂明本集團預期有權收取的代價總額確認收入。

於截至二零二零年三月三十一日止年度，本集團就提供多媒體及廣告服務確認收入約33,683,000港元(二零一九年：零)。

失去對愛飛旅遊有限公司("愛飛")的控制權

誠如綜合財務報表附註43所述，於二零二零年二月三日，一名曾由本集團委任為愛飛董事的董事，辭任愛飛董事之職，因此，董事議決本集團不再有權監管愛飛的財務及營運政策，且自當日起對愛飛的控制權已不再符合香港財務報告準則第10號綜合財務報表的控制權定義，遂自二零二零年二月三日起愛飛的財務報表終止於本公司的財務報表綜合入賬。

失去對Yota集團的重大影響力

誠如綜合財務報表附註24所述，於二零一九年四月三十日向法定清盤人提交所有資料後，董事認為於二零一九年四月三十日本集團失去對Yota集團的重大影響力，且Yota不再入賬為本集團的聯營公司。

存貨之可變現淨值

存貨之可變現淨值乃於日常業務過程中作出之估計售價減估計完工成本及作出銷售的必要估計成本。該等估計乃根據現時市況及出售同類產品的過往經驗而作出。其會由於客戶品味或競爭對手的行動變化而發生重大變化。管理層於各報告日期重新評估該等估計。於二零二零年三月三十一日，約7,000港元(二零一九年：11,638,000港元)的存貨乃按可變現淨值列賬。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

5. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Key sources of estimation uncertainty (continued)

Estimated impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the recoverable amount of the cash-generating unit to which goodwill has been allocated, which is the higher of the value-in-use or fair value less costs of disposal. The value-in-use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, or change in facts and circumstances which results in downward revision of future cash, a material impairment loss may arise. As at 31 March 2020, the carrying amount of goodwill is HK\$54,962,000 (2019: HK\$185,285,000) (net of accumulated impairment loss of HK\$32,293,000 (2019: HK\$167,689,000)). Details of the recoverable amount calculation are disclosed in Note 25.

6. CAPITAL RISK MANAGEMENT

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

Consistent with industry practice, the Group monitors its capital structure on the basis of a net debt-to-adjusted capital ratio. For this purpose the Group defines net debt as total debt (which include trade and other payables, contract liabilities, lease liabilities, license fees payables, bank and other borrowings and convertible loan) less bank balances and cash. Adjusted capital comprises all components of equity. The Group's policy is to keep that ratio at a reasonable level.

5. 關鍵會計判斷及估計不確定性之主要來源(續)

估計不確定性之主要來源(續)

商譽之估計減值

釐定商譽是否減值須估計獲分配商譽之現金產生單位之可收回金額，即使用價值或公平值減出售成本之較高者。計算使用價值須本集團估計預期從現金產生單位產生之未來現金流量以及合適折現率，以計算現值。當實際未來現金流量少於預期，或事實或情況有變致使未來現金向下修訂，則可能產生重大減值虧損。於二零二零年三月三十一日，商譽之賬面值為54,962,000港元(二零一九年：185,285,000港元)(扣除累計減值虧損32,293,000港元(二零一九年：167,689,000港元))。可收回金額計算詳情於附註25披露。

6. 資本風險管理

本集團資本管理之主要目的是通過對產品及服務作出與風險水平相稱之定價，以及以合理成本取得融資，來保障本集團按持續經營基準繼續營運之能力，以持續為股東帶來回報，同時兼顧其他持份者之利益。

本集團積極地定期檢討及管理其資本架構，以在為股東帶來較高回報(可能產生較高水平借貸)與良好資本狀況之優勢及穩定性之間保持平衡，並按照經濟狀況之變動調整其資本架構。

與行業慣例一致，本集團按照債務淨額對經調整資本比率基準監控其資本架構。就此而言，本集團將債務淨額界定為債務總額(其包括應付貿易及其他賬項、合約負債、租賃負債、應付特許權費、銀行及其他借貸以及可換股貸款)減去銀行結餘及現金。經調整資本包括所有權益部分。本集團之政策乃將該比率保持在合理水平。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

6. CAPITAL RISK MANAGEMENT (continued)

The net debt-to-adjusted capital ratios as at 31 March 2020 and 2019 are as follows:

6. 資本風險管理(續)

於二零二零年及二零一九年三月三十一日之債務淨額對經調整資本比率如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Trade and other payables	應付貿易及其他賬項	237,970	387,047
Contract liabilities	合約負債	26,543	469
Lease liabilities	租賃負債	4,398	—
License fees payable	應付特許權費	52,396	—
Bank and other borrowings	銀行及其他借貸	269,359	238,790
Convertible loan	可換股貸款	9,493	—
Total debt	債務總額	600,159	626,306
Less: bank balances and cash	減：銀行結餘及現金	2,715	7,317
Net debt	債務淨額	597,444	618,989
Adjusted capital — Total deficit	經調整資本 — 虧絀總額	(430,491)	(364,456)
Net debt-to-adjusted capital ratio	債務淨額對經調整資本比率	(139%)	(170%)

Neither the Company nor any of its subsidiaries are subject to either internally or externally imposed capital requirements.

本公司或其任何附屬公司概無受內部或外界施加之資本規定所規限。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

7. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

		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		
FVTPL	按公平值計入損益		
Mandatorily measured at FVTPL	強制按公平值計入損益計量		
— Held-for-trading	— 持作買賣	512	778
Loan and receivables (including bank balances and cash):	貸款及應收賬項(包括銀行結餘及現金):		
— Trade and other receivables	— 應收貿易及其他賬項	43,749	25,746
— Bank balances and cash	— 銀行結餘及現金	2,715	7,317
		46,464	33,063
		46,976	33,841
Financial liabilities	金融負債		
At amortised cost:	按攤銷成本:		
— Trade and other payables	— 應付貿易及其他賬項	237,970	387,047
— Lease liabilities	— 租賃負債	4,398	—
— Convertible loan	— 可換股貸款	9,493	—
— License fees payables	— 應付特許權費	52,396	—
— Bank and other borrowings	— 銀行及其他借貸	269,359	238,790
		573,616	625,837

(b) Financial risk management objectives and policies

The Group's major financial instruments include financial assets at FVTPL, trade and other receivables, amounts due from associates, bank balances and cash, trade and other payables, lease liabilities, convertible loan, license fees payables and bank and other borrowings. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(b) 財務風險管理目標及政策

本集團之主要金融工具包括按公平值計入損益之金融資產、應收貿易及其他賬項、應收聯營公司款項、銀行結餘及現金、應付貿易及其他賬項、租賃負債、可換股貸款、應付特許權費以及銀行及其他借貸。該等金融工具之詳情於各附註披露。與該等金融工具相關之風險包括市場風險(貨幣風險、利率風險及其他價格風險)、信貸風險及流動資金風險。有關如何減低該等風險之政策載於下文。管理層管理及監控有關風險，以確保能適時有效地採取適當措施。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

7. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Market risk

(i) Currency risk

The Group mainly operates in Hong Kong and PRC with most of the transactions denominated and settled in HK\$ and Renminbi ("RMB").

The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign currency exposure and will consider hedging significant foreign currency exposure should the need arise.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of reporting period, that are denominated in currencies other than the functional currency of the relevant group entities, are as follows:

	Liabilities 負債		Assets 資產	
	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
United States Dollar ("USD") 美元(「美元」)	15,797	153,406	—	—

Sensitivity analysis

The Group is mainly exposed to the foreign currency risk of USD.

7. 金融工具(續)

(b) 財務風險管理目標及政策(續)

市場風險

(i) 貨幣風險

本集團主要於香港及中國運作，大部分交易以港元及人民幣(「人民幣」)計值及結算。

本集團目前並無外幣對沖政策。然而，管理層會監察所面對之外幣風險，並將於有需要時考慮對沖重大外幣風險。

本集團以外幣(即相關集團實體功能貨幣以外之貨幣)計值之貨幣資產及貨幣負債於報告期末之賬面值如下：

敏感度分析

本集團主要面對美元之外幣風險。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

7. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies

(continued)

Market risk (continued)

(i) Currency risk (continued)

Sensitivity analysis (continued)

The following table details the Group's sensitivity to a 5% (2019: 5%) increase and decrease in HK\$ against USD. A 5% (2019: 5%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translations at the end of the reporting period for a 5% (2019: 5%) change in foreign currency rates. A positive number below indicates a decrease in post tax loss where HK\$ strengthens 5% (2019: 5%) against USD. For a 5% (2019: 5%) weakening of HK\$ against USD there would be an equal and opposite impact on the post-tax loss and the balances below would be negative.

7. 金融工具(續)

(b) 財務風險管理目標及政策(續)

市場風險(續)

(i) 貨幣風險(續)

敏感度分析(續)

下表詳述本集團對港元兌美元升值及貶值5% (二零一九年: 5%) 之敏感度。5% (二零一九年: 5%) 為內部向主要管理人員匯報外幣風險時使用之敏感度比率，亦即管理層對匯率可能出現之合理變動之評估。敏感度分析僅包括未結算之以外幣計值貨幣項目，並於報告期末按5% (二零一九年: 5%) 之外幣匯率變動調整換算。下文正數顯示倘港元兌美元升值5% (二零一九年: 5%)，則稅後虧損減少。倘港元兌美元貶值5% (二零一九年: 5%)，則稅後虧損將出現相等而相反之影響，而下文之結餘將為負數。

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Decrease (increase) in loss	虧損減少(增加)		
— USD Impact	— 美元影響	790	7,670
(ii) Interest rate risk			
The Group is exposed to cash flow interest rate risk in relation to variable-rate bank balances, margin account payable, royalty fee payable and variable-rate other borrowings, and exposed to fair value interest rate risk in relation to fixed-rate bank borrowing, lease liabilities, license fees payables, fixed-rate other borrowings, fixed-rate placing notes and convertible loan.			
The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.			
The Group's exposures to interest rates on financial liabilities are detailed in the liquidity risk management section of this note.			
(ii) 利率風險			
本集團面對有關浮息銀行結餘、應付孖展賬戶款項、應付專利權費及其他浮息借貸之現金流量利率風險，並面對有關定息銀行借貸、租賃負債、應付特許權費、其他定息借貸、定息配售票據及可換股貸款之公平值利率風險。			
本集團目前並無利率對沖政策。然而，管理層會監察所面對之利率風險，並將於有需要時考慮對沖重大利率風險。			
本集團所面對有關金融負債之利率風險於本附註流動資金風險管理一節詳述。			

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

7. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

(ii) Interest rate risk (continued)

Interest expense on financial liabilities not measured at FVTPL:

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Financial liabilities at amortised cost 按攤銷成本列賬的金融負債	43,138	25,468

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for margin account payable, royalty fee payable and variable-rate other borrowings at the end of the reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 50 basis points (2019: 50 basis points) increase or decrease in variable rates of other borrowings is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. Bank balances are excluded from sensitivity analysis as the Directors consider that the exposure of cash flow interest rate risk arising from variable rate bank balances is insignificant.

If interest rates had been 50 basis points (2019: 50 basis points) higher/lower for margin account payable and variable-rate other borrowings and all other variables were held constant, the post-tax loss for the year ended 31 March 2020 would increase/decrease by approximately HK\$822,000 (2019: HK\$1,478,000).

(iii) Other price risk

The Group is exposed to equity price risk through its investments in listed equity securities. In addition, the Group has appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise.

7. 金融工具(續)

(b) 財務風險管理目標及政策(續)

市場風險(續)

(ii) 利率風險(續)

並非按公平值計入損益計量的金融負債的利息開支：

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Financial liabilities at amortised cost 按攤銷成本列賬的金融負債	43,138	25,468

敏感度分析

以下敏感度分析乃基於報告期末所面對應付孖展賬戶款項、應付專利權費及其他浮息借貸之利率風險釐定。編製該分析時乃假設於報告期末之未結算金融工具於整個年度均未結算。內部向主要管理人員匯報利率風險時已使用50個基點(二零一九年：50個基點)之其他借貸浮動利率升幅或跌幅，而此亦為管理層對利率可能出現之合理變動之評估。由於董事認為浮息銀行結餘所產生之現金流量利率風險並不重大，故敏感度分析已剔除有關銀行結餘。

倘應付孖展賬戶款項及其他浮息借貸利率上調／下調50個基點(二零一九年：50個基點)，而所有其他變數維持不變，則截至二零二零年三月三十一日止年度之稅後虧損將增加／減少約822,000港元(二零一九年：1,478,000港元)。

(iii) 其他價格風險

本集團就其於上市股本證券之投資面對股本價格風險。此外，本集團已委派一支特別團隊監察價格風險，並將於有需要時考慮對沖所面對之風險。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

7. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

(iii) Other price risk (continued)

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to equity price risk at the reporting date. If the prices of the respective equity instruments had been 10% higher/lower, post-tax loss for the year ended 31 March 2020 would decrease/increase by approximately HK\$51,000 (2019: HK\$78,000) as a result of the changes in fair value of financial assets at fair value through profit or loss.

Operational risk assessment

During the year ended 31 March 2020, the Group's exposure to operational risk is primarily attributable to heavy reliance on a major customer located in PRC for the segment of mobile and multi-media technologies business. These major customers accounted for approximately HK\$22,516,000 or 46% of the Group's total revenue for the year ended 31 March 2020. The Directors will continue closely monitoring the performance and financial position of this major customer to avoid any adverse impact on the Group's financial position.

Credit risk and impairment assessment

At 31 March 2020, other than those financial assets whose carrying amounts best represent the maximum exposure to credit risk, the Group's credit risk is primarily attributable to trade and other receivables, amounts due from associates and bank balances. The carrying amounts of financial assets at amortised cost stated in Note 7(a) represented the Group's maximum exposure to credit risk in relation to financial assets which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties. The Group does not hold any collateral or other credit enhancements to cover its credit risk associated with its financial assets.

The credit risks on bank balances are limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

7. 金融工具(續)

(b) 財務風險管理目標及政策(續)

市場風險(續)

(iii) 其他價格風險(續)

敏感度分析

以下敏感度分析乃基於報告日期所面對之股本價格風險釐定。倘各項股本工具之價格上升／下跌10%，則截至二零二零年三月三十一日止年度之稅後虧損將減少／增加約51,000港元(二零一九年：78,000港元)，是源於按公平值計入損益之金融資產之公平值變動。

經營風險評估

截至二零二零年三月三十一日止年度，本集團面臨的經營風險主要歸因於在手機及多媒體技術業務分部嚴重依賴位於中國的一名主要客戶。該主要客戶佔本集團截至二零二零年三月三十一日止年度的總收入約22,516,000港元或46%。董事將繼續密切監察該主要客戶的表現及財務狀況，以避免對本集團的財務狀況造成任何不利影響。

信貸風險及減值評估

於二零二零年三月三十一日，除該等賬面值最能反映所承受最大信貸風險之金融資產外，本集團之信貸風險主要來自應收貿易及其他應收賬項、應收聯營公司款項及銀行結餘。附註7(a)所述按攤銷成本列賬的金融資產賬面值指本集團因交易方未能履行責任而承受將引致本集團招致財務虧損的有關金融資產的最大信貸風險。本集團並無持有任何抵押品或其他信貸升級以應付其與金融資產相關的信貸風險。

由於對手方為獲國際信貸評級機構給予高信貸評級之銀行，故銀行結餘之信貸風險有限。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

7. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies

(continued)

Credit risk and impairment assessment (continued)

At 31 March 2020, the Group has no concentration of credit risk on trade receivables from the largest customer. At 31 March 2019, the Group has concentration of credit risk on trade receivables from the largest customer amounting to approximately HK\$3,985,000, representing approximately 40.91% of the total gross trade receivables.

At 31 March 2020, trade receivables from the five largest customers amounting to approximately HK\$4,546,000 (2019: HK\$5,211,000), representing approximately 40.21% (2019: 53.49%) of the total gross trade receivables.

At 31 March 2020, the Group's concentration of credit risk by geographical location is in the PRC as 100% (2019: 63.90%) of total gross trade receivables are arisen in the PRC.

To manage risk arising from trade receivable, the Group has policies in place to ensure that credit terms are made to counterparties with an appropriate credit history and the management performs ongoing credit evaluations of its counterparties. The credit period granted to the customers and the credit quality of these customers is assessed, which takes into account their financial position, past experience and other factors. Credit limits granted to customers are reviewed periodically. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts. In addition, the Group performs impairment assessment under ECL model on trade balances individually. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

For all other instruments including other receivables and amounts due from associates, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised based on significant increases in the likelihood or risk of a default occurring since initial recognition. The Group have assessed and concluded that the risk of default rate for the other instruments are steady based on the Group assessment of the financial health of the counterparties.

7. 金融工具(續)

(b) 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

於二零二零年三月三十一日，本集團並無擁有來自最大客戶的應收貿易賬項的信貸集中風險。於二零一九年三月三十一日，本集團擁有來自最大客戶的應收貿易賬項的信貸集中風險為約3,985,000港元，相當於應收貿易賬項總額的約40.91%。

於二零二零年三月三十一日，來自五名最大客戶的應收貿易賬項為約4,546,000港元(二零一九年：5,211,000港元)，相當於應收貿易賬項總額的約40.21%(二零一九年：53.49%)。

於二零二零年三月三十一日，本集團按地理位置劃分的信貸集中風險位於中國，原因是應收貿易賬項總額的100%(二零一九年：63.90%)乃在中國產生。

為管理應收貿易賬項引起的風險，本集團已實施政策，確保向具有適當信貸記錄的交易對手作出信貸條款，而管理層持續對交易對手進行信貸評估。本集團對授予客戶的信貸期及該等客戶的信貸質素進行評估，當中考慮彼等的財務狀況、過往經驗及其他因素。授予客戶的信貸限額乃定期檢討。本集團實施其他監控程序以確保對收回逾期債務採取跟進行動。此外，本集團根據預期信貸虧損模式對貿易結餘個別進行減值評估。就此而言，董事認為本集團的信貸風險已大幅減少。

就所有其他工具(包括其他應收賬項及應收聯營公司款項)而言，本集團計量的虧損撥備與12個月預期信貸虧損相同，除非自初步確認以來信貸風險已大幅增加，則本集團會確認全期預期信貸虧損。是否需要確認全期預期信貸虧損的評估乃以自初步確認以來出現違約的可能性或風險是否大幅上升而定。本集團已評估及得出結論，認為根據本集團對交易對手的財務穩健性的評估，其他工具的違約率風險乃屬穩定。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

7. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies

(continued)

Credit risk and impairment assessment (continued)

The Group's internal credit risk grading assessment comprises the following categories:

7. 金融工具(續)

(b) 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

本集團的內部信貸風險評級評估包括以下類別：

Internal credit rating 內部信貸評級	Description 描述	Trade receivables 應收貿易賬項	Other financial assets 其他金融資產
Low risk 低風險	The counterparty has a low risk of default and does not have any past-due amounts 交易對手的違約風險較低，且並無任何逾期款項	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 並無信貸減值	12m ECL 12個月預期信貸虧損
Watch list 觀察名單	Debtor frequently repays after due dates but usually settle in full 債務人經常於到期日後償還款項，但通常會悉數結算	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 並無信貸減值	12m ECL 12個月預期信貸虧損
Doubtful 存疑	There have been significant increases in credit risk since initial recognition through information developed internally or external resources 內部或外部資料來源所得信息顯示信貸風險自初始確認以來顯著增加	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 並無信貸減值	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 並無信貸減值
Loss 虧損	There is evidence indicating the asset is credit-impaired 有證據顯示有關資產已發生信貸減值	Lifetime ECL — credit-impaired 全期預期信貸虧損 — 已信貸減值	Lifetime ECL — credit-impaired 全期預期信貸虧損 — 已信貸減值
Write-off 撇銷	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery 有證據顯示債務人陷入嚴重財務困難，且本集團並無實際可收回預期	Amount is written-off 撇銷金額	Amount is written-off 撇銷金額

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

7. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

The table below details the credit risk exposures of the Group's financial assets, which are subject to ECL assessment.

7. 金融工具(續)

(b) 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

下表詳述本集團須進行預期信貸虧損評估的金融資產的信貸風險承擔。

2020	Note	External credit rating	Internal credit rating	12-month or lifetime ECL	Gross carrying amount
二零二零年	附註	外部信貸評級	內部信貸評級	12個月或全期預期信貸虧損	賬面總額 HK\$'000 千港元
Financial assets at amortised costs					
按攤銷成本計量的金融資產					
Bank balances 銀行結餘	29	AA+	N/A 不適用	12m ECL 12個月預期信貸虧損	2,715
Other receivables and deposits paid	27	N/A	(Note 1)	12m ECL Lifetime ECL (credit-impaired)	38,842 2,933
其他應收賬項及已付按金		不適用	(附註1)	12個月預期信貸虧損 全期預期信貸虧損 (信貸減值)	
					41,775
Trade receivables 應收貿易賬項	27	N/A 不適用	(Note 2) (附註2)	Lifetime ECL (Provision matrix) 全期預期信貸虧損 (撥備矩陣)	11,307
Amounts due from associates 應收聯營公司款項	24	N/A 不適用	(Note 3) (附註3)	Lifetime ECL (credit-impaired) 全期預期信貸虧損 (信貸減值)	625,937

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

7. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

2019	Note	External credit rating 外部信貸 評級	Internal credit rating 內部信貸 評級	12-month or lifetime ECL 12個月或全期預期 信貸虧損	Gross carrying amount 賬面總額 HK\$'000 千港元
二零一九年	附註	評級	評級	信貨虧損	
Financial assets at amortised costs 按攤銷成本計量的金融資產					
Bank balances 銀行結餘	29	AA+	N/A 不適用	12m ECL 12個月預期信貸虧損	7,317
Other receivables and deposits paid	27	N/A	(Note 1) (附註1)	12m ECL Lifetime ECL (credit-impaired) 12個月預期信貸虧損 全期預期信貸虧損 (信貸減值)	16,860 2,324
其他應收賬項及已付按金		不適用	(附註1)		19,184
Trade receivables 應收貿易賬項	27	N/A 不適用	(Note 2) (附註2)	Lifetime ECL (Provision matrix) 全期預期信貸虧損 (撥備矩陣)	9,742
Amounts due from associates 應收聯營公司款項	24	N/A 不適用	(Note 3) (附註3)	Lifetime ECL (credit-impaired) 全期預期信貸虧損 (信貸減值)	633,551

Notes:

- For the purposes of internal credit risk management, the Group uses past due information to assess whether credit risk has increased significantly since initial recognition.
- For trade receivables, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. To measure the ECL, trade receivables have been grouped based on shared credit risk characteristics and the historical observed default rates adjusted by forward looking estimates.
- To measure the ECL, amounts due from associates have been assessed individually. As stated in Note 2 to the consolidated financial statements, after taking into account of the Order, the winding up petition and the net liabilities of Yota, the Directors are of the view that a full impairment on amounts due from associates of the Group should be made to reflect the current conditions of Yota.

附註:

- 就內部信貸風險管理而言，本集團使用逾期資料評估信貸風險自初步確認以來是否已大幅上升。
- 就應收貿易賬項而言，本集團已應用香港財務報告準則第9號中的簡化方法以按全期預期信貸虧損計量虧損撥備。為計量預期信貸虧損，應收貿易賬項已基於共同信貸風險特徵及經前瞻性估計調整的過往觀察到的違約率作出分組。
- 為計量預期信貸虧損，應收聯營公司款項已個別評估。誠如綜合財務報表附註2所述，考慮到命令、清盤呈請及Yota的負債淨額，董事認為，應收本集團聯營公司之款項應作出悉數減值以反映Yota的現狀。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

7. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

31 March 2020

		Trade receivables 應收貿易賬項			Total 總計 HK\$'000 千港元
		Days past due 逾期天數			
		Current 即期 HK\$'000 千港元	1-90 days 1至90天 HK\$'000 千港元	> 90 days >90天 HK\$'000 千港元	
Total gross carrying amount	賬面總值	427	1,780	9,100	11,307
Average loss rate	平均虧損率	0.12%	1.91%	68.74%	
Expected credit loss	預期信貸虧損	1	34	6,256	6,291

31 March 2019

		Trade receivables 應收貿易賬項			Total 總計 HK\$'000 千港元
		Days past due 逾期天數			
		Current 即期 HK\$'000 千港元	1-90 days 1至90天 HK\$'000 千港元	> 90 days >90天 HK\$'000 千港元	
Total gross carrying amount	賬面總值	1,604	4,948	3,190	9,742
Average loss rate	平均虧損率	0.69%	1.74%	22.23%	
Expected credit loss	預期信貸虧損	11	86	709	806

7. 金融工具(續)

(b) 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

下文載列有關本集團採用撥備矩陣計量的應收貿易賬項的信貸風險承擔的資料：

二零二零年三月三十一日

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

7. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

The following tables shows the reconciliation of loss allowance that has been recognised for trade receivables under simplified approach:

7. 金融工具(續)

(b) 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

下表顯示已根據簡化方法就應收貿易賬項確認的虧損撥備對賬：

		Lifetime ECL (not credit-impaired) 全期預期信貸 虧損(並無信 貸減值) HK\$'000 千港元	Lifetime ECL (credit- impaired) 全期預期信貸 虧損(信貸 減值) HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2018	於二零一八年四月一日	48	34,744	34,792
Changes due to financial instruments recognised as at 1 April 2018:	因於二零一八年四月一日 確認的金融工具而發生 變動：			
— Transfer to credit-impaired	— 轉撥至信貸減值	(4)	4	—
— Impairment losses recognised	— 已確認減值虧損	—	619	619
— Impairment losses reversed	— 已撥回減值虧損	(44)	(20)	(64)
— Written-off	— 撇銷	—	(34,714)	(34,714)
New financial assets originated or purchased	源生或購買的新金融資產	97	76	173
At 31 March 2019	於二零一九年三月三十一日	97	709	806
Changes due to financial instruments recognised as at 1 April 2019:	因於二零一九年四月一日 確認的金融工具而發生 變動：			
— Impairment losses recognised	— 已確認減值虧損	—	4,971	4,971
— Impairment losses reversed	— 已撥回減值虧損	(97)	(37)	(134)
— Written-off	— 撇銷	—	(311)	(311)
New financial assets originated or purchased	源生或購買的新金融資產	35	924	959
At 31 March 2020	於二零二零年三月三十一日	35	6,256	6,291

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

7. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

Changes in the loss allowance for trade receivables are mainly due to:

7. 金融工具(續)

(b) 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

應收貿易賬項虧損撥備的變動主要因以下各項所致：

		2020 二零二零年 Increase 增加	
		Lifetime ECL (not credit- impaired) 全期預期信貸虧損 (並無信貸減值) HK\$'000 千港元	Lifetime ECL (credit-impaired) 全期預期信貸虧損 (信貸減值) HK\$'000 千港元
Further impairment made for credit-impaired trade receivables	就信貸減值的應收貿易賬項作出的進一步減值	—	4,971
No realistic prospect of recovery of trade receivables	並無實際收回可能的應收貿易賬項	—	(311)
New financial assets originated or purchased	源生或購買的新金融資產	35	924
		2019 二零一九年 Increase 增加	
		Lifetime ECL (not credit- impaired) 全期預期信貸虧損 (並無信貸減值) HK\$'000 千港元	Lifetime ECL (credit-impaired) 全期預期信貸虧損 (信貸減值) HK\$'000 千港元
Further impairment made for credit-impaired trade receivables	就信貸減值的應收貿易賬項作出的進一步減值	—	619
No realistic prospect of recovery of trade receivables	並無實際收回可能的應收貿易賬項	—	(34,714)
New financial assets originated or purchased	源生或購買的新金融資產	97	76

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

7. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

The following tables show the reconciliation of loss allowance that has been recognised for other receivables and deposits paid:

7. 金融工具(續)

(b) 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

下表顯示已就其他應收賬項及已付按金確認的虧損撥備對賬：

		12m ECL (not credit- impaired) 12個月預期 信貸虧損 (並無信貸 減值) HK\$'000 千港元	Lifetime ECL (credit- impaired) 全期預期信貸 虧損(信貸 減值) HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2018	於二零一八年四月一日	50	31,501	31,551
Changes due to financial instruments recognised as at 1 April 2018:	因於二零一八年四月一日 確認的金融工具而發生 變動：			
— Transfer to credit-impaired	— 轉撥至信貸減值	(20)	20	—
— Impairment losses recognised	— 已確認減值虧損	—	2,076	2,076
— Impairment losses reversed	— 已撥回減值虧損	(30)	—	(30)
— Written-off	— 撇銷	—	(31,273)	(31,273)
New financial assets originated or purchased	源生或購買的新金融資產	50	—	50
At 31 March 2019	於二零一九年三月三十一日	50	2,324	2,374
Changes due to financial instruments recognised as at 1 April 2018:	因於二零一八年四月一日 確認的金融工具而發生 變動：			
— Impairment losses recognised	— 已確認減值虧損	—	780	780
— Impairment losses reversed	— 已撥回減值虧損	(50)	(1,339)	(1,389)
New financial assets originated or purchased	源生或購買的新金融資產	1,277	—	1,277
At 31 March 2020	於二零二零年三月三十一日	1,277	1,765	3,042

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

7. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

Changes in the loss allowance for other receivables and deposits paid are mainly due to:

7. 金融工具(續)

(b) 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

其他應收賬項及已付按金虧損撥備的變動主要因以下各項所致：

		2020 二零二零年 Increase 增加	
		12m ECL (not credit- impaired) 12個月預期 信貸虧損 (並無信貸減值) HK\$'000 千港元	Lifetime ECL (credit-impaired) 全期預期 信貸虧損 (信貸減值) HK\$'000 千港元
Further impairment made for credit-impaired other receivables and deposits paid	就信貸減值的其他應收賬項及已付按金作出的進一步減值	—	780
New financial assets originated or purchased	源生或購買的新金融資產	1,277	—
		2019 二零一九年 Increase 增加	
		12m ECL (not credit- impaired) 12個月預期 信貸虧損 (並無信貸減值) HK\$'000 千港元	Lifetime ECL (credit-impaired) 全期預期 信貸虧損 (信貸減值) HK\$'000 千港元
Further impairment made for credit-impaired other receivables and deposits paid	就信貸減值的其他應收賬項及已付按金作出的進一步減值	—	2,076
No realistic prospect of recovery of other receivables and deposits paid	並無實際收回可能的其他應收賬項及已付按金	—	(31,273)
New financial assets originated or purchased	源生或購買的新金融資產	50	—

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

7. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

The following tables shows the reconciliation of loss allowance that has been recognised for amounts due from associates:

7. 金融工具(續)

(b) 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

下表顯示已就應收聯營公司款項確認的虧損撥備的對賬：

		Lifetime ECL (credit-impaired) 全期預期信貸虧損 (信貸減值) HK\$'000 千港元
At 1 April 2018 — As restated	於二零一八年四月一日一經重列	23,474
Changes due to financial instruments recognised as at 1 April 2018:	因於二零一八年四月一日確認的金融工具而發生變動：	
— Impairment losses recognised	— 已確認減值虧損	610,077
As at 31 March 2019	於二零一九年三月三十一日	633,551
Exchange adjustment	匯兌調整	(7,614)
As at 31 March 2020	於二零二零年三月三十一日	625,937

Changes in the loss allowance for amounts due from associates are mainly due to:

應收聯營公司賬款虧損撥備的變動主要因以下各項所致：

		Increase in Lifetime ECL (credit-impaired) 全期預期信貸虧損(信貸減值)增加 2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Further impairment made for credit-impaired amounts due from associates	就信貸減值的應收聯營公司款項作出的進一步減值	—	610,077

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

7. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short-term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the management when the borrowings exceed certain pre-determined levels of authority. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Group aims to maintain flexibility in funding by keeping committed credit lines available and sufficient bank deposits to meet short-term cash requirements.

The Group is exposed to liquidity risk as the Group had net current liabilities of approximately HK\$521,198,000 as at 31 March 2020. The liquidity of the Group primarily depends on the future funding being available and the ability of the Group to meet its financial obligations as they fall due. Details of which are set out in Note 2 to the consolidated financial statements.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. Specifically, margin payable, amounts due to associates and fixed-rate other borrowings with a repayment on demand clause are included in the earliest time band regardless of the probability of the lenders choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates.

7. 金融工具(續)

(b) 財務風險管理目標及政策(續)

流動資金風險

本集團旗下各營運實體須各自負責現金管理，包括現金盈餘之短期投資和籌借貸款以應付預期中之現金需求，惟倘借貸超逾獲授權之若干預定水平，則須經管理層批准，方可作實。審慎之流動資金風險管理意味著維持充裕現金及有價抵押品、透過充足之已承諾信貸融資金額提供資金及有能力將市場倉盤平倉。本集團旨在透過維持可供動用之已承諾信貸，以保持資金之靈活性，並具備充裕之銀行存款，以應付短期現金需要。

本集團面臨流動資金風險，原因是本集團於二零二零年三月三十一日擁有流動負債淨額約521,198,000港元。本集團的流動資金主要取決於可獲得的未來資金及本集團償還到期財務責任的能力。其詳情載於綜合財務報表附註2。

下表詳列本集團非衍生金融負債之餘下合約年限。下表乃基於本集團可被要求付款之最早日期及金融負債之未折現現金流量編製。具體而言，附帶應要求還款條文之應付孖展款項、應付聯營公司款項及其他定息借貸計入最早到期時段，而不論貸款人選擇行使其權利之可能性。其他非衍生金融負債之到期日基於協定還款日期計算。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

7. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Liquidity risk (continued)

The table below includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscovered amount is derived from interest rate at the end of the reporting period.

7. 金融工具(續)

(b) 財務風險管理目標及政策(續)

流動資金風險(續)

下表包括利息及本金現金流量。倘利息流量按浮動利率計算，則未發現金額按於報告期末之利率計算得出。

	Weighted average interest rate	On demand or less than 1 year	1-2 years	2-5 years	Total undiscounted cash flow	Carrying amount at 31 March 2020
		應要求或 少於1年	1至2年	2至5年	未折現現金 流量總額	三月三十一日 之賬面值
2020	%	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
二零二零年	%	千港元	千港元	千港元	千港元	千港元
Non-derivative financial liabilities						
非衍生金融負債						
Trade and other payables		N/A 不適用	237,970	—	237,970	237,970
Bank borrowing						
— fixed rate	5.15	8,690	—	—	8,690	8,508
Margin payable	8.00	42,538	—	—	42,538	42,538
Other borrowing						
— fixed rate	10.91	67,420	—	—	67,420	66,659
— variable rate	4.75	121,839	—	—	121,839	121,839
Lease liabilities	10.62	3,851	825	—	4,676	4,398
License fees payable	21.00	30,690	31,365	—	62,055	52,396
Convertible loan	18.00	10,089	—	—	10,089	9,493
Placing notes	5.00	20,808	10,294	—	31,102	29,815
		543,895	42,484	—	586,379	573,616

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

7. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies

(continued)

Liquidity risk (continued)

		Weighted average interest rate	On demand or less than 1 year	1-2 years	2-5 years	Total undiscounted cash flow	Carrying amount at 31 March 2019 於二零一九年 三月三十一日
		加權平均利率	應要求或 少於1年	1至2年	2至5年	未折現現金 流量總額	之賬面值
2019		%	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
二零一九年		%	千港元	千港元	千港元	千港元	千港元
<i>Non-derivative financial liabilities</i>	<i>非衍生金融負債</i>						
Trade and other payables	應付貿易及其他賬項						
(excluding amount due to associate)	(不包括應付 聯營公司款項)	N/A 不適用	252,007	—	—	252,007	252,007
Amount due to an associate	應付一間聯營公司款項	9.35	135,040	—	—	135,040	135,040
Bank borrowing	銀行借貸						
— fixed rate	— 定息	5.15	—	246	9,467	9,713	9,238
Margin payable	應付孖展款項	8.15	39,214	—	—	39,214	39,214
Other borrowing	其他借貸						
— fixed rate	— 定息	8.43	40,119	—	—	40,119	39,433
— variable rate	— 浮息	4.75	121,248	—	—	121,248	121,248
Placing notes	配售票據	5.00	11,000	10,808	10,294	32,102	29,657
			598,628	11,054	19,761	629,443	625,837

(c) Fair value measurements of financial instruments

Some of the Group's financial instruments are measured at fair value for financial reporting purposes. The Directors is responsible to determine the appropriate valuation technique and inputs for fair value measurement.

In estimating the fair value, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. The Directors closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

(i) Financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and input used).

7. 金融工具(續)

(b) 財務風險管理目標及政策(續)

流動資金風險(續)

(c) 金融工具之公平值計量

本集團部分金融工具就財務申報目的按公平值計量。董事負責釐定公平值計量的適當估值技術及輸入數據。

於估計公平值時，本集團使用可取得之市場可觀察數據。倘無法取得第一層輸入數據，本集團委聘第三方合資格估值師進行估值。董事與合資格外聘估值師緊密合作，以確定適當的估值技術及模型參數。

(i) 按經常性基準以公平值計量的金融資產及金融負債

本集團部分金融資產及金融負債於各報告期末按公平值計量。下表提供有關如何釐定該等金融資產及金融負債之公平值(尤其是所用估值技術及輸入數據)之資料。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

7. FINANCIAL INSTRUMENTS (continued)

(c) Fair value measurements of financial instruments

(continued)

(i) Financial assets and financial liabilities that are measured at fair value on a recurring basis

(continued)

7. 金融工具(續)

(c) 金融工具之公平值計量(續)

(i) 按經常性基準以公平值計量的金融資產及金融負債(續)

		Fair value hierarchy 公平值層級			
		Fair value as at 31 March 於三月三十一日 之公平值 HK\$'000 千港元	Level 1 第一層 HK\$'000 千港元	Level 2 第二層 HK\$'000 千港元	Level 3 第三層 HK\$'000 千港元
2020	二零二零年				
Financial assets:	金融資產：				
Financial assets FVTPL	按公平值計入損益 之金融資產	512	512	—	—
Financial liabilities:	金融負債：				
Derivative financial liabilities	衍生金融負債	84	—	—	84
2019	二零一九年				
Financial assets:	金融資產：				
Financial assets FVTPL	按公平值計入損益 之金融資產	778	778	—	—
Financial assets/ Financial liabilities	Fair value as at 於以下日期之公平值 31 March 2020 二零二零年 三月三十一日	31 March 2019 二零一九年 三月三十一日	Fair value hierarchy	Valuation technique(s) and key input(s)	
金融資產／金融負債			公平值層級	估值技術及主要輸入數據	
Financial assets at FVTPL	Assets — approximately HK\$512,000 資產 — 約512,000港元	Assets — approximately HK\$778,000 資產 — 約778,000港元	Level 1 第一層	Quoted bid prices in an active market 活躍市場所報買入價	
Derivative financial liabilities	Liabilities — approximately HK\$84,000 負債 — 約84,000港元	—	Level 3 第三層	Probability of default (Note) 違約概率(附註)	

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

7. FINANCIAL INSTRUMENTS (continued)

(c) Fair value measurements of financial instruments

(continued)

(i) *Financial assets and financial liabilities that are measured at fair value on a recurring basis*

(continued)

Note:

As at 31 March 2020, an increase in the probability of default used in isolation would result in an increase in the fair value measurement of the derivative financial liabilities, and vice versa. A 3% increase in the probability of default holding all other variables constant would increase the carrying amount of the derivative financial liabilities by approximately HK\$55,000. A 3 % decrease in the probability of default holding all other variables constant would decrease the carrying amount of the derivative financial liabilities by approximately HK\$64,000.

During the years ended 31 March 2020 and 2019, there was no transfer between investments in Level 1 and Level 2, or transfer into or out of Level 3.

(ii) *Fair value of financial assets and liabilities carried at other than fair value*

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 31 March 2020 and 2019.

7. 金融工具(續)

(c) 金融工具之公平值計量(續)

(i) 按經常性基準以公平值計量的金融資產及金融負債(續)

附註：

於二零二零年三月三十一日，單獨使用的違約概率增加將導致衍生金融負債的公平值計量增加，反之亦然。倘違約概率上升3%，而所有其他變數維持不變，則衍生金融負債的賬面值將增加約55,000港元。倘違約概率下降3%，而所有其他變數維持不變，則衍生金融負債的賬面值將減少約64,000港元。

截至二零二零年及二零一九年三月三十一日止年度，第一層與第二層的投資之間並無出現轉移，亦未有第三層之轉入或轉出。

(ii) 非按公平值列賬之金融資產及負債之公平值

本集團按成本或攤銷成本列賬之金融工具之賬面值，與其於二零二零年及二零一九年三月三十一日之公平值並無重大差異。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

8. REVENUE

(i) Disaggregation of revenue from contracts with customers

For the year ended 31 March 2020

8. 收入

(i) 客戶合約收入之分類

截至二零二零年三月三十一日止年度

		Mobile and multi-media technologies business 手機及多媒體 技術業務 HK\$'000 千港元	Tourism and hospitality business 旅遊及 消閒業務 HK\$'000 千港元	Gamma ray irradiation service 伽瑪射線 照射服務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Types of goods or service	貨品或服務類別				
Sales of mobile phones and related products	銷售手機及相關產品	6,263	—	—	6,263
Multi-media and advertising service	多媒體及廣告服務	33,683	—	—	33,683
Online travel product booking service	網上旅遊產品預訂服務	—	4,681	—	4,681
Irradiation sterilisation processing services	放射消毒處理服務	—	—	4,675	4,675
Total	總計	39,946	4,681	4,675	49,302
Geographical markets	地理市場				
Hong Kong	香港	—	4,681	—	4,681
PRC	中國	39,946	—	4,675	44,621
Total	總計	39,946	4,681	4,675	49,302
Timing of revenue recognition	收入確認時間				
A point in time	於某時間點	6,263	4,681	4,675	15,619
Over time	隨時間	33,683	—	—	33,683
Total	總計	39,946	4,681	4,675	49,302
Sales channel/type of customer	銷售渠道／客戶類型				
Retail	零售	—	4,681	—	4,681
Wholesale	批發	6,263	—	—	6,263
Corporate	公司	33,683	—	4,675	38,358
Total	總計	39,946	4,681	4,675	49,302

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

8. REVENUE (continued)

(i) Disaggregation of revenue from contracts with customers (continued)

For the year ended 31 March 2020 (continued)

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information:

8. 收入(續)

(i) 客戶合約收入之分類(續)

截至二零二零年三月三十一日止年度
(續)

下文載列客戶合約收入與分部資料所披露金額之對賬：

		Segment revenue 分部收入 HK\$'000 千港元
Mobile and multi-media technologies business	手機及多媒體技術業務	39,946
Tourism and hospitality business (Note)	旅遊及消閒業務(附註)	4,681
Gamma ray irradiation service	伽瑪射線照射服務	4,675
Revenue from contracts with customers and total revenue	客戶合約收入與總收入	49,302

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

8. REVENUE (continued)

(i) Disaggregation of revenue from contracts with customers (continued)

For the year ended 31 March 2019

8. 收入(續)

(i) 客戶合約收入之分類(續)

截至二零一九年三月三十一日止年度

		Mobile and multi-media technologies business 手機及多媒體 技術業務 HK\$'000 千港元	Tourism and hospitality business 旅遊及 消閒業務 HK\$'000 千港元	Gamma ray irradiation service 伽瑪射線 照射服務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Types of goods or service	貨品或服務類別				
Sales of mobile phones and related products	銷售手機及相關產品	34,610	—	—	34,610
Online travel product booking service	網上旅遊產品預訂服務	—	5,227	—	5,227
Irradiation sterilisation processing services	放射消毒處理服務	—	—	4,743	4,743
Total	總計	34,610	5,227	4,743	44,580
Geographical markets	地理市場				
Hong Kong	香港	—	5,227	—	5,227
PRC	中國	34,610	—	4,743	39,353
Total	總計	34,610	5,227	4,743	44,580
Timing of revenue recognition	收入確認時間				
A point in time	於某時間點	34,610	5,227	4,743	44,580
Sales channel/type of customer	銷售渠道／客戶類型				
Retail	零售	—	5,227	—	5,227
Wholesale	批發	34,610	—	—	34,610
Corporate	公司	—	—	4,743	4,743
Total	總計	34,610	5,227	4,743	44,580

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

8. REVENUE (continued)

(i) Disaggregation of revenue from contracts with customers (continued)

For the year ended 31 March 2019 (continued)

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information:

		Segment revenue 分部收入 HK\$'000 千港元
Mobile and multi-media technologies business	手機及多媒體技術業務	34,610
Tourism and hospitality business (Note)	旅遊及消閒業務(附註)	5,227
Gamma ray irradiation service	伽瑪射線照射服務	4,743
Revenue from contracts with customers and total revenue	客戶合約收入與總收入	44,580

Note:

Total customer sales proceeds

8. 收入(續)

(i) 客戶合約收入之分類(續)

截至二零一九年三月三十一日止年度
(續)

下文載列客戶合約收入與分部資料所披露金額之對賬：

		Segment revenue 分部收入 HK\$'000 千港元
Mobile and multi-media technologies business	手機及多媒體技術業務	34,610
Tourism and hospitality business (Note)	旅遊及消閒業務(附註)	5,227
Gamma ray irradiation service	伽瑪射線照射服務	4,743
Revenue from contracts with customers and total revenue	客戶合約收入與總收入	44,580

附註：

客戶銷售所得款項總額

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Gross sales proceeds related to passenger tickets revenue*	130,566	217,160

* The Group's gross sales proceeds from provision of online travel product booking service, including air tickets, hotel accommodation and other travel products, are considered as cash collected on behalf of a principal as an agent. The gross sales proceeds from these sales, which do not represent revenue, represent the price at which the products have been sold inclusive of service fees. The related service income is recorded by the Group on net basis.

* 本集團來自提供網上旅遊產品預訂服務(包括機票、酒店住宿及其他旅遊產品)之銷售所得款項總額被視為以代理身份代表委託人收取之現金。該等銷售之銷售所得款項總額(並非指收入)指產品售價(包括服務費)。相關服務收入由本集團按淨額基準記賬。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

8. REVENUE (continued)

(ii) Performance obligations for contracts with customers *Sales of mobile phones and related products*

The performance obligation is satisfied upon delivery of the mobile phones and related products. The payment is generally due within 30 to 90 days from delivery.

Under the contract terms, certain customers have a right to exchange for dissimilar products within 7 days. The Group uses its accumulated historical experience to estimate the number of exchange on a portfolio level using the expected value method. Revenue is recognised for sales which are considered highly probable that a significant reversal in the cumulative revenue recognised will not occur. A contract liability is recognised for sales in which revenue has yet been recognised. The Group's right to recover the product when customers exercise their right is recognised as a right to returned goods asset and a corresponding adjustment to cost of revenue.

Multi-media and advertising income

Multi-media and advertising service represents provision of one-stop advertising solution packages under which the deliverables to customers are published in the public platform. Multi-media and advertising service is recognised over time as the customer simultaneously receives and consumes the benefits provided by the Group. Invoices are issued according to contractual terms payment and due immediately.

Online travel product booking service

The performance obligation is satisfied when services are rendered and the payment is normally due immediately upon completion of the service. However, certain customers are granted credit period from 30 to 60 days.

Irradiation sterilisation processing services

The performance obligation is satisfied when services are rendered and the credit period granted to the customers is normally 30 to 90 days.

(iii) Transaction price allocated to the remaining performance obligation for contracts with customers

All revenue contracts are for period of one year or less. As permitted by HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

8. 收入(續)

(ii) 客戶合約之履約責任 *銷售手機及相關產品*

履約責任於交付手機及相關產品後履行。付款一般於交付起30至90日到期。

根據合約條款，若干客戶有權於7日內換取不同的產品。本集團運用其積累的歷史經驗，使用預期價值法估算就組合水平而言的更換產品次數。銷售收入被認為不大可能發生已確認累計收入的重大撥回時確認。如銷售收益未予確認，則會確認合約負債。當客戶行使其權利時，本集團收回產品的權利會被確認為擁有被退回貨品資產的權利及對收入成本作出的相應調整。

多媒體及廣告收入

多媒體及廣告服務指提供一站式廣告解決方案，據此於公共平台發佈向客戶交付的服務成果。多媒體及廣告服務乃隨時間予以確認，蓋因客戶同時取得及消用本集團所提供的利益。發票乃根據合約條款付款出具，並隨即到期應付。

網上旅遊產品預訂服務

履約責任於提供服務時履行及付款通常於完成服務後立即到期。然而，若干客戶獲授予30至60日之信貸期。

放射消毒處理服務

履約責任於提供服務時履行及授予客戶之信貸期通常為30至90日。

(iii) 分配至客戶合約餘下履約責任之交易價格

所有收入合約之期限為一年或以下。誠如香港財務報告準則第15號所許可，並無披露分配至該等未履約合約之交易價格。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

9. OPERATING SEGMENTS

Information reported to the board of Directors (the “Board”), being the chief operating decision maker (the “CODM”), for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group’s reportable segments under HKFRS 8 *Operating Segments* are as follows:

- (a) Mobile and multi-media technologies business — running a mobile and multi-media technologies via different media channels using electronic paper display and dual-screen technologies.
- (b) Tourism and hospitality business — provision of online travel product booking platform.
- (c) Gamma ray irradiation services — provision of irradiation services by utilising gamma ray technologies.
- (d) Other operations — securities trading and investment.

9. 經營分部

向董事會(「董事會」)(即主要經營決策者(「主要經營決策者」))呈報以作資源分配及分部表現評估之資料聚焦於所交付或提供之貨品或服務類別。於編製本集團之可申報分部時，經主要經營決策者確定之營運分部並無綜合呈報。

具體而言，本集團在香港財務報告準則第8號 *營運分部* 下之可申報分部如下：

- (a) 手機及多媒體技術業務 — 運用電子紙顯示及雙屏技術通過不同媒體渠道打造手機及多媒體技術。
- (b) 旅遊及消閒業務 — 提供網上旅遊產品預訂平台。
- (c) 伽瑪射線照射服務 — 應用伽瑪射線技術提供照射服務。
- (d) 其他業務 — 證券買賣及投資。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

9. OPERATING SEGMENTS (continued)

(a) Segment revenues and results (continued)

The following is an analysis of the Group's revenue and results by reportable segments:

For the year ended 31 March 2020

9. 經營分部(續)

(a) 分部收入及業績(續)

按可申報分部劃分之本集團的收入及業績分析呈列如下：

截至二零二零年三月三十一日止年度

		Mobile and multi-media technologies business	Tourism and hospitality business	Gamma ray irradiation services	Other operations — securities trading and investment 其他業務 — 證券買賣 及投資	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Revenue	收入	39,946	4,681	4,675	—	49,302
Segment results	分部業績	(114,264)	(4,998)	(1,250)	(3,589)	(124,101)
Unallocated corporate income	未分配公司收入					10
Unallocated corporate expenses	未分配公司開支					(21,162)
Loss on deconsolidation of a subsidiary	附屬公司終止綜合入賬 之虧損					(175,437)
Gain on deregistration of subsidiaries	註銷附屬公司之收益					3,445
Loss on derecognition of associates	終止確認聯營公司之虧損					(313)
Gain on disposal of a subsidiary	出售附屬公司之收益					207,760
Finance costs	融資成本					(5,671)
Loss before tax	除稅前虧損					(115,469)

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

9. OPERATING SEGMENTS (continued)

(a) Segment revenues and results (continued)

For the year ended 31 March 2019

		Mobile and multi-media technologies business	Tourism and hospitality business	Gamma ray irradiation services	Other operations — securities trading and investment 其他業務 — 證券買賣 及投資	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Revenue	收入	34,610	5,227	4,743	—	44,580
Segment results	分部業績	(1,180,876)	(86,039)	(2,515)	(4,420)	(1,273,850)
Unallocated corporate income	未分配公司收入					24
Unallocated corporate expenses	未分配公司開支					(26,922)
Finance costs	融資成本					(7,704)
Loss before tax	除稅前虧損					(1,308,452)

The accounting policies of the operating segments are the same as the Group's accounting policies described in the Group's consolidated financial statements. Segment results represent the loss from each segment without allocation of loss on deconsolidation of a subsidiary, gain on deregistration of subsidiaries, loss on derecognition of associates, gain on disposal of a subsidiary, central administration cost, certain other income, gains and losses, net, finance costs and directors' emoluments. This is the measure reported to the CODM for the purposes of resources allocation and performance assessment.

9. 經營分部(續)

(a) 分部收入及業績(續)

截至二零一九年三月三十一日止年度

營運分部之會計政策與本集團綜合財務報表所述本集團之會計政策相同。分部業績指在分配附屬公司終止綜合入賬之虧損、註銷附屬公司之收益、終止確認聯營公司之虧損、出售附屬公司之收益、中央行政費用、若干其他收入、收益及虧損淨額、融資成本及董事酬金前，由各分部產生之虧損。此為向主要經營決策者呈報以作資源分配及表現評估之方法。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

9. OPERATING SEGMENTS (continued)

(b) Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments.

As at 31 March 2020

		Mobile and multi-media technologies business 手機及多媒體技術業務 HK\$'000 千港元	Tourism and hospitality business 旅遊及消閒業務 HK\$'000 千港元	Gamma ray irradiation services 伽瑪射線照射服務 HK\$'000 千港元	Other operations — securities trading and investment 其他業務 — 證券買賣及投資 HK\$'000 千港元	Total 總計 HK\$'000 千港元
ASSETS	資產					
Segment assets	分部資產	144,442	—	13,162	512	158,116
Unallocated corporate assets	未分配公司資產					14,642
Consolidated total assets	綜合資產總值					172,758
LIABILITIES	負債					
Segment liabilities	分部負債	393,426	—	8,683	42,538	444,647
Unallocated corporate liabilities	未分配公司負債					158,602
Consolidated total liabilities	綜合負債總額					603,249

As at 31 March 2019

		Mobile and multi-media technologies business 手機及多媒體技術業務 HK\$'000 千港元	Tourism and hospitality business 旅遊及消閒業務 HK\$'000 千港元	Gamma ray irradiation services 伽瑪射線照射服務 HK\$'000 千港元	Other operations — securities trading and investment 其他業務 — 證券買賣及投資 HK\$'000 千港元	Total 總計 HK\$'000 千港元
ASSETS	資產					
Segment assets	分部資產	43,428	193,254	14,647	778	252,107
Unallocated corporate assets	未分配公司資產					9,773
Consolidated total assets	綜合資產總值					261,880
LIABILITIES	負債					
Segment liabilities	分部負債	413,257	18,354	9,623	39,214	480,448
Unallocated corporate liabilities	未分配公司負債					145,888
Consolidated total liabilities	綜合負債總額					626,336

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

9. OPERATING SEGMENTS (continued)

(b) Segment assets and liabilities (continued)

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to operating segments other than certain other receivables, bank balances and cash, certain corporate property, plant and equipment and deferred tax assets; and
- all liabilities are allocated to operating segments other than certain other payables and accruals, amounts due to directors and placing notes.

Other segment information

Year ended 31 March 2020

Amounts included in the measure of segment result or segment assets:

9. 經營分部(續)

(b) 分部資產及負債(續)

就監察分部表現及於分部間分配資源而言：

- 除若干應收其他賬項、銀行結餘及現金、若干公司物業、廠房及設備以及遞延稅項資產外，所有資產分配至營運分部；及
- 除若干應付其他賬項及應計款項、應付董事款項及配售票據外，所有負債分配至營運分部。

其他分部資料

截至二零二零年三月三十一日止年度

計量分部業績或分部資產時計入之金額：

	Mobile and multi-media technologies business 手機及多媒體 技術業務 HK\$'000 千港元	Tourism and hospitality business 旅遊及 消閒業務 HK\$'000 千港元	Gamma ray irradiation services 伽瑪射線 照射服務 HK\$'000 千港元	Other operation — securities trading and investment 其他業務 — 證券買賣 及投資 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Reversal of impairment loss recognised in respect of trade receivables	撥回就應收貿易賬項確認之減值虧損	128	—	6	—	134
Reversal of impairment loss recognised in respect of other receivables	撥回就應收其他賬項確認之減值虧損	1,389	—	—	—	1,389
Impairment loss recognised in respect of trade receivables	就應收貿易賬項確認之減值虧損	(5,897)	—	(33)	—	(5,930)
Impairment loss recognised in respect of other receivables	就應收其他賬項確認之減值虧損	(1,998)	—	(53)	(6)	(2,057)
Written-off of property, plant and equipment	撇銷物業、廠房及設備	(297)	—	—	(182)	(479)
Gain on early renewal of license fee agreement	提前重續特許權費協議之收益	17,382	—	—	—	17,382
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	1	—	—	—	1
Loss on derecognition of associates	終止確認聯營公司之虧損	(313)	—	—	—	(313)
Loss on deconsolidation of a subsidiary	附屬公司終止綜合入賬之虧損	—	(175,437)	—	—	(175,437)
Gain on deregistration of subsidiaries	註銷附屬公司之收益	—	—	3,445	—	3,445
Gain on disposal of a subsidiary	出售附屬公司之收益	207,760	—	—	—	207,760
Net unrealised losses on financial assets at fair value through profit or loss	按公平值計入損益之金融資產之未變現虧損淨額	—	—	(266)	—	(266)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	(324)	(12)	(553)	(1,064)	(1,953)
Depreciation of right-of-use assets	使用權資產折舊	—	—	(444)	(3,081)	(3,525)
Amortisation of intangible asset included as cost of revenue	入賬作收入成本之無形資產攤銷	(20,673)	—	—	—	(20,673)
Addition of property, plant and equipment	添置物業、廠房及設備	—	—	3	—	3
Addition of intangible asset	添置無形資產	56,250	—	—	—	56,250
Royalty fee	專利權費	(61,667)	—	—	—	(61,667)
Finance cost	融資成本	(33,415)	—	(728)	(3,324)	(43,138)

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

9. OPERATING SEGMENTS (continued)

Other segment information (continued)

Amounts regularly provided to the CODM but not included in the measure of segment result:

9. 經營分部(續)

其他分部資料(續)

定期向主要經營決策者提供但於計量分部業績時並無計入之金額:

		Mobile and multi-media technologies business 手機及多媒體 技術業務 HK\$'000 千港元	Tourism and hospitality business 旅遊及 消閒業務 HK\$'000 千港元	Gamma ray irradiation services 伽瑪射線 照射服務 HK\$'000 千港元	Other operation — securities trading and investment 其他業務 — 證券買賣 及投資 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Addition of goodwill	添置商譽	57,952	—	—	—	—	57,952
Interest income from financial institutions	來自金融機構之利息收入	9	—	1	—	—	10
Exchange gain (loss), net	匯兌收益(虧損)淨額	(1,106)	—	—	—	—	(1,106)

Year ended 31 March 2019

Amounts included in the measure of segment result or segment assets:

截至二零一九年三月三十一日止年度

計量分部業績或分部資產時計入之金額:

		Mobile and multi media technologies business 手機及 多媒體技術 業務 HK\$'000 千港元	Tourism and hospitality business 旅遊及 消閒業務 HK\$'000 千港元	Gamma ray irradiation services 伽瑪射線 照射服務 HK\$'000 千港元	Other operation — securities trading and investment 其他業務 — 證券買賣 及投資 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Interest income from associates	來自聯營公司之利息收入	32,964	—	—	—	—	32,964
Reversal of impairment loss recognised in respect of trade receivables	撥回就應收貿易賬項確認之減值虧損	53	—	11	—	—	64
Reversal of impairment loss recognised in respect of other receivables	撥回就應收其他賬項確認之減值虧損	30	—	—	—	—	30
Impairment loss recognised in respect of trade receivables	就應收貿易賬項確認之減值虧損	(792)	—	—	—	—	(792)
Impairment loss recognised in respect of other receivables	就應收其他賬項確認之減值虧損	(1,478)	—	(639)	—	(9)	(2,126)
Written off of property, plant and equipment	撇銷物業、廠房及設備	—	—	—	—	(63)	(63)
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	149	—	—	—	—	149
Net unrealised losses on financial assets at fair value through profit or loss	按公平值計入損益之金融資產之未變現虧損淨額	—	—	—	(1,377)	—	(1,377)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	(759)	(80)	(1,207)	—	(983)	(3,029)
Amortisation of intangible asset	無形資產攤銷	—	(8)	—	—	—	(8)
Written-down of inventories as cost of revenue	撇減存貨為收入成本	(21,426)	—	—	—	—	(21,426)
Amortisation of land use rights	土地使用權攤銷	—	—	(463)	—	—	(463)
Impairment loss recognised in respect of goodwill	就商譽確認之減值虧損	(9,316)	(77,880)	—	—	—	(87,196)
Addition of property, plant and equipment	添置物業、廠房及設備	822	—	9	—	2,788	3,619
Royalty fee	專利權費	(57,448)	—	—	—	—	(57,448)
Share of profit of associates	應佔聯營公司溢利	474	—	—	—	—	474
Finance cost	融資成本	(14,168)	—	(560)	(3,036)	(7,704)	(25,468)

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

9. OPERATING SEGMENTS (continued)

Other segment information (continued)

Amounts regularly provided to the CODM but not included in the measure of segment result:

		Mobile technologies business	Tourism and hospitality business	Gamma ray irradiation services	Other operation — securities trading and investment	Unallocated	Total
		手機技術業務	旅遊及消閒業務	伽瑪射線照射服務	證券買賣及投資	未分配	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
Interest income from financial institutions	來自金融機構之利息收入	21	—	3	—	—	24
Exchange gain (loss), net	匯兌收益(虧損)淨額	(1,654)	—	—	—	209	(1,863)

Geographical information

The Group's operations are located in Hong Kong and the PRC.

Information about the Group's revenue from external customers is presented based on the location of customers.

9. 經營分部(續)

其他分部資料(續)

定期向主要經營決策者提供但於計量分部業績時並無計入之金額：

地區資料

本集團之業務位於香港及中國。

有關本集團來自外部客戶之收入資料乃基於客戶位置呈列。

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Hong Kong	香港	4,681	5,227
The PRC	中國	44,621	39,353
		49,302	44,580

Information about the Group's non-current assets (excluded deferred tax assets) is presented based on the geographical locations of the assets.

有關本集團非流動資產(不包括遞延稅項資產)之資料乃基於資產地理位置呈列。

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Hong Kong	香港	5,340	188,363
The PRC	中國	119,810	15,255
		125,150	203,618

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

9. OPERATING SEGMENTS (continued)

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total revenue of the Group 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
Customer A ¹	客戶甲 ¹	—	6,334
Customer B ¹	客戶乙 ¹	—	4,471
Customer C ¹	客戶丙 ¹	22,516	—

¹ Revenue from mobile and multi-media technologies business

9. 經營分部(續)

有關主要客戶之資料

於相應年度佔本集團總收入超過10%之客戶收入如下：

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
客戶甲 ¹	—	6,334
客戶乙 ¹	—	4,471
客戶丙 ¹	22,516	—

¹ 來自手機及多媒體技術業務之收入

10. OTHER INCOME, GAINS AND LOSSES, NET

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Interest income from financial institutions	來自金融機構之利息收入	10	24
Written-off of property, plant and equipment	物業、廠房及設備之撇銷	(479)	(63)
Interest income from associates	來自聯營公司之利息收入	—	32,964
Imputed interest income on rental deposit	租賃按金之推算利息收入	145	—
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	1	149
Gain from change in fair value of convertible loan derivative component	可換股貸款衍生工具部分之公平值變動收益	49	—
Net unrealised losses on financial assets at fair value through profit or loss	按公平值計入損益之金融資產之未變現虧損淨額	(266)	(1,377)
Gain on early renewal of license fee agreement	提前重續特許權費協議之收益	17,382	—
Exchange loss, net	匯兌虧損淨額	(1,106)	(1,863)
Government grants	政府補貼	8	190
Others	其他	(604)	—
		15,140	30,024

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

11. FINANCE COSTS

11. 融資成本

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Interests on:	下列項目之利息：		
Bank borrowings	銀行借貸	728	560
Margin account payable	應付孖展賬戶款項	3,324	3,036
Placing notes at effective interest rates	按實際利率計息之配售票據	1,658	1,812
Early redemption of placing notes	提前贖回配售票據	—	261
Overdue royalty fee payable	逾期應付專利權費	12,947	7,939
Overdue rental expenses	逾期租金開支	260	—
Convertible loan payable at effective interest rates	按實際利率計算之應付可換股貸款	992	—
Other borrowings	其他借貸	14,376	11,860
Lease liabilities	租賃負債	568	—
License fees payables	應付特許權費	8,285	—
		43,138	25,468

12. IMPAIRMENT LOSSES UNDER EXPECTED CREDIT LOSS MODEL, NET OF REVERSAL

12. 預期信貸虧損模式下之減值虧損(扣除撥回值)

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Reversal of impairment losses on:	下列款項減值虧損之撥回：		
Trade receivables	應收貿易賬項	134	64
Other receivables	其他應收賬項	1,389	30
Impairment losses on:	下列款項之減值虧損：		
Trade receivables	應收貿易賬項	(5,930)	(792)
Other receivables	其他應收賬項	(2,057)	(2,126)
Amounts due from associates	應收聯營公司賬款	—	(610,077)
		(6,464)	(612,901)

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

13. INCOME TAX EXPENSE (CREDIT)

13. 所得稅開支(抵免)

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Current tax — PRC	即期稅項 — 中國	3,090	—
Deferred taxation	遞延稅項	—	(2,502)
		3,090	(2,502)

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

The Directors considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

於二零一八年三月二十一日，香港立法會通過二零一七年稅務(修訂)(第7號)條例草案(「條例草案」)，其引入兩級制利得稅率制度。條例草案於二零一八年三月二十八日簽署成為法律並於翌日刊登憲報。根據兩級制利得稅率制度，合資格集團實體的首2百萬港元溢利將按8.25%的稅率徵稅，而超過2百萬港元的溢利將按16.5%的稅率徵稅。不符合兩級制利得稅率制度的集團實體的溢利將繼續按16.5%的標準稅率徵稅。

董事認為，實行兩級制利得稅率制度所涉及之金額對綜合財務報表而言並不重大。該兩個年度的香港利得稅乃按估計應課稅溢利之16.5%計算。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

13. INCOME TAX EXPENSE (CREDIT) (continued)

No provision for taxation in Hong Kong has been made for both years ended 31 March 2020 and 2019 as the Group did not generate any assessable profits arising in Hong Kong.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries and subsidiaries without permanent establishment in the PRC are 25% and 10% respectively for both years ended 31 March 2020 and 2019.

The income tax expense (credit) for the year can be reconciled to the loss before tax per the consolidated statement of profit or loss as follows:

13. 所得稅開支(抵免)(續)

由於本集團於截至二零二零年及二零一九年三月三十一日止兩個年度均無在香港產生任何應課稅溢利，故並無作出香港稅項撥備。

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，中國附屬公司及在中國無常設機構之附屬公司於截至二零二零年及二零一九年三月三十一日止兩個年度之稅率分別為25%及10%。

本年度所得稅開支(抵免)可與綜合損益表內除稅前虧損對賬如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Loss before tax	除稅前虧損	(115,469)	(1,308,452)
Tax at applicable domestic income tax rate of 16.5% (2019: 16.5%)	按適用本地所得稅稅率16.5% (二零一九年：16.5%)計算之稅項	(19,052)	(215,895)
Tax effect of expenses not deductible for tax purpose	不可扣稅開支之稅務影響	53,966	198,660
Tax effect of income not taxable for tax purpose	毋須課稅收入之稅務影響	(37,966)	(5,541)
Tax effect of temporary differences not recognised for the year	本年度未確認之暫時差異之稅務影響	11	—
Tax effect of tax losses not recognised	未確認之稅務虧損之稅務影響	8,658	31,131
Tax effect of share of profit of associates	應佔聯營公司之溢利之稅務影響	—	(78)
Effect of different tax rates of subsidiaries operating in other jurisdictions	在其他司法權區營業之附屬公司不同稅率之影響	(2,527)	(10,779)
Income tax expense (credit) for the year	本年度所得稅開支(抵免)	3,090	(2,502)

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

14. LOSS FOR THE YEAR

14. 本年度虧損

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Loss for the year has been arrived at after charging:	本年度虧損乃於扣除下列項目後得出：		
Staff costs	員工成本		
— directors' emoluments (excluding share-based payments)	— 董事酬金(不包括以股份為基礎之付款)	5,221	7,777
— salaries and other benefits in kind	— 薪金及其他實物利益	8,186	16,850
— retirement benefits scheme contributions	— 退休福利計劃供款	756	1,328
— share-based payments	— 以股份為基礎之付款	—	52,368
		14,163	78,323
Auditors' remuneration	核數師酬金		
— audit services	— 審核服務	1,210	1,824
— non-audit services	— 非審核服務	40	—
Depreciation of property, plant and equipment	物業、廠房及設備折舊	1,953	3,029
Depreciation of right-of-use-assets	使用權資產折舊	3,525	—
Amortisation of intangible asset included as cost of revenue	入賬作收入成本之無形資產攤銷	20,673	8
Amortisation of land use rights	土地使用權攤銷	—	463
Minimum lease payments paid under operating lease	經營租賃項下已付之最低租賃付款	—	7,810
Cost of inventories recognised as an expense	確認為開支之存貨成本	8,024	69,600
Written-down of inventories recognised as cost of revenue	確認為收入成本之存貨撇減	—	21,426
Royalty fee	專利權費	61,667	57,448

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

15. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

Directors' and chief executive's remuneration for the years, disclosed pursuant to the applicable Listing Rules and the CO, is as follows:

For the year ended 31 March 2020

15. 董事及行政總裁酬金

根據適用上市規則及公司條例披露之董事及行政總裁有年度之酬金如下：

截至二零二零年三月三十一日止年度

		Retirement			Total
		Salaries and other benefits Fees	benefits scheme contributions		
		薪金及其他 袍金	退休福利 計劃供款		總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Executive directors 執行董事					
Mr. Zhang Yi (Chairman)	張依先生(主席)	342	—	18	360
Mr. Yeung Chun Wai, Anthony (resigned on 9 September 2019)	楊俊偉先生(於二零一九年 九月九日辭任)	—	786	9	795
Ms. Chu Wei Ning (Chief Executive Officer)	祝蔚寧女士(行政總裁)	—	2,622	18	2,640
Mr. Wong King Shiu, Daniel (resigned on 3 October 2019)	黃景兆先生(於二零一九年 十月三日辭任)	183	—	—	183
Ms. Lam Sze Man (appointed on 3 October 2019)	林詩敏女士(於二零一九年 十月三日獲委任)	360	—	9	369
Independent non-executive directors 獨立非執行董事					
Mr. Chan Chi Yuen (resigned on 18 September 2019)	陳志遠先生(於二零一九年 九月十八日辭任)	202	—	—	202
Mr. Chan Kee Huen, Michael	陳記煊先生	240	—	—	240
Mr. Han Chunjian (retired on 30 September 2019)	韓春劍先生(於二零一九年 九月三十日退任)	120	—	—	120
Mr. Chan Fong Kong, Francis (appointed on 23 August 2018)	陳方剛先生(於二零一八年 八月二十三日獲委任)	240	—	—	240
Mr. Feng Man (appointed on 13 December 2019)	馮滿先生(於二零一九年 十二月十三日獲委任)	72	—	—	72
		1,759	3,408	54	5,221

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

15. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (continued)

For the year ended 31 March 2019

15. 董事及行政總裁酬金(續)

截至二零一九年三月三十一日止年度

		Salaries and other benefits in kind 薪金及其他實物利益 HK\$'000 千港元	Retirement benefits contributions 退休福利計劃供款 HK\$'000 千港元	Sub-total 小計 HK\$'000 千港元	Shared-based payments 以股份為基礎之付款 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Fees 袍金 HK\$'000 千港元						
Executive directors 執行董事						
Mr. Zhang Yi (Chairman) 張依先生(主席)		30	330	18	378	424
Mr. Yeung Chun Wai, Anthony (resigned on 9 September 2019) 楊俊偉先生(於二零一九年九月九日辭任)		—	3,582	18	3,600	21,000
Ms. Chu Wei Ning (Chief Executive Officer) 祝蔚寧女士(行政總裁)		—	2,640	18	2,658	20,058
Mr. Wong King Shiu, Daniel (resigned on 3 October 2019) 黃景兆先生(於二零一九年十月三日辭任)		360	—	—	360	406
Independent non-executive directors 獨立非執行董事						
Mr. Wong Hoi Kuen (resigned on 16 July 2018) 黃海權先生(於二零一八年七月十六日辭任)		35	—	—	35	35
Mr. Chan Chi Yuen (resigned on 18 September 2019) 陳志遠先生(於二零一九年九月十八日辭任)		120	—	—	120	166
Mr. Chan Kee Huen, Michael 陳記煊先生		240	—	—	240	255
Mr. Han Chunjian (retired on 30 September 2019) 韓春劍先生(於二零一九年九月三十日退任)		240	—	—	240	255
Mr. Chan Fong Kong, Francis (appointed on 23 August 2018) 陳方剛先生(於二零一八年八月二十三日獲委任)		146	—	—	146	146
		1,171	6,552	54	7,777	42,745

Notes:

- (a) The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group.
- (b) The independent non-executive directors' emoluments shown above were for their services as the Directors.

There were no arrangement under which a director or the chief executive waived or agreed to waive any emoluments during the years ended 31 March 2020 and 2019.

附註：

- (a) 上文所示執行董事之酬金乃為彼等提供有關管理本公司及本集團事務之服務而支付。
- (b) 上文所示獨立非執行董事之酬金乃為彼等以董事身份提供服務而支付。

於截至二零二零年及二零一九年三月三十一日止年度，並無董事或行政總裁放棄或同意放棄任何酬金之安排。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

15. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (continued)

During the year ended 31 March 2019, certain directors were granted awarded shares, in respect of their services to the Group under the share award scheme of the Company. Details of the share award scheme are set out in Note 41 to the consolidated financial statements. The amount of the awarded shares is determined according to their seniority and contributions to the mobile technologies business and expected future contributions.

16. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees of the Group during the year included two (2019: two) directors, details of whose remuneration are set out in Note 15 to the consolidated financial statements above. Details of the remuneration for the year of the remaining three (2019: three) highest paid employees who are neither a director nor chief executive of the Company are as follows:

15. 董事及行政總裁酬金(續)

於截至二零一九年三月三十一日止年度，若干董事根據本公司之股份獎勵計劃就彼等向本集團提供之服務獲授獎勵股份。股份獎勵計劃詳情載於綜合財務報表附註41。獎勵股份數額乃按照彼等之年資、對手機技術業務之貢獻及預期日後之貢獻釐定。

16. 五名最高薪僱員

本集團年內五名最高薪僱員包括兩名(二零一九年：兩名)董事，彼等之薪酬詳情載於上文綜合財務報表附註15。其餘三名(二零一九年：三名)並非本公司董事或行政總裁之最高薪僱員本年度之薪酬詳情如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Salaries and other benefits in kind	薪金及其他實物利益	2,462	3,359
Share-based payments	以股份為基礎之付款	—	17,400
Retirement benefits scheme contributions	退休福利計劃供款	40	51
		2,502	20,810

The number of the highest paid employees who are not the Directors whose remuneration fell within the following bands is as follows:

薪酬介乎以下範圍之非董事最高薪僱員人數如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Up to HK\$1,000,000	1,000,000港元以下	2	1
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	1	1
HK\$18,500,001 to HK\$19,000,000	18,500,001港元至19,000,000港元	—	1

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

17. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company during the year ended 31 March 2020, nor has any dividend been proposed since the end of the reporting period (2019: Nil).

17. 股息

截至二零二零年三月三十一日止年度並無向本公司普通股股東派付或擬派任何股息，自報告期末以來亦無擬派任何股息(二零一九年：無)。

18. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to the owners of the Company is based on the following data:

18. 每股虧損

本公司擁有人應佔每股基本及攤薄虧損乃根據下列數據計算：

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Loss for the year attributable to owners of the Company for the purpose of basic and diluted loss per share	(114,089)	(1,298,305)
	2020 二零二零年 '000 千股	2019 二零一九年 '000 千股

Number of shares

股份數目

Weighted average number of ordinary shares for the purpose of basic and diluted loss per share

計算每股基本及攤薄虧損所用之普通股加權平均數

3,706,534

3,577,097

The weighted average number of ordinary shares for the purpose of basic and diluted loss per share has been adjusted for the share consolidation on 3 August 2018.

每股基本及攤薄虧損之普通股加權平均數已就於二零一八年八月三日所進行的股份合併而作出調整。

The computation of diluted loss per share for the year ended 31 March 2020 does not assume the conversion of the subsidiary's outstanding convertible loan since their assumed exercise would result in a decrease in loss per share.

由於假設轉換附屬公司之未償還可換股貸款將導致每股虧損減少，故計算截至二零二零年三月三十一日止年度每股攤薄虧損並無假設該等可換股貸款已獲轉換。

The computation of diluted loss per share for the year ended 31 March 2019 does not assume the conversion of the Company's outstanding share options because the exercise price of those options was higher than the average market price for shares.

由於本公司未行使購股權的行使價高於股份的平均市價，故計算截至二零一九年三月三十一日止年度每股攤薄虧損並無假設該等購股權已獲轉換。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

19. PROPERTY, PLANT AND EQUIPMENT

19. 物業、廠房及設備

		Leasehold buildings 租賃樓宇 HK\$'000 千港元	Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Plant and machinery 廠房及機器 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Furniture, and fixtures 傢俬及裝置 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST	成本						
At 1 April 2018	於二零一八年四月一日	7,980	2,588	29,392	4,130	3,740	47,830
Additions	添置	—	2,627	9	735	248	3,619
Disposals	出售	—	—	—	(3,134)	(328)	(3,462)
Written-off	撇銷	—	—	—	—	(101)	(101)
Exchange adjustments	匯兌調整	(512)	—	(1,879)	(68)	(168)	(2,627)
At 31 March 2019	於二零一九年三月三十一日	7,468	5,215	27,522	1,663	3,391	45,259
Additions	添置	—	—	—	—	3	3
Disposals	出售	—	—	—	—	(308)	(308)
Deconsolidation of a subsidiary (Note 43)	附屬公司終止綜合入賬 (附註43)	—	(229)	—	—	(281)	(510)
Written-off	撇銷	—	(825)	—	—	(1,413)	(2,238)
Exchange adjustments	匯兌調整	(493)	—	(1,808)	(65)	(101)	(2,467)
At 31 March 2020	於二零二零年三月三十一日	6,975	4,161	25,714	1,598	1,291	39,739
ACCUMULATED DEPRECIATION AND IMPAIRMENT	累計折舊及減值						
At 1 April 2018	於二零一八年四月一日	3,081	2,235	26,746	2,447	1,385	35,894
Provided for the year	本年度撥備	329	711	809	423	757	3,029
Disposals	出售	—	—	—	(1,470)	(109)	(1,579)
Written-off	撇銷	—	—	—	—	(38)	(38)
Exchange adjustments	匯兌調整	(198)	—	(1,719)	(64)	(52)	(2,033)
At 31 March 2019	於二零一九年三月三十一日	3,212	2,946	25,836	1,336	1,943	35,273
Provided for the year	本年度撥備	313	912	229	136	363	1,953
Disposals	出售	—	—	—	—	(181)	(181)
Deconsolidation of a subsidiary (Note 43)	附屬公司終止綜合入賬 (附註43)	—	(196)	—	—	(39)	(235)
Written-off	撇銷	—	(743)	—	—	(1,016)	(1,759)
Exchange adjustments	匯兌調整	(221)	—	(1,624)	(65)	(101)	(2,011)
At 31 March 2020	於二零二零年三月三十一日	3,304	2,919	24,441	1,407	969	33,040
NET BOOK VALUES	賬面淨值						
At 31 March 2020	於二零二零年三月三十一日	3,671	1,242	1,273	191	322	6,699
At 31 March 2019	於二零一九年三月三十一日	4,256	2,269	1,686	327	1,448	9,986

The Group's leasehold buildings are situated in the PRC held under medium term lease.

本集團之租賃樓宇位於中國，根據中期租賃持有。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

19. PROPERTY, PLANT AND EQUIPMENT (continued)

As at 31 March 2020, the Group's leasehold buildings with carrying value of approximately HK\$3,671,000 (2019: HK\$4,256,000) are pledged to secure a bank borrowing granted to the Group (Note 34).

Depreciation expense of approximately HK\$419,000 (2019: HK\$1,016,000) has been included in cost of revenue and approximately HK\$1,534,000 (2019: HK\$2,013,000) included in administrative expenses, respectively.

The above items of property, plant and equipment, are depreciated on a straight-line basis over their estimated useful life as follows:

Leasehold buildings	20 years
Leasehold improvements	2 – 3 years
Plant and machinery	3 – 20 years
Motor vehicles	4 – 8 years
Furniture and fixtures	3 – 10 years

19. 物業、廠房及設備(續)

於二零二零年三月三十一日，本集團賬面值約3,671,000港元(二零一九年：4,256,000港元)之租賃樓宇已作質押，以擔保本集團獲授之銀行借貸(附註34)。

折舊開支中，約419,000港元(二零一九年：1,016,000港元)已計入收入成本，而約1,534,000港元(二零一九年：2,013,000港元)則計入行政費用。

以上物業、廠房及設備項目於以下估計可使用年期內以直線法計算折舊：

租賃樓宇	20年
租賃物業裝修	2至3年
廠房及機器	3至20年
汽車	4至8年
傢俬及裝置	3至10年

20. LAND USE RIGHTS

20. 土地使用權

		HK\$'000 千港元
COST	成本	
At 1 April 2018	於二零一八年四月一日	13,370
Exchange adjustments	匯兌調整	(858)
		<hr/>
At 31 March 2019	於二零一九年三月三十一日	12,512
ACCUMULATED AMORTISATION	累計攤銷	
At 1 April 2018	於二零一八年四月一日	3,978
Charged for the year	年內計提	463
Exchange adjustments	匯兌調整	(257)
		<hr/>
At 31 March 2019	於二零一九年三月三十一日	4,184
NET CARRYING VALUES	賬面淨值	
At 31 March 2019	於二零一九年三月三十一日	<u>8,328</u>

The Group's land use rights are situated in the PRC with medium term leases.

As at 31 March 2019, the Group's land use rights with carrying value of approximately HK\$8,328,000 are pledged to secure a bank borrowing granted to the Group (Note 34).

本集團之土地使用權位於中國境內，屬中期租賃。

於二零一九年三月三十一日，本集團賬面值約8,328,000港元之土地使用權已作質押，以擔保本集團獲授之銀行借貸(附註34)。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

21. RIGHT-OF-USE ASSETS

21. 使用權資產

		Leasehold lands 租賃土地 HK\$'000 千港元	Leased properties 租賃物業 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2019	於二零一九年四月一日	8,328	6,928	15,256
Depreciation charge	折舊費用	(444)	(3,081)	(3,525)
Exchange adjustments	匯兌調整	(534)	—	(534)
At 31 March 2020	於二零二零年三月三十一日	<u>7,350</u>	<u>3,847</u>	<u>11,197</u>
Expense relating to short-term leases and other leases with lease terms end within 12 months of the date of initial application of HKFRS 16	與短期租賃及租期於初始應用香港財務報告準則第16號當日起計12個月內屆滿的其他租賃相關的開支			<u>1,169</u>
Total cash outflow for leases	租賃現金流出總額			<u>3,300</u>
Additions to right-of-use assets	使用權資產添置			<u>—</u>

For both years, the Company leases office premises for its operations. Lease contracts are entered into for fixed term of 3 years. Lease terms are negotiated on an individual basis. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

In addition, the Group owns several industrial buildings where its manufacturing facilities are primarily located and office buildings. The Group is the registered owner of these property interests, including the underlying leasehold lands. Lump sum payments were made upfront to acquire these property interests. The leasehold land components of these owned properties are presented separately only if the payments made can be allocated reliably.

At 31 March 2020, the leasehold lands with an aggregate net carrying value of approximately HK\$7,350,000 were pledged to secure a bank borrowing granted to the Group (Note 34).

於兩個年度，本公司租賃寫字樓物業作經營用途。訂立之租賃合約固定為期3年。租賃條款按個別基準磋商。於釐定租期及評估不可撤銷期限時，本集團採用合約之定義並確定合約之可強制執行期限。

此外，本集團擁有數幢其主要生產設施所在之工業樓宇及寫字樓樓宇。本集團乃此等物業權益(包括相關租賃土地)之註冊擁有人。購入此等物業權益時作出一次性預付款。僅當所支付款項能夠可靠地分配時，此等持有物業之租賃土地部分方會獨立列示。

於二零二零年三月三十一日，賬面淨值總額約7,350,000港元之租賃土地已作質押，以擔保授予本集團的銀行借款(附註34)。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

22. IMPAIRMENT ASSESSMENT OF PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

At 31 March 2020, gamma ray irradiation services continued to underperform, the management of the Group concluded there was an indication for impairment and conducted impairment assessment on recoverable amounts of certain property, plant and equipment and right-of-use assets with carrying amounts of approximately HK\$5,083,000 and approximately HK\$7,350,000 respectively. The recoverable amount of property, plant and equipment and right-of-use assets are estimated individually.

In determining the recoverable amount of those property, plant and equipment as at 31 March 2020, the Group engages Flagship Appraisals and Consulting Limited ("Flagship Appraisals"), an independent qualified professional valuer not connected to the Group, to perform the valuation. The Directors work closely with Flagship Appraisals, to establish the appropriate valuation techniques and inputs to the model. The recoverable amount of those property, plant and equipment was determined based on cost approach. The cost approach is based on the current cost to recreate or duplicate the asset less an appropriate allowance for depreciation from physical, functional, and economic.

In determining the recoverable amount of those right-of-use assets as at 31 March 2020, the Group engages Ravia Global Appraisal Advisory Limited ("Ravia Global"), an independent qualified professional valuer not connected to the Group, to perform the valuation. The Directors work closely with Ravia Global to establish the appropriate valuation techniques and inputs to the model. The recoverable amount of those right-of-use assets was determined based on the depreciated replacement cost approach. The depreciated replacement cost approach is based on an estimate of the market value for the existing use of the land, plus the current cost of replacement of the existing structures less deductions for physical deterioration and all relevant forms of obsolescence and optimisation.

As at 31 March 2020, based on the result of the above assessments, management of the Group determined that the recoverable amounts of these property, plant and equipment and right-of-use assets are higher than their carrying amounts. Accordingly, no impairment loss has been recognised against the carrying amounts of property, plant and equipment and right-of-use assets.

22. 物業、廠房及設備以及使用權資產減值評估

於二零二零年三月三十一日，伽瑪射線照射服務持續表現欠佳，本集團管理層總結認為存在減值跡象，並就賬面值分別為約5,083,000港元及約7,350,000港元之若干物業、廠房及設備以及使用權資產之可收回金額進行減值評估。物業、廠房及設備以及使用權資產之可收回金額予以個別估計。

釐定該等物業、廠房及設備於二零二零年三月三十一日之可收回金額時，本集團委聘與本集團概無關聯之獨立合資格專業估值師旗艦資產評估顧問有限公司（「旗艦資產評估」）進行估值。董事與旗艦資產評估密切合作，以確定適當之估值技術及模型參數。該等物業、廠房及設備之可收回金額按成本法釐定。成本法乃根據重新創造或複製資產之當前成本減因物理、功能及經濟原因導致之適當折舊撥備計算。

釐定該等使用權資產於二零二零年三月三十一日之可收回金額時，本集團委聘與本集團概無關聯之獨立合資格專業估值師Ravia Global Appraisal Advisory Limited（「Ravia Global」）進行估值。董事與Ravia Global密切合作，以確定適當之估值技術及模型參數。該等使用權資產之可收回金額按折舊重置成本法釐定。折舊重置成本法乃根據土地現有用途之估計市值，另加現有構築物之當前重置成本，減去有關外在損耗及所有相關形式之陳舊及優化之扣減計算。

於二零二零年三月三十一日，根據上述評估結果，本集團管理層確定該等物業、廠房及設備以及使用權資產之可收回金額高於其賬面值。因此，並無就該等物業、廠房及設備以及使用權資產之賬面值確認減值虧損。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

23. INTANGIBLE ASSET

23. 無形資產

		Advertising license rights 廣告特許權 HK\$'000 千港元	Website cost 網站成本 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST	成本			
At 1 April 2018 and 1 April 2019	於二零一八年四月一日及 二零一九年四月一日	—	40	40
Acquisition of subsidiaries (Note 42)	收購附屬公司(附註42)	238,529	—	238,529
Addition	添置	56,250	—	56,250
Adjustment due to renewal	重續引致之調整	(29,520)	—	(29,520)
Deconsolidation of a subsidiary (Note 43)	附屬公司終止綜合入賬 (附註43)	—	(40)	(40)
Exchange adjustments	匯兌調整	(13,656)	—	(13,656)
At 31 March 2020	於二零二零年三月三十一日	251,603	—	251,603
ACCUMULATED AMORTISATION AND IMPAIRMENT	累計攤銷及減值			
At 1 April 2018	於二零一八年四月一日	—	13	13
Charge for the year	年內計提	—	8	8
At 1 April 2019	於二零一九年四月一日	—	21	21
Acquisition of subsidiaries (Note 42)	收購附屬公司(附註42)	209,052	—	209,052
Adjustment due to renewal	重續引致之調整	(19,301)	—	(19,301)
Charge for the year	年內計提	20,664	9	20,673
Deconsolidation of a subsidiary (Note 43)	附屬公司終止綜合入賬 (附註43)	—	(30)	(30)
Exchange adjustments	匯兌調整	(11,104)	—	(11,104)
At 31 March 2020	於二零二零年三月三十一日	199,311	—	199,311
CARRYING VALUES	賬面值			
At 31 March 2020	於二零二零年三月三十一日	52,292	—	52,292
At 31 March 2019	於二零一九年三月三十一日	—	19	19

The above intangible assets have finite useful lives. Such intangible assets are amortised on a straight-line basis over the following periods:

上述無形資產之可使用年期有限。有關無形資產於下列期間內按直線基準攤銷：

Advertising licenses rights	3 years	廣告特許權	三年
Website cost	5 years	網站成本	五年

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

24. INTERESTS IN ASSOCIATES

24. 於聯營公司之權益

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Unlisted cost of investment	非上市投資成本	—	361,830
Share of post-acquisition loss of associates	應佔聯營公司之收購後虧損	—	(33,578)
Exchange adjustments	匯兌調整	—	3,100
		—	331,352
Less: Accumulated impairment loss (Note ii)	減：累計減值虧損(附註ii)	—	(331,352)
Amounts due from associates (Note i)	應收聯營公司款項(附註i)	—	633,551
Less: Allowance for credit loss (Note ii)	減：信貸虧損備抵(附註ii)	—	(633,551)
		—	—

The Company entered into an original sale and purchase agreement dated 8 October 2015, the deed of amendment dated 23 December 2015 and the second deed of amendment dated 29 March 2016, with an independent third party (the "First Seller") in relation to acquisition of 30% equity interest in Yota, a company incorporated in the Cayman Islands with limited liability (the "First Acquisition"). The total cash consideration of USD46,225,000 (equivalent to approximately HK\$358,891,000) was paid by the Group, among which USD31,068,000 (equivalent to approximately HK\$241,215,000) was cost of acquisition for 30% equity interest in Yota and USD15,157,000 (equivalent to approximately HK\$117,676,000) was the cost of acquisition for a balance owned by a subsidiary of Yota to the First Seller, the balance was repayable on demand and classified as current assets. The First Acquisition was completed on 29 April 2016.

本公司與一名獨立第三方(「第一賣方」)訂立日期為二零一五年十月八日之原有買賣協議、日期為二零一五年十二月二十三日之修訂契據及日期為二零一六年三月二十九日之第二份修訂契據，內容有關收購Yota(於開曼群島註冊成立之有限公司)30%股本權益(「第一收購事項」)。總現金代價46,225,000美元(相等於約358,891,000港元)已由本集團支付，其中31,068,000美元(相等於約241,215,000港元)為收購Yota 30%股本權益之成本，而15,157,000美元(相等於約117,676,000港元)為收購Yota之一間附屬公司欠第一賣方之結餘的成本，有關結餘須應要求償還並分類為流動資產。第一收購事項於二零一六年四月二十九日完成。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

24. INTERESTS IN ASSOCIATES (continued)

On 9 February 2018, China Baoli Technologies Services Limited ("Baoli Services"), a wholly-owned subsidiary of the Company, entered into an agreement (the "Second Agreement") with an independent third party (the "Second Seller") in relation to acquisition of 10% equity interest in Yota at a consideration of USD15,500,000 (equivalent to approximately HK\$120,615,000) (the "Second Acquisition"). Pursuant to the Second Agreement, the consideration will be satisfied by cash and the issuance of shares of the Company in the following manner:

- (i) USD140,000 (equivalent to approximately HK\$1,089,000) by payment in cash within 3 business days of the date of the Second Agreement which shall be applied towards the consideration upon the completion;
- (ii) USD360,000 (equivalent to approximately HK\$2,801,000) by payment in cash upon the completion;
- (iii) the settlement of USD10,500,000 (equivalent to approximately HK\$81,690,000) by way of allotment and issue of the first tranche consideration shares; and
- (iv) the settlement of the remaining USD4,500,000 (equivalent to approximately HK\$35,035,000) on the date falling 180 days after the completion date. Baoli Services shall provide a notice to the Second Seller in writing no later than 3 business days before the 180th day after the completion date electing whether the remaining payment will be settled by way of allotment and issue of the second tranche consideration shares or in cash.

The Second Acquisition was completed on 29 March 2018. On the same date, the first tranche of consideration shares of 593,246,187 have been duly issued and allotted to the Second Seller. On 26 September 2018, the second tranche of consideration shares of 25,424,836 (adjusted to take into account of the share consolidation as detailed in Note 37) have been duly issued and allotted to the Second Seller. The details are set out in the announcements of the Company dated 11 February 2018, 9 March 2018, 29 March 2018 and 26 September 2018 respectively.

24. 於聯營公司之權益(續)

於二零一八年二月九日，中國寶力科技服務有限公司(「寶力服務」，本公司之全資附屬公司)與一名獨立第三方(「第二賣方」)訂立協議(「第二份協議」)，內容有關收購Yota 10%股本權益，代價為15,500,000美元(相等於約120,615,000港元)(「第二收購事項」)。根據第二份協議，代價將按下列方式以現金及發行本公司股份支付：

- (i) 140,000美元(相等於約1,089,000港元)於第二份協議日期後三個營業日內以現金支付，其將於完成後用作代價；
- (ii) 360,000美元(相等於約2,801,000港元)於完成時以現金支付；
- (iii) 10,500,000美元(相等於約81,690,000港元)以配發及發行第一批代價股份之方式支付；及
- (iv) 餘額4,500,000美元(相等於約35,035,000港元)於完成日期後第180日支付。寶力服務應於完成日期後第180日前不少於三個營業日向第二賣方發出書面通知，選擇以配發及發行第二批代價股份或以現金支付餘額。

第二收購事項於二零一八年三月二十九日完成。同日，第一批代價股份593,246,187股已妥為向第二賣方發行及配發。於二零一八年九月二十六日，第二批代價股份25,424,836股(經調整以計及附註37所詳述的股份合併)已妥為向第二賣方發行及配發。詳情載於本公司日期分別為二零一八年二月十一日、二零一八年三月九日、二零一八年三月二十九日及二零一八年九月二十六日之公告。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

24. INTERESTS IN ASSOCIATES (continued)

Given the Group does not control the majority composition of the board of directors of Yota, the Group has no control over Yota. However, the Directors consider that the Group can exercise significant influence over Yota as the Group has appointed representatives to the board of directors of Yota. Yota and its subsidiaries (collectively referred to as the "Yota Group") is therefore classified as associates of the Group.

On 15 March 2019, the Grand Court of the Cayman Islands granted a winding up order (the "Order") against Yota. The winding-up petition was filed by Hi-P Electronics Pte. Ltd. (the "Petitioner") with respect to a principal sum of US\$1,000,000 said to be due by Yota to the Petitioner.

Upon submission of all the information to the official liquidator of Yota on 30 April 2019, the Directors were of the opinion that the Group has ceased to have any significance influence on Yato, and Yota will cease to be accounted for as an associate of the Group. The liquidation of Yota is accounted for as a derecognition of an associate, and resulted in a loss of approximately HK\$313,000 in the consolidated statement of profit or loss and other comprehensive income during the year ended 31 March 2020, calculated as follows:

24. 於聯營公司之權益(續)

鑑於本集團並無控制Yota董事會之大部分成員組合，因此本集團對Yota並無控制權。然而，由於本集團已委派代表至Yota董事會，故董事認為本集團可對Yota行使重大影響力。因此，Yota及其附屬公司(統稱「Yota集團」)被分類為本集團之聯營公司。

於二零一九年三月十五日，開曼群島大法院就Yota發出清盤令(「命令」)。該清盤呈請乃由Hi-P Electronics Pte. Ltd. (「呈請人」)就聲稱Yota結欠呈請人之本金額1,000,000美元而提起。

於二零一九年四月三十日向Yota法定清盤人提交所有資料後，董事認為本集團不再對Yato具有任何重大影響力，故Yota不再入賬為本集團的聯營公司。Yota的清盤事項於截至二零二零年三月三十一日止年度的綜合損益及其他全面收益表中入賬列為終止確認聯營公司，並產生虧損約313,000港元，計算如下：

		2020 二零二零年 HK\$'000 千港元
Carrying amount of 40% equity interest in Yota	於Yota 40%股權的賬面值	—
Release of exchange reserve upon derecognition of an associate	於終止確認聯營公司時解除匯兌儲備	313
Loss on derecognition of associates	終止確認聯營公司之虧損	(313)

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

24. INTERESTS IN ASSOCIATES (continued)

Notes:

- (i) The amounts due from associates are unsecured, repayable on demand and interest bearing at the following rates:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Interest-free borrowing	免息借貸	117,894	119,329
7% borrowing	7厘借貸	126,188	127,723
8% borrowing	8厘借貸	381,855	386,499
		625,937	633,551

Included in the amounts due from associates is the following amount denominated in currency other than the group entities' functional currencies:

		2020 二零二零年 '000 千元	2019 二零一九年 '000 千元
USD	美元	80,174	80,714

- (ii) After taking into account of the Order, the winding-up petition, the net liabilities of Yota and for the sake of prudence, the Directors is of the view that full impairment on investments in associates and amounts due from associates of the Group should be recognised for the year ended 31 March 2019 to reflect the current conditions of Yota.

Details of impairment assessment of amounts due from associates for the year ended 31 March 2020 and 2019 are set out in Note 7(b).

24. 於聯營公司之權益(續)

附註：

- (i) 應收聯營公司款項為無抵押、須應要求償還及按下列利率計息：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Interest-free borrowing	免息借貸	117,894	119,329
7% borrowing	7厘借貸	126,188	127,723
8% borrowing	8厘借貸	381,855	386,499
		625,937	633,551

應收聯營公司款項中包括以下以集團實體功能貨幣以外貨幣計值之金額：

		2020 二零二零年 '000 千元	2019 二零一九年 '000 千元
USD	美元	80,174	80,714

- (ii) 經計及命令、清盤呈請及Yota的負債淨額且出於審慎考慮，董事認為，應於截至二零一九年三月三十一日止年度對於聯營公司的投資及應收本集團聯營公司款項確認全數減值，以反映Yota的現況。

截至二零二零年及二零一九年三月三十一日止年度之應收聯營公司款項之減值評估詳情載於附註7(b)。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

24. INTERESTS IN ASSOCIATES (continued)

Details of each of the Group's material associates at the end of the reporting period are as follows:

24. 於聯營公司之權益(續)

於報告期末，本集團各間重大聯營公司之詳情如下：

Name of entities 實體名稱	Place of incorporation/ Principal place of operation 註冊成立地點／ 主要營業地點	Proportion of ownership interest held by the Group 本集團所持 擁有權權益之比例		Proportion of voting rights held by the Group 本集團所持表決權之比例		Principal activities 主要業務
		2020	2019	2020	2019	
		二零二零年	二零一九年	二零二零年	二零一九年	
Yota [^]	Cayman Islands/ Cayman Islands 開曼群島／開曼群島	—	40%	—	40%	Investment Holding 投資控股
Yota Device Ltd ^{^#}	Republic of Cyprus/ Republic of Cyprus 塞浦路斯共和國／ 塞浦路斯共和國	—	40%	—	40%	Research and development of Yota Devices hardware and software, marketing, certification, selling goods, management of supply chain and production Yota Devices硬件和軟件研發、市場營銷、 認證、銷售貨物、供應鏈及生產管理
Yota Device IPR Ltd ^{^#}	British Virgin Islands/ British Virgin Islands 英屬處女群島／英屬處女群島	—	40%	—	40%	Asset holding and management 資產持有及管理
Yota Device LLC ^{^#}	Russian Federation/ Russian Federation 俄羅斯聯邦／俄羅斯聯邦	—	40%	—	40%	Research and development of Yota Devices software, marketing, certification and selling goods Yota Devices軟件研發、市場營銷、認證及 銷售貨物
Yota Device Oy ^{^#}	Finland/Finland 芬蘭／芬蘭	—	40%	—	40%	Research and development of Yota Devices hardware and software Yota Devices硬件及軟件研發

[^] Not audited by Asian Alliance (HK) CPA Limited

[^] 並非由華融(香港)會計師事務所有限公司審核

[#] Wholly-owned subsidiary of Yota

[#] Yota之全資附屬公司

All of the above associates are accounted for using the equity method in the consolidated financial statements.

上述所有聯營公司乃使用權益法於綜合財務報表入賬。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

24. INTERESTS IN ASSOCIATES (continued)

Summarised financial information of associates

Summarised financial information in respect of the Group's associates is set out below. The summarised financial information below represents amounts shown in the Yota Group's consolidated financial statements prepared in accordance with International Financial Reporting Standards.

24. 於聯營公司之權益(續)

聯營公司之財務資料概要

本集團聯營公司之財務資料概要載列如下。以下財務資料概要為按照國際財務報告準則編製之Yota集團綜合財務報表所示之金額。

		Yota Group Yota集團	
		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	—	106,594
Non-current assets	非流動資產	—	11,805
Current liabilities	流動負債	—	(878,681)
Non-current liabilities	非流動負債	—	—
		Yota Group Yota集團	
		2020 二零二零年 HK\$'000 千港元 (Note) (附註)	2019 二零一九年 HK\$'000 千港元
Revenue	收入	N/A 不適用	27,653
Profit for the year	本年度溢利	N/A 不適用	1,185
Other comprehensive expense for the year	本年度其他全面支出	N/A 不適用	(7,920)
Total comprehensive expense for the year	本年度全面支出總額	N/A 不適用	(6,735)
Dividends received by the Group	本集團收取之股息	N/A 不適用	—

Note: From 1 April 2019 to 30 April 2019 (date of derecognition).

附註：自二零一九年四月一日起至二零一九年四月三十日(終止確認日期)。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

24. INTERESTS IN ASSOCIATES (continued)

Summarised financial information of associates (continued)

Reconciliation of the above summarised financial information to the carrying amount of the interests in associates recognised in the consolidated financial statements:

24. 於聯營公司之權益(續)

聯營公司之財務資料概要(續)

上述財務資料概要與綜合財務報表內確認之聯營公司權益之賬面值之對賬：

		Yota Group Yota集團	
		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Net liabilities attributable to the owners	擁有人應佔淨負債	—	(760,282)
Proportion of the Group's ownership interest	本集團擁有權益之比例	—	40%
Goodwill	商譽	—	(304,113)
Effect of fair value adjustments at acquisition	於收購時作出公平值調整之影響	—	301,735
Pre-acquisition loss	收購前虧損	—	234,262
		—	99,468
Carrying amount of the Group's interest	本集團權益之賬面值	—	331,352

25. GOODWILL

25. 商譽

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
COST	成本		
At 1 April	於四月一日	352,974	352,168
Arising on acquisition of subsidiaries (Note 42)	因收購附屬公司而產生 (附註42)	57,952	—
Deconsolidation of a subsidiary (Note 43)	附屬公司終止綜合入賬 (附註43)	(320,066)	—
Exchange adjustments	匯兌調整	(3,605)	806
At 31 March	於三月三十一日	87,255	352,974
ACCUMULATED IMPAIRMENT	累計減值		
At 1 April	於四月一日	167,689	80,493
Deconsolidation of a subsidiary (Note 43)	附屬公司終止綜合入賬 (附註43)	(134,781)	—
Exchange adjustments	匯兌調整	(615)	—
Impairment loss recognised for the year	年內確認之減值虧損	—	87,196
At 31 March	於三月三十一日	32,293	167,689
CARRYING AMOUNT	賬面值	54,962	185,285

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

25. GOODWILL (continued)

For the purpose of impairment testing, goodwill has been allocated to four cash generating units ("CGUs"), comprising the mobile technologies business, multi-media technologies business, gamma ray irradiation services and tourism and hospitality business. The carrying amounts of goodwill (net of accumulated impairment losses) allocated to these units 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
Gamma ray irradiation services	伽瑪射線照射服務	—	—
Tourism and hospitality business	旅遊及消閒業務	—	185,285
Mobile technologies business	手機技術業務	—	—
Multi-media technologies business	多媒體技術業務	54,962	—
		54,962	185,285

Impairment tests for goodwill

Gamma ray irradiation services

The Group's goodwill from its gamma ray irradiation services segment had been fully impaired in prior years.

Tourism and hospitality business

As at 31 March 2019, the Group performed an impairment review for a CGU of tourism and hospitality business which was contributed by We Fly, with reference to a valuation carried out by an independent professional valuer. The recoverable amount of We Fly has been determined based on a value-in-use calculation, which uses a cash flow projection based on financial forecast approved by management covering a 5-year period. The pre-tax discount rate applied to cash flow projection is 13.52% and cash flow beyond the 5-year period is extrapolated using a steady 3% per annum growth rate. The growth rate used does not exceed the long-term average growth rate for the business in which the CGU operates. Due to the delay in launching the on-line booking system of hotel room, We Fly cannot meet the performance of financial forecast estimated last year. After adjusting above factor, the carrying amount of this CGU exceeds its recoverable amount of HK\$77,880,000. Accordingly, the Group recognised an impairment loss on goodwill in relating to the Group's tourism and hospitality business of approximately HK\$77,880,000 for the year ended 31 March 2019.

25. 商譽(續)

就減值測試而言，商譽已分配至四個現金產生單位(「現金產生單位」)，包括手機技術業務、多媒體技術業務、伽瑪射線照射服務以及旅遊及消閒業務。分配至該等單位之商譽賬面值(已扣除累計減值虧損)如下：

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
伽瑪射線照射服務	—	—
旅遊及消閒業務	—	185,285
手機技術業務	—	—
多媒體技術業務	54,962	—
	54,962	185,285

商譽減值測試

伽瑪射線照射服務

本集團來自其伽瑪射線照射服務分部的商譽已於之前年度悉數減值。

旅遊及消閒業務

於二零一九年三月三十一日，本集團已參照由獨立專業估值師進行之估值為旅遊及消閒業務之現金產生單位愛飛進行減值檢討。愛飛之可收回金額乃按使用價值計算法釐定，而使用價值計算法採用經管理層批准之五年期財務預測進行之現金流量預測。現金流量預測所應用之稅前折現率為13.52%，超過五年期之現金流量採用3%穩定年增長率推算。就該現金產生單位經營之業務所應用之增長率並不超出長遠平均增長率。由於酒店客房網上預訂系統的延遲推出，愛飛無法達成去年估計之財務表現預測。於就上述因素作出調整後，該現金產生單位之賬面值高於可收回金額77,880,000港元。因此，於截至二零一九年三月三十一日止年度，本集團已就與本集團旅遊及消閒業務有關之商譽確認減值虧損約77,880,000港元。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

25. GOODWILL (continued)

Impairment tests for goodwill (continued)

Tourism and hospitality business (continued)

As disclosed in Note 43 to the consolidated financial statements, during the year ended 31 March 2020, We Fly was deconsolidated from the Group. Accordingly, the cost and the accumulated impairment of goodwill attributable to We Fly in the tourism and hospitality business were derecognised upon deconsolidation of We Fly.

Mobile technologies business

During the year ended 31 March 2019, the smartphone industry in PRC was under great pressure amid the impact of negative factors including the United States of America and the PRC trade war coupled with the slowing down of economy in the PRC, and the saturation of the smartphone market with the retailers having excessive inventory all played a part in the poor performance of the smartphone market. We have seen smaller smartphone players being forced to exit the market due to the cut-throat competition in the PRC. As such, the management of 寶力優特科技(深圳)有限公司 (Baoli Yota Technologies (Shenzhen) Limited*) ("Baoli Yota") determined to switch its business focus on the software development such as internet of things solutions in the future. Due to the change in business model, the future income generated by Baoli Yota is not the same as the CGU arising from step acquisition of Baoli Yota during the year ended 31 March 2018 which is focused on the research and development and sales of dual screen mobile phone. Therefore, the management of the Company considered that the carrying amount of the CGU arising from step acquisition of Baoli Yota is greater than recoverable amount and goodwill impairment of approximately HK\$9,316,000 have been recognised in profit or loss for the year ended 31 March 2019.

25. 商譽(續)

商譽減值測試(續)

旅遊及消閒業務(續)

誠如綜合財務報表附註43所披露，於截至二零二零年三月三十一日止年度，愛飛終止於本集團綜合入賬。因此，旅遊及消閒業務中愛飛應佔商譽的成本及累計減值，於愛飛終止綜合入賬時終止確認。

手機技術業務

截至二零一九年三月三十一日止年度，中國智能手機行業被包括中美貿易戰及中國經濟放緩在內的負面因素所影響，面臨巨大壓力。中國智能手機市場飽和，擁有過多存貨的零售商對智能手機市場的欠佳表現有一定的影響。我們目睹了小規模智能手機市場參與者因中國的競爭激烈而被迫退出市場。據此，寶力優特科技(深圳)有限公司(「寶力優特」)管理層決定將其業務重點轉向軟件開發，例如未來的物聯網解決方案。由於業務模式改變，寶力優特的未來收入與截至二零一八年三月三十一日止年度期間逐步收購寶力優特產生的現金產生單位不一致，其當時主要研發及銷售雙屏手機。因此，本公司管理層認為逐步收購寶力優特產生的現金產生單位之賬面值大於可收回金額及截至二零一九年三月三十一日止年度於損益確認之商譽減值約9,316,000港元。

* For identification purpose only

* 僅供識別

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

25. GOODWILL (continued)

Impairment tests for goodwill (continued)

Multi-media technologies business

As at 31 March 2020, the Group performed an impairment review for a CGU of multi-media technologies business which was contributed by Hong Kong Made (Media) Limited ("Hong Kong Made") and Ample Success Limited ("Ample Success") (the "Multi-media CGU"), with reference to a valuation carried out by Flagship Global. The recoverable amount of the Multi-media CGU has been determined based on a value-in-use calculation, which uses a cash flow projection based on financial forecast approved by management covering a 3-year period. The pre-tax discount rate applied to cash flow projection is 21.5% and cash flow beyond the 3-year period is extrapolated using a steady 2% per annum growth rate. The growth rate used does not exceed the long-term average growth rate for the business in which the Multi-media CGU operates. As at 31 March 2020, based on the result of the assessment, management of the Group determined that the recoverable amount of the Multi-media CGU is higher than the carrying amount. Accordingly, no impairment loss has been recognised.

Management determined the budgeted sales and gross margins based on past performance, expectation for the market development and planned business strategy. The discount rate used is pre-tax and reflects specific risks relating to gamma ray irradiation services, tourism and hospitality business, mobile technologies business and multi-media technologies business.

25. 商譽(續)

商譽減值測試(續)

多媒體技術業務

於二零二零年三月三十一日，本集團參照由 Flagship Global 進行之估值為香港製作(媒體)有限公司(「香港製作」)及博功有限公司(「博功」)貢獻的多媒體技術業務之現金產生單位(「多媒體現金產生單位」)進行減值檢討。多媒體現金產生單位之可收回金額乃按使用價值計算法釐定，而使用價值計算法採用基於經管理層批准之三年期財務預測作出之現金流量預測。現金流量預測所應用之稅前折現率為21.5%，超過三年期之現金流量採用2%穩定年增長率推算。所用增長率不超過多媒體現金產生單位經營之業務之長遠平均增長率。於二零二零年三月三十一日，根據評估的結果，本集團管理層釐定多媒體現金產生單位之可收回金額高於賬面值。因此，並無確認減值虧損。

管理層按過往表現、對市場發展之預期及計劃業務策略決定預算銷售額及毛利率。所用折現率屬稅前折現率，反映與伽瑪射線照射服務、旅遊及消閒業務、手機技術業務以及多媒體技術業務相關之特有風險。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

26. INVENTORIES

26. 存貨

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Mobile technologies business	手機技術業務		
— Raw materials	— 原材料	7	4,297
— Work in progress	— 在製品	—	2,679
— Finished goods	— 製成品	—	4,662
		<u>7</u>	<u>11,638</u>

27. TRADE AND OTHER RECEIVABLES

27. 應收貿易及其他賬項

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Trade receivables	應收貿易賬項	11,307	9,742
Less: Allowance for credit losses	減：信貸虧損撥備	<u>(6,291)</u>	<u>(806)</u>
Trade receivables, net (Note a)	應收貿易賬項，淨額(附註a)	<u>5,016</u>	<u>8,936</u>
Other receivables and deposits (Notes b and c)	其他應收賬項及按金(附註b及c)	41,775	19,184
Prepayments	預付款項	<u>625</u>	<u>10,259</u>
		<u>42,400</u>	<u>29,443</u>
Less: Allowance for credit losses	減：信貸虧損撥備	<u>(3,042)</u>	<u>(2,374)</u>
Other receivables, prepayments and deposit paid, net	其他應收賬項、預付款項及 已付按金，淨額	<u>39,358</u>	<u>27,069</u>
		<u>44,374</u>	<u>36,005</u>

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

27. TRADE AND OTHER RECEIVABLES (continued)

Notes:

- (a) As at 1 April 2018, trade receivables from contracts with customers amounted to approximately HK\$7,743,000 net of allowance for credit losses of HK\$34,714,000. The following is an aged analysis of trade receivables net of allowance for credit losses, presented based on the invoice date, which approximates the respective revenue recognition dates:

0 to 30 days	0至30天
31 to 90 days	31天至90天
91 to 180 days	91天至180天
181 to 365 days	181天至365天

At 31 March 2020, included in the Group's trade receivables balance are debtors with aggregate carrying amount of approximately HK\$4,913,000 (2019: HK\$5,230,000) which are past due as at the reporting date. Out of the past due balances, approximately HK\$2,809,000 (2019: HK\$2,432,000) has been past due 90 days or more are not considered as default by considering the ongoing business relationship, repayment history and expected future settlement. The Group does not hold any collateral over these balances.

- (b) At 31 March 2020, included in the Group's deposits and other receivable, an amount of HK\$14,646,000 (equivalent to RMB13,000,000) represented a refundable earnest deposit paid to an independent third party under a memorandum of understanding in relation to the proposed acquisition of as an exclusive advertising agent in connection with the advertising agency services and related production services for the another train media.

- (c) Rental deposit paid was adjusted upon the initial application of HKFRS 16. Details of the adjustments are set out in Note 3.

Details of impairment assessment of trade and other receivables are set out in Note 7(b).

27. 應收貿易及其他賬項(續)

附註:

- (a) 於二零一八年四月一日，客戶合約應收貿易賬項為約7,743,000港元(已扣除信貸虧損撥備34,714,000港元)。以下為基於發票日期(與有關收入確認日期相若)呈列之應收貿易賬項(已扣除信貸虧損撥備)賬齡分析:

2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
0 to 30 days 31 to 90 days 91 to 180 days 181 to 365 days	0至30天 31天至90天 91天至180天 181天至365天
426 1,746 958 1,886	1,433 2,273 2,798 2,432
5,016	8,936

於二零二零年三月三十一日，本集團的應收貿易賬項結餘包括於報告日期已逾期的賬面總值約為4,913,000港元(二零一九年：5,230,000港元)的應收賬項。在逾期結餘中，約2,809,000港元(二零一九年：2,432,000港元)已逾期90天或以上，但考慮到持續業務關係、還款記錄及預期未來結算，該等款項並無被視為已違約。本集團並無就該等結餘持有任何抵押品。

- (b) 於二零二零年三月三十一日，本集團的按金及其他應收賬項包括就擬收購另一列車媒體廣告代理服務及相關產品服務的獨家廣告代理根據諒解備忘錄向一名獨立第三方支付的可退回保證金14,646,000港元(相當於人民幣13,000,000元)。

- (c) 已付租賃按金於首次應用香港財務報告準則第16號時予以調整。有關調整詳情載於附註3。

應收貿易及其他賬項之減值評估詳情載列於附註7(b)。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

28. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

28. 按公平值計入損益之金融資產

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Listed securities held for trading:	持作買賣之上市證券：		
Equity securities listed in Hong Kong	於香港上市之股本證券	512	778

As at 31 March 2020, the Group's listed securities of aggregate carrying amount of HK\$512,000 (2019: HK\$759,000) were pledged by the Group to secure a margin account payable (Note 34).

於二零二零年三月三十一日，本集團賬面總值為512,000港元(二零一九年：759,000港元)之上市證券已由本集團作質押，以擔保其應付孖展賬戶款項(附註34)。

29. BANK BALANCES AND CASH

Bank balances carry interest at market rates which ranged from 0.01% to 0.35% (2019: from 0.01% to 0.35%) per annum.

29. 銀行結餘及現金

銀行結餘按市場年利率0.01厘至0.35厘(二零一九年：0.01厘至0.35厘)計息。

Included in bank balances and cash are the following amounts denominated in currencies other than the group entities' functional currencies:

銀行結餘及現金包括下列以集團實體功能貨幣以外貨幣為單位之金額：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Japanese Yen	日圓	28	28
Malaysian Ringgit	馬來西亞元	2	2
EUR	歐元	3	—
Russian Ruble	俄羅斯盧布	1	1

Included in the bank balances and cash are the following amounts which are subject to foreign exchange control regulations and not freely transferable:

銀行結餘及現金包括下列受外匯管理規定規限及不可自由兌換之金額：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Amounts denominated in RMB	以人民幣為單位之款項	1,353	6,248

Details of impairment assessment of bank balances are set out in Note 7(b).

銀行結餘之減值評估詳情載列於附註7(b)。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

30. TRADE AND OTHER PAYABLES

30. 應付貿易及其他賬項

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Trade payables (Note a)	應付貿易賬項(附註a)	65,228	85,257
Other payables and accruals (Note b)	其他應付賬項及應計款項(附註b)	111,076	106,032
Deposit received (Note c)	已收按金(附註c)	15,640	15,640
Amounts due to shareholders and directors (Note d)	應付股東及董事款項(附註d)	46,026	45,078
Amount due to an associate (Note e)	應付一間聯營公司之款項(附註e)	—	135,040
		237,970	387,047

Notes:

- (a) The following is an aged analysis of trade payables presented based on the invoice date:

附註：

- (a) 以下為基於發票日期呈列之應付貿易賬項賬齡分析：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Up to 30 days	30天及以下	109	11,547
31 to 90 days	31至90天	166	490
91 to 180 days	91至180天	151	4,634
181 to 365 days	181至365天	453	18,322
Over 365 days	365天以上	64,349	50,264
		65,228	85,257

The average credit period granted by the trade creditors is 30 to 45 days (2019: 30 to 45 days).

貿易債權人授予的平均信貸期介乎30天至45天(二零一九年：30天至45天)。

- (b) At 31 March 2020, included in the Group's other payables and accruals represented an amount due to a non-controlling shareholder of a subsidiary of the Group of approximately HK\$27,373,000 (2019: approximately HK\$29,306,000) which are unsecured, interest free and repayable on demand.

- (b) 於二零二零年三月三十一日，本集團其他應付賬項及應計款項包括應付本集團附屬公司一名非控股股東款項約27,373,000港元(二零一九年：約29,306,000港元)，該款項為無抵押、免息及應要求償還。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

30. TRADE AND OTHER PAYABLES (continued)

Notes: (continued)

- (c) As at 31 March 2020, USD2,000,000 (equivalent to approximately HK\$15,640,000) (2019: USD2,000,000 (equivalent to approximately HK\$15,640,000)) was received from the employee of the Group (the "Employee") as a deposit (the "Deposit") for the Proposed Disposal (as defined below).

During the year ended 31 March 2018, the Group and the Employee entered into a sale and purchase agreement pursuant to which the Group conditionally agreed to sell and the Employee conditionally agreed to acquire 10% equity interest in Yota at a consideration of USD3,000,000 (equivalent to approximately HK\$23,460,000) (the "Proposed Disposal").

Pursuant to the sale and purchase agreement, the Employee shall provide or shall procure all necessary assistance to the Group in obtaining financing on terms favorable to the Group for the purpose of paying the royalty fee required to be paid under the intellectual property license agreement.

The Directors are of the opinion that the consideration of USD3,000,000 (equivalent to approximately HK\$23,460,000) for the Proposed Disposal was arrived at after arm's length negotiation.

On 16 March 2020, the Group and the Employee entered in to a supplemental agreement pursuant to which the Group and the Employee agreed to refund the Deposit to the Employee not later than 30 September 2021.

- (d) The amount(s) due to shareholders and directors are non-trade, unsecured, interest-free and repayable on demand.
- (e) As at 31 March 2019, the amount due to an associate represent royalty fee payable under the intellectual property license agreement, which is unsecured, carried interest rate of the 1-year People's Bank of China Benchmark rate, plus 5% but not more than 12% per annum, and repayable on demand.
- (f) Included in trade and other payables are the following amounts denominated in currencies other than the group entities' functional currencies:

30. 應付貿易及其他賬項(續)

附註：(續)

- (c) 於二零二零年三月三十一日，本集團從其一名僱員(「該名僱員」)收取2,000,000美元(相等於約15,640,000港元)(二零一九年：2,000,000美元(相等於約15,640,000港元))，作為建議出售事項(定義見下文)之按金(「按金」)。

於截至二零一八年三月三十一日止年度，本集團與該名僱員訂立買賣協議，據此，本集團有條件同意出售而該名僱員有條件同意收購Yota之10%股本權益，代價為3,000,000美元(相等於約23,460,000港元)(「建議出售事項」)。

根據買賣協議，該名僱員須向本集團提供或促使他人向本集團提供一切所需協助，以就支付根據知識產權授權協議須支付之專利權費取得條款有利於本集團之融資。

董事認為，建議出售事項之代價3,000,000美元(相等於約23,460,000港元)乃經公平磋商達致。

於二零二零年三月十六日，本集團與該名僱員訂立一份補充協議，據此本集團及該名僱員同意在不遲於二零二一年九月三十日前將按金退還予該名僱員。

- (d) 應付股東及董事款項屬非貿易性質，為無抵押、免息及應要求償還。
- (e) 於二零一九年三月三十一日，應付一間聯營公司款項指知識產權授權協議項下的應付專利權費，為無抵押、按中國人民銀行一年期基準利率加5厘(惟年利率不得超過12厘)計息及應要求償還。
- (f) 應付貿易及其他賬項包括下列以集團實體功能貨幣以外貨幣為單位之金額：

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
USD	15,797	15,797
美元		

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

31. LEASE LIABILITIES

31. 租賃負債

		2020 二零二零年 HK\$'000 千港元
Lease liabilities payable:	應於下列期間支付之租賃負債：	
Within one year	一年內	3,586
Within a period of more than one year but not more than two years	一年後但於兩年內	812
		4,398
Less: Amount due for settlement with 12 months shown under current liabilities	減：流動負債項下12個月內到期結算之款項	(3,586)
Amount due for settlement after 12 months shown under non-current liabilities	非流動負債項下12個月後到期結算之款項	812

32. LICENSE FEES PAYABLES

The balances represented the present values of license fee payables for acquisition of exclusive advertising license rights from a third party (Note 23), and related imputed interest arisen from the discounted payable as below:

32. 應付特許權費

有關結餘指自第三方收購獨家廣告特許權之應付特許權費現值(附註23)，而經折讓應付款項之相關推算利息如下：

		2020 二零二零年 HK\$'000 千港元
Within one year	一年內	28,633
Within a period of more than one year but not more than two years	一年後但於兩年內	23,763
		52,396
Less: Amount due for settlement with 12 months shown under current liabilities	減：流動負債項下12個月內到期結算之款項	(28,633)
Amount due for settlement after 12 months shown under non-current liabilities	非流動負債項下12個月後到期結算之款項	23,763

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

33. CONTRACT LIABILITIES

33. 合約負債

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Current	流動		
Multi-media and advertising service	多媒體及廣告服務	26,543	—
Sales of mobile phones and related products	銷售手機及相關產品	—	469
		26,543	469

As at 1 April 2018, contract liabilities amounted to HK\$4,267,000.

於二零一八年四月一日，合約負債為4,267,000港元。

Contract liabilities, that are not expected to be settled within the Group's normal operating cycle, are classified as current and non-current liabilities based on the Group's earliest obligation to transfer goods or services to the customers.

基於本集團向客戶轉讓商品或服務之最早義務，預期不會於本集團之正常經營週期內結算之合約負債分類為流動及非流動負債。

The following table shows how much of the revenue recognised relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in prior periods.

下表顯示確認之多少收益涉及結轉之合約負債及多少收益涉及於之前期間履行之履約責任。

For the year ended 31 March 2020	截至二零二零年三月三十一日止年度	Sales of mobile phones and related products 銷售手機及相關產品 HK\$'000 千港元
Revenue recognised that was included in the contract liability balance at the beginning of the year	於年初計入合約負債結餘之已確認收益	469

For the year ended 31 March 2019	截至二零一九年三月三十一日止年度	Sales of mobile phones and related products 銷售手機及相關產品 HK\$'000 千港元
Revenue recognised that was included in the contract liability balance at the beginning of the year	於年初計入合約負債結餘之已確認收益	1,408

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

33. CONTRACT LIABILITIES (continued)

During the year ended 31 March 2019, a sale contract is cancelled and the deposit of approximately HK\$2,859,000 received by the Group is reclassified from contract liabilities to other payables.

Typical payment terms which impact on the amount of contract liabilities recognised are as follows:

Multi-media and advertising service

When the Group receives a deposit before the production activity commences, this will give rise to contract liabilities at the start of a contract, until the revenue recognised on the relevant contract exceeds the amount of the deposit. The Group typically receives a deposit ranged from 10% to 50% of the sales amount on acceptance of the engagement.

Sales of mobile phones and related products

When the Group receives a deposit before the production activity commences, this will give rise to contract liabilities at the start of a contract, until the revenue recognised on the relevant contract exceeds the amount of the deposit. The Group typically receives a deposit ranged from 10% to 50% of the sales amount on acceptance of the engagements.

33. 合約負債(續)

於截至二零一九年三月三十一日止年度，銷售合約已取消且本集團收取之按金約2,859,000港元自合約負債重新分類為其他應付賬項。

影響確認之合約負債金額之典型付款條款如下：

多媒體及廣告服務

倘生產活動開始前本集團收取按金，將於合約伊始即產生合約負債，直至就相關合約確定之收入超過按金金額為止。本集團一般於接受委託時收取介乎銷售額10%至50%之按金。

銷售手機及相關產品

當本集團於生產活動開始之前收取按金時，此將於合約開始時產生合約負債，直至就相關合約確認之收益超過按金之金額。本集團通常於接納委聘時收取介乎銷售額10%至50%之按金。

34. BANK AND OTHER BORROWINGS

34. 銀行及其他借貸

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Current	流動		
Bank borrowing — secured (Note a)	銀行借貸 — 有抵押(附註a)	8,508	—
Margin account payable — secured (Note e)	應付孖展賬戶款項 — 有抵押(附註e)	42,538	39,214
Other borrowings — unsecured (Notes c & d)	其他借貸 — 無抵押(附註c及d)	188,498	160,681
Placing notes — unsecured (Note b)	配售票據 — 無抵押(附註b)	19,947	10,000
		259,491	209,895
Non-current	非流動		
Bank borrowing — secured (Note a)	銀行借貸 — 有抵押(附註a)	—	9,238
Placing notes — secured (Note b)	配售票據 — 有抵押(附註b)	9,868	19,657
		9,868	28,895
Total bank and other borrowings	銀行及其他借貸總額	269,359	238,790

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

34. BANK AND OTHER BORROWINGS (continued)

The Group's borrowings were payable as follows:

34. 銀行及其他借貸(續)

本集團之借貸應於下列期間償還：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Bank borrowing repayable	應於下列期間償還之銀行借貸		
Within one year	一年內	8,508	234
After one year but within two years	一年後但於兩年內	—	9,004
		8,508	9,238
Other borrowings repayable	應於下列期間償還之其他借貸		
Within one year	一年內	250,983	209,895
After one year but within two years	一年後但於兩年內	9,868	19,657
		260,851	229,552
Total bank and other borrowings	銀行及其他借貸總額	269,359	238,790

Notes:

- (a) As at 31 March 2020, the bank borrowing is secured by the entire equity interests of 濶博利源高科輻照技術有限公司 (Zibo Liyuan Gamma Ray Technologies Co. Limited*) ("Zibo Liyuan"), a non-wholly-owned subsidiary of the Company including leasehold buildings and right-of-use assets (Notes 19 and 21) (2019: leasehold buildings and land use rights (Notes 19 and 20)). The bank borrowing is mature on 2 September 2020 and carries fixed interest rate of 5.15% (2019: 5.15%) per annum.
- (b) On 20 August 2013, the Company entered into a placing agreement (the "Placing Agreement") with a placing agent (the "Placing Agent"), pursuant to which the Company agreed to place, through the Placing Agent, on a best effort basis, the placing notes up to an aggregate amount of HK\$300,000,000 to be issued by the Company in the denomination of HK\$2,000,000 each (the "Placing Notes") to independent third parties. Pursuant to the Placing Agreement, the Placing Notes carry interest at 5% per annum and are to be redeemed on the seventh anniversary from the respective issue dates of the Placing Notes. The Company may early redeem in whole the Placing Notes at a redemption price equal to the principal amount together with accrued interest after the third anniversary date from the respective issue dates of the Placing Notes.

On 15 August 2014, the Company and the Placing Agent renewed the placing period and agreed to place the notes in the remaining principal amount of up to HK\$280,000,000. Details of the placing and the renewal were set out in the Company's announcements dated 20 August 2013 and 15 August 2014 respectively.

附註：

- (a) 於二零二零年三月三十一日，銀行借貸以濶博利源高科輻照技術有限公司（「濶博利源」，本公司非全資附屬公司）全部股本權益（包括租賃樓宇及使用權資產）（附註19及21）（二零一九年：租賃樓宇及土地使用權（附註19及20））作抵押。銀行借貸於二零二零年九月二日到期，按固定年利率5.15厘（二零一九年：5.15厘）計息。
- (b) 於二零一三年八月二十日，本公司與一名配售代理（「配售代理」）訂立配售協議（「配售協議」），據此，本公司同意透過配售代理按盡力基準配售本公司將予發行本金總額最多300,000,000港元及每份面值2,000,000港元之配售票據（「配售票據」）予獨立第三方。根據配售協議，配售票據按年利率5厘計息，並將於由每份配售票據之發行日期起計第七週年贖回。本公司可於由每份配售票據之發行日期起計第三週年日期後以相等於本金額連同應計利息之贖回價提前悉數贖回配售票據。

於二零一四年八月十五日，本公司與配售代理重續配售期，並同意配售餘下本金額最多280,000,000港元之票據。有關配售事項及重續事項之詳情，分別載於本公司日期為二零一三年八月二十日及二零一四年八月十五日之公告。

* For identification purpose only

* 僅供識別

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

34. BANK AND OTHER BORROWINGS (continued)

(b) (continued)

During the year ended 31 March 2014, the Company issued placing notes to two placees with aggregate principal amount of HK\$20,000,000. During the year ended 31 March 2015, the Company issued placing notes to another placee with aggregate principal amount of HK\$10,000,000. The placing notes carried at amortised cost and the effective interest rate ranged from 5.9% to 6.9% per annum.

As detailed in Note 39 to the consolidated financial statements. The Group defaulted on the repayment of the interest on placing notes on their respective due dates during the year ended 31 March 2019. One holder of the Placing Notes with aggregate principal amount of HK\$10,000,000 had taken legal actions against the Company to recover the debts.

- (c) Included in other borrowings of HK\$121,839,000 (equivalent to RMB111,555,000) (2019: HK\$121,248,000 (equivalent to RMB103,690,000)) represent loans from an independent third party. The loan is mature on 27 March 2019, unsecured and carries interest rate of the People's Bank of China Benchmark Rate.
- (d) Included in other borrowings of HK\$5,010,000 (equivalent to RMB3,445,000) represent loans from an independent third party during the year ended 31 March 2019. The loan is mature on 31 March 2021, unsecured and carries fixed interest rate of 5% per annum.
- (e) Margin account payable is secured by certain listed securities held by the Group (Note 28) and carry interest at prime rate plus 3% per annum.

34. 銀行及其他借貸(續)

(b) (續)

於截至二零一四年三月三十一日止年度，本公司向兩名承配人發行配售票據，本金總額為20,000,000港元。於截至二零一五年三月三十一日止年度，本公司向另一名承配人發行配售票據，本金總額為10,000,000港元。配售票據按攤銷成本列賬及按實際年利率5.9厘至6.9厘計息。

誠如綜合財務報表附註39所詳述，截至二零一九年三月三十一日止年度，本集團拖欠償還配售票據於各到期日的利息。本金總額10,000,000港元的配售票據的一名持有人已對本公司採取法律行動以追回債務。

- (c) 其他借貸包括121,839,000港元(相等於人民幣111,555,000元)(二零一九年: 121,248,000港元(相等於人民幣103,690,000元))向一名獨立第三方借取之貸款。該借貸於二零一九年三月二十七日到期，為無抵押及按中國人民銀行基準利率計息。
- (d) 截至二零一九年三月三十一日止年度，其他借貸包括5,010,000港元(相等於人民幣3,445,000元)向一名獨立第三方借取之貸款。該貸款於二零二一年三月三十一日到期，為無抵押及按固定年利率5厘計息。
- (e) 應付孖展賬戶款項以本集團所持之若干上市證券作抵押(附註28)，按最優惠年利率加3厘計息。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

35. CONVERTIBLE LOAN

On 22 August 2019, Hong Kong Made (Media) Limited (the "Hong Kong Made"), a wholly-owned subsidiary of the Company, entered into a convertible loan agreement (the "Convertible Loan Agreement") with an independent third party (the "Lender"), in respect of a HK\$8,550,000 convertible loan (the "Convertible Loan").

The principal terms of the Convertible Loan are as follows:

Principal amount:	HK\$8,550,000
Interest rate:	18% per annum
Maturity date:	The first anniversary date of the convertible loan utilisation date (i.e. 21 August 2020)
Conversion:	The Lender compulsory convert the Convertible Loan together with any interest accrued thereon (if any) to the shares of Hong Kong Made calculated on a fully diluted basis upon an event of default has occurred on or before the maturity date.
Conversion price:	Based on a HK\$50,000,000 pre-money valuation agreed upon in good faith between Hong Kong Made and the Lender
Events of default:	<p>(i) Any failure to make any payment when due of principal or accrued interest under the Convertible Loan Agreement or any other obligation and such non-payment remains uncured for a period of 7 calendar days thereafter;</p> <p>(ii) Hong Kong Made fails to cure within 14 calendar days after receiving notice from the Lender any representation or warranty of Hong Kong Made set forth in the Convertible Loan Agreement or in any agreement, instrument, document, certificate or financial statement evidencing, guarantying, securing or otherwise related to, the Convertible Loan Agreement or any other obligation that is materially inaccurate or misleading;</p>

35. 可換股貸款

於二零一九年八月二十二日，本公司之全資附屬公司香港製作(媒體)有限公司(「香港製作」)與獨立第三方(「貸款人」)就8,550,000港元可換股貸款(「可換股貸款」)訂立可換股貸款協議(「可換股貸款協議」)。

可換股貸款的主要條款如下：

本金額：	8,550,000港元
利率：	每年18%
到期日：	可換股貸款動用日期的首個週年日(即二零二零年八月二十一日)
換股：	倘於到期日或之前發生違約事件，貸款人將可換股貸款連同其所產生的任何利息(如有)強制轉換為按完全攤薄基準計算的香港製作股份。
換股價：	基於香港製作與貸款人之間真誠協定的投資前估值50,000,000港元
違約事項：	<p>(i) 未能於可換股貸款協議項下本金或應計利息或任何其他責任到期時作出付款，且有關未付於其後7個曆日止期間內仍未糾正；</p> <p>(ii) 於接獲貸款人通知後14個曆日內，香港製作未能糾正可換股貸款協議或任何證明、保證、擔保或以其他方式與可換股貸款協議或任何其他責任相關的協議、文據、文件、證書或財務報表所載香港製作的任何嚴重失實或有所誤導的聲明或保證；</p>

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

35. CONVERTIBLE LOAN (continued)

- (iii) Hong Kong Made fails to observe or perform any other material term or condition of the Convertible Loan Agreement or any other term or condition set forth in any agreement, instrument, document, certificate or financial statements evidencing, guarantying or otherwise related to this Convertible Loan Agreement or any other obligation or Hong Kong Made otherwise defaults in the observance or performance of any covenant or agreement set forth in any of the foregoing for a period of 14 calendar days after notice to the Hong Kong Made of such failure or default;
- (iv) A commencement by any endorser of a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect;
- (v) Hong Kong Made and/or its ultimate beneficial owner enters bankruptcy or becomes insolvent or is wound up or liquidated within the meaning of any legislation applicable to it; a petition or other process for the bankruptcy, insolvency, winding up or liquidation of the Company is filed or instituted and remains undismissed or unstayed for a period of at least 30 days;
- (vi) The filing of a petition initiating an involuntary case in which Hong Kong Made or any endorser is the debtor under any such bankruptcy, insolvency or similar law, which case is not dismissed with 90 calendar days; or the making by Hong Kong Made or any endorser of any general assignment for the benefit of creditors; or

35. 可換股貸款(續)

- (iii) 香港製作未能遵守或履行可換股貸款協議的任何其他重大條款或條件或任何證明、保證或以其他方式與可換股貸款協議或任何其他責任相關的協議、文據、文件、證書或財務報表所載任何其他條款或條件，或於向香港製作發出有關失敗或違約的通知後14個曆日止期間內，香港製作仍未能遵守或履行任何前述所載任何契諾或協定；
- (iv) 任何背書人根據任何現時或日後生效的適用破產、無力償債或其他類似法律提出自願訴訟；
- (v) 根據任何適用法律香港製作及／或其最終實益擁有人進入破產或成為無力償債或被清盤或清算；就本公司破產、無力償債、清盤或清算提出或提訴呈請或其他法律程序，且於至少30日止期間內仍受理或未擱置；
- (vi) 根據任何有關破產、無力償債或類似法律提出呈請啟動非自願訴訟，其中香港製作或任何背書人為債務人，而有關訴訟於90個曆日內未被駁回；或香港製作或任何背書人為債權人利益進行任何全面轉讓；或

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

35. CONVERTIBLE LOAN (continued)

- (vii) Any destruction, loss or damage of or to the collateral in any material respect.

The convertible loan contain two components, debt component and derivative (including conversion options) component. The effective interest rate of the debt component is 19.34%. The derivative component is measured at fair value with changes in fair value recognised in profit or loss.

The movement of the debt and derivative components of the convertible loan for the year is set out as below:

35. 可換股貸款(續)

- (vii) 於任何重大方面對抵押品造成任何破壞、損失或損害。

可換股貸款包括兩部分，即債務部分及衍生工具(包括換股期權)部分。債務部分的實際利率為19.34%。衍生工具部分以公平值計量，公平值變動於損益確認。

年內可換股貸款中債務及衍生工具部分的變動載列如下：

		Liability component 負債部分 HK\$'000 千港元	Derivative component 衍生工具部分 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Issuance of convertible loan	發行可換股貸款	8,417	133	8,550
Interest expense (Note 11)	利息開支(附註11)	992	—	992
Change in fair value	公平值變動	—	(49)	(49)
At 31 March 2020	於二零二零年三月三十一日	9,409	84	9,493

The fair value of the Convertible Loan as at 31 March 2020 is determined by Flagship Appraisals, an independent qualified professional valuer not connected to the Group, using the Binomial Model and Probability weighted discounted cash flow method with the following key attributes:

可換股貸款於二零二零年三月三十一日的公平值由旗艦資產評估(一家與本集團無關連的獨立合資格專業估值師)使用二項式模型及概率加權貼現現金流量法釐定，並具有以下主要特徵：

		22 August 2019 二零一九年 八月二十二日	31 March 2020 二零二零年 三月三十一日
Default rate	違約率	10.43%	4.24%
Volatility	波幅	53.08%	75.37%
Dividend yield	股息收益	0%	0%
Option life (years)	期權期限(年)	1.00	0.39
Risk free rate option	無風險利率期權	2.01%	0.70%

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

36. DEFERRED TAXATION

The following is the analysis of the deferred tax balances for financial reporting purposes:

36. 遞延稅項

以下為作財務報告目的之遞延稅項結餘分析：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Deferred tax assets	遞延稅項資產	—	2,524
Deferred tax liabilities	遞延稅項負債	—	(30)
		<u>—</u>	<u>2,494</u>

Details of the deferred tax assets and liabilities recognised and movement thereon during the current and prior years:

已確認遞延稅項資產及負債以及其於本年度及過往年度之變動詳情：

		ECL provision 預期信貸 虧損撥備 HK\$'000 千港元	Tax loss 稅項虧損 HK\$'000 千港元	Accelerated tax depreciation 加快 稅項折舊 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2018	於二零一八年四月一日	22	—	(30)	(8)
Credit to profit or loss (Note 13)	計入損益表(附註13)	13	2,489	—	2,502
At 31 March 2019	於二零一九年三月三十一日	35	2,489	(30)	2,494
Deconsolidation of a subsidiary (Note 43)	附屬公司終止綜合入賬(附註43)	(35)	(2,489)	30	(2,494)
At 31 March 2020	於二零二零年三月三十一日	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

36. DEFERRED TAXATION (continued)

As at 31 March 2020, the Group has unutilised tax losses of approximately HK\$551,961,000 (2019: approximately HK\$567,046,000), part of which has not yet been agreed with the Hong Kong Inland Revenue Department, available for offset against future profits. As at 31 March 2020, no deferred tax asset in relation to the unused tax loss has been recognised in the Group's consolidated statement of financial position. As at 31 March 2019, a deferred tax asset of approximately HK\$2,489,000 in relation to the unused tax loss of approximately HK\$15,085,000 has been recognised in the Group's consolidated statement of financial position. No deferred tax asset has been recognised on the tax losses of approximately HK\$551,961,000 (2019: HK\$551,961,000) due to the unpredictability of future profit streams.

Included in unutilised tax losses as at 31 March 2020 were losses of approximately HK\$232,123,000 (2019: approximately HK\$184,598,000) that would expire in five years and the remaining balance would not expire under the current tax legislation.

36. 遞延稅項(續)

於二零二零年三月三十一日，本集團可供抵扣未來溢利之未動用稅務虧損約為551,961,000港元(二零一九年：約567,046,000港元)，部分金額尚未獲得香港稅務局同意。於二零二零年三月三十一日，本集團之綜合財務狀況表並無就未動用稅務虧損確認遞延稅項資產。於二零一九年三月三十一日，本集團綜合財務狀況表就未動用稅務虧損約15,085,000港元確認遞延稅項資產約2,489,000港元。由於不能預計未來溢利來源，故並未就該等稅務虧損約551,961,000港元(二零一九年：551,961,000港元)確認遞延稅項資產。

於二零二零年三月三十一日，未動用稅務虧損包括虧損約232,123,000港元(二零一九年：約184,598,000港元)，根據現行稅務法例，其將於五年內到期及剩下結餘並無到期日。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

37. SHARE CAPITAL

37. 股本

		Par value per share 每股股份 面值 HK\$ 港元	Number of shares 股份數目 '000 千股	Amount 金額 HK\$'000 千港元
Ordinary shares:	普通股：			
Authorised:	法定：			
At 1 April 2018	於二零一八年四月一日	0.01	65,000,000	650,000
Share consolidation (Note a)	股份合併(附註a)	N/A 不適用	(58,500,000)	—
At 31 March 2019 and 2020	於二零一九年及二零二零年 三月三十一日	0.10	6,500,000	650,000
Issued and fully paid:	已發行及繳足：			
At 1 April 2018	於二零一八年四月一日	0.01	35,225,131	352,251
Share consolidation (Note a)	股份合併(附註a)	N/A 不適用	(31,702,618)	—
Issuance of shares for the further acquisition of an associate (Note b)	就進一步收購一間聯營公司 發行股份(附註b)	0.10	25,425	2,543
Issuance of shares under share award scheme (Note c)	根據股份獎勵計劃發行股份 (附註c)	0.10	90,290	9,029
At 31 March 2019	於二零一九年三月三十一日	0.10	3,638,228	363,823
Issuance of shares for acquisition of subsidiaries (Note d)	就收購附屬公司發行股份 (附註d)	0.10	83,333	8,333
At 31 March 2020	於二零二零年三月三十一日	0.10	3,721,561	372,156

Notes:

附註：

- (a) Pursuant to an ordinary resolution passed in the special general meeting held on 2 August 2018, the share consolidation on the basis that every ten issued and unissued ordinary shares of the Company with par value of HK\$0.01 per share have been consolidated into one consolidated share with par value of HK\$0.10 per share (the "Consolidated Share"). The Consolidated Shares rank pari passu in all respects with each other and the share consolidation have been effective on 3 August 2018.

- (a) 根據於本公司於二零一八年八月二日舉行的股東特別大會通過的普通決議案，股份合併按每10股已發行及未發行本公司普通股(面值為每股股份0.01港元)合併為1股合併股份(面值為每股股份0.10港元)(「合併股份」)之基準進行。合併股份在所有方面彼此享有同等權益且股份合併已於二零一八年八月三日生效。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

37. SHARE CAPITAL (continued)

Notes: (continued)

- (b) On 26 September 2018, 25,424,836 ordinary shares of the Company, with aggregate nominal value of approximately HK\$2,543,000, were issued and allotted for settlement of the second tranche of the consideration shares in relation to the Second Acquisition. Details are set out in Note 24 to the consolidated financial statements.
- (c) On 15 October 2018, the Company had issued and allotted 90,290,000 ordinary shares, with aggregate nominal value of HK\$9,029,000 to 8 Selected Employees (defined in Note 41) granted under the share award scheme. Details are set out in Note 41 to the consolidated financial statements.
- (d) On 6 June 2019, 83,333,325 ordinary shares of the Company, with aggregate nominal value of approximately HK\$8,333,000, were issued for settlement of the first tranche of consideration shares in relation to the acquisition of subsidiaries. Details are set out in Note 42 to the consolidated financial statements.

All the ordinary shares issued during the years ended 31 March 2020 and 2019 ranked pari passu with the existing ordinary shares in all respects.

38. RETIREMENT BENEFITS SCHEME

The Group operates a MPF scheme for all qualifying employees in Hong Kong. The assets of the schemes are held separately from those of the Group, in funds under the control of trustees. The Group contributes 5% of relevant payroll costs capped at HK\$1,500 (2019: HK\$1,500) per month to MPF scheme, in which the contribution is matched by employees.

The employees of the Group's subsidiaries in the PRC are members of the state-managed retirement benefits scheme operated by the government of PRC. The subsidiaries in the PRC are required to contribute a certain percentage of the payroll cost to the retirement benefits scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefits scheme is to make the required contributions under the scheme.

The total expense recognised in profit or loss of approximately HK\$810,000 (2019: approximately HK\$1,382,000) represents contributions payable to these plans by the Group at rates specified in the rules of the plans. As at 31 March 2020, contributions of approximately HK\$29,000 (2019: approximately HK\$38,000) due in respect of the year ended 31 March 2020 (2019) had not been paid over to the plans. The amounts were paid subsequent to the end of the reporting period.

37. 股本(續)

附註:(續)

- (b) 於二零一八年九月二十六日,本公司25,424,836股普通股(總面值為約2,543,000港元)獲發行及配發以結清有關第二收購事項的第二批代價股份。詳情載於綜合財務報表附註24。
- (c) 於二零一八年十月十五日,本公司發行及配發根據股份獎勵計劃授出的90,290,000股普通股(總面值為9,029,000港元)予8名選定僱員(定義見附註41)。詳情載於綜合財務報表附註41。
- (d) 於二零一九年六月六日,本公司83,333,325股普通股(總面值為約8,333,000港元)獲發行以結清有關收購附屬公司的第一批代價股份。詳情載於綜合財務報表附註42。

於截至二零二零年及二零一九年三月三十一日止年度內發行之所有普通股於各方面均與現有普通股享有同等權益。

38. 退休福利計劃

本集團為其全部合資格香港僱員推行強積金計劃。計劃之資產與本集團之資產分開,由受託人控制之基金持有。本集團每個月向強積金計劃供款相關工資成本的5%,上限為1,500港元(二零一九年:1,500港元),其中供款與僱員相稱。

本集團位於中國之附屬公司僱員為中國政府運作之國家管理之退休福利計劃成員。中國之附屬公司須向退休福利計劃提供工資成本一定百分比之供款,以便為福利提供資金。本集團有關退休福利計劃之唯一義務為根據計劃作出所需之供款。

於損益中確認的開支總額約810,000港元(二零一九年:約1,382,000港元),為本集團按該等計劃之規則訂明的費率應向該等計劃支付的供款。於二零二零年三月三十一日,就截至二零二零年(二零一九年)三月三十一日止年度到期應付的供款約29,000港元(二零一九年:約38,000港元)尚未支付予該等計劃。有關金額已於報告期末後支付。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

39. LITIGATIONS AND CONTINGENT LIABILITIES

Litigation

- (1) In April 2016, the Company completed a placing pursuant to the terms of the placing agreement with a placing agent and allotted and issued 25,000,000,000 new shares to various placees (the "Placing"). Pursuant to the terms of the placing agreement, each placee undertook to the Company that the shares issued and allotted to it under the Placing would be subject to a lock-up period of 24 months from the date of allotment and issue of such shares.

In May 2016, three placees under the Placing were found to have breached their lock-up undertakings to the Company under the Placing by pledging their shares to two lenders as security for loans. An interlocutory injunction order (the "Injunction Order") was obtained by the Company from the High Court of Hong Kong (the "Court") on 27 May 2016, which was subsequently continued by a court order given on 3 June 2016, restraining the three placees from breaching the lock-up undertakings by, among other things, directly or indirectly selling, mortgaging, charging, pledging, hypothecating, lending, granting or selling any option, warrant, contract or right to purchase, transferring, disposing of, creating any right over, or agreeing or offering to do any of the aforesaid in relation to the 1,667 million shares allotted and issued to them under the Placing until trial or further order. Further details of the court orders are set out in the announcements of the Company dated 29 May 2016 and 7 June 2016. The two lenders then took out applications in the Court in June 2016 and July 2016 respectively seeking declarations that they are beneficially entitled to the shares being the subject matter of the Injunction Order and later for variation of the Injunction Order to the effect that those shares shall no longer be the subject matter of the Injunction Order. The three placees disputed the contention that the lenders are the beneficial owners of the shares and legal proceedings regarding the ownership of those shares were brought in foreign jurisdictions. On 12 June 2017, the Court ordered that one of the lenders' (the "2nd Third Party") applications be adjourned pending the decision of the legal proceedings in foreign jurisdiction and the other lender's application be dismissed with costs to the Company. The lock-up period has already expired in April 2018 and the Injunction Order has been formally discharged by an Order dated 1 February 2019. As at the date of this report, the litigation is still in progress against the three placees for their breach of the lock-up undertakings. On 6 July 2020, the Company received a letter from the 2nd Third Party indicating its intention to restore the hearing for its applications. The 2nd Third Party had also communicated its intention to the Court. Up to the date of this report, the Company has not received the 2nd Third Party's application to restore the hearing.

39. 訴訟及或然負債

訴訟

- (1) 於二零一六年四月，本公司根據與一名配售代理訂立之配售協議之條款完成一項配售，向多名承配人配發及發行25,000,000,000股新股份（「配售事項」）。根據配售協議之條款，每名承配人向本公司承諾，彼根據配售事項獲發行及配發之股份將受限於由該等股份配發及發行日期起計24個月之禁售期。

於二零一六年五月，三名配售事項之承配人被發現向兩名貸款人質押彼等之股份作為貸款之抵押品，已違反彼等於配售事項下向本公司作出之禁售承諾。於二零一六年五月二十七日，本公司已取得香港高等法院（「法院」）發出之臨時禁制令（「禁制令」，其後藉於二零一六年六月三日作出之法院命令延續），限制該三名承配人不可違反禁售承諾（其中包括）直接或間接銷售、按揭、押記、質押、抵押、借出、轉讓、處置彼等根據配售事項獲配發及發行之1,667,000,000股股份，或授出或出售涉及該等股份之任何購股權、認股權證、合約或購買權、設立任何涉及該等股份之權利或同意或要約進行上述任何事項，直至審訊或進一步頒令為止。法院命令之進一步詳情載於本公司日期為二零一六年五月二十九日及二零一六年六月七日之公告內。該兩名貸款人其後分別於二零一六年六月及二零一六年七月向法院申請宣告彼等為禁制令所涉股份之實益擁有人，繼而申請修改禁制令，致使該等股份不再受禁制令限制。該三名承配人反對貸款人為該等股份之實益擁有人之主張，並於境外司法權區提出有關該等股份擁有權之法律程序。於二零一七年六月十二日，法院命令將其中一名貸款人（「第二名第三方」）之申請擱置，等待境外司法權區之法律程序裁決，而另一名貸款人之申請則被駁回，且本公司獲得訟費。禁售期已於二零一八年四月屆滿，而禁制令經日期為二零一九年二月一日的命令正式獲解除。於本報告日期，該訴訟仍在就違反禁售承諾而對三名承配人進行。於二零二零年七月六日，本公司收到第二名第三方之函件，表明其有意恢復其申請之聆訊。第二名第三方亦已向法院表達此意願。截至本報告日期，本公司尚未收到第二名第三方提出之恢復聆訊申請。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

39. LITIGATIONS AND CONTINGENT LIABILITIES (continued)

Litigation (continued)

- (2) On 20 August 2013, the Company entered into the 2013 placing agreement ("2013 Placing Agreement") with the placing agent. Pursuant to the 2013 Placing Agreement, the placing notes carry interest at 5% per annum and are to be redeemed on the seventh anniversary from the respective issue dates of the placing notes.

One creditor had taken legal actions against the Company to recover the alleged outstanding debts under the placing notes. The alleged debts amount includes the principal of HK\$10,000,000 and outstanding interests of approximately HK\$1,264,000. The placing agent was added as the 2nd Defendant ("2nd Defendant") in the Amended Statement of Claim by the plaintiff on 16th March 2020. On 10th July 2020, the Company filed and served its Amended Defence and was served the plaintiff's reply. Up to the date of this report, the Company has not been served with the defence of the 2nd Defendant. This action is still in progress and the Company intends to defend this matter vigorously.

Save as disclosed above, there is no other material litigation expected to result in a significant adverse effect on the financial position of the Group, either collectively or individually. Management believes that adequate provisions have been made in respect of such litigation.

40. SHARE OPTION SCHEME

On 22 August 2011, the Company adopted a share option scheme (the "Share Option Scheme") which will expire on 21 August 2021. The primary purpose of the Share Option Scheme is to provide incentives or reward to the eligible persons for their contribution to, and continuing efforts to promote the interests of, the Group. Under the Share Option Scheme and subject to its terms and conditions, the Board may at its discretion offer to any eligible employee, director, consultant, agent, supplier, customer or contractor of the Group options to subscribe for shares in the Company. Such offer shall be opened for acceptance on a day specified in the letter of grant which shall be no longer than 30 days from the date of the letter of grant. The share options shall be deemed to have been granted and accepted and taken effect when the duplicate letter of grant is signed by the eligible person and returned to the Company together with a remittance in favour of the Company of HK\$1 for each acceptance of grant of the share options.

39. 訴訟及或然負債(續)

訴訟(續)

- (2) 於二零一三年八月二十日，本公司與配售代理訂立二零一三年配售協議(「二零一三年配售協議」)。根據二零一三年配售協議，配售票據按年利率5厘計息，並將於自配售票據各自之發行日期起計第七週年贖回。

一名債權人已對本公司提起法律訴訟以收回配售票據項下之指稱的未償還債務。指稱債務金額包括本金10,000,000港元及尚未償還之利息約1,264,000港元。於二零二零年三月十六日，原告在經修訂申索陳述書中將配售代理加為第二被告(「第二被告」)。於二零二零年七月十日，本公司提交及送達其經修訂抗辯書，並收到原告之答覆。截至本報告日期，本公司尚未收到第二被告之抗辯書。此訴訟仍在進行中，本公司將積極抗辯。

除上文所披露者外，概無其他重大訴訟預期會共同或個別地對本集團之財務狀況造成重大不利影響。管理層認為已就該訴訟計提充足撥備。

40. 購股權計劃

於二零一一年八月二十二日，本公司採納將於二零二一年八月二十一日到期之購股權計劃(「購股權計劃」)。購股權計劃之主要目的在於向合資格人士就彼等對本集團之貢獻及推動本集團利益之不懈努力提供激勵或獎勵。根據購股權計劃及受其條款及條件所限，董事會可酌情向本集團任何合資格僱員、董事、顧問、代理、供應商、客戶或承包商提呈授出可認購本公司股份之購股權。有關提呈將於授出函件指定之日期(不遲於授出函件日期起計30日)可供接納。當授出函件副本獲合資格人士簽署及交回本公司，並就接納每次授出購股權向本公司匯款1港元，購股權將被視為已獲授出並接納及生效。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

40. SHARE OPTION SCHEME (continued)

The exercise price is determined by the Directors, which shall be at least the highest of (i) the closing price of the shares on the date of offer, (ii) the average closing price of the shares for the five business days immediately preceding the date of offer, and (iii) the nominal value of the Company's shares.

The maximum aggregate number of shares which may be issued upon the exercise of all outstanding vested or unvested options granted and yet to be exercised under the Share Option Scheme and any other schemes must not, in aggregate, exceed 30% of the total number of shares of the Company in issue from time to time (the "Overriding Limit").

The aggregate number of shares which may be issued upon exercise of all share options to be granted under the Share Option Scheme and any other schemes shall not exceed in aggregate 10% of the shares of the Company in issue as at the date of shareholders' approval of the Share Option Scheme (the "Share Option Scheme Mandate Limit"). Subject to the Overriding Limit, the Company may refresh the Share Option Scheme Mandate Limit by ordinary resolution of the shareholders in general meeting, provided that the Share Option Scheme Mandate Limit so refreshed shall not exceed 10% of the total number of issued shares as at the date of shareholders' approval of the refreshment.

The maximum number of shares (issued and to be issued) in respect of which options may be granted under the Share Option Scheme and any other schemes to any eligible person in any 12-month period shall not exceed 1% of the total number of shares of the Company in issue, unless a shareholders' approval has been obtained.

40. 購股權計劃(續)

行使價由董事釐定，將不低於以下各項之最高者：(i)提呈日期之股份收市價；(ii)緊接提呈日期前五個營業日之股份平均收市價；及(iii)本公司股份面值。

因根據購股權計劃及任何其他計劃授出及仍未行使之所有尚未行使已歸屬或未歸屬購股權獲行使而可能發行之股份總數，合共最多不得超過本公司不時已發行股份總數之30%（「最高上限」）。

因根據購股權計劃及任何其他計劃將授出之所有購股權獲行使而可能發行之股份總數合計不得超過於股東批准購股權計劃當日本公司已發行股份數目之10%（「購股權計劃授權上限」）。受限於最高上限，本公司可透過於股東大會上通過股東普通決議案更新購股權計劃授權上限，惟經更新之購股權計劃授權上限不得超過於股東批准更新當日已發行股份總數之10%。

除已獲股東批准外，於任何十二個月期間根據購股權計劃及任何其他計劃可能授予任何合資格人士之購股權所涉及之已發行及將予發行股份數目，最多不得超過本公司已發行股份總數之1%。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

40. SHARE OPTION SCHEME (continued)

Any grant of share options to a director, chief executive or substantial shareholder of the Company, or any of their respective associates must be approved by the independent non-executive directors. Where share options are proposed to be granted to a substantial shareholder or an independent non-executive director, or any of their respective associates, and the grant would result in the aggregate of shares issued and to be issued upon exercise of all options granted or to be granted under the Share Option Scheme and any other schemes to such person in the 12-month period up to and including the date of offer of the relevant share options to (i) represent in aggregate over 0.1% of the total number of issued shares for the time being; and (ii) have an aggregate value, based on the closing price of the shares, in excess of HK\$5,000,000, the proposed grant shall be subject to the approval of the shareholders in general meeting with the connected persons abstaining from voting in favour.

An option may be exercised in accordance with the terms of the Share Option Scheme during such period as may be determined by the Board (which shall not be more than 10 years commencing on the date on which the share option is granted and accepted). Unless otherwise determined by the Board, there is no minimum period for which a share option must be held before it can be exercised. Subject to early termination by the Company in general meeting or the Board, the Share Option Scheme shall be valid and effective for a period of 10 years commencing on its date of adoption.

40. 購股權計劃(續)

授予本公司之董事、最高行政人員或主要股東或任何彼等各自之聯繫人任何購股權，必須獲得獨立非執行董事之批准。倘建議向主要股東或獨立非執行董事或任何彼等各自之聯繫人授出購股權，而建議授出購股權將導致於截至提呈有關購股權之日(包括該日)止十二個月期間，因根據購股權計劃及任何其他計劃已授予或將授予有關人士之所有購股權獲行使而已發行及將予發行之股份總數(i)合共佔當時已發行股份總數的逾0.1%；及(ii)總價值(根據股份收市價計算)超過5,000,000港元，則建議授出須獲股東於股東大會上批准後，方可作實，且關連人士須放棄投贊成票。

購股權可於董事會釐定之期間(不得超過自購股權授出及獲接納之日起計十年)內根據購股權計劃之條款行使。除董事會另行釐定外，並無設定可行使前必須持有購股權之最短期限。受本公司於股東大會或董事會提早終止所限，購股權計劃將於採納日期起計十年期間內有效及生效。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

40. SHARE OPTION SCHEME (continued)

No share options were granted under the share option scheme during the year ended 31 March 2020 and 2019. The following table disclose details of the Company's share options held by Directors and employees and movements in the share options granted under the Share Option Scheme, for the year ended 31 March 2019.

40. 購股權計劃(續)

截至二零二零年及二零一九年三月三十一日止年度概無根據購股權計劃授出購股權。下表披露截至二零一九年三月三十一日止年度董事及僱員所持有之本公司購股權及根據購股權計劃授出之購股權變動詳情：

Grantee	Date of grant	Exercise price per share	Exercisable period	Outstanding at 1 April 2018	Lapsed during the year	Outstanding at 31 March 2019 and 31 March 2020
承授人	授出日期	每股行使價 HK\$ 港元	可行使期間	於二零一八年 四月一日 尚未行使	年內失效	於二零一九年 三月三十一日 及二零二零年 三月三十一日 尚未行使
Directors						
董事						
Chu Wei Ning 祝蔚寧	27 June 2016 二零一六年六 月二十七日	0.239	27 June 2016–26 June 2018 二零一六年六月二十七日至 二零一八年六月二十六日	300,000,000	(300,000,000)	—
Yeung Chun Wai, Anthony 楊俊偉	27 June 2016 二零一六年六 月二十七日	0.239	27 June 2016–26 June 2018 二零一六年六月二十七日至 二零一八年六月二十六日	200,000,000	(200,000,000)	—
Employees 僱員	27 June 2016 二零一六年六 月二十七日	0.239	27 June 2016–26 June 2018 二零一六年六月二十七日至 二零一八年六月二十六日	200,500,000	(200,500,000)	—
				<u>700,500,000</u>	<u>(700,500,000)</u>	<u>—</u>
Exercisable at the end of the year 於年終可行使						—
Weighted average contractual life 加權平均合約年期						N/A 不適用
Weighted average exercise price 加權平均行使價				0.239	0.239	—

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

40. SHARE OPTION SCHEME (continued)

The fair value of equity-settled share options granted is estimated at the date of grant using the Black-Scholes option pricing model (the "Model"), taking into account the terms and conditions upon which the options were granted. Details of the fair values of share options determined at the date of grant using the Model with significant variables and assumptions are as follows:

40. 購股權計劃(續)

所授出以股本結算之購股權的公平值於授出日期以柏力克舒爾斯期權定價模型(「該模型」)估計，並已考慮授出購股權之條款及條件。有關購股權於授出日期以該模型釐定之公平值及重大變量及假設詳情如下：

		Date of share options grant 27 June 2016 購股權授出日期 二零一六年 六月二十七日
Exercise price (HK\$)	行使價(港元)	0.239
Dividend yield	股息收益	0%
Expected volatility	預期波幅	52.61%–63.90%
Risk-free interest rate	無風險利率	0.248%–0.292%
Expected life of option (year)	預期購股權有效期(年)	0.79–1.01
Closing share price at grant date (HK\$)	授出日期之股份收市價(港元)	0.224

The expected volatility, which is based on the approximate historical volatility of closing prices of the share of the Company in the past one year immediately before the date of grant, reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. The risk-free interest rate represents the yields to maturity of respective Hong Kong Exchange Fund Note as at the share options grant date. The expected life of the options are based on the historical data and are not necessarily indicative of exercise patterns that may occur.

預期波幅是按本公司股份於緊接授出日期前過去一年之收市價概約歷史波幅計算，反映歷史波動可標示未來趨勢之假設，未必為實際結果。無風險利率指於購股權授出日期香港外匯基金債券之到期收益率。預期購股權有效期乃基於歷史數據而釐定，故未必反映可能出現之行規規律。

No other features of options grant were incorporated into the measurement of fair value.

計量公平值時並無計及授出購股權之其他特性。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

41. SHARE AWARD SCHEME

On 15 January 2018 (the "Adoption Date"), the Company has adopted the share award scheme (the "Share Award Scheme"), in which the employees selected by the Board for participation in the Share Award Scheme (the "Selected Employee(s)") will be entitled to participate and pursuant to which awards will be satisfied by (i) new shares to be allotted and issued to the trustee appointed by the Company for the purpose of the trust, and initially, Bank of Communications Trustee Limited (the "Trustee") under a General Mandate or Specific Mandate, or (ii) existing shares to be acquired by the Trustee from the market, the costs of which will be borne by the Company, and the shares of which will be held on trust by the Trustee for the Selected Employees before vesting.

The purposes of the Share Award Scheme are (i) to recognise the contributions by certain employees and to provide them with incentives in order to retain them for the continual operation and development of the Group; and (ii) to attract suitable personnel for further development of the Group.

Subject to any early termination as may be determined by the Board in accordance with the scheme rules, the Share Award Scheme shall be valid and effective for 10 years from the Adoption Date.

The Share Award Scheme shall be subject to the administration of the Board and the Trustee in accordance with the scheme rules and the trust deed dated 15 January 2018 entered into between the Company and the Trustee (the "Trust Deed"). The Trustee shall hold the funds and properties held under the trust and managed by the Trustee for the benefit of the employees (other than the excluded employees) (the "Trust Fund") in accordance with the terms of the Trust Deed.

During the term of the Share Award Scheme, the Board may, from time to time, at its absolute discretion select any employee (other than any excluded employee) to be a Selected Employee and grant an award to such Selected Employee at no consideration in accordance with the scheme rules. No award shall be granted by the Board to Selected Employees and no instructions to acquire any shares shall be given by the Board to the Trustee pursuant to the scheme rules where dealings in the shares are prohibited under any code or requirement of the Listing Rules and all applicable laws from time to time.

41. 股份獎勵計劃

於二零一八年一月十五日(「採納日期」)，本公司採納一項股份獎勵計劃(「股份獎勵計劃」)，由董事會挑選參與股份獎勵計劃之僱員(「經選定僱員」)將有權參與該計劃，據此，獎勵將以(i)本公司根據一般授權或特別授權將向本公司就信託委任之受託人(初步為交通銀行信託有限公司)(「受託人」)配發及發行之新股份，或(ii)受託人將從市場上購入之現有股份(有關費用將由本公司承擔)及於歸屬前將由受託人以信託方式代經選定僱員持有之股份兌現。

股份獎勵計劃旨在(i)表彰若干僱員作出之貢獻，並給予彼等獎勵以挽留彼等為本集團之持續營運及發展而努力；及(ii)為本集團之進一步發展吸引合適人才。

股份獎勵計劃之有效期及生效期自採納日期起計為期十年，惟可由董事會根據計劃規則決定提早終止。

股份獎勵計劃須由董事會及受託人根據計劃規則及本公司與受託人於二零一八年一月十五日訂立之信託契據(「信託契據」)進行管理。受託人須根據信託契據之條款持有根據信託持有並由受託人為僱員(不包括除外僱員)之利益管理之資金及財產(「信託基金」)。

於股份獎勵計劃之年期內，董事會可不時全權酌情挑選任何僱員(不包括任何除外僱員)作為經選定僱員，並根據計劃規則向有關經選定僱員無償授出獎勵。倘上市規則及所有適用法例不時之任何守則或規定禁止進行股份交易，則董事會不得根據計劃規則向經選定僱員授出獎勵，亦不得向受託人發出購入任何股份之指示。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

41. SHARE AWARD SCHEME (continued)

Where any grant of awarded shares is proposed to be made to any Selected Employee who is a director (including an independent non-executive director), such grant must first be approved by all the members of the Remuneration Committee, or in the case where the grant is proposed to be made to any member of the remuneration committee of the Company, by all of the other members of the remuneration committee of the Company.

In the event that the grant of an award to any connected person of the Company constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules, the Company shall comply with the applicable reporting, announcement or independent shareholders' approval requirements.

Subject to the scheme rules, the Board shall determine from time to time such vesting criteria and conditions or periods for an award to be vested. Prior to the vesting date, any award made hereunder shall be personal to the Selected Employee to whom it is made and shall not be assignable and no Selected Employee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to the awarded shares referable to him/her pursuant to such award.

In the event that prior to or on the vesting date, a Selected Employee is found to be an excluded employee or is deemed to cease to be an employee, the relevant award made to such Selected Employee shall automatically lapse forthwith and the relevant awarded shares shall not vest on the relevant vesting date but shall remain part of the Trust Fund.

In the event that prior to or on the vesting date, a Selected Employee dies or retires by agreement with a member of the Group, all the awarded shares of the relevant Selected Employee shall be deemed to be vested on the day immediately prior to his/her death or the day immediately prior to his/her retirement with the relevant member of the Group.

The Board may at its discretion, with or without further conditions, grant additional shares or cash award out of the Trust Fund representing all or part of the income or distributions (including but not limited to cash income or dividends, cash income or net proceeds of sale of non-cash and non-scrip distribution, bonus shares and scrip dividends) declared by the Company or derived from such awarded shares during the period from the date of award to the vesting date to a Selected Employee upon the vesting of any awarded shares. Subject to such discretion of the Board, a Selected Employee shall not have any interest or rights (including the right to receive dividends) in the awarded shares prior to the vesting date.

41. 股份獎勵計劃(續)

倘建議向任何身為董事(包括獨立非執行董事)之經選定僱員授出任何獎勵股份，有關授出須首先獲得薪酬委員會全體成員之批准，或在建議向任何本公司薪酬委員會之成員授出之情況下，則須獲得本公司薪酬委員會所有其他成員之批准。

倘向本公司之任何關連人士授出獎勵根據上市規則第十四A章構成本公司之關連交易，本公司應遵守適用申報、公告或獨立股東批准規定。

根據計劃規則，董事會應不時釐定將歸屬獎勵之相關歸屬標準及條件或期限。於歸屬日期前，據此作出之任何獎勵屬獲得作出之經選定僱員個人所有且不得轉讓，而經選定僱員概不得以任何形式以任何其他人士為受益人出售、轉讓、抵押、按揭彼根據有關獎勵獲得之獎勵股份或就此設置產權負擔或增設任何權益。

倘於歸屬日期前或當日，經選定僱員被發現為除外僱員或被視為不再為僱員，向有關經選定僱員作出之有關獎勵應立即自動失效且有關獎勵股份於有關歸屬日期將不會歸屬，但仍為信託基金之一部分。

倘於歸屬日期前或當日，經選定僱員身故或與本集團成員公司協議退休，相關經選定僱員之所有獎勵股份將被視為於緊接其身故前一日或緊接其自本集團相關成員公司退休前一日歸屬。

於任何獎勵股份歸屬後，董事會可酌情決定在施加或不施加進一步條件之情況下，自信託基金向經選定僱員授出額外股份或現金獎勵，而有關額外股份或現金獎勵相當於在獎勵日期至歸屬日期期間本公司所宣派或有關獎勵股份所產生之全部或部分收入或分派(包括但不限於現金收入或股息、出售非現金及非以股代息分派之現金收入或所得款項淨額、紅利股份及代息股份)。在董事會有權決定之規限下，經選定僱員於歸屬日期前不會於獎勵股份擁有任何權益或權利(包括收取股息之權利)。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

41. SHARE AWARD SCHEME (continued)

A Selected Employee shall have no rights in the cash in the Trust Fund which has not been applied in the acquisition of any shares (the "Residual Cash") or shares or such other Trust Fund or properties held by the Trustee.

No instructions shall be given by a Selected Employee (including without limitation to voting rights) to the Trustee in respect of the awarded shares that have not been vested, and such other properties in the Trust Fund managed by the Trustee. The Trustee shall not exercise the voting rights in respect of any shares held under the Trust.

The Board shall not make any further grant of awards which will result in the nominal value of the shares awarded by the Board under the Share Award Scheme exceeding 10% of the issued share capital of the Company from time to time. The maximum number of shares which may be awarded to a Selected Employee under the Share Award Scheme shall not exceed 1% of the issued share capital of the Company from time to time.

The Share Award Scheme shall terminate on the earlier of (i) the tenth (10th) anniversary date of the Adoption Date; and (ii) such date of early termination as determined by the Board, provided that such termination shall not affect any subsisting rights of any Selected Employee under the Share Award Scheme.

On 26 January 2018, the Board has resolved to award an aggregate of 1,030,540,000 awarded shares to 38 Selected Employees under the Share Award Scheme, of which, (i) 126,840,000 awarded shares will be awarded to 29 independent Selected Employees ("Independent Selected Employees") by way of issue and allotment of new shares pursuant to the general mandate; and (ii) 903,700,000 connected awarded shares will be awarded to 9 Connected Selected Employees ("Connected Selected Employees") by way of issue and allotment of new shares pursuant to the specific mandate.

The 1,550,000 pre adjusted shares awarded to an Independent Selected Employees, had been forfeited following his resignation during the vesting period.

41. 股份獎勵計劃(續)

經選定僱員於信託基金中尚未用於購入任何股份之現金(「剩餘現金」)或股份或受託人持有之其他信託基金或財產中並無擁有任何權利。

經選定僱員不得就尚未歸屬之獎勵股份及受託人管理之信託基金之其他財產向受託人發出任何指示(包括但不限於投票權)。受託人不得行使根據信託持有之任何股份之投票權。

在任何進一步授出獎勵將導致董事會根據股份獎勵計劃獎勵之股份面值超出本公司不時已發行股本之10%之情況下，董事會不得授出任何進一步獎勵。根據股份獎勵計劃可獎勵予一名經選定僱員之最高股份數目不得超過本公司不時已發行股本之1%。

股份獎勵計劃將於以下日期(以較早者為準)終止：(i)採納日期十(10)週年當日；及(ii)董事會決定之提早終止日期，惟有關終止不得影響任何經選定僱員根據股份獎勵計劃存續之任何權利。

於二零一八年一月二十六日，董事會議決根據股份獎勵計劃向38名經選定僱員授出合共1,030,540,000股獎勵股份，其中(i)126,840,000股獎勵股份將透過依據一般授權發行及配發新股份之方式授予29名獨立經選定僱員(「獨立經選定僱員」)；及(ii)903,700,000股關連獎勵股份將透過依據特別授權發行及配發新股份之方式授予9名關連經選定僱員(「關連經選定僱員」)。

獎勵予獨立經選定僱員之1,550,000股調整前股份已於彼於歸屬期辭任後被沒收。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

41. SHARE AWARD SCHEME (continued)

The following table disclose details of awarded shares granted by the Company pursuant to the Share Award Scheme for the years ended 31 March 2019 and 2020.

41. 股份獎勵計劃(續)

下表披露本公司於截至二零一九年及二零二零年三月三十一日止年度根據股份獎勵計劃授出之獎勵股份詳情。

Grant date	Fair value per share	Vesting date	Number of Awarded Shares 獎勵股份數目				At 31 March 2019 and 31 March 2020 於二零一九年 三月三十一日 及 二零二零年 三月三十一日
			At 1 April 2018	Adjustment due to Share Consolidation [#]	Granted	Vested	
授出日期	每股公平值 HK\$ 港元	歸屬日期	於二零一八年 四月一日	股份合併 引致之調整 [#]	授出	歸屬	三月三十一日
2 February 2018 二零一八年二月二日	0.161	3 April 2018 二零一八年四月三日	126,840,000	(114,156,000)	—	(12,529,000)	155,000
8 October 2018 二零一八年十月八日	0.580	15 October 2018 二零一八年十月十五日	—	—	90,290,000 [#]	(90,290,000)	—
		Total 總計	126,840,000	(114,156,000)	90,290,000	(102,819,000)	155,000

Note:

The fair value of the award shares was calculated based on the closing price of the Company's shares at the respective grant date.

126,840,000 awarded shares have been granted to 29 Independent Selected Employees on 2 February 2018, of which 108,300,000 pre adjusted awarded shares to 5 Independent Selected Employees are subject to lock-up period. The vesting period is from 2 February 2018 to 3 April 2018. The awarded shares will become vested to the Independent Selected Employees if the Independent Selected Employees remain as employees of the Group as on 3 April 2018.

[#] Following the Share Consideration on 3 August 2018, the number of outstanding Award Shares to Independent Selected Employee was adjusted from 126,840,000 to 12,684,000 and 902,900,000 to 90,290,000 respectively.

90,290,000 awarded shares have been granted to 8 Connected Selected Employees on 8 October 2018, of which 90,240,000 awarded shares to 6 Connected Selected Employees are subject to lock-up period. All the awarded shares is vested to the Connected Selected Employees upon the allotment and issue of the awarded shares.

附註：

獎勵股份之公平值乃按照本公司股份於相關授出日期之收市價計算。

126,840,000股獎勵股份已於二零一八年二月二日授予29名獨立經選定僱員，其中授予5名獨立經選定僱員之108,300,000股調整前獎勵股份受禁售期限限制。歸屬期為二零一八年二月二日至二零一八年四月三日。倘獨立經選定僱員於二零一八年四月三日仍為本集團之僱員，則該等獎勵股份將歸屬予彼等。

[#] 緊隨於二零一八年八月三日進行之股份合併後，授予獨立經選定僱員之未償付獎勵股份數目分別自126,840,000股調整至12,684,000股及自902,900,000股調整至90,290,000股。

於二零一八年十月八日，90,290,000股獎勵股份已授予8名關連經選定僱員，當中授予6名關連經選定僱員的90,240,000股獎勵股份受禁售期限限制。所有獎勵股份於配發及發行獎勵股份後歸屬予關連經選定僱員。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

41. SHARE AWARD SCHEME (continued)

During the year ended 31 March 2019, the fair value of the awarded shares granted was approximately HK\$52,368,000 and the Group recognised share-based payments expenses of approximately HK\$52,368,000. 12,684,000 Awarded Share are vested to the Independent Selected Employees and 90,290,000 Awarded Share are vested to the Connected Selected Employees during the year ended 31 March 2019. Awarded Shares that are not vested and/or are forfeited in accordance with the terms of the Share Award Scheme are held by the Trustee to be applied towards future awards in accordance with the provisions of the Share Award Scheme.

42. ACQUISITION OF SUBSIDIARIES

On 29 March 2019, the Company and KK Culture Holdings Limited, Team Pride Limited, Mr. Sui Chok Lee and Silver Golden Limited (collectively referred to as the "Vendors") entered into several share purchase agreements (the "Agreements") pursuant to which the Vendors conditionally agreed to sell and the Company conditionally agreed to purchase the sale equity interests, representing directly and indirectly the entire issued share capital of Hong Kong Made (Media) Limited ("Hong Kong Made") and Ample Success Limited ("Ample Success") (collectively, the "Target Companies"), for an aggregate consideration of HK\$50,000,000 (the "Consideration"), which shall be satisfied by the allotment and issue of the consideration shares (the "Consideration Shares") in tranches at the issue price of HK\$0.200 per share of the Company (the "Share") to the Vendors or their respective nominees in accordance with the terms and conditions of the Agreements.

On 6 June 2019 (the "Completion Date"), the acquisition was completed and accordingly the Group's control over the Target Companies was obtained on that date. The purpose of the acquisition is to further strengthen the Group's business related to media sharing and advertising platforms and expand the Group's market coverage in the PRC media business.

Pursuant to the Agreements and the supplemental agreement signed on 14 August 2020, the consideration will be satisfied by the issuance of shares of the Company in tranches (the "Consideration Shares") in the following manner:

- (i) the Company shall pay the Vendors HK\$16,666,665 (the "First Tranche Consideration"), representing one third of the Consideration, by the allotment and issue of 83,333,325 Shares (the "First Tranche Consideration Shares") to the Vendors or their respective nominees on Completion Date;

41. 股份獎勵計劃(續)

截至二零一九年三月三十一日止年度，已授出獎勵股份之公平值約為52,368,000港元，且本集團確認以股份為基礎之付款開支約為52,368,000港元。於截至二零一九年三月三十一日止年度，12,684,000股獎勵股份歸屬予獨立經選定僱員及90,290,000股獎勵股份歸屬予關連經選定僱員。根據股份獎勵計劃之條款未歸屬及／或已沒收之獎勵股份由受託人持有，以根據股份獎勵計劃之條文用於未來獎勵。

42. 收購附屬公司

於二零一九年三月二十九日，本公司與KK文化控股有限公司、Team Pride Limited、蕭作利先生及Silver Golden Limited (統稱「賣方」)訂立多份購股協議(「該等協議」)，據此，賣方有條件同意出售而本公司有條件同意購買待售權益，該等權益直接及間接相當於香港製作(媒體)有限公司(「香港製作」)及博功有限公司(「博功」)(統稱「目標公司」)的全部已發行股本，總代價為50,000,000港元(「代價」)，代價將透過根據該等協議的條款及條件按每股本公司股份(「股份」)0.200港元的發行價分批配發及發行代價股份(「代價股份」)予賣方或其各自的代名人的方式予以支付。

於二零一九年六月六日(「完成日期」)，收購已完成，因此本集團於該日取得對目標公司的控制權。是項收購旨在進一步鞏固本集團的媒體共享及廣告平台相關業務，並擴展本集團於中國媒體業務的市場覆蓋率。

根據該等協議及於二零二零年八月十四日簽署的補充協議，代價將透過按以下方式分批發行本公司股份(「代價股份」)支付：

- (i) 本公司須於完成日期向賣方或其各自的代名人配發及發行83,333,325股股份(「第一批代價股份」)，以此向賣方支付16,666,665港元(「第一批代價」)，代表代價的三分之一；

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

42. ACQUISITION OF SUBSIDIARIES (continued)

- (ii) the Company shall pay the Vendors HK\$16,666,667 (the "Second Tranche Consideration"), representing one third of the Consideration, by the allotment and issue of 83,333,335 Shares (the "Second Tranche Consideration Shares") to the Vendors or their respective nominees on or before 15 July 2022, subject to Hong Kong Made and Guangzhou Shengyu Golden Line Advertising Company Limited* (廣州聲煜金線廣告有限公司) ("Guangzhou Shengyu"), having executed an agreement (in form and substance satisfactory to the Company) to extend the term of the contract entered into between Hong Kong Made and Guangzhou Shengyu dated 24 June 2016 (as amended and supplemented from time to time) in relation to the appointment of Hong Kong Made as an exclusive advertising agent in connection with the advertising agency services and related production services for the Guangzhou-Shenzhen China Railway High-speed Harmony Series trains* (廣深線和諧號) (the "Hong Kong Made Contract") for three years to 30 June 2023 (the "Second Tranche Consideration Shares Condition");
- (iii) the Company shall pay the Vendors HK\$16,666,668 (the "Third Tranche Consideration"), representing one third of the Consideration, by the allotment and issue of 83,333,340 Shares (the "Third Tranche Consideration Shares") to the Vendors or their respective nominees on or before 15 July 2023, subject to the satisfaction of the following conditions (the "Third Tranche Consideration Shares Conditions"), five business days after the date on which the Third Tranche Consideration Shares Conditions are fulfilled:
 - (a) Hong Kong Made and Guangzhou Shengyu having executed an agreement (in form and substance satisfactory to the Company) to further extend the term of the Hong Kong Made Contract for two years to 30 June 2025; and

42. 收購附屬公司(續)

- (ii) 在香港製作及廣州聲煜金線廣告有限公司(「廣州聲煜」)簽立協議(形式及內容均獲本公司信納)將香港製作與廣州聲煜於二零一六年六月二十四日就委任香港製作為獨家廣告代理提供有關廣深線和諧號之廣告代理服務及相關製作服務所訂立合約(「香港製作合約」)(經不時修訂及補充)的期限延長三年至二零二三年六月三十日(「第二批代價股份條件」)的前提下,本公司須於二零二二年七月十五日或之前向賣方或其各自的代名人配發及發行83,333,335股股份(「第二批代價股份」),以此向賣方支付16,666,667港元(「第二批代價」),代表代價的三分之一;
- (iii) 在滿足下列條件(「第三批代價股份條件」)後,本公司須於第三批代價股份條件達成之日後五個營業日內於二零二三年七月十五日或之前向賣方或其各自的代名人配發及發行83,333,340股股份(「第三批代價股份」),以此向賣方支付16,666,668港元(「第三批代價」),代表代價的三分之一:
 - (a) 香港製作及廣州聲煜簽立協議(形式及內容均獲本公司信納)將香港製作合約的期限再延長兩年至二零二五年六月三十日;及

* For identification purpose only

* 僅供識別

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

42. ACQUISITION OF SUBSIDIARIES (continued)

(iii) (continued)

- (b) Ample Success and Guangzhou Shengyu having executed an agreement (in form and substance satisfactory to the Company) to further extend the term of the contract entered into between Ample Success and Guangzhou Shengyu dated 27 April 2016 (as amended and supplemented from time to time) in relation to the appointment of Apple Success as an exclusive advertising agent in connection with the advertising agency services and related production services for the Guangzhou-Shenzhen China Railway High-speed Harmony Series trains* (廣深線和諧號) for two years to 30 March 2024.

In the event that the Second Tranche Consideration Shares Condition is not satisfied, the Consideration shall be adjusted to HK\$16,666,665 and no Second Tranche Consideration Shares or Third Tranche Consideration Shares shall be allotted and issued to the Vendors or their respective nominees.

In the event that the Second Tranche Consideration Shares Condition is satisfied but any or all of the Third Tranche Consideration Shares Conditions are not satisfied, the Consideration shall be adjusted to HK\$33,333,332 and no Third Tranche Consideration Shares shall be allotted and issued to the Vendors or their respective nominees.

The First Tranche Consideration Shares have been duly issued and allotted to the Vendors on Completion Date. Details of the acquisition were set out in the announcements of the Company dated 29 March 2019, 6 June 2019 and 14 August 2020, respectively.

This acquisition has been accounted for using the purchase method. The amount of goodwill arising as a result of the acquisition was approximately HK\$57,952,000.

42. 收購附屬公司(續)

(iii) (續)

- (b) 博功及廣州聲煜簽立協議(形式及內容均獲本公司信納)將博功與廣州聲煜於二零一六年四月二十七日就委任博功為獨家廣告代理提供有關廣深線和諧號之廣告代理服務及相關製作服務所訂立合約(經不時修訂及補充)的期限再延長兩年至二零二四年三月三十日。

倘第二批代價股份條件未獲達成，則代價將調整至16,666,665港元，且不會向賣方或其各自的代名人配發及發行第二批代價股份或第三批代價股份。

倘第二批代價股份條件獲達成，惟任何或全部第三批代價股份條件未獲達成，則代價將調整至33,333,332港元，且不會向賣方或其各自的代名人配發及發行第三批代價股份。

第一批代價股份已於完成日期妥善發行及配發予賣方。有關收購的詳情載於本公司日期分別為二零一九年三月二十九日、二零一九年六月六日及二零二零年八月十四日的公告內。

是項收購採用購買法入賬。收購產生的商譽金額為約57,952,000港元。

* For identification purpose only

* 僅供識別

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

42. ACQUISITION OF SUBSIDIARIES (continued)

Details of net liabilities acquired and goodwill arising on the acquisition were as follows:

42. 收購附屬公司(續)

所收購淨負債及因收購而產生之商譽詳情如下：

		HK\$'000 千港元
Net liabilities acquired:	所收購淨負債：	
Intangible asset	無形資產	29,477
Other receivables	其他應收賬項	1,273
Bank balances and cash	銀行結餘及現金	107
Other payables	其他應付賬項	(39,876)
Other borrowings	其他借款	(8,800)
		(17,819)
Goodwill arising on acquisition:	因收購而產生之商譽：	
Purchase consideration settled by new shares of the Company (Note)	以本公司新股份結算的購買代價 (附註)	40,133
Less: Net liabilities acquired	減：所收購淨負債	17,819
Goodwill (Note 25)	商譽(附註25)	57,952
Net cash inflow arising on acquisition:	因收購而產生之現金流入淨額：	
Bank balances and cash acquired	所收購銀行結餘及現金	107

The purchase consideration represented the following breakdown:

購買代價分析如下：

		HK\$'000 千港元
First Tranche Consideration shares issued on Completion Date	於完成日期發行的第一批代價股份	14,333
Second Tranche Consideration shares issued upon the fulfillment of Second Tranche Consideration Shares Condition	第二批代價股份條件獲達成後發行的第 二批代價股份	12,900
Third Tranche Consideration shares issued upon the fulfillment of Second Tranche Consideration Shares Condition	第二批代價股份條件獲達成後發行的第 三批代價股份	12,900
		40,133

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

42. ACQUISITION OF SUBSIDIARIES (continued)

Note: (continued)

The fair values of the Second Tranche Consideration Shares and Third Tranche Consideration shares was reference to the valuation report issued by Flagship Appraisals, an independent valuer not connected to the Group at the Completion Date.

The consideration shares for the acquisition of the Target Companies, 250,000,000 ordinary shares of the Company with par value of HK\$0.10 each were issued/will be issue. The fair value of the ordinary shares of the Company, determined using the published price available at the date of the completion, amounted to HK\$40,133,000.

Acquisition-related costs amounting to HK\$705,780 have been excluded from the consideration transferred and have been recognised as an expense in the current year, within the administrative expense line item in the consolidated statement of profit or loss.

Goodwill arose in the acquisition of the Target Companies because the cost of the combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefits of expected synergies, revenue growth, future market development and the assembled workforce of Target Companies. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. In addition, the financial results of Target Companies will be consolidated into the financial results of the Company. Therefore, the Group's income sources can be broadened and its financial performance can be enhanced in the long run.

None of the goodwill arising on these acquisitions is expected to be deductible for tax purposes.

Included in loss for the year is HK\$6,274,000 attributable to the additional business generated by the Target Companies. Revenue for the year includes HK\$33,973,000 generated from the Target Companies.

42. 收購附屬公司(續)

附註：(續)

第二批代價股份及第三批代價股份的公平值乃參照由與本集團概無關聯的獨立估值師旗艦資產評估於完成日期出具的估值報告而定。

收購目標公司的代價股份，即本公司250,000,000股每股面值0.10港元的普通股，經已發行／將予發行。本公司普通股的公平值(採用完成日期可取得的公開價格釐定)為40,133,000港元。

收購相關成本705,780港元並無計入所轉讓的代價，並於本年度確認為綜合損益表內行政開支項目下的開支。

由於合併成本包含控制權溢價，故收購目標公司產生商譽。此外，就合併支付之代價實際包括有關源自目標公司預期協同效益、收入增長、未來市場發展及合併人員之利益之金額。由於此等利益並不符合可識別無形資產之確認條件，故並無與商譽分開確認。此外，目標公司之財務業績將於本公司之財務業績中綜合入賬。因此，長遠而言，本集團之收入來源得以擴闊，其財務表現亦可望得以增強。

預計因該等收購事項而產生之商譽概不可用於扣稅。

本年度虧損包括目標公司所產生額外業務應佔之6,274,000港元。本年度收入包括目標公司所產生之33,973,000港元。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

42. ACQUISITION OF SUBSIDIARIES (continued)

Had the acquisition been completed on 1 April 2019, revenue for the year of the Group would have been approximately HK\$56,097,000 and loss for the year of the Group would have been approximately HK\$119,814,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 April 2019, nor is it intended to be a projection of future results.

In determining the “pro-forma” revenue and loss of the Group had the Target Companies been acquired at the beginning of the current year, the Directors have:

- calculated amortisation of the other intangible asset acquired on the basis of the fair values arising in the initial accounting for the business combination rather than the carrying amounts recognised in the pre-acquisition financial statements; and
- determined borrowing costs based on the funding levels, credit ratings and debt/equity position of the Group after the business combination.

42. 收購附屬公司(續)

倘收購事項已於二零一九年四月一日完成，本集團的本年度收入將為約56,097,000港元，及本集團的本年度虧損將為約119,814,000港元。備考資料僅供說明之用，並不一定展示收購事項如於二零一九年四月一日完成本集團實際之收入及經營業績，亦不擬作為未來業績之預測。

於釐定假設目標公司於本年初收購情況下本集團的「備考」收益及虧損時，董事：

- 基於業務合併初始入賬時產生的公平值(而非於收購前財務報表確認的賬面值)計算所收購其他無形資產的攤銷；及
- 基於本集團於業務合併後的資金水平、信貸評級及債務/權益狀況釐定借貸成本。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

43. DECONSOLIDATION OF A SUBSIDIARY

On 3 February 2020, a director who was appointed by the Group as a director of We Fly, has resigned as a director of We Fly, accordingly, the Directors resolved that the Group no longer had the power to govern the financial and operating policies of We Fly, and the control over We Fly could no longer meet the definition of control in HKFRS 10 *Consolidated Financial Statements* on that date and the financial statements of We Fly have been deconsolidated from the financial statements of the Company since 3 February 2020 (the "Deconsolidation Date").

Due to the non-cooperation of the management of We Fly, the Directors were unable to access the books and records of We Fly since the Deconsolidation Date, despite the fact that the Directors have taken all reasonable steps and have used their best endeavors to resolve the matter.

Analysis of assets and liabilities of We Fly as at the Deconsolidation Date:

43. 附屬公司終止綜合入賬

於二零二零年二月三日，一名曾由本集團委任為愛飛董事之董事，辭任愛飛董事之職，因此，董事議決本集團不再有權監管愛飛之財務及營運政策，且自當日起對愛飛的控制權已不再符合香港財務報告準則第10號綜合財務報表之控制權定義，遂自二零二零年二月三日(「終止綜合入賬日期」)起愛飛的財務報表終止於本公司的財務報表綜合入賬。

由於愛飛管理層不予配合，儘管董事已採取所有合理措施並竭盡全力解決此事，自終止綜合入賬日期以來董事無法查閱愛飛之賬簿及記錄。

於終止綜合入賬日期愛飛之資產及負債分析：

		HK\$'000 千港元
Plant and equipment	廠房及設備	275
Intangible assets	無形資產	10
Goodwill	商譽	185,285
Deferred tax assets	遞延稅項資產	2,524
Trade and other receivables	應收貿易及其他賬項	3,869
Bank balances and cash	銀行結餘及現金	2,153
Amount due to group company	應付集團公司款項	(1,150)
Trade and other payables	應付貿易及其他賬項	(22,776)
Deferred tax liabilities	遞延稅項負債	(30)
Net assets	淨資產	170,160
Loss on deconsolidation of We Fly:	愛飛終止綜合入賬之虧損：	
Net assets deconsolidated	終止綜合入賬之淨資產	170,160
Amount due from We Fly	應收愛飛款項	1,150
Non-controlling interest	非控股權益	4,127
Loss on deconsolidation	終止綜合入賬之虧損	175,437
Net cash outflow arising on the deconsolidation:	終止綜合入賬產生之現金流出淨額：	
Bank balances and cash of We Fly	愛飛之銀行結餘及現金	2,153

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

44. DISPOSAL OF A SUBSIDIARY

Disposal of China Baoli Innovation Technologies Limited ("CB Innovation")

On 18 March 2020, the Group disposed of its 100% equity interests of CB Innovation, at a consideration of HK\$100,000 to an independent third party. The net liabilities of CB Innovation at the date of disposal were as follows:

		HK\$'000 千港元
Amount due to group company	應付集團公司款項	(36,206)
Trade and other payables	應付貿易及其他賬項	(207,660)
Net liabilities disposed of	出售淨負債	(243,866)
Gain on disposal of CB Innovation:	出售寶力創新之收益：	
Consideration received	已收代價	100
Net liabilities disposed of	出售淨負債	243,866
Amount due from CB Innovation	應收寶力創新款項	(36,206)
Gain on disposal	出售之收益	207,760
Net cash inflow arising on disposal of CB Innovation:	出售寶力創新產生之現金流入淨額：	
Cash consideration	現金代價	100
Consideration received:	已收代價：	
Cash received	已收現金	100

45. DEEMED DISPOSAL OF EQUITY INTEREST OF A SUBSIDIARY WITHOUT LOSING CONTROL

On 13 May 2019, Allied Jumbo Investments Limited, a wholly-owned subsidiary of the Company, transferred the entire equity interest of Baoli Youta (Shanghai) Communication Technology Company Limited ("Shanghai Baoli Youta"), a wholly-owned subsidiary of the Company to China Baoli Assets Management Limited, a non wholly-owned subsidiary due to internal reorganisation with HK\$Nil consideration. Upon the completion of the transfer, the Group's equity interest in Shanghai Baoli Youta decrease from 100% to 51%. The deemed disposed of equity transaction with non-controlling interest that do not result in a loss of control over the subsidiary. The difference between the consideration and the carrying value of net liabilities amounting to approximately HK\$361,000 was recognised in equity as other reserve and a decrease of approximately HK\$361,000 was recognised in the non-controlling interests.

44. 出售附屬公司

出售中國寶力創新科技有限公司(「寶力創新」)

於二零二零年三月十八日，本集團以100,000港元之代價，向一名獨立第三方出售其於寶力創新之全部股本權益。於出售日期，寶力創新之淨負債如下：

45. 視作出售附屬公司股權而無失去控制權

於二零一九年五月十三日，由於進行內部重組，本公司全資附屬公司悅眺投資有限公司將寶力優塔(上海)通訊科技有限公司(「上海寶力優塔」，本公司的全資附屬公司)的全部股權轉讓予中國寶力資產管理有限公司(一家非全資附屬公司)，代價為零港元。於完成轉讓後，本集團於上海寶力優塔的股權由100%減少至51%。與非控股權益的視作出售股權交易並無導致失去對該附屬公司的控制權。代價與淨負債賬面值之間的差額約361,000港元於股權中確認為其他儲備，並於非控股權益中確認減少約361,000港元。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

46. DIRECTORS' MATERIAL INTEREST IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

During the year ended 31 March 2019, rental and building management fee expenses of approximately HK\$2,006,000 had been paid to Great Wall Belt & Road Holdings Limited ("Great Wall"), a company in which two directors of the Company had material interest. One of the directors of the Company ceased his interest in Great Wall since 23 November 2017.

Apart from the above mentioned, no other transactions, arrangements or contracts of significance to which the Company's holding company, subsidiaries or fellow subsidiaries was a party and in which a director or a connected entity of a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the years ended 31 March 2020 and 2019.

46. 董事於重大交易、安排或合約中之重大權益

於截至二零一九年三月三十一日止年度，本集團向長城一帶一路控股有限公司（「長城」）支付租金及樓宇管理費開支約2,006,000港元。本公司兩名董事於長城擁有重大權益。本公司其中一名董事由二零一七年十一月二十三日起不再於長城擁有權益。

除上文所述者外，於年終或截至二零二零年及二零一九年三月三十一日止年度內任何時間，概無本公司控股公司、附屬公司或同系附屬公司為訂約方而本公司董事或本公司董事之關連實體於其中擁有任何直接或間接重大利益之其他重大交易、安排或合約存續。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

47. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be classified in the Group's consolidated statement of cash flows from financing activities.

47. 融資活動所產生負債之對賬

下表詳述本集團融資活動所產生負債之變動(包括現金及非現金變動)。融資活動所產生負債指現金流量或未來現金流量將於本集團之綜合現金流量表中列入融資活動之負債。

		Trade and other payables — amounts due to directors 應付貿易及 其他賬項 — 應付董事款項 HK\$'000 千港元 (Note 30) (附註30)	Interest payable (Included in trade and other payables) 應付利息 (計入應付貿易 及其他賬項) HK\$'000 千港元 (Note 30) (附註30)	Bank and other borrowings 銀行及 其他借貸 HK\$'000 千港元 (Note 34) (附註34)	Total 總額 HK\$'000 千港元
At 1 April 2018	於二零一八年四月一日	18,175	8,680	227,720	254,575
Changes from cash flows:	現金流量之變動:				
Advance from directors	董事墊款	26,903	—	—	26,903
Bank and other borrowings raised	新增銀行及其他借貸	—	—	20,528	20,528
Repayment of bank and other borrowings	償還銀行及其他借貸	—	—	(9,144)	(9,144)
Interest paid	已付利息	—	—	(2,034)	(2,034)
		26,903	—	9,350	36,253
Non-cash change:	非現金變動:				
Finance costs recognised (Note 11)	已確認融資成本(附註11)	—	15,070	10,398	25,468
Foreign exchange translation	外匯換算	—	(2)	(8,678)	(8,680)
		—	15,068	1,720	16,788
At 31 March 2019	於二零一九年三月三十一日	45,078	23,748	238,790	307,616

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

47. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES (continued)

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be classified in the Group's consolidated statement of cash flows from financing activities.

47. 融資活動所產生負債之對賬(續)

下表詳述本集團融資活動所產生負債之變動(包括現金及非現金變動)。融資活動所產生負債指現金流量或未來現金流量將於本集團之綜合現金流量表中列入融資活動之負債。

		Trade and other payables — amounts due to shareholders and directors 應付貿易及 其他賬項 — 應付股東及 董事款項 HK\$'000 千港元	Interest payable (included in trade and other payables) 應付利息 (計入應付貿易 及其他賬項) HK\$'000 千港元	Bank and other borrowings 銀行及 其他借貸 HK\$'000 千港元	Lease liabilities 租賃負債 HK\$'000 千港元	Convertible loan 可換股貸款 HK\$'000 千港元	Licenses fees payables 特許權費 HK\$'000 千港元	Total 總額 HK\$'000 千港元
			(Note 30) (附註30)	(Note 30) (附註30)	(Note 34) (附註34)	(Note 31) (附註31)	(Note 32) (附註32)	(Note 30) (附註30)
At 1 April 2019	於二零一九年四月一日	45,078	23,748	238,790	—	—	—	307,616
Adjustment upon application of HKFRS 16	於香港財務報告準則第16號 獲採用時調整	—	—	—	7,130	—	—	7,130
At 1 April 2019 (restated)	於二零一九年四月一日(經重列)	45,078	23,748	238,790	7,130	—	—	314,746
Changes from cash flows:	現金流量之變動:							
Advance from directors	董事墊款	948	—	—	—	—	—	948
Bank and other borrowings raised	新增銀行及其他借貸	—	—	8,049	—	—	—	8,049
Proceeds from issue of convertible loan	發行可換股貸款之所得 款項	—	—	—	—	8,550	—	8,550
Repayment of bank and other borrowings	償還銀行及其他借貸	—	—	(3,120)	—	—	—	(3,120)
Interest paid	已付利息	—	—	(493)	—	—	—	(493)
Repayment of lease liabilities	償還租賃負債	—	—	—	(3,300)	—	—	(3,300)
		948	—	4,436	(3,300)	8,550	—	10,634
Non-cash change:	非現金變動:							
Arise from acquisition of subsidiaries	產生自收購附屬公司	—	—	8,800	—	—	—	8,800
Disposal of a subsidiary	出售附屬公司	—	(26,034)	—	—	—	—	(26,034)
Fair value change in convertible loan derivative component	可換股貸款衍生工具部分之 公平值變動	—	—	—	—	(49)	—	(49)
Addition of licenses fees payables	應付特許權費增加	—	—	—	—	—	44,111	44,111
Finance costs recognised (Note 11)	已確認融資成本(附註11)	—	13,707	19,586	568	992	8,285	43,138
Foreign exchange translation	外匯換算	—	—	(9,170)	—	—	—	(9,170)
Others	其他	—	(6,917)	6,917	—	—	—	—
		—	(19,244)	26,133	568	943	52,396	60,796
At 31 March 2020	於二零二零年三月三十一日	46,026	4,504	269,359	4,398	9,493	52,396	386,176

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

48. CAPITAL COMMITMENTS

48. 資本承擔

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Contracted for but not provided in the consolidated financial statements:	已訂約但未於綜合財務報表撥備：		
Unpaid registered capital for subsidiaries	於附屬公司之未繳註冊資本	265,707	155,848
Acquisition of further equity interests in a subsidiary	進一步收購於一間附屬公司之股權	62,254	64,980
		327,961	220,828

49. OPERATING LEASES

The Group as lessee

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

49. 經營租賃

本集團作為承租人

於報告期末，本集團須按不可撤銷經營租賃承擔未來最低租賃付款，到期日如下：

		2019 二零一九年 HK\$'000 千港元
Within one year	一年內	3,897
After one year and within five years	一年後但於五年內	3,877
		7,774

Operating lease payments represent rentals payable by the Group for certain of its office premises and warehouses. Leases are negotiated and fixed for an average term of one to two years.

經營租賃付款指本集團就其若干寫字樓物業及倉庫應付之租金。租賃年期平均協定為一至兩年。

50. PLEDGE OF ASSETS

At the end of the reporting period, the following assets were pledged for the Group's banking facilities and borrowings:

50. 資產質押

於報告期末，本集團已就其銀行融資及借貸質押以下資產：

		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
Property, plant and equipment	物業、廠房及設備	19	3,671	4,256
Land use rights	土地使用權	20	—	8,328
Right-of-use assets	使用權資產	21	7,350	—
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	28	512	759
			11,533	13,343

As at 31 March 2020, the Company pledged the entire equity interests of Zibo Liyuan to secure a bank borrowing of HK\$8,508,000 (2019: HK\$9,238,000) (Note 34).

於二零二零年三月三十一日，本公司已質押淄博利源全部股本權益，以取得8,508,000港元（二零一九年：9,238,000港元）之銀行借貸（附註34）。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

51. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

During the year, saved as disclosed in elsewhere in the consolidated financial statements, the Group had significant transactions with the following related parties, together with balances with them at the end of the reporting period, details of which 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
Associates:	聯營公司：		
Royalty fees (Note a)	專利權費(附註a)	61,667	57,448
Interests on overdue royalty fee payable	逾期應付專利權費之利息	12,947	7,939
Companies controlled by the former directors:	受前董事控制之公司：		
Rental expenses (Note 46 & b)	租金開支(附註46及b)	—	2,006
Accruals	應計款項	5,096	5,096
Key management compensation of the Group:	本集團主要管理人員薪酬：		
Salaries and other short-term employee benefits (Note 15 & c)	薪金及其他短期僱員福利(附註15及c)	5,221	42,745

Notes:

- Royalty fee was charged in accordance with the terms as determined and agreed among the Group and associates.
- Rental expenses were charged on a monthly fixed amount basis as mutually agreed by the Company and companies controlled by the directors.
- The remuneration of the key management personnel is determined by the remuneration committee having regard to the performance of individual and market trends.

The Directors are of the view that the terms of the above related party transactions are fair and reasonable, based on normal commercial terms where no charge over assets of the Group is created in respect of the above transactions.

Save as disclosed above, there were no other significant transactions with related parties during the year or significant balances with them at the end of the reporting period.

51. 與關連人士之交易及結餘

年內，除綜合財務報表其他部分所披露者外，本集團與以下關連人士進行重大交易，連同於報告期末與彼等之結餘，詳情如下：

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
聯營公司：		
專利權費(附註a)	61,667	57,448
逾期應付專利權費之利息	12,947	7,939
受前董事控制之公司：		
租金開支(附註46及b)	—	2,006
應計款項	5,096	5,096
本集團主要管理人員薪酬：		
薪金及其他短期僱員福利(附註15及c)	5,221	42,745

附註：

- 專利權費乃按照本集團與聯營公司釐定及相互協定之條款收取。
- 租金開支乃按照本公司與受董事控制之公司相互協定之固定月租收取。
- 主要管理人員之薪酬由薪酬委員會於考慮個別人士表現及市場趨勢後釐定。

董事認為，上述關連人士交易之條款屬公平合理，符合正常商務條款，並無就上述交易設立有關本集團資產之押記。

除上文所披露者外，年內並無與關連人士進行其他重大交易，且於報告期末亦無與彼等之重大結餘。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

52. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

Details of the principal subsidiaries at 31 March 2020 and 2019 are as follows:

52. 本公司主要附屬公司詳情

於二零二零年及二零一九年三月三十一日，主要附屬公司之詳情如下：

Name of subsidiaries 附屬公司名稱	Place of incorporation/ Principal place of operation 註冊成立地點／ 主要營業地點	Paid-up share capital/ registered capital 繳足股本／ 註冊資本	Proportion of ownership interest held by the Company				Proportion of voting power held by the Company				Principal activities
			本公司所持有權權益比例				本公司所持投票權比例				
			2020		2019		2020		2019		
			二零二零年		二零一九年		二零二零年		二零一九年		
Directly	Indirectly	Directly	Indirectly	Directly	Indirectly	Directly	Indirectly	Directly	Indirectly		
直接	間接	直接	間接	直接	間接	直接	間接	直接	間接	主要業務	
%	%	%	%	%	%	%	%	%	%		
China Baoli Technologies Investment Limited 中國寶力科技投資有限公司	British Virgin Islands ("BVI")/BVI 英屬處女群島 (「英屬處女群島」) ／英屬處女群島	1 ordinary share of USD1 each 1股每股面值1美元之普通股	100	—	100	—	100	—	100	—	Investment holding 投資控股
Top Field Technology Limited 德豐科技有限公司	Hong Kong/ Hong Kong 香港／香港	1 ordinary share of HK\$1 each 1股每股面值1港元之普通股	—	100	—	100	—	100	—	100	Investment holding 投資控股
Zibo Liyuan	PRC/PRC	RMB29,000,000 paid-up registered Capital 人民幣29,000,000元實繳註冊資本	—	80	—	80	—	80	—	80	Gamma ray irradiation service 伽瑪射線照射服務
China Baoli Innovation Technologies Limited 中國寶力創新科技有限公司	BVI/BVI 英屬處女群島／ 英屬處女群島	1 ordinary share of USD1 each 1股每股面值1美元之普通股	—	—	—	100	—	100	—	100	Asset management 資產管理
China Baoli Technologies Services Limited 中國寶力科技服務有限公司	BVI/BVI 英屬處女群島／ 英屬處女群島	1 ordinary share of USD1 each 1股每股面值1美元之普通股	—	100	—	100	—	100	—	100	Investment holding 投資控股
China Baoli Technologies Development Limited 中國寶力科技發展有限公司	Hong Kong/ Hong Kong 香港／香港	10,000 ordinary shares of HK\$1 each 10,000股每股面值1港元之普通股	—	100	—	100	—	100	—	100	Investment holding 投資控股
Advance Star Investments Limited ("Advance Star") 進星投資有限公司(「進星」)	BVI/BVI 英屬處女群島／ 英屬處女群島	80 ordinary shares of USD1 each 80股每股面值1美元之普通股	—	100	—	100	—	100	—	100	Investment holding 投資控股
Allied Jumbo 悅眺	Hong Kong/ Hong Kong 香港／香港	1 ordinary share of HK\$1 each 1股每股面值1港元之普通股	—	100	—	100	—	100	—	100	Investment holding 投資控股
Baoli Youta (Shanghai) Communication Technology Company Limited	PRC/PRC	RMB2,411,633 paid up registered capital and RMB7,588,367 unpaid registered capital 人民幣2,411,633元實繳註冊資本及人民幣7,588,367元未繳註冊資本	—	51	—	100	—	51	—	100	Wholesale, import and export of, and the provision of commission-agency (except auction) and other auxiliary services for, telecommunication equipment, electronic products, digital products and computer software, hardware and auxiliary equipment 通訊設備、電子產品、數碼產品、電腦軟硬件及輔助設備的批發、進出口、佣金代理(拍賣除外)及其相關配套服務
寶力優塔(上海)通訊科技有限公司	中國／中國	人民幣2,411,633元實繳註冊資本及人民幣7,588,367元未繳註冊資本									通訊設備、電子產品、數碼產品、電腦軟硬件及輔助設備的批發、進出口、佣金代理(拍賣除外)及其相關配套服務

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

52. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued)

52. 本公司主要附屬公司詳情(續)

Name of subsidiaries 附屬公司名稱	Place of incorporation/ Principal place of operation 註冊成立地點／ 主要營業地點	Paid-up share capital/ registered capital 繳足股本／ 註冊資本	Proportion of ownership interest held by the Company				Proportion of voting power held by the Company				Principal activities
			本公司所持有權益比例		本公司所持投票權比例						
			2020		2019		2020		2019		
			二零二零年		二零一九年		二零二零年		二零一九年		
Directly	Indirectly	Directly	Indirectly	Directly	Indirectly	Directly	Indirectly	Directly	Indirectly		
直接	間接	直接	間接	直接	間接	直接	間接	直接	間接	主要業務	
%	%	%	%	%	%	%	%	%	%		
Chongqing Baoli Yota Technologies Limited*	PRC/PRC	RMB319,700,000 paid up registered capital and RMB79,800,000 unpaid registered capital	—	100	—	100	—	100	—	100	Telecommunication products and accessories, computer software, hardware and auxiliary equipment and accessories, telecommunication products and electronic products
重慶寶力優特科技有限公司*	中國／中國	人民幣319,700,000元實繳註冊資本及人民幣79,800,000元未繳註冊資本									通訊產品及配件、電腦軟硬件及輔助設備與配件、電訊產品、電子產品
Baoli Yota	PRC/PRC	RMB34,114,565 paid up registered capital and RMB65,885,435 unpaid registered capital	—	80	—	80	—	80	—	80	Manufacture and sales of mobile phone
寶力優特	中國／中國	人民幣34,114,565元實繳註冊資本及人民幣65,885,435元未繳註冊資本									手機生產及銷售
Gamma Ray Technologies Services Limited	BVI/BVI	1 ordinary share of USD1 each	—	100	—	—	—	100	—	—	Gamma ray business
伽瑪射線技術服務有限公司	英屬處女群島／英屬處女群島	1股每股面值1美元之普通股									伽馬射線業務
We Fly	Hong Kong/Hong Kong	500,000 ordinary shares of HK\$1 each	—	—	—	75	—	—	—	75	Travel and travel related business
愛飛	香港／香港	500,000股每股面值1港元之普通股									旅遊及旅遊相關業務
Yota Technologies IPR Limited	BVI/BVI	1 ordinary share of USD1 each	—	100	—	100	—	100	—	100	Inactive
Yota Technologies IPR Limited	英屬處女群島／英屬處女群島	1股每股面值1美元之普通股									暫無業務
Fullmoon Global International Limited (Note b)	BVI/BVI	1 ordinary share of USD1 each	—	100	—	—	—	100	—	—	Investment holding
Fullmoon Global International Limited (附註b)	英屬處女群島／英屬處女群島	1股每股面值1美元之普通股									投資控股
Rosy Wisdom Holding Limited (Note a)	BVI/BVI	1 ordinary share of USD1 each	—	100	—	—	—	100	—	—	Investment holding
Rosy Wisdom Holding Limited (附註a)	英屬處女群島／英屬處女群島	1股每股面值1美元之普通股									投資控股

* For identification purpose only

* 僅供識別

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

52. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued)

52. 本公司主要附屬公司詳情(續)

Name of subsidiaries 附屬公司名稱	Place of incorporation/ Principal place of operation 註冊成立地點／ 主要營業地點	Paid-up share capital/ registered capital 繳足股本／ 註冊資本	Proportion of ownership interest held by the Company				Proportion of voting power held by the Company				Principal activities
			本公司所持擁有權權益比例				本公司所持投票權比例				
			2020 二零二零年		2019 二零一九年		2020 二零二零年		2019 二零一九年		
			Directly	Indirectly	Directly	Indirectly	Directly	Indirectly	Directly	Indirectly	
			直接 %	間接 %	直接 %	間接 %	直接 %	間接 %	直接 %	間接 %	
Creative Time International Limited	BVI/BVI	1 ordinary share of USD1 each	—	100	—	—	—	100	—	—	Inactive
Creative Time International Limited	英屬處女群島／ 英屬處女群島	1股每股面值1美元之普通股									暫無業務
Hong Kong Made (Media) Limited (Note b)	Hong Kong/ Hong Kong	200 ordinary shares of HK\$1 each	—	100	—	—	—	100	—	—	Train Media
香港製作(媒體)有限公司 (附註b)	香港／香港	200股每股面值1港元之普通股									列車媒體
Ample Success Limited (Note b)	Hong Kong/ Hong Kong	100 ordinary shares of HK\$1 each	—	100	—	—	—	100	—	—	Train Media
博功有限公司(附註b)	香港／香港	100股每股面值1港元之普通股									列車媒體
Shanghai YunYao Culture & Media Limited* (Note a)	PRC/PRC	RMB10,000,000 paid-up registered Capital and unpaid registered capital	—	100	—	—	—	100	—	—	Train Media
上海雲遙文化傳媒有限公司* (附註a)	中國／中國	人民幣10,000,000元實繳註冊資本及未繳註冊資本									列車媒體
Asia Promise Limited (Note a)	Hong Kong/ Hong Kong	1 ordinary share of HK\$1 each	—	100	—	—	—	100	—	—	Inactive
嘉利邦有限公司(附註a)	香港／香港	1股每股面值1港元之普通股									暫無業務

Note a: Those subsidiaries are newly incorporated during the year ended 31 March 2020.

附註a: 該等附屬公司乃於截至二零二零年三月三十一日止年度新註冊成立。

Note b: Those subsidiaries are newly acquired during the year ended 31 March 2020.

附註b: 該等附屬公司乃於截至二零二零年三月三十一日止年度新收購所得。

* A wholly foreign owned enterprise established in the PRC.

* 於中國成立的外商獨資企業。

None of the subsidiaries had issued any debt securities at the end of the year except for Hong Kong Made which has issued convertible loan of HK\$8,550,000, in which the Group has no interest.

除香港製作發行為數8,550,000港元的可換股貸款(本集團於其中並無擁有權益)外,於年終附屬公司概無任何已發行債務證券。

The above table lists the subsidiaries of the Company which, in the opinion of the Directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

上表載列董事認為對本集團業績或資產構成主要影響之本公司附屬公司。董事認為詳列其他附屬公司之資料會令篇幅過長。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

52. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued)

At the end of the reporting period, the Company has other subsidiaries that are not material to the Group. A majority of these subsidiaries operate in the BVI, PRC and Hong Kong. The principal activities of these subsidiaries are summarised as follows:

52. 本公司主要附屬公司詳情(續)

於報告期末，本公司擁有其他對本集團而言並不重大之附屬公司。該等附屬公司大部分於英屬處女群島、中國及香港營業。該等附屬公司之主要業務概述如下：

Principal activities 主要業務	Principal place of business 主要營業地點	Number of subsidiaries 附屬公司數目	
		2020 二零二零年	2019 二零一九年
Investment holding 投資控股	BVI 英屬處女群島	12	12
	Hong Kong 香港	4	4
	Samoa 薩摩亞	1	1
	PRC 中國	1	—
		18	17
Consulting 顧問	PRC 中國	2	2
Sales of building materials, decoration materials 銷售建築材料、裝修材料	PRC 中國	1	1
Internet service 互聯網服務	PRC 中國	1	1
Leasing 租賃	BVI 英屬處女群島	1	1
Provision of cruise ship management services 提供郵輪管理服務	Hong Kong 香港	1	1
Securities trading 證券買賣	BVI 英屬處女群島	1	1
Inactive 暫無業務	Hong Kong 香港	10	10
	BVI 英屬處女群島	1	1
	PRC 中國	2	1
		13	12

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

53. NON-CONTROLLING INTERESTS

Details of non-wholly owned subsidiaries that have material non-controlling interests

The table below shows the details of non-wholly owned subsidiaries of the Group that have material non-controlling interests:

Name of subsidiary 附屬公司名稱	Place of incorporation and principal place of business 註冊成立地點及 主要營業地點	Proportion of ownership interests and voting rights held by non-controlling interests 非控股權益所持擁有權 權益及投票權比例		Loss allocated to non-controlling interests 分配予非控股權益之 虧損		Total comprehensive expense allocated to non-controlling interests 分配予非控股權益之 全面開支總額		Accumulated non-controlling interests 累計非控股權益	
		31 March 2020 二零二零年 三月三十一日	31 March 2019 二零一九年 三月三十一日	31 March 2020 二零二零年 三月三十一日	31 March 2019 二零一九年 三月三十一日	31 March 2020 二零二零年 三月三十一日	31 March 2019 二零一九年 三月三十一日	31 March 2020 二零二零年 三月三十一日	31 March 2019 二零一九年 三月三十一日
				HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
We Fly 愛飛	HK 香港	—	25%	(1,249)	(1,755)	(1,249)	(1,755)	—	(2,878)
Baoli Yota 寶力優特	PRC 中國	20%	20%	(701)	(5,426)	(72)	(5,081)	(11,250)	(11,178)
Zibo Liyuan 淄博利源	PRC 中國	20%	20%	(1,587)	(464)	(1,696)	(662)	708	2,404
Asset Management Group 資產管理集團	HK 香港	49%	—	(933)	—	(883)	—	(1,244)	—
				(4,470)	(7,645)	(3,900)	(7,498)	(11,786)	(11,652)

Summarised consolidated financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intra-group eliminations.

53. 非控股權益

存在重大非控股權益之非全資附屬公司之詳情

下表載列本集團存在重大非控股權益之非全資附屬公司之詳情：

下文載列本集團各存在重大非控股權益之附屬公司之綜合財務資料概要。以下財務資料概要指進行集團內公司間對銷前之金額。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

53. NON-CONTROLLING INTERESTS (continued)

We Fly

53. 非控股權益(續)

愛飛

		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	—	5,397
Non-current assets	非流動資產	—	1,447
Current liabilities	流動負債	—	(18,354)
Non-current liabilities	非流動負債	—	—
Equity attributable to owners of the Company	本公司擁有人應佔權益	—	(8,632)
Non-controlling interests of We Fly	愛飛之非控股權益	—	(2,878)
Revenue	收入	4,681	5,227
Expenses	支出	(9,679)	(12,243)
Loss for the year	本年度虧損	(4,998)	(7,016)
Loss attributable to owners of the Company	本公司擁有人應佔虧損	(3,749)	(5,261)
Loss attributable to non-controlling interests of We Fly	愛飛之非控股權益應佔虧損	(1,249)	(1,755)
Loss for the year	本年度虧損	(4,998)	(7,016)
Total comprehensive expenses attributable to owners of the Company	本公司擁有人應佔全面支出總額	(3,749)	(5,261)
Total comprehensive expenses attributable to non-controlling interests of We Fly	愛飛非控股權益應佔全面支出總額	(1,249)	(1,755)
Total comprehensive expenses for the year	本年度全面支出總額	(4,998)	(7,016)
Dividends paid to non-controlling interests of We Fly	已付愛飛之非控股權益之股息	—	—
Net cash outflow from operating activities	經營活動現金流出淨額	—	(2,710)
Net cash inflow from financial activities	融資活動現金流入淨額	—	483
Net cash outflow	現金流出淨額	—	(2,227)

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

53. NON-CONTROLLING INTERESTS (continued)

Baoli Yota

53. 非控股權益(續)

寶力優特

		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	2,387	12,671
Non-current assets	非流動資產	11	475
Current liabilities	流動負債	(55,704)	(66,101)
Equity attributable to owners of the Company	本公司擁有人應佔權益	(42,056)	(41,777)
Non-controlling interests of Baoli Yota	寶力優特之非控股權益	(11,250)	(11,178)
Revenue	收入	7,971	19,878
Expenses	支出	(11,469)	(47,019)
Loss for the year	本年度虧損	(3,498)	(27,141)
Loss attributable to owners of the Company	本公司擁有人應佔虧損	(2,797)	(21,715)
Loss attributable to non-controlling interests of Baoli Yota	寶力優特之非控股權益應佔虧損	(701)	(5,426)
Loss for the year	本年度虧損	(3,498)	(27,141)
Other comprehensive income attributable to owners of the Company	本公司擁有人應佔其他全面收入	2,518	1,394
Other comprehensive income attributable to non-controlling interests of Baoli Yota	寶力優特之非控股權益應佔其他全面收入	629	345
Other comprehensive income for the year	本年度其他全面收入	3,147	1,739
Total comprehensive expenses attributable to owners of the Company	本公司擁有人應佔全面支出總額	(279)	(20,321)
Total comprehensive expenses attributable to non-controlling interests of Baoli Yota	寶力優特之非控股權益應佔全面支出總額	(72)	(5,081)
Total comprehensive expenses for the year	本年度全面支出總額	(351)	(25,402)
Dividends paid to non-controlling interests of Baoli Yota	已付寶力優特之非控股權益之股息	—	—
Net cash outflow from operating activities	經營活動現金流出淨額	(3,199)	(2,457)
Net cash inflow from investing activities	投資活動現金流入淨額	7	6
Net cash outflow	現金流出淨額	(3,192)	(2,451)

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

53. NON-CONTROLLING INTERESTS (continued)

Zibo Liyuan

53. 非控股權益(續)

淄博利源

		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	780	1,173
Non-current assets	非流動資產	12,432	20,455
Current liabilities	流動負債	(9,683)	(9,610)
Equity attributable to owners of the Company	本公司擁有人應佔權益	2,821	9,614
Non-controlling interests of Zibo Liyuan	淄博利源之非控股權益	708	2,404
Revenue	收入	4,687	4,715
Expenses	支出	(12,623)	(7,044)
Loss for the year	本年度虧損	(7,936)	(2,329)
Loss attributable to owners of the Company	本公司擁有人應佔虧損	(6,349)	(1,865)
Loss attributable to non-controlling interests of Zibo Liyuan	淄博利源之非控股權益應佔虧損	(1,587)	(464)
Loss for the year	本年度虧損	(7,936)	(2,329)
Other comprehensive expenses attributable to owners of the Company	本公司擁有人應佔其他全面支出	(444)	(781)
Other comprehensive expenses attributable to non-controlling interests of Zibo Liyuan	淄博利源之非控股權益應佔其他全面支出	(109)	(198)
Other comprehensive expenses for the year	本年度其他全面支出	(553)	(979)
Total comprehensive expenses attributable to owners of the Company	本公司擁有人應佔全面支出總額	(6,793)	(2,646)
Total comprehensive expenses attributable to non-controlling interests of Zibo Liyuan	淄博利源之非控股權益應佔全面支出總額	(1,696)	(662)
Total comprehensive expenses for the year	本年度全面支出總額	(8,489)	(3,308)
Dividends paid to non-controlling interests of Zibo Liyuan	已付淄博利源之非控股權益之股息	—	—
Net cash inflow from operating activities	經營活動現金流入淨額	754	539
Net cash (outflow) inflow from investing activities	投資活動現金(流出)流入淨額	(3)	9
Net cash outflow from financing activities	融資活動現金流出淨額	(848)	(923)
Net cash outflow	現金流出淨額	(97)	(375)

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

53. NON-CONTROLLING INTERESTS (continued)

Asset Management Group

53. 非控股權益(續)

資產管理集團

		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	316	—
Non-current assets	非流動資產	28	—
Current liabilities	流動負債	(2,643)	—
Equity attributable to owners of the Company	本公司擁有人應佔權益	(1,055)	—
Non-controlling interests of Asset Management Group	資產管理集團非控股權益	(1,244)	—
Revenue	收入	—	—
Expenses	支出	(1,655)	—
Loss for the year	本年度虧損	(1,655)	—
Loss attributable to owners of the Company	本公司擁有人應佔虧損	(722)	—
Loss attributable to non-controlling interests of Asset Management Group	資產管理集團之非控股權益應佔虧損	(933)	—
Loss for the year	本年度虧損	(1,655)	—
Other comprehensive income attributable to owners of the Company	本公司擁有人應佔其他全面收入	43	—
Other comprehensive income attributable to non-controlling interests of Asset Management Group	資產管理集團之非控股權益應佔其他全面收入	50	—
Other comprehensive income for the year	本年度其他全面收入	93	—
Total comprehensive expenses attributable to owners of the Company	本公司擁有人應佔全面支出總額	(679)	—
Total comprehensive expenses attributable to non-controlling interests of Asset Management Group	資產管理集團之非控股權益應佔全面支出總額	(883)	—
Total comprehensive expenses for the year	本年度全面支出總額	(1,562)	—
Dividends paid to non-controlling interests of Asset Management Group	已付資產管理集團之非控股權益之股息	—	—
Net cash outflow from operating activities	經營活動現金流出淨額	(109)	—
Net cash inflow from investing activities	投資活動現金流入淨額	—	—
Net cash outflow from financing activities	融資活動現金流出淨額	—	—
Net cash outflow	現金流出淨額	(109)	—

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

54. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

54. 本公司之財務狀況表及儲備

		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		
Property, plant and equipment	物業、廠房及設備	1,563	2,626
Right-of-use asset	使用權資產	3,847	—
Interests in subsidiaries	於附屬公司之權益	1	1
Amounts due from subsidiaries	應收附屬公司款項	60,611	203,336
		66,022	205,963
Current assets	流動資產		
Other receivables	其他應收賬項	8,750	9,245
Bank balances and cash	銀行結餘及現金	69	178
		8,819	9,423
Current liabilities	流動負債		
Other payables	其他應付賬項	67,148	59,874
Amounts due to subsidiaries	應付附屬公司款項	48,275	50,842
Lease liability	租賃負債	3,586	—
Financial guarantee	財務擔保	220,461	226,154
Other borrowings	其他借貸	19,947	10,000
		(359,417)	346,870
Net current liabilities	流動負債淨額	(350,598)	(337,447)
Total assets less current liabilities	資產總值減流動負債	(284,576)	(131,484)
Non-current liabilities	非流動負債		
Lease liability	租賃負債	812	—
Other borrowings	其他借貸	9,868	19,657
		10,680	19,657
Net liabilities	負債淨值	(292,256)	(151,141)
Capital and reserves	資本及儲備		
Share capital	股本	372,156	363,823
Reserves	儲備	(667,412)	(514,964)
Total deficit	虧絀總額	(292,256)	(151,141)

The Company's statement of financial position was approved and authorised for issue by the board of directors on 31 August 2020 and are signed on its behalf by:

本公司之財務狀況表於二零二零年八月三十一日獲董事會批准及授權刊發，並由以下人士代表簽署：

Zhang Yi
張依
Director
董事

Chu Wei Ning
祝蔚寧
Director
董事

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

54. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (continued)

Movement of the Company's reserves

54. 本公司之財務狀況表及儲備(續)

本公司儲備變動

		Share premium	Capital redemption reserve	Contingent consideration reserve	Share options reserve	Share held under share award scheme reserve	Share-based payment reserve	Contributed surplus	Accumulated losses	Total
		股份溢價	資本贖回儲備	或然代價儲備	購股權儲備	根據股份獎勵計劃所持股份儲備	以股份為基礎之付款儲備	繳入盈餘	累計虧損	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 April 2018	於二零一八年四月一日	2,044,106	13,878	—	28,216	(1,268)	20,421	907,760	(2,538,463)	474,650
Loss for the year	本年度虧損	—	—	—	—	—	—	—	(1,065,405)	(1,065,405)
Issuance of shares for the further acquisition of an associate	就進一步收購一間聯營公司發行股份	32,452	—	—	—	—	—	—	—	32,452
Issuance of shares under share award scheme	根據股份獎勵計劃發行股份	—	—	—	—	(9,029)	—	—	—	(9,029)
Equity settled share-based transaction	以權益結算以股份為基礎之交易	—	—	—	—	—	52,368	—	—	52,368
Allotment of awarded shares to trustee	向受託人配發獎勵股份	62,258	—	—	—	10,281	(72,539)	—	—	—
Share award forfeited	沒收股份獎勵	—	—	—	—	—	(250)	—	250	—
Lapse of share options	購股權失效	—	—	—	(28,216)	—	—	—	28,216	—
At 31 March 2019	於二零一九年三月三十一日	2,138,816	13,878	—	—	(16)	—	907,760	(3,575,402)	(514,964)
Loss for the year	本年度虧損	—	—	—	—	—	—	—	(184,248)	(184,248)
Acquisition of subsidiaries (Note 42)	收購附屬公司(附註42)	6,000	—	25,800	—	—	—	—	—	31,800
At 31 March 2020	於二零二零年三月三十一日	2,144,816	13,878	25,800	—	(16)	—	907,760	(3,759,650)	(667,412)

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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

55. EVENTS AFTER THE REPORTING PERIOD

- (a) On 13 July 2020, Shanghai YunYao Culture & Media Limited* (上海雲遙文化傳媒有限公司) (the "Purchaser"), a wholly-owned subsidiary of the Company, and Mr. Xu Shang Wu* (徐尚武) and Ms. Ou Xian Lan* (歐憲蘭) (the "Vendors") entered into the share transfer agreements and supplemental agreements (collectively referred to the "Share Transfer Agreements"), pursuant to which the Vendors conditionally agreed to sell and the Purchaser conditionally agreed to purchase an aggregate of 80% of the entire issued share capital of ShenZhen Zijun Media Company Limited* (深圳鈺駿傳媒有限公司), for an aggregate consideration of RMB1,825,800 (equivalent to approximately HK\$2,008,380), which shall be satisfied in cash to the Vendors or their nominee in accordance with the terms and conditions of the Share Transfer Agreements.
- (b) The outbreak of COVID-19 since early 2020 has brought about additional uncertainties in the Group's operating environment and has impacted the Group's operations and financial position and performance.

The Group has been closely monitoring the impact of the developments on the Group's businesses and has put in place contingency measures. These contingency measures include: exploring business opportunities on those less influenced by COVID-19 business, such as gamma ray segment. The Company is in discussion of business cooperation with a state-owned enterprise in relation to gamma ray technologies. The Group will keep its contingency measures under review as the situation evolves.

This is not practicable to estimate the impact of COVID-19 to the financials as at the date of this report. However, following the lift of travel restrictions related to the COVID-19 pandemic in mainland China, the railway transport network services in mainland China have started to resume gradually. In the interim, the Company continues to be actively engaged in discussions with a number of new and existing customers placing multi-media contents on GSCR Hexiehao Trains. The Company expects its mobile and multi-media technologies business will regain its momentum once the COVID-19 pandemic has subsided and will continue a major drive in developing a scalable mobile and multi-media technology business going forward.

* For identification purpose only

55. 報告期後事項

- (a) 於二零二零年七月十三日，本公司全資附屬公司上海雲遙文化傳媒有限公司(「買方」)與徐尚武先生及歐憲蘭女士(「賣方」)訂立股份轉讓協議及補充協議(統稱「股份轉讓協議」)，據此，賣方有條件同意出售而買方有條件同意購買深圳鈺駿傳媒有限公司全部已發行股本的合計80%，總代價為人民幣1,825,800元(相當於約2,008,380港元)，將根據股份轉讓協議的條款及條件向賣方或其代名人以現金結付。
- (b) 自二零二零年年初以來，新冠肺炎疫情的爆發給本集團的經營增添不確定因素，並影響本集團的經營及財務狀況及表現。

本集團一直密切監察疫情發展對本集團業務造成的影響，並已採取應急措施。該等應急措施包括：挖掘伽瑪射線分部等受新冠肺炎疫情影響較小的業務的商機。本公司正與一家國有企業就伽瑪射線技術展開業務合作商討。隨著疫情形勢變化，本集團將持續檢討其應急措施。

於本報告日期估計新冠肺炎疫情的財務影響並不切實可行。然而，隨著中國內地解除因新冠肺炎疫情施加的旅遊限制，中國內地的鐵路交通網絡服務已開始逐步恢復。於此期間，本公司繼續積極就於廣深線和諧號上投放多媒體內容與多名新客戶及現有客戶展開商討。本公司預期，一旦新冠肺炎疫情消退，其手機及多媒體技術業務將重拾增長動力，且於未來將繼續致力打造可擴展的手機及多媒體技術業務。

* 僅供識別

Five-Year Financial Summary 五年財務摘要

RESULTS

業績

		2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Revenue	收入	105,020	37,343	53,482	44,580	49,302
Loss attributable to owners of the Company	本公司擁有人 應佔虧損	(77,097)	(378,728)	(294,509)	(1,298,305)	(114,089)

ASSETS AND LIABILITIES

資產及負債

		2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Total assets	資產總值	356,843	1,194,630	1,390,057	261,880	172,758
Total liabilities	負債總額	(176,349)	(158,165)	(505,883)	(626,336)	603,249
Net(liabilities) assets	(負債)資產淨值	180,494	1,036,465	884,174	(364,456)	(430,491)
Non-controlling interests	非控股權益	(4,302)	(2,625)	(4,052)	(11,652)	(11,786)

Adjusted Share(s) 經調整股份	Ordinary Shares of HK\$0.10 each in the share capital of the Company (being ordinary Shares with such nominal amount as resulted from the Share Consolidation taking effect) 本公司股本中每股面值0.10港元之普通股(即股份合併生效產生之具有該面值之普通股)
Annual General Meeting 股東週年大會	the annual general meeting of the Company held on 30 September 2019 本公司於二零一九年九月三十日舉行之股東週年大會
Asian Alliance 華融	Asian Alliance (HK) CPA Limited, the external auditor of the Company 華融(香港)會計師事務所有限公司，本公司之外部核數師
Audit Committee 審核委員會	the audit committee of the Company 本公司審核委員會
Baoli Yota 寶力優特	寶力優特科技(深圳)有限公司 (Baoli Yota Technologies (Shenzhen) Limited**), a company incorporated under the laws of the PRC with limited liability which is a non-wholly owned subsidiary of the Company 寶力優特科技(深圳)有限公司，一間根據中國法律註冊成立之有限公司，為本公司之非全資附屬公司
Board 董事會	the board of Directors 董事會
Bye-laws 細則	the bye-laws of the Company, and as amended from time to time 本公司不時修訂之細則
Chongqing Baoli 重慶寶力	重慶寶力優特科技有限公司 (Chongqing Baoli Yota Technologies Limited**), a company incorporated under the laws of the PRC with limited liability which is a wholly-owned subsidiary of the Company 重慶寶力優特科技有限公司，一間根據中國法律註冊成立之有限公司，為本公司之全資附屬公司
CG Code 企管守則	the Corporate Governance Code contained in Appendix 14 to the Listing Rules 上市規則附錄十四所載企業管治守則
Companies Ordinance 公司條例	the Companies Ordinance, Chapter 622 of the Laws of Hong Kong 香港法例第622章公司條例
Company 本公司	China Baoli Technologies Holdings Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange 中國寶力科技控股有限公司，一間於百慕達註冊成立之有限公司，其股份在聯交所主板上市
connected person(s) 關連人士	as defined under the Listing Rules 定義見上市規則
Director(s) 董事	the director(s) of the Company 本公司董事

EPD EPD	electronic paper display 電子紙顯示
FIT FIT	free independent traveller 自由行
Group 本集團	the Company and its subsidiaries 本公司及其附屬公司
HK\$ 港元	Hong Kong dollar, the lawful currency of Hong Kong 港元，香港法定貨幣
Hong Kong 香港	the Hong Kong Special Administrative Region of the PRC 中國香港特別行政區
Internal Control Advisor 內部控制顧問	an independent professional advisor, to carry out the internal audit functions of the Company 獨立專業顧問，以履行本公司之內部審核職能
Listing Rules 上市規則	the Rules Governing the Listing of Securities on the Stock Exchange 聯交所證券上市規則
Model Code 標準守則	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules 上市規則附錄十所載上市發行人董事進行證券交易的標準守則
Nomination Committee 提名委員會	the nomination committee of the Company 本公司提名委員會
PRC or China or Mainland China 中國或中國內地	the People's Republic of China, except where the context requires, geographical references to the PRC exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan 中華人民共和國，除文義另有所指外，所提述的中國，在地理上不包括香港、中國澳門特別行政區及台灣
Pre-Adjusted Share(s) 調整前股份	ordinary Shares HK\$0.01 each in the share capital of the Company (being ordinary Shares with such nominal amount prior to the Share Consolidation taking effect) 本公司股本中每股面值0.01港元之普通股(即股份合併生效前具有該面值之普通股)
Remuneration Committee 薪酬委員會	the remuneration committee of the Company 本公司薪酬委員會
RMB 人民幣	Renminbi, the lawful currency of the PRC 人民幣，中國法定貨幣
Scheme Rules 計劃規則	the rules relating to the Share Award Scheme as amended from time to time 與股份獎勵計劃有關之規則(經不時修訂)
SFO 證券及期貨條例	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong 香港法例第571章證券及期貨條例

Glossary (continued)

詞彙表(續)

Share(s)	ordinary shares with nominal value of HK\$0.10 each in the share capital of the Company (or of such other nominal amount as will result from a sub-division, consolidation, reclassification or reconstruction of the share capital of the Company from time to time)
股份	本公司股本中每股面值0.10港元(或因本公司股本不時分拆、合併、重新分類或重組產生之有關其他面值)之普通股
Share Award Scheme	the share award scheme approved and adopted by the Board in accordance with the Scheme Rules on 15 January 2018
股份獎勵計劃	董事會根據計劃規則於二零一八年一月十五日批准及採納之股份獎勵計劃
Share Consolidation	the consolidation of every ten (10) issued and unissued ordinary Shares of HK\$0.01 each in the share capital of the Company into one (1) issued and unissued ordinary Share of HK\$0.10 each in the share capital of the Company, which became effective on 3 August 2018
股份合併	把本公司股本中每十(10)股每股面值0.01港元之已發行及未發行普通股合併為本公司股本中一(1)股每股面值0.10港元之已發行及未發行普通股，其於二零一八年八月三日生效
Share Option Scheme	the share option scheme adopted by the Company on 22 August 2011
購股權計劃	本公司於二零一一年八月二十二日採納之購股權計劃
Shareholder(s)	holders of the Shares
股東	股份持有人
Stock Exchange	The Stock Exchange of Hong Kong Limited
聯交所	香港聯合交易所有限公司
US or USA or United States	United States of America
美國	美利堅合眾國
USD	United States dollar, the lawful currency of the US
美元	美元，美國法定貨幣
We Fly	We Fly Travel Limited, a company incorporated under the laws of Hong Kong with limited liability which was a non-wholly owned subsidiary of the Company
愛飛	愛飛旅遊有限公司，一間根據香港法例註冊成立之有限公司，為本公司之非全資附屬公司
Yota	Yota, an exempted company incorporated with limited liability under the laws of the Cayman Islands which is held as to 40% by the Company
Yota	Yota，一間根據開曼群島法律註冊成立之獲豁免有限公司，由本公司持有40%
Yota Group	Yota and its subsidiaries
Yota 集團	Yota 及其附屬公司

** For identification purpose only

** 僅供識別



China Baoli Technologies Holdings Limited
中國寶力科技控股有限公司