



中國農產品交易

CHINA AGRI-PRODUCTS EXCHANGE

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock Code 股票代號 : 0149

*Dedicated to developing Agriculture
Sincere in serving Agriculture*

以誠強農 以信惠農



ANNUAL REPORT
年報 2021

CONTENTS

目錄

- 2** Corporate Information
公司資料
- 6** Chairman's Statement
主席報告
- 12** Management Discussion and Analysis
管理層討論及分析
- 42** Board of Directors and Senior Management
董事會及高級管理層
- 48** Corporate Governance Report
企業管治報告
- 72** Report of the Directors
董事會報告

FINANCIAL STATEMENTS

財務報表

- 93** Independent Auditors' Report
獨立核數師報告
- 99** Consolidated Statement of Profit or Loss and
Other Comprehensive Income
綜合損益及其他全面收益表
- 101** Consolidated Statement of Financial Position
綜合財務狀況表
- 103** Consolidated Statement of Changes in Equity
綜合權益變動表
- 104** Consolidated Statement of Cash Flows
綜合現金流動表
- 106** Notes to the Consolidated Financial
Statements
綜合財務報表附註
- 245** Particulars of Properties
物業詳情
- 248** Five-Year Financial Summary
五年財務概要

CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Leung Sui Wah, Raymond
Chief Executive Officer
Mr. Yau Yuk Shing

Non-executive Director

Mr. Tang Ching Ho, GBS, JP, Chairman
(appointed on 8 February 2021)

Independent Non-executive Directors

Mr. Ng Yat Cheung, JP
Mr. Lau King Lung
Mr. Wong Ping Yuen

AUDIT COMMITTEE

Mr. Wong Ping Yuen, Chairman
Mr. Ng Yat Cheung, JP
Mr. Lau King Lung

REMUNERATION COMMITTEE

Mr. Ng Yat Cheung, JP, Chairman
Mr. Lau King Lung
Mr. Wong Ping Yuen

董事會

執行董事

梁瑞華先生
行政總裁
游育城先生

非執行董事

鄧清河先生，GBS，太平紳士，主席
(於二零二一年二月八日獲委任)

獨立非執行董事

吳日章先生，太平紳士
劉經隆先生
王炳源先生

審核委員會

王炳源先生，主席
吳日章先生，太平紳士
劉經隆先生

薪酬委員會

吳日章先生，太平紳士，主席
劉經隆先生
王炳源先生



CORPORATE INFORMATION 公司資料

NOMINATION COMMITTEE

Mr. Lau King Lung, *Chairman*
Mr. Ng Yat Cheung, *JP*
Mr. Wong Ping Yuen
Mr. Leung Sui Wah, *Raymond*

提名委員會

劉經隆先生，*主席*
吳日章先生，*太平紳士*
王炳源先生
梁瑞華先生

EXECUTIVE COMMITTEE

Mr. Leung Sui Wah, *Raymond, Chairman*
Mr. Yau Yuk Shing

執行委員會

梁瑞華先生，*主席*
游育城先生

COMPANY SECRETARY

Mr. Leung Sui Wah, *Raymond*

公司秘書

梁瑞華先生

PRINCIPAL BANKERS

Bank of Communications Co., Ltd.
Hong Kong Branch
The Hongkong and Shanghai Banking Corporation Limited

主要往來銀行

交通銀行股份有限公司
香港分行
香港上海滙豐銀行有限公司

LEGAL ADVISERS

Hong Kong Law: DLA Piper Hong Kong
PRC Law: King & Wood Mallesons

法律顧問

香港法律：歐華律師事務所
中國法律：金杜律師事務所



CORPORATE INFORMATION 公司資料

AUDITORS

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 3202, 32/F., Skyline Tower
39 Wang Kwong Road
Kowloon Bay
Kowloon
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER AGENT

MUFG Fund Services (Bermuda) Limited
4th Floor North
Cedar House
41 Cedar Avenue
Hamilton HM 12
Bermuda

核數師

國衛會計師事務所有限公司
執業會計師

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

總辦事處及香港主要營業地點

香港
九龍
九龍灣
宏光道39號
宏天廣場32樓3202室

股份過戶登記總處

MUFG Fund Services (Bermuda) Limited
4th Floor North
Cedar House
41 Cedar Avenue
Hamilton HM 12
Bermuda



CORPORATE INFORMATION
公司資料

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

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

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東 183 號
合和中心 54 樓

LISTING INFORMATION

Shares Listing

The Stock Exchange of Hong Kong Limited
Stock Code: 0149

上市資料

股份上市

香港聯合交易所有限公司
股份代號：0149

Notes Listing

The Stock Exchange of Hong Kong Limited
The Company's 1% notes due 2024
Stock Code: 5755

票據上市

香港聯合交易所有限公司
本公司之二零二四年到期 1% 票據
股份代號：5755

HOMEPAGE

<http://www.cnagri-products.com>

網址

<http://www.cnagri-products.com>



CHAIRMAN'S STATEMENT

主席報告



Dear Shareholders,

On behalf of the board of directors (the **"Board"** or the **"Director(s)"**) of China Agri-Products Exchange Limited (the **"Company"**, together with its subsidiaries, collectively the **"Group"**), I am pleased to present to our shareholders the annual report for the twelve months ended 31 March 2021 (the **"Year"** or the **"year under review"**). During the Year, the Group recorded a turnover of approximately HK\$651 million, representing a decrease of approximately HK\$440 million as compared to that of the last financial period for the fifteen months ended 31 March 2020 (the **"Period"**).

各位股東：

本人謹代表中國農產品交易所有限公司（「本公司」，連同其附屬公司統稱「本集團」）董事會（「董事會」或「董事」）向各股東提呈截至二零二一年三月三十一日止十二個月（「本年度」或「回顧年度」）之年度報告。本年度，本集團錄得營業額約651,000,000港元，較上一財政期間截至二零二零年三月三十一日止十五個月（「該期間」）減少約440,000,000港元。

CHAIRMAN'S STATEMENT 主席報告

The Group has successfully built a nationwide chain of wholesale markets and a network of modern agricultural produce logistics center, linking the southern and northern regions and across the eastern and south-western parts of the PRC. During the year under review, the Group managed a total of 11 agricultural produce exchange markets in mainland China, covering Wuhan, Huangshi, Suizhou, Luoyang, Puyang, Kaifeng, Yulin, Qinzhou, Xuzhou, Huai'an and Panjin, with business spreading across various provinces, including Hubei Province, Henan Province, Guangxi Zhuang Autonomous Region, Jiangsu Province and Liaoning Province.

During the year under review, under the outbreak of Coronavirus Disease 2019 pandemic (“COVID-19 pandemic”), the business development of the Group remained stable due to its commitment to communal engineering project and the effective implementation of cost control measures. Given that Wai Yuen Tong Medicine Holdings Limited (“WYT” or “controlling shareholder”; stock code: 897) and parties acting in concert with it completed the partial share offer in respect of shares of the Company in February 2020, it became a controlling shareholder of the Group. The Group has changed its financial year end date for the financial years of 2019 and 2020 (the “Previous Year”) to be aligned with that of its controlling shareholder. Accordingly, there are total fifteen months recorded in the accounts for the Previous Year and only twelve months recorded in the accounts as of 31 March 2021.

BUSINESS ENVIRONMENT

Since the reform and opening up, the People's Republic of China (“China” or the “PRC”) has basically formed a supply chain of agricultural by-products on the basis of the agricultural produce wholesale markets, which has played an important role in ensuring the supply of agricultural products and promoting the development of “Three Rural Issues”. In the first quarter of 2020, the agricultural wholesale market has aroused social concern along with the outbreak of COVID-19 pandemic. The State Council of China has focused on “Three Rural Issues” since the No.1 Central Document was released in 2003 with continuous focus on the development of “Three Rural Issues” in No. 1 Central Document of 2021, in which one of the key contents of “accelerating agricultural modernization” is mentioned, further reflecting China's strong support and promotion of the development of agricultural produce wholesale markets and agricultural produce logistics industry.

本集團已成功建立縱貫華南華北、橫跨華東大西南的全國性連鎖批發市場體系和現代化的農副產品物流中心網絡。於回顧年度，本集團在中國內地管理合共十一個農產品交易市場，分佈在武漢、黃石、隨州、洛陽、濮陽、開封、玉林、欽州、徐州、淮安及盤錦，業務遍及湖北省、河南省、廣西壯族自治區、江蘇省及遼寧省等多個省份。

回顧年度內，新型冠狀病毒肺炎疫情（「新冠疫情」）爆發下，由於本集團為民生工程項目，以及有效執行成本控制措施，令本集團業務發展持續平穩。鑑於位元堂藥業控股有限公司（「位元堂」或「控股股東」；股份代號：897）及其一致行動人士，已於二零二零年二月完成本公司股份的部分股份收購要約，成為本集團之控股股東。本集團二零一九年至二零二零年財政年度（「上年度」）結算日更改為與控股股東一致，故此計入上年度的賬目共有十五個月；計入本年度截至二零二一年三月三十一日止的賬目只有十二個月。

業務環境

改革開放以來，中華人民共和國（「中國」或「國家」）已經基本形成以農產品批發市場為體系的農副產品供應鏈，在保障農產品供應、促進「三農」發展等方面發揮了重要作用。二零二零年首季，新冠疫情爆發，農貿批發市場一度成為社會關注熱點。國務院自二零零三年開始的中央一號文件關注「三農」工作，而二零二一年的中央一號文件持續聚焦「三農」發展，其中提及重點內容之一的「加快推進農業現代化」，再度反映國家大力支持及推進農產品批發市場及農產品物流行業發展。

CHAIRMAN'S STATEMENT 主席報告

According to the data shown from the Ministry of Commerce of the PRC, there are currently 44,000 agricultural produce markets, including over 4,100 wholesale markets, of which 1,300 wholesale markets reach an annual transaction volume of more than RMB100 million, and nearly 40,000 agricultural trade markets, wet markets and bazaars. Approximately 70% of agricultural products are distributed nationwide through wholesale markets¹.

Currently, agricultural wholesale markets are the key market and main channel for popularizing agricultural products in China, connecting both ends of production and sales. In March 2021, the "Regulations of the State Council on Strengthening the Supervision and Administration of Agricultural Wholesale Markets (Exposure Draft)《國務院關於加強農產品批發市場監督管理的規定(徵求意見稿)》”(the “**Opinion**”) drafted by relevant departments of the State Council of China was issued to provide a legal basis for normalized epidemic prevention and control, among which the policy clarifies the regulatory responsibilities of local governments and relevant departments. On one hand, the Opinion requires market operators to possess appropriate qualifications and assume greater management responsibilities. On the other hand, it is proposed that people's governments at all levels should take effective measures and provide supporting policies. Such policies will facilitate the operation of agricultural wholesale markets in a more advanced manner while standardizing the laws to further raise the industry's entry barriers, which is conducive to achieving positive integration of the agricultural wholesale industry, separating the wheat from the chaff.

As a leading agricultural produce logistics and warehouse operator in mainland China, the Group, supported by national policies, is actively seizing the opportunity to standardize the development of agricultural wholesale markets, seeking suitable opportunities to expand the market and diversifying the market share of the existing agricultural wholesale markets. The Group believes that there is still a room for expansion. Meanwhile, it is expected to write a new chapter in the business development of the Group along further upgrade and transform of smart agricultural wholesale through digitalization.

根據中國商務部數據顯示，中國目前現有農產品市場4.4萬家，其中批發市場4,100多家，年交易額在人民幣億元以上的批發市場有1,300多家，農貿市場、菜市場和集貿市場近4萬家。約70%農產品經由批發市場分銷全國¹。

農產品批發市場連接產銷兩端，是中國農產品流通的關鍵場所和主要渠道。二零二一年三月，國務院有關部門起草的《國務院關於加強農產品批發市場監督管理的規定(徵求意見稿)》(「《意見》」)出台，為常態化疫情防控提供法律依據，而當中政策明確地方政府和有關部門監管職責，《意見》一方面要求市場開辦及經營者應具備適當資質條件及承擔更大管理責任，另一方面提出各級人民政府應採取有效措施及給予支持政策，有關政策將使農產品批發市場的經營更趨規模，並規範法令行業進入門檻進一步提升，有利於農批行業實現良性的整頓，去蕪存菁。

本集團作為中國內地領先的農產品物流聯合基地營運商，受惠於國家政策支持，正積極把握農產品批發市場建設規範化的機遇，積極尋求合適的機會拓展市場，及現有農產品批發市場的分散市場份額，本集團相信仍有很大的拓展空間，同時，為了進一步以電子化為手段進行智慧農批升級改造，期望為本集團業務發展寫上另一新篇章。

¹ <http://www.mofcom.gov.cn/xwfbh/20200703.shtml>

¹ <http://www.mofcom.gov.cn/xwfbh/20200703.shtml>

CHAIRMAN'S STATEMENT 主席報告

BUSINESS DEVELOPMENT

Under e-commerce, seizing new development opportunities in new era

As a leading agricultural produce logistics and warehouse operation in mainland China, the Group has fully introduced a new business model of electronic transaction settlement and a modern lease management system in all agricultural produce exchange markets under the increasing demand for digitalization in the "post-epidemic era". Accordingly, the Group took a big step forward in promoting the digitalization of agricultural wholesale business during the Year. According to the big data from the Group's electronic settlement, electronic payments are increasingly used between buyers and sellers instead of cash payments which result in higher risk of being infected since the outbreak of COVID-19 pandemic. In addition, the Group has switched all paper lease contracts to electronic ones. The operators are not required to make the payment in person. Alternatively, they can pay rent and property management fees online, and even enter into contracts online with electronic seals, which not only reduces costs, but also helps to grasp the situation of business transactions and promote the informatization of the Group's agricultural produce exchange markets.

Scientific management under the pandemic, equipped with sufficient risk prevention and control as well as cost control

Under the pandemic, the Group's advanced systematic management provides a good check on the risk prevention and control of the market. During the year under review, the Group implemented various nationwide measures to control the pandemic, in which the monitoring of imported cold chain food was exercised in stringent manner that the food was not allowed to be stored in the warehouse if officially recognized certification documents were not provided. Meanwhile, the Group has also strengthened the education on employees' anti-epidemic awareness and adopted various strict anti-epidemic hygiene requirements for employees, tenants, customers and visitors when entering and exiting the agricultural produce exchange markets, requiring them to wear masks, measure body temperature, disinfect the hands, and present health codes. Notwithstanding the Group's business operation was slightly affected by COVID-19 pandemic, it is committed to integrating internal and external resources as well as strengthening the cost control to enhance operating efficiency.

業務發展

電子化營運模式抓緊新時代發展機遇

本集團作為中國內地領先的農產品物流營運商，在「後疫情時代」的電子化需求更為殷切下，已在所有農產品交易市場全面引進電子化交易結算新型商業模式及現代化租賃管理系統，本年度本集團在推進農批業務電子化更跨進一大步。根據本集團電子化結算大數據顯示，自新冠疫情爆發以來，買賣雙方因避免接觸現金增添染疫風險，轉而採用電子貨幣交易的情況有增加趨勢。此外，本集團已將全部紙質租賃合同轉為電子租賃合同，經營戶不需要親身前往收費中心，可於線上繳交租金及物業管理費，甚至線上電子蓋章簽約。此舉不但有效減低成本，更有助掌握經營戶交易經營狀況，推進本集團農產品交易市場信息化的建設。

疫下科學化管理 做足風險防控及成本控制

新冠肺炎疫情下，本集團先進系統化管理為市場的風險防控做好把關。回顧年度內，本集團貫徹執行國家對疫情控制的各項措施，其中對進口冷鏈食品的監控極其嚴謹，沒有官方認可的證明文件一律不得入庫。同時，本集團亦加強了職工的防疫意識教育，並對進出農產品交易市場之員工、租戶、顧客及訪客都採取要求配戴口罩、量度體溫、消毒雙手、出示健康碼等各項嚴格的衛生防疫措施。儘管新冠肺炎疫情對業務營運造成輕微影響，本集團堅定整合內部及外部資源，加強成本控制，以提升營運效益。

CHAIRMAN'S STATEMENT 主席報告

CORPORATE STRATEGY

"Opinions of the State Council on Comprehensively Pushing forward Rural Revitalization and Accelerating Modernization of Agriculture and Rural Areas (《關於全面推進鄉村振興加快農業農村現代化的意見》)", also known as the No.1 Central Document for 2021, published by the central government stated that "Three Rural Issues" should be well solved during the "14th Five-Year Plan" period, focusing on accelerating agricultural modernization, optimizing the distribution of agricultural products trading, supporting enterprises to integrate into the global agricultural product supply chain, as well as strengthening the port quarantine and prevention and control of invasive alien species².

Under the nationwide support of "Three Rural Issues" policy, the Group will integrate offline physical agricultural produce exchange markets and build an online agricultural produce exchange big data cloud platform. By fully displaying the advantages of the physical network in China and applying modern technology to manage five aspects: traffic, mobility, logistics, information flow and capital flow, a new generation of agricultural product supply chain logistics center will be upgraded and transformed with offline physical operation plus online smart agricultural wholesale combined.

In the era of electronic settlement transactions and big data, the informatization construction of agricultural produce exchange markets has been implemented. The Group has gradually improved the market rate mechanism by accurately grasping the actual transaction and business conditions of operators. In the long term, the Group will transform the traditional agricultural wholesale markets from a profit model that only charges fixed rent to one that mainly charges transaction commissions, which is able to drive market scale more flexibly and effectively as well as maintain profit growth.

Looking forward, the Group adheres to a business philosophy of "dedicated to developing agriculture with sincere in serving agriculture" and continues to invest in corporate resources, fully supporting the nationwide construction of "the vegetable basket (菜籃子)" and "the rice bag (米袋子)" for the communal engineering project. Through digitalization as the core means to ensure food safety as the primary responsibility, along with smart agricultural wholesale as the orientation of upgrade and transformation, high-quality and stable business performance as well as the broad prospects of sustainable growth, it will bring reasonable returns to shareholders.

企業策略

中央政府發佈《關於全面推進鄉村振興加快農業農村現代化的意見》，即二零二一年中央一號文件，指出「十四五」時期要堅持解決好「三農」問題，重點提出要加快推進農業現代化，優化農產品貿易佈局，支持企業融入全球農產品供應鏈，並加強口岸檢疫和外來入侵物種防控²。

在國家「三農」政策的支持下，本集團將整合線下實體農產品交易市場及建設線上農產品交易大數據雲平台，充分發揮全國實體網絡優勢，應用現代化科技管理「五流」：車流、人流、物流、信息流與資金流，升級改造實體經營線下+智慧農批線上的新一代農產品供應鏈物流中心。

在電子結算交易與大數據的時代背景下，農產品交易市場的信息化建設落地，本集團通過對經營戶實際交易經營狀況的準確掌握，逐步提升市場收費模式。長遠而言，本集團將由傳統農產品批發市場只收取固定場地租金的盈利模式，轉化為收取交易佣金為主的盈利模式，能夠更靈活、更有效地驅動市場規模化，保持利潤增長。

展望未來，本集團將秉持「以誠強農，以信惠農」的經營理念，持續投入企業資源，全力支援國家「菜籃子」及「米袋子」民生工程建設，以電子化為核心手段、以保障食品安全為首要責任、以智慧農批為升級改造導向、以優質穩定的業務表現、以可持續增長的廣闊前景，為股東帶來合理回報。

² http://www.moa.gov.cn/ztlz/jj2021zyyhj/zxgz_26476/202102/t20210221_6361865.htm

² http://www.moa.gov.cn/ztlz/jj2021zyyhj/zxgz_26476/202102/t20210221_6361865.htm

CHAIRMAN'S STATEMENT 主席報告

SOCIAL RESPONSIBILITY

The Group is committed to promoting sustainable business development. During the Year, the Company participated in the "Charity Love Tooth Day" and "Charity Green Knowledge Day" organized by the Hong Kong Community Chest, to support the disadvantaged and vulnerable groups in the community by raising funds for the Hong Kong Community Chest while taking care of the staff's health and promoting environmental awareness. In mainland China, the Group has donated vegetables, cooking oil, rice and other daily necessities to government units, frontline anti-epidemic personnel from hospitals, as well as schools and residents of affected areas, being the back-up support for the public to fight against COVID-19 pandemic. The Group has also made donations in cash and in kind in response to the call of the rural areas, making continuous contribution to poverty alleviation in China. In addition, the Group's mission is to protect the environment and maintain ecological balance. The development and operation of the agricultural produce exchange markets strictly comply with the environmental protection laws and regulations of the PRC, while actively promoting environmental awareness among employees and suppliers.

Please refer to the environmental, social and governance report to be published by the Company for details of the Group's environmental protection, social and governance related work during 2020 to 2021.

APPRECIATION

I would like to express my sincere gratitude to the Company's shareholders, bondholders, business partners and customers for their continued trust and support. Meanwhile, I would like to take this opportunity to thank my fellow board members, the management team and staff members at all levels for sticking together through thick and thin over the past year. I especially appreciate the frontline staff's dedication and commitment to their posts throughout the critical times of COVID-19 pandemic.

Tang Ching Ho
Chairman

Hong Kong, 28 June 2021

社會責任

本集團矢志推行可持續的業務發展。本年度，本公司參與由香港公益金舉辦的「公益愛牙日」及「公益綠識日」，在關注員工身體健康及宣揚環保意識的同時，為香港公益金籌募善款支援社會上的弱勢社群。在中國內地，本集團屢次向政府單位、醫院前線抗疫人員，以及受疫情影響地區的學校和居民，愛心捐贈蔬菜、食用油、大米等民生必需品，成為支援民眾抗擊新冠肺炎疫情的補給後盾。本集團亦經常響應農村號召作出善款及實物捐贈，持續為國家脫貧攻堅作出貢獻。此外，本集團以保護環境和維持生態平衡為己任，農產品交易市場的建設以至營運過程，均嚴格遵從中國環境保護法律及法規，並積極推動對員工以至供應商的環保意識宣導。

有關本集團於二零二零至二零二一年的環境保護、社會及管治相關工作詳情，請參閱本公司將刊發之環境、社會及管治報告。

鳴謝

本人代表董事會衷心感謝股東、債券持有人、業務夥伴及客戶長期的信任及支持。同時，本人想藉此機會感謝董事會各成員、管理團隊及全體員工過去一年同甘共苦、度勢克艱，尤其感激在新冠肺炎疫情嚴峻時期仍緊守崗位披肝瀝膽、鞠躬盡瘁的一眾前線員工。

鄧清河
主席

香港，二零二一年六月二十八日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析





MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

SUMMARY OF FINANCIAL RESULTS

Turnover, gross profit and segment result

For the year ended 31 March 2021 (the “Year”), the Group recorded a turnover of approximately HK\$651 million, representing a decrease of approximately HK\$440 million as compared to that of the last financial period for the fifteen months ended 31 March 2020 (the “Period”). The below table summarises the key financial performance of the Group:

| HK\$ million and approximate % | 百萬港元及概約百分比 | For the year ended 31 March 2021 截至二零二一年三月三十一日止年度 | | | For the fifteen months ended 31 March 2020 截至二零二零年三月三十一日止十五個月 | | |
|--------------------------------|--------------|---|------------------------|-------------|--|------------------------|-------------|
| | | Agricultural Produce Exchange Market Operation 經營農產品交易市場 | Property Sales 物業銷售 | Total 總計 | Agricultural Produce Exchange Market 經營農產品交易市場 | Property Sales 物業銷售 | Total 總計 |
| Turnover | 營業額 | 418 | 233 | 651 | 468 | 623 | 1,091 |
| Gross Profit | 毛利 | 275 | 77 | 352 | 342 | 197 | 539 |
| Segment Result | 分部業績 | 168 | 62 | 230 | 251 | 86 | 337 |
| Gross Profit to Turnover | 毛利佔營業額之百分比 | 66% | 33% | 54% | 73% | 32% | 49% |
| Segment Result to Turnover | 分部業績佔營業額之百分比 | 40% | 27% | 35% | 54% | 14% | 31% |

The Group recorded a turnover of approximately HK\$651 million for the Year, representing a decrease of approximately 40% as compared to approximately HK\$1,091 million of the Period, which was mainly due to the decrease in property sales recognition and the extra three months of reporting data for the Period. The Group recorded a gross profit and a segment result of approximately HK\$352 million and approximately HK\$230 million, respectively, for the Year (Period ended 31 March 2020: approximately HK\$539 million and approximately HK\$337 million, respectively), representing a decrease of approximately 35% and a decrease of approximately 32%, respectively, as compared to that of the Period. The decrease in gross profit and segment result was mainly due to the decrease in property sales recognition and the extra three months of reporting data for the Period.

Other revenue and other net income

The Group recorded other revenue and other net income of approximately HK\$41 million for the Year (Period ended 31 March 2020: approximately HK\$20 million). The increase was mainly due to the government grant and subsidies.

財務業績概要

營業額、毛利及分部業績

截至二零二一年三月三十一日止年度（「本年度」），本集團錄得營業額約 651,000,000 港元，較上一財政期間截至二零二零年三月三十一日止十五個月（「該期間」）減少約 440,000,000 港元。本集團之主要財務表現概述如下：

本集團於本年度錄得營業額約 651,000,000 港元，較該期間約 1,091,000,000 港元減少約 40%，主要由於確認的物業銷售減少及該期間多出三個月報告數據所致。本集團於本年度錄得毛利及分部業績分別約 352,000,000 港元及約 230,000,000 港元（截至二零二零年三月三十一日止期間：分別約 539,000,000 港元及約 337,000,000 港元），較該期間分別減少約 35% 及減少約 32%。毛利及分部業績減少主要由於已確認的物業銷售減少以及該期間多出三個月報告數據所致。

其他收益及其他淨收入

本集團於本年度錄得其他收益及其他淨收入約 41,000,000 港元（截至二零二零年三月三十一日止期間：約 20,000,000 港元），此增加主要由於政府補助及補貼所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Gain on litigation judgment

The Group recorded gain on litigation judgment of approximately HK\$661 million for the Year (Period ended 31 March 2020: nil). This is resulting from the verdict of Wuhan market legal cases as disclosed in the announcement of the Company dated 18 January 2021, details of which have been disclosed in the section headed "Litigation" in this annual report and note 36 to the consolidated financial statements.

General and administrative expenses, selling expenses and finance costs

General and administrative expenses were approximately HK\$157 million for the Year (Period ended 31 March 2020: approximately HK\$200 million). The decrease was mainly due to the extra three months of reporting data for the Period. Selling expenses were approximately HK\$31 million for the Year (Period ended 31 March 2020: approximately HK\$97 million). The decrease in selling expenses was mainly due to the decrease in sales and promotion activities during the Year. Finance costs were approximately HK\$157 million for the Year (Period ended 31 March 2020: approximately HK\$227 million), and such decrease was mainly due to the early repayments of the convertible notes during the Year and decrease in interest-bearing debt as compared to the Period.

Loss on Early Redemption of Convertible Notes

The Group recorded loss on early redemption of convertible notes (the "Convertible Notes") of approximately HK\$5 million for the Year (Period ended 31 March 2020: nil). The increase in loss was mainly due to the Company partially redeemed the Convertible Notes in the principal amount of HK\$130 million on 9 December 2020.

Allowance for expected credit losses on trade and other receivables and loan receivables

The Group recorded allowance for expected credit losses on trade and other receivables and loan receivables of approximately HK\$43 million for the Year (Period ended 31 March 2020: approximately HK\$7 million). The increase was mainly due to the recognition of the long aged trade and other receivables and loan receivables.

Net loss in fair value of investment properties and written down of stock of properties

During the Year, net loss in fair value of investment properties was approximately HK\$14 million (Period ended 31 March 2020: net gain in fair value of investment properties of approximately HK\$149 million). The net loss was mainly due to decrease in fair value of Kaifeng Hongjin Agricultural and By-Product Exchange Market ("Kaifeng Market") and Xuzhou Hongjin Agricultural and By-Product Exchange Market ("Xuzhou Market"). Stock of properties value was written down for approximately HK\$2 million for the Year (Period ended 31 March 2020: approximately HK\$3 million) mainly due to written down of stock of properties of Huai'an Hongjin Agricultural and By-Product Exchange Market ("Huai'an Market").

訴訟判決之收益

本集團於本年度錄得訴訟判決收益約661,000,000港元(截至二零二零年三月三十一日止期間：無)。此乃由於本公司日期為二零二一年一月十八日之公佈中所披露有關武漢市場法律訴訟之裁決所致，有關詳情已於本年報「訴訟」一節及綜合財務報表附註36披露。

一般及行政開支、銷售開支及融資成本

本年度一般及行政開支約157,000,000港元(截至二零二零年三月三十一日止期間：約200,000,000港元)。減少乃主要由於該期間多出三個月報告數據所致。本年度銷售開支約31,000,000港元(截至二零二零年三月三十一日止期間：約97,000,000港元)。銷售開支減少主要由於本年度銷售及推廣活動減少所致。本年度融資成本約157,000,000港元(截至二零二零年三月三十一日止期間：約227,000,000港元)，該減少主要由於本年度提早償還可換股票據以及計息債務較該期間減少所致。

提早贖回可換股票據虧損

本集團於本年度錄得提早贖回可換股票據(「可換股票據」)虧損約5,000,000港元(截至二零二零年三月三十一日止期間：無)。該虧損增加由於本公司於二零二零年十二月九日部分贖回本金額為130,000,000港元的可換股票據所致。

貿易及其他應收款項以及應收貸款之預期信貸虧損撥備

本集團於本年度錄得貿易及其他應收款項以及應收貸款之預期信貸虧損撥備約43,000,000港元(截至二零二零年三月三十一日止期間：約7,000,000港元)。此增加主要由於確認賬齡長的貿易及其他應收款項以及應收貸款所致。

投資物業公平值淨虧損及物業存貨撇減

於本年度，投資物業公平值之淨虧損約14,000,000港元(截至二零二零年三月三十一日止期間：投資物業公平值之淨收益約149,000,000港元)。淨虧損主要由於開封宏進農副產品交易市場(「開封市場」)及徐州宏進農副產品交易市場(「徐州市場」)之公平值減少所致。本年度物業存貨價值約2,000,000港元已作撇減(截至二零二零年三月三十一日止期間：約3,000,000港元)，主要由於撇減淮安宏進農副產品交易市場(「淮安市場」)之物業存貨所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Loss on fair value change of derivative financial instruments

During the Year, net loss in fair value of derivative financial instruments was approximately HK\$0.3 million (Period ended 31 March 2020: approximately HK\$2 million). The decrease of the net loss was due to the approaching of the due date of the Convertible Notes.

Profit attributable to owners of the Company

The profit attributable to owners of the Company for the Year was approximately HK\$490 million as compared to the profit of approximately HK\$6 million in the Period. Profit from operations before fair value changes and impairment, interest and tax was approximately HK\$866 million and the profit from operations was approximately HK\$802 million for the Year (Period ended 31 March 2020: approximately HK\$261 million and approximately HK\$399 million, respectively). The increase in profit attributable to owners of the Company was mainly due to gain on litigation judgment resulting from the verdict of Wuhan market legal case and a decrease in finance costs by early repayment of Convertible Notes during the Year and decrease in interest-bearing debt as compared to the Period.

DIVIDENDS

The Directors do not recommend any payment of final dividend for the Year (Period ended 31 March 2020: Nil). No interim dividend was paid to the shareholders of the Company (the “Shareholders”) during the years 2020 and 2019.

REVIEW OF OPERATIONS

During the Year, the Group was principally engaged in management and sales of properties in agricultural produce exchange markets in the PRC. Since May 2020, the Coronavirus Disease 2019 (the “COVID-19”) was gradually brought under control and our market operation restored to pre-pandemic level.

衍生金融工具之公平值變動虧損

於本年度，衍生金融工具之公平值淨虧損約 300,000 港元 (截至二零二零年三月三十一日止期間：約 2,000,000 港元)。淨虧損減少乃由於臨近可換股票據償還日期所致。

本公司擁有人應佔溢利

於本年度，本公司擁有人應佔溢利約 490,000,000 港元，而該期間溢利則為約 6,000,000 港元。於本年度，扣除公平值變動及減值、利息及稅項前的經營溢利約 866,000,000 港元及經營溢利約 802,000,000 港元 (截至二零二零年三月三十一日止期間：分別約 261,000,000 港元及約 399,000,000 港元)。本公司擁有人應佔溢利增加主要由於與該期間相比，武漢市場法律訴訟裁決導致錄得訴訟判決收益，以及由於本年度提早償還可換股票據而使融資成本減少及計息債務減少所致。

股息

董事不建議派付本年度之任何末期股息 (截至二零二零年三月三十一日止期間：無)。本公司並無於二零二零年及二零一九年向本公司股東 (「股東」) 派付中期股息。

業務回顧

於本年度，本集團主要在中國從事農產品交易市場之物業管理及銷售。自二零二零年五月起，2019 冠狀病毒 (「新冠肺炎」) 已經逐漸受控，我們的市場營運亦恢復至疫前水平。

WUHAN BAISAZHOU Market 武漢白沙洲市場

Agricultural Produce Exchange Markets

Hubei Province

Wuhan Baisazhou Market

Wuhan Baisazhou Agricultural and By-Product Exchange Market (“**Wuhan Baisazhou Market**”) is one of the largest agricultural produce exchange operators in the PRC. Wuhan Baisazhou Market is situated in the Hongshan District of Wuhan City, the PRC with a site area of approximately 310,000 square metres and a total gross floor area of approximately 190,000 square metres. In 2020, Wuhan Baisazhou Market was awarded top 10 of agricultural produce exchange market by China Agricultural Wholesale Market Association. The award was a sign to the market contribution being made by the Group’s effort and expertise as an agricultural produce exchange market operator in the PRC.

During the Year, the market related legal disputes have come to a positive outcome. For details, please refer to the section headed “Litigation” in this report and note 36 to the consolidated financial statements of this annual report.

The outbreak of the COVID-19 significantly affected the market performance of Wuhan Baisazhou Market in early 2020. When the epidemic began, the Wuhan local government limited the market operation scale as a control measure which lasted until late April 2020, and resumed normal operation afterwards. Wuhan Baisazhou Market was titled “An Outstanding Enterprise in Contributing to the Epidemic Prevention and Control and Supply Guarantee in Wuhan” by the Supplies Security Section under the Wuhan’s Epidemic Prevention and Control Division for its remarkable contributions towards “supply guarantee”.

農產品交易市場

湖北省

武漢白沙洲市場

武漢白沙洲農副產品交易市場（「**武漢白沙洲市場**」）乃全中國最大之農產品交易市場營運商之一。武漢白沙洲市場位於中國武漢市洪山區，佔地面積約310,000平方米及總建築面積約190,000平方米。於二零二零年，武漢白沙洲市場榮獲全國城市農貿中心聯合會評為「中國農產品十佳市場」。該獎項表彰本集團作為中國農產品交易市場營運商以其努力及專業知識對市場所作出的貢獻。

於本年度，市場相關的法律糾紛經已取得正面成果。有關詳情，請參閱本報告中「訴訟」一節及本年報之綜合財務報表附註36。

爆發新冠肺炎疫情嚴重影響武漢白沙洲市場於二零二零年初之市場表現。疫情爆發後，武漢當地政府限制市場營運規模，該控制措施持續至二零二零年四月底，其後市場已全面恢復正常營運。武漢白沙洲市場對「保供應」之卓越貢獻榮獲武漢市新冠肺炎疫情防控指揮部物資保障組評為「武漢市疫情防控保供突出貢獻企業」。



HUANGSHI Market

黃石市場

Huangshi Market

Huangshi Hongjin Agricultural and By-Product Exchange Market (“Huangshi Market”) is a joint venture project of the Group founded in January 2015 with an operating area of approximately 23,000 square metres. Huangshi city is a county level city in Hubei and around 100 kilometres away from Wuhan Baisazhou Market. Huangshi Market, as a second-tier agricultural produce exchange market, created synergy effect with Wuhan Baisazhou Market, facilitating vegetables and by-products trading. During the Year, the operation turnover of Huangshi Market was approximately HK\$6 million.

黃石市場

黃石宏進農副產品交易市場（「黃石市場」）為本集團於二零一五年一月成立的合營項目，經營面積約23,000平方米。黃石市是湖北省的縣級市，距離武漢白沙洲市場約100公里。作為次級農產品交易市場，黃石市場能夠與武漢白沙洲市場產生協同作用，促進蔬菜及副產品交易。於本年度，黃石市場的經營營業額約為6,000,000港元。



SUIZHOU Market 隨州市場

Suizhou Market

Suizhou Baisazhou Agricultural and By-Product Exchange Market (“**Suizhou Market**”) is another joint venture project of the Group founded in March 2018. It occupied approximately 240,000 square metres. The Group pursued asset-light operation business model by taking up the contract management rights to operate this market. During the Year, the operation performance of Suizhou Market improved and grew gradually.

隨州市場

隨州白沙洲農副產品交易市場（「隨州市場」）為本集團於二零一八年三月成立的另一個合營項目，佔地約240,000平方米。本集團採用輕資產營運業務模式，透過取得合約管理權以經營該市場。於本年度，隨州市場的經營表現有所改善並逐步增長。



LUOYANG Market

洛陽市場

Henan Province

Luoyang Market

Luoyang Hongjin Agricultural and By-Product Exchange Market (“**Luoyang Market**”) is the flagship project of the Group in Henan Province, the PRC, with a site area and a gross floor area of approximately 255,000 square metres and approximately 223,000 square metres, respectively. The business performance of Luoyang Market was satisfactory. The turnover decreased approximately 71% due to the decrease of properties sale recognition during the Year as compared to that of the Period.

河南省

洛陽市場

洛陽宏進農副產品交易市場（「洛陽市場」）為本集團於中國河南省之旗艦項目，佔地面積及總建築面積分別為約255,000平方米及約223,000平方米。洛陽市場的業務表現令人滿意。由於本年度物業銷售的確認減少，營業額較該期間減少約71%。



PUYANG Market 濮陽市場

Puyang Market

Puyang Hongjin Agricultural and By-Product Exchange Market (“**Puyang Market**”) is one of our joint venture projects in cooperation with a local partner in Henan Province, the PRC. During the Year, Puyang Market faced a keen competition from a new market. The market turnover for the Year decreased approximately 22% due to the decrease of properties sale recognition during the Year as compared to that of the Period.

濮陽市場

濮陽宏進農副產品交易市場（「**濮陽市場**」）是我們與中國河南省當地夥伴合作的合營項目之一。於本年度，濮陽市場面臨新興市場的激烈競爭。由於本年度物業銷售的確認減少，市場營業額較該期間減少約22%。



KAIFENG Market 開封市場

Kaifeng Market

Kaifeng Market, with a gross floor construction area of approximately 120,000 square metres, is the Group's third market operation point for the facilitation of the building of an agricultural produce market network in Henan Province, the PRC. During the Year, the turnover of Kaifeng Market improved approximately 499% due to the closure of competitive wholesale market in Kaifeng as compared to that of the Period.

開封市場

開封市場之總建築面積約 120,000 平方米，為本集團位於河南省的第三個市場營運據點，其有助本集團於中國河南省建立農產品市場網絡。於本年度，由於位於開封的競爭對手批發市場關閉，開封市場的營業額較該期間增加約 499%。



YULIN Market 玉林市場

Guangxi Zhuang Autonomous Region

Yulin Market

Yulin Hongjin Agricultural and By-Product Exchange Market (“**Yulin Market**”) is one of the largest agricultural produce exchange markets in Guangxi Zhuang Autonomous Region, the PRC (“**Guangxi Region**”) with a site area of approximately 415,000 square metres and a total gross floor area of approximately 196,000 square metres. The turnover of Yulin Market was decreased approximately 54% due to the decrease of properties sale recognition during the Year as compared to that of the Period.

廣西壯族自治區

玉林市場

玉林宏進農副產品交易市場（「**玉林市場**」）是中國廣西壯族自治區（「**廣西地區**」）最大的農產品交易市場之一，佔地面積約415,000平方米及總建築面積約196,000平方米。於本年度，玉林市場的營業額較該期間下跌約54%，乃由於物業銷售確認下跌。



QINZHOU Market

欽州市場

Qinzhou Market

Qinzhou Hongjin Agricultural and By-Product Exchange Market ("Qinzhou Market"), with a gross floor construction area of approximately 180,000 square metres, is the Group's second market operation point for the facilitation of the building of an agricultural produce market network in the Guangxi Region. During the Year, the Group focused on enhancing the operation performance of Qinzhou Market and it resulted in a decrease of approximately 5% in operation turnover as compared to that of the Period.

欽州市場

欽州宏進農副產品交易市場(「欽州市場」)之總建築面積約180,000平方米，為本集團第二個市場營運據點，其有助本集團於廣西地區建立農產品市場網絡。於本年度，本集團專注提升欽州市場之經營表現，經營營業額較該期間減少約5%。



XUZHOU Market 徐州市場

Jiangsu Province
Xuzhou Market

Xuzhou Market occupies approximately 200,000 square metres and is located in the northern part of Jiangsu Province, the PRC. The operation performance of Xuzhou Market was steady.

江蘇省
徐州市場

徐州市場佔地約200,000平方米，位於中國江蘇省北部。徐州市場的經營表現穩健。



HUAI'AN Market

淮安市場

Huai'an Market

Huai'an Market, with contracted operating area of approximately 100,000 square metres, is located at Huai'an City of Jiangsu Province, the PRC. Phase one of Huai'an Market had been in operation since October 2015 and it is expected that the performance of Huai'an Market will gradually improve after the market becomes more mature. During the Year, the Company is under a legal dispute with the joint venture partner, details of which were disclosed in note 36 to the consolidated financial statements of this annual report.

淮安市場

淮安市場位於中國江蘇省淮安市，建築面積約100,000平方米。淮安市場一期於二零一五年十月投入營運，預期淮安市場的表現將於市場越趨成熟後逐步改善。於本年度，本公司與合營公司夥伴發生法律糾紛，有關詳情已於本年報內綜合財務報表附註36披露。



PANJIN Market 盤錦市場

Liaoning Province Panjin Market

Phase one of Panjin Market, with a construction area of around 50,000 square metres, is the Group's first attempt in investment in Liaoning Province, the PRC. Panjin Market focused on the trading of river crabs and held regular market fairs. During the Year, the performance of Panjin Market was steady.

遼寧省 盤錦市場

盤錦市場一期之建築面積約50,000平方米，為本集團首個嘗試在中國遼寧省投資之項目。盤錦市場集中於河蟹買賣並定期舉行交易會。於本年度，盤錦市場表現穩健。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

E-commerce development

With the robust mobile network and widespread use of intelligent mobile devices in the PRC, the Group allocated cost effective resources to e-commerce development. The Group would also explore opportunities to cooperate with other business partners or study to set up new e-commerce development team in this area.

Cyber risk and security

With information technology system and internet network playing a vital role in our operation, the Group has designated professionals to monitor and assess potential cyber risks. Both hardware and software are kept track with appropriate Company's policies. Potential cyber risks and network security are the key concerns of management, thus the Group has formulated policies and procedures to regulate the use of internet, physically safeguard system power supply and regularly update internet protection system and firewall to separate the Company's intranet from the outside network. Designated professionals are responsible for the day-to-day monitoring on any abnormal network activities.

Data fraud or theft risk

The Group continuously reviews and updates its internal control system on data and information access. Appropriate policies have been adopted to protect data, and access permissions are only granted to the authorised personnel. Management believes effective policies and procedures are in place to avoid data fraud or theft risk.

Environmental and social risk

Due to the nature of business, the Company will face a moderate environmental risk if serious and permanent climate change happens in the PRC. Such risk may cause an adverse impact on agricultural production and affect the Company's turnover from market operation and property sales.

COVID-19 outbreak

During the COVID-19 epidemic, the PRC government have imposed various measures to constraint the spread of the virus. These included limiting the locomotion of people and vehicles and strengthening the markets hygiene controls. These measures lowered the market trading activities and related commission income. Since agri-products exchange market is a critical link on daily necessities supply chain, the local governments closely monitored markets' operation and assisted the operation back to normal via different measures. These included reducing governmental fees and taxes, and compensating business loss during the epidemic. As the epidemic began to be under control since early 2020, the trading volume and income of our markets have been gradually restored to normal level.

電子商務發展

隨著強大的移動通訊網絡及智能手機在中國廣泛使用，本集團已將具成本效益的資源投入發展電子商務，本集團亦將尋求其他業務夥伴在該領域的合作機會，並研究建立新電子商務開發團隊。

網絡風險及安全

隨著資訊科技系統及互聯網網絡在我們的營運中扮演重要角色，本集團已指派專業人士監控及評估潛在的網絡風險。硬件及軟件均緊貼本公司適當的政策。潛在的網絡風險及網絡安全是管理層的主要關注，因此本集團已制定政策及程序來規範互聯網的使用、系統供電的實質維護以及定期更新互聯網保護系統及防火牆，將本公司內聯網與外界網絡隔離。獲指派的專業人士負責對任何異常網絡活動進行日常監控。

數據欺詐或盜竊風險

本集團不斷審視並更新其數據及資料取用的內部監控系統。本集團已採納適當政策以保護數據，只允許獲授權人士登入訪問。管理層認為，有效的政策及程序已落實，以避免數據欺詐或盜竊風險。

環境及社會風險

基於業務性質，如中國發生嚴重且永久的氣候變化，本公司將面臨中度的環境風險。該風險可能對農業生產造成不利影響，並影響本公司市場營運及物業銷售的營業額。

爆發新冠肺炎疫情

於爆發新冠肺炎疫情期間，中國政府已採取各種措施以控制病毒傳播，包括限制人員及車輛活動，以及加強市場的衛生管制。該等措施降低了市場買賣活動及相關佣金收入。農產品交易市場是日常必需品供應鏈關鍵的一環，地方政府密切監控市場營運，並透過各種措施幫助營運恢復正常。該等措施包括下調政府收費及稅項，並補貼疫情期間的業務虧損。由於疫情自二零二零年初開始受控，我們市場的交易量及收入已逐步恢復正常水平。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

RECLASSIFICATION OF INVESTMENT PROPERTIES TO STOCK OF PROPERTIES

During the Year, the Group has reclassified the investment properties of Luoyang Market to stock of properties in the amount of approximately HK\$0.6 million due to the change of sale plan and business strategy to increase sale of properties.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2021, the Group had total cash and cash equivalents amounting to approximately HK\$425 million (31 March 2020: approximately HK\$340 million) whilst total assets and net assets were approximately HK\$5,584 million (31 March 2020: approximately HK\$5,139 million) and approximately HK\$2,206 million (31 March 2020: approximately HK\$1,485 million), respectively. The Group's gearing ratio as at 31 March 2021 was approximately 0.4 (31 March 2020: approximately 1.0), being a ratio of total bank and other borrowings, bond and promissory notes of approximately HK\$1,371 million (31 March 2020: approximately HK\$1,811 million), net of cash and cash equivalents of approximately HK\$425 million (31 March 2020: approximately HK\$340 million) to shareholders' funds of approximately HK\$2,206 million (31 March 2020: approximately HK\$1,485 million).

As at 31 March 2021, the ratio of total interest-bearing debts of approximately HK\$1,371 million (31 March 2020: approximately HK\$1,811 million) to total assets of approximately HK\$5,584 million (31 March 2020: approximately HK\$5,139 million) was approximately 25% (31 March 2020: approximately 35%).

CONVERTIBLE NOTES

On 19 October 2016, the Company issued the Convertible Notes with the aggregate principal amount of HK\$500 million which will mature on 18 October 2021, which entitle the holders to convert into the shares of the Company (the "Share(s)") at a conversion price of HK\$0.4 per Share. During the Year, no Convertible Notes were converted into Shares by the Convertible Notes' holders. On 9 December 2020, the Company partially redeemed the Convertible Notes in the principal amount of HK\$130 million. As at 31 March 2021, there were outstanding Convertible Notes in the principal amount of HK\$134.8 million.

投資物業重新分類至物業存貨

於本年度，由於變更了銷售計劃及業務策略以增加物業銷售，本集團已將洛陽市場的投資物業重新分類至物業存貨，金額約600,000港元。

流動資金及財務資源

於二零二一年三月三十一日，本集團之現金及現金等額總額約425,000,000港元(二零二零年三月三十一日：約340,000,000港元)，而總資產及資產淨值分別約5,584,000,000港元(二零二零年三月三十一日：約5,139,000,000港元)及約2,206,000,000港元(二零二零年三月三十一日：約1,485,000,000港元)。於二零二一年三月三十一日，本集團之資產負債比率約0.4(二零二零年三月三十一日：約1.0)，即銀行及其他借貸、債券以及承兌票據總額約1,371,000,000港元(二零二零年三月三十一日：約1,811,000,000港元)，扣除現金及現金等額約425,000,000港元(二零二零年三月三十一日：約340,000,000港元)後，再除以股東資金約2,206,000,000港元(二零二零年三月三十一日：約1,485,000,000港元)。

於二零二一年三月三十一日，計息債務總額約1,371,000,000港元(二零二零年三月三十一日：約1,811,000,000港元)與總資產約5,584,000,000港元(二零二零年三月三十一日：約5,139,000,000港元)之比率約25%(二零二零年三月三十一日：約35%)。

可換股票據

於二零一六年十月十九日，本公司發行本金總額500,000,000港元及將於二零二一年十月十八日到期的可換股票據，賦予持有人權利按轉換價每股股份0.4港元轉換成本公司股份(「股份」)。於本年度，概無可換股票據由可換股票據持有人轉換為股份。於二零二零年十二月九日，本公司已部分贖回本金額為130,000,000港元之可換股票據。於二零二一年三月三十一日，本金額為134,800,000港元之可換股票據並未行使。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

LISTED NOTES DUE IN 2024 (THE “LISTED NOTES”)

In May 2014, the Company established a HK\$1,000 million medium term note program. The Listed Notes issued under the program are listed on the Stock Exchange by way of debt issue to professional investors only (stock code: 5755). As at 31 March 2021, the Listed Notes in the principal amount of HK\$290 million remained outstanding.

CAPITAL COMMITMENTS, PLEDGES AND CONTINGENT LIABILITIES

As at 31 March 2021, outstanding capital commitments, contracted but not provided for, amounted to approximately HK\$241 million (31 March 2020: approximately HK\$398 million) in relation to the purchase of property, plant and equipment, construction contracts and operating lease agreements. As at 31 March 2021, the Group had significant contingent liabilities in the amount of approximately HK\$27,000 in relation to the guarantees provided by a wholly-owned subsidiary of the Company to our customers in favor of a bank for the loans provided by the bank to the customers of our project (31 March 2020: approximately HK\$0.6 million).

As at 31 March 2021, certain investment properties and stock of properties with carrying amount of approximately HK\$1,405 million (31 March 2020: approximately HK\$1,633 million for land use right and properties) were pledged to secure certain bank borrowings.

The Group did not have any outstanding foreign exchange contracts, interest or currency swaps or other financial derivatives as at 31 March 2021. The revenue, operating costs and bank deposits of the Group were mainly denominated in Renminbi (“RMB”) and Hong Kong dollars. The activities of the Group are exposed to foreign currency risks mainly arising from its operations in mainland China and certain bank deposits denominated in RMB. Currently, the Group does not have a foreign currency hedging policy. During the Year, due to the currency fluctuation of RMB against Hong Kong dollars, the Group had been considering, from time to time, alternative risk hedging tools to mitigate RMB currency exchange risk.

二零二四年到期的上市票據（「上市票據」）

於二零一四年五月，本公司設立 1,000,000,000 港元的中期票據計劃。根據該計劃發行的上市票據以僅向專業投資者發行債務的方式於聯交所上市（股份代號：5755）。於二零二一年三月三十一日，本金金額為 290,000,000 港元的上市票據仍未償還。

資本承擔、抵押及或然負債

於二零二一年三月三十一日，尚未履行之資本承擔（已訂約但未撥備）約 241,000,000 港元（二零二零年三月三十一日：約 398,000,000 港元），乃關於購買物業、廠房及設備、建築合約及經營租賃協議之承擔。於二零二一年三月三十一日，本集團有重大或然負債約 27,000 港元，乃關於本公司的一間全資附屬公司為我們的客戶提供予銀行之擔保，用於擔保銀行授予我們的項目客戶之貸款（二零二零年三月三十一日：約 600,000 港元）。

於二零二一年三月三十一日，本集團已抵押賬面值約 1,405,000,000 港元之若干投資物業及物業存貨（二零二零年三月三十一日：約 1,633,000,000 港元之土地使用權及物業），為若干銀行借貸作擔保。

於二零二一年三月三十一日，本集團並無任何未完結之外匯合約、利率或貨幣掉期或其他金融衍生工具。本集團之收益、經營成本及銀行存款主要以人民幣（「人民幣」）及港元計值。本集團的業務活動面臨外匯風險，主要產生自其於中國內地的營運及以人民幣計值的若干銀行存款。目前，本集團並無外匯對沖政策。於本年度，由於人民幣兌港元匯率波動，本集團不時考慮替換風險對沖工具，以減低人民幣兌換風險。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

DEBT PROFILES AND FINANCIAL PLANNING

債務狀況及財務規劃

As at 31 March 2021 and 31 March 2020, interest-bearing debts of the Group were analyzed as follows:

於二零二一年三月三十一日及二零二零年三月三十一日，本集團的計息債務分析如下：

| | | As at 31 March 2021 | | As at 31 March 2020 | |
|--------------------------------------|-----------|---------------------|---------------|---------------------|---------------|
| | | 於二零二一年三月三十一日 | | 於二零二零年三月三十一日 | |
| | | Approximate | Approximate | Approximate | Approximate |
| | | Carrying | effective | Carrying | effective |
| | | amount | interest rate | amount | interest rate |
| | | HK\$ million | (per annum) | HK\$ million | (per annum) |
| | | 賬面值 | 概約實際利率 | 賬面值 | 概約實際利率 |
| | | 百萬港元 | (每年) | 百萬港元 | (每年) |
| Bond Issuance | 發行債券 | 196 | 12% | 177 | 12% |
| Convertible Notes | 可換股票據 | 131 | 12% | 247 | 12% |
| Financial Institution Borrowings | 金融機構借貸 | 444 | 6% | 411 | 6% |
| Non-financial Institution Borrowings | 非金融機構借貸 | 600 | 10% | 600 | 10% |
| Promissory Notes | 承兌票據 | – | 0% | 376 | 5% |
| Total | 總計 | 1,371 | | 1,811 | |

Note:

Save as the financial institution borrowings which were made in RMB with floating and fixed interest rates, other items as mentioned in the above table were made in Hong Kong dollars with fixed interest rates.

As at 31 March 2021, the bonds issued by the Company will mature in September 2024; the Convertible Notes will mature in October 2021; the financial institution borrowings of the Company will mature during the period from May 2021 to May 2029; the non-financial institution borrowings of the Company will mature in September 2022; and the holders of the promissory notes gave an undertaking not to indorse, assign, transfer or negotiate the promissory notes and enforce payment by presentation of the promissory notes until the final determination of a court action or further court order. Under the said undertaking, the promissory notes will no longer fall due for payment by the Company on 5 December 2012. During the Year, the promissory notes related legal cases had come to a positive outcome, please refer to the section headed "Litigation" in this report and note 36 to the consolidated financial statements in this annual report for details. As such, the total carrying amount of the promissory notes will be reversed as other income mentioned above. Details of the undertaking and the court case were also disclosed in the section headed "Litigation" in this report and note 36 to the consolidated financial statements in this annual report.

附註：

除人民幣之金融機構借貸按浮動及固定息率計算外，上表提述的其他項目以港元按固定息率計算。

於二零二一年三月三十一日，本公司發行的債券將於二零二四年九月到期；可換股票據將於二零二一年十月到期；本公司金融機構借貸將於二零二一年五月至二零二九年五月期間到期；本公司非金融機構借貸將於二零二二年九月到期；而承兌票據持有人承諾不對承兌票據背書、分配、轉讓或磋商及不會強制要求於出具承兌票據時付款，直至法院訴訟有最終判決或進一步法院命令為止。根據上述承諾，本公司不再須於二零一二年十二月五日承兌票據到期時付款。於本年度，承兌票據相關的法律案件經已取得正面成果，有關詳情請參閱本報告中「訴訟」一節及本年報內之綜合財務報表附註36。因此，承兌票據總面值將轉為上述之其他收入。有關承諾及法院案件之詳情亦已於本報告中「訴訟」一節及本年報之綜合財務報表附註36披露。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

TREASURY POLICY

The Group's treasury policy includes diversifying the funding sources. Internally generated cash flow and interest-bearing bank/non-financial institution loans were the general sources of funds to finance the operation of the Group during the Year. The Group regularly reviews its major funding positions to ensure that it has adequate financial resources in meeting its financial obligations. In order to meet interest-bearing debts and business capital expenditure, the Group from time to time considers various alternatives including equity and debt financing including but not limited to new share placing, rights issues of new shares, financial institution borrowings, non-financial institution borrowings, bonds issuance, convertible notes, other debt financial instruments, disposal of investment properties and sales of stock of properties.

CONTRACTUAL ARRANGEMENT OF E-COMMERCE BUSINESS

Shenzhen Gudeng Technology Limited ("**Shenzhen Gudeng**"), established in 2015, was an indirectly-owned subsidiary of the Group carrying out the business of e-commerce and electronic trading platform of the Group. For the compliance of the PRC regulatory requirements, on 11 July 2016, the Group entered into an agreement to transfer its entire interest in Shenzhen Gudeng to a nominee shareholder and further entered into a series of contractual arrangements after obtaining the Internet Content Provider license issued by the Communication Authority of Guangdong Province to enable the Group to manage and operate the Internet Content Provider services of Shenzhen Gudeng. During the Year, the above said contractual arrangements were still valid and effective between the nominee shareholder and the Group.

財務政策

本集團的財務政策包括多元化資金來源。於本年度，本集團營運的一般資金來源為內部產生現金流量及計息銀行／非金融機構貸款。本集團定期檢討其主要資金狀況，以確保其有足夠財政資源履行其財務責任。為滿足計息債務及業務資本支出，本集團不時考慮各種股本及債務融資方案，包括但不限於配售新股份、以供股方式發行新股份、金融機構借貸、非金融機構借貸、發行債券、可換股票據、其他債務金融工具、出售投資物業及銷售物業存貨。

電子商務業務的合約安排

深圳谷登科技有限公司（「**深圳谷登**」）於二零一五年成立，為本集團的間接附屬公司，經營本集團的電子商務及電子交易平台業務。為符合中國監管要求，於二零一六年七月十一日，本集團訂立一份協議，將其於深圳谷登的全部股權轉讓予一名代名人股東，並在取得廣東省通信管理局發放的電信與信息服務業務經營許可證後訂立一系列合約安排，令本集團可管理及經營深圳谷登的電信與信息服務。於本年度，上述合約安排仍然對該代名人股東及本集團有效。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

MATERIAL VALUATION METHOD OF INVESTMENT PROPERTIES AND REVIEW OF AUDIT COMMITTEE

The investment properties of the Group were stated at fair value as at 31 March 2021. The fair value was arrived at based on the valuations carried out by an independent firm of qualified professional valuers. The professional valuers are professional members of The Hong Kong Institute of Surveyors with experience in the location of the properties being valued. The valuations are confirmed to be in accordance with HKIS Valuation Standards 2017, which incorporates the International Valuation Standards (IVS). The professional valuers valued the investment properties on the basis of capitalisation of the net income derived from properties rental and made reference to the asking or transaction price of market comparable. For inventory portions of the properties, Direct Comparison Method is adopted based on the principle of substitution, where comparison is made based on prices realised on actual sales and/or asking prices of comparable properties. Comparable properties of similar size, scale, maturity, character and location are analysed and carefully weighed against all the respective advantages and disadvantages of each property in order to arrive at a fair comparison of market value.

The material valuation methods of investment properties valuation have been reviewed by the audit committee of the Company (the “**Audit Committee**”) and the Board.

投資物業的重大估值方法及審核委員會的審閱

於二零二一年三月三十一日，本集團的投資物業以公平值列賬。公平值乃基於一間獨立合資格專業估值師事務所進行的估值釐定。專業估值師為香港測量師學會專業成員，並具備在估值物業當地之估值經驗。確認估值符合香港測量師學會二零一七年估值準則（包含國際估值準則）。專業估值師以來自物業租金淨收入的資本化為基準，並參考可資比較市場的要價或交易價對投資物業進行估值。就物業的存貨部分而言，則根據替換原則採用直接比較法，據此基於實際銷售實現的價格及／或可資比較物業的要價進行比較。對具類似大小、規模、樓齡、特點及位置的可資比較物業進行分析，並仔細衡量各物業之優劣，以對市值作出公平比較。

本公司審核委員會（「**審核委員會**」）及董事會已審閱投資物業估值的重大估值方法。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

RISK FACTORS RELATING TO OUR INDUSTRY AND BUSINESS OPERATIONS

As at 31 March 2021, the Group operated 11 agricultural produce exchange markets across 5 provinces in the PRC. In view of the ever-changing business environment in the PRC, the following risks are the principal risks, challenges and uncertainties faced by the Group, including: (1) fluctuation in the exchange rate of RMB against Hong Kong dollars, which affects the translation of the PRC assets and liabilities from RMB to Hong Kong dollars in the Group's financial reporting, in view of which the Group periodically monitor the exchange rate fluctuation, and prepare effective hedging mechanism to tackle when adverse condition happens; (2) difficulty in obtaining adequate financing, including equity and debt financing, to support our agri-products exchange markets that are capital intensive, in view of which the Group regularly reviews the short-term and long-term liquidity level to prepare for the future needs, as and when appropriate; (3) preserving or enhancing our competitive position in the agri-products exchange markets industry, in view of which the Group has designated personnel to monitor our competitors' activities and formulate effective strategies to preserve our competitive position; (4) maintaining or enhancing the level of occupancy at our agri-products exchange markets, in view of which the Group launches, from time to time, various marketing campaigns to retain existing tenants and to attract new tenants; (5) obtaining all necessary licenses and permits for the development, construction, operations and acquisition of agri-products exchange markets, in view of which the Group hires sufficient local staff with professional qualifications to ensure all processes comply with local laws and regulations; (6) the effect of changes and amendments in the national and local laws and regulations, especially the laws and regulations relating to agri-products exchange markets, on the Group's operations and development, in view of which the Group maintains a relatively flat organizational structure with high autonomy to enable fast reaction to changes; and (7) the effect of close down agricultural produce exchange market when COVID-19 may probably break out in our markets.

有關我們行業及業務營運的風險因素

於二零二一年三月三十一日，本集團於中國五個省份經營十一個農產品交易市場。由於中國營商環境瞬息萬變，本集團面對以下主要風險、挑戰及不確定因素，包括：(1) 人民幣兌港元匯率波動，其影響本集團財務報告中由人民幣匯兌至港元的中國資產及負債，為此本集團定期監察匯率波動，並在發生不利狀況時制定有效的對沖解決機制；(2) 難以取得足夠融資（包括股權及債務融資）以支持我們資本密集的農產品交易市場，為此本集團定期審閱短期及長期流動資金水平，適時為未來需求做好準備；(3) 保持或提升我們於農產品交易市場行業的競爭地位，為此本集團已指派人員監察競爭對手的活動，並制定有效的策略維持我們的競爭地位；(4) 保持或提高我們的農產品交易市場出租率，為此本集團不時推出各種營銷活動，以挽留現有租戶並吸引新租戶；(5) 取得開發、建設、營運及收購農產品交易市場的所有必要牌照及許可，為此本集團聘用足夠且具專業資格的當地員工，以確保所有過程符合當地法律及法規；(6) 國家及地方的法律及法規（尤其是有關農產品交易市場的法律及法規）變動及修訂對本集團的營運及發展的影響，為此本集團維持相對扁平化的組織架構及高度自治性，以確保迅速應對各種轉變；及(7) 於我們的農產品交易市場可能爆發新冠肺炎時關閉市場。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

DEPENDENCE OF EMPLOYEES, CUSTOMERS AND SUPPLIERS

As the Group is adopting market remuneration practices by reference to market terms, company performance, and individual qualifications and performance and well-organized structure management, no key and specific employee would materially and significantly affect the Group's success. Meanwhile, there were no major customers and suppliers which accounted for over 5% of the Group's income and no major suppliers which cannot be replaced by other appropriate suppliers. In this connection, no customers and suppliers would have material impact on the success of the Group's business performance.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The operations and development of agri-products exchange markets are subject to a variety of environmental laws and regulations during their construction and operations. Major environmental impacts are caused by waste and wastewater generated during the construction and operations of the markets. The Group has, in compliance with the PRC environmental law, engaged independent environmental consultants to conduct environmental impact assessments on all of our construction projects in all material aspects. The environmental investigations conducted to date have not revealed any environmental liability that would be expected to have a material adverse effect on our business condition. Upon completion of construction of each market, the environmental authorities inspect the site to ensure compliance with all applicable environmental standards. All our construction projects comply with the "three simultaneities" principles stipulated in the Environmental Protection Law of the PRC. For further details of the impact of environmental laws and regulations on our operations and our environmental policies, please refer to our Environmental, Social and Governance Report to be published in compliance with the requirements under the Listing Rules.

對僱員、客戶及供應商之依賴

本集團參考市場條款、公司業績、個人資歷及表現，並透過組織良好的結構管理，採取市場薪酬政策，故並無任何重要及個別僱員會對本集團的成功產生重大影響。同時，概無主要客戶及供應商佔本集團收入5%以上，且並無主要供應商無法由其他合適供應商取代。在此方面，並無客戶及供應商對本集團業務表現的成功構成重大影響。

環境政策及表現

在農產品交易市場的建設及營運過程中，其發展及營運受各種與環境有關的法律及法規所規限。在建設及營運市場時所產生的廢物及污水構成對環境的主要影響。本集團已在所有重大方面遵守中國環保法，並委聘獨立環境顧問對我們所有建設項目進行環境影響評估。迄今已開展的環境調查並無顯示預期對我們的經營狀況造成重大不利影響的任何環境責任。各市場建設完成後，環境部門巡查市場，以確保遵守所有適用的環境標準。我們所有的建設項目均遵從中國環境保護法訂明的「三同時」原則。有關環境法律及法規對我們的營運及環境政策所帶來的影響的更多詳情，請參閱根據上市規則規定將予刊發之環境、社會及管治報告。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

COMPLIANCE WITH LAWS AND REGULATIONS

During the Year, the Group complied in material aspects with the relevant laws and regulations that have a significant impact on the business and operation of the Group. The Company also complied with the requirements under the Listing Rules, the Securities and Futures Ordinance and the laws of Bermuda during the Year. The Group continuously reviews newly enacted laws and regulations affecting the operations of the Group, if any, and provides relevant trainings and guidance to the staff.

SIGNIFICANT INVESTMENT HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save for the subsidiaries of the Company, there was no significant investment held, nor was there any material acquisition or disposal of subsidiaries during the Year. As at 31 March 2021, the Group did not have a concrete plan for material investments or capital assets nor acquisition or disposal of subsidiaries.

LITIGATION

References were made to the announcements of the Company dated 11 January 2011, 22 May 2012, 19 June 2014, 4 July 2014, 13 January 2015, 14 January 2015, 28 May 2015, 8 January 2016, 11 January 2016, 24 May 2016, 31 August 2016, 19 April 2017, 11 May 2017, 27 December 2018, 11 March 2020 and 30 March 2021 in relation to the civil proceedings (the “**Legal Proceedings**”) in the PRC initiated by Ms. Wang Xiu Qun (“**Ms. Wang**”) and Wuhan Tian Jiu Industrial and Commercial Development Co., Ltd (“**Tian Jiu**”) as plaintiffs against the Company as defendant and joined Wuhan Baisazhou Agricultural By-Product Grand Market Company Limited (“**Baisazhou Agricultural**”) as third party and other related legal proceedings.

遵守法律及法規

於本年度，本集團於各重大方面遵守對本集團業務及營運有重大影響的相關法律及法規。本公司於本年度內亦已遵守上市規則、證券及期貨條例以及百慕達法律的規定。本集團持續審閱影響本集團營運的新頒佈法律及法規(如有)，並向員工提供相關培訓及指引。

所持重大投資、重大收購及出售附屬公司以及重大投資或資本資產的未來計劃

於本年度，除本公司的附屬公司外，概無持有重大投資，亦無任何附屬公司的重大收購或出售。於二零二一年三月三十一日，本集團並無重大投資、資本資產或收購或出售附屬公司的具體計劃。

訴訟

茲提述本公司日期為二零一一年一月十一日、二零一二年五月二十二日、二零一四年六月十九日、二零一四年七月四日、二零一五年一月十三日、二零一五年一月十四日、二零一五年五月二十八日、二零一六年一月八日、二零一六年一月十一日、二零一六年五月二十四日、二零一六年八月三十一日、二零一七年四月十九日、二零一七年五月十一日、二零一八年十二月二十七日、二零二零年三月十一日及二零二一年三月三十日之公佈，內容有關王秀群女士(「**王女士**」)及武漢天九工貿發展有限公司(「**天九**」)(作為原告)於中國針對本公司(作為被告)及牽涉武漢白沙洲農副產品大市場有限公司(「**白沙洲農副產品**」，作為第三方)提出的民事訴訟(「**法律訴訟**」)及其他相關法律訴訟。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Ms. Wang and Tian Jiu alleged that the share transfer agreements in relation to the acquisition of an aggregate of 90% interest in Baisazhou Agricultural by the Company from Ms. Wang as to 70% thereof and Tian Jiu as to 20% thereof (the “**Contended Agreements**”) were forged. They sought an order from the Higher People’s Court of Hubei Province, the PRC (the “**Hubei Court**”) that the Contended Agreements were void and invalid from the beginning and should be terminated and claimed against the Company and Baisazhou Agricultural all relevant profits of Baisazhou Agricultural which were attributable to Ms. Wang and Tian Jiu, together with costs of the Legal Proceedings.

The Company received the judgment from the Hubei Court in relation to the Legal Proceedings (the “**Hubei Court Judgment**”) in June 2014. By the Hubei Court Judgment, the Hubei Court dismissed the claims of Ms. Wang and Tian Jiu, and ordered Ms. Wang and Tian Jiu to bear the legal costs of the Legal Proceedings. Ms. Wang and Tian Jiu filed an appeal notice to the Supreme People’s Court of the PRC (the “**Supreme Court**”). On 13 January 2015, the Company received the judgment (the “**Beijing Judgment**”) handed down from the Supreme Court in relation to Ms. Wang and Tian Jiu’s appeal against the Hubei Court Judgment. The Supreme Court ordered that (i) the Hubei Court Judgment be revoked; (ii) the Contended Agreements were void; and (iii) acknowledged that the HK\$1,156 million sale and purchase agreement (the “**SPA**”) shall be the actual agreement being performed by the Company, Ms. Wang and Tian Jiu.

In May 2015, Ms. Wang and Tian Jiu jointly commenced legal proceedings against the Ministry of Commerce (“**MOFCOM**”) of the PRC alleging that MOFCOM failed to discharge its statutory duties for handling their application submitted in January 2015 for revoking the certificate of approval and letter of approval in relation to the Contended Agreements (the “**Application**”). The cases were accepted by the Beijing Second Intermediate People’s Court (the “**Beijing Court**”) in May 2015. The Company and Baisazhou Agricultural then made an application to join the cases as third party. On 8 January 2016, the Company received a judgment dated 31 December 2015 issued by the Beijing Court, by which the Beijing Court demanded MOFCOM to handle the Application again within 30 days.

On 23 May 2016, the Company received a decision (the “**Decision**”) issued by MOFCOM dated 19 May 2016 to the effect, among other things, that its approval issued in November 2007 (the “**Approval**”) in relation to the Contended Agreements shall not be revoked and shall remain to be in force. In making the Decision, MOFCOM considered that the revocation of the Approval as requested by Ms. Wang and Tian Jiu may cause serious damage to the public interest.

王女士及天九聲稱有關本公司收購白沙洲農副產品合共90%權益(向王女士收購70%及向天九收購20%)的股份轉讓協議(「**爭議協議**»)乃偽造。彼等尋求中國湖北省高級人民法院(「**湖北法院**»)頒令爭議協議自始無效及應當終止，及向本公司及白沙洲農副產品申索應當屬於王女士及天九的白沙洲農副產品所有相關溢利連同法律訴訟之訟費。

本公司於二零一四年六月收到湖北法院有關法律訴訟的判決(「**湖北法院判決**»)。依據湖北法院判決，湖北法院駁回王女士及天九的申索，並判令王女士及天九承擔法律訴訟之訟費。王女士及天九向中國最高人民法院(「**最高法院**»)提交行政上訴狀。於二零一五年一月十三日，本公司收到最高法院作出有關王女士及天九對湖北法院判決上訴的判決(「**北京判決**»)。最高法院頒令：(i) 撤銷湖北法院判決；(ii) 爭議協議無效；及(iii) 承認1,156,000,000港元之買賣協議(「**買賣協議**»)須為本公司、王女士及天九履行之實際協議。

於二零一五年五月，王女士及天九共同對中國商務部(「**商務部**»)提出法律訴訟，指稱商務部未能履行其法定職責，處理王女士及天九於二零一五年一月就撤銷有關爭議協議之批准證書及批復提交之申請(「**申請**»)。案件已於二零一五年五月獲北京第二中級人民法院(「**北京法院**»)受理。本公司及白沙洲農副產品其後申請作為第三方加入該等案件。於二零一六年一月八日，本公司收到北京法院發出日期為二零一五年十二月三十一日的判決，據此北京法院要求商務部於30天內再次處理申請。

於二零一六年五月二十三日，本公司收到商務部發出之日期為二零一六年五月十九日之決定(「**決定**»)，確認(其中包括)其於二零零七年十一月就爭議協議發出之批准(「**批准**»)將不予撤銷並繼續有效。於作出決定時，商務部已考慮到按王女士及天九之要求撤銷批准可能會對公眾利益造成重大損害。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Upon the making of the Decision by MOFCOM that the Approval shall not be revoked and shall remain in force in August 2016, the Company noted that Ms. Wang and Tian Jiu had brought another administrative proceedings (the “**Administrative Proceedings**”) to the Beijing Court. According to a writ dated 3 August 2016, Ms. Wang and Tian Jiu requested the Beijing Court to revoke the Decision and to order MOFCOM to make a decision to revoke the Approval. According to a notice issued by the Beijing Court dated 26 August 2016 together with the writ which was served to the Company on 30 August 2016, each of the Company and Baisazhou Agricultural has been added as third party by the Beijing Court to the Administrative Proceedings.

On 18 April 2017, the Company received the judgment of the Beijing Court dated 31 March 2017 (the “**31 March Judgment**”) stating that the request made by Ms. Wang and Tian Jiu to revoke the Decision lacked both legal and factual basis and was not supported by the Beijing Court. Accordingly, the Beijing Court dismissed the application of Ms. Wang and Tian Jiu.

On 10 May 2017, the Company received a notice of appeal dated 8 May 2017 (the “**Notice of Appeal**”). By the Notice of Appeal, Ms. Wang and Tian Jiu appealed against the 31 March Judgment and requested for an order that (a) the 31 March Judgment be set aside and (b) MOFCOM to make a decision to revoke the Approval.

On 30 August 2017, the hearing for the appeal against the 31 March Judgment took place. On 24 December 2018, the Company received the judgment of the Beijing High People’s Court dated 20 December 2018 (the “**20 December Judgment**”). By the 20 December Judgment, the Beijing High People’s Court dismissed the appeal of Ms. Wang and Tian Jiu and upheld the ruling of the Beijing Court as set out in the 31 March Judgment.

On 4 March 2020, the Company noted the judgment of the Supreme Court dated 31 December 2019 (the “**31 December Judgment**”). By the 31 December Judgment, the Supreme Court dismissed the application of Ms. Wang and Tian Jiu for retrial and for dismissal of the 31 March Judgment and the 20 December Judgment.

In other words, the approval issued by MOFCOM in November 2007 in relation to the Contended Agreements shall not be revoked and remain to be in force, and the Company continues to be the legal and beneficial owner of Baisazhou Agricultural under the PRC Laws.

Separately, in May 2015, in view of the Beijing Judgment, the Company issued a writ against Ms. Wang and Tian Jiu which was accepted by the Hubei Court. The Company sought an order from the Hubei Court that Ms. Wang and Tian Jiu shall assist Baisazhou Agricultural to discharge its contractual duties under the SPA to make the necessary filing with MOFCOM.

商務部於二零一六年八月作出決定指批准不得撤銷並應繼續生效後，本公司得悉王女士及天九於北京法院提出另一宗行政訴訟（「**行政訴訟**」）。根據日期為二零一六年八月三日的令狀，王女士及天九要求北京法院撤銷決定，及頒令商務部作出決定以撤銷批准。根據北京法院發出日期為二零一六年八月二十六日的通知，連同本公司於二零一六年八月三十日接獲的令狀，本公司與白沙洲農副產品各自已被北京法院加入作為行政訴訟的第三方。

於二零一七年四月十八日，本公司收到北京法院日期為二零一七年三月三十一日的判決（「**三月三十一日判決**」），當中指出王女士及天九請求撤銷決定缺乏法律及事實依據，不獲北京法院支持。因此，北京法院駁回王女士及天九之申請。

於二零一七年五月十日，本公司收到一份日期為二零一七年五月八日的行政上訴狀（「**行政上訴狀**」）。依據行政上訴狀，王女士及天九就三月三十一日判決提出上訴，請求頒令（a）撤銷三月三十一日判決及（b）商務部作出決定以撤回批准。

於二零一七年八月三十日，針對三月三十一日判決的上訴進行聆訊。於二零一八年十二月二十四日，本公司收到北京市高級人民法院日期為二零一八年十二月二十日的判決（「**十二月二十日判決**」）。依據十二月二十日判決，北京市高級人民法院駁回王女士及天九的上訴，並維持北京法院原判（載於三月三十一日判決）。

於二零二零年三月四日，本公司注意到最高法院日期為二零一九年十二月三十一日的判決（「**十二月三十一日判決**」）。依據十二月三十一日判決，最高法院駁回王女士及天九關於重審及駁回三月三十一日判決及十二月二十日判決的申請。

換言之，商務部於二零零七年十一月就爭議協議發出之批准將不予撤銷並繼續有效，及根據中國法律本公司繼續為白沙洲農副產品的法定及實益擁有人。

另外，於二零一五年五月，鑒於北京判決，本公司向王女士及天九發出令狀，並獲湖北法院受理。本公司向湖北法院尋求頒令王女士及天九須協助白沙洲農副產品履行買賣協議下其須向商務部報送的合約義務。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

On 10 May 2017, Ms. Wang and Tian Jiu applied to the Hubei Court for a freezing order in respect of the Company's 70% interest in Baisazhou Agricultural. According to the order of the Hubei Court dated 26 May 2017 (the "**26 May Order**"), the Hubei Court granted a freezing order as against the Company's 70% interest in Baisazhou Agricultural. The Company then applied for review of the 26 May Order which was dismissed by the Hubei Court on 12 June 2017.

On 26 May 2017, Ms. Wang and Tian Jiu applied to add a counterclaim for return of the Company's 90% interest in Baisazhou Agricultural (70% for Ms. Wang and 20% for Tian Jiu). On 10 April 2019, in light of the outcome of the legal proceedings against MOFCOM by Ms. Wang and Tian Jiu, the Company applied to the Hubei Court for withdrawal of the Company's claim. On 11 April 2019, the application of the Company was granted by the Hubei Court.

According to the judgment of the Hubei Court dated 23 December 2019 (the "**23 December Judgment**"), the counterclaim made by Ms. Wang and Tian Jiu was dismissed by the Hubei Court.

According to the notice of appeal dated 19 January 2020, Ms. Wang and Tian Jiu appealed against the 23 December Judgment to the Supreme Court and requested for an order from the Supreme Court that (a) the 23 December Judgment be set aside and (b) return of the Company's 90% interest in Baisazhou Agricultural (70% for Ms. Wang and 20% for Tian Jiu).

On 29 March 2021, the Company received the judgment of the Supreme Court dated 29 December 2020 (the "**29 December Judgment**") stating that the appeal basis of Ms. Wang and Tian Jiu could not be established and was not supported by the Supreme Court. Accordingly, the Supreme Court dismissed the appeal of Ms. Wang and Tian Jiu and upheld the 23 December Judgment. The 29 December Judgment is final.

As advised by the PRC legal advisors of the Company, according to the 23 December Judgment and the 29 December Judgment, the Company continues to be the legal owner of Baisazhou Agricultural.

For other detailed information of the litigation cases, please refer to note 36 to the consolidated financial statements in this annual report.

On or about 24 October 2011, the Company issued a Writ of Summons in the Hong Kong Court of First Instance (the "**HK Court**") against Ms. Wang and Tian Jiu. The Company (as purchaser) sought damages from Ms. Wang and Tian Jiu (as vendors) for their breach of various provisions of the SPA regarding the acquisition of the interest in Baisazhou Agricultural.

於二零一七年五月十日，王女士及天九就本公司於白沙洲農副產品之70%權益向湖北法院申請凍結令。根據湖北法院日期為二零一七年五月二十六日的命令（「**五月二十六日命令**」），湖北法院批准凍結令，凍結本公司於白沙洲農副產品之70%權益。本公司其後申請覆核五月二十六日命令，申請於二零一七年六月十二日被湖北法院駁回。

於二零一七年五月二十六日，王女士及天九申請增加反申訴，要求取回本公司於白沙洲農副產品之90%權益（王女士佔70%及天九佔20%）。於二零一九年四月十日，鑑於王女士及天九針對商務部的法律訴訟結果，本公司向湖北法院申請撤回本公司的申訴。於二零一九年四月十一日，本公司的申請獲得湖北法院批准。

根據湖北法院日期為二零一九年十二月二十三日的判決（「**十二月二十三日判決**」），王女士及天九申請的反申訴被湖北法院駁回。

根據日期為二零二零年一月十九日的行政上訴狀，王女士及天九就十二月二十三日判決向最高法院提出上訴，請求最高法院頒令(a)撤銷十二月二十三日判決，及(b)收回本公司於白沙洲農副產品之90%權益（王女士佔70%及天九佔20%）。

於二零二一年三月二十九日，本公司接獲最高法院日期為二零二零年十二月二十九日之判決（「**十二月二十九日判決**」），當中指出王女士及天九的上訴理據可能不成立，不獲最高法院支持。因此，最高法院駁回王女士及天九上訴，並維持十二月二十三日判決原判。十二月二十九日判決則為最終裁決。

據本公司中國法律顧問所告知，根據十二月二十三日判決及十二月二十九日判決，本公司繼續為白沙洲農副產品的合法擁有人。

有關訴訟案件的其他詳細資料，請參閱本年報內之綜合財務報表附註36。

於二零一一年十月二十四日或前後，本公司於香港原訟法院（「**香港法院**」）向王女士及天九發出傳票令狀。由於王女士及天九（作為賣方）對有關收購白沙洲農副產品權益違反買賣協議多項條文，本公司（作為買方）正向彼等尋求損害賠償。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

On 18 January 2021, the Court handed down a judgment (“**HK Judgment**”). Pursuant to the HK Judgment, the Court ruled, inter alia, that (i) Ms. Wang and Tian Jiu shall pay to the Company damages in the total sum of RMB510,000,001; (ii) the Company is entitled to set-off an amount of HK\$54,211,000 from the sum due by the Company to Ms. Wang under one of the Instruments (as defined hereinafter); (iii) as the quantum of the award of damages to the Company is greater than the amounts due under the two instruments (the “**Instruments**”) purportedly described as promissory notes issued by the Company to Ms. Wang and Tian Jiu as part of consideration for the SPA, Ms. Wang and Tian Jiu are not allowed to enforce the Instruments against the Company. In the circumstances, the Company is not required to make any payment under the Instruments to Ms. Wang or Tian Jiu.

EVENT AFTER REPORTING PERIOD

Disposal of equity interest in a non-wholly owned subsidiary

Subsequent to the year ended 31 March 2021, on 18 June 2021, Century Choice Limited (“**Century Choice**”), a wholly-owned subsidiary of the Company and a substantial shareholder (the “**PRC Shareholder**”) of Yulin Hongjin Agricultural By-products Wholesale Marketplace Limited (“**Yulin Hongjin**”) entered into an agreement in relation to the reduction of registered capital contribution of Century Choice in Yulin Hongjin. Pursuant to the agreement, the PRC Shareholder waived its entitlement to the dividend declared by Yulin Hongjin for the financial year ended 31 December 2020 in the amount of approximately RMB117 million and directed the same to be paid to Century Choice, and the amount of registered capital contribution by Century Choice in Yulin Hongjin was reduced by an amount equal to approximately RMB41.9 million. As a result of such reduction of registered capital contribution, the CAP Group’s equity interest in Yulin Hongjin was decreased from 65% to 51%. Details of the capital reduction were disclosed in the joint announcement of, inter alia, the Company dated 18 June 2021.

NUMBER OF EMPLOYEES AND REMUNERATION POLICY

As at 31 March 2021, the Group had 1,151 employees (31 March 2020: 1,171), approximately 98% of whom were located in the PRC. The Group’s remuneration policy was reviewed periodically by the remuneration committee of the Company and the Board’s remuneration is determined by reference to market terms, company performance, and individual qualifications and performance. The Group aimed to recruit, retain and develop competent individuals who were committed to the Group’s long-term success and growth. Remunerations and other benefits of employees were reviewed annually in response to both market conditions and trends, and were based on qualifications, experience, responsibilities and performance. The Company has adopted a share option scheme on 3 May 2012 for the primary purpose of providing incentive to selected eligible persons to take up options for their contribution to the Group. During the Year, no share option was granted.

於二零二一年一月十八日，法院已作出一項判決（「**香港判決**」）。根據香港判決，法院裁定（其中包括）(i) 王女士及天九須向本公司支付損害賠償總額人民幣510,000,001元；(ii) 本公司有權自本公司根據其中一份文據（定義見下文）結欠王女士的款項中扣除54,211,000港元；(iii) 由於須向本公司支付的損害賠償金額大於兩份文據（據稱是本公司向王女士及天九發行作為買賣協議部分代價之承兌票據）（「**文據**」）項下的應付款項，故王女士及天九不得針對本公司強制執行文據。於此情況下，本公司無需根據文據向王女士或天九支付任何款項。

報告期後事件

出售於非全資附屬公司的股權

於截至二零二一年三月三十一日止年度後，於二零二一年六月十八日，龍群有限公司（「**龍群**」，本公司的全資附屬公司）與玉林宏進農副產品批發市場有限公司（「**玉林宏進**」）的一名主要股東（「**中國股東**」）訂立有關龍群減持其於玉林宏進之註冊資本注資的協議。根據該協議，中國股東放棄其享有玉林宏進於截至二零二零年十二月三十一日止財政年度宣派股息約人民幣117,000,000元的權利，並指示將金額支付予龍群，而龍群於玉林宏進的註冊資本注資將減少金額相等於約人民幣41,900,000元。由於以上註冊資本注資的減少，中國農產品集團於玉林宏進的股權已由65%減少至51%。有關資本減少的詳情已在（其中包括）本公司日期為二零二一年六月十八日的聯合公佈披露。

僱員人數及薪酬政策

於二零二一年三月三十一日，本集團共聘用1,151名僱員（二零二零年三月三十一日：1,171名），其中約98%位於中國。本集團的薪酬政策由本公司薪酬委員會定期檢討，而董事會之薪酬乃依據市場條款、公司表現、個別資歷以及表現釐定。本集團旨在聘用、挽留及發展致力於本集團長遠成功及增長的人才。員工薪酬及其他福利根據每年市場狀況及趨勢，及資歷、經驗、職責及表現進行檢討。本公司已於二零一二年五月三日採納一項購股權計劃，主要目的是讓經甄選合資格人士取得購股權，以獎勵彼等對本集團之貢獻。於本年度，概無授出購股權。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

PROSPECTS

During the Year, the tension between the PRC and the United States has slowed down the economic growth. However, such friction has little impact on the Group's operation which is mainly focused on domestic market. Looking ahead, the Group will continue to build a nationwide agricultural produce exchange network by leveraging on its leading position in the industry, readily replicable business model, well-advanced management system, information technology infrastructure and quality customer services.

Since the outbreak of the COVID-19, all of our agricultural produce exchange markets have upgraded the facilities and fixtures to keep up with the stringent health and hygiene measures imposed by the local governments. On one side, this increased our operation cost; on the other side, this raised our competitive edges against many local and less-sophisticated competitors. In conclusion, the industry steps towards a more regulated business environment where only well-organized enterprises can survive and grow.

Once again, agricultural development is the PRC central government's first priority policy for the next consecutive years. In 2021, the Central Committee of Communist Party of China and the State Council of China released the "No. 1 Central Document of 2021". The document promises to promote investments in agricultural produce markets, expand agricultural produce network, build logistic infrastructure and storage facilities of agricultural products and improve regional cold storage infrastructure. On the other hand, it is expected that the "Belt and Road Initiative" policy will drive the overall growth of the PRC economy and provide a sustainable way for the PRC's continuing development.

In order to capture new business opportunities, the Group has taken further steps to expand its operations in the PRC by cooperating with different partners with "asset-light" strategy. Taking the advantage of its leading position in the industry, the Group is confident that this strategy and business model will deliver long-term benefits to the Company and the Shareholders as a whole.

前景

於本年度，中國與美國之間的緊張局勢令經濟增長放緩。然而，有關貿易磨擦對本集團主要集中於國內市場的營運影響輕微。展望將來，本集團將繼續憑藉其於行業的領先地位、可複製的業務模式、完善的管理體系、先進資訊科技基礎設施及優質客戶服務，打造一個覆蓋全國的農產品交易市場網絡。

自新冠肺炎疫情爆發以來，我們所有農產品交易市場均已升級設施及裝置，以跟上地方政府所實施的嚴格健康衛生措施要求。一方面，此舉令經營成本增加；另一方面，亦提升了我們與大部分較為缺乏經驗的本地競爭對手之競爭優勢。總括而言，行業的經營環境步向更受規管的方向，只有組織完善的企業才可繼續生存及保持增長。

農業發展仍然是中國中央政府未來數年的首要政策。於二零二一年，中國共產黨中央委員會及中國國務院發佈「二零二一年中央一號文件」。文件承諾推動農產品市場投資，擴展農產品網絡，建設物流基礎設施及農產品儲存設施，並完善區域性冷藏基礎設施。另一方面，預期「一帶一路倡議」政策將推動中國經濟整體增長，為中國持續發展提供一種可持續方式。

為把握新商機，本集團已採取進一步措施，透過以「輕資產」策略與不同的夥伴合作，以擴充其於中國的營運。憑藉在行業的領先地位優勢，本集團有信心此策略及業務模式將為本公司及股東整體帶來長遠裨益。

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

董事會及高級管理層





BOARD OF DIRECTORS AND SENIOR MANAGEMENT 董事會及高級管理層

BOARD OF DIRECTORS

Executive Directors

Mr. LEUNG Sui Wah, Raymond, aged 53, joined the Group as an executive director of the Group in June 2010. Mr. Leung is also the chief executive officer, an authorised representative, the company secretary of the Company, the chairman of the executive committee and a member of the nomination committee of the Company, and the chief executive officer of Hongjin Agri-Products Group Limited, a wholly-owned subsidiary of the Company, responsible for managing the agricultural produce exchange market operation of the Group in the PRC. Mr. Leung had over 28 years of experience in business operation, business development, corporate governance, mergers and acquisitions in Hong Kong and the PRC. He is a council member of the Chinese Agri-products Marketing Association, which is the national leading association of the agricultural wholesale markets in the PRC. He holds a Master Degree in Business Administration and Master of Arts from The University of Hong Kong and City University of Hong Kong, respectively. He is a fellow member of The Hong Kong Institute of Certified Public Accountants, The Association of Chartered Certified Accountants, The Hong Kong Institute of Chartered Secretaries and The Chartered Governance Institute. He is also a full member of Chartered Institute of Procurement and Supply and Certified Information Security Manager of Information Systems Audit and Control Association.

Mr. YAU Yuk Shing, aged 57, joined the Group in April 2012 and was appointed as an executive director of the Group in December 2012. Mr. Yau is a member of the executive committee of the Company. He has more than 26-year management experience in property development, engineering and construction businesses. Prior to joining the Group, Mr. Yau worked for certain companies with a wide spread of experience in real estate industry and project management. Mr. Yau is a brother-in-law of Mr. Tang Ching Ho, the non-executive Director and the controlling shareholder of the Company.

董事會

執行董事

梁瑞華先生，現年53歲，於二零一零年六月加入本集團擔任本集團執行董事。梁先生亦為本公司行政總裁、法定代表、公司秘書、本公司執行委員會主席及提名委員會成員，以及本公司全資附屬公司宏進農副產品集團有限公司之總裁，負責管理本集團於中國的農產品交易市場之營運。梁先生於香港及中國之業務營運、業務發展、企業管治及併購方面擁有逾28年經驗。彼為國內領先全國的農產品批發市場組織中國農產品市場協會之常務理事。彼分別持有香港大學及香港城市大學之工商管理碩士及文學碩士學位。彼為香港會計師公會、英國特許公認會計師公會、香港特許秘書公會及英國特許企業管治公會之資深會員。彼亦為英國特許採購及供應公會之會員及國際信息系統審計協會之信息安全經理。

游育城先生，現年57歲，於二零一二年四月加入本集團並於二零一二年十二月獲委任為本集團執行董事。游先生為本公司執行委員會成員。彼於物業發展、工程及建築業務累積超過26年管理經驗。於加入本集團前，游先生曾任職若干公司並於房地產業務及項目管理方面具有廣泛經驗。游先生為本公司非執行董事兼控股股東鄧清河先生之內弟。

BOARD OF DIRECTORS AND SENIOR MANAGEMENT 董事會及高級管理層

Non-executive Director

Mr. TANG Ching Ho, *GBS, JP*, aged 59, joined the Group as a non-executive director of the Group and the chairman of the board of directors of the Company in February 2021. He is also an authorised representative of the Company. Mr. Tang is a co-founder of Wang On Group Limited (“**WOG**”), which was established in 1987, and has been the chairman of WOG since November 1993. He has extensive experience in corporate management. He is also the chairman and managing director of Wai Yuen Tong Medicine Holdings Limited (“**WYT**”, the Company is an indirect non-wholly owned subsidiary of WYT which in turn is an indirect non-wholly owned subsidiary of WOG). Mr. Tang is the committee member of the 12th and 13th National Committee of the Chinese People’s Political Consultative Conference (“**CPPCC**”) and is also appointed as a standing committee member and convener of the 10th to 12th plenary sessions of the CPPCC Guangxi Zhuang Autonomous Region Committee. Mr. Tang is also appointed as the first executive chairman of the Federation of Hong Kong Guangdong Community Organisations and the chairman of Federation of Hong Kong Shenzhen Association. He is a controlling shareholder of the Company and the brother-in-law of Mr. Yau Yuk Shing, an executive Director.

Independent Non-executive Directors

Mr. NG Yat Cheung, *JP*, aged 65, joined the Company as an independent non-executive Director in February 2009. He is a member of each of the audit committee, the remuneration committee and the nomination committee of the Company. On 16 March 2012, Mr. Ng was also appointed as the chairman of the remuneration committee of the Company. He holds an associate degree in arts in business data processing from Chabot College in the United States. He holds offices as a director with a number of private companies which are principally engaged in technology, property development, insurance, finance and property holding. Mr. Ng is an independent non-executive director of Tao Heung Holdings Limited, a company listed on the main board of the Stock Exchange.

Mr. LAU King Lung, aged 74, joined the Company as an independent non-executive Director in May 2013. He is the chairman of the nomination committee and a member of each of the audit committee and the remuneration committee of the Company. Mr. Lau has over 40 years’ experience in planning, design and contracting of civil engineering and building works in Hong Kong or the PRC. Mr. Lau is a chartered engineer with his profession registration both in the United Kingdom and Hong Kong. He remains a retirement member of The Hong Kong Institution of Engineers after his retirement. He participated in the design of the initial systems of the Mass Transit Railway in Hong Kong after his graduation from civil engineering department of Imperial College, University of London for 6 years with Freeman Fox and Partners, London.

非執行董事

鄧清河先生，*GBS*，*太平紳士*，現年59歲，於二零二一年二月加入本集團擔任本集團非執行董事及本公司董事會主席。彼亦為本公司授權代表。鄧先生為於一九八七年創立之宏安集團有限公司（「**宏安集團**」）創辦人之一，自一九九三年十一月起為宏安集團主席。彼於企業管理方面擁有豐富經驗。彼亦為位元堂藥業控股有限公司（「**位元堂**」，本公司為位元堂之間接非全資附屬公司，而位元堂為宏安集團之間接非全資附屬公司）主席兼董事總經理。鄧先生為中國人民政治協商會議（「**政協**」）第十二屆及第十三屆全國委員會委員及獲委任為第十屆至第十二屆廣西壯族自治區政協常務委員會委員兼召集人。鄧先生同時獲委任為香港廣東社團總會第一執行主席及香港深圳社團總會會長。彼為本公司控股股東及為執行董事游育城先生之內兄。

獨立非執行董事

吳日章先生，*太平紳士*，現年65歲，於二零零九年二月加入本公司出任獨立非執行董事。彼為本公司審核委員會、薪酬委員會及提名委員會各自的成員。於二零一二年三月十六日，吳先生亦獲委任為本公司薪酬委員會主席。彼持有美國Chabot College頒授之商業數據處理副文學士學位。彼於若干私營機構擔任董事職位，該等機構主要從事科技、物業發展、保險、金融及物業控股。吳先生為稻香控股有限公司之獨立非執行董事，該公司於聯交所主板上市。

劉經隆先生，現年74歲，於二零一三年五月加入本公司擔任獨立非執行董事。彼為本公司提名委員會主席以及審核委員會與薪酬委員會各自的成員。劉先生於香港或中國的規劃、設計及承建市建工程及樓宇工程方面擁有逾40年經驗。劉先生為英國及香港專業註冊之特許工程師。彼於退休後仍為香港工程師學會之退休會員。彼於倫敦大學帝國理工學院土木工程系畢業後，曾參與倫敦Freeman Fox and Partners之香港地鐵初步系統設計，為期六年。

BOARD OF DIRECTORS AND SENIOR MANAGEMENT 董事會及高級管理層

Mr. WONG Ping Yuen, aged 47, joined the Company as an independent non-executive Director in November 2018. He is the chairman of the audit committee and a member of each of the remuneration committee and the nomination committee of the Company. Mr. Wong has been a certified public accountant of The Hong Kong Institute of Certified Public Accountants since 2001, and obtained a Master Degree of Business Administration from the University of Adelaide in August 2005. Mr. Wong was appointed as a partner of ITA & Co. in 2009 and has changed to the sole-proprietor of ITA & Co. since 2015. He has been a partner of SRF Partners & Co. since 2014.

SENIOR MANAGEMENT

Mr. CHIER Ping Cheung, aged 59, joined the Group in September 2012. He is the chief operating officer (Team One) of the Group, the chairman of subsidiaries of the Group, namely Huai'an Hongjin Agricultural By-Products Logistics Company Limited and Xuzhou Yuan Yang Trading Development Company Limited, and a director of several subsidiaries of the Group, including Wuhan Baisazhou Agricultural By-Products Grand Market Company Limited, Huai'an Hongjin Mingyuan Agricultural By-Products Logistics Company Limited, Yulin Hongjin Agricultural By-Products Wholesale Market Limited, Huangshi Hongjin Agricultural By-Products Wholesale Market Limited, Yulin Hongjin Logistics Development Limited, Suizhou Baisazhou Agricultural By-Products Logistics Park Limited and Huai'an City Hongjin Qingjiang Agricultural By-Products Wholesale Market Limited. He is responsible for project operation and management in Hubei and Jiangsu Province. Mr. Chier has over 27 years of experience in management in Hong Kong and the PRC.

Mr. LEUNG Wai Hong, aged 41, joined the Group in January 2015. He is the chief operating officer (Team Two) of the Group. He is the chairman of Kaifeng Hongjin Agricultural By-Products Wholesale Market Limited, Puyang Hongjin Agricultural By-Products Wholesale Market Limited, Luoyang Hongjin Agricultural By-Products Wholesale Market Limited. He is responsible for operation and management of the Group's projects in Henan Province in the PRC. Mr. Leung holds a Bachelor Degree in Accounting from The Chinese University of Hong Kong. He is a member of The Association of Chartered Certified Accountants and has over 17 years of experience in management in Hong Kong and the PRC.

王炳源先生，現年47歲，於二零一八年十一月加入本公司擔任獨立非執行董事。彼為本公司審核委員會主席以及薪酬委員會與提名委員會各自的成員。王先生自二零零一年起為香港會計師公會執業會計師，並於二零零五年八月獲University of Adelaide頒發工商管理碩士學位。王先生於二零零九年獲委任為ITA & Co.之合夥人及自二零一五年起成為ITA & Co.之獨資經營者。彼自二零一四年起為仕富圖會計師行之合夥人。

高級管理層

車炳祥先生，現年59歲，於二零一二年九月加入本集團。彼為本集團營運一區首席運營官，並於本集團旗下附屬公司淮安宏進農副產品物流有限公司及徐州源洋商貿發展有限公司擔任董事長及若干附屬公司擔任董事，包括武漢白沙洲農副產品大市場有限公司、淮安宏進明遠農副產品物流有限公司、玉林宏進農副產品批發市場有限公司、黃石宏進農副產品批發市場有限公司、玉林宏進物流發展有限公司、隨州白沙州農副產品物流園有限公司及淮安市宏進清江農副產品批發市場有限公司。彼負責湖北及江蘇省之項目營運及管理。車先生於香港及中國擁有逾27年管理經驗。

梁偉康先生，現年41歲，於二零一五年一月加入本集團。彼為本集團營運二區首席運營官，並為開封宏進農副產品批發市場有限公司、濮陽宏進農副產品批發市場有限公司、洛陽宏進農副產品批發市場有限公司之董事長。彼負責本集團於中國河南省項目之營運及管理。梁先生持有香港中文大學的會計學學士學位。彼為英國特許公認會計師公會之會員。梁先生於香港及中國擁有逾17年管理經驗。

BOARD OF DIRECTORS AND SENIOR MANAGEMENT 董事會及高級管理層

Mr. WONG Ka Kit, aged 49, joined the Group in August 2009. He is the chief operating officer (Team Three) of the Group, the chairman of Panjin Hongjin Agricultural By-Products Wholesale Market Limited, Yulin Hongjin Logistics Development Limited and Qinzhou Hongjin Agricultural By-Products Wholesale Market Limited and a director of Yulin Hongjin Agricultural By-Products Wholesale Market Limited, all of which are subsidiaries of the Group. He is responsible for the business operations and sales in Guangxi Region and Liaoning Province. Mr. Wong holds a Master Degree in Business Administration from Hong Kong Baptist University and a Bachelor (Hons) Degree in Accountancy from The Hong Kong Polytechnic University. He is a member of The Hong Kong Institute of Certified Public Accountants and The Association of Chartered Certified Accountants, and is a member of the 6th Guangxi Yulin Committee of the Chinese People's Political Consultative Conference. Mr. Wong has over 26 years of experience in general management and finance in Hong Kong and the PRC.

Mr. YUNG Chi Hung, Quincy, aged 53, joined the Group in May 2018. He is the financial controller of the Group responsible for finance and accounting matters. Mr. Yung holds a Master Degree in Business Administration and a Bachelor Degree in Business Administration from the Chinese University of Hong Kong and the University of Wisconsin-Madison, USA respectively. He is a member of the American Institute of Certified Public Accountants. Mr. Yung has over 22 years of experience in finance and accounting matters in Hong Kong and the PRC.

Mr. LEUNG Wai Kai, Ray, aged 46, joined the Group in April 2013. He is the general manager of Human Resources Department of the Group and is responsible for human resources management and talent development. Mr. Leung holds a Bachelor Degree of Business Administration in Human Resources Management from Hong Kong Baptist University and he is a qualified Human Resources Professional in the PRC. Mr. Leung has over 24 years of experience in human resources both in Hong Kong and the PRC.

黃家傑先生，現年49歲，於二零零九年八月加入本集團。彼為本集團營運三區首席運營官，彼為盤錦宏進農副產品批發市場有限公司、玉林宏進物流發展有限公司及欽州宏進農副產品批發市場有限公司之董事長，並為玉林宏進農副產品批發市場有限公司之董事，以上均為本集團之附屬公司。彼負責廣西地區及遼寧省之業務營運及銷售。黃先生持有香港浸會大學之工商管理碩士學位及香港理工大學之會計學學士(榮譽)學位。彼為香港會計師公會及英國特許公認會計師公會之會員，以及現正擔任中國人民政治協商會議廣西玉林市第六屆委員會會員。黃先生於香港及中國之常務管理及財務方面擁有逾26年經驗。

翁智鴻先生，現年53歲，於二零一八年五月加入本集團。彼為本集團財務總監，負責財務及會計事宜。翁先生分別持有香港中文大學及美國 University of Wisconsin-Madison 之工商管理碩士學位及工商管理學士學位。彼為美國執業會計師公會會員。翁先生於香港及中國之財務及會計事宜方面擁有逾22年經驗。

梁偉佳先生，現年46歲，於二零一三年四月加入本集團。彼為本集團人力資源總經理，負責人力資源管理及人才發展。梁先生持有香港浸會大學人力資源管理的工商管理學士學位，並於中國擁有人力資源管理師資格。梁先生於香港及中國擁有逾24年人力資源方面的經驗。

CORPORATE GOVERNANCE REPORT

企業管治報告





CORPORATE GOVERNANCE REPORT

企業管治報告

The Company is committed to maintaining a high standard of corporate governance within a sensible framework with a strong emphasis on transparency, accountability, integrity and independence and enhancing the Company's competitiveness and operating efficiency, to ensure its sustainable development and to generate greater returns for the Shareholders.

CORPORATE GOVERNANCE PRACTICES

Compliance with Listing Rules and CG Code

The Board has reviewed the corporate governance practices of the Company and is satisfied that the Company had applied the principles and complied with the code provisions set out in the Corporate Governance Code (the "CG Code") as contained in Appendix 14 to the Listing Rules throughout the financial year ended 31 March 2021, except for the following deviation:

Code provision A.2.1

During the period from 1 April 2020 to 8 February 2021 (the date of resignation of Mr. Chan Chun Hong, Thomas ("Mr. Chan") as an executive Director), Mr. Chan took up the roles of both the chairman of the Board and the chief executive officer, which deviated from code provision A.2.1 of the CG Code. Mr. Chan had extensive executive and financial management experience and was responsible for overall corporate planning, strategic policy making and management of operations of the Group which was of great value in enhancing the efficiency to cope with the dynamic business environment. The daily business operation of the Group was delegated to various experienced individuals under the supervision of Mr. Chan. Furthermore, the Board believed that a balance of power and authority was adequately ensured by the operations of the Board which comprised three then executive Directors and three independent non-executive Directors with balance of skills and experience appropriate for the Group's further development during the period. Subsequent to the resignation of Mr. Chan, Mr. Tang Ching Ho ("Mr. Tang", a non-executive Director) has been appointed the chairman of the Board and Mr. Leung Sui Wah, Raymond ("Mr. Leung") has been redesignated from the chief financial officer to the chief executive officer of the Company on 8 February 2021. As a result, the Company has complied with requirement under code provision A.2.1 of the CG Code since the appointment of Mr. Tang and the redesignation of Mr. Leung. The Company periodically reviewed its corporate governance practices to ensure it continued to meet the requirements of the CG Code during the financial year ended 31 March 2021. The key corporate governance principles and practices of the Company are summarised in this report.

本公司致力在合理框架內，維持高水平之企業管治，重視透明度、問責性、誠信及獨立性，並加強本公司之競爭力及營運效率，確保持續發展，為股東帶來更大回報。

企業管治常規

遵守上市規則及企業管治守則

董事會已檢討本公司之企業管治常規，並信納本公司已於截至二零二一年三月三十一日止整個財政年度應用原則並遵守上市規則附錄十四所載企業管治守則（「《企業管治守則》」）守則條文，惟以下偏離情況除外：

守則條文第A.2.1條

於二零二零年四月一日至二零二一年二月八日（陳振康先生（「陳先生」）辭任執行董事當日）期間，陳先生兼任董事會主席及行政總裁，屬偏離《企業管治守則》守則條文第A.2.1條。陳先生擁有豐富行政及財務管理經驗，並肩負本集團之整體企業規劃、策略決策及營運管理，此對提升應對瞬息萬變之商業環境之效率具有極大價值。本集團之日常業務營運於陳先生監管下由多名經驗豐富的人員負責。此外，鑒於董事會之當時三名執行董事及三名獨立非執行董事於本期間均具備本集團進一步發展所需之均衡技能及經驗，故董事會相信，董事會之運作足以確保權力與職權之平衡。繼陳先生辭任後，鄧清河先生（「鄧先生」，非執行董事）於二零二一年二月八日獲委任為董事會主席，而梁瑞華先生（「梁先生」）由首席財務官調任為本公司行政總裁。因此，自鄧先生獲委任及梁先生獲調任後，本公司已遵守《企業管治守則》守則條文第A.2.1條項下之規定。本公司定期審閱其企業管治常規，以確保其於截至二零二一年三月三十一日止財政年度持續符合《企業管治守則》之規定。本公司之主要企業管治原則及常規概述於本報告內。

CORPORATE GOVERNANCE REPORT 企業管治報告

Code for Securities Transactions by Directors and Relevant Employees

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by Directors. Having made specific enquiries of all Directors, the Directors confirmed that they had complied with the required standard set out in the Model Code throughout the financial year under review.

To comply with code provision A.6.4 of the CG Code, the Company has also adopted a written code of conduct regarding securities transactions on terms no less exacting than the Model Code by the relevant employees of the Company or any of its subsidiaries who are considered likely to be in possession of inside information in relation to the Company or its securities.

BOARD OF DIRECTORS

Composition

As at the date of this annual report, the Board comprises two executive Directors, one non-executive Director and three independent non-executive Directors. The Directors during the financial year under review and up to the date of this report were:

Executive Directors:

Mr. Leung Sui Wah, Raymond
Chief Executive Officer

Mr. Yau Yuk Shing

Mr. Chan Chun Hong, Thomas
(resigned on 8 February 2021)

Non-executive Director:

Mr. Tang Ching Ho
Chairman (appointed on 8 February 2021)

Independent non-executive Directors:

Mr. Ng Yat Cheung

Mr. Lau King Lung

Mr. Wong Ping Yuen

The biographical details of the Directors are set out on pages 44 to 46 of this annual report.

董事及相關員工進行證券交易之守則

本公司採納上市規則附錄十所載之《上市發行人董事進行證券交易的標準守則》（「《標準守則》」），作為本身之董事進行證券交易的行為守則。經向全體董事進行具體查詢後，於整個回顧財政年度內，全體董事均確認已遵守《標準守則》所載之規定標準。

為遵從《企業管治守則》守則條文第A.6.4條，本公司亦採納有關本公司或其任何附屬公司之相關員工（被視為可能掌握本公司或其證券之內幕消息）進行證券交易之書面行為守則，其條款不寬鬆於《標準守則》。

董事會

組成

於本年報日期，董事會由兩名執行董事、一名非執行董事及三名獨立非執行董事組成。於回顧財政年度內及截至本報告日期之董事為：

執行董事：

梁瑞華先生

行政總裁

游育城先生

陳振康先生

(於二零二一年二月八日辭任)

非執行董事：

鄧清河先生

主席 (於二零二一年二月八日獲委任)

獨立非執行董事：

吳日章先生

劉經隆先生

王炳源先生

各董事之履歷詳情載於本年報第44至46頁。

CORPORATE GOVERNANCE REPORT 企業管治報告

Responsibilities

The Board's primary functions are to set corporate policy and overall strategy for the Group and to provide effective oversight of the management of the Group's business and affairs. It delegates day-to-day operations of the Group to executive Directors and senior management. Apart from its statutory responsibilities, the Board also approves, among others, strategic plans, key operational issues, investments and loans, reviews the financial performance of the Group and evaluates the performance and compensation of senior management. These functions are either carried out directly by the Board or indirectly through committees established by the Board. Besides, the Board has delegated general powers to management to deal with day-to-day management, administration and operations of the Group.

The Board possesses a balance of skills and experience which are appropriate for the requirements of the businesses of the Company. Save as Mr. Tang, a non-executive Director, is the brother-in-law of Mr. Yau Yuk Shing, an executive Director, none of the Directors have any financial, business, family or other material/relevant relationships with each other. The opinions raised by the independent non-executive Directors at the meetings of the Board facilitate the maintenance of good corporate governance practices. The Board has three independent non-executive Directors, representing more than one-third of the Board, and at least one of the independent non-executive Directors has the appropriate professional qualification and accounting and related financial management expertise as required by Rules 3.10(1) and (2) of the Listing Rules. A balanced composition of executive and non-executive Directors also ensures a strong independent element on the Board, which allows for an independent and objective decision making process for the best interests of the Company. The Company will review the composition of the Board regularly to ensure the Board possesses the appropriate and necessary expertise, skills and experience to meet the needs of the Group's business with due regard for the benefits of diversity, as set out in the diversity policy adopted by the Board.

All independent non-executive Directors are appointed for a term of three years under respective service agreements and all Directors (including both executive and non-executive) are subject to retirement by rotation at the Company's annual general meetings in accordance with the bye-laws of the Company.

職責

董事會之主要職能為制訂本集團之企業政策及整體策略，以及有效監督本集團之業務及事務之管理。董事會將本集團之日常營運委派給執行董事及高級管理層。除法定責任外，董事會亦負責批准（其中包括）本集團之策略計劃、主要營運事宜、投資及貸款、審閱本集團之財務表現及評估高級管理層之表現及薪酬。此等職能由董事會直接執行或透過董事會成立之委員會間接執行。此外，董事會亦將一般權力授予管理層，以處理本集團之日常管理、行政及營運事務。

董事會具備適合本公司業務所需之均衡技能及經驗。除非執行董事鄧清河先生為執行董事游育城先生之內兄外，概無任何董事與其他董事之間存有任任何財務、業務、家屬或其他重大／／相關之關係。獨立非執行董事於董事會會議上提出之意見有助維持良好的企業管治常規。董事會擁有三名獨立非執行董事，佔董事會成員超過三分之一，且最少一名獨立非執行董事擁有上市規則第3.10(1)及(2)條規定之適當專業資格及會計及相關財務管理專長。執行董事及非執行董事之均衡分配比例亦確保董事會之穩固獨立性，令其能夠獨立及客觀地為本公司之最佳利益作出決策。誠如董事會採納之多元化政策所載，本公司將充分顧及多元化之神益，定期檢討董事會之組成，確保董事會擁有適當及所需之專長、技能及經驗，以滿足本集團之業務需求。

全體獨立非執行董事均根據各自服務協議以三年任期獲委任，且全體董事（包括執行及非執行董事）須根據本公司細則於本公司股東週年大會上輪值退任。

CORPORATE GOVERNANCE REPORT 企業管治報告

All independent non-executive Directors are free from any business or other relationship with the Company. Each independent non-executive Director is required to inform the Company as soon as practicable if there is any change in his own personal particulars that may affect his independence. No such notification was received during the financial year under review. The Company has also received from each of the existing independent non-executive Director an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules and the Company continues to consider the three independent non-executive Directors to be independent.

The Board meets at least four times a year with additional meetings arranged, as and when necessary, and has a schedule of matters reserved for its review and approval. The specific responsibility reserved for the Board includes matters in relation to, among others, determining strategies and objectives of the Group, monitoring the overall management and operation of the Group, reviewing capital, corporate and control structures, ensuring financial reporting, risk management and internal control measures, determining major capital projects and contracts, including material acquisitions, disposals and other significant potential investments, communication with the Shareholders, determining the Board composition, the appointment of company secretary and auditors, evaluating the effectiveness of internal controls, reviewing adequacy of resources, qualification and experience of staff, delegation of authority to committees and reviewing the Group's overall corporate governance arrangements.

Save as those matters mentioned above, the Board has delegated general powers to management to deal with day-to-day management, administration and operations of the Group. At the same time, management will provide with the Board and its committees with adequate information, in a timely manner, to enable it to make informed decisions.

At least 14 days' notice for each regular meeting is given to all Directors. Agendas accompanying Board papers are sent to all Directors 3 days before the date of a regular meeting of the Board to ensure that the Directors are given sufficient time to review the same. All minutes of the meetings of the Board and its committee are kept by the company secretary of the Company and are open for inspection at any reasonable time on reasonable notice by any Director.

全體獨立非執行董事均無參與本公司之任何業務，與本公司亦不存在其他關係。如獨立非執行董事有任何個人事項之改變，而有可能影響其獨立性，須盡快通知本公司。於回顧財政年度內，本公司並無收到此等通知。本公司已接獲各現任獨立非執行董事根據上市規則第3.13條就其獨立性而發出之年度確認書，本公司仍認為三名獨立非執行董事確屬獨立人士。

董事會每年最少舉行四次會議，若有需要則會額外安排會議，並已擬備一份保留予董事會審閱及批准之事務清單。董事會保留之特定責任包括下列有關事項(其中包括)：制訂本集團之策略及目標；監控本集團之整體管理及運作；審閱資金、企業及監控架構；確保財務申報、風險管理及內部監控措施；釐定主要資金項目及合約(包括重大收購、出售及其他重大潛在投資)；與股東溝通；釐定董事會之組成與公司秘書及核數師之委任；評估內部監控之有效性；檢討資源是否充裕與員工之資歷及經驗；向各委員會授予權力及審閱本集團之整體企業管治安排。

除上述事項外，董事會已將一般權力授予管理層，以處理本集團之日常管理、行政及營運事務。同時，管理層將適時向董事會及其委員會提供充足資料，以確保其能夠作出知情決定。

每次舉行定期會議前，全體董事均會於最少14日前獲發通知，而議程隨附有關董事會文件於定期董事會會議舉行日期前3天寄予全體董事，以確保董事有充份時間審閱。董事會會議及其委員會會議之所有會議記錄均由本公司之公司秘書保管，並可供任何董事在發出合理通知後於任何合理時間查閱。

CORPORATE GOVERNANCE REPORT

企業管治報告

Corporate Governance Functions

The Board is responsible for performing the corporate governance duties set out in code provision D.3.1 of the CG Code.

During the financial year under review, the Board reviewed, among others, (i) the policies and practices on corporate governance of the Company; (ii) the training and continuous professional development of Directors and senior management; (iii) the policies and practices on compliance with legal and regulatory requirements; (iv) the code of conduct applicable to employees and Directors; and (v) the compliance with the CG Code which was disclosed in this annual report.

Board Meetings and General Meetings

During the financial year under review, the Company held four regular meetings of the Board and an annual general meeting (the "2020 AGM"). The attendance of each Director is set out as follows:

企業管治職能

董事會負責履行《企業管治守則》守則條文第D.3.1條所載之企業管治職責。

於回顧財政年度內，董事會審閱了(其中包括)(i)本公司之企業管治政策及常規；(ii)董事及高級管理層之培訓及持續專業發展；(iii)遵守法律及監管規定之政策及常規；(iv)適用於僱員及董事之行為守則；及(v)按本年報所披露遵守《企業管治守則》之情況。

董事會會議及股東大會

於回顧財政年度內，本公司已舉行四次定期董事會會議及一次股東週年大會(「二零二零年股東週年大會」)，各董事出席情況載列如下：

| Directors | 董事 | Number of attendance/ number of meetings entitled to attend 出席次數/有權出席會議次數 | |
|---|--------------------------|--|-----------------------------|
| | | Regular Board meetings 定期董事會會議 | 2020 AGM 二零二零年 股東週年大會 |
| <i>Executive Directors</i> | | | |
| Mr. Leung Sui Wah, Raymond | 梁瑞華先生 | 4/4 | 0/1 |
| Mr. Yau Yuk Shing | 游育城先生 | 4/4 | 0/1 |
| Mr. Chan Chun Hong, Thomas (resigned on 8 February 2021) | 陳振康先生 (於二零二一年二月八日辭任) | 3/3 | 1/1 |
| <i>Non-executive Director</i> | | | |
| Mr. Tang Ching Ho (appointed on 8 February 2021) | 鄧清河先生 (於二零二一年二月八日獲委任) | 1/1 | N/A 不適用 |
| <i>Independent non-executive Directors</i> | | | |
| Mr. Ng Yat Cheung | 吳日章先生 | 4/4 | 0/1 |
| Mr. Lau King Lung | 劉經隆先生 | 4/4 | 1/1 |
| Mr. Wong Ping Yuen | 王炳源先生 | 4/4 | 1/1 |

CORPORATE GOVERNANCE REPORT 企業管治報告

Separate resolutions were proposed at the 2020 AGM on each substantive issue and the percentage of votes cast in favour of such resolutions as disclosed in the announcement of the Company dated 24 August 2020 are set out below:

於二零二零年股東週年大會上就各項實質性事宜提呈之單獨決議案以及投票贊成該等決議案之票數百分比(於本公司日期為二零二零年八月二十四日之公佈內披露)載列如下：

| Resolutions proposed at the 2020 AGM | 於二零二零年股東週年大會上提呈之決議案 | Percentage of votes 票數百分比 |
|---|--|------------------------------|
| 1. To consider, receive and adopt the audited consolidated financial statements and the reports of the directors and auditors of the Company for the fifteen months ended 31 March 2020. | 考慮、省覽及採納本公司截至二零二零年三月三十一日止十五個月之經審核綜合財務報表、董事會報告及核數師報告。 | 100.00% |
| 2. To re-elect Mr. Yau Yuk Shing as an executive Director. | 重選游育城先生為執行董事。 | 100.00% |
| 3. To re-elect Mr. Ng Yat Cheung as an independent non-executive Director. | 重選吳日章先生為獨立非執行董事。 | 100.00% |
| 4. To authorise the Board to fix the remuneration of the Directors. | 授權董事會釐定董事之酬金。 | 100.00% |
| 5. To re-appoint HLB Hodgson Impey Cheng Limited as auditors of the Company and authorise the Board to fix their remuneration. | 續聘國衛會計師事務所有限公司為本公司之核數師，並授權董事會釐定其酬金。 | 100.00% |
| 6.(A) To approve the grant of the New Issue Mandate. | 批准授出新發行授權。 | 99.99% |
| 6.(B) To approve the grant of the New Repurchase Mandate. | 批准授出新購回授權。 | 100.00% |
| 6.(C) To approve the extension of the New Issue Mandate by the addition of the aggregate number of Shares repurchased by the Company under the New Repurchase Mandate to the New Issue Mandate. | 批准透過將本公司根據新購回授權購回之股份總數增加至新發行授權，以擴大大新發行授權。 | 99.99% |

Accordingly, all resolutions put to the Shareholders at the 2020 AGM were passed. The results of the voting by poll were published on the websites of the Company and the Stock Exchange.

因此，於二零二零年股東週年大會上向股東提呈之所有決議案已獲通過。投票表決之結果已刊登於本公司及聯交所網站。

CORPORATE GOVERNANCE REPORT 企業管治報告

ROLES OF CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code provision A.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual.

As at the date of this report, the positions of the chairman and the chief executive officer are held by Mr. Tang Ching Ho and Mr. Leung Sui Wah, Raymond respectively. There is clear division of responsibilities between the chairman and the chief executive officer which provides a balance of power and authority.

TRAINING, INDUCTION AND CONTINUING DEVELOPMENT FOR DIRECTORS

All Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The Company provides a comprehensive induction package covering the summary of the responsibilities of a director of a Hong Kong listed company and the Guides on Directors' Duties issued by the Companies Registry. The Company would also arrange seminars on professional knowledge of regulatory requirements related to director's duties and responsibilities for each newly appointed Director to ensure that he/she is sufficiently aware of his/her responsibilities and obligations under the Listing Rules and other regulatory requirements.

During the financial year ended 31 March 2021, all Directors received regular update on corporate governance matters or news or changes to laws and regulations. Mr. Tang Ching Ho, Mr. Leung Sui Wah, Raymond and Mr. Wong Ping Yuen attended briefings or seminars on relevant topics. All Directors are requested to provide the Company with a record of the training they received.

BOARD COMMITTEES

The Board has established various committees, including the remuneration committee (the "**Remuneration Committee**"), the nomination committee (the "**Nomination Committee**") and the audit committee (the "**Audit Committee**"), each of which has the specific written terms of reference that will be renewed and updated, if necessary. Each committee is required to report to the Board on its decision and recommendations, where appropriate.

主席及行政總裁之職能角色

《企業管治守則》守則條文第A.2.1條規定，主席與行政總裁的角色應有區分，並不應由一人同時兼任。

於本報告日期，鄧清河先生及梁瑞華先生分別擔任主席及行政總裁。主席及行政總裁的職務有明確區分，藉以平衡權力及授權。

董事培訓、就任及持續發展

本公司鼓勵所有董事參與持續專業發展，以發展並更新彼等之知識及技能。本公司向每名新委任的董事提供全面的就任資料文件，涵蓋香港上市公司董事之職責概要，以及香港公司註冊處發出的董事責任指引。本公司亦安排與董事職責及責任的監管規定相關的專業知識研討會，確保其充份知悉其於上市規則及其他監管規定下的職責及責任。

於截至二零二一年三月三十一日止財政年度，全體董事已收到關於企業管治事宜或法例及規定變動之定期更新資料。鄧清河先生、梁瑞華先生及王炳源先生曾出席有關主題的簡介會或研討會。本公司已要求所有董事提供其獲培訓之記錄。

董事委員會

董事會已設立多個委員會，包括薪酬委員會（「**薪酬委員會**」）、提名委員會（「**提名委員會**」）以及審核委員會（「**審核委員會**」）。各委員會均具有特定職權範圍，於必要時將會重續及更新。各委員會均須向董事會匯報其決定及建議（如適用）。

CORPORATE GOVERNANCE REPORT 企業管治報告

Remuneration Committee

The Remuneration Committee consists of three independent non-executive Directors, namely Mr. Ng Yat Cheung (chairman), Mr. Lau King Lung and Mr. Wong Ping Yuen.

The terms of reference of the Remuneration Committee are available on the websites of the Stock Exchange and the Company. The duties, roles and functions of the Remuneration Committee are as follows:

1. to make recommendations to the Board on the Company's policy and structure of remuneration for all Directors and senior management of the Company and on the establishment of a formal and transparent procedure for developing such policy;
2. to review and approve the management's remuneration proposals by reference to the Board's corporate goals and objectives;
3. to make recommendations to the Board on the remuneration packages of individual executive Directors, non-executive Director and senior management of the Company, including but not limited to benefits in kind, pension rights and compensation payments for loss or termination of their office or appointment;
4. to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;
5. to review and approve the compensation payable to executive Directors and senior management of the Company for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;
6. to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate; and
7. to ensure that no Director or any of his/her associates is involved in deciding his/her own remuneration.

薪酬委員會

薪酬委員會由三名獨立非執行董事即吳日章先生(主席)、劉經隆先生及王炳源先生組成。

薪酬委員會之職權範圍可於聯交所及本公司網站查閱。薪酬委員會之職責、角色及職能如下：

1. 就本公司對其全體董事及高級管理層之薪酬政策及架構，及就制定此等政策設立正規兼具透明度之程序，向董事會提出建議；
2. 參照董事會訂立之企業目的及目標，檢討及批准管理層之薪酬建議；
3. 就釐定個別執行董事、非執行董事及本公司高級管理層之薪酬方案(包括但不限於實物利益、退休金權利及就喪失或終止職務或委任而作出補償的金額)向董事會提出建議；
4. 考慮同類公司支付之薪酬、須付出之時間及職責以及本集團內其他職位之僱用條件；
5. 檢討及批准就任何喪失或終止職務或委任而須向執行董事及本公司高級管理層支付之補償，以確保該等賠償與合約條款一致、公平及不過度；
6. 檢討及批准因董事行為失當而解僱或罷免有關董事所涉及之補償安排，以確保該等安排與合約條款一致、合理及適當；及
7. 確保任何董事或其任何聯繫人不得參與釐定其本身之薪酬。

CORPORATE GOVERNANCE REPORT

企業管治報告

During the financial year under review, the Remuneration Committee held two meetings and the attendance of each member of the Remuneration Committee is set out below:

於回顧財政年度內，薪酬委員會已舉行兩次會議，薪酬委員會各成員之出席情況載列如下：

| Members of the Remuneration Committee | 薪酬委員會成員 | Attendance 出席情況 |
|--|----------------------------------|--------------------|
| Mr. Ng Yat Cheung (<i>chairman</i>) | 吳日章先生 (<i>主席</i>) | 2/2 |
| Mr. Lau King Lung | 劉經隆先生 | 2/2 |
| Mr. Wong Ping Yuen | 王炳源先生 | 2/2 |
| Mr. Chan Chun Hong, Thomas (<i>resigned on 8 February 2021</i>) | 陳振康先生 (<i>於二零二一年二月八日辭任</i>) | N/A 不適用 |

During the financial year under review, the Remuneration Committee reviewed the existing remuneration policy, assessed performance of executive Directors, reviewed the existing remuneration packages and structure of executive Directors and senior management of the Company and the existing remuneration packages of independent non-executive Directors, and approved the terms of the engagement letter of the non-executive Director appointed during the financial year under review.

於回顧財政年度內，薪酬委員會審閱現有薪酬政策、評估執行董事的表現、審閱執行董事及本公司高級管理層的現有薪酬方案與架構及獨立非執行董事的現有薪酬方案，以及批准於回顧財政年度內委任非執行董事之委聘函。

The Remuneration Committee has discharged or will continue to discharge its major roles to, among other things, make recommendations, if any, to the Board on the remuneration packages of individual executive Directors and senior management of the Company (i.e. the model described in the code provision B.1.2(c)(ii) of the CG Code is adopted) and approve the terms of executive Director's service contracts.

薪酬委員會已經或將會繼續履行其主要職責，(其中包括)就個別執行董事及本公司高級管理層之薪酬方案向董事會提出建議(如有)(即採納《企業管治守則》守則條文第B.1.2(c)(ii)條所述之標準)並批准執行董事服務合約之條款。

The remuneration payable to the Directors will depend on their respective contractual terms under their employment contracts or service contracts and the same were reviewed by the Remuneration Committee. Details of the Directors' remuneration are set out in note 9 to the consolidated financial statements.

應付董事之薪酬將按有關董事各自之僱傭合約或服務合約內之合約條款釐定，而有關條款乃經薪酬委員會檢討。董事薪酬之詳情載於綜合財務報表附註9。

Pursuant to code provision B.1.5 of the CG Code, the annual remuneration of the members of the senior management by band for the financial year under review is set out below:

根據《企業管治守則》守則條文第B.1.5條，高級管理層成員於回顧財政年度內的年度薪酬按範圍劃分如下：

| Remuneration band (HK\$) | 薪酬範圍 (港元) | Number of individuals 人數 |
|--------------------------|-----------------------|-----------------------------|
| Below 1,000,000 | 1,000,000 以下 | 1 |
| 1,000,001 to 2,000,000 | 1,000,001 至 2,000,000 | 4 |

CORPORATE GOVERNANCE REPORT 企業管治報告

Nomination Committee

The Nomination Committee consists of three independent non-executive Directors, namely Mr. Lau King Lung (chairman), Mr. Ng Yat Cheung and Mr. Wong Ping Yuen and one executive Director, namely Mr. Leung Sui Wah, Raymond.

The terms of reference of the Nomination Committee are available on the websites of the Stock Exchange and the Company. The duties, roles and functions of the Nomination Committee are as follows:

1. to review the structure, size, composition and diversity (including without limitation, gender, age, cultural and educational background, ethnicity, experience, skills, knowledge, independence and length of service) of the Board at least annually and make recommendations to the Board on any proposed changes to complement the Company's corporate strategy;
2. to identify and nominate individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships. In identifying suitable individuals, the Nomination Committee shall consider individuals on merit against the objective criteria, with due regard for the benefits of diversity on the Board;
3. to assess the independence of independent non-executive Directors and review the independent non-executive Directors' annual confirmations on their independence and make disclosure of its review results in the corporate governance report of the Company;
4. to regularly review the time required for a Director to perform his/her responsibilities;
5. to review the balance between executive and non-executive Directors and the blend of skills, knowledge, experience and diversity on the Board;
6. to keep under review the leadership and succession needs of the Group with a view to ensuring the long term success of the Group;
7. to review the Board diversity policy, as appropriate, and review the measurable objectives that the Board has set for implementing the Board diversity policy, and the progress on achieving the objectives; and make disclosure of its review results in the corporate governance report annually;
8. to ensure that all Directors offer themselves for re-election every three years by Shareholders;

提名委員會

提名委員會由三名獨立非執行董事，即劉經隆先生（主席）、吳日章先生及王炳源先生，及一名執行董事，即梁瑞華先生組成。

提名委員會之職權範圍可於聯交所及本公司網站查閱。提名委員會之職責、角色及職能如下：

1. 至少每年檢討董事會之架構、人數、組成及多元化（包括但不限於性別、年齡、文化及教育背景、種族、經驗、技能、知識、獨立性及服務任期），並就任何為配合本公司的公司策略而擬作出的變動向董事會提出建議；
2. 物色並提名具備合適資格可擔任董事會成員的人士，並挑選已獲提名人士出任董事或就此向董事會提出建議。於物色合適人選時，提名委員會將按客觀標準考慮人選，並顧及董事會成員多元化的裨益；
3. 評核獨立非執行董事之獨立性及檢討獨立非執行董事有關其獨立性之年度確認書，並於本公司之企業管治報告中披露其檢討結果；
4. 定期檢討董事就履行其責任所需付出的時間；
5. 檢討執行董事與非執行董事人數及其出任董事會職務所需的技能、知識、經驗及多元化之間的平衡；
6. 持續檢討本集團的領導及繼任需要，以確保本集團達致長遠成功；
7. 在適當情況下檢討董事會成員多元化政策；及檢討董事會為執行董事會成員多元化政策而制定的可計量目標和達標進度；以及每年在企業管治報告內披露其檢討結果；
8. 確保所有董事每三年須由股東重選；

CORPORATE GOVERNANCE REPORT

企業管治報告

9. to make recommendations to the Board on the appointment, re-appointment or re-designation of Directors and succession planning for Directors, in particular the chairman/chairwoman and the chief executive, taking into account the Company's corporate strategy and the mix of skills, knowledge, experience and diversity needed in the future;
9. 因應本公司的企業策略及日後董事會需要的技能、知識、經驗及多元化組合，就董事委任、重新委任或調任以及董事(尤其是主席及行政總裁)繼任計劃向董事會提出建議；
10. to ensure that on appointment to the Board, every Director should receive a formal letter of appointment or enter into a service contract with the Company, as appropriate;
10. 確保每位加入董事會的董事於獲委任時，均按需要取得正式委任函件或與本公司簽訂服務合約；
11. where the Board proposes a resolution to elect an individual as an independent non-executive Director at the general meeting, the Nomination Committee should set out in the circular to Shareholders and/or explanatory statement accompanying the notice of the relevant general meeting why it believes the individual should be elected and the reasons why it considers the individual to be independent; and
11. 若董事會擬於股東大會上提呈決議案選任某人士為獨立非執行董事，提名委員會應在有關股東大會通告所隨附的致股東通函及／或說明函件中，解釋認為應選任該名人士的理由以及彼等認為該名人士屬獨立人士的原因；及
12. the chairman or another member of the Nomination Committee shall attend the Company's annual general meetings and be prepared to respond to questions raised by Shareholders on the Nomination Committee's activities and responsibilities.
12. 提名委員會主席或另一成員須出席本公司之股東週年大會，並準備回應股東對提名委員會之活動及責任所提出之問題。

During the financial year under review, the Nomination Committee held three meetings and the attendance of each member of the Nomination Committee is set out below:

於回顧財政年度內，提名委員會已舉行三次會議，提名委員會各成員之出席情況載列如下：

| Members of the Nomination Committee | 提名委員會成員 | Attendance 出席情況 |
|--|----------------------------------|--------------------|
| Mr. Lau King Lung (<i>chairman</i>) | 劉經隆先生 (<i>主席</i>) | 3/3 |
| Mr. Ng Yat Cheung | 吳日章先生 | 3/3 |
| Mr. Wong Ping Yuen | 王炳源先生 | 3/3 |
| Mr. Leung Sui Wah, Raymond | 梁瑞華先生 | 3/3 |
| Mr. Chan Chun Hong, Thomas (<i>resigned on 8 February 2021</i>) | 陳振康先生 (<i>於二零二一年二月八日辭任</i>) | 1/1 |

CORPORATE GOVERNANCE REPORT 企業管治報告

During the financial year under review and up to the date of this report the Nomination Committee (i) reviewed, inter alia, the policy for the nomination of Directors, the nomination procedures and the process and criteria to select and recommend candidates for directorship and the Board diversity policy; (ii) nominated the appointment of a non-executive Director; (iii) recommended the re-elections of Mr. Yau Yuk Shing and Mr. Ng Yat Cheung in the annual general meeting of the Company held on 24 August 2020 and (iv) recommended the re-elections of Mr. Leung Sui Wah, Raymond, Mr. Lau King Lung and Mr. Tang Ching Ho in the annual general meeting to be held on 25 August 2021. The nominations of re-election were made in accordance with the objective criteria (including without limitation, gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge, independence and length of service), with due regard for the benefits of diversity, as set out in the Board diversity policy adopted by the Company. As a good governance practice, Mr. Leung Sui Wah, Raymond, Mr. Lau King Lung and Mr. Tang Ching Ho had abstained from voting at the Nomination Committee and/or Board meeting on their nominations for election by the Shareholders and Mr. Yau Yuk Shing had abstained from voting at the Board meeting on Mr. Tang's appointment and re-election.

Board Diversity Policy

The Company has adopted a Board diversity policy which sets out the approach to diversify the Board and for which the Nomination Committee has reviewed annually. The Nomination Committee reviewed and assessed the Board composition and made recommendations (if any) to the Board pursuant to the Board diversity policy and the nomination policy.

The Nomination Committee will consider, when designing and reviewing the Board's composition, from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge, independence and length of service. The Nomination Committee will also consider candidates on merit against the objective criteria, with due regard for the benefits of diversity on the Board.

As at 31 March 2021, the Board comprises six Directors, including two executive Directors, one non-executive Director and three independent non-executive Directors, thereby promoting critical review and control of the management process. The Board is also characterised by significant diversity, whether in terms of professional experience, skills and knowledge.

於回顧財政年度內及直至本報告日期，提名委員會(i)已審閱(其中包括)董事提名政策、挑選及建議候選人擔任董事的提名程序、過程及標準，以及董事會多元化政策；(ii)提名委任非執行董事；(iii)建議於二零二零年八月二十四日舉行的本公司股東週年大會重選游育城先生及吳日章先生及(iv)建議將於二零二一年八月二十五日舉行的股東週年大會重選梁瑞華先生、劉經隆先生及鄧清河先生。提名重選乃按客觀標準(包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識、獨立性及服務任期)，並顧及本公司採納之董事會多元化政策所載之多元化裨益而作出。作為良好管治常規，梁瑞華先生、劉經隆先生及鄧清河先生已在提名委員會會議及/或董事會會議中就提名彼等讓股東重選放棄表決，而游育城先生已在董事會會議中就鄧先生之委任及重選放棄表決。

董事會多元化政策

本公司已採納董事會多元化政策，訂明董事會多元化之方針，並每年由提名委員會審閱。提名委員會已根據董事會多元化政策及提名政策審閱及評估董事會之組成，並向董事會提出建議(如有)。

在設計及審閱董事會之組成時，提名委員會將會從多方面考慮，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識、獨立性及服務任期。提名委員會亦將會按客觀標準考慮人選，並充分顧及董事會多元化之裨益。

於二零二一年三月三十一日，董事會由六名董事(包括兩名執行董事、一名非執行董事及三名獨立非執行董事)組成，從而促進管理過程的重要審核及監控。無論於專業經驗、技能或知識層面，董事會亦體現顯著的多元化特色。

CORPORATE GOVERNANCE REPORT

企業管治報告

Having reviewed the Board diversity policy and the Board's composition, the Nomination Committee is satisfied that the requirements set out in the Board diversity policy had been met. The Nomination Committee considered that the current Board composition has provided the Company with a good balance and diversity of skills and experience appropriate for the business of the Company. The Nomination Committee will review the implementation of the Board diversity policy from time to time to ensure its effectiveness on determining the optimum composition of the Board.

Nomination Policy

The Company has adopted a nomination policy which sets out the guidelines for the Nomination Committee to nominate suitable candidate(s) to the Board for it to consider and make recommendations to the Shareholders for election or re-election as Director(s) at a general meeting of the Company or recommendations to the Board for appointment or re-election as Director(s).

1. Selection Criteria

- 1.1 In assessing the suitability of a proposed candidate, the Nomination Committee will consider the factors (as reference), including but not limited to reputation, integrity, accomplishment and relevant experience in relation to the principal businesses of the Company from time to time, commitment in respect of available time and relevant interest, diversity in all its aspects, including but not limited to gender, age (18 years or above), cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. These factors are for reference only, and are not meant to be exhaustive and decisive. The Nomination Committee has the discretion to nominate any person, as it considers appropriate.
- 1.2 Retiring Directors are eligible for nomination by the Board to stand for re-election at a general meeting. For those serving as independent non-executive Directors for a period of 9 years (or above), the Nomination Committee will consider the independence of such Director for nomination by the Board to stand for election at a general meeting and state the reason in a circular to the Shareholders for the re-election. For those serving as independent non-executive directors for 7 (or more) listed companies, the Nomination Committee will consider why they would still be able to devote sufficient time to the Board for nomination by the Board to stand for appointment or re-election at a general meeting and state the reason in a circular to the Shareholders for election or re-election.

經考慮董事會多元化政策及董事會之組成後，提名委員會信納董事會已達到董事會多元化政策所載的規定。提名委員會認為，董事會目前之組成為本公司提供均衡及多元化而適合本公司業務所需之技能及經驗。提名委員會將不時檢討董事會多元化政策之實施情況，以確保其能夠有效釐定最合適之董事會組成。

提名政策

本公司已採納提名政策，其中載列提名委員會向董事會提名合適人選的指引，以供其考慮及向本公司股東提呈建議於本公司股東大會上選舉或重選董事或就委任或重選董事向董事會提出推薦建議。

1. 甄選標準

- 1.1 於評估擬議候選人是否適當時，提名委員會將考慮的因素(作為參考)包括但不限於聲譽、誠信、成就及與本公司不時之主要業務有關的經驗、可利用時間及相關利益之承諾、各方面的多樣性，包括但不限於性別、年齡(18歲或以上)、文化和教育背景、種族、專業經驗、技能、知識和服務任期。該等因素僅供參考，並非詳盡無遺及具決定性。提名委員會於認為適當時有權酌情提名任何人士。
- 1.2 退任董事有資格獲董事會提名於股東大會上膺選連任。就已擔任獨立非執行董事9年(或以上)的人士而言，提名委員會將考慮該董事的獨立性，以供董事會提名於股東大會參選，並於致股東之通函中就重選陳述理由。就擔任7間(或以上)上市公司獨立非執行董事的人士而言，提名委員會將考慮彼等仍有能力投入足夠時間予董事會之理由，以供董事會提名委任或於股東大會上重選，並於致股東之通函中就選舉或重選陳述理由。

CORPORATE GOVERNANCE REPORT 企業管治報告

1.3 Candidate(s) is required to submit the necessary personal information pursuant to the applicable laws, rules and regulations, together with their written consent to be appointed as Director(s) and to the public disclosure of their personal data on any documents or the relevant websites for the purpose of or in relation to their standing for election as Director(s).

1.4 The Nomination Committee may request the candidate(s) to provide additional information and documents, if necessary.

2. Nomination Procedures

2.1 The secretary of the Nomination Committee shall call a meeting of the Nomination Committee and invite nominations of candidate(s) from members of the Board, if any, for consideration by the Nomination Committee. The Nomination Committee may nominate candidate(s) without nomination by a member of the Board.

2.2 For filling a casual vacancy, the Nomination Committee shall make recommendations for the Board's consideration and approval. For proposing candidate(s) to stand for election at a general meeting, the Nomination Committee shall make nominations to the Board for its consideration and recommendation.

2.3 Information (including names, brief biographies (including qualifications and relevant experience), independence, proposed remuneration and any other information, as required pursuant to the applicable laws, rules and regulations) of the candidate(s) nominated by the Board to stand for election at a general meeting will be stated in a circular to be sent to the Shareholders.

2.4 The Shareholder can serve a notice to the Company's company secretary to propose a resolution to elect a person as Director, without the Board's recommendation or the Nomination Committee's nomination pursuant to the applicable laws, rules and regulations. The particulars of the candidate(s) so proposed as required pursuant to the applicable laws, rules and regulations will be stated in a circular to be sent to the Shareholders.

2.5 A candidate is allowed to withdraw his candidature at any time before the general meeting by serving a notice in writing to the Company's company secretary.

2.6 The Board shall have the final decision on all matters relating to its recommendation of candidate(s) to stand for election at any general meeting.

1.3 候選人須根據適用法律、規則及規定提交必要的個人資料，連同同意獲委任為董事及為了或有關其選舉為董事的個人資料於任何文件或相關網站公開披露的書面同意書。

1.4 倘屬必要，提名委員會可要求候選人提供額外資料及文件。

2. 提名程序

2.1 提名委員會秘書應召開提名委員會會議，並邀請董事會成員(如有)提名候選人，以供提名委員會考慮。提名委員會可於並無董事會成員提名時提名候選人。

2.2 就填補臨時空缺而言，提名委員會應提出建議供董事會考慮和批准。就提名候選人於股東大會參選而言，提名委員會須向董事會提名供其考慮和推薦。

2.3 董事會提名於股東大會參選的候選人的資料(包括姓名、簡歷(包括資格和相關經驗)、獨立性、擬議薪酬和根據適用法律、規則和規定所要求的任何其他資料)將於通函中陳述，以寄發予股東。

2.4 股東可根據適用法律、規則及規定，向本公司之公司秘書送達通知提出決議，選出一名人士擔任董事，而無需董事會建議或提名委員會提名。根據適用法律、規則及規定，按此提呈的候選人詳情將於通函中陳述，以寄發予股東。

2.5 候選人可於股東大會之前的任何時候通過書面通知本公司之公司秘書撤回其候選人資格。

2.6 董事會須就有關推薦候選人於任何股東大會上參選之所有事宜作出最終決定。

CORPORATE GOVERNANCE REPORT

企業管治報告

Audit Committee

The Company has established the Audit Committee pursuant to Rule 3.21 of the Listing Rules with specific terms of reference, which are available on the websites of the Stock Exchange and the Company. The Audit Committee consists of all of the independent non-executive Directors, namely Mr. Wong Ping Yuen (chairman), Mr. Ng Yat Cheung and Mr. Lau King Lung.

The Audit Committee is mainly responsible for, inter alia, reviewing the interim and annual financial statements and making recommendation to the Board, reviewing the terms of engagement and making recommendation to the Board regarding the appointment of external auditors of the Company, monitoring and assessing the independence of external auditors and effectiveness of the internal control and risk management systems and oversight of the Company's financial reporting, controlling, accounting policies and practices (with external auditors and management of the Company) and risk management and internal control issues.

During the financial year under review, the Audit Committee held three meetings and the attendance of each member of the Audit Committee is set out below:

| Members of the Audit Committee | 審核委員會成員 | Attendance 出席情況 |
|--|---------------------|--------------------|
| Mr. Wong Ping Yuen (<i>chairman</i>) | 王炳源先生 (<i>主席</i>) | 3/3 |
| Mr. Ng Yat Cheung | 吳日章先生 | 3/3 |
| Mr. Lau King Lung | 劉經隆先生 | 3/3 |

During the financial year under review, the Audit Committee reviewed and discussed with the senior management and the external auditors of the Company the annual results for the fifteen months ended 31 March 2020, the interim results for the six months ended 30 September 2020 and the accounting principles and practices adopted by the Company. In addition, the Audit Committee also reviewed with the senior management and/or professional advisers of the Company, among other things, internal control and risk management, the effectiveness of the Company's internal audit function, the continuing connected transactions of the Group and the adequacy of resources, qualifications and experience of staff of the Group's accounting and financial reporting functions as well as their training programmes and budget.

審核委員會

本公司已根據上市規則第3.21條成立審核委員會，審核委員會具有特定職權範圍，可於聯交所及本公司網站查閱。審核委員會由全體獨立非執行董事組成，即王炳源先生(主席)、吳日章先生及劉經隆先生。

審核委員會主要負責(其中包括)審閱中期及年度財務報表並向董事會提出建議、審閱委任本公司外聘核數師之委聘條款及就此向董事會提出建議、監察及評核外聘核數師之獨立性與內部監控及風險管理制度之效率，以及與外聘核數師及本公司管理層監督本公司之財務申報、監控、會計政策和慣例，以及風險管理和內部監控事宜。

於回顧財政年度內，審核委員會已舉行三次會議，審核委員會各成員之出席情況載列如下：

於回顧財政年度內，審核委員會已審閱並與高級管理層及本公司外聘核數師商討截至二零二零年三月三十一日止十五個月之年度業績、截至二零二零年九月三十日止六個月之中期業績及本公司所採納之會計原則及慣例。此外，審核委員會亦與本公司高級管理層及/或專業顧問檢討(其中包括)內部監控及風險管理、本公司之內部審核功能的有效性、本集團之持續關連交易以及本集團會計及財務匯報職能之資源、員工資歷及經驗及彼等之培訓項目與預算之充足性。

CORPORATE GOVERNANCE REPORT 企業管治報告

ACCOUNTABILITY AND AUDIT

The Directors acknowledge their responsibility for preparation and timely publication of the financial statements and ensure that they are prepared in accordance with the statutory requirements and applicable accounting standards. In preparing the financial statements for the financial year ended 31 March 2021, the Directors have adopted suitable accounting policies which are pertinent to the Group's operations and relevant to the financial statements and have presented an understandable assessment of the Group's position and prospects.

The statement of the external auditors of the Company about their reporting responsibilities on the financial statements of the Group is set out in the independent auditor's report.

EXTERNAL AUDITORS' REMUNERATION

During the financial year ended 31 March 2021, the remuneration paid/payable to the Company's external auditors, HLB Hodgson Impey Cheng Limited ("HLB"), in respect of audit services and other services is set out as follows which had been reviewed and approved by the Audit Committee based on the scopes of their works:

問責及審核

董事確認彼等須負責編製及適時刊發財務報表，並確保按法定規定及適用會計準則編製。於編製截至二零二一年三月三十一日止財政年度之財務報表時，董事已採用適用於本集團業務及與財務報表有關之合適會計政策，並已呈列對本集團狀況及前景之合理評估。

本公司外聘核數師關於其就本集團財務報表的申報責任之聲明載列於獨立核數師報告內。

外聘核數師酬金

於截至二零二一年三月三十一日止財政年度，已付／應付予本公司外聘核數師國衛會計師事務所有限公司(「國衛」)之核數服務及其他服務之酬金(審核委員會已根據其工作範圍審閱及批准有關酬金)載列如下：

| Services rendered for the Group | | Approximate fees paid/payable to HLB |
|--|-----------|---|
| 提供予本集團之服務 | | 已付／應付予國衛之概約費用 |
| | | HK\$'000 |
| | | 千港元 |
| Audit services | 核數服務 | 1,980 |
| Non-audit services | 非核數服務 | 280 |
| Total | 總計 | 2,260 |

CORPORATE GOVERNANCE REPORT 企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

The Group established and maintained appropriate and effective risk management and internal control systems during the financial year under review. Regular review is set to be conducted once per year. While management of the Group is responsible for implementing and maintaining sound risk management and internal control systems that safeguard the Group's assets and stakeholders' interest in aspects including operation, financial and compliance, the systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable but not absolute assurance against material misstatement or loss.

Risk management process

The Group has established risk management manual to formulate the risk management process and management is committed to fostering a risk aware and control conscious environment. The staffs in all levels within the Group are also required to take the relevant responsibility on the risk management process. The structure and procedures for the risk management are as follows:



風險管理及內部監控

在回顧財政年度內，本集團設立及維持適當而有效之風險管理及內部監控制度。每年進行一次定期檢討。雖然本集團管理層負責執行及維持健全之風險管理及內部監控系統，在營運、財務及合規方面保障本集團之資產及持份者之利益，但本系統之設計旨在管理而非消除未能達成業務目標之風險，僅可提供對重大錯誤陳述或損失之合理（而非絕對）保證。

風險管理程序

本集團已設立風險管理手冊，制定風險管理程序，而且管理層矢志培養風險意識及著重監控之環境。本集團內各階層之員工均須承擔關於風險管理程序之責任。風險管理架構及程序如下：

CORPORATE GOVERNANCE REPORT 企業管治報告

| | | | | | |
|------------------------|---|--|--------|---|--|
| Risk identification | : | Both internal and external factors including economic, political, social, technology and environmental factors, laws and regulations, business objectives and stakeholders' expectation would be considered. | 風險識別 | : | 將予以考慮內部及外部因素，包括經濟、政治、社會、技術及環境因素、法律及法規、業務目標及持分者之期望。 |
| Risk assessment | : | The risk identified would be assessed and rated based on the likelihood and impact to the achievement of the Group's objectives. | 風險評估 | : | 已識別之風險將根據可能性及對本集團達成目標之影響予以評估及評級。 |
| Control activities | : | The internal control procedures have been designed and implemented to address the risks. | 監控活動 | : | 已設計及實施內部監控程序以應對風險。 |
| Risk monitoring | : | Risk register has been maintained and updated regularly to monitor risks on an ongoing basis. | 風險監察 | : | 已備有及定期更新風險登記冊以持續評估風險。 |
| Risk management review | : | The Board and the Audit Committee would perform a review on any change of significant risks of the Group. | 風險管理檢討 | : | 董事會及審核委員會將審視本集團重大風險之任何變動。 |

Internal audit function

For the financial year ended 31 March 2021, the Company appointed external advisers to perform the ongoing monitoring of the systems of internal control of the Group and report their findings and recommendations to the Audit Committee and follow up the status of implementation of the recommendations to ensure all significant control activities are properly in place within the Group.

The Group has adopted a risk-based approach in developing the annual audit plan to cover business activities with material risks across the Group. The rotation basis would be applied to operations with similar risk associated so as to enhance the efficiency and effectiveness of the internal audit.

All findings and recommendations on internal control deficiencies for the financial year under review have been communicated to management, who are required to establish remedial plans to correct those internal control deficiencies within a reasonable time period. Post-audit review is performed to monitor those agreed recommendations having been implemented as intended and on a timely basis.

Based on the audit result and post-audit review, the advisers reported that no significant deficiency on the internal control system of the Group for the financial year under review had been noted.

內部審核部門

於截至二零二一年三月三十一日止財政年度，本公司委任外部顧問對本集團內部監控制度進行持續監察，以及將其發現及建議向審核委員會報告，並跟進執行建議之狀況，確保所有重大監控活動已於本集團內妥善推行。

本集團內部已採納以風險為基礎之方法，規劃年度審核計劃，涵蓋本集團具有重大風險之業務。具有類似風險之業務將應用輪替基準，以提升內部審核之效能及效率。

回顧財政年度內就內部監控不足之所有發現及建議，已通知管理層，彼等須設立補救計劃，在合理時間內糾正內部監控不足之處。本集團亦進行審核事後檢討，以監督已同意之推薦建議按計劃及適時執行。

根據審核結果及審核事後檢討，顧問概無發現於回顧財政年度內本集團內部監控制度有任何重大缺失。

CORPORATE GOVERNANCE REPORT 企業管治報告

Review on risk management and internal control systems

The Board acknowledges its responsibility for the risk management and internal control systems and reviewing their effectiveness.

The Board conducted an annual review on the effectiveness of the Group's risk management and internal control systems for the financial year ended 31 March 2021 and confirmed that the Group's risk management and internal control systems in respect of financial, operational, compliance controls, risk management functions and adequacy of resources, were effective and adequate.

Inside information policy

The Group always emphasises the importance of transparency of communication between the stakeholders and the Group and has established policies and procedures for timely disclosure of inside information to the public when available. The senior management of the Group will take all reasonable measures from time to time to ensure that the disclosure of inside information is in compliance with the requirements of all applicable laws and regulations.

Whistleblowing policy

The Company has adopted a whistleblowing policy to facilitate the achieving of highest possible standards of openness, probity and accountability. Procedures are formulated to assist individual employee to disclose internally and at a high level, information which the individual believes that it shows malpractice or impropriety within the Group. Such policy is made available on the website of the Company.

檢討風險管理及內部監控制度

董事會深明對風險管理及內部監控制度以及檢討其成效所負之責任。

董事會已對本集團截至二零二一年三月三十一日止財政年度之風險管理及內部監控制度之成效作出年度檢討，並確認本集團關於財務、營運、合規控制、風險管理功能及資源充足方面之風險管理及內部監控均屬有效及充分。

內幕消息政策

本集團一直注重持份者與本集團之間的溝通透明性，並已制定政策及程序，以及時向公眾人士披露內幕消息。本集團高級管理層將不時採取一切合理措施，確保內幕消息的披露符合所有適用法律及法規的要求。

舉報政策

本公司採用舉報政策以協助本公司達到盡可能最高水平的公開性、誠信及問責性。本公司已制定程序，以協助個別僱員在內部及在高層次披露彼認為反映本集團內出現不良或不當行為的資料。該政策可於本公司網站閱覽。

CORPORATE GOVERNANCE REPORT 企業管治報告

COMPANY SECRETARY

The company secretary is accountable to the Board for ensuring that Board procedures are followed and Board activities are efficiently and effectively conducted. These objectives are achieved through adherence to proper Board processes and timely preparation of and dissemination to the Directors comprehensive Board meeting agendas and papers. Minutes of all meetings of the Board and Board committees are prepared and maintained by the company secretary to record in sufficient details the matters considered and decisions reached by the Board or Board committees, including any concerns raised or dissenting views voiced by any Director. All draft and finalised minutes of the Board meetings and meetings of the Board committees are sent to the Directors or Board committee members as appropriate for comments, approval and records. All records are available for inspection by any Director upon request.

Mr. Leung Sui Wah, Raymond reports directly to the Board and is responsible for, inter alia, providing updated information to all Directors from time to time.

During the financial year ended 31 March 2021, Mr. Leung complied with Rule 3.29 of the Listing Rules and took no less than 15 hours of relevant professional training.

ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

The Group is conscious of its role as an environmentally and socially responsible group of companies. It has made donations for community wellbeing from time to time and has environmental friendly policies in place. We support the communities and encourage our employees to participate in charitable events and environmental protection activities. Details of the environmental and social responsibility matters of the Group were disclosed in the section headed "Management Discussion and Analysis" of this annual report. More details will be disclosed in the Environmental, Social and Governance Report of the Company to be published in accordance with the requirements under the Listing Rules.

公司秘書

公司秘書向董事會負責，以確保董事會程序獲得遵守及董事會活動能有效率和有效益地進行。該等目標乃透過嚴謹遵守董事會程序及適時編製及發送詳盡的董事會會議議程及文件予董事而得以達成。公司秘書編製及保存所有董事會會議及董事委員會會議的會議記錄，以充分詳盡紀錄董事會或董事委員會所考慮的事項及所達致的決定，包括任何董事提出的任何關注事項或表達的不同觀點。所有董事會會議及董事委員會的會議記錄草擬本及定稿均會適時寄發予董事或董事委員會成員，以供提出意見、批准及記錄。所有記錄可應任何董事要求查閱。

梁瑞華先生直接向董事會匯報並負責(其中包括)不時提供最新資訊予全體董事。

截至二零二一年三月三十一日止財政年度，梁先生已遵守上市規則第3.29條並參與不少於15小時的相關專業培訓。

環境及社會責任

本集團重視對環境及社會之責任。本集團不時為社區之福利捐款及落實環保措施、扶持社區及鼓勵其僱員參與慈善活動及環保活動。有關本集團環境及社會責任之詳情已披露於本年報「管理層討論及分析」一節中。更多詳情將披露於根據上市規則項下之規定將予刊發之本公司環境、社會及管治報告內。

CORPORATE GOVERNANCE REPORT 企業管治報告

SHAREHOLDERS' RIGHTS

Convening of Special General Meeting

Any one or more Shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the secretary of the Company, to require a special general meeting (the "SGM") to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition.

Pursuant to bye-law 62 of the bye-laws of the Company, a SGM shall be convened on requisition, as provided by the Companies Act 1981 of Bermuda (the "Companies Act"), and, in default, may be convened by the requisitionist(s).

Pursuant to bye-law 63 of the bye-laws of the Company, a SGM may be called by notice in writing of not less than fourteen clear days and not less than ten clear business days.

The Company would take appropriate actions and make necessary arrangements, and the Shareholders concerned would be responsible for the expenses incurred in giving effect thereto in accordance with the requirements under Section 74 of the Companies Act once a valid requisition is received.

Putting Forward Proposals at General Meetings

Shareholder(s) representing not less than one-twentieth of the total voting rights at the date of the requisition or not less than 100 Shareholders may put forward a proposal at a Shareholders' meeting, pursuant to the Companies Act, by sending a written requisition to the Board or the company secretary of the Company at the Company's principal place of business in Hong Kong. The proposal should be stated in the written requisition and such written requisition should be submitted as early as practicable to enable the Company to make necessary arrangement (in case of a requisition requiring notice of a resolution, not less than six weeks before the meeting; and in case of any other requisition, not less than one week before the meeting).

For the avoidance of doubt, Shareholder(s) must provide their full name, contact details and identification, in the originally signed written requisition, notice or statement (as the case may be), in order to give effect thereto. Information of Shareholder(s) may be disclosed as required by law.

股東權利

召開股東特別大會

任何一位或以上於遞呈要求當日持有不少於附帶可於本公司股東大會上投票之權力之本公司繳足股本十分之一的股東，有權隨時透過向董事會或本公司秘書發出書面要求，要求董事會召開股東特別大會（「股東特別大會」）處理相關要求中列明的任何事宜，該等會議須於相關要求遞呈後兩個月內舉行。

根據本公司之公司細則第62條，股東特別大會須按百慕達一九八一年公司法（「公司法」）規定應要求召開，如無按請求召開，則可由請求人召開。

根據本公司之公司細則第63條，股東特別大會可以不少於十四個完整日及不少於十個完整營業日之書面通告召開。

根據公司法第74條項下之規定，收到有效要求後，本公司將採取適當措施及作出必要安排，有關股東將承擔因此產生的開支。

於股東大會提呈建議

根據公司法，於提出呈請日期擁有不少於二十分之一總投票權的股東或不少於100名股東，可向本公司位於香港之主要營業地點寄發致董事會或本公司公司秘書的書面呈請，要求於股東大會提呈建議。有關建議應於書面呈請內列明，而該等書面呈請應在切實可行情況下盡早提交以便本公司作出所需安排（倘為要求通知之決議案之呈請，須在大會舉行前不少於六個星期提交；而倘屬任何其他呈請，則須在大會舉行前不少於一星期提交）。

為免生疑問，股東必須於經簽署的書面呈請、通知或聲明（視情況而定）的原件上提供彼等的全名、聯絡資料及身份證明，以使之生效。股東資料或須根據法例規定予以披露。

CORPORATE GOVERNANCE REPORT 企業管治報告

Enquiries from Shareholders

Shareholders may send written enquiries to the Board and/or the secretary of the Company, either by post, by facsimiles or by email, together with his/her contact details, such as postal address, email or fax number, via the following channels:

For corporate affairs:

Address: China Agri-Products Exchange Limited
Suite 3202, 32/F., Skyline Tower
39 Wang Kwong Road
Kowloon Bay
Kowloon
Hong Kong

Telephone: (852) 2312 8329
Fax: (852) 2312 8148
Email: pr@cnagri-products.com

For shareholding or entitlement affairs:

Address: Tricor Investor Services Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

The Company encourages the Shareholders to participate in the Company's annual general meetings and/or other general meetings, at which the Directors are on hand to answer questions raised by the Shareholders on the Company's business operations.

Constitutional document

There was no change in the memorandum of association and bye-laws of the Company during the financial year ended 31 March 2021.

The memorandum of association and bye-laws of the Company are available on the websites of the Stock Exchange and the Company.

CONCLUSION

Going ahead, the Board will continue to review regularly its corporate governance practices to maintain high level of transparency, to enhance the Company's competitiveness and operating efficiency to ensure its sustainable development and to generate greater returns for the stakeholders of the Company.

股東查詢

股東可從以下方式透過郵寄、傳真或電郵之方式連同其聯繫詳情(如郵寄地址、電郵或傳真號碼)，向董事會及／或本公司秘書發出書面查詢：

有關公司事宜：

地址：中國農產品交易有限公司
香港
九龍
九龍灣
宏光道39號
宏天廣場32樓3202室

電話：(852) 2312 8329
傳真：(852) 2312 8148
電郵：pr@cnagri-products.com

有關股權或配額事宜：

地址：卓佳證券登記有限公司
香港
皇后大道東183號
合和中心54樓

本公司鼓勵股東參與本公司股東週年大會及／或其他股東大會，由董事於會議上親自解答股東有關本公司業務運作之提問。

組織章程文件

本公司之組織章程大綱及公司細則於截至二零二一年三月三十一日止財政年度內概無變動。

本公司組織章程大綱及公司細則可於聯交所及本公司網站查閱。

結論

展望未來，董事會將繼續定期檢討其企業管治常規以維持高水平之透明度，以提升本公司之競爭力及營運效率，並確保其可持續發展及為本公司持份者創造更多回報。

REPORT OF THE DIRECTORS

董事會報告





REPORT OF THE DIRECTORS 董事會報告

The Directors present their report and the audited consolidated financial statements of the Company and the Group for the financial year ended 31 March 2021.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is investment holding. Its subsidiaries are principally engaged in the business of management and sales of properties in agricultural produce exchange markets in the PRC. Details of the Company's principal subsidiaries as at 31 March 2021 are set out in note 19 to the consolidated financial statements.

Further discussion and analysis of these activities as required by Schedule 5 to the Companies Ordinance (Cap. 622), including a fair review of the business and a discussion of the principal risks and uncertainties faced by the Group, particulars of important events affecting the Group that have occurred since the end of the year under review, an analysis of the Group's performance using financial key performance indicators, an indication of likely future development in the Group's business and a discussion on the Group's environmental policies and performance and compliance with the relevant laws and regulations that have a significant impact on the Group, can be found in the sections headed "Chairman's Statement" and "Management Discussion and Analysis" of this annual report. In addition, a discussion on relationships with its key stakeholders is included in the sections headed "Management Discussion and Analysis" and "Corporate Governance Report" of this annual report. These discussions form part of this report of the directors.

Structured Contracts

Pursuant to the Catalogue of Industries for Guiding Foreign Investment (2015 version), value-added telecommunications services are subject to foreign investment restriction in which a foreign investor shall hold no more than 50% equity interest in a value-added telecommunications services provider (excluding e-commerce) in the PRC.

The Internet Content Provider ("ICP") services belong to a sub-category of value-added telecommunications services. According to the Administrative Rules for Foreign Investment in Telecommunications Enterprises, foreign investors shall contribute to no more than 50% of the registered capital of a value-added telecommunications services provider (excluding e-commerce) and any such foreign investor shall maintain a good track record and possess relevant operational experience in the value-added telecommunications services industry (the "Foreign Shareholding Restrictions").

董事會謹此提呈本公司及本集團截至二零二一年三月三十一日止財政年度的報告及經審核綜合財務報表。

主要業務及業務回顧

本公司的主要業務為投資控股。其附屬公司主要從事中國農產品交易市場之物業管理及銷售業務。本公司的主要附屬公司於二零二一年三月三十一日之詳情載於綜合財務報表附註 19。

因應第 622 章公司條例附表 5 之要求就此等業務的進一步討論及分析，包括對業務的中肯審視，以及本集團所面臨的主要風險和不明朗因素的討論；於回顧年度結束後對本集團有影響的重大事件詳情、採用財務關鍵績效指標對本集團表現的分析、本集團業務可能的未來發展，以及討論本集團的環境政策及表現和遵守對本集團有重大影響的相關法律及法規，載於本年報「主席報告」及「管理層討論及分析」章節。此外，就與主要持份者之關係之討論載於本年報「管理層討論及分析」及「企業管治報告」章節。該等討論構成本董事會報告之一部分。

結構性合約

根據《外商投資產業指導目錄》(二零一五年修訂)，增值電信服務受到外商投資限制，外國投資者不得持有中國增值電信服務提供商(不包括電子商務)超過 50% 股權。

互聯網數據提供商服務屬於增值電信服務的子類別。根據《外商投資電信企業管理規定》，外國投資者佔增值電信服務提供商(不包括電子商務)的註冊資本不得超過 50%，且任何相關外國投資者須維持良好的往績記錄，並具備增值電信服務業的相關營運經驗(「外資持股限制」)。

REPORT OF THE DIRECTORS 董事會報告

Shenzhen Gudeng, the then direct wholly-owned PRC subsidiary of Shenzhen Zhibo Tianyu Trading Development Limited (“**Shenzhen Zhibo**”), an indirect wholly-owned PRC subsidiary of the Company, was incorporated in September 2015 and received the ICP license on 7 September 2016. It holds one website and two mobile applications for the Group and is principally engaged in online provision of agricultural products in the PRC.

On 19 June 2015, the Circular on Removing the Restrictions on Shareholding Ratio Held by Foreign Investors in Online Data Processing and Transaction Processing (Operating E-commerce) Business (the “**E-commerce Circular**”) was issued, which allows the foreign ownership in online data processing and transaction processing (operating e-commerce) business up to 100%. However, since the E-commerce Circular does not provide any clear legal definition of “e-commerce”, it is unclear as to whether the business to be conducted by Shenzhen Gudeng would fall within the scope of the E-commerce Circular to benefit from the loosened restrictions on the Foreign Shareholding Restrictions.

As such, Shenzhen Zhibo (i) entered into a disposal agreement on 11 July 2016 with Yu Hui Jun (the “**Nominee Shareholder**”) and (ii) further entered into the exclusive business cooperation agreement, the exclusive call option agreement, the equity pledge agreement, the power of attorney and the ancillary documents (collectively the “**Structured Contracts**”) with the Nominee Shareholder and Shenzhen Gudeng on 9 October 2016 (other than the exclusive business cooperation agreement which was entered into by and between Shenzhen Zhibo and Shenzhen Gudeng only and the power of attorney which was executed by the Nominee Shareholder in favour of Shenzhen Zhibo) such that the Group is entitled to acquire the rights and ability to control the business of Shenzhen Gudeng and to obtain the economic benefit (the “**Contractual Arrangements**”).

深圳谷登(為深圳智博天宇商貿發展有限公司(「深圳智博」)當時的直接全資中國附屬公司及本公司的間接全資中國附屬公司)於二零一五年九月註冊成立，並於二零一六年九月七日取得互聯網數據提供商牌照。該公司為本集團持有一個網站及兩個流動應用程式，主要於中國從事網上提供農產品。

二零一五年六月十九日頒佈了《關於放開在線數據處理與交易處理業務(經營類電子商務)外資股比限制的通告》(「**電子商務通告**」)，容許在線數據處理與交易處理業務(經營類電子商務)的外資擁有權達到100%。然而，由於電子商務通告並未就「電子商務」作出任何明確的法律定義，故深圳谷登將經營之業務是否屬於電子商務通告範圍內而受惠於外資持股限制之放寬限制，並不清晰。

因此，深圳智博(i)於二零一六年七月十一日與于惠軍(「**代名人股東**」)訂立出售協議；及(ii)於二零一六年十月九日與代名人股東及深圳谷登進一步訂立獨家業務合作協議、獨家認購權協議、股權質押協議、授權書及配套文件(統稱「**結構性合約**」)(惟獨家業務合作協議僅由深圳智博與深圳谷登訂立及授權書由代名人股東以深圳智博為受益人簽署)，以讓本集團獲得控制深圳谷登業務的權利及能力及取得經濟利益(「**合約安排**」)。

REPORT OF THE DIRECTORS 董事會報告

The exclusive business cooperation agreement and the exclusive call option agreement had an initial term of 3 years commencing from the date of the relevant agreements which were renewed for another 3 years on 8 October 2019. As security for the payment of service fees under the exclusive business cooperation agreement and the performance of the exclusive call option agreement and the power of attorney, the equity pledge agreement executed in favour of Shenzhen Zhibo will only be terminated when all the said obligations of the Nominee Shareholder contemplated under the Contractual Arrangements are fulfilled. Similarly, for protection of the Group, the power of attorney executed in favour of Shenzhen Zhibo will be valid so long as the Contractual Arrangements are in place. The Company will keep exploring various opportunities in building up its ICP services operations for the purposes of being qualified as early as possible, to acquire the entire equity interest of Shenzhen Gudeng if and when the Foreign Shareholding Restrictions are lifted. For details of the Structured Contracts, please refer to the announcements of the Company dated 11 July 2016 and 11 October 2016, respectively.

Save for the exclusive business cooperation agreement which involves the payment of a service fee by Shenzhen Gudeng to Shenzhen Zhibo on a monthly basis, and the nominal consideration paid by Shenzhen Zhibo to the Nominee Shareholder under the exclusive call option agreement, each of the Structured Contracts does not involve payment of any consideration.

The Structured Contracts, taken as a whole, permit the results and financial operations of Shenzhen Gudeng to be consolidated in the Company, as if it was the Company's subsidiary resulting in all economic benefits of its business flowing to the Company. Through the appointment by Shenzhen Zhibo of all directors and senior management of Shenzhen Gudeng, the Directors believe that Shenzhen Zhibo is able to effectively supervise, manage and operate the business operations, expansion plans, financial policies and assets of Shenzhen Gudeng, and at the same time, ensure due implementation of the Structured Contracts. According to Hong Kong Financial Reporting Standards, a subsidiary is an entity that is controlled by another entity (known as the parent). An investor controls an investee when it is exposed, or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

獨家業務合作協議及獨家認購權協議之初始年期自相關合約日期起計為期三年，並已於二零一九年十月八日再續期三年。作為根據獨家業務合作協議支付服務費及履行獨家認購權協議與授權書的擔保，以深圳智博為受益人簽立的股權質押協議將僅會於前述合約安排項下代名人股東所有責任達成後終止。同樣地，為保障本集團，以深圳智博為受益人簽立之授權書僅會於合約安排實行期間有效。本公司將繼續探索不同機會拓展互聯網數據提供商服務營運，力求盡快取得資格，於外資持股限制解除後收購深圳谷登全部股權。有關結構性合約之詳情，請參閱本公司日期分別為二零一六年七月十一日及二零一六年十月十一日之公佈。

除獨家業務合作協議涉及深圳谷登每月向深圳智博支付服務費，以及深圳智博根據獨家認購權協議支付予代名人股東的名義代價外，各結構性合約不涉及支付任何代價。

整體而言，結構性合約讓深圳谷登之業績及財務營運綜合計入本公司，猶如其為本公司之附屬公司，以致其業務所得所有經濟利益流入本公司。董事認為，透過深圳智博指派深圳谷登之所有董事及高級管理層，深圳智博有能力有效監控、管理及經營深圳谷登之業務營運、擴充計劃、財務政策及資產，此舉同時亦確保結構性合約獲得妥善落實。根據香港財務報告準則，附屬公司指由另一間實體（稱為母公司）控制的實體。當投資者因參與被投資者業務而承擔風險或有權享有可變回報，並有能力透過其對被投資者施加權力去影響該等回報時，則擁有對該被投資者的控制權。

REPORT OF THE DIRECTORS 董事會報告

Although the Company does not directly or indirectly own Shenzhen Gudeng, the Structured Contracts enable the Company to exercise control over and receive economic benefits generated from the business operation of Shenzhen Gudeng and the validity and legality of the Structured Contracts have been confirmed by the Company's PRC legal adviser. The Group derives economic benefits from the ICP services provided by Shenzhen Gudeng. Under such circumstances, the Directors are of the view that it is fair and reasonable for Shenzhen Zhibo to be entitled to all the economic benefits generated from Shenzhen Gudeng. The Structured Contracts also permit Shenzhen Zhibo to exclusively acquire all or part of the equity interest in Shenzhen Gudeng, if and when permitted by PRC laws and regulations. Notwithstanding the Group's lack of equity ownership in Shenzhen Gudeng, the Group is able to control the business and financial position of Shenzhen Gudeng in substance through the Structured Contracts. As a result of the Structured Contracts, Shenzhen Gudeng is accounted for as the Company's subsidiary, and its financial position and operating results are consolidated in the Company's consolidated financial statements.

The revenue, net loss and total asset value subject to the Contractual Arrangements amounted to nil and approximately HK\$0.8 million for the financial year ended 31 March 2021 and approximately HK\$0.3 million as of 31 March 2021, respectively.

Manner of settlement of disputes which may arise from the Contractual Arrangements

Pursuant to the Structured Contracts, any dispute arising from the interpretation and performance of the Structured Contracts between the parties thereto should first be resolved through negotiation, failing which any party may submit the said dispute to the South China International Economic and Trade Arbitration Commission (or Shenzhen Court of International Arbitration) with a view to resolving the dispute through arbitration in accordance with the arbitration rules thereof.

Arrangements in the event of death, bankruptcy or divorce of the Nominee Shareholder

The Nominee Shareholder has undertaken in the exclusive call option agreement and the equity pledge agreement that she shall make all appropriate arrangements and execute all necessary documents to ensure that, in the event of death, loss of capacity, bankruptcy, divorce (or other circumstances) of herself, there would be no adverse effect or obstacle in enforcing the exclusive call option agreement and the equity pledge agreement by her successors.

雖然本公司並非直接或間接擁有深圳谷登，惟結構性合約讓本公司可對深圳谷登行使控制權並收取其業務營運所得經濟利益，而結構性合約亦已經本公司中國法律顧問確認為有效及合法。本集團自深圳谷登提供的互聯網數據提供商服務獲取經濟利益。在此等情況下，董事認為，讓深圳智博享有深圳谷登產生的所有經濟利益實屬公平合理。在中國法律及法規允許的情況下，結構性合約亦讓深圳智博可獨家收購深圳谷登全部或部分股權。雖然本集團未持有深圳谷登之股本權益，惟本集團可透過結構性合約享有對深圳谷登業務及財務狀況的實際控制權。由於結構性合約，深圳谷登作為本公司附屬公司列賬，其財務狀況及經營業績綜合計入本公司綜合財務報表。

根據合約安排，截至二零二一年三月三十一日止財政年度的收益、虧損淨額及於二零二一年三月三十一日的資產總值分別為零、約800,000港元及約300,000港元。

解決由合約安排可能產生爭議的方法

根據結構性合約，相關各方之間因結構性合約的解釋及實施而產生的任何爭議，應首先協商解決，倘未能協商解決，則任何一方可將有關爭議提交予華南貿易仲裁委員會（或深圳國際仲裁院），以按照當中的仲裁規定透過仲裁解決爭議。

代名人股東身亡、破產或離婚的安排

代名人股東已於獨家認購權協議及股權質押協議承諾，彼將作出一切適當安排並簽署一切所須文件，以確保倘其身亡、失去行為能力、破產、離婚（或遇到其他情況）時，對於由其繼承人執行獨家認購權協議及股權質押協議而言概無不利影響或阻礙。

REPORT OF THE DIRECTORS 董事會報告

Undertaking to mitigate any potential conflict of interests between Shenzhen Zhibo and the Nominee Shareholder

The Nominee Shareholder may have potential conflicts with Shenzhen Zhibo and the Company. To mitigate any potential conflict of interests, the Nominee Shareholder and Shenzhen Gudeng have undertaken in the exclusive call option agreement that, during the period the exclusive call option agreement remains effective, unless otherwise agreed by Shenzhen Zhibo, the Nominee Shareholder and Shenzhen Gudeng (i) would not participate in any business which may be in competition with the business of Shenzhen Zhibo or its related companies; and (ii) would appoint nominees nominated by Shenzhen Zhibo as Shenzhen Gudeng's director(s) or executive director(s).

Risk factors

The following are the major risks relating to the Contractual Arrangements: (1) the PRC Government may determine that the documents for the Contractual Arrangements do not comply with applicable regulations; (2) the Contractual Arrangements may not provide control as effective as direct ownership; and (3) the Contractual Arrangements may be subject to scrutiny of the PRC tax authorities and additional tax may be imposed.

Furthermore, the Group conducts its business operation in the PRC through Shenzhen Gudeng by way of the Contractual Arrangements, but certain of the terms of the Contractual Arrangements may not be enforceable under the PRC laws. As advised by the Company's PRC legal advisers, the Contractual Arrangements were narrowly tailored to minimize the potential conflict with relevant PRC laws and regulations.

Internal control measures

In order to effectively control and safeguard the assets of Shenzhen Gudeng, the Contractual Arrangements have provided, without having obtained the consent of Shenzhen Zhibo, the Nominee Shareholder and Shenzhen Gudeng (i) shall not sell, transfer, mortgage or dispose of in any manner any material assets, legitimate interest or revenue of Shenzhen Gudeng, or allow any encumbrance thereon of any security interest; and (ii) shall always operate Shenzhen Gudeng's business in the ordinary and usual course of business and shall maintain the asset value of Shenzhen Gudeng and refrain from any action/omission that may adversely affect Shenzhen Gudeng's operating status and asset value.

No material change in the Contractual Arrangements

The Board confirmed that there is no material change in the Contractual Arrangements and/or the circumstances under which they were adopted, and its impact on the Group, and the terms of the Contractual Arrangements and the financial assistance are on normal commercial terms.

減輕深圳智博與代名人股東之間任何潛在利益衝突的承諾

代名人股東可能與深圳智博及本公司有潛在衝突。為減輕任何潛在利益衝突，代名人股東及深圳谷登在獨家認購權協議中承諾，於獨家認購權協議仍然有效期間，除經深圳智博另行同意者外，代名人股東及深圳谷登 (i) 不會參與可能與深圳智博或其關聯公司的業務競爭的任何業務，及 (ii) 將委任深圳智博提名的代名人作為深圳谷登的董事或執行董事。

風險因素

以下為有關合約安排之主要風險：(1) 中國政府可決定合約安排下的文件未能遵守適用法規；(2) 合約安排或未能給予直接擁有權般有效之控制權；及 (3) 合約安排或會受到中國稅務機關的審查並可能被徵收額外稅項。

此外，本集團藉合約安排透過深圳谷登在中國經營業務，但合約安排若干條款不一定可根據中國法律強制執行。據本公司中國法律顧問告知，合約安排的制訂較為嚴密，藉此降低與相關中國法律及法規出現潛在衝突的風險。

內部監控措施

為有效監控及保障深圳谷登的資產，合約安排規定，代名人股東及深圳谷登未獲深圳智博的同意 (i) 不得以任何方式出售、轉讓、抵押或處置深圳谷登的任何重大資產、合法權益或收益，或准許就此設立任何抵押權益之產權負擔；及 (ii) 須在日常及一般業務過程中一直經營深圳谷登的業務，並須保留深圳谷登的資產價值及避免任何可能對深圳谷登的營運狀況及資產價值造成不利影響的行動／疏忽。

合約安排概無重大變動

董事會確認，合約安排及／或採納合約安排的情況及其對本集團之影響並無重大變動，且合約安排及財務資助之條款符合一般商業條款。

REPORT OF THE DIRECTORS 董事會報告

No unwinding of the Contractual Arrangements

The Board also confirmed that there is no unwinding of the Structured Contracts or failure to unwind when the restrictions that led to the adopted Structured Contracts are removed.

RESULTS AND APPROPRIATIONS

The results of the Group for the financial year ended 31 March 2021 and the state of affairs of the Company and the Group at that date are set out in the consolidated financial statements on pages 99 to 244 of this annual report.

The Board adopted a dividend policy in order to promote greater dividend policy transparency. In deciding whether to recommend the payment of dividend to the Shareholders, the Board will take into account of a number of factors, including but not limited to the Company's operation and financial performance, liquidity condition, capital requirements, future funding needs, contractual restrictions, availability of reserves and prevailing economic climate, subject to the applicable rules of Bermuda and the bye-laws of the Company. Based on these factors, the determination of dividend distribution, the amount and frequency, will be made at the discretion of the Board.

The Directors did not recommend the payment of any final dividend for the financial year ended 31 March 2021 (2020: Nil). No interim dividend was paid to the Shareholders during the year under review (2020: Nil).

SHARE CAPITAL AND SHARE OPTIONS

Details of movements in the share capital and share options of the Company during the financial year ended 31 March 2021, together with the reasons therefor, are set out in notes 32 and 34 to the consolidated financial statements, respectively.

EQUITY-LINKED AGREEMENTS

During the year under review, other than the Convertible Notes as set out in the paragraph headed "Convertible Notes" in the section headed "Management Discussion and Analysis" and the Share Option Scheme as set out in the section headed "Share Option Scheme" and note 30 and 34 to the consolidated financial statements, the Company has not entered into any equity-linked agreement.

合約安排並無解除

董事會亦確認，結構性合約並無解除，亦無出現導致採納結構性合約的限制獲移除後卻無法解除結構性合約的情況。

業績及分配

本集團截至二零二一年三月三十一日止財政年度之業績以及本公司和本集團於該日之業績狀況載於本年報第99至244頁之綜合財務報表。

董事會採納了股息政策，以促進更高的股息政策透明度。在決定是否建議向股東派付股息時，董事會將考慮多項因素，包括但不限於本公司的營運及財務表現、流動資金狀況、資本要求、未來資金需求、合約限制、儲備可用性及其當前經濟環境，惟須遵守百慕達之適用規則及本公司細則。基於該等因素，股息分配及其金額與頻率之釐定將由董事會酌情決定。

董事不建議派付截至二零二一年三月三十一日止財政年度之任何末期股息(二零二零年：無)。本公司於回顧年度內並無向股東派發中期股息(二零二零年：無)。

股本及購股權

本公司股本及購股權於截至二零二一年三月三十一日止財政年度之變動詳情，連同其變動之因素，分別載於綜合財務報表附註32及34內。

股票掛鈎協議

於回顧年度內，除「管理層討論及分析」一節「可換股票據」一段所載的可換股票據及「購股權計劃」一節所載的購股權計劃及綜合財務報表附註30及34外，本公司並無訂立任何股票掛鈎協議。

REPORT OF THE DIRECTORS 董事會報告

SUMMARY FINANCIAL INFORMATION

A summary of the published results and of the assets, liabilities and non-controlling interests of the Group for the last five financial years is set out on page 248 of this annual report. This summary does not form part of the audited consolidated financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the financial year ended 31 March 2021 are set out in note 15 to the consolidated financial statements.

INVESTMENT PROPERTIES

Details of movements in the investment properties of the Group during the financial year ended 31 March 2021 are set out in note 17 to the consolidated financial statements.

FINANCIAL ASSETS

Details of movements in the financial assets of the Group during the financial year ended 31 March 2021 are set out in notes 23 and 30 to the consolidated financial statements.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the financial year ended 31 March 2021, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

RESERVES

Details of movements in the reserves of the Company and of the Group during the financial year ended 31 March 2021 are set out in note 32 to the consolidated financial statements and in the consolidated statement of changes in equity, respectively.

DISTRIBUTABLE RESERVES

As at 31 March 2021, the Company had no reserves available for distribution to equity holders of the Company calculated in accordance with the Companies Act.

PROMISSORY NOTES

Details of movements in the promissory notes of the Company during the financial year ended 31 March 2021 are set out in note 29 to the consolidated financial statements.

財務資料概要

本集團過去五個財政年度已刊發之業績及資產、負債及非控股權益概要載於本年報第248頁。該概要並不構成經審核綜合財務報表一部分。

物業、廠房及設備

本集團物業、廠房及設備於截至二零二一年三月三十一日止財政年度內之變動詳情載於綜合財務報表附註15。

投資物業

本集團投資物業於截至二零二一年三月三十一日止財政年度內之變動詳情載於綜合財務報表附註17。

金融資產

本集團金融資產於截至二零二一年三月三十一日止財政年度內之變動詳情載於綜合財務報表附註23及30。

購買、出售或贖回上市證券

於截至二零二一年三月三十一日止財政年度內，本公司及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。

儲備

本公司及本集團之儲備於截至二零二一年三月三十一日止財政年度內之變動詳情，分別載於綜合財務報表附註32及綜合權益變動表內。

可供分派儲備

於二零二一年三月三十一日，本公司並無根據公司法計算可供分派予本公司權益持有人的儲備。

承兌票據

本公司之承兌票據於截至二零二一年三月三十一日止財政年度內之變動詳情載於綜合財務報表附註29。

REPORT OF THE DIRECTORS 董事會報告

DIRECTORS

The Directors during the year under review and up to the date of this annual report were:

Executive Directors:

Mr. Leung Sui Wah, Raymond
(Chief Executive Officer)

Mr. Yau Yuk Shing

Mr. Chan Chun Hong, Thomas
(resigned on 8 February 2021)

Non-executive Director:

Mr. Tang Ching Ho
(Chairman) (appointed on 8 February 2021)

Independent non-executive Directors:

Mr. Ng Yat Cheung

Mr. Lau King Lung

Mr. Wong Ping Yuen

In accordance with bye-law 99 of the bye-laws of the Company, Mr. Leung Sui Wah, Raymond and Mr. Lau King Lung will retire at the forthcoming annual general meeting by rotation and, being eligible, offer themselves for re-election.

In accordance with bye-law 102(B) of the bye-laws of the Company, Mr. Tang Ching Ho who was appointed as a non-executive Director with effect from 8 February 2021 shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election at the meeting.

All of the independent non-executive Directors are appointed for a term of three years and are subject to retirement by rotation in accordance with the Company's bye-laws. The Company has received from each of the independent non-executive Directors an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all the existing independent non-executive Directors to be independent as at the date of this report.

DIRECTORS' BIOGRAPHIES

Biographical details of the Directors are set out on pages 44 to 46 of this annual report.

董事

於回顧年度及直至本年報日期之董事如下：

執行董事：

梁瑞華先生
(行政總裁)

游育城先生

陳振康先生
(於二零二一年二月八日辭任)

非執行董事：

鄧清河先生
(主席)(於二零二一年二月八日獲委任)

獨立非執行董事：

吳日章先生

劉經隆先生

王炳源先生

按照本公司之公司細則第99條，梁瑞華先生及劉經隆先生將於應屆股東週年大會上輪值退任，並且符合資格及願意膺選連任。

根據本公司之公司細則第102(B)條，鄧清河先生(於二零二一年二月八日獲委任為非執行董事)之任期僅直至本公司下屆股東大會，及其後須符合資格於大會上膺選連任。

全體獨立非執行董事任期為三年，並須按本公司之公司細則輪值退任。本公司已接獲各獨立非執行董事根據上市規則第3.13條就其獨立身份而發出之年度確認聲明。本公司認為所有現任獨立非執行董事於本報告日期確屬獨立人士。

董事履歷

董事履歷詳情載於本年報第44至46頁。

REPORT OF THE DIRECTORS 董事會報告

CHANGE IN INFORMATION OF DIRECTOR

The change in the information of Director since the publication of the 2020 interim report is set out below pursuant to Rule 13.51(B) of the Listing Rules:

Mr. Leung Sui Wah, Raymond was redesignated from the chief financial officer to the chief executive officer of the Company on 8 February 2021.

Details of the change in remuneration of Directors, if any, were disclosed in note 9 to the consolidated financial statements.

DIRECTORS' SERVICE CONTRACTS

No Director proposed for re-election at the forthcoming annual general meeting has a service contract with any company in the Group which is not determinable by such company within one year without payment of compensation, other than statutory compensation.

DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

No transactions, arrangements or contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which a Director or an entity connected with him had a material interest, whether directly or indirectly, subsisted during or at the end of the year under review.

PERMITTED INDEMNITY

A permitted indemnity provision for the benefit of the Directors is currently in force and was in force throughout the financial year under review. The Company has taken out and maintained appropriate insurance coverage in respect of potential legal actions against its Directors and officers of the Group.

董事資料變動

根據上市規則第 13.51(B) 條，自刊發二零二零年中期報告起之董事資料變動如下：

梁瑞華先生由本公司首席財務官調任為本公司行政總裁，自二零二一年二月八日起生效。

董事酬金之變動詳情(如有)已披露於綜合財務報表附註 9。

董事服務合約

擬於應屆股東週年大會上膺選連任之董事，概無與本集團任何成員公司訂立不可於一年內由該公司終止而毋須支付賠償(法定賠償除外)之任何服務合約。

董事於交易、安排或合約之重大權益

於回顧年度內或回顧年度結束時，概無本公司或其任何附屬公司參與訂立，且董事或其關聯實體於當中直接或間接擁有重大權益之對本公司業務屬重大之交易、安排或合約。

獲准許之彌償

為董事之利益而獲准許之彌償條文現時及於回顧財政年度內生效。本公司已就其董事及本集團人員可能面對的法律行動辦理及購買適當的保險。

REPORT OF THE DIRECTORS 董事會報告

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

As at 31 March 2021, the interests and short positions of the Directors and the chief executive of the Company and/or any of their respective associates in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required to be entered in the register kept by the Company pursuant to section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

(A) Long positions in the ordinary shares of the Company (the "Shares"):

董事及主要行政人員於本公司及其相聯法團之股份、相關股份及債權證之權益及淡倉

於二零二一年三月三十一日，董事及本公司主要行政人員及／或任何彼等各自之聯繫人於本公司或其任何相聯法團（定義見《證券及期貨條例》（「《證券及期貨條例》」）第 XV 部）之股份、相關股份或債權證中，擁有根據《證券及期貨條例》第 XV 部第 7 及第 8 分部須通知本公司及聯交所之權益或淡倉（包括根據《證券及期貨條例》有關條文彼等被當作或被視為擁有之權益或淡倉），或須記錄於本公司根據《證券及期貨條例》第 352 條存置之登記冊，或根據《標準守則》所載，須通知本公司及聯交所之任何權益或淡倉如下：

(A) 於本公司普通股（「股份」）之好倉：

| Name of Director | Nature of interest | Total Number of Shares and underlying Shares involved | Approximate percentage of the Company's total issued Shares |
|------------------|---|---|---|
| 董事名稱 | 權益性質 | 所涉股份及相關股份總數 | 佔本公司已發行股份總數之概約百分比 (Note a) (附註 a) % |
| Mr. Tang 鄧先生 | Interest of controlled corporation 受控制法團權益 | 7,450,095,747 (Note b) (附註 b) | 74.85 |

REPORT OF THE DIRECTORS

董事會報告

Notes:

- (a) The percentage(s) were disclosed pursuant to the relevant disclosure form(s) filed under the SFO.
- (b) Pursuant to the disclosure of interests form published on the website of the Stock Exchange, among of the 7,450,095,747 Shares, 2,007,700,062 Shares were held by Onger Investments Limited (“**Onger Investments**”), Convertible Notes convertible into 130,000,000 Shares were held by Peony Finance Limited (“**Peony Finance**”) and 5,312,395,685 Shares were held by Goal Success Investments Limited (“**Goal Success**”). Onger Investments and Peony Finance were directly wholly owned by Loyal Fame International Limited (“**Loyal Fame**”, a direct wholly-owned subsidiary of Easy One Financial Group Limited (“**Easy One**”) which is in turn wholly-owned by Mr. Tang). Goal Success was directly wholly owned by Biomore Investments Limited (“**Biomore Investments**”) (a direct wholly-owned subsidiary of Total Smart Investments Limited (“**Total Smart**”) which is directly wholly owned by Wai Yuen Tong Medicine Holdings Limited (“**WYT**”). WYT is owned as to 65.14% by Rich Time Strategy Limited (“**Rich Time**”) which is wholly owned by Wang On Enterprises (BVI) Limited (“**WOE**”), a wholly owned subsidiary of Wang On Group Limited (“**WOG**”) which was owned as to 46.71% by Mr. Tang, together with his associates.

附註：

- (a) 該百分比乃根據按《證券及期貨條例》提交的相關披露表格披露。
- (b) 根據於聯交所網站刊發之權益披露表格，於7,450,095,747股股份之中，2,007,700,062股股份由Onger Investments Limited（「**Onger Investments**」）持有，可轉換為130,000,000股股份之可換股票據由Peony Finance Limited（「**Peony Finance**」）持有及5,312,395,685股股份由Goal Success Investments Limited（「**Goal Success**」）持有。Onger Investments及Peony Finance由忠譽國際有限公司（「**忠譽**」，易易壹金融集團有限公司（「**易易壹**」）的直接全資附屬公司，易易壹則由鄧先生全資擁有）直接全資擁有。Goal Success由Biomore Investments Limited（「**Biomore Investments**」）（Total Smart Investments Limited（「**Total Smart**」）的直接全資附屬公司，而Total Smart由位元堂藥業控股有限公司（「**位元堂**」）直接全資擁有）直接全資擁有。位元堂由Rich Time Strategy Limited（「**Rich Time**」）擁有65.14%，Rich Time由Wang On Enterprises (BVI) Limited（「**WOE**」）（宏安集團有限公司（「**宏安集團**」，由鄧先生連同其聯繫人擁有46.71%）的全資附屬公司）全資擁有。

(B) Interest in the shares and underlying shares of associated corporations:

(B) 於相聯法團之股份及相關股份之權益：

| Name of Director | Name of associated corporations | Nature of interest | Total number of shares involved | Approximate percentage of the associated corporation's total issued shares 佔相聯法團已發行股份總數之概約百分比 (Note c) (附註 c) % |
|------------------|---|---|-----------------------------------|---|
| 董事名稱 | 相聯法團名稱 | 權益性質 | 所涉股份總數 | |
| Mr. Tang 鄧先生 | WYT 位元堂 | Interest of controlled corporation 受控制法團權益 | 810,322,940 (Note d) (附註 d) | 65.79 |
| | Wang On Properties Limited (“ WOP ”) 宏安地產有限公司 (「宏安地產」) | Interest of controlled corporation 受控制法團權益 | 11,400,000,000 | 75.00 |

REPORT OF THE DIRECTORS
董事會報告

| Name of Director | Name of associated corporations | Nature of interest | Total number of shares involved | Approximate percentage of the associated corporation's total issued shares 佔相聯法團已發行股份總數之概約百分比 (Note c) (附註c) % |
|------------------|---------------------------------|---|---------------------------------|--|
| 董事名稱 | 相聯法團名稱 | 權益性質 | 所涉股份總數 | |
| | WOG 宏安集團 | Interest of controlled corporation 受控制法團權益 | 2,734,664,306 | |
| | | Beneficial Owner 實益擁有人 | 28,026,339 | |
| | | Interest of spouse 於配偶之權益 | 28,026,300 | |
| | | Founder of a discretionary trust 全權信託創立人 | 4,989,928,827 | |
| | | Total 總計 | 7,780,645,772 | 46.71 |

Notes:

- (c) The percentage(s) were disclosed pursuant to the relevant disclosure form(s) filed under the SFO.
- (d) With reference to note (b) above, 810,322,940 shares of WYT were held by Rich Time; 11,400,000,000 shares of WOP were held by Earnest Spot Limited (a direct wholly-owned subsidiary of WOE). Amongst the 2,734,664,306 shares of WOG held under interest of controlled corporation, 432,475,200 shares were held by Suntech Investments Limited (a direct wholly-owned subsidiary of Total Smart), 1,284,273,800 shares were held by Hearty Limited (a direct wholly-owned subsidiary of Total Smart), 486,915,306 shares were held by Caister Limited (a company wholly owned by Mr. Tang) and 531,000,000 shares were held by Billion Trader Limited (a direct wholly-owned subsidiary of Loyal Fame).

Save as disclosed above, as at 31 March 2021, none of the Directors and the chief executive of the Company and/or any of their respective associates had any other interests and 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 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.

附註:

- (c) 該百分比乃根據按《證券及期貨條例》提交的相關披露表格披露。
- (d) 茲提述上文附註(b)，位元堂之810,322,940股股份由Rich Time持有；而宏安地產之11,400,000,000股股份由Earnest Spot Limited (WOE之直接全資附屬公司)持有。宏安集團之2,734,664,306股股份由受控制法團持有，當中432,475,200股股份由Suntech Investments Limited (Total Smart之直接全資附屬公司)持有、1,284,273,800股股份由Hearty Limited (Total Smart之直接全資附屬公司)持有、486,915,306股股份由Caister Limited (由鄧先生全資擁有)持有以及531,000,000股股份由Billion Trader Limited (由忠譽直接全資擁有)持有。

除上述所披露者外，於二零二一年三月三十一日，概無董事及本公司主要行政人員及／或任何彼等各自之職繫人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、相關股份或債權證中，擁有記錄於本公司根據《證券及期貨條例》第352條存置之登記冊，或已根據《標準守則》而通知本公司及聯交所之任何其他權益及淡倉。

REPORT OF THE DIRECTORS 董事會報告

SHARE OPTION SCHEME

On 3 May 2012, the Company terminated the old share option scheme adopted on 4 June 2002 and adopted a new share option scheme (the “**Scheme**”) for the primary purpose of providing incentive to selected eligible persons (the “**Participants**”) to take up options for their contribution to the Group. Participants include directors, including independent non-executive directors, employees, individuals who work for any member of the Group or any substantial Shareholder or any company controlled by a substantial Shareholder, holders of securities issued by any member of the Group or any person or entity that provides research, development or other technological support or any advisory, consultancy, professional or other services to any member of the Group. The Scheme became effective on 3 May 2012 and will remain in force for a period of 10 years. The remaining life of the Scheme is approximately one year. Under the Scheme, the Board may grant share options to the Participants to subscribe for the Shares. The offer of a grant of share options must be accepted by the relevant Participants within 30 days after the date of grant upon payment of a consideration of HK\$1 for each lot of share options granted. The exercise price is to be determined by the Board and shall not be less than the highest of (i) the official closing price of the Shares as stated in the daily quotation sheet of the Stock Exchange on the date of grant, which must be a business day; (ii) the average of the official closing prices of the Shares as stated in the daily quotation sheet of the Stock Exchange for the five business days immediately preceding the date of grant; and (iii) the nominal value of a Share.

The number of Shares in respect of which options may be granted to any Participants in any 12-month period up to and including the date of grant shall not exceed 1% of the Shares in issue at any point in time, without prior approval from the Shareholders. Options granted to substantial Shareholders or independent non-executive Directors, or any of their respective associates, in excess of 0.1% of the Shares in issue and with an aggregate value in excess of HK\$5,000,000 must be approved in advance by the Shareholders. There is no specific requirement that an option must be held for any minimum period before it can be exercised but the Board is empowered to impose at its discretion any such minimum period at the time of grant of any particular option. The period during which an option may be exercised will be determined by the Board at its absolute discretion, save that no option may be exercised for a period of more than 10 years from the date of grant.

購股權計劃

於二零一二年五月三日，本公司終止於二零零二年六月四日採納之舊購股權計劃，並採納一個新購股權計劃（「**該計劃**」），主要目的是就選定之合資格人士（「**參與者**」）為本集團所作貢獻而向彼等提供接納購股權之獎勵。參與者包括董事（包括獨立非執行董事）、員工、為本集團旗下任何成員公司工作之個人或任何主要股東或主要股東控制之任何公司、本集團任何成員公司所發行證券之持有人或向本集團任何成員公司提供研究、發展或其他技術支援或任何顧問、諮詢、專業或其他服務之任何人士或實體。該計劃於二零一二年五月三日生效，並將於十年內一直有效。該計劃剩餘有效期約為一年。根據該計劃，董事會可向參與者授出購股權以認購股份。授予購股權之建議必須於授出日期後30日內並就每批所授出之購股權支付1港元之代價後，由相關參與者接納。行使價將由董事會決定，及不得低於以下各項之最高者：(i) 股份於授出日期（須為營業日）在聯交所每日報價表所列之正式收市價；(ii) 股份於緊接授出日期前五個營業日在聯交所每日報價表所列之正式收市價平均數；及(iii) 股份面值。

於任何授出日期（包括該日）前任何十二個月期間內，倘未獲股東事先批准，則向任何參與者授出之購股權涉及之股份數目，於任何時候不得超過已發行股份之1%。倘授予主要股東或獨立非執行董事或任何彼等各自之聯繫人之購股權超過已發行股份之0.1%，及其價值合計超過5,000,000港元，則須經股東事先批准。概無明文規定購股權須持有任何最短期限方可行使，惟董事會有權酌情於授出任何個別購股權時施加任何最短期限。董事會可全權酌情釐定可行使購股權之期間，惟購股權概不可於授出日期起計10年以上期間行使。

REPORT OF THE DIRECTORS 董事會報告

Subject to the approval of the Shareholders at general meeting, the Board may refresh the limit at any time to 10% of the total number of Shares in issue as at the date of approval by the Shareholders at general meeting. Notwithstanding the foregoing, the Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option schemes of the Company at any time shall not exceed 30% of the Shares in issue from time to time. Other details of the Scheme are set out in note 34 to the consolidated financial statements.

During the financial year under review, no option had been granted. As at 31 March 2021, there was no outstanding option. As at the date of this annual report, the total number of Shares available for issue under the Scheme is 995,306,782, representing 10% of the existing issued share capital of the Company.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the section headed "Share Option Scheme" as set out above, the section headed "Convertible Notes" in this annual report and in note 30 to the consolidated financial statements, at no time during the year ended 31 March 2021 were rights to acquire benefits by means of the acquisition of Shares in, or debentures of, the Company granted to any Director or their respective spouses or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

To the best of the Directors' knowledge, as at 31 March 2021, the following corporations or persons (other than the Directors or the chief executive of the Company) had, or was deemed or taken to have, interests or short positions in the Shares and underlying Shares as recorded in the register required to be kept by the Company under Section 336 of the SFO.

待股東於股東大會上批准後，董事會可隨時更新上限至股東於股東大會批准當日已發行股份總數之10%。儘管有上文之規定，惟任何時候因行使所有已根據該計劃及本公司之任何其他購股權計劃授出但尚未行使之購股權而可能發行之股份，均不可超過不時已發行股份之30%。該計劃之其他詳情載於綜合財務報表附註34。

於回顧財政年度內，概無授出購股權。於二零二一年三月三十一日，概無尚未行使之購股權。於本年報日期，根據該計劃可發行之股份總數為995,306,782股，佔本公司現有已發行股本10%。

董事收購股份或債權證之權利

除上文「購股權計劃」一節、本年報「可換股票據」一節及綜合財務報表附註30所披露者外，於截至二零二一年三月三十一日止年度內任何時間，本公司概無向任何董事或彼等各自的配偶或年幼子女授出任何權利，而據此可透過收購股份或債權證的方式獲得利益，或彼等概無行使任何有關權利，或本公司或其任何附屬公司概無訂立任何安排致使董事能夠收購任何其他法人團體的該等權利。

主要股東於股份及相關股份之權益及淡倉

於二零二一年三月三十一日，據董事所深知，下列法團或人士（董事或本公司主要行政人員除外）擁有、或被當作或視為持有本公司根據《證券及期貨條例》第336條須存置之登記冊所記錄之股份及相關股份之權益或淡倉。

REPORT OF THE DIRECTORS 董事會報告

Long positions in the Shares and underlying Shares:

於股份及相關股份之好倉：

| Name of Shareholders 股東名稱 | Capacity 身份 | Total number of Shares and underlying Shares involved 所涉股份及相關股份總數 | Approximate percentage of the Company's total issued shares 佔本公司已發行股份總數之概約百分比 (Note a) (附註 a) % |
|------------------------------|---|--|---|
| Easy One 易易壹 | Interest of controlled corporation 受控制法團權益 | 2,137,700,062 (Note b) (附註 b) | 21.47 |
| Goal Success | Beneficial owner 實益擁有人 | 5,312,395,685 (Note b) (附註 b) | 53.37 |
| Biomore Investments | Interest of controlled corporation 受控制法團權益 | 5,312,395,685 (Note b) (附註 b) | 53.37 |
| Total Smart | Interest of controlled corporation 受控制法團權益 | 5,312,395,685 (Note b) (附註 b) | 53.37 |
| WYT 位元堂 | Interest of controlled corporation 受控制法團權益 | 5,312,395,685 (Note b) (附註 b) | 53.37 |
| WOG 宏安集團 | Interest of controlled corporation 受控制法團權益 | 5,312,395,685 (Note b) (附註 b) | 53.37 |
| Ms. Yau Yuk Yin 游育燕女士 | Family interest 家族權益 | 7,450,095,747 (Note c) (附註 c) | 74.85 |

REPORT OF THE DIRECTORS 董事會報告

Notes:

- (a) The percentage(s) were disclosed pursuant to the relevant disclosure form(s) filed under the SFO.
- (b) Pursuant to the disclosure of interests form published on the website of the Stock Exchange, among of the 7,450,095,747 Shares, 2,007,700,062 Shares were held by Onger Investments, Convertible Notes which can be converted to 130,000,000 Shares were held by Peony Finance and 5,312,395,685 Shares were held by Goal Success. Onger Investments and Peony Finance were directly wholly owned by Loyal Fame (a direct wholly-owned subsidiary of Easy One which is in turn wholly-owned by Mr. Tang). Goal Success was directly wholly owned by Biomore Investments (a direct wholly-owned subsidiary of Total Smart which is directly wholly owned by WYT). WYT is owned as to 65.14% by Rich Time which is wholly owned by WOE, a wholly owned subsidiary of WOG which was owned as to 46.71% by Mr. Tang, together with his associates.
- (c) Pursuant to the disclosure of interests form published on the website of the Stock Exchange, Ms. Yau Yuk Yin was taken to be interested in the 7,450,095,747 Shares in which her spouse, Mr. Tang, was deemed to be interested under the SFO.

Save as disclosed above, as at 31 March 2021, there were no other persons (other than the Directors or the chief executive of the Company) who had any interests or short positions in the Shares or underlying Shares which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

EMOLUMENT POLICY

All of the Group's subsidiaries are equal opportunity employers, with the selection and promotion of individuals based on suitability for the position offered. The salary and benefit levels of the Group's employees are kept at a competitive level and employees are rewarded on a performance related basis within the general framework of the Group's emolument policies.

The emolument policy of the employees of the Group and the Directors are reviewed by the Remuneration Committee on the basis of their merit, qualifications and competence. The Company has adopted the Scheme as an incentive to the Directors and eligible participants. Details of the Scheme are set out in the section headed "Share Option Scheme" of this annual report and note 34 to the consolidated financial statements.

The Group pays retirement contributions in accordance with the statutory requirements for our PRC staff and operates a Mandatory Provident Fund scheme for our Hong Kong staff. Particulars of these retirement schemes are set out in note 11 to the consolidated financial statements.

附註：

- (a) 該百分比乃根據按《證券及期貨條例》提交的相關披露表格披露。
- (b) 根據於聯交所網站刊發之權益披露，於7,450,095,747股股份當中，2,007,700,062股股份由Onger Investments持有，可轉換為130,000,000股股份之可換股票據由Peony Finance持有及5,312,395,685股股份由Goal Success持有。Onger Investments及Peony Finance由忠譽(易易壹的直接全資附屬公司，易易壹則由鄧先生全資擁有)直接全資擁有。Goal Success由Biomore Investments (Total Smart的直接全資附屬公司，而Total Smart由位元堂直接全資擁有)直接全資擁有。位元堂由Rich Time擁有65.14%，Rich Time由WOE(宏安集團(由鄧先生連同其聯繫人擁有46.71%)的全資附屬公司)全資擁有。
- (c) 根據於聯交所網站刊發之權益披露表格，游育燕女士被視作於其配偶鄧先生根據《證券及期貨條例》被視為擁有權益的該7,450,095,747股股份中擁有權益。

除上文披露者外，於二零二一年三月三十一日，概無其他人士(董事或本公司主要行政人員除外)於股份或相關股份中擁有記錄於本公司根據《證券及期貨條例》第336條須存置之登記冊之任何權益或淡倉。

薪酬政策

本集團所有附屬公司均為平等機會僱主，根據所提供職位的適合性甄選及晉升個別人士。本集團僱員之薪酬及福利水平維持在具競爭力的水平，而僱員則在本集團薪酬政策的一般框架內視乎表現獲論功行賞。

本集團僱員及董事之薪酬政策乃由薪酬委員會根據彼等之功過、資歷及才幹進行檢討。本公司已採納該計劃，作為對董事及合資格參與者之激勵。該計劃之詳情載於本年報「購股權計劃」一節及綜合財務報表附註34。

本集團根據法定要求為其中國之員工支付退休供款，並為香港員工參與強制性公積金計劃。該等退休計劃之詳情載於綜合財務報表附註11。

REPORT OF THE DIRECTORS 董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 March 2021, the percentages of sales and purchases attributable to the Group's five largest customers and five largest suppliers, respectively, were both less than 5%.

At no time during the year under review have the Directors or any of their close associates or any Shareholders (which to the knowledge of the Directors, own more than 5% of the issued Shares) had any interests in any of the Group's five largest customers or suppliers.

DONATIONS

During the year under review, the Group made charitable donations of approximately HK\$863,000 (for the fifteen months ended 31 March 2020: approximately HK\$3,476,000).

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's bye-laws or the laws of Bermuda, being the jurisdiction in which the Company was incorporated, which would oblige the Company to offer new shares on a pro-rata basis to its existing Shareholders.

CONTRACTS OF SIGNIFICANCE

Save as disclosed in the transactions as disclosed in note 38(c) to the consolidated financial statements, no controlling Shareholder or any of its subsidiaries has any contract of significance with the Company or its subsidiaries during the year under review.

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.

CORPORATE GOVERNANCE

The Company is committed to maintaining a high standard of corporate governance practices. Information on corporate governance principles and practices adopted by the Company and any deviation to the code provisions of the CG Code during the year under review is set out in the Corporate Governance Report on pages 48 to 71 of this annual report.

主要客戶及供應商

截至二零二一年三月三十一日止年度，本集團五大客戶及五大供應商之銷售額及採購額分別所佔百分比均少於5%。

於回顧年度內任何時間，董事或任何彼等之緊密聯繫人或就董事所知擁有本公司已發行股本5%以上之任何股東，概無擁有本集團之五大客戶或供應商任何一方之權益。

捐贈

於回顧年度內，本集團作出慈善捐贈約863,000港元(截至二零二零年三月三十一日止十五個月：約3,476,000港元)。

優先購買權

本公司之公司細則或本公司註冊成立之司法管轄區百慕達之法例概無任何有關本公司須按持股比例向現有股東提呈發售新股之優先購買權條文。

重大合約

除綜合財務報表附註38(c)所披露之交易外，於回顧年度內，概無控股股東或其任何附屬公司與本公司或其附屬公司訂立任何重大合約。

管理合約

於回顧年度內概無訂立或存在關於本公司全部或任何重大部分業務的管理及行政之合約。

企業管治

本公司一直致力維持高水平的企業管治常規。有關本公司於回顧年度內採納之企業管治原則及常規以及任何偏離《企業管治守則》守則條文的資料，載於本年報第48至71頁之企業管治報告。

REPORT OF THE DIRECTORS 董事會報告

CONTINUING CONNECTED TRANSACTIONS

Contractual Arrangements

Upon signing of the Structured Contracts, the details of which are set out in the section headed “Principal Activities and Business Review – Structured Contracts” above, Shenzhen Gudeng was treated as a wholly-owned subsidiary of Shenzhen Zhibo and the accounts of which are consolidated with those of the Company. Notwithstanding that Shenzhen Gudeng will be treated as the Company’s wholly-owned subsidiary, it is, at the same time, treated as the Company’s connected person as it is wholly-owned by the Nominee Shareholder, a director of certain wholly-owned subsidiaries of the Company, for the purposes of Chapter 14A of the Listing Rules. Accordingly, the transactions contemplated under the Structured Contracts constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. The amount of financial assistance made by the Group to Shenzhen Gudeng was approximately RMB500,000 for the year ended 31 March 2021.

The transactions relating to the remuneration of the Directors took place during the year under review as set out in note 38(a) to the consolidated financial statements under the heading of “Material Related Party Transactions” were the service contracts entered into between the Directors which were exempt from any disclosure and shareholders’ approval requirements under the Listing Rules. The remaining transactions which took place during the year under review as set out under the heading of “Material Related Party Transactions” did not constitute connected transactions under the Listing Rules.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained a sufficient public float of not less than 25% of the total issued Shares as required under the Listing Rules throughout the year ended 31 March 2021 and up to the date of this annual report.

EVENT AFTER REPORTING PERIOD

Details of significant events of the Group after the reporting period are set out in note 40 to the consolidated financial statements.

持續關連交易

合約安排

於簽訂結構性合約(有關詳情載於上文「主要業務及業務回顧 – 結構性合約」一節)後，深圳谷登被視為深圳智博的全資附屬公司，且深圳谷登之賬目將於本公司賬目綜合入賬。儘管深圳谷登將被視為本公司的全資附屬公司，但就上市規則第14A章而言，其同時被視為本公司的關連人士，因其由代名人股東(本公司若干全資附屬公司的董事)全資擁有。因此，根據上市規則第14A章，結構性合約項下擬進行之交易構成本公司之持續關連交易。截至二零二一年三月三十一日止年度，由本集團向深圳谷登提供的財務資助約為人民幣500,000元。

綜合財務報表附註38(a)「重大關連人士交易」一節所載於回顧年度內進行的有關董事酬金的交易，為與董事訂立的服務合約，獲豁免遵守上市規則的披露及股東批准規定。「重大關連人士交易」一節所載於回顧期內進行的餘下交易不構成上市規則項下的關連交易。

充足之公眾持股量

按照本公司所得之公眾資料及據董事所知，於截至二零二一年三月三十一日止年度內及直至本年報日期為止，本公司已根據上市規則之規定，保持本公司已發行股份總數不少於25%的足夠公眾持股量。

報告期後事項

本集團於報告期後之重大事件之詳情載於綜合財務報表附註40。

REPORT OF THE DIRECTORS 董事會報告

AUDITORS

The consolidated financial statements for the financial year ended 31 March 2021 have been audited by HLB Hodgson Impey Cheng Limited, whose term of office will expire upon the forthcoming annual general meeting of the Company. A resolution to re-appoint HLB Hodgson Impey Cheng Limited as the external auditors of the Company for the subsequent year is to be proposed at the forthcoming annual general meeting of the Company.

On behalf of the Board

Tang Ching Ho
Chairman

Hong Kong, 28 June 2021

核數師

截至二零二一年三月三十一日止財政年度之綜合財務報表已經由國衛會計師事務所有限公司審核，彼將於本公司應屆股東週年大會上任滿。本公司將於本公司應屆股東週年大會上提呈一項決議案續聘國衛會計師事務所有限公司為本公司來年之外聘核數師。

代表董事會

主席
鄧清河

香港，二零二一年六月二十八日

INDEPENDENT AUDITORS' REPORT

獨立核數師報告



31/F, Gloucester Tower
The Landmark
11 Pedder Street
Central, Hong Kong

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF CHINA AGRI-PRODUCTS EXCHANGE LIMITED
(incorporated in Bermuda with limited liability)

致中國農產品交易有限公司
(於百慕達註冊成立之有限公司)
全體股東

OPINION

We have audited the consolidated financial statements of China Agri-Products Exchange Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) set out on pages 99 to 244, which comprise the consolidated statement of financial position as at 31 March 2021, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated statement of financial position of the Group as at 31 March 2021, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

意見

本核數師(以下簡稱「我們」)已審核載於第99至244頁中國農產品交易有限公司(「**貴公司**」)及其附屬公司(統稱「**貴集團**」)之綜合財務報表，此綜合財務報表包括於二零二一年三月三十一日之綜合財務狀況表，以及截至該日止年度之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動表，以及包括主要會計政策概要的綜合財務報表附註。

我們認為，該等綜合財務報表已根據香港會計師公會(「**香港會計師公會**」)頒佈之香港財務報告準則(「**香港財務報告準則**」)真實及公平地反映 貴集團於二零二一年三月三十一日之綜合財務狀況及截至該日止年度之綜合財務表現及綜合現金流量，並已按照香港公司條例妥為擬備。

意見的基準

我們根據香港會計師公會頒佈的香港審計準則(「**香港審計準則**」)進行審核。在該等準則下，我們的責任在我們的報告內「核數師就審核綜合財務報表須承擔的責任」一節進一步闡述。根據香港會計師公會的專業會計師道德守則(以下簡稱「**守則**」)，我們獨立於 貴集團，並已遵循守則履行其他道德責任。我們相信，我們所獲得的審核憑證能充足及適當地為我們的審核意見提供基礎。

INDEPENDENT AUDITORS' REPORT

獨立核數師報告

KEY ADUIT MATTERS

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

Key audit matter

關鍵審核事項

Valuation of investment properties

投資物業之估值

Refer to Note 17 to the consolidated financial statements

Management has estimated the fair value of the Group's investment properties to be approximately HK\$3,069,723,000 as at 31 March 2021, with net loss in fair value for the year ended 31 March 2021 recorded in the consolidated statement of profit or loss and other comprehensive income of approximately HK\$14,202,000. Independent external valuations were obtained in order to support management's estimates. The valuations are dependent on certain key assumptions that require significant management judgement, including market selling price, market rental and plot ratio of land use right.

請參閱綜合財務報表附註 17

管理層已估算於二零二一年三月三十一日 貴集團投資物業之公平值為約 3,069,723,000 港元，並於綜合損益及其他全面收益表錄得截至二零二一年三月三十一日止年度的公平值淨虧損約 14,202,000 港元。管理層已取得獨立外部估值以支持其估算。該等估值取決於若干需要重大管理判斷的主要假設（包括市場售價、市場租金及土地使用權的地積比率）

關鍵審核事項

根據我們的專業判斷，關鍵審核事項為我們審核於本年度的綜合財務報表中最重要的事項。我們在審核綜合財務報表及就此達致意見時處理此等事項，而不會就此等事項單獨發表意見。

How our audit addressed the key audit matter

我們在審核中的處理方法

Our procedures in relation to management's valuation of investment properties included:

- Evaluation of the independent valuer's competence, capabilities and objectivity;
- Assessing the methodologies used and the appropriateness of the key assumptions based on our knowledge of the property industry and using our valuation experts; and
- Checking, on a sample basis, the accuracy and relevance of the input data used.

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

我們就管理層對投資物業之估值進行的程序包括：

- 評估獨立估值師的能力及客觀程度；
- 根據我們對地產行業的知識及利用我們的估值專業知識，評估所採用的方法及主要假設的合適程度；及
- 抽樣檢查所採用的輸入數據的準確性及相關程度。

我們發現主要假設均有憑證支持。

INDEPENDENT AUDITORS' REPORT 獨立核數師報告

Key audit matter

關鍵審核事項

Carrying value of stock of properties

物業存貨之賬面值

Refer to Note 20 to the consolidated financial statements

The carrying values of stock of properties was approximately HK\$1,692,714,000 as at 31 March 2021, with written down of approximately HK\$1,747,000 for the year ended 31 March 2021 recorded in the consolidated statement of profit or loss and other comprehensive income. The management estimated the net realisable values of the stock of properties by reference to sale proceeds received after the end of reporting period less selling expenses, which involve management estimates.

請參閱綜合財務報表附註20

於二零二一年三月三十一日，物業存貨之賬面值約為1,692,714,000港元，並於綜合損益及其他全面收益表錄得截至二零二一年三月三十一日止年度的撇減約1,747,000港元。管理層已根據報告期末之後收取之銷售收益減銷售開支估算物業存貨之可變現淨值，其包括管理層的估計。

How our audit addressed the key audit matter

我們在審核中的處理方法

Our procedures in relation to management's determination of the carrying value of stock of properties included:

- Assessing the appropriateness of the methodologies used by management for the assessments of the net realisable value of stock of properties; and
- Comparing the management's estimates of selling prices for similar properties to market data.

We found the carrying values of the stock of properties were supported by the available evidence.

我們就管理層釐定之物業存貨賬面值進行的程序包括：

- 評估管理層就評估物業存貨之可變現淨值時所採用的方法的合適程度；及
- 以市場數據與管理層就同類物業的售價的估算作比較。

我們發現物業存貨之賬面值均有憑證支持。

INDEPENDENT AUDITORS' REPORT 獨立核數師報告

OTHER INFORMATION

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

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

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

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

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

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

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

其他信息

董事須對其他信息承擔責任。其他信息包括載於年報的信息（「其他信息」），惟不包括綜合財務報表及我們的核數師報告。

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

結合我們對綜合財務報表的審計，我們的責任為閱讀其他信息，在此過程中考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸，或似乎存在重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們須報告該事實。在這方面，我們沒有任何報告。

董事及審核委員會就綜合財務報表須承擔的責任

董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露要求，編製真實而公平地反映情況的綜合財務報表，及董事釐定對編製綜合財務報表屬必要的有關內部監控，以使該等綜合財務報表不會存在由於欺詐或錯誤而導致的重大錯誤陳述。

在編製綜合財務報表時，董事須負責評估 貴集團持續經營的能力，並披露與持續經營有關的事項（如適用）。除非董事擬將 貴集團清盤或停止營運，或除此之外並無其他實際可行的辦法，否則須採用以持續經營為基礎的會計法。

審核委員會負責監督 貴集團的財務報告流程。

INDEPENDENT AUDITORS' REPORT 獨立核數師報告

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 1981 of Bermuda, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

核數師就審核綜合財務報表須承擔 的責任

我們的目標為合理確定此等綜合財務報表整體而言不會存在由於欺詐或錯誤而導致的重大錯誤陳述，並發出載有我們意見的核數師報告。我們根據百慕達一九八一年公司法第90條僅向全體股東報告，不作其他用途。我們概不就本報告的內容對任何其他人士負責或承擔任何責任。合理確定屬高層次的核證，惟根據香港審計準則進行的審核工作不能保證總能察覺所存在的重大錯誤陳述。錯誤陳述可因欺詐或錯誤產生，倘個別或整體在合理預期情況下可影響使用者根據綜合財務報表作出的經濟決定時，則被視為重大錯誤陳述。

在根據香港審計準則進行審計的過程中，我們運用專業判斷，保持專業懷疑態度。我們亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險、設計及執行審計程序以應對該等風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部監控的情況，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部監控，以設計適當的審計程序，惟並非旨在對貴集團內部監控的有效性發表意見。
- 評估董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論，並根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。倘我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。倘有關披露不足，則修訂我們意見。我們結論乃基於截至核數師報告日期止所取得的審計憑證。然而，未來事項或情況可能導致貴集團無法持續經營。

INDEPENDENT AUDITORS' REPORT

獨立核數師報告

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 評估綜合財務報表的整體呈報方式、結構及內容，包括披露資料，以及綜合財務報表是否中肯反映相關交易和事項。
- 就 貴集團內實體或業務活動的財務資料獲取充足及適當的審計憑證，以便對綜合財務報表發表意見。我們負責集團審計的方向、監督和執行。我們為審核意見承擔全部責任。

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

我們與審核委員會就(其中包括)審計的計劃範圍、時間安排及重大審計發現溝通，該等發現包括我們在審計過程中識別的內部監控的任何重大缺失。

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

我們亦向審核委員會作出聲明，指出我們已符合有關獨立性的相關道德要求，並與彼等溝通可能被合理認為會影響我們獨立性的所有關係及其他事宜，以及為消除威脅而採取的行動或應用的防範措施。

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

從與審核委員會溝通的事項中，我們釐定對本年度綜合財務報表的審計至關重要的事項，因而構成關鍵審核事項。我們在核數師報告中描述該等事項，除非法律或法規不允許公開披露該等事項，或在極端罕見的情況下，倘合理預期在我們報告中溝通某事項造成的負面後果超出產生的公眾利益，則我們決定不應在報告中傳達該事項。

The engagement director on the audit resulting in this independent auditors' report is Kwok Tsz Chun.

出具本獨立核數師報告的審計項目董事為郭梓俊。

HLB Hodgson Impey Cheng Limited
 Certified Public Accountants
Kwok Tsz Chun
 Practicing Certificate Number: P06901

國衛會計師事務所有限公司
 執業會計師
郭梓俊
 執業證書編號：P06901

Hong Kong, 28 June 2021

香港，二零二一年六月二十八日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

| | | Notes 附註 | Year ended 31 March 2021 截至 二零二一年 三月三十一 止年度 HK\$'000 千港元 | Fifteen months from 1 January 2019 to 31 March 2020 自二零一九年 一月一日至 二零二零年 三月三十一 止十五個月 HK\$'000 千港元 |
|---|-----------------------------------|-------------|---|---|
| Turnover | 營業額 | 5 | 650,529 | 1,091,437 |
| Cost of operation | 經營成本 | | (298,721) | (552,483) |
| Gross profit | 毛利 | | 351,808 | 538,954 |
| Other revenue and other net income | 其他收益及其他淨收入 | 6 | 41,158 | 19,587 |
| Gain on litigation judgment | 訴訟判決收益 | 36 | 660,833 | - |
| General and administrative expenses | 一般及行政開支 | | (157,436) | (200,236) |
| Selling expenses | 銷售開支 | | (30,559) | (97,187) |
| Profit from operations before fair value changes and impairment | 公平值變動及減值前經營溢利 | | 865,804 | 261,118 |
| Loss on early redemption of convertible bond | 提早贖回可換股債券之虧損 | | (5,067) | - |
| Allowance for expected credit losses on trade and other receivables and loan receivables, net | 貿易及其他應收款項以及應收貸款之預期信貸虧損撥備淨額 | | (42,969) | (6,617) |
| Net (loss)/gain in fair value of investment properties | 投資物業公平值淨(虧損)/收益 | | (14,202) | 148,801 |
| Loss on fair value change of derivative financial instruments | 衍生金融工具之公平值變動虧損 | | (263) | (1,787) |
| Unrealised (loss)/gain on financial asset at fair value through profit or loss | 按公平值列賬及在損益表處理之金融資產之未變現(虧損)/收益 | | (6) | 6 |
| Written down of stock of properties | 物業存貨撇減 | | (1,747) | (2,969) |
| Profit from operations | 經營溢利 | | 801,550 | 398,552 |
| Finance costs | 融資成本 | 7(a) | (157,087) | (226,752) |
| Profit before taxation | 除稅前溢利 | 7 | 644,463 | 171,800 |
| Income tax | 所得稅 | 8 | (143,293) | (138,475) |
| Profit for the year/period | 本年度/本期內溢利 | | 501,170 | 33,325 |
| Other comprehensive income/(loss), net of income tax | 其他全面收益/(虧損) (扣除所得稅) | | | |
| 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 on translating foreign operations | 換算境外業務引致之匯兌差額 | | 255,811 | (136,612) |
| Other comprehensive income/(loss) for the year/period, net of income tax | 本年度/本期內其他全面收益/(虧損)(扣除所得稅) | | 255,811 | (136,612) |
| Total comprehensive income/(loss) for the year/period, net of income tax | 本年度/本期內全面收益/(虧損)總額 (扣除所得稅) | | 756,981 | (103,287) |

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 2021 截至二零二一年三月三十一日止年度

| | | Notes 附註 | Year ended 31 March 2021 截至 二零二一年 三月三十一 止年度 HK\$'000 千港元 | Fifteen months from 1 January 2019 to 31 March 2020 自二零一九年 一月一日至 二零二零年 三月三十一 止十五個月 HK\$'000 千港元 |
|---|------------------------|-------------|---|---|
| Profit attributable to: | 以下人士應佔溢利： | | | |
| Owners of the Company | 本公司擁有人 | | 489,602 | 5,880 |
| Non-controlling interests | 非控股權益 | | 11,568 | 27,445 |
| | | | 501,170 | 33,325 |
| Total comprehensive income/(loss) attributable to: | 以下人士應佔全面 收益／(虧損)總額： | | | |
| Owners of the Company | 本公司擁有人 | | 716,508 | (117,331) |
| Non-controlling interests | 非控股權益 | | 40,473 | 14,044 |
| | | | 756,981 | (103,287) |
| Earnings per share | 每股盈利 | | | |
| - Basic (HK cents) | - 基本 (港仙) | 13(a) | 4.92 | 0.06 |
| - Diluted (HK cents) | - 攤薄 (港仙) | 13(b) | 4.91 | 0.06 |

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

隨附之附註構成此等綜合財務報表之組成部分。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 March 2021 於二零二一年三月三十一日

| | | Notes 附註 | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|---|--------------------|-------------|----------------------------------|----------------------------------|
| Non-current assets | 非流動資產 | | | |
| Property, plant and equipment | 物業、廠房及設備 | 15 | 56,800 | 45,759 |
| Right-of-use assets | 使用權資產 | 16(a) | 19,632 | 18,802 |
| Investment properties | 投資物業 | 17 | 3,069,723 | 2,839,091 |
| | | | 3,146,155 | 2,903,652 |
| Current assets | 流動資產 | | | |
| Stock of properties | 物業存貨 | 20 | 1,692,714 | 1,611,442 |
| Trade and other receivables | 貿易及其他應收款項 | 21 | 298,538 | 233,817 |
| Loan receivables | 應收貸款 | 22 | 22,036 | 49,769 |
| Financial assets at fair value through profit or loss | 按公平值列賬及在損益表處理之金融資產 | 23 | 125 | 394 |
| Bank and cash balances | 銀行及現金結餘 | 24 | 424,675 | 339,599 |
| | | | 2,438,088 | 2,235,021 |
| Current liabilities | 流動負債 | | | |
| Deposits and other payables | 按金及其他應付款項 | 25 | 520,612 | 683,044 |
| Contract liabilities | 合約負債 | 26 | 586,577 | 464,983 |
| Receipts in advance | 預收款項 | | 234,863 | 160,237 |
| Bank and other borrowings | 銀行及其他借貸 | 27 | 227,856 | 231,820 |
| Convertible bonds | 可換股債券 | 30 | 131,363 | - |
| Lease liabilities | 租賃負債 | 16(b) | 5,054 | 3,590 |
| Promissory notes | 承兌票據 | 29 | - | 376,000 |
| Income tax payable | 應付所得稅 | 31(a) | 75,781 | 25,899 |
| | | | 1,782,106 | 1,945,573 |
| Net current assets | 流動資產淨額 | | 655,982 | 289,448 |
| Total assets less current liabilities | 總資產減流動負債 | | 3,802,137 | 3,193,100 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 綜合財務狀況表

As at 31 March 2021 於二零二一年三月三十一日

| | | Notes 附註 | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|---|---------------------|-------------|----------------------------------|----------------------------------|
| Non-current liabilities | 非流動負債 | | | |
| Bonds | 債券 | 28 | 195,630 | 176,998 |
| Bank and other borrowings | 銀行及其他借貸 | 27 | 816,453 | 779,669 |
| Convertible bonds | 可換股債券 | 30 | - | 246,894 |
| Lease liabilities | 租賃負債 | 16(b) | 20,200 | 20,653 |
| Deferred tax liabilities | 遞延稅項負債 | 31(b) | 564,001 | 483,521 |
| | | | 1,596,284 | 1,707,735 |
| Net assets | 淨資產 | | 2,205,853 | 1,485,365 |
| Capital and reserves | 資本及儲備 | | | |
| Share capital | 股本 | 32(a) | 99,531 | 99,531 |
| Reserves | 儲備 | 32(b) | 1,708,617 | 992,109 |
| Total equity attributable to owners of the Company | 本公司擁有人應佔權益總額 | | 1,808,148 | 1,091,640 |
| Non-controlling interests | 非控股權益 | | 397,705 | 393,725 |
| Total equity | 權益總額 | | 2,205,853 | 1,485,365 |

The consolidated financial statements were approved and authorised for issue by the board of directors on 28 June 2021 and are signed on its behalf by:

綜合財務報表已於二零二一年六月二十八日獲董事會批准及授權刊發，並由以下人士代表簽署。

Leung Sui Wah, Raymond

梁瑞華

Director

董事

Tang Ching Ho

鄧清河

Director

董事

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

隨附之附註構成此等綜合財務報表之組成部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

| | | Attributable to owners of the Company | | | | | | | | | | | | |
|--|----------------------------|---------------------------------------|---------------|--------------------|---------------------|----------------------------|---------------|------------------|---------------|-------------------|--------------------|-----------|-----------------------|--------------|
| | | 本公司擁有人應佔 | | | | | | | | | | | | |
| | | Capital | | | | | Convertible | | | | | Non- | | |
| | | Share capital | Share premium | redemption reserve | Contributed surplus | Shareholders' contribution | Other reserve | Exchange reserve | bonds reserve | Statutory reserve | Accumulated losses | Sub-Total | controlling interests | Total equity |
| | | 股本 | 溢價 | 儲備 | 盈餘 | 出資 | 儲備 | 儲備 | 儲備 | 儲備 | 虧損 | 小計 | 非控股權益 | 總額 |
| | | HKS'000 | HKS'000 | HKS'000 | HKS'000 | HKS'000 | HKS'000 | HKS'000 | HKS'000 | HKS'000 | HKS'000 | HKS'000 | HKS'000 | HKS'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 |
| As at 1 January 2019 | 於二零一九年一月一日 | 99,531 | 3,923,147 | 945 | 2,215,409 | 664 | (15,021) | (199,823) | 79,547 | - | (4,895,428) | 1,208,971 | 386,393 | 1,595,364 |
| Exchange differences on translation into presentation currency | 換算為呈報貨幣之匯兌差額 | - | - | - | - | - | - | (123,211) | - | - | - | (123,211) | (13,401) | (136,612) |
| Other comprehensive loss for the period | 本期內其他全面虧損 | - | - | - | - | - | - | (123,211) | - | - | - | (123,211) | (13,401) | (136,612) |
| Profit for the period | 本期內溢利 | - | - | - | - | - | - | - | - | - | 5,880 | 5,880 | 27,445 | 33,325 |
| Total comprehensive (loss)/income for the period | 本期內全面(虧損)/收入總額 | - | - | - | - | - | - | (123,211) | - | - | 5,880 | (117,331) | 14,044 | (103,287) |
| Transfer to statutory reserve | 轉撥至法定儲備 | - | - | - | - | - | - | - | - | 15,094 | (15,094) | - | - | - |
| Dividend paid to non-controlling interests | 已付予非控股權益之股息 | - | - | - | - | - | - | - | - | - | - | - | (6,712) | (6,712) |
| As at 31 March 2020 and 1 April 2020 | 於二零二零年三月三十一日 及二零二零年四月一日 | 99,531 | 3,923,147 | 945 | 2,215,409 | 664 | (15,021) | (323,034) | 79,547 | 15,094 | (4,904,642) | 1,091,640 | 393,725 | 1,485,365 |
| Exchange differences on translation into presentation currency | 換算為呈報貨幣之匯兌差額 | - | - | - | - | - | - | 226,906 | - | - | - | 226,906 | 28,905 | 255,811 |
| Other comprehensive income for the year | 本年度其他全面收入 | - | - | - | - | - | - | 226,906 | - | - | - | 226,906 | 28,905 | 255,811 |
| Profit for the year | 本年度溢利 | - | - | - | - | - | - | - | - | - | 489,602 | 489,602 | 11,568 | 501,170 |
| Total comprehensive income for the year | 本年度全面收入總額 | - | - | - | - | - | - | 226,906 | - | - | 489,602 | 716,508 | 40,473 | 756,981 |
| Early redemption of convertible bonds | 提早贖回可換股債券 | - | - | - | - | - | - | - | (39,052) | - | 39,052 | - | - | - |
| Transfer to statutory reserve | 轉撥至法定儲備 | - | - | - | - | - | - | - | - | 1,558 | (1,558) | - | - | - |
| Dividend paid to non-controlling interests | 已付予非控股權益之股息 | - | - | - | - | - | - | - | - | - | - | - | (36,493) | (36,493) |
| As at 31 March 2021 | 於二零二一年三月三十一日 | 99,531 | 3,923,147 | 945 | 2,215,409 | 664 | (15,021) | (96,128) | 40,495 | 16,652 | (4,377,546) | 1,808,148 | 397,705 | 2,205,853 |

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

隨附之附註構成此等綜合財務報表之組成部分。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流動表

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

| | Notes 附註 | Year ended 31 March 2021 截至 二零二一年 三月三十一 止年度 HK\$'000 千港元 | Fifteen months from 1 January 2019 to 31 March 2020 自二零一九年 一月一日至 二零二零年 三月三十一日 止十五個月 HK\$'000 千港元 |
|---|-------------------------------|---|--|
| Operating activities | 經營業務 | | |
| Profit before taxation | 除稅前溢利 | 644,463 | 171,800 |
| Adjustments for: | 就以下各項之調整： | | |
| Depreciation of property, plant and equipment | 物業、廠房及設備折舊 | 7(c) 12,501 | 16,232 |
| Depreciation of right-of-use assets | 使用權資產折舊 | 7(c) 4,127 | 3,729 |
| Amortisation of intangible assets | 無形資產攤薄 | 7(c) - | 6,061 |
| Allowance for expected credit losses on trade and other receivables and loan receivables, net | 貿易及其他應收款項及應收貸款之預期信貸虧損撥備淨額 | 7(c) 42,969 | 6,617 |
| Gain on litigation judgment | 訴訟判決收益 | 36 (660,833) | - |
| Unrealised loss/(gain) on financial assets at fair value through profit or loss | 按公平值列賬及於損益表處理之金融資產之未變現虧損/(收益) | 7(c) 6 | (6) |
| Loss on fair value change of derivative financial instruments | 衍生金融工具之公平值變動虧損 | 7(c) 263 | 1,787 |
| Net loss/(gain) in fair value on investment properties | 投資物業公平值淨虧損/(收益) | 17 14,202 | (148,801) |
| Written down on stock of properties | 物業存貨撇減 | 20 1,747 | 2,969 |
| Written off of investment properties | 投資物業撇銷 | 17 - | 1,451 |
| Loss on early redemption of bonds | 提早贖回債券之虧損 | - | 560 |
| Loss on early redemption of convertible bond | 提早贖回可換股債券之虧損 | 7(c) 5,067 | - |
| Finance costs | 融資成本 | 7(a) 157,087 | 226,752 |
| Bank and other interest income | 銀行及其他利息收入 | 6 (7,980) | (10,102) |
| Loss on disposal of property, plant and equipment | 出售物業、廠房及設備之虧損 | 7(c) 238 | 575 |
| Operating profit before changes in working capital | 營運資金變動前之經營溢利 | 213,857 | 279,624 |
| Increase in trade and other receivables | 貿易及其他應收款項增加 | (58,957) | (6,867) |
| Decrease/(increase) in loan receivables | 應收貸款減少/(增加) | 2,833 | (5,030) |
| Decrease in stock of properties | 物業存貨減少 | 49,866 | 305,611 |
| Increase/(decrease) in deposit receipts in advance | 預收按金增加/(減少) | 59,332 | (10,433) |
| Increase in contract liabilities | 合約負債增加 | 80,264 | 6,501 |
| Increase/(decrease) in deposits and other payables | 按金及其他應付款項增加/(減少) | 31,638 | (158,961) |
| Cash generated from operations | 經營業務所得之現金 | 378,833 | 410,445 |
| Tax paid | 已付稅項 | (57,140) | (102,963) |
| PRC enterprise income tax paid | 已付中國企業所得稅 | | |
| Net cash generated from operating activities | 經營業務所得之現金淨額 | 321,693 | 307,482 |

CONSOLIDATED STATEMENT OF CASH FLOWS 綜合現金流動表

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

| | | | Year ended 31 March 2021 截至 二零二一年 三月三十一 止年度 HK\$'000 千港元 | Fifteen months from 1 January 2019 to 31 March 2020 自二零一九年 一月一日至 二零二零年 三月三十一 止十五個月 HK\$'000 千港元 |
|--|-------------------------|----|---|---|
| Investing activities | 投資業務 | | | |
| Proceeds from disposal of property, plant and equipment | 出售物業、廠房及設備之所得款項 | | 204 | 160 |
| Payments for investment properties, net | 投資物業付款淨額 | | (9,527) | (14,657) |
| Payments for purchases of property, plant and equipment, net | 購買物業、廠房及設備之付款淨額 | 15 | (19,948) | (11,954) |
| Bank and other interest received | 已收銀行及其他利息 | | 7,980 | 10,102 |
| Net cash used in investing activities | 投資業務所用之現金淨額 | | (21,291) | (16,349) |
| Financing activities | 融資業務 | | | |
| Proceeds from new bank borrowings | 新造銀行借款之所得款項 | | 333,550 | 283,407 |
| Repayment of bank borrowings | 償還銀行借款 | | (334,946) | (301,601) |
| Repayment of bonds redemption settlement | 償還債券贖回款 | | - | (275,999) |
| Early redemption of convertible bonds | 提早贖回之可換股債券 | | (130,000) | - |
| Dividend paid to non-controlling interests | 支付非控制權益之股息 | | - | (6,712) |
| Repayments of leases liabilities | 償還租賃負債 | | (6,730) | (5,799) |
| Interest paid | 已付利息 | | (104,914) | (120,883) |
| Net cash used in financing activities | 融資業務所用之現金淨額 | | (243,040) | (427,587) |
| Net increase/(decrease) in cash and cash equivalents | 現金及現金等額增加/(減少)淨額 | | 57,362 | (136,454) |
| Cash and cash equivalents at the beginning of the year/period | 於年/期初之現金及現金等額 | 24 | 339,599 | 488,415 |
| Effect of foreign exchange rate changes | 匯率變動影響 | | 27,714 | (12,362) |
| Cash and cash equivalents at the end of the year/period | 於年/期末之現金及現金等額 | 24 | 424,675 | 339,599 |

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

隨附之附註構成此等綜合財務報表之組成部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

1. GENERAL INFORMATION

China Agri-Products Exchange Limited (the “**Company**”, together with its subsidiaries the “**Group**”) is 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 addresses of the registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and the principal place of business is Suite 3202, 32/F, Skyline Tower, 39 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong. The immediate holding company of the Company is Goal Success Investments Limited and the intermediate holding company is Wai Yuen Tong Medicine Holdings Limited (“**WYT**”) (Stock code: 897). In the opinion of the directors of the Company, the ultimate holding company of the Company is Wang On Group Limited (Stock code: 1222).

The Group is principally engaged in the management and sales of properties in agricultural produce exchange markets in the People's Republic of China (the “**PRC**”). The consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”) which is also the functional currency of the Company. All values are rounded to the nearest thousand (“**HK\$’000**”) except otherwise indicated.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (“**Listing Rules**”) and by the Hong Kong Companies Ordinance (“**CO**”).

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to the periods presented, unless otherwise stated.

1. 一般資料

中國農產品交易有限公司(「**本公司**」，連同其附屬公司統稱「**本集團**»)為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，而主要營業地點位於香港九龍九龍灣宏光道39號宏天廣場32樓3202室。本公司之直接控股公司為Goal Success Investments Limited，而中間控股公司為Wai Yuen Tong Medicine Holdings Limited(位元堂藥業控股有限公司)*(「**位元堂**») (股份代號：897)。本公司董事認為，本公司之最終控股公司為Wang On Group Limited(宏安集團有限公司)*(股份代號：1222)。

本集團主要在中華人民共和國(「**中國**»)從事農產品交易市場之物業管理及銷售。綜合財務報表以港元(「**港元**»)呈列，港元亦為本公司功能貨幣。除另有指明外，所有價值均四捨五入至最接近之千位數(「**千港元**»)。

2. 主要會計政策

(a) 遵例聲明

該等綜合財務報表乃根據香港會計師公會(「**香港會計師公會**»)所頒佈的所有適用之香港財務報告準則(「**香港財務報告準則**»)編製。就編製綜合財務報表而言，倘有關資料合理預期會影響主要用戶作出之決定，則有關資料被視為重大。此外，綜合財務報表包括香港聯合交易所有限公司證券上市規則(「**上市規則**»)及香港公司條例(「**公司條例**»)所規定之適用披露。

編製該等綜合財務報表應用之主要會計政策載於下文。除另有指明外，該等政策乃貫徹應用於所呈報之期間。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(b) Change of financial year end date

On 29 January 2020, the Group announced to change its financial year end date from 31 December to 31 March. The Company changed its financial year end date in order to align the Company's financial year end date with its ultimate holding company. According, the current year cover the twelve-month period from 1 April 2020 to 31 March 2021 (the "Current Year"). The corresponding comparative amounts shown for the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows and related notes cover a fifteen-month period from 1 January 2019 to 31 March 2020 and therefore may not be comparable with the amounts shown for the Current Year.

(c) Basis of preparation of financial statements

(i) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for investment properties and financial instruments that are measured at fair values 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.

2. 主要會計政策 (續)

(b) 更改財政年度結算日

於二零二零年一月二十九日，本集團宣佈將其財政年度結算日由十二月三十一日更改為三月三十一日。本公司已更改其財政年度結算日，使本公司之財政年度結算日與其最終控股公司者一致。因此，本年度涵蓋由二零二零年四月一日至二零二一年三月三十一日之十二個月期間（「本年度」）。由於於綜合損益及其他全面收益表、綜合權益變動表、綜合現金流量表及相關附註所示之相應比較金額涵蓋自二零一九年一月一日至二零二零年三月三十一日止十五個月期間，故可能無法與本年度所示之金額進行比較。

(c) 財務報表編製基準

(i) 計量基準

綜合財務報表乃以歷史成本為編製基準，惟投資物業及金融工具乃於各報告期末按公平值計量，誠如下文載列之會計政策內闡述。

歷史成本一般根據交換貨品及服務所付代價之公平值釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(c) Basis of preparation of financial statements (Continued)

(i) Basis of measurement (Continued)

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 *Lease*, 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*.

For financial instruments and investment properties 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.

2. 主要會計政策 (續)

(c) 財務報表編製基準 (續)

(i) 計量基準 (續)

公平值是於計量日期市場參與者於有秩序交易中出售資產可收取或轉讓負債須支付的價格，而不論該價格是否直接可觀察或可使用其他估值技術估計。若市場參與者於計量日期對資產或負債定價時會考慮資產或負債的特點，則本集團於估計資產或負債的公平值時會考慮該等特點。該等綜合財務報表中作計量及／或披露用途的公平值乃按此基準釐定，惟屬於香港財務報告準則第2號「以股份付款」範圍的以股份付款的交易、根據香港財務報告準則第16號「租賃」列賬的租賃交易，以及與公平值有部分相若地方但並非公平值的計量，譬如香港會計準則第2號「存貨」內的可變現淨額或香港會計準則第36號「資產減值」的使用價值除外。

就按公平值進行交易之金融工具及投資物業以及於其後期間使用不可觀察輸入數據計量公平值之估值方法而言，估值方法應予校正，以使初步確認時估值方法之結果與交易價格相同。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(c) Basis of preparation of financial statements (Continued)

(i) Basis of measurement (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.

(ii) Functional and presentation currency

Items included in the financial statements of each of the Group's subsidiaries are measured using the currency of the primary economic environment in which the entity operates (the "**functional currency**"). The functional currency of the Company is HK\$. For the purposes of presenting the consolidated financial statements, the Group adopted HK\$ as its presentation currency for the convenience of the readers. The directors consider HK\$, being an internationally well-recognised currency, can provide more meaningful information to the Company's investors.

All values are rounded to the nearest thousand unless otherwise stated.

2. 主要會計政策 (續)

(c) 財務報表編製基準 (續)

(i) 計量基準 (續)

此外，就財務報告而言，公平值計量根據公平值計量的輸入數據可觀察程度及公平值計量的輸入數據對其整體的重要性分類為第一級、第二級或第三級，詳情如下：

- 第一級輸入數據是實體於計量日期可以取得的相同資產或負債於活躍市場之報價(未經調整)；
- 第二級輸入數據是就資產或負債直接或間接地可觀察之輸入數據(第一級內包括的報價除外)；及
- 第三級輸入數據是資產或負債的不可觀察輸入數據。

(ii) 功能及呈報貨幣

本集團各附屬公司之財務報表所包含項目乃使用實體主要經營之經濟環境的貨幣(「**功能貨幣**」)計量。本公司之功能貨幣為港元。就綜合財務報表呈列而言，為方便閱覽者，本集團採用港元作為呈報貨幣。董事認為港元(為一種國際認可貨幣)能為本公司投資者提供更具意義之資料。

除另有說明外，所有數值均取整至最接近的千位。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(c) Basis of preparation of financial statements (Continued)

(iii) Use of estimates and judgements

The preparation of consolidated financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying value of assets and liabilities that are not readily apparent from other sources. 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.

Judgements made by management in the application of HKFRSs that have significant effect on the consolidated financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 4.

(d) 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 where the Company

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

2. 主要會計政策 (續)

(c) 財務報表編製基準 (續)

(iii) 估計及判斷之使用

管理層編製符合香港財務報告準則之綜合財務報表須作出可影響政策採用及資產、負債、收入及開支呈報金額之判斷、估計及假設。有關估計及相關假設乃根據過往經驗及多個在有關情況下相信為合理之其他因素作出，其結果成為判斷其他來源並不顯然易見之資產與負債賬面值之基準。實際結果可能與有關估計不同。

有關估計及相關假設乃按持續基準進行檢討。倘會計估計修訂只影響修訂有關估計之期間，則有關修訂於該期間確認；倘有關修訂影響當期及日後期間，則於修訂期間及日後期間確認。

管理層採用對綜合財務報表有重大影響之香港財務報告準則所作出之判斷及對下一年度之重大調整有重大風險之估計於附註4討論。

(d) 綜合基準

綜合財務報表包括本公司及受本公司及其附屬公司控制的機構的財務報表。當本公司滿足下列條件時則擁有控制權：

- 對投資對象行使權力；
- 承擔或擁有自其參與投資對象產生之可變回報之風險或權利；及
- 有能力透過行使權力以影響其回報時。

倘有事實及情況顯示上述三項控制因素之一項或多項出現變化，則本集團將重新評估其是否控制投資對象。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(d) Basis of consolidation (Continued)

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/period are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

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

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other members of the Group.

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

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.

(i) Business combinations

Acquisitions of businesses, other than business combination under common control 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.

2. 主要會計政策 (續)

(d) 綜合基準 (續)

附屬公司於本集團取得該附屬公司的控制權時綜合入賬，並於本集團喪失對該附屬公司的控制權時終止綜合入賬。具體而言，自本集團取得控制權當日起直至本集團不再控制附屬公司當日，於年／期內收購或出售的附屬公司的收益及開支均計入綜合損益及其他全面收益表。

損益及其他全面收益各組成部分歸屬於本公司權益持有人及非控股權益。附屬公司的全面收益總額歸屬於本公司權益持有人及非控股權益，即使此舉會導致非控股權益出現虧絀結餘。

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

所有集團內的資產與負債、權益、收入、開支及與本集團成員公司間交易相關的現金流量已於綜合賬目時全數對銷。

於附屬公司的非控股權益與本集團的權益獨立呈列，即現時擁有權權益於清盤時賦予其持有人按比例分佔有關附屬公司的資產淨值。

(i) 業務合併

業務收購(共同控制下的業務合併除外)乃採用收購法入賬。於業務合併轉撥的代價按公平值計量，而計算方式為本集團轉撥的資產、本集團對被收購方的前擁有人產生的負債及本集團於交換被收購方的控制權所發行的股權於收購日期的公平值總和。與收購事項有關的成本一般於產生時在損益賬中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(d) Basis of consolidation (Continued)

(i) Business combinations (Continued)

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

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or sharebased 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 (see the accounting policy below);
- 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.

2. 主要會計政策 (續)

(d) 綜合基準 (續)

(i) 業務合併 (續)

於收購日期，所獲得的可識別資產及所承擔的負債按彼等於收購日期的公平值確認，惟下列項目除外：

- 遞延稅項資產或負債及與僱員福利安排有關的資產或負債分別根據香港會計準則第12號「所得稅」及香港會計準則第19號「僱員福利」確認及計量；
- 與被收購方以股份支付之安排有關或以本集團訂立之股份支付之安排取代被收購方之股份支付之安排有關之負債或股本工具，乃於收購日期按香港財務報告準則第2號「以股份支付之付款」計量（見下文會計政策）；
- 根據香港財務報告準則第5號「持作出售的非流動資產及已終止經營業務」劃分為持作出售的資產（或出售組合）根據該準則計量；及
- 租賃負債按餘下租賃付款的現值（定義見香港財務報告準則第16號）確認及計量，猶如所購入租賃於收購日期為新租賃，惟以下情況的租賃除外：(a) 租期於收購日期起計12個月內結束；或 (b) 相關資產屬低價值。使用權資產的確認及計量與相關租賃負債的金額相同，並進行調整以反映與市場條件相比租賃的有利或不利條件。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(d) Basis of consolidation (Continued)

(i) Business combinations (Continued)

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any noncontrolling 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.

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.

2. 主要會計政策 (續)

(d) 綜合基準 (續)

(i) 業務合併 (續)

所轉撥的代價、於被收購方的任何非控股權益及收購方之前持有被收購方的股權的(如有)公平值的總和超出所收購的可識別資產及承擔的負債於收購日期的淨額的部分確認為商譽。倘(評估過後)所收購的可識別資產及承擔的負債之金額的淨值超出所轉撥的代價、於被收購方任何非控股權益及收購方之前持有被收購方的股權的(如有)公平值的金額的總和，超出部分即時於損益賬中確認溢價收購收益。

為現有所有權權益，賦予其持有者於清盤時可按比例分佔有關附屬公司淨資產之權利的非控股權益，初始可按該非控股權益應佔被收購方可識別資產淨值已確認金額的比例或公平值計量。

倘本集團於業務合併中轉讓之代價包括或然代價安排，或然代價按其收購日期公平值計量並納入業務合併中所轉撥代價之一部分。或然代價之公平值變動如適用計量期間調整則作出追溯調整。計量期間調整為於「計量期間」(自收購日期起計不超過一年)就於收購日期存在之事實及情況獲得之其他資料產生之調整。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(d) Basis of consolidation (Continued)

(i) Business combinations (Continued)

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.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control), and the resulting gain or loss, if any, is recognised in profit or loss or other comprehensive income, as appropriate. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income and measured under HKFRS 9 would be accounted for on the same basis as would be required if the Group had disposed directly of the previously held equity interest.

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

2. 主要會計政策 (續)

(d) 綜合基準 (續)

(i) 業務合併 (續)

或然代價之隨後入賬如不適用計量期間調整，則取決於或然代價如何分類。分類為權益之或然代價並無於隨後申報日期重新計量，而其隨後結算於權益內入賬。分類為資產或負債之或然代價於隨後申報日期重新計量至公平值，而相應之收益或虧損於損益賬中確認。

倘業務合併為分階段完成，本集團先前於被收購方持有之股權重新計量至收購日期(即本集團獲得控制權當日)的公平值，而所產生的收益或虧損(如有)於損益或其他全面收益(如適用)確認。過往於收購日期前於其他綜合收益確認及根據香港財務報告準則第9號計量之被收購方權益所產生款額將按猶如本集團直接出售先前所持股權之相同基準入賬。

倘業務合併之初步會計處理於合併發生之報告期末尚未完成，則本集團報告未完成會計處理之項目臨時數額。該等臨時數額會於計量期間(見上文)追溯以調整，並確認額外資產或負債，以反映於收購日期已存在而據所知可能影響該日已確認款額之事實與情況所取得之新資料。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(d) Basis of consolidation (Continued)

(ii) 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 ("CGUs") (or groups of CGUs) 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 CGU (or group of CGUs) 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 CGU (or group of CGUs) 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 CGUs).

On disposal of the relevant CGU or any of the CGU within the group of CGUs, 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 CGU (or a CGU within a group of CGUs), the amount of goodwill disposed of is measured on the basis of the relative values of the operation (or the CGU) disposed of and the portion of the CGU (or the group of CGUs) retained.

2. 主要會計政策 (續)

(d) 綜合基準 (續)

(ii) 商譽

收購業務所產生商譽，乃按收購業務當日(見上文會計政策)之成本減累計減值虧損(如有)列賬。

為進行減值測試，商譽會被分配至預期因合併之協同效應而得益之各個現金產生單位(「現金產生單位」)(或現金產生單位組別)，即就內部管理目的監控商譽之最低水平且不超過經營分部。

獲分配商譽之現金產生單位(或現金產生單位組別)會每年及於出現可能減值之跡象時進行減值測試。就於報告期間因收購產生之商譽而言，獲分配商譽之現金產生單位(或現金產生單位組別)於該報告期間末前測試減值。倘可收回金額少於其賬面值，則減值虧損會先分配以扣減任何商譽之賬面值，其後按單位(或現金產生單位組別)內各項其他資產之賬面值之比例扣減其他資產。

於處置有關現金產生單位或現金產生單位組別內之任何現金產生單位時，任何應佔商譽均計入處置項目之損益全額內。當本集團出售現金產生單位(或現金產生單位組別中之現金產生單位)內業務時，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)部分之相對價值計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(e) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including properties under construction for such purposes).

Investment properties also include leased properties which are being recognised as right-of-use assets upon application of HKFRS 16 and subleased by the Group under operating leases.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at fair value, adjusted to exclude any prepaid or accrued operating lease income.

Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the property) is included in profit or loss in the period which the property is derecognised.

(f) 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 (see note 2(h)).

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceed and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

2. 主要會計政策 (續)

(e) 投資物業

投資物業指持作賺取租金及／或待資產增值之物業(包括為此目的之在建物業)。

投資物業亦包括於應用香港財務報告準則第16號時確認為使用權資產並由本集團根據經營租賃分租之租賃物業。

投資物業初步按成本計值，包括任何直接應佔支出。初次確認以後，投資物業按公平值計量，並予以調整以撇除任何預付或應計經營租金收入。

投資物業公平值變動所產生之收益或虧損計入其產生期間內之損益中。

投資物業於出售或當投資物業被永久棄置及預期出售該投資物業不會帶來未來經濟利益時被取消確認。取消確認物業所產生之任何盈虧(按出售所得款項淨額與物業賬面值之差額計算)於取消確認期間內計入損益。

(f) 物業、廠房及設備

物業、廠房及設備為持作用於生產或供應貨品或服務或作行政用途之有形資產。物業、廠房及設備在綜合財務狀況表中按成本減其後累計折舊及其後累計減值虧損(如有)列賬(請參見附註2(h))。

報廢或出售物業、廠房及設備項目所產生之損益是以資產之出售所得款項淨額與賬面值之間之差額釐定，並在報廢或出售當日在損益內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(f) Property, plant and equipment (Continued)

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives are as follows:

- Buildings situated on leasehold land are depreciated over the shorter of the unexpired term of lease and their estimated useful lives, being no more than 30 years after the date of completion.
- Leasehold improvements are depreciated over the shorter of the unexpired term of lease and their estimated useful lives, being no more than 5 years after the date of completion.
- Furniture, equipment and motor vehicles are depreciated over 5–10 years.

Where parts of an item of property, plant and equipment have different useful lives, the cost of the items is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

(g) Leasing

Definition of a lease

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

For contracts entered into or modified on or after the date of initial application or arising from business combinations, 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.

2. 主要會計政策 (續)

(f) 物業、廠房及設備 (續)

物業、廠房及設備之折舊乃按下列預計可使用年限，在扣除其殘值(如有)後，以直線法撇銷其成本計算：

- 位於租賃土地上樓宇按租約未屆滿年期與其估計可使用年期之較短者，由完成日期起不超過30年折舊。
- 租賃裝修按未屆滿租賃期與其估計可使用年期(不超過5年)之較短者折舊。
- 傢俱、設備及汽車按5至10年計提折舊

倘物業、廠房及設備項目各部分之可使用年期不同，該項目之成本按合理基準於各部分之間分配，每部分分開折舊。資產之可使用年期及其殘值(如有)每年審閱。

(g) 租賃

租賃之定義

倘合約獲給予控制權於某一段時間內使用可識別資產以換取代價，則該合約屬租賃或包含租賃。

就於首次應用當日或之後訂立或修訂或因業務合併產生之合約而言，本集團於開始、修訂日期或收購日期根據香港財務報告準則第16號項下之定義評估合約是否屬租賃或包含租賃。除非該合約中之條款及條件隨後出現變動，否則不會對該合約進行重新評估。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(g) Leasing (Continued)

The Group as a lessee

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.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases of staff quarter and office premises 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.

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.

2. 主要會計政策 (續)

(g) 租賃 (續)

本集團作為承租人

將代價分配至合約組成部分

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之合約而言，本集團根據租賃組成部分之相對獨立價格及非租賃組成部分之合計獨立價格基準將合約代價分配至各項租賃組成部分。

短期租賃及低價值資產租賃

本集團對於租期由開始日期起計為12個月或以下之員工宿舍及辦公室物業且並無包含購買選擇權之租賃應用短期租賃確認豁免，亦應用低價值資產租賃豁免確認。短期租賃及低價值資產之租金付款使用直線法或另一有系統基準於租期內確認為開支。

使用權資產

使用權資產之成本包括：

- 租賃負債之初始計量金額；
- 於開始日期或之前作出之任何租賃付款，減任何已收租賃優惠；
- 本集團產生之任何初始直接成本；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之條款及條件所規定之狀況時估計產生之成本。

使用權資產按成本減任何累計折舊及減值虧損計量，並已就任何重新計量租賃負債作出調整。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(g) Leasing (Continued)

The Group as a lessee (Continued)

Right-of-use assets (Continued)

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. Right-of-use assets that meet the definition of investment property and inventory are presented within investment properties and stock of properties respectively.

Refundable rental deposits

Refundable rental deposits paid are accounted under 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.

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 lease payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or rate, initially measured using the index or rate 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

2. 主要會計政策 (續)

(g) 租賃 (續)

本集團作為承租人 (續)

使用權資產 (續)

本集團已合理地確定可於租期結束時取得相關租賃資產所有權之使用權資產由開始日期起至可使用年期結束止計提折舊。在其他情況下，使用權資產按直線法於其估計可使用年期及租期 (以較短者為準) 內計提折舊。

本集團於綜合財務狀況表內將使用權資產呈列為獨立項目。符合投資物業及存貨定義之使用權資產分別於投資物業及物業存貨中呈列。

可退回租賃按金

已付可退回租賃按金乃根據香港財務報告準則第9號入賬，初步按公平值計量。首次確認時對公平值作出之調整被視為額外租賃付款且計入使用權資產成本。

租賃負債

於租賃開始日期，本集團以於該日期尚未支付之租賃付款之現值確認並計量租賃負債。倘租賃隱含之利率不易釐定，則本集團會使用於租賃開始日期之增量借貸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；
- 取決於指數或比率之可變租賃付款，初步按開始日期之指數或利率計量；
- 剩餘價值擔保下之預期獲本集團支付款項；
- 購買權之行使價 (倘本集團能合理行使該權利)；及

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(g) Leasing (Continued)

The Group as a lessee (Continued)

Lease liabilities (Continued)

- 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 remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in market rental rates following a market rent review/expected payment under a guaranteed residual value, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

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

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

2. 主要會計政策 (續)

(g) 租賃 (續)

本集團作為承租人 (續)

租賃負債 (續)

- 為終止租賃而支付之罰款 (倘租期反映終止租賃之選擇權獲本集團行使)。

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。

本集團於以下情況重新計量租賃負債 (並就有關使用權資產作相應調整)：

- 租期有變或有關行使購買權之評估有變，於此情況下，相關租賃負債透過 (按於重新評估日期之經修訂貼現率) 貼現經修訂租賃付款而重新計量。
- 租賃付款因進行市場租金調查後市場租金有變/有擔保剩餘價值下預期付款變動而出現變動，於此情況下，相關租賃負債透過 (按初始貼現率) 貼現經修訂租賃付款而重新計量。

本集團於綜合財務狀況表內將租賃負債呈列為獨立項目。

租賃修改

倘存在下列情形，本集團會將租賃修改作為一項單獨租賃入賬：

- 該項修改透過增加使用一項或多項相關資產的權利擴大租賃範圍；及
- 增加租賃的代價金額，增幅相當於範圍擴大對應的單獨價格，及對反映特定合約的情況的單獨價格進行的任何適當調整。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(g) Leasing (Continued)

The Group as a lessee (Continued)

Lease modifications (Continued)

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability, less any lease incentives receivable, based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset. When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified 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.

Covid-19-related rent concessions

In relation to rent concessions that occurred as a direct consequence of the Covid-19 pandemic, the Group has elected to apply the practical expedient not to assess whether the change is a lease modification if all of the following conditions are met:

- the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- any reduction in lease payments affects only payments originally due on or before 30 June 2021; and
- there is no substantive change to other terms and conditions of the lease.

A lessee applying the practical expedient accounts for changes in lease payments resulting from rent concessions the same way it would account for the changes applying HKFRS 16 if the changes are not a lease modification. Forgiveness or waiver of lease payments are accounted for as variable lease payments. The related lease liabilities are adjusted to reflect the amounts forgiven or waived with a corresponding adjustment recognised in the profit or loss in the period in which the event occurs.

2. 主要會計政策 (續)

(g) 租賃 (續)

本集團作為承租人 (續)

租賃修改 (續)

就並非作為單獨租賃入賬的租賃修改而言，本集團透過使用修改生效日期的經改訂貼現率貼現經修訂租賃款項根據經修改租賃的租期而重新計量租賃負債（減任何已收租賃優惠）。

本集團通過對相關使用權資產進行相應調整來對租賃負債進行重新計量。當修改後的合約包含租賃組成部分和一個或多個其他租賃或非租賃組成部分時，本集團會根據租賃部分的相對獨立價格將修改後的合約中的代價分配給每個租賃組成部分及非租賃部分的獨立價格。

新冠肺炎疫情相關租金寬免

就因導致直接產生之與租賃合約有關的租金寬免而言，本集團已選擇在滿足下列所有條件時應用可行權宜方法不評估有關變動是否為一項租賃修改：

- 租賃付款變動導致之租賃經修訂代價與緊接變動之前的租賃代價基本相同或低於該代價；
- 租賃付款之任何減少僅影響原於二零二一年六月三十日或之前到期的付款；及
- 租賃之其他條款及條件並無實質性變動。

應用可行權宜方法將租金寬免導致之租賃付款變動列賬之承租人將以同一方式將應用香港財務報告準則第16號「租賃」的變動入賬（倘變動並非租賃修改）。租賃付款之寬免或豁免被入賬列作可變租賃付款。相關租賃負債獲調整以反映寬免或豁免之金額，並於該事件發生的期間內在損益中確認相應調整。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(g) Leasing (Continued)

The Group as a lessor

Classification and measurement of leases

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Amounts due from lessees under finance leases are recognised as receivables at the commencement date at amounts equal to the Group's net investment in the leases, measured using the interest rate implicit in the respective lease. Initial direct costs (other than those incurred by manufacturer or dealer lessors) are included in the initial measurement of the net investments in the leases. Interest income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset, and such costs are recognised as an expense on a straight-line basis over the lease term except for investment properties measured under fair value model. Variable lease payments for operating leases that depend on an index or a rate are estimated and included in the total lease payments to be recognised on a straight-line basis over the lease term. Variable lease payments that do not depend on an index or a rate are recognised as income when they arise.

Interest and rental income which are derived from the Group's ordinary course of business are presented as revenue.

Allocation of consideration to components of a contract

When a contract includes both lease and non-lease components, the Group applies HKFRS 15 *Revenue from Contracts with Customers* ("HKFRS 15") to allocate the consideration under the contract to each component. Non-lease components are separated from lease component on the basis of their relative stand-alone selling prices.

2. 主要會計政策 (續)

(g) 租賃 (續)

本集團作為出租人

租賃之分類及計量

本集團為出租人的租賃分類為融資租賃或經營租賃。只要租賃條款將所有權的絕大部分風險及報酬轉移給承租人，合約會被分類為融資租賃。所有其他租賃均分類為經營租賃。

根據融資租賃應收承租人的款項於開始日期確認為應收融資租賃，其金額等於本集團租賃淨投資，並使用各個租賃中隱含的利率計量。初始直接成本(除製造商或經銷商出租人所產生的有關費用外)載於租賃淨投資的初始計量內。利息收入被分配至會計期間，以反映本集團有關租賃的未償還淨投資的固定定期收益率。

經營租賃之租金收入按直線法在有關租賃之租期內確認。在磋商和安排經營租賃期間錄得的初始直接成本加入租賃資產的賬面值，而有關成本於租期內以直線法確認為開支，惟按公平價值模型計量之投資物業除外。取決於指數或利率的經營租賃可變租賃付款已予估計並計入將於租期內以直線法確認的租賃付款總額。並非取決於指數或利率的可變租賃付款於其產生時確認為收入。

產生自本集團日常業務過程的利息及租金收入乃作為收入呈列。

分配代價至合約部分

當合約包括租賃及非租賃部分，本集團應用香港財務報告準則第15號「客戶合約收益」(「香港財務報告準則第15號」)將合約代價分配至各部分。基於彼等相對獨立的售價，非租賃部分有別於租賃部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(g) Leasing (Continued)

The Group as a lessor (Continued)

Refundable rental deposits

Refundable rental deposits received are accounted for under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments from lessees.

(h) Impairment of non-financial assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment;
- right-of-use assets;

In any such indication exists, the asset's recoverable amount is estimated.

- *Calculation of recoverable amount*
The recoverable amount of an asset is the greater of its fair value less costs to sell 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. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e., a cash-generating unit).

2. 主要會計政策 (續)

(g) 租賃 (續)

本集團作為出租人 (續)

可退還租金按金

所收取的可退還租金按金乃根據香港財務報告準則第9號入賬及初始按公平值計量。初始確認時對公平值作出的調整被視作承租人的額外租賃付款。

(h) 非金融資產減值

於各報告期末均會審核內部及外部資料，以識別下列資產是否可能出現減值跡象或(商譽除外)之前已確認之減值虧損是否不再存在或已減少：

- 物業、廠房及設備；
- 使用權資產；

倘出現任何減值跡象，則將估算資產之可收回金額。

- *計算可收回金額*
資產之可收回金額乃公平值減出售成本與使用價值之較高者。評估使用價值時，估計日後現金流量以除稅前折現率折現至現值，該折現率反映現時市場對金錢時間值及該項資產之特定風險之評估。倘資產未能以大致獨立於其他資產之方式產生現金流入，則以獨立產生現金流入之最小組別資產(即現金產生單位)來釐定可收回金額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(h) Impairment of non-financial assets (Continued)

- **Recognition of impairment losses**
An impairment loss is recognised in profit or loss whenever the carrying amount of an asset, or the CGU to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generated unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying amount of an asset will not be reduced below its individual fair value less costs to sell, or value-in-use, if determinable.
- **Reversals of impairment losses**
In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years.
- **Allocation of corporate assets**
In testing a cash-generating unit for impairment, corporate assets are allocated to the relevant cash-generating unit when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the cash-generating unit or group of cash-generating units to which the corporate asset belongs, and is compared with the carrying amount of the relevant cash-generating unit or group of cash-generating units.

2. 主要會計政策 (續)

(h) 非金融資產減值 (續)

- **減值虧損確認**
當資產或其所屬之現金產生單位賬面值高於其可收回金額時，則於損益確認減值虧損。現金產生單位之已確認減值虧損會首先分配，以扣減該現金產生單位或一組單位所獲分配任何商譽之賬面值，然後再按比例扣減該單位或一組單位內其他資產之賬面值，惟資產之賬面值不得減至低於其個別公平值減出售成本或使用價值 (如可釐定)。
- **減值虧損撥回**
就商譽以外之資產而言，倘用以釐定可收回金額之估計出現有利轉變，則撥回減值虧損。商譽減值虧損概不撥回。

減值虧損撥回不得高於該資產於過往年度未計減值虧損前之賬面值。
- **分配企業資產**
於測試現金產生單位之減值時，倘可設立合理及一致的分配標基準，則企業資產會分配至相關現金產生單位，或分配至現金產生單位內可設立合理及一致的分配標基準的最小組別。可收回金額按企業資產所屬現金產生單位或現金產生單位組別釐定，並與相關現金產生單位或現金產生單位組別之賬面值相比較。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(i) Stock of properties

Stock of properties, which are held for trading, is stated at the lower of cost and net realisable value. Net realisable value is determined by reference to sale proceeds received after the end of reporting period less selling expense, or by management estimate based on the prevailing market conditions.

(j) 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 and 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 fair value through profit or loss are recognised immediately in profit or loss.

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.

2. 主要會計政策 (續)

(i) 物業存貨

持作買賣之物業存貨以成本及可變現淨值較低者列賬。可變現淨值根據報告期末之後收取之銷售收益減銷售開支，或根據現行市況由管理層估計而釐定。

(j) 金融工具

金融資產及金融負債於集團實體成為工具合約條文之一方時確認。所有透過正規途徑購買或銷售金融資產乃按買賣日期基準確認及取消確認。正規途徑購買或銷售金融資產乃要求於市場法規或慣例所設立之時間框架內交付資產之購買或銷售金融資產事宜。

金融資產及金融負債初步按公平值計量，惟根據香港財務報告準則第15號初步計量因與客戶之合約產生之貿易應收款項除外。收購或發行金融資產及金融負債(按公平值列賬及於損益表處理(「按公平值列賬及於損益表處理」))之金融資產及金融負債除外)直接應佔之交易成本乃於初步確認時計入金融資產或金融負債之公平值或自金融資產或金融負債之公平值扣除(視合適情況而定)。因收購按公平值列賬及於損益表處理之金融資產或金融負債而直接產生之交易成本即時於損益中確認。

實際利率法是計算金融資產或金融負債攤銷成本以及在相關期間內分配利息收入及利息開支的一種方法。實際利率是指將金融資產或金融負債(如適用)在預計年期內的估計未來現金收入及付款額(包括支付或收取的構成實際利率組成部分的所有費用和貼息、交易費用以及其他溢價或折價)恰好折現為該工具初始確認時賬面淨額所使用的利率。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(j) Financial instruments (Continued)

(i) 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 measured subsequently at fair value through other comprehensive income (“FVTOCI”):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset 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 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 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.

2. 主要會計政策 (續)

(j) 金融工具 (續)

(i) 金融資產

金融資產分類及其後計量

符合下列條件之金融資產其後按攤銷成本計量：

- 於一個商業模式內持有金融資產，而其持有金融資產之目的為收取合約現金流量；及
- 合約條款於指定日期產生之現金流量僅為本金及未償還本金之利息付款。

符合下列條件之金融資產其後按公平值列賬及在其他全面收益處理（「按公平值列賬及在其他全面收益處理」）計量：

- 金融資產按目的收取合約現金流量及出售金融資產實現的業務模式內持有；及
- 金融資產的合約條款於特定日期產生的現金流量純粹為支付本金及未償還之本金產生之利息。

所有其他金融資產其後按公平值列賬及於損益表處理，惟於初步確認金融資產當日，本集團可不可撤銷地選擇在其他綜合收益中呈列股本投資的其後公平值變動，前提是該股權投資並非持作買賣，亦非收購方於香港財務報告準則第3號「業務合併」適用的業務合併中確認的或然代價。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(j) Financial instruments (Continued)

(i) 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 is 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.

2. 主要會計政策 (續)

(j) 金融工具 (續)

(i) 金融資產 (續)

金融資產分類及其後計量 (續)

倘屬以下情況，金融資產被分類為持作買賣：

- 收購該金融資產的目的主要是在短期內出售；或
- 於初步確認時，該金融資產構成本集團一併管理的已識別金融工具的組合一部分，並且具有最近實際短期獲利模式；或
- 該金融資產為未被指定的衍生工具及可有效作為對沖工具。

此外，本集團可能不可撤銷地指定須按攤銷成本或按公平值列賬及在其他全面收益處理計量的金融資產為按公平值列賬及於損益表處理計量，前提為此舉可抵銷或大幅減少會計錯配情況。

(i) 攤銷成本及利息收入

就其後按攤銷成本計量的金融資產而言，利息收入採用實際利率法確認。利息收入透過對金融資產的賬面總值應用實際利率計算，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，利息收入自下一報告期透過對金融資產的攤銷成本應用實際利率確認。倘信貸減值金融工具的信貸風險得以改善，使金融資產不再信貸減值，利息收入從釐定資產不再信貸減值起的報告期開始透過對金融資產的賬面總值應用實際利率確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(j) Financial instruments (Continued)

(i) 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 revenue and other net income" line item.

Foreign exchange gains and losses

The carrying amounts of financial assets that are denominated in a foreign currency are determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

- for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss; and
- for financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss.

Impairment of financial assets

The Group performs impairment assessment under expected credit loss ("ECL") model on financial assets (including trade and other receivables and loan receivables and bank balances) which are subject to impairment assessment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

2. 主要會計政策 (續)

(j) 金融工具 (續)

(i) 金融資產 (續)

(ii) 按公平值列賬及於損益表處理之金融資產

不符合按攤銷成本或按公平值列賬及在其他全面收益處理或指定為按公平值列賬及在其他全面收益處理計量標準的金融資產按公平值列賬及於損益表處理。

按公平值列賬及於損益表處理的金融資產於各報告期末按公平值計量，任何公平值收益或虧損於損益中確認。於損益中確認的收益或虧損淨額不包括就金融資產賺取的任何股息或利息，並計入「其他收益及其他淨收入」項下。

外匯收益及虧損

以外幣計值的金融資產的賬面值以該外幣釐定，並於各報告期末按即期匯率換算。具體為：

- 就不屬於指定對沖關係一部分的以攤銷成本計量的金融資產而言，匯兌差額於損益中確認；及
- 就不屬於指定對沖關係一部分的按公平值列賬及於損益表處理的金融資產而言，匯兌差額於損益中確認。

金融資產減值

本集團就根據香港財務報告準則第9號須進行減值評估的金融資產(包括貿易及其他應收款項及應收貸款及銀行結餘)按預期信貸虧損(「預期信貸虧損」)模式進行減值評估。預期信貸虧損金額於各報告期間更新，以反映自初步確認起的信貸風險變動。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(j) Financial instruments (Continued)

(i) Financial assets (Continued)

Impairment of financial assets (Continued)

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL (“**12m ECL**”) represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The Group always recognises lifetime ECL for trade receivables. The ECL on these financial assets are estimated using a provision matrix 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 as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12m ECL.

2. 主要會計政策 (續)

(j) 金融工具 (續)

(i) 金融資產 (續)

金融資產減值 (續)

全期預期信貸虧損指於金融工具的預計年期內所有可能的違約事件將導致的預期信貸虧損。相反，十二個月預期信貸虧損（「**十二個月預期信貸虧損**」）指預計於報告日期後十二個月內金融工具可能發生的違約事件導致的部分全期預期信貸虧損。

本集團始終確認貿易應收款項的全期預期信貸虧損。該等金融資產之預期信貸虧損根據本集團過往信貸虧損經驗使用撥備矩陣估計，並就債務人的特定因素、整體經濟狀況及報告日期之當前及預測動向的評估（在適當時包括貨幣的時間價值）予以調整。

就所有其他金融工具而言，本集團自初始確認起信貸風險大幅增加時確認全期預期信貸虧損。然而，倘金融工具的信貸風險自初始確認起未顯著增加，則本集團計量該金融工具的虧損撥備相當於十二個月預期信貸虧損。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(j) Financial instruments (Continued)

(i) Financial assets (Continued)

Impairment of financial assets (Continued)

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that are reasonable and supportable, including historical experience and forward-looking information that are available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

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 for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;

2. 主要會計政策 (續)

(j) 金融工具 (續)

(i) 金融資產 (續)

金融資產減值 (續)

(i) 信貸風險大幅增加

於評估金融工具信貸風險是否自初始確認以來大幅增加時，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始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努力即可獲得的前瞻性資料。所考慮的前瞻性資料包括從經濟專家報告、金融分析師、政府機構、相關智庫和其他類似組織獲得本集團債務人所經營行業的未來前景，以及考慮與本集團核心業務有關的各種外部來源的實際及預測的經濟資料。

具體而言，在評估信貸風險是否大幅增加時考慮以下資料：

- 金融工具的外部或內部信用評級(如有)實際或預計會嚴重惡化；
- 特定金融工具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，或金融資產的公平值低於其攤銷成本的時間長短或程度；

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(j) Financial instruments (Continued)

(i) Financial assets (Continued)

Impairment of financial assets (Continued)

(i) Significant increase in credit risk (Continued)

- 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;
- significant increases in credit risk on other financial instruments of the same 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.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset 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 financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- (1) it has a low risk of default;
- (2) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and

2. 主要會計政策 (續)

(j) 金融工具 (續)

(i) 金融資產 (續)

金融資產減值 (續)

(i) 信貸風險大幅增加 (續)

- 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；
- 同一債務人的其他金融工具的信貸風險大幅增加；
- 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。

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，金融資產信貸風險自初始確認以來已大幅增加，除非本集團有合理及可靠資料證明則當別論。

儘管上文所述，本集團假設倘金融工具釐定為於報告日期具有低信貸風險，則金融工具的信貸風險自初始確認以來並無顯著增加。倘屬以下情況，金融工具釐定為具有低信貸風險：

- (1) 其具有低違約風險；
- (2) 借款人於短期內具備雄厚實力履行其合約現金流量責任；及

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(j) Financial instruments (Continued)

(i) Financial assets (Continued)

Impairment of financial assets (Continued)

- (i) Significant increase in credit risk (Continued)
- (3) 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 external credit rating of “investment grade” in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of “performing”. Performing means that the counterparty has a strong financial position and there is no past due amounts.

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.

(ii) Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- 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 collateral held by the Group).

2. 主要會計政策 (續)

(j) 金融工具 (續)

(i) 金融資產 (續)

金融資產減值 (續)

- (i) 信貸風險大幅增加 (續)
- (3) 長期經濟及業務狀況的不利變動可能但不一定削減借款人履行其合約現金流量責任的能力。

當資產根據全球理解的定義具有「投資等級」的外部信貸評級時，本集團認為債務工具具有低信貸風險或倘沒有外部評級，則其內部評級為「履約」。履約意味著交易對手擁有強大的財務狀況且並無逾期金額。

本集團定期監控用以識別信貸風險有否大幅增加之標準之效力，並修訂標準（如適當）以確保標準能在金額逾期前識別信貸風險大幅增加。

(ii) 違約定義

本集團認為以下情況就內部信貸風險管理目的而言構成違約事件，因為過往經驗表明符合以下任何一項條件的金融資產一般無法收回：

- 債務人違反財務契約；或
- 內部產生或獲取自外部來源的資料表明，債務人不太可能向債權人（包括本集團）全額還款（不考慮本集團持有的任何抵押品）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(j) Financial instruments (Continued)

(i) Financial assets (Continued)

Impairment of financial assets (Continued)

(ii) Definition of default (Continued)

Irrespective of the above analysis, 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 (see (ii) above);
- (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.

2. 主要會計政策 (續)

(j) 金融工具 (續)

(i) 金融資產 (續)

金融資產減值 (續)

(ii) 違約定義 (續)

不論上文分析為何，本集團都認為，已於金融資產逾期超過90日後發生違約，惟本集團有合理及具理據資料來顯示更加滯後的違約標準更為恰當。

(iii) 信貸減值的金融資產

當發生對金融資產的估計未來現金流產生不利影響的一件或多件事件之時，該金融資產即出現信貸減值。金融資產信貸減值的證據包括以下事件的可觀察數據：

- (a) 發行人或借款人陷入嚴重財困；
- (b) 違反合約，例如違約或逾期事件(見上文(ii))；
- (c) 借款人的貸款人出於與借款人財困相關的經濟或合約原因，而向借款人授予貸款人原本不會考慮的優惠；
- (d) 借款人可能破產或進行其他財務重組；或
- (e) 由於財政困難，該金融資產的活躍市場消失。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(j) Financial instruments (Continued)

(i) 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 debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor 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. Any recoveries made 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.

2. 主要會計政策 (續)

(j) 金融工具 (續)

(i) 金融資產 (續)

金融資產減值 (續)

(iv) 撇銷政策

當有資料顯示債務人陷入嚴重財困，且並無實際收回的可能之時（例如債務人已清算或進入破產程序）或金額逾期超過兩年（就貿易應收款項而言）（以較早發生者為準），本集團會撇銷金融資產。已撇銷的金融資產仍可根據本集團的收回程序實施強制執行，在適當情況下考慮法律意見。任何收回款項會於損益中確認。

(v) 預期信貸虧損之計量及確認

預期信貸虧損的計量為違約概率、違約損失率（即違約損失程度）及違約風險的函數。違約概率及違約損失率乃基於根據前瞻性資料調整的過往數據評估。預期信貸虧損的估計為公正及概率加權金額，以發生違約的相關風險作為權重確定。

一般而言，預期信貸虧損為根據合約應付本集團之所有合約現金流量與本集團預期收取之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。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(j) Financial instruments (Continued)

(i) Financial assets (Continued)

Impairment of financial assets (Continued)

(v) Measurement and recognition of ECL (Continued)

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 are assessed as a separate group);
- Past-due status;
- Nature, size and industry of debtors; and
- 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.

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.

2. 主要會計政策 (續)

(j) 金融工具 (續)

(i) 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)

倘按集體基準計量預期信貸虧損，或為處理可能尚未獲得證據證明個別工具層面之情況，金融工具乃按以下基準分組：

- 金融工具的性質(即將本集團之應收貿易款項評估為獨立組別)；
- 逾期狀況；
- 債務人之性質、規模及行業；及
- 外部信貸評級(如有)。

管理層定期檢討分組方法，確保各組別之組成項目仍然具有相似信貸風險特徵。

利息收入按金融資產之總賬面值計算，除非金融資產出現信貸減值，否則在該情況下，利息收入乃按金融資產之攤銷成本計算。

本集團經調整所有金融工具之賬面值於損益確認其減值收益或虧損，惟貿易應收款項經虧損撥備賬確認相應調整。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(j) Financial instruments (Continued)

(i) 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.

(ii) 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 Group 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.

2. 主要會計政策 (續)

(j) 金融工具 (續)

(i) 金融資產 (續)

終止確認金融資產

本集團僅於從資產收取現金流的合約權利屆滿時，或向另一實體轉讓金融資產及該資產所有權之絕大部分風險及回報時終止確認金融資產。倘本集團並無轉移亦無保留擁有權的絕大部分風險及回報並繼續控制已轉讓資產，本集團確認其對該資產的保留權益及其可能須支付金額的相關負債。倘本集團保留已轉讓金融資產擁有權的絕大部分風險及回報，本集團繼續確認金融資產，亦就已收取的所得款項確認有抵押借款。

於終止確認以攤銷成本計量的金融資產時，資產賬面值與已收及應收代價間之差額於損益確認。

(ii) 金融負債及權益

分類為債務或股本

債務及股本工具乃根據合約安排的性質以及金融負債及股本工具的定义分類為金融負債或權益。

股本工具

股本工具為證明實體資產於削減其所有負債後之剩餘權益之任何合約。本集團發行之股本工具按收取之所得款項減直接發行成本確認。

購回本公司本身股本工具直接在權益中確認和扣除。概無損益於本公司本身股本工具的購買、出售、發行或註銷中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(j) Financial instruments (Continued)

(ii) Financial liabilities and equity (Continued)

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

Financial liabilities including borrowings, deposits and other payables, lease liabilities, promissory notes and convertible bonds are subsequently measured at amortised cost, using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Compound instruments

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

2. 主要會計政策 (續)

(j) 金融工具 (續)

(ii) 金融負債及權益 (續)

金融負債

所有金融負債均採用實際利率法按攤銷成本或按公平值列賬及於損益表處理其後計量。

其後按攤銷成本計量之金融負債

並非(i)收購方在業務合併中的或然代價，(ii)持作買賣，或(iii)指定為按公平值列賬及於損益表處理的金融負債，均使用實際利息法其後按攤銷成本計量。

包括借貸、按金及其他應付款項、租賃負債、承兌票據及可換股債券的金融負債使用實際利率法其後按攤銷成本計量。

實際利率法是計算金融負債攤銷成本以及在相關期間內分配利息開支的一種方法。實際利率是指將金融負債在預計存續期或更短期間內(如適當)的估計未來現金付款額(包括支付或收取的構成實際利率組成部分的所有費用和貼息、交易費用以及其他溢價或折價)恰好折現為該工具金融負債攤銷成本所使用的利率。

複合工具

本集團發行的可換股票據的組成部分根據合約安排之實質及金融負債及股本工具之定義獲個別分類為金融負債及權益。倘換股權將透過以固定金額現金或另一項金融資產換取固定數目之本公司本身股本工具結算，則為股本工具。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(j) Financial instruments (Continued)

(ii) Financial liabilities and equity (Continued) Compound instruments (Continued)

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

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

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

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in profit or loss for financial liabilities that are not part of a designated hedging relationship.

2. 主要會計政策 (續)

(j) 金融工具 (續)

(ii) 金融負債及權益 (續) 複合工具 (續)

於發行日期，負債部分之公平值採用類似不可轉換工具之現行市場利率進行估計。此金額採用實際利率法按攤銷成本入賬列為負債，直至於轉換後或該工具到期日終結為止。

分類為權益之換股權乃透過從整體複合工具之公平值中扣減負債部分金額而釐定。其於權益中確認及計入權益(扣除所得稅影響)，且隨後不會重新計量。此外，分類為權益之換股權將一直保留於權益內，直至換股權獲行使為止，在該情況下，於權益中確認之結餘將轉撥至股份溢價。倘換股權於可換股貸款票據到期日仍未獲行使，於權益中確認之結餘將轉撥至累計虧損。於換股權獲兌換或到期時，不會於損益中確認任何收益或虧損。

關於發行可換股貸款票據的交易成本乃按所得款項總額分配比例配發至負債及股本部分。與權益部分相關之交易成本直接於權益中確認。與負債部分相關之交易成本乃計入負債部分之賬面金額，並按可換股貸款票據之年期採用實際利率法攤銷。

外匯收益及虧損

就以外幣計值及於各報告期末按攤銷成本計量的金融負債而言，外匯損益乃基於該等工具的攤銷成本釐定。該等外匯損益在不屬於指定對沖關係的金融負債的損益中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(j) Financial instruments (Continued)

(ii) Financial liabilities and equity (Continued)

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.

(k) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

(l) Deposits and other payables

Deposits and other payables are initially recognised and subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(m) Bank and cash balances

Bank and cash balances comprise cash at banks and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows.

2. 主要會計政策 (續)

(j) 金融工具 (續)

(ii) 金融負債及權益 (續)

終止確認金融負債

僅於本集團的責任獲解除、註銷或屆滿時，本集團終止確認金融負債。解除確認之金融負債賬面值與已付及應付代價之差額乃於損益確認。

(k) 計息借款

計息借款初步按公平值減應佔交易成本確認。計息借款其後按攤銷成本連同於貸款期間於損益確認之最初確認金額與贖回價值之任何差額，連同按實際利率法計算之任何利息及應付費用入賬。

(l) 按金及其他應付款項

按金及其他應付款項初步按攤銷成本確認，其後按攤銷成本列賬，惟倘折現之影響並不大之情況則例外，於該情況下，按成本列賬。

(m) 銀行及現金結餘

銀行及現金結餘包括銀行結餘及現金、存放於銀行和其他金融機構之活期存款，以及易於變現作可知數額現金而價值變動風險不大，並在購入後三個月內到期之短期高流動性投資。就編製綜合現金流量表而言，現金及現金等額也包括須於接獲通知時償還，並構成本集團現金管理一部分之銀行透支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(n) Employee benefits

- (i) *Short-term employee benefits and contributions to defined contribution retirement plans*
Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the period in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.
- (ii) *Share-based payments*
The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in share options reserve within equity. The fair value is measured at grant date using the binomial option pricing model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the options, the total estimated fair value of the options is spread over the vesting period, taking into account the probability that the options will vest.

During the vesting period, the number of share options that is expected to vest is reviewed. Any adjustment to the cumulative fair value recognised in prior years is charged/credited to the profit or loss for the period of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the share options reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the share options reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the share options reserve until either the option is exercised (when it is transferred to the share premium account) or the option expires (when it is released directly to accumulated losses).

2. 主要會計政策 (續)

(n) 僱員福利

- (i) *短期僱員福利及界定供款退休計劃之供款*
薪金、年度花紅、有薪年假、對界定供款退休計劃之供款及各項非貨幣福利產生之成本，均在僱員提供相關服務之期間內累計。如延遲付款或清償會產生重大影響，有關數額則按現值列賬。
- (ii) *以股份為基礎之付款*
授予僱員之購股權之公平值確認為僱員成本，而權益中之購股權儲備亦會相應增加。公平值於購股權授出日期採用二項模式計量，並計及購股權之授出條款及條件。如果僱員須符合歸屬條件才能無條件享有購股權之權利，經考慮購股權歸屬之可能性後，購股權之估計公平值總額則會在整個歸屬期內分攤。

於歸屬期間，本集團會審閱預期歸屬之購股權數目。除非原有僱員開支符合資格確認為資產，否則於過往年度確認之任何累積公平值調整會在回顧期間扣除自／計入損益，而購股權儲備亦會作相應調整。於歸屬日期，確認為開支之數額會作出調整，以反映歸屬購股權之實際數目（而購股權儲備亦會作相應調整），惟倘沒收僅因未能達成與本公司股份市價有關之歸屬條件則作別論。權益金額乃於購股權儲備中確認，直至購股權獲行使（屆時有關金額將轉撥至股份溢價賬）或購股權屆滿（屆時有關金額直接撥入累計虧損）為止。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(n) Employee benefits (Continued)

(iii) Termination benefits

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

(o) 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 before taxation 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, 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.

2. 主要會計政策 (續)

(n) 僱員福利 (續)

(iii) 終止福利

終止福利僅於本集團具備正式而詳細之計劃及不可能撤回計劃之情況下，明確承諾終止聘用或因採取自願離職措施而提供福利時，方予確認。

(o) 稅項

所得稅開支指即期應付稅款及遞延稅款的總和。

即期應付稅款乃根據本年度應課稅溢利計算。應課稅溢利與除稅前溢利不同，此乃由於其他年度應課稅項或可扣減的收入或開支以及毋須課稅或扣減的項目所致。本集團的即期稅項負債乃按報告期末已頒佈或實質頒佈的稅率計算。

遞延稅項乃就綜合財務報表內資產及負債之賬面值與計算應課稅溢利所採用的相應稅基之間之暫時差異而確認。遞延稅項負債一般就所有應課稅暫時差異確認。遞延稅項資產一般就所有可扣減暫時差異確認，惟以可能有應課稅溢利可用作抵銷該等可扣減暫時差異為限。倘暫時差異乃是由於在一項既不影響應課稅溢利亦不影響會計溢利的交易中初步確認(業務合併除外)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，如因初步確認商譽而產生暫時差異，則不會確認遞延稅項負債。

遞延稅項負債乃就與於附屬公司之投資有關的應課稅暫時差異而確認，惟本集團能控制暫時差異的撥回，且暫時差異可能不會在可見將來撥回則除外。與該等投資及權益相關的可扣減暫時差異所產生的遞延稅項資產，僅在可能有足夠應課稅溢利以利用暫時差異的利益，且預期該等暫時差異會於可預見未來撥回的情況下確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(o) Taxation (Continued)

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.

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 realised, based on tax rates (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 investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale, except for freehold land, which is always presumed to be recovered entirely through sale.

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 lease 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. Temporary differences arising from subsequent revision to the carrying amounts of right-of-use assets and lease liabilities, resulting from remeasurement of lease liabilities and lease modifications, that are not subject to initial recognition exemption are recognised on the date of remeasurement or modification.

2. 主要會計政策 (續)

(o) 稅項 (續)

遞延稅項資產之賬面值於每個報告期末均予以檢討，並扣減至不再可能有足夠應課稅溢利讓全部或部分資產被收回之金額為止。

遞延稅項資產及負債乃按預期負債清償或資產變現之期間適用之稅率計算，並以報告期末已經制定或大致上制定之稅率（及稅務法例）為基準。

遞延稅項負債及資產之計量反映本集團預期於報告期末收回或結算其資產及負債賬面值之方式所產生的稅務後果。

就計量使用公平值模型計量的投資物業之遞延稅項而言，該等物業之賬面值假定为可透過出售收回，除非假設遭到駁回。倘投資物業可予折舊，並以旨在隨著時間消耗投資物業包含之絕大部份經濟利益而非透過出售之商業模式持有，則此假設可被駁回，惟永久業權土地除外，有關土地一向被假设为可透過出售全數收回。

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而言，本集團首先釐定稅項扣減是因使用權資產抑或租賃負債產生。

就因租賃負債而須扣減稅項之租賃交易而言，本集團將香港會計準則第12號「所得稅」之規定單獨應用於使用權資產及租賃負債。由於應用首次確認豁免，與使用權資產及租賃負債相關的暫時差異於首次確認時及租期內不予確認。其後因重新計量租賃負債及租賃修訂而對使用權資產及租賃負債之賬面值作出修訂所產生之暫時差異，如不享有初始確認豁免，則於重新計量或修訂當日確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(o) Taxation (Continued)

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.

(p) Provisions and contingent liabilities

(i) Other provisions and contingent liabilities

Provisions are recognised for other liabilities of uncertain timing or amount when the Group or the Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliable, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic is remote. Possible obligations, whose existence will only be confirmed by the occurrence or no-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(q) 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.

2. 主要會計政策 (續)

(o) 稅項 (續)

倘若存在法律上可強制執行之權利，可將有關相同稅務機關向相同課稅實體徵收之即期稅項資產與即期稅項負債抵銷，而遞延稅項乃屬同一課稅實體及同一稅務機關時，則遞延稅項資產可與負債作抵銷。

即期及遞延稅項於損益中確認。

(p) 撥備及或然負債

(i) 其他撥備及或然負債

倘若本集團或本公司須就過往事件承擔法律或推定責任，而且履行責任可能涉及經濟利益外流，並可作出可靠估計，則須就未能確定時間或數額的負債確認撥備。如果貨幣時間值重大，則按預計所需支出的現值計提準備。

倘若不大可能涉及經濟利益外流，或無法可靠估計有關數額作出可靠估計，則會將責任披露為或然負債，經濟利益外流的可能性極低則除外。如果本集團的責任須視乎某宗或多宗未來事件是否發生才能確定是否存在，亦會披露為或然負債，經濟利益外流的可能性極低則除外。

(q) 客戶合約收益

本集團於達成履約責任時確認收益，即當與特定履約責任相關的商品或服務的「控制權」轉移予客戶時。

履約責任指一個明確商品及一項明確服務(或一批明確商品或服務)或一系列大致相同的明確商品或服務。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(q) Revenue from contracts with customers (Continued)

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 and 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 goods or service.

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 a contract are accounted for and presented on a net basis.

For contracts that contain more than one performance obligations, the Group allocates the transaction price to each performance obligation on a relative stand-alone selling price basis.

2. 主要會計政策 (續)

(q) 客戶合約收益 (續)

倘符合下列其中一項標準，則控制權在一段時間內轉移，而收益確認會參考一段時間內已完成相關履約責任的進度進行：

- 於本集團履約時，客戶同時取得並耗用本集團履約所提供的利益；
- 本集團的履約產生及提升一項資產，而該項資產於本集團履約時由客戶控制；或
- 本集團的履約並未產生對本集團有替代用途的資產，且本集團對迄今已完成履約的付款具有可強制執行的權利。

否則，收益會在當客戶獲得明確商品或服務的控制權時在某一時點確認。

合約資產指本集團就換取本集團已向客戶轉讓之貨品或服務而收取代價之權利(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之無條件權利，即代價到期付款前僅需時間推移。

合約負債指本集團因已自客戶收取代價(或已可自客戶收取代價)，而須轉讓商品或勞務予客戶之義務。與合約有關的合約資產及合約負債以淨額列賬。

就包含一項以上履約責任之合約而言，本集團按照相對獨立售價基準將交易價分配至各履約責任。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(q) Revenue from contracts with customers (Continued)

- (i) *Rental income from operating leases*
Rental income from properties leasing under operating leases is recognised on a straight-line basis over the lease terms.
- (ii) *Revenue from properties sale*
For property development and sales contract for which the control of the property is transferred at a point in time, revenue is recognised when the customer obtains the legal title of the completed property and the Group has present right to payment and the collection of the consideration is probable.
- (iii) *Revenue from property ancillary services*
Revenue from property ancillary services are recognised when the services are rendered.
- (iv) *Commission income from agricultural produce exchange market*
Commission income from agricultural exchange market are recognised at point in time when the services are rendered in accordance with the terms of the agreement signed.
- (v) *Food and agricultural by-products merchandising*
Revenue is recognised at point in time when the control of the goods are considered to have been transferred to the customers.
- (vi) *Other income*
Interest income is recognised as it accrues using the effective interest method.

Dividend income is recognised when the right to receive payment is established.

Government subsidies that compensate the Group for expenses incurred are recognised as revenue in profit or loss on a systematic basis in the same periods in which the expenses are incurred.

2. 主要會計政策 (續)

(q) 客戶合約收益 (續)

- (i) *經營租賃租金收入*
經營租賃項下物業租賃的租金收入按租約期採用直線法確認。
- (ii) *物業銷售收益*
就物業控制權於某個時間點轉移的物業開發及銷售合約而言，收益於客戶取得已完工物業合法業權計本集團有權收取付款並很可能收取代價時確認。
- (iii) *物業配套服務之收益*
物業配套服務之收益於提供服務時確認。
- (iv) *農產品交易市場之佣金收入*
農產品交易市場之佣金收入按照所簽訂協議之條款於某個時間點提供服務時確認。
- (v) *食品及農副產品商品*
收益於商品控制權被視為於某個時間點轉移至客戶時確認。
- (vi) *其他收入*
利息收入於產生時按實際利率法確認。

股息收入在確立收取款項之權利時確認。

補償本集團所產生開支的政府補貼會於產生開支的同一期間，有系統地於損益賬中確認為收益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(r) Translation of foreign currencies

Foreign currency transactions during the year/period are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the balance sheet date. Exchange gains and losses are recognised in consolidated statement of profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost on a foreign currency are translated using the foreign exchange rates ruling at the transactions dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the date the fair value was determined.

For the purpose of presenting the consolidated financial statements, the results of the Group's operations not denominated in Hong Kong dollars are translated into Hong Kong dollars, i.e., the presentation currency of the Group, at the average rates for the year/period. The items of statement of financial position, including goodwill arising on consolidation of foreign operations acquired, are translated into Hong Kong dollars at the foreign exchange rates ruling at the end of the reporting period. The resulting exchange differences are recognised directly in a separate component of equity. Goodwill arising on consolidation of a foreign operation acquired is translated at the foreign exchange rate that applied at the date of acquisition of the foreign operation.

On disposal of a foreign operation, the cumulative amount of the exchange differences recognised in equity which relate to that foreign operation is included in the calculation of the profit or loss on disposal.

2. 主要會計政策 (續)

(r) 外幣換算

年／期內之外幣交易乃按交易日匯率換算。以外幣計值之貨幣資產及負債均按結算日之匯率換算。匯兌盈虧於綜合損益表確認。

以外幣歷史成本計算之非貨幣資產及負債採用交易日之匯率換算。以外幣為單位及按公平值入賬之非貨幣資產及負債採用公平值釐定當日之匯率換算。

就綜合財務報表之呈報而言，本集團並非以港元計值之經營業績按年／期內之平均匯率換算為港元（即本集團之呈報貨幣）。財務狀況表項目（包括綜合所收購之海外業務所產生之商譽）按報告期末之外匯率換算成港元。所產生之匯兌差額直接確認為個別權益項目。綜合所收購之海外業務產生之商譽，按收購海外業務當日適用之匯率換算。

出售海外業務時，與該海外業務有關並於權益中確認之累計匯兌差額，會在計算出售損益時包括在內。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(s) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

(t) Related parties

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

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

2. 主要會計政策 (續)

(s) 借貸成本

直接歸屬於收購、興建或生產合資格資產(指必須經一段長時間處理以作其預定用途或銷售的資產)的借貸成本,加入該等資產的成本內,直至資產大致上備妥供其預定用途或銷售為止。

就特定借貸,因有待合資格資產的支出而臨時投資賺取的投資收入,應自合資格資本化的借款成本中扣除。

所有其他借貸成本在產生期內的損益中確認。

(t) 關連人士

倘出現下列情況,則一方被視為與本集團有關連:

- (1) 倘屬以下人士,即該人士或該人士之近親與本集團有關連:
 - (i) 控制或共同控制本集團;
 - (ii) 對本集團有重大影響力;或
 - (iii) 為本集團或本集團母公司的主要管理層成員。
- (2) 倘符合下列任何條件,即實體與本集團有關連:
 - (i) 該實體與本集團屬同一集團之成員公司(即各母公司、附屬公司及彼此間有關連)。
 - (ii) 一間實體為另一實體的聯營公司或合營企業(或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業)。
 - (iii) 兩間實體均為同一第三方的合營企業。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(t) Related parties (Continued)

(2) (Continued)

- (iv) One entity is joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers also related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (2).
- (vii) A person identified in (2)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a Group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

(u) Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

In accordance with the Group's internal financial reporting system, the Group has chosen business segment information as the primary reporting format and geographical segment information as the secondary reporting format for the purposes of these financial statements.

2. 主要會計政策 (續)

(t) 關連人士 (續)

(2) (續)

- (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司。
- (v) 該實體為本集團或與本集團有關連之實體就僱員利益設立的離職福利計劃。倘本集團本身便是該計劃，則提供資助的僱主亦與本集團有關連。
- (vi) 該實體受(2)所識別人土控制或受共同控制。
- (vii) 於(2)(i)所識別人土對實體有重大影響力或屬該實體(或該實體之母公司)主要管理層成員。
- (viii) 該實體，或其所屬集團之任何成員公司，向本集團或本集團之母公司提供主要管理層服務。

倘關連人士之間存在資源或責任轉讓，則有關交易被視為關連人士交易。

(u) 分部報告

分部為本集團可分割部分，乃從事提供產品與服務(業務分部)，或於特定經濟環境提供產品或服務(地區分部)，且面對之風險及回報有別於其他分部。

根據本集團內部財務報告系統，本集團已就本財務報表選擇業務分部為主要呈報形式，而地區分部則為次要呈報形式。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(u) Segment reporting (Continued)

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. For example, segment assets may include stock of properties, trade receivables and other receivables and right-of-use assets and property, plant and equipment. Segment revenue, expenses, assets, and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group entities within a single segment. Inter-segment pricing is based on similar terms as those available to other external parties.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets (both tangible and intangible) that are expected to be used for more than one period.

Unallocated items mainly comprise financial and corporate assets, interest-bearing loans, borrowings, tax balances, corporate and financing expenses.

(v) 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 related to income 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. Such grants are presented under "other revenue and other net income".

2. 主要會計政策 (續)

(u) 分部報告 (續)

分部收益、開支、業績、資產及負債包括直接源自分部，且能按合理基準分配至該分部之項目。例如，分部資產可包括物業存貨、貿易及其他應收款項及使用權資產及物業、廠房及設備。分部收益、開支、資產及負債於對銷集團內公司間結餘及集團內公司間交易前釐定，作為綜合賬目其中一環，惟本集團旗下企業於單一分部之集團內公司間結餘及交易除外。分部間定價乃按向其他外部人士提供之類似條款釐定。

分部資本開支為期內產生用以購入有形及無形分部資產，且預期將於一段期間以上動用之成本總額。

未分配項目主要包括金融及企業資產、計息貸款、借款、稅項結餘、企業負債及融資開支。

(v) 政府補貼

政府補貼於有合理保證本集團將遵守其附帶條件以及將會獲得補助時，方會確認。

應收為補償已招致之開支或虧損或為沒有未來相關成本之本集團提供即時財政支援之收入相關政府補貼於其成為應收期間內於損益中確認。有關補貼於「其他收益及其他淨收入」呈列。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(w) Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation 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 accumulated impairment losses.

Derecognition of intangible assets

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.

(x) Financial guarantee contracts

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

The Group regards its financial guarantee contracts in respect of mortgage facilities provided to certain property purchasers as insurance contracts.

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

- the amount of the obligation under the contract, as determined in accordance with HKAS 37 Provisions, Contingent Liabilities and Contingent Assets; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies.

2. 主要會計政策 (續)

(w) 無形資產

獨立收購之無形資產

可使用年期有限及獨立收購之無形資產乃按成本減累計攤銷及累計減值虧損列賬。攤銷乃於其估計可使用年期以直線法確認。估計可使用年期及攤銷方法於各報告期末進行審閱，而任何估計變動之影響則按前瞻基準入賬。獨立收購及可使用年期無限之無形資產乃按成本減累計減值虧損列賬。

取消確認無形資產

無形資產於出售或當預期使用或出售時不會帶來未來經濟利益時取消確認。取消確認一項無形資產所產生之得益及虧損按出售所得款項淨額與資產賬面值間之差額計算，並於取消確認資產之期間在損益賬內確認。

(x) 財務擔保合約

財務擔保合約是指那些規定發行人根據債務工具的條款支付指定款項，以補償持有人因某一特定債務人不能償付到期債務而產生損失之合約。

本集團視其向若干物業買家提供之按揭融資的財務擔保合約為保險合約。

本集團發出之財務擔保合約初始按公平值計量，倘並非指定為按公平值列賬及於損益表處理之金融資產，則其後按以下較高者入賬：

- 根據香港會計準則第37號「撥備、或有負債及或有資產」釐定之合約項下之責任金額；及
- 初步確認金額減(如適用)根據收益確認政策確認之累計攤銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(y) Convertible bonds

Convertible bonds that can be converted into equity share capital at the option of the holder, where the number of shares that would be issued on conversion and the value of the consideration that would be received at that time do not vary, are accounted for as compound financial instruments which contain both a liability component and an equity component.

At initial recognition the liability component of the convertible bonds is measured as the present value of the future interest and principal payments, discounted at the market rate of interest applicable at the time of initial recognition to similar liabilities that do not have a conversion option. Any excess of proceeds over the amount initially recognised as the liability component is recognised as the equity component. Transaction costs that relate to the issue of a compound financial instrument are allocated to the liability and equity components in proportion to the allocation of proceeds.

The liability component is subsequently carried at amortised cost. The interest expense recognised in profit or loss on the liability component is calculated using the effective interest method. The equity component is recognised in the convertible bonds reserve until either the bond is converted or redeemed.

If the convertible bond is converted, the convertible bonds reserve, together with the carrying amount of the liability component at the time of conversion, is transferred to share capital and share premium as consideration for the shares issued. If the convertible bond is redeemed, the convertible bonds reserve is released directly to retained profits.

When the convertible bond is extinguished before maturity through an early redemption or repurchase where the original conversion privileges are unchanged, the consideration paid and any transaction costs for the redemption or repurchase are allocated to the liability component and equity component using the same allocation basis as when the convertible bond was originally issued. Once the allocation of consideration and transaction costs is made, any resulting gain or loss relating to the liability component is recognised in profit or loss and the amount of consideration relating to equity component is recognised in equity.

2. 主要會計政策 (續)

(y) 可換股債券

倘於轉換時將予發行的股份數目及將予收取的代價值當時並無改變，則可供持有人選擇轉為股本的可換股債券是作為附有負債部分及股本部分的複合金融工具列賬。

於初始確認時，可換股債券的負債部分乃計算作未來利息及本金付款的現值，並按於初始確認時適用於並無轉換選擇權的同類負債之市場利率貼現。所得款項高於初步確認為負債部分的任何數額部分乃確認為股本部分。關於發行複合金融工具的交易成本乃按所得款項分配比例配發至負債及股本部分。

負債部分其後按攤銷成本列賬。就負債部分於損益確認的利息開支乃以實際利息法計算。股本部分乃確認於資本儲備，直至可換股債券獲轉換或贖回為止。

倘可換股債券獲轉換，可換股債券儲備連同轉換時的負債部分賬面值乃轉讓至股本及股份溢價，作為所發行股份的代價。倘可換股債券獲贖回，可換股債券儲備會直接撥至保留溢利。

當於到期前透過提早贖回或購回清償可換股債券，而原兌換權不變，則所付代價及贖回或購回所產生的任何交易成本運用與可換股債券最初發行時相同的分配基準分配至負債部分及股本部分。一經分配代價及交易成本，有關負債部分的收益或虧損於損益賬內確認，而有關股本部分的代價金額乃於權益內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

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

Amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the *Amendments to References to the Conceptual Framework in HKFRS Standards* and the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, which are mandatorily effective for the annual period beginning on or after 1 April 2020 for the preparation of the consolidated financial statements:

| | |
|---|--------------------------------|
| HKAS 1 and HKAS 8 (Amendments) | Definition of Material |
| HKFRS 3 (Amendments) | Definition of a Business |
| HKFRS 9, HKAS 39 and HKFRS 7 (Amendments) | Interest Rate Benchmark Reform |

The application of the *Amendments to References to the Conceptual Framework in HKFRS Standards* and the amendments to HKFRSs in the current year 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. 應用經修訂香港財務報告準則（「香港財務報告準則」）

於本年度強制生效經修訂香港財務報告準則

於本年度，本集團已首次應用下列由香港會計師公會（「香港會計師公會」）頒佈且於二零二零年四月一日或之後開始年度期間強制生效之「香港財務報告準則中對概念框架之提述之修訂」及以下經修訂香港財務報告準則，以編製綜合財務報表：

| | |
|---|--------|
| 香港會計準則第1號及香港會計準則第8號（修訂本） | 重大之定義 |
| 香港財務報告準則第3號（修訂本） | 業務之定義 |
| 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（修訂本） | 利率基準改革 |

本年度應用「香港財務報告準則中對概念框架之提述之修訂」及經修訂香港財務報告準則並無對本集團於本年度及過往年度之財務狀況及表現及／或該等綜合財務報表所載之披露事項造成任何重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

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

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 and the related Amendments ¹ |
| HKFRS 3 (Amendments) | Reference to the Conceptual Framework ² |
| HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16 (Amendments) | Interest Rate Benchmark Reform – Phase 2 ⁴ |
| HKFRS 10 and HKAS 28 (Amendments) | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³ |
| HKAS 1 (Amendments) | Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) ¹ |
| HKAS 16 (Amendments) | Property, Plant and Equipment – Proceeds before Intended Use ² |
| HKAS 37 (Amendments) | Onerous Contracts – Cost of Fulfilling a Contract ² |
| HKFRSs (Amendments) | Annual Improvements to HKFRSs 2018-2020 ² |

¹ Effective for annual periods beginning on or after 1 January 2023.

² Effective for annual periods beginning on or after 1 January 2022.

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

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

The directors of the Company anticipate that the application of all new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

3. 應用經修訂香港財務報告準則 (「香港財務報告準則」) (續)

已頒佈但尚未生效之新訂香港財務報告準則及修訂

本集團並無提前採納下列已頒佈但尚未生效之新訂香港財務報告準則及修訂：

| | |
|---|---|
| 香港財務報告準則第17號 | 保險合約及相關修訂本 ¹ |
| 香港財務報告準則第3號 (修訂本) | 概念框架之提述 ² |
| 香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號 (修訂本) | 利率基準改革 – 第二階段 ⁴ |
| 香港財務報告準則第10號及香港會計準則第28號 (修訂本) | 投資者與其聯營公司或合資公司之間的資產出售或注入 ³ |
| 香港會計準則第1號 (修訂本) | 香港詮釋第5號 (2020)有關流動或非流動負債分類及相關修訂本 ¹ |
| 香港會計準則第16號 (修訂本) | 物業、廠房及設備 – 擬定用途前之所得款項 ² |
| 香港會計準則第37號 (修訂本) | 虧損性合約 – 履行合約之成本 ² |
| 香港財務報告準則 (修訂本) | 二零一八年至二零二零年香港財務報告準則之年度改進 ² |

¹ 於二零二三年一月一日或之後開始之年度期間生效。

² 於二零二二年一月一日或之後開始之年度期間生效。

³ 於待定期日或之後開始之年度期間生效。

⁴ 於二零二一年一月一日或之後開始之年度期間生效。

本公司董事預期，應用所有新訂及經修訂香港財務報告準則將不會對可見未來之綜合財務報表產生重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, the directors of the Company are required to make judgements, estimates and assumption about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered 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.

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.

- (i) *Impairment of property, plant and equipment and right-of-use assets*
- The recoverable amount of an asset is the greater of its fair value less costs to sell 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, which requires significant judgement relating to level of revenue and amount of operating costs. The Group uses all readily available information in determining an amount that is a reasonable approximation of the recoverable amount, including estimates based on reasonable and supportable assumptions and projections of revenue and operating costs. Changes in these estimates could have a significant impact on the carrying amount of the assets and could result in additional impairment charge or reversal of impairment in future periods.

4. 重大會計判斷及估計不確定性之主要來源

於應用本集團之會計政策時，本公司董事須對未能透過其他來源確定之資產及負債之賬面值作出判斷、估計及假設。有關估計及相關假設乃以過往經驗及其他被視為相關之因素作為基準。實際結果可能與該等估計不同。

有關估計及相關假設乃按持續基準進行檢討。倘會計估計修訂只影響修訂有關估計之期間，則有關修訂於該期間確認；或倘有關修訂影響當期及日後期間，則於修訂期間及日後期間確認。

估計不確定性之主要來源

以下為有關未來主要假設及報告期末之其他估計不確定性主要來源，可能對須大幅調整下一財政年度內資產及負債賬面值具有重大風險。

- (i) *物業、廠房及設備及使用權資產之減值*
- 資產之可收回金額乃公平值減出售成本與使用價值之較高者。評估使用價值時，估計未來現金流量按除稅前貼現率折算至其現值，該除稅前貼現率反映目前市場對金錢時間值及資產特定風險之評估，並須對收益水平及經營成本金額作出重大判斷。本集團於決定可收回金額之合理近似值時，使用一切可隨時查閱之資料，包括根據合理及具支持力之假設以及對收益及經營成本之預測所作估計。倘該等估計變動，可能對資產賬面值產生重大影響，並可能導致未來期間之額外減值支出或撥回減值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

- (ii) *Valuation of investment properties*
Investment properties are included in the consolidated statement of financial position at their fair value, which is assessed at the end of each reporting period by independent qualified valuers, after taking into consideration all readily available information and current market environment.
- (iii) *Net realisable value of stock of properties*
Valuations of stock of properties are stated at the lower of cost and net realisable value at the end of the reporting period. Net realisable value is determined on the basis of the estimated selling price less the estimated costs necessary to make the sale. The directors of the Company estimate the net realisable value for stock of properties based primarily on the latest invoice prices and current market conditions. In addition, the directors of the Company perform an inventory review on a product-by-product basis at the end of each reporting period and assess the need for written down of stock of properties.
- (iv) *Provision of ECL for trade and other receivables and loan receivables*
The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. The provision of ECL is sensitive to changes in estimates.

4. 重大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)

- (ii) *投資物業之估值*
投資物業按其公平值列入綜合財務狀況表內，有關公平值於各報告期末由獨立合資格估值師經考慮一切可隨時查閱之資料及目前市場環境後作出評估。
- (iii) *物業存貨之可變現淨值*
於報告期末，物業存貨估值按成本與可變現淨值兩者間之較低者列值。可變現淨值基於估計售價減出售存貨所需之估計成本釐定。本公司董事主要基於最新發票價格及現行市況估計物業存貨的可變現淨值。此外，本公司董事於各報告期末按逐項產品基準對存貨進行檢討，評估是否需要撇減物業存貨。
- (iv) *貿易及其他應收款項及應收貸款預期信貸虧損撥備*
金融資產的虧損準備乃基於有關違約風險及預期虧損率的假設。本集團在作出該等假設及選擇減值計算的輸入數據時，須根據本集團的過往歷史、現有市場狀況以及各報告期末的前瞻性估計作出判斷。預期信貸虧損撥備對估計變動尤為敏感。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

(v) Income tax and deferred taxation

The Group is subject to income taxes. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and certain tax losses are recognised as management considers it is probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. Where the expectation is different from the original estimate, such differences will impact the recognition of deferred tax assets and tax in the period in which such estimate is changed.

(vi) Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes.

In estimating the fair value of an asset or a liability, 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 valuation committee works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

The Group uses valuation techniques that include inputs that are not based on observable market data to estimate the fair value of certain types of financial instruments.

4. 重大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)

(v) 所得稅及遞延稅項

本集團須繳納所得稅。釐定所得稅撥備時，須作出重大判斷。於日常業務過程中，多項交易及計算均難以確定最終稅項。本集團按會否繳納額外稅項之估計，確認預期稅務之負債。倘該等事宜之最終稅務結果與最初記錄之金額不同，有關差額將影響釐定稅項期間之所得稅及遞延稅項撥備。

有關若干暫時差異及若干稅項虧損之遞延稅項資產，乃於管理層認為日後可能有可動用應課稅溢利抵銷暫時差異或稅項虧損之情況下予以確認。倘該項預期有別於原來估計，該等差額將影響更改有關估計期間所確認之遞延稅項資產及稅項。

(vi) 公平值計量及估值程序

就財務報告而言，若干本集團資產及負債按公平值計量。

於估計資產或負債之公平值時，本集團應用可獲取之市場可觀察數據。倘未能取得第一級輸入數據，本集團委聘第三方合資格估值師進行估值。估值委員會與合資格外聘估值師緊密合作，並為該模式建立適合的估值方法及輸入數據。

本集團使用的估值方法包含並非基於可觀察市場數據的輸入數據，以估計若干財務工具的公平值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

5. TURNOVER

Turnover represents revenue from (i) property rental income, (ii) property ancillary services, (iii) commission income from agricultural produce exchange market, (iv) property sales, and (v) food and agricultural by-products merchandising. The amount of each significant category of revenue recognised during the year/period, net of discount and sales related tax, is analysed as follows:

5. 營業額

營業額指(i)物業租金收入、(ii)物業配套服務、(iii)經營農產品交易市場之佣金收入、(iv)物業銷售及(v)食品及農副產品銷售所得之收益。本年度／期間確認之每個重大收益類別之金額(扣除折扣及銷售相關稅)分析如下：

| | | Year ended 31 March 2021 截至 二零二一年 三月三十一 止年度 HK\$'000 千港元 | Fifteen months from 1 January 2019 to 31 March 2020 自二零一九年 一月一日至 二零二零年 三月三十一 止十五個月 HK\$'000 千港元 |
|--|---------------------|---|---|
| Revenue from contracts with customers: <i>Recognised at a point in time</i> | 客戶合約收益： 於某個時間點確認 | | |
| Revenue from property ancillary services | 物業配套服務之收益 | 98,389 | 104,150 |
| Commission income from agricultural produce exchange market | 經營農產品交易市場之 佣金收入 | 83,276 | 97,383 |
| Revenue from property sales | 物業銷售之收益 | 233,183 | 622,703 |
| Food and agricultural by-products merchandising | 食品及農副產品銷售 | 41,960 | 30,286 |
| | | 456,808 | 854,522 |
| Revenue from other sources: | 其他來源之收益： | | |
| Property rental income | 物業租金收入 | 193,721 | 236,915 |
| | | 650,529 | 1,091,437 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

6. OTHER REVENUE AND OTHER NET INCOME

6. 其他收益及其他淨收入

| | | Year ended 31 March 2021 | Fifteen months from 1 January 2019 to 31 March 2020 |
|--------------------------------|------------|---|--|
| | | 截至 二零二一年 三月三十一 止年度 | 自二零一九年 一月一日至 二零二零年 三月三十一 止十五個月 |
| | | HK\$'000 千港元 | HK\$'000 千港元 |
| Bank and other interest income | 銀行及其他利息收入 | 7,980 | 10,102 |
| PRC government grants (Note) | 中國政府補貼(附註) | 23,433 | 4,919 |
| Others | 其他 | 9,745 | 4,566 |
| | | 41,158 | 19,587 |

Note: PRC government grants represent various form of subsidies granted to the Group by the local governmental authorities in the PRC for compensation of expenses incurred by the Group. These grants are generally made for business support and awarded to enterprises on a discretionary basis in respect of COVID-19 and its investments in the agricultural products exchange market in the PRC. There are no unfulfilled conditions or contingencies relating to these grants.

附註：中國政府補貼指中國地方政府部門向本集團發放之多種補貼，以補償本集團所產生之開支。該等補貼一般是為扶持業務發展而提供，並按酌情基準就新冠肺炎及在中國投資農產品交易市場發放給企業。並無有關該等補貼的未達成之條件或或然因素。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

7. PROFIT BEFORE TAXATION

Profit before taxation is arrived after charging/(crediting):

(a) Finance costs

| | | | |
|---|-----------------------|--------|---------|
| Interests on bank and other borrowings wholly repayable within five years | 須於五年內悉數償還之銀行及其他借貸之利息 | 84,470 | 49,994 |
| Interests on bank and other borrowings wholly repayable over five years | 須於五年後悉數償還之銀行及其他借貸之利息 | 3,768 | 6,431 |
| Interests on promissory notes | 承兌票據之利息 | 18,720 | 29,375 |
| Interests on convertible bonds | 可換股債券利息 | 26,261 | 36,944 |
| Interests on bonds | 債券利息 | 21,529 | 101,601 |
| Interests on lease liabilities | 租賃負債利息 | 2,339 | 2,749 |
| Less: Amounts classified as capitalised into stock of properties (Note) | 減：分類為已資本化作物業存貨之金額(附註) | - | (342) |

Note: No capitalisation of finance costs on borrowing for the year ended 31 March 2021 (weighted average capitalisation rate for fifteen months from 1 January 2019 to 31 March 2020: 7.39%).

7. 除稅前溢利

除稅前溢利經扣除/(計入)：

(a) 融資成本

| Year ended 31 March 2021 截至二零二一年三月三十一日止年度 HK\$'000 千港元 | Fifteen months from 1 January 2019 to 31 March 2020 自二零一九年一月一日至二零二零年三月三十一日止十五個月 HK\$'000 千港元 |
|---|---|
| 84,470 | 49,994 |
| 3,768 | 6,431 |
| 18,720 | 29,375 |
| 26,261 | 36,944 |
| 21,529 | 101,601 |
| 2,339 | 2,749 |
| - | (342) |
| 157,087 | 226,752 |

附註：截至二零二一年三月三十一日止年度之借貸融資成本並無資本化(自二零一九年一月一日至二零二零年三月三十一日止十五個月之加權平均資本化率：7.39%)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

7. PROFIT BEFORE TAXATION (Continued)

(b) Staff costs (including directors' emoluments)

| | | |
|--|-------------|--|
| Contributions to defined contribution retirement plans | 向界定供款退休計劃供款 | |
| Salaries, wages and other benefits | 薪金、工資及其他福利 | |

7. 除稅前溢利 (續)

(b) 員工成本(包括董事酬金)

| | Year ended 31 March 2021 截至 二零二一年 三月三十一 止年度 HK\$'000 千港元 | Fifteen months from 1 January 2019 to 31 March 2020 自二零一九年 一月一日至 二零二零年 三月三十一 止十五個月 HK\$'000 千港元 |
|--|--|--|
| | 1,775 | 4,591 |
| | 56,819 | 77,735 |
| | 58,594 | 82,326 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

7. PROFIT BEFORE TAXATION (Continued)

(c) Other items

7. 除稅前溢利(續)

(c) 其他項目

| | | Year ended 31 March 2021 截至 二零二一年 三月三十一 止年度 HK\$'000 千港元 | Fifteen months from 1 January 2019 to 31 March 2020 自二零一九年 一月一日至 二零二零年 三月三十一 止十五個月 HK\$'000 千港元 |
|---|------------------------------|---|---|
| Property rental income | 物業租金收入 | 193,721 | 236,915 |
| Less: Outgoings | 減：支出 | (17,591) | (20,731) |
| Net rental income | 租金收入淨額 | 176,130 | 216,184 |
| Depreciation of property, plant and equipment | 物業、廠房及設備折舊 | 12,501 | 16,232 |
| Amortisation of intangible assets | 無形資產攤銷 | - | 6,061 |
| Depreciation of right-of-use assets | 使用權資產折舊 | 4,127 | 3,729 |
| Loss on disposal on property, plant and equipment | 出售物業、廠房及設備之虧損 | 238 | 575 |
| Auditors' remuneration | 核數師酬金 | | |
| – audit services | – 審核服務 | 1,980 | 2,600 |
| – other services | – 其他服務 | 280 | 660 |
| Expenses relating to short-term lease | 短期租賃相關支出 | 146 | 1,080 |
| Loss on early redemption of convertible bonds | 提早贖回可換股債券之虧損 | 5,067 | - |
| Loss on early redemption of bonds | 提早贖回債券之虧損 | - | 560 |
| Loss on fair value change of derivative financial instruments | 衍生金融工具之公平值變動虧損 | 263 | 1,787 |
| Unrealised loss/(gain) on financial assets at fair value through profit or loss | 按公平值列賬及在損益表處理之金融資產未變現虧損/(收益) | | |
| – investment in equity security listed | – 上市股本證券投資 | 6 | (6) |
| Total unrealised loss on financial assets at fair value through profit or loss | 按公平值列賬及在損益表處理之金融資產未變現虧損總額 | 269 | 1,781 |
| Allowance for expected credit losses on trade and other receivables and loan receivables, net | 貿易及其他應收款項以及應收貸款之預期信貸虧損撥備淨額 | 42,969 | 6,617 |
| Cost of stock of properties | 物業存貨成本 | 156,215 | 425,259 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

8. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

- (i) Taxation in the consolidated statement of profit or loss and other comprehensive income represents:

| | | Year ended 31 March 2021 截至 二零二一年 三月三十一 止年度 HK\$'000 千港元 | Fifteen months from 1 January 2019 to 31 March 2020 自二零一九年 一月一日至 二零二零年 三月三十一 止十五個月 HK\$'000 千港元 |
|---|--------------------------|---|---|
| Current tax | 即期稅項 | | |
| PRC enterprise income tax | 中國企業所得稅 | 103,346 | 56,373 |
| Deferred tax | 遞延稅項 | | |
| Origination and reversal of temporary difference (note 31(b)) | 暫時差異之產生及撥回 (附註 31(b)) | 39,947 | 82,102 |
| | | 143,293 | 138,475 |

No provision for Hong Kong Profits Tax has been made as the Group had no estimated assessable profits arising in Hong Kong for the year/period ended 31 March 2021 and 31 March 2020. PRC Enterprise Income Tax is computed according to the relevant legislation interpretations and practices in respect thereof during the year/period. PRC Enterprise Income Tax rate is 25% for the year/period ended 31 March 2021 and 31 March 2020.

8. 綜合損益及其他全面收益表之所得稅

- (i) 綜合損益及其他全面收益表內稅項指：

由於本集團於截至二零二一年三月三十一日及二零二零年三月三十一日止年度／期間均無於香港產生估計應課稅溢利，因此並無就香港利得稅作出撥備。年／期內之中國企業所得稅乃根據相關法例詮釋及慣例計算。截至二零二一年三月三十一日及二零二零年三月三十一日止年度／期間，中國企業所得稅之稅率為25%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

8. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Continued)

(ii) Reconciliation between tax expenses and accounting profit at applicable tax rates:

8. 綜合損益及其他全面收益表之所得稅 (續)

(ii) 按適用稅率計算之稅項開支及會計溢利之對賬：

| | | Year ended 31 March 2021 截至二零二一年 三月三十一日 止年度 | | Fifteen months from 1 January 2019 to 31 March 2020 自二零一九年一月一日至 二零二零年三月三十一日 止十五個月 | |
|---|-------------------------------|---|--------|--|-------|
| | | HK\$'000 千港元 | % | HK\$'000 千港元 | % |
| Profit before taxation | 除稅前溢利 | 644,463 | | 171,800 | |
| Notional tax on profit before taxation calculation at the rates applicable to losses in the jurisdictions concerned | 根據適用於有關司法權區虧損之稅率計算之除稅前溢利之名義稅項 | 161,115 | 25.0 | 42,951 | 25.0 |
| Effect of different tax rates in other tax jurisdiction | 其他稅務司法權區不同稅率的影響 | (40,838) | (6.3) | 18,810 | 10.9 |
| Tax effect of non-deductible expenses and temporary difference | 不可扣稅開支及暫時差異的稅務影響 | 109,481 | 16.9 | 76,565 | 44.6 |
| Tax effect of non-taxable income | 毋需課稅收入的稅務影響 | (120,858) | (18.8) | (7,692) | (4.5) |
| Utilisation of tax losses previously not recognised | 動用之前未確認之稅務虧損 | (2,802) | (0.4) | (7,761) | (4.5) |
| Tax effect of tax loss not recognised | 未確認之稅務虧損之稅務影響 | 17,195 | 2.7 | 15,602 | 9.1 |
| Withholding tax on distributable profits of PRC subsidiaries | 中國附屬公司可分配溢利之預扣稅 | 20,000 | 3.1 | - | - |
| Income tax expense for the year/period | 本年度/期間所得稅開支 | 143,293 | 22.2 | 138,475 | 80.6 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

9. DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to Section 383 of the Hong Kong Companies (Disclosure of Information about Benefits of Directors) Regulation (Cap. 622G) during the reporting period are as follows:

For the year ended 31 March 2021

| | | Salaries, allowances and benefits in kind | | | Retirement scheme contributions | Total |
|---|-------------------------|---|------------|-----------|---------------------------------|-------|
| | | fees | in kind | | | |
| 董事袍金 | 薪金、津貼及實物利益 | 董事袍金 | 實物利益 | 退休計劃供款 | 總額 | |
| 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 | |
| Executive directors: | 執行董事： | | | | | |
| Leung Sui Wah, Raymond (Chief Executive Officer) (note 9(a)) | 梁瑞華 (行政總裁) (附註 9(a)) | 1,921 | 597 | 18 | 2,536 | |
| Chan Chun Hong, Thomas (note 9(b)) | 陳振康 (附註 9(b)) | 1,153 | - | 17 | 1,170 | |
| Yau Yuk Shing | 游育城 | 300 | - | 15 | 315 | |
| Non-executive director: | 非執行董事： | | | | | |
| Tang Ching Ho (Chairman) (note 9(c)) | 鄧清河 (主席) (附註 9(c)) | 35 | - | - | 35 | |
| Independent non-executive directors: | 獨立非執行董事： | | | | | |
| Ng Yat Cheung | 吳日章 | 164 | - | - | 164 | |
| Lau King Lung | 劉經隆 | 164 | - | - | 164 | |
| Wong Ping Yuen | 王炳源 | 164 | - | - | 164 | |
| | | 3,901 | 597 | 50 | 4,548 | |

9. 董事酬金

按照《香港公司(披露董事利益資料)規例》(第622G章)第383條披露的報告期間董事酬金如下：

截至二零二一年三月三十一日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

9. DIRECTORS' EMOLUMENTS (Continued)

For the fifteen months from 1 January 2019 to 31 March 2020

9. 董事酬金 (續)

自二零一九年一月一日至二零二零年三月三十一日止十五個月

| | Directors' fees | Salaries, allowances and benefits in kind | Retirement scheme contributions | Total | |
|--|----------------------|---|---------------------------------|----------|-------|
| | | 薪金、津貼及實物利益 | 退休計劃供款 | | |
| | 董事袍金 | 董事袍金 | 董事袍金 | 總額 | |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | |
| | 千港元 | 千港元 | 千港元 | 千港元 | |
| Executive directors: | | | | | |
| Chan Chun Hong, Thomas (Chairman and Chief Executive Officer) | 陳振康 (主席及行政總裁) | 1,435 | 189 | 23 | 1,647 |
| Leung Sui Wah, Raymond | 梁瑞華 | 2,331 | 3,363 | 23 | 5,717 |
| Yau Yuk Shing | 游育城 | 375 | – | 19 | 394 |
| Independent non-executive directors: | 獨立非執行董事： | | | | |
| Ng Yat Cheung | 吳日章 | 210 | – | – | 210 |
| Lau King Lung | 劉經隆 | 210 | – | – | 210 |
| Wong Ping Yuen | 王炳源 | 210 | – | – | 210 |
| | | 4,771 | 3,552 | 65 | 8,388 |

During the year/period ended 31 March 2021 and 31 March 2020, no emoluments were paid by the Group to the directors of the Company as an inducement to join or upon joining the Group or as compensation for loss of office. No directors of the Company waived or agreed to waive any emoluments during the year/period ended 31 March 2021 and 31 March 2020.

於截至二零二一年三月三十一日及二零二零年三月三十一日止年度／期間，本集團概無向本公司董事支付任何酬金，作為招攬加盟或加盟本集團時之獎勵或作為離職補償。於截至二零二一年三月三十一日及二零二零年三月三十一日止年度／期間，概無任何本公司董事放棄或同意放棄任何薪酬。

Notes:

附註：

- (a) Director was redesignated from the Chief Financial Officer to the Chief Executive Officer of the Company and was appointed as the Chairman of the Executive Committee of the Company on 8 February 2021.
- (b) Director was resigned as an executive director on 8 February 2021 and has ceased to be the Chairman of the Board and Chief Executive Officer.
- (c) Director was appointed as a non-executive director and the Chairman of the Board on 8 February 2021.

- (a) 該董事由首席財務官調任為本公司行政總裁，並於二零二一年二月八日獲委任為本公司執行委員會主席。
- (b) 該董事於二零二一年二月八日辭任執行董事，並不再擔任董事會主席及行政總裁。
- (c) 該董事於二零二一年二月八日獲委任為執行董事及董事會主席。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

10. INDIVIDUALS WITH HIGHEST EMOLUMENTS

- (a) Of the five individuals with the highest emoluments, two (fifteen months from 1 January 2019 to 31 March 2020: one) are directors whose emoluments are disclosed in note 9. The aggregate of the emoluments in respect of the remaining three (fifteen months from 1 January 2019 to 31 March 2020: four) individuals who are neither a director or chief executive of the Company are as follows:

10. 最高薪酬人士

- (a) 五名最高薪酬人士其中兩名(自二零一九年一月一日至二零二零年三月三十一日止十五個月：一名)為董事，彼等之酬金詳情在附註9披露。其餘三名(自二零一九年一月一日至二零二零年三月三十一日止十五個月：四名)人士(其並非本公司董事或主要行政人員)之酬金總額如下：

| | | Year ended 31 March 2021 截至 二零二一年 三月三十一 止年度 HK\$'000 千港元 | Fifteen months from 1 January 2019 to 31 March 2020 自二零一九年 一月一日至 二零二零年 三月三十一日 止十五個月 HK\$'000 千港元 |
|------------------------------------|------------|---|--|
| Salaries, wages and other benefits | 薪金、工資及其他福利 | 4,017 | 12,332 |
| Retirement schemes contributions | 退休計劃供款 | 54 | 90 |
| | | 4,071 | 12,422 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

10. INDIVIDUALS WITH HIGHEST EMOLUMENTS 10. 最高薪酬人士 (續)

(Continued)

- (b) The emoluments of three (fifteen months from 1 January 2019 to 31 March 2020: four) individuals with the highest emoluments are within the following bands:

| | | Year ended 31 March 2021 | Fifteen months from 1 January 2019 to 31 March 2020 |
|--------------------------------|----------------------------|---------------------------------|---|
| | | 截至二零二一年三月三十一日止年度 | 自二零一九年一月一日至二零二零年三月三十一日止十五個月 |
| Nil to HK\$1,000,000 | 零至 1,000,000 港元 | - | - |
| HK\$1,000,001 to HK\$1,500,000 | 1,000,001 港元至 1,500,000 港元 | 2 | - |
| HK\$1,500,001 to HK\$2,000,000 | 1,500,001 港元至 2,000,000 港元 | 1 | - |
| Over HK\$2,000,000 | 超過 2,000,000 港元 | - | 4 |
| | | 3 | 4 |

- (b) 三名(自二零一九年一月一日至二零二零年三月三十一日止十五個月：四名)最高薪酬人士之酬金介乎以下範圍：

- (c) The emoluments paid or payable to member of senior management (excluding the directors as disclosed in note 9) are within the following bands:

| | | Year ended 31 March 2021 | Fifteen months from 1 January 2019 to 31 March 2020 |
|--------------------------------|----------------------------|---------------------------------|---|
| | | 截至二零二一年三月三十一日止年度 | 自二零一九年一月一日至二零二零年三月三十一日止十五個月 |
| Nil to HK\$1,000,000 | 零至 1,000,000 港元 | 1 | - |
| HK\$1,000,001 to HK\$1,500,000 | 1,000,001 港元至 1,500,000 港元 | 3 | 1 |
| HK\$1,500,001 to HK\$2,000,000 | 1,500,001 港元至 2,000,000 港元 | 1 | 1 |
| Over HK\$2,000,000 | 超過 2,000,000 港元 | - | 3 |
| | | 5 | 5 |

- (c) 已付或應付予高級管理層成員(不包括附註9所披露之董事)之薪酬介乎以下範圍：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

10. INDIVIDUALS WITH HIGHEST EMOLUMENTS

(Continued)

(c) (Continued)

The remuneration shown above represents remuneration received and receivable from the Group by these directors in their capacity as employees to the Group and/or in their capacity as the directors of the Company during the year/period ended 31 March 2021 and 31 March 2020.

During the year/period ended 31 March 2021 and 31 March 2020, no emoluments were paid by the Group to any of the highest paid individual and senior management as an inducement to join or upon joining the Group or as compensation for loss of office.

11. EMPLOYEE RETIREMENTS BENEFITS

The Group participates in defined contribution retirement schemes (the “Schemes”) organised by the relevant local government authorities whereby the Group is required to make contributions to the Schemes at certain percentage of the eligible employees’ salaries, pursuant to the relevant labour rules and regulations in the PRC. The local government authorities are responsible for the entire pension obligations payable to retired employees.

The Group also operates a Mandatory Provident Fund Scheme (the “MPF Scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF Scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF Scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees’ relevant income, subject to a cap of monthly relevant income of HK\$30,000. Contributions to the plan vest immediately.

The Group has no other obligation for the payment of postretirement benefits beyond the contributions described above.

12. DIVIDEND

The directors do not recommend the payment of any dividend in respect of the year/period ended 31 March 2021 and 31 March 2020 respectively.

10. 最高薪酬人士 (續)

(c) (續)

上文所示薪酬指截至二零二一年三月三十一日及二零二零年三月三十一日止年度／期間該等董事以本集團僱員身份及／或以本公司董事身份已收及應收本集團的薪酬。

截至二零二一年三月三十一日及二零二零年三月三十一日止年度／期間，本集團並無向任何最高薪人士或高級管理層支付酬金，以吸引其加入本集團或作為加入本集團後的獎勵或離職補償。

11. 僱員退休福利

本集團參與由相關地方政府機關管理之界定供款退休計劃(「該等計劃」)。據此，本集團須根據中國相關勞動規則及法規向該等計劃作出供款，供款額為合資格僱員薪金之若干百分比。地方政府機關須負責支付退休僱員之全數退休金。

本集團根據香港強制性公積金計劃條例，為受香港僱傭條例管轄之受僱員工提供強制性公積金計劃(「強積金計劃」)。強積金計劃乃由獨立受託人管理之界定供款退休計劃。根據強積金計劃之規定，僱主及僱員各自均須向計劃作出供款，供款額為僱員相關收入之5%，而每月相關收入上限30,000港元。向計劃作出供款後即予歸屬。

除上文所述之供款外，本集團並無其他支付僱員退休後福利之責任。

12. 股息

董事不建議派付分別截至二零二一年三月三十一日及二零二零年三月三十一日止年度／期間之任何股息。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

13. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to owners of the Company of approximately HK\$489,602,000 (fifteen months from 1 January 2019 to 31 March 2020: approximately HK\$5,880,000) and the weighted average number of 9,953,067,822 ordinary shares (fifteen months from 1 January 2019 to 31 March 2020: 9,953,067,822 ordinary shares) in issue during the year.

(b) Diluted earnings per share

13. 每股盈利

(a) 每股基本盈利

每股基本盈利乃根據本公司擁有人應佔溢利約489,602,000港元(自二零一九年一月一日至二零二零年三月三十一日止十五個月約5,880,000港元)及年內加權平均已發行普通股數目9,953,067,822股(自二零一九年一月一日至二零二零年三月三十一日止十五個月: 9,953,067,822股普通股)計算。

(b) 每股攤薄盈利

| | | Year ended 31 March 2021 | Fifteen months from 1 January 2019 to 31 March 2020 |
|---|----------------|--|--|
| | | 截至 二零二一年 三月三十一 止年度 HK\$'000 千港元 | 自二零一九年 一月一日至 二零二零年 三月三十一 止十五個月 HK\$'000 千港元 |
| Earnings | 盈利 | | |
| Earnings for the purpose of basic earnings per share | 用作計算每股基本盈利之盈利 | 489,602 | 5,880 |
| Interest on convertible bonds, net of income tax | 可換股債券利息(扣除所得稅) | 21,458 | 32,912 |
| Loss on fair value change of derivative financial instruments | 衍生金融工具之公平值變動虧損 | 263 | 1,787 |
| Loss on early redemption of convertible bonds | 提早贖回可換股債券之虧損 | 5,067 | - |
| Earnings for the purpose of diluted earnings per share | 用作計算每股攤薄盈利之盈利 | 516,390 | 40,579 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

13. EARNINGS PER SHARE (Continued)

(b) Diluted earnings per share (Continued)

| | | Number of shares 股份數目 | |
|---|----------------------------|--------------------------|----------------|
| Shares | | 2021 二零二一年 | 2020 二零二零年 |
| Weighted average number of ordinary shares for the purpose of basic earnings per share | 股份 用作計算每股基本盈利之加權平均普通股數目 | 9,953,067,822 | 9,953,067,822 |
| Effect of dilutive potential ordinary shares: | 潛在普通股之攤薄影響： | | |
| Convertible bonds | 可換股債券 | 562,273,973 | 662,000,000 |
| Weighted average number of ordinary shares, for the purpose of diluted earnings per share | 用作計算每股攤薄盈利之加權平均普通股數目 | 10,515,341,795 | 10,615,067,822 |

Diluted earnings per share for the period ended 31 March 2020 was the same as basic earnings per share because the outstanding convertible bonds had an anti-dilutive effect on the basic earnings per share.

由於未償還之可換股債券對每股基本盈利具有反攤薄影響，故截至二零二零年三月三十一日止期間之每股攤薄盈利與每股基本盈利相同。

14. SEGMENT REPORTING

The Group has two reportable segments under HKFRS 8, (i) agricultural produce exchange market operation and (ii) property sales. The segmentations are based on the information about the operation of the Group that management uses to make decisions and regularly review by the chief operating decision maker for the purpose of allocating resources to segments and assessing their performance.

13. 每股盈利 (續)

(b) 每股攤薄盈利 (續)

| | | Number of shares 股份數目 | |
|---|----------------------------|--------------------------|----------------|
| Shares | | 2021 二零二一年 | 2020 二零二零年 |
| Weighted average number of ordinary shares for the purpose of basic earnings per share | 股份 用作計算每股基本盈利之加權平均普通股數目 | 9,953,067,822 | 9,953,067,822 |
| Effect of dilutive potential ordinary shares: | 潛在普通股之攤薄影響： | | |
| Convertible bonds | 可換股債券 | 562,273,973 | 662,000,000 |
| Weighted average number of ordinary shares, for the purpose of diluted earnings per share | 用作計算每股攤薄盈利之加權平均普通股數目 | 10,515,341,795 | 10,615,067,822 |

由於未償還之可換股債券對每股基本盈利具有反攤薄影響，故截至二零二零年三月三十一日止期間之每股攤薄盈利與每股基本盈利相同。

14. 分部報告

根據香港財務報告準則第8號，本集團擁有兩項呈報分部：(i) 經營農產品交易市場及(ii) 物業銷售。上述分部乃基於管理層用於作出決策，以及由主要營運決策者定期檢討，以就將予分配至分部的資源作出決定並評估其表現之本集團經營資料。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

14. SEGMENT REPORTING (Continued)

Segment revenue and results

The following is an analysis of the Group's revenues and results by reportable segments for the current year and prior period:

14. 分部報告 (續)

分部收益及業績 (續)

本集團於本年度及過往期間按呈報分部劃分之收益及業績分析如下：

| | | Agricultural produce exchange market operation 經營農產品交易市場 | | Property sales 物業銷售 | | Unallocated 未分配 | | Consolidated 綜合 | |
|---|-------------------------------|--|--|--|--|--|--|--|--|
| | | Year ended 31 March 2021 截至 二零二一年 三月三十一日 止年度 HK\$'000 千港元 | Fifteen months from 1 January 2019 to 31 March 2020 自二零一九年 一月一日至 二零二零年 三月三十一日 止十五個月 HK\$'000 千港元 | Year ended 31 March 2021 截至 二零二一年 三月三十一日 止年度 HK\$'000 千港元 | Fifteen months from 1 January 2019 to 31 March 2020 自二零一九年 一月一日至 二零二零年 三月三十一日 止十五個月 HK\$'000 千港元 | Year ended 31 March 2021 截至 二零二一年 三月三十一日 止年度 HK\$'000 千港元 | Fifteen months from 1 January 2019 to 31 March 2020 自二零一九年 一月一日至 二零二零年 三月三十一日 止十五個月 HK\$'000 千港元 | Year ended 31 March 2021 截至 二零二一年 三月三十一日 止年度 HK\$'000 千港元 | Fifteen months from 1 January 2019 to 31 March 2020 自二零一九年 一月一日至 二零二零年 三月三十一日 止十五個月 HK\$'000 千港元 |
| Turnover | 營業額 | | | | | | | | |
| External sales | 外部銷售 | 417,346 | 468,734 | 233,183 | 622,703 | - | - | 650,529 | 1,091,437 |
| Results | 業績 | | | | | | | | |
| Segment result | 分部業績 | 167,975 | 251,385 | 62,284 | 86,240 | - | - | 230,259 | 337,625 |
| Other revenue and other net income | 其他收益及其他淨收入 | 36,768 | 10,346 | - | - | 4,390 | 9,241 | 41,158 | 19,587 |
| Gain on litigation judgment | 訴訟判決收益 | - | - | - | - | 660,833 | - | 660,833 | - |
| Net(loss)/gain in fair value of investment properties | 投資物業公平值淨(虧損)/收益 | (14,202) | 148,801 | - | - | - | - | (14,202) | 148,801 |
| Loss on fair value change of derivative financial instruments | 衍生金融工具之公平值變動虧損 | - | - | - | - | (263) | (1,787) | (263) | (1,787) |
| Written down of stock of properties | 物業存貨撇減 | - | - | (1,747) | (2,969) | - | - | (1,747) | (2,969) |
| Allowance for expected credit losses on trade and other receivables and loan receivables, net | 貿易及其他應收款項以及應收貸款之預期信貸虧損撥備淨額 | (722) | (5,634) | - | - | (42,247) | (983) | (42,969) | (6,617) |
| Loss on early redemption of convertible bonds | 提早贖回可換股債券之虧損 | - | - | - | - | (5,067) | - | (5,067) | - |
| Unrealised (loss)/gain on financial asset at fair value through profit or loss | 按公平值列賬及在損益表處理之金融資產之未變現(虧損)/收益 | - | - | - | - | (6) | 6 | (6) | 6 |
| Unallocated corporate expenses | 未分配企業開支 | - | - | - | - | - | - | (66,446) | (96,094) |
| Profit from operation | 經營溢利 | | | | | | | 801,550 | 398,552 |
| Finance costs | 融資成本 | (28,968) | (36,501) | - | - | (128,119) | (190,251) | (157,087) | (226,752) |
| Profit before taxation | 除稅前溢利 | | | | | | | 644,463 | 171,800 |
| Income tax | 所得稅 | | | | | | | (143,293) | (138,475) |
| Profit for the year/period | 年內/期內溢利 | | | | | | | 501,170 | 33,325 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

14. SEGMENT REPORTING (Continued)

Segment revenue and results (Continued)

The accounting policies of the reportable segments are the same as the Group's accounting policies describe in note 2. Business segment represents the profit from each segment without allocation of certain other revenue and other net income, change in fair value of derivative financial instruments, change in fair value of financial assets at fair value through profit or loss, loss on early redemption of bonds, gain on litigation judgment, central administrative costs and directors' salaries, certain finance costs and income tax expenses. This is the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

Revenue reported above represents revenue generated from external customers. There were no inter-segment sales during the year/period ended 31 March 2021 and 31 March 2020.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable segment:

14. 分部報告 (續)

分部收益及業績 (續)

呈報分部之會計政策與附註2所述之本集團會計政策相同。業務分部指未分配若干其他收益及其他淨收入、衍生金融工具之公平值變動、按公平值列賬及在損益表處理之金融資產之公平值變動、提早贖回債券之虧損、訴訟判決收益、中央行政成本、董事薪酬、若干融資成本及所得稅開支前各個分部之溢利。此乃就資源分配及分部表現評估而向主要營運決策人匯報之方式。

上表呈報收益顯示外界客戶產生之收益。截至二零二一年三月三十一日及二零二零年三月三十一日止年度/期間並無分部間銷售。

分部資產及負債

本集團按呈報分部劃分之資產及負債呈列如下：

| | Agricultural produce exchange market operation 經營農產品交易市場 | | Property sales 物業銷售 | | Consolidated 綜合 | |
|-----------------------------------|---|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| Assets | 資產 | | | | | |
| Segment assets | 3,731,650 | 3,334,415 | 1,692,714 | 1,611,442 | 5,424,364 | 4,945,857 |
| Unallocated corporate assets | | | | | 159,879 | 192,816 |
| Consolidated total assets | | | | | 5,584,243 | 5,138,673 |
| Liabilities | 負債 | | | | | |
| Segment liabilities | 1,970,543 | 1,448,318 | 408,568 | 475,800 | 2,379,111 | 1,924,118 |
| Unallocated corporate liabilities | | | | | 999,279 | 1,729,190 |
| Consolidated total liabilities | | | | | 3,378,390 | 3,653,308 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

14. SEGMENT REPORTING (Continued)

Segment assets and liabilities (Continued)

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments other than financial assets at fair value through profit or loss and corporate assets.
- all liabilities are allocated to reportable segments other than bonds, promissory notes, convertible bonds and corporate liabilities.

Other segment information

The following is an analysis of the Group's other segment information:

14. 分部報告 (續)

分部資產及負債 (續)

就監察分部之分部表現及分配資源而言：

- 除按公平值列賬及在損益表處理之金融資產及企業資產之外，所有資產均分配予呈報分部。
- 除債券、承兌票據、可換股債券及企業負債之外，所有負債均分配予呈報分部。

其他分部資料

本集團其他分部資料分析如下：

| | Agricultural produce exchange market operation 經營農產品交易市場 | | Property sales 物業銷售 | | Unallocated 未分配 | | Consolidated 綜合 | | |
|---|--|--|--|--|--|--|--|--|-----------|
| | Year ended 31 March 2021 截至 二零二一年 三月三十一日 止年度 HK\$'000 千港元 | Fifteen months from 1 January 2019 to 31 March 2020 自二零一九年 一月一日至 二零二零年 三月三十一日 止十五個月 HK\$'000 千港元 | Year ended 31 March 2021 截至 二零二一年 三月三十一日 止年度 HK\$'000 千港元 | Fifteen months from 1 January 2019 to 31 March 2020 自二零一九年 一月一日至 二零二零年 三月三十一日 止十五個月 HK\$'000 千港元 | Year ended 31 March 2021 截至 二零二一年 三月三十一日 止年度 HK\$'000 千港元 | Fifteen months from 1 January 2019 to 31 March 2020 自二零一九年 一月一日至 二零二零年 三月三十一日 止十五個月 HK\$'000 千港元 | Year ended 31 March 2021 截至 二零二一年 三月三十一日 止年度 HK\$'000 千港元 | Fifteen months from 1 January 2019 to 31 March 2020 自二零一九年 一月一日至 二零二零年 三月三十一日 止十五個月 HK\$'000 千港元 | |
| Capital expenditure (Note) | 資本開支 (附註) | 22,785 | 27,564 | - | - | 6,690 | 2,531 | 29,475 | 30,095 |
| Net loss/(gain) in fair value of investment properties | 投資物業公平值之淨虧損/(收益) | 14,202 | (148,801) | - | - | - | - | 14,202 | (148,801) |
| Loss on fair value change of derivative financial instruments | 衍生金融工具之公平值變動虧損 | - | - | - | - | 263 | 1,787 | 263 | 1,787 |
| Unrealised loss/(gain) on financial assets at fair value through profit or loss | 按公平值列賬及在損益表處理之金融資產未變現虧損/(收益) | - | - | - | - | 6 | (6) | 6 | (6) |
| - instrument in equity securities listed | - 上市股本證券工具 | - | - | - | - | 6 | (6) | 6 | (6) |
| Depreciation of property, plant and equipment | 物業、廠房及設備折舊 | 10,434 | 13,720 | - | - | 2,067 | 2,512 | 12,501 | 16,232 |
| Amortisation of intangible assets | 無形資產攤銷 | - | 6,061 | - | - | - | - | - | 6,061 |
| Depreciation of right-of-use assets | 使用權資產折舊 | 4,127 | 3,729 | - | - | - | - | 4,127 | 3,729 |
| Written down of stock of properties | 物業存貨減值 | - | - | 1,747 | 2,969 | - | - | 1,747 | 2,969 |
| Allowance for expected credit losses on trade and other receivables and loan receivables, net | 貿易及其他應收款項及應收貸款之預期信貸虧損撥備淨額 | 722 | 5,634 | - | - | 42,247 | 983 | 42,969 | 6,617 |
| Loss on early redemption of convertible bonds | 提早贖回可換股債券之虧損 | - | - | - | - | 5,067 | - | 5,067 | - |
| Loss on early redemption of bonds | 提早贖回債券之虧損 | - | - | - | - | - | 560 | - | 560 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

14. SEGMENT REPORTING (Continued)

Other segment information (Continued)

Note: Capital expenditure consists of additions to property, plant and equipment and investment properties.

For the year/period ended 31 March 2021 and 31 March 2020, no other single customers contributed 10% or more to the Group's revenue.

Geographical information

As at the end of the reporting period, the entire revenue of the Group were generated from external customers located in the PRC and over 90% of non-current assets of the Group were located in the PRC. Accordingly, no geographical segment analysis on the carrying amount of segment assets or additions to property, plant and equipment is presented.

14. 分部報告 (續)

其他分部資料 (續)

附註：資本開支包括物業、廠房及設備以及投資物業之添置。

其他分部資料截至二零二一年三月三十一日及二零二零年三月三十一日止年度／期間，並無其他單一客戶貢獻本集團10%或以上之收益。

地區資料

於報告期末，本集團全部收益乃產生自位於中國之外部客戶，及本集團逾90%非流動資產位於中國。因此，並無呈列就分部資產賬面值或物業、廠房及設備添置進行地區分部分析。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

| | | Buildings | Furniture, equipment and motor vehicles | Leasehold improvements | Total |
|-----------------------------------|--------------------------------|--------------|--|---------------------------|----------------|
| | | 樓宇 | 傢俱、 設備及汽車 | 租賃 物業裝修 | 總額 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 |
| Cost: | 成本： | | | | |
| At 1 January 2019 | 於二零一九年一月一日 | 7,567 | 104,974 | 7,852 | 120,393 |
| Exchange adjustments | 匯兌調整 | (313) | (4,535) | (332) | (5,180) |
| Additions | 添置 | 115 | 11,514 | 325 | 11,954 |
| Disposals | 出售 | (26) | (3,740) | - | (3,766) |
| At 31 March 2020 and 1 April 2020 | 於二零二零年 三月三十一日 及二零二零年四月一日 | 7,343 | 108,213 | 7,845 | 123,401 |
| Exchange adjustments | 匯兌調整 | 611 | 9,263 | 876 | 10,750 |
| Additions | 添置 | - | 13,151 | 6,797 | 19,948 |
| Disposals | 出售 | - | (3,952) | - | (3,952) |
| At 31 March 2021 | 於二零二一年 三月三十一日 | 7,954 | 126,675 | 15,518 | 150,147 |
| Accumulated depreciation: | 累計折舊： | | | | |
| At 1 January 2019 | 於二零一九年一月一日 | 1,231 | 61,836 | 4,558 | 67,625 |
| Exchange adjustments | 匯兌調整 | (62) | (2,897) | (225) | (3,184) |
| Charge for the period | 本期間扣除 | 366 | 14,707 | 1,159 | 16,232 |
| Disposals | 出售 | (20) | (3,011) | - | (3,031) |
| At 31 March 2020 and 1 April 2020 | 於二零二零年 三月三十一日 及二零二零年四月一日 | 1,515 | 70,635 | 5,492 | 77,642 |
| Exchange adjustments | 匯兌調整 | 136 | 6,088 | 490 | 6,714 |
| Charge for the year | 本年度扣除 | 298 | 11,204 | 999 | 12,501 |
| Disposals | 出售 | - | (3,510) | - | (3,510) |
| At 31 March 2021 | 於二零二一年 三月三十一日 | 1,949 | 84,417 | 6,981 | 93,347 |
| Carrying amount: | 賬面值： | | | | |
| At 31 March 2021 | 於二零二一年 三月三十一日 | 6,005 | 42,258 | 8,537 | 56,800 |
| At 31 March 2020 | 於二零二零年 三月三十一日 | 5,828 | 37,578 | 2,353 | 45,759 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

16. RIGHT-OF-USE ASSETS/LEASE LIABILITIES

(a) Right-of-use assets

| | | Rental premise 租賃物業 HK\$'000 千港元 |
|---|-------------------------------|---|
| Costs | 成本 | |
| As at 1 January 2019 – adoption of HKFRS 16 | 於二零一九年一月一日 – 採納香港財務報告準則第 16 號 | 23,374 |
| Exchange adjustments | 匯兌調整 | (958) |
| As at 31 March 2020 and 1 April 2020 | 於二零二零年三月三十一日及二零二零年四月一日 | 22,416 |
| Additions | 添置 | 3,796 |
| Modification | 修訂 | (378) |
| Exchange adjustments | 匯兌調整 | 1,977 |
| As at 31 March 2021 | 於二零二一年三月三十一日 | 27,811 |
| Accumulated depreciation | 累計折舊 | |
| As at 1 January 2019 – adoption of HKFRS 16 | 於二零一九年一月一日 – 採納香港財務報告準則第 16 號 | – |
| Depreciation provided during the period | 期內折舊撥備 | 3,729 |
| Exchange adjustments | 匯兌調整 | (115) |
| As at 31 March 2020 and 1 April 2020 | 於二零二零年三月三十一日及二零二零年四月一日 | 3,614 |
| Depreciation provided during the year | 期內折舊撥備 | 4,127 |
| Exchange adjustments | 匯兌調整 | 438 |
| As at 31 March 2021 | 於二零二一年三月三十一日 | 8,179 |
| Carrying amounts | 賬面值 | |
| As at 31 March 2021 | 於二零二一年三月三十一日 | 19,632 |
| As at 31 March 2020 | 於二零二零年三月三十一日 | 18,802 |

The right-of-use assets represent the Group's rights to use premises under operating lease arrangements over the lease terms, which are stated at cost less accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of the lease liabilities.

使用權資產指本集團根據經營租賃安排於租期內使用物業之權利，其以成本減累計折舊及累計減值虧損列賬，並就任何租賃負債重新計量予以調整。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

16. RIGHT-OF-USE ASSETS/LEASE LIABILITIES

(Continued)

(b) Lease liabilities

| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|--|------------------------------|----------------------------------|----------------------------------|
| Analysis as | 分析為： | | |
| – Current | – 流動 | 5,054 | 3,590 |
| – Non-current | – 非流動 | 20,200 | 20,653 |
| | | 25,254 | 24,243 |
| Lease liabilities payables: | 應付租賃負債： | | |
| – Within one year | – 一年內 | 5,054 | 3,590 |
| – More than one year but not later than two years | – 一年後但兩年內 | 5,179 | 4,130 |
| – More than two years but not later than five years | – 兩年後但五年內 | 12,210 | 13,813 |
| – Over five years | – 五年以上 | 2,811 | 2,710 |
| | | 25,254 | 24,243 |
| Less: Amount due for settlement with 12 months shown under current liabilities | 減：12個月內到期結算之款項 (於流動負債下列示) | (5,054) | (3,590) |
| Amount due for settlement after 12 months shown under non-current liabilities | 12個月後到期結算之款項 (於非流動負債下列示) | 20,200 | 20,653 |

The weighted average incremental borrowing rates applied to lease liabilities was 8.37% (2020: 9%).

16. 使用權資產／租賃負債(續)

(b) 租賃負債

| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|--|------------------------------|----------------------------------|----------------------------------|
| Analysis as | 分析為： | | |
| – Current | – 流動 | 5,054 | 3,590 |
| – Non-current | – 非流動 | 20,200 | 20,653 |
| | | 25,254 | 24,243 |
| Lease liabilities payables: | 應付租賃負債： | | |
| – Within one year | – 一年內 | 5,054 | 3,590 |
| – More than one year but not later than two years | – 一年後但兩年內 | 5,179 | 4,130 |
| – More than two years but not later than five years | – 兩年後但五年內 | 12,210 | 13,813 |
| – Over five years | – 五年以上 | 2,811 | 2,710 |
| | | 25,254 | 24,243 |
| Less: Amount due for settlement with 12 months shown under current liabilities | 減：12個月內到期結算之款項 (於流動負債下列示) | (5,054) | (3,590) |
| Amount due for settlement after 12 months shown under non-current liabilities | 12個月後到期結算之款項 (於非流動負債下列示) | 20,200 | 20,653 |

已應用於租賃負債之加權平均增量借貸利率為8.37%(二零二零年：9%)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

17. INVESTMENT PROPERTIES

17. 投資物業

| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|--|----------------------|----------------------------------|----------------------------------|
| Completed investment properties | 已落成投資物業 | 3,069,723 | 2,839,091 |
| At the beginning of year/period | 於年／期初 | 2,839,091 | 3,165,921 |
| Adoption of HKFRS 16 | 採納香港財務報告準則第 16 號 | - | 1,304 |
| | | 2,839,091 | 3,167,225 |
| Additions | 添置 | 9,527 | 21,824 |
| Disposal | 出售 | - | (3,484) |
| Written off | 撇銷 | - | (1,451) |
| Transfer to stock of properties | 轉至物業存貨 | (587) | (373,125) |
| Fair value (loss)/gain recognised in profit or loss | 於損益確認之公平值 (虧損)／收益 | (14,202) | 148,801 |
| Exchange adjustments | 匯兌調整 | 235,894 | (120,699) |
| At the end of year/period | 於年／期末 | 3,069,723 | 2,839,091 |

(a) Valuation of investment properties

The investment properties amounted of approximately HK\$3,069,723,000 of the Group were stated at fair value as at 31 March 2021 (2020: HK\$2,839,091,000). The fair value were arrived at based on the valuations carried out by an independent firm of qualified professional valuer, RHL Appraisal Limited ("RHL"), who has among their staff members of the Hong Kong Institute of Surveyors with recent experience in the location and category of the properties being valued. The valuations conform to the Valuation Standards 2017 Edition published by the Hong Kong Institute of Surveyors.

RHL has valued the properties on the basis of capitalisation of the net income derived from properties rental. In the course of their valuation, RHL has also made reference to the comparable market transactions as available. Discussions of valuation processes and results are held between the Group and valuers at least once every six months, in line with the Group's interim and annual reporting dates. As at 31 March 2021 and 31 March 2020, the fair values of the properties have been determined by RHL. At each financial year end, the Group (i) verifies all major inputs to the independent valuation report; (ii) assesses property valuations movements when compared to the prior years valuation input; and (iii) holds discussions with the independent valuer.

(a) 投資物業之估值

於二零二一年三月三十一日，本集團約3,069,723,000港元(二零二零年：2,839,091,000港元)之投資物業按公平值列賬。公平值乃根據由獨立合資格專業估值師利駿行測量師有限公司(「利駿行」)所作估值而釐定。利駿行職員為香港測量師學會會員，並對進行估物業之位置及類別擁有近期估值經驗。有關估值符合香港測量師學會刊發之估值準則(二零一七年版)。

利駿行按照將物業租金淨收入撥充資本之基準對物業進行估值。於其估值過程中，利駿行已參照可得同類市場交易。本集團及估值師最少每六個月一次討論估值過程及結果，與本集團之中期及年度報告日期一致。於二零二一年三月三十一日及二零二零年三月三十一日，物業之公平值已由利駿行釐定。於每個財政年度末，本集團(i)核實對獨立估值報告之所有重大輸入數據；(ii)評估與過往年度估值輸入數據相比之物業估值變動；及(iii)與獨立估值師進行討論。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

17. INVESTMENT PROPERTIES (Continued)

(a) Valuation of investment properties (Continued)

The valuation assumptions, unless otherwise stated, RHL assumed that:

- (a) all necessary statutory approvals for the properties or the subject building of which the property forms part of their use have been obtained;
- (b) no deleterious or hazardous materials or techniques have been used in the construction of the properties;
- (c) the properties are not subject to any unusual or especially onerous restrictions, encumbrances or outgoing and that good title can be shown; and
- (d) the properties are connected to main services and sewers which are available on normal terms.

There has been no change from the valuation technique used in the prior years. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

The valuation of investment properties is determined by various major inputs:

The major key inputs applied in valuing the investment properties were market unit rental per each square meter per month (the “**s.q.m. per month**”). The ranges of s.q.m. per month of various locations were from RMB10.1 to RMB68.3 (31 March 2020: RMB3.7 to RMB63.1). A significant increase in the s.q.m. per month used would result in a significant increase in fair value, and vice versa.

The term yield and reversionary yield were one of the key inputs used in valuing the investment properties. The ranges of term yield was from 7.0% to 8.0% (31 March 2020: 7.0% to 8.0%) while the ranges of reversionary yield were from 7.5% to 8.5% (31 March 2020: 7.5% to 8.5%). A slight increase in the term yield and reversionary yield used would result in a significant decrease in fair value measurement of the investment properties, and vice versa.

17. 投資物業 (續)

(a) 投資物業之估值 (續)

除另有註明外，利駿行作出以下估值假設：

- (a) 該物業或該物業構成一部分用途的相關樓宇已取得所有必要的法定批准；
- (b) 該等物業於興建時並無採用有害或危險物料或技術；
- (c) 該等物業並不受限於任何異常甚至繁苛的限制、產權負擔或支銷，且可展示完善所有權；及
- (d) 該等物業連接至按一般條款提供之主要設施及污水管道。

於過往年度所採用的估值法並無發生任何變動。於估計物業的公平值時，物業的最高及最佳用途為其當前用途。

投資物業的估值由多項主要輸入數據釐定：

估值投資物業所採用之主要輸入數據為每月每平方米市場單位租金（「**每月每平方米**」）。不同地區之每月每平方米範圍介乎於人民幣10.1元至人民幣68.3元（二零二零年三月三十一日：人民幣3.7元至人民幣63.1元）。所採用之每月每平方米出現大幅增加時，將會導致公平值顯著增加，反之亦然。

年期回報率及復歸回報率乃於估值投資物業所採用之主要數據。年期回報率介乎於7.0%至8.0%（二零二零年三月三十一日：7.0%至8.0%），而復歸回報率介乎於7.5%至8.5%（二零二零年三月三十一日：7.5%至8.5%）。所採用年期回報率及復歸回報率稍微增加時，將會導致投資物業之公平值計量顯著減少，反之亦然。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

17. INVESTMENT PROPERTIES (Continued)

- (b) The analysis of the carrying amount of investment properties is as follows:

| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|----------------------|--------|----------------------------------|----------------------------------|
| In the PRC | 中國 | | |
| – medium-term leases | – 中期租約 | 3,069,723 | 2,839,091 |

- (c) Details of the Group's investment properties and information about the fair value hierarchy as at 31 March 2021 and 2020 are as follows:

| | | Level 1 | Level 2 | Level 3 | Fair value as at 2021 於二零二一年 之公平值 HK\$'000 千港元 |
|--|-----------------|------------------------|------------------------|------------------------|---|
| | | 第一級 HK\$'000 千港元 | 第二級 HK\$'000 千港元 | 第三級 HK\$'000 千港元 | |
| Investment property unit located in the PRC | 位於中國之投資 物業單位 | - | - | 3,069,723 | 3,069,723 |

| | | Level 1 | Level 2 | Level 3 | Fair value as at 2020 於二零二零年 之公平值 HK\$'000 千港元 |
|--|-----------------|------------------------|------------------------|------------------------|---|
| | | 第一級 HK\$'000 千港元 | 第二級 HK\$'000 千港元 | 第三級 HK\$'000 千港元 | |
| Investment property unit located in the PRC | 位於中國之投資 物業單位 | - | - | 2,839,091 | 2,839,091 |

There were no transfers into or out of level 3 during the year/period.

於年／期內，第三級並無任何轉入或轉出。

17. 投資物業 (續)

- (b) 投資物業之賬面值分析如下：

| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|----------------------|--------|----------------------------------|----------------------------------|
| In the PRC | 中國 | | |
| – medium-term leases | – 中期租約 | 3,069,723 | 2,839,091 |

- (c) 本集團於二零二一年及二零二零年三月三十一日之投資物業詳情及有關公平值層級之資料如下：

| | | Level 1 | Level 2 | Level 3 | Fair value as at 2021 於二零二一年 之公平值 HK\$'000 千港元 |
|--|-----------------|------------------------|------------------------|------------------------|---|
| | | 第一級 HK\$'000 千港元 | 第二級 HK\$'000 千港元 | 第三級 HK\$'000 千港元 | |
| Investment property unit located in the PRC | 位於中國之投資 物業單位 | - | - | 3,069,723 | 3,069,723 |

| | | Level 1 | Level 2 | Level 3 | Fair value as at 2020 於二零二零年 之公平值 HK\$'000 千港元 |
|--|-----------------|------------------------|------------------------|------------------------|---|
| | | 第一級 HK\$'000 千港元 | 第二級 HK\$'000 千港元 | 第三級 HK\$'000 千港元 | |
| Investment property unit located in the PRC | 位於中國之投資 物業單位 | - | - | 2,839,091 | 2,839,091 |

There were no transfers into or out of level 3 during the year/period.

於年／期內，第三級並無任何轉入或轉出。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

17. INVESTMENT PROPERTIES (Continued)

(d) Investment properties leased out under operating leases

All of the Group's property interests held under operating leases to earn rentals are measured using the fair value model and classified accounted for investment properties.

The Group leases out its investment properties which is agricultural exchange markets to various tenants. The leases typically run for an initial period of 1 year to 5 years, at the end of which period all terms are renegotiated. None of the leases includes contingent rentals. For the year ended 31 March 2021, the rental income from investment properties less direct outgoings of approximately HK\$17,591,000 (fifteen months from 1 January 2019 to 31 March 2020: approximately HK\$20,731,000) amounted to approximately HK\$176,130,000 (fifteen months from 1 January 2019 to 31 March 2020: approximately HK\$216,184,000).

The Group is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in the respective functional currencies of group entities. The lease contracts do not contain residual value guarantee and/or lessee's option to purchase the property at the end of lease term.

The Group's total future minimum lease payments under non-cancellable operating leases are receivable as follows:

| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|-----------------------|---------|----------------------------------|----------------------------------|
| Within 1 year | 一年內 | 201,612 | 144,595 |
| Between 1 and 2 years | 一年後但兩年內 | 76,427 | 49,134 |
| Between 2 and 3 years | 兩年後但三年內 | 15,864 | 19,515 |
| Between 3 and 4 years | 三年後但四年內 | 7,230 | 8,468 |
| Between 4 and 5 years | 四年後但五年內 | 5,089 | 6,247 |
| Over 5 years | 五年以上 | 12,264 | 23,380 |
| | | 318,486 | 251,339 |

17. 投資物業 (續)

(d) 根據經營租賃出租之投資物業

本集團所有物業權益根據經營租賃持有，以賺取按公平值模型計量之租金，並分類為及計入投資物業。

本集團向多名租戶出租其投資物業，即農產品交易市場。租約一般初步為期一年至五年，期滿時重新磋商所有條款。租約概不附帶或然租金。截至二零二一年三月三十一日止年度，來自投資物業之租金收入減去直接開支約17,591,000港元(自二零一九年一月一日至二零二零年三月三十一日止十五個月：約20,731,000港元)約為176,130,000港元(自二零一九年一月一日至二零二零年三月三十一日止十五個月：約216,184,000港元)。

由於所有租賃均以集團實體各自之功能貨幣計值，故本集團並無因租賃安排而面臨外幣風險。租賃合約並無載有剩餘價值擔保及／或承租人於租賃期結束時購買物業之選擇權。

本集團根據不可撤銷經營租賃未來最低應收租金總額如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

17. INVESTMENT PROPERTIES (Continued)

(e) Pledge of investment properties

As at 31 March 2021, the land use rights in respect of investment properties with a total carrying amount of approximately HK\$967,753,000 (2020: approximately HK\$1,300,879,000) were pledged to banks for the Group's bank borrowings, details of which are set out in note 27.

As at 31 March 2021 and 2020, the Group had been applying for the relevant certificates in respect of the buildings erected on the land included under investment properties owned by the Group.

17. 投資物業 (續)

(e) 投資物業之抵押

於二零二一年三月三十一日，投資物業總賬面值約為967,753,000港元(二零二零年：約1,300,879,000港元)之土地使用權已就本集團之銀行借款而抵押予銀行，詳情載於附註27。

於二零二一年及二零二零年三月三十一日，本集團一直就包括於本集團所擁有投資物業內之土地上興建的樓宇申請相關證書。

18. INTANGIBLE ASSETS

18. 無形資產

| | | Operating right 經營權 HK\$'000 千港元 |
|--|--|---|
| Cost | 成本 | |
| At 1 January 2019, 31 March 2020, 1 April 2020 and 31 March 2021 | 於二零一九年一月一日、 二零二零年三月三十一日、 二零二零年四月一日 及二零二一年三月三十一日 | 43,768 |
| Accumulated amortisation and impairment loss | 累計攤銷及減值虧損 | |
| At 1 January 2019 | 於二零一九年一月一日 | 37,707 |
| Amortisation expenses during the period | 期內攤銷開支 | 6,061 |
| At 31 March 2020, 1 April 2020 and 31 March 2021 | 於二零二零年三月三十一日、 二零二零年四月一日及 二零二一年三月三十一日 | 43,768 |
| Carrying amount | 賬面值 | |
| At 31 March 2021 | 於二零二一年三月三十一日 | - |
| At 31 March 2020 | 於二零二零年三月三十一日 | - |

The following useful lives are used in the calculation of amortisation:

Operating right 5 years

The license entitles a subsidiary of the Company to operate an agricultural products exchange market in the PRC for 5 years from the date of acquisition.

以下可使用年期用於計算攤銷：

經營權 5年

授權本公司之一間附屬公司自收購日期起5年於中國經營一個農產品交易市場。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

19. PRINCIPAL SUBSIDIARIES

(a) General information of subsidiaries

| Name of Company | Place of incorporation/ registration and operation | Particulars of issued and fully paid ordinary share capital/ registered capital 已發行及悉數繳足 普通股股本/ 註冊資本詳情 | Group's effective interest | Proportion of ownership interest and voting power held | | Principal activities |
|--------------------------------------|--|---|----------------------------|--|----------------------|---|
| | | | | Held by the Company 持有擁有權及投票權比例 | Held by subsidiaries | |
| 公司名稱 | 註冊成立/ 登記及經營地區 | | 本集團之 實際權益 | 本公司持有 | 附屬公司持有 | 主要業務 |
| Novel Talent Limited | British Virgin Islands/ Hong Kong 英屬處女群島/香港 | USD 1 1美元 | 100% | 100% | - | Investment holding 投資控股 |
| 徐州源洋商貿發展有限公司 (note 19(a)(i)) | The PRC | RMB61,220,000 | 51% | - | 51% | Agricultural produce exchange market operation 經營農產品交易市場 |
| 徐州源洋商貿發展有限公司 (附註 19(a)(i)) | 中國 | 人民幣 61,220,000 元 | | | | |
| 武漢白沙洲農副產品大市場 有限公司(note 19(a)(ii)) | The PRC | RMB88,500,000 | 100% | 94.4% | 5.6% | Agricultural produce exchange market operation 經營農產品交易市場 |
| 武漢白沙洲農副產品大市場 有限公司(附註 19(a)(ii)) | 中國 | 人民幣 88,500,000 元 | | | | |
| 玉林宏進農副產品批發市場 有限公司(note 19(a)(i)) | The PRC | RMB76,230,000 | 65% | - | 65% | Agricultural produce exchange market operation and property sales 經營農產品交易市場及 物業銷售 |
| 玉林宏進農副產品批發市場 有限公司(附註 19(a)(i)) | 中國 | 人民幣 76,230,000 元 | | | | |
| 玉林宏進物流發展有限公司 (note 19(a)(ii)) | The PRC | RMB160,169,617 | 100% | - | 100% | Agricultural produce exchange market operation and property sales 經營農產品交易市場及 物業銷售 |
| 玉林宏進物流發展有限公司 (附註 19(a)(ii)) | 中國 | 人民幣 160,169,617 元 | | | | |
| 欽州宏進農副產品批發市場 有限公司(note 19(a)(ii)) | The PRC | RMB150,000,000 | 100% | - | 100% | Agricultural produce exchange market operation and property sales 經營農產品交易市場及 物業銷售 |
| 欽州宏進農副產品批發市場 有限公司(附註 19(a)(ii)) | 中國 | 人民幣 150,000,000 元 | | | | |
| 開封宏進農副產品批發市場 有限公司(note 19(a)(ii)) | The PRC | USD23,230,000 | 100% | - | 100% | Agricultural produce exchange market operation and property sales 經營農產品交易市場及 物業銷售 |
| 開封宏進農副產品批發市場 有限公司(附註 19(a)(ii)) | 中國 | 23,230,000 美元 | | | | |

19. 主要附屬公司

(a) 附屬公司之一般資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

19. PRINCIPAL SUBSIDIARIES (Continued)

(a) General information of subsidiaries (Continued)

| Name of Company | Place of incorporation/ registration and operation | Particulars of issued and fully paid ordinary share capital/ registered capital 已發行及悉數繳足 普通股股本/ 註冊資本詳情 | Group's effective interest | Proportion of ownership interest and voting power held | | Principal activities |
|--------------------------------------|--|---|----------------------------|--|----------------------|--|
| | | | | Held by the Company 持有擁有權及投票權比例 | Held by subsidiaries | |
| 公司名稱 | 註冊成立/ 登記及經營地區 | 普通股股本/ 註冊資本詳情 | 本集團之 實際權益 | 本公司持有 | 附屬公司持有 | 主要業務 |
| 洛陽宏進農副產品批發市場有限公司(note 19(a)(iii)) | The PRC | RMB146,200,000 | 100% | - | 100% | Agricultural produce exchange market operation and property sales |
| 洛陽宏進農副產品批發市場有限公司(附註19(a)(iii)) | 中國 | 人民幣146,200,000元 | | | | 經營農產品交易市場及物業銷售 |
| 濮陽宏進農副產品批發市場有限公司(note 19(a)(i)) | The PRC | RMB140,000,000 | 75% | - | 75% | Agricultural produce exchange market operation and property sales |
| 濮陽宏進農副產品批發市場有限公司(附註19(a)(i)) | 中國 | 人民幣140,000,000元 | | | | 經營農產品交易市場及物業銷售 |
| 盤錦宏進農副產品批發市場有限公司(note 19(a)(iii)) | The PRC | RMB10,000,000 | 100% | - | 100% | Agricultural produce exchange market operations and property sales |
| 盤錦宏進農副產品批發市場有限公司(附註19(a)(iii)) | 中國 | 人民幣10,000,000元 | | | | 經營農產品交易市場及物業銷售 |
| 淮安宏進農副產品物流有限公司(note 19(a)(iii)) | The PRC | USD29,918,835 | 100% | - | 100% | Agricultural produce exchange market operation |
| 淮安宏進農副產品物流有限公司(附註19(a)(iii)) | 中國 | 29,918,835美元 | | | | 經營農產品交易市場 |
| 黃石宏進農副產品批發市場有限公司(note 19(a)(i)) | The PRC | RMB2,000,000 | 80% | - | 80% | Agricultural produce exchange market operation |
| 黃石宏進農副產品批發市場有限公司(附註19(a)(i)) | 中國 | 人民幣2,000,000元 | | | | 經營農產品交易市場 |
| 淮安市宏進清江農副產品批發市場有限公司(note 19(a)(iii)) | The PRC | RMB12,680,000 | 58.58% | - | 58.58% | Agricultural produce exchange market operation |
| 淮安市宏進清江農副產品批發市場有限公司(附註19(a)(iii)) | 中國 | 人民幣12,680,000元 | | | | 經營農產品交易市場 |
| 深圳谷登科技有限公司(note 19(a)(iii)) | The PRC | RMB10,000,000 | 100% | - | 100% | Financial service operation |
| 深圳谷登科技有限公司(附註19(a)(iii)) | 中國 | 人民幣10,000,000元 | | | | 經營金融服務 |

19. 主要附屬公司 (續)

(a) 附屬公司之一般資料 (續)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

19. PRINCIPAL SUBSIDIARIES (Continued)

(a) General information of subsidiaries (Continued)

| Name of Company 公司名稱 | Place of incorporation/ registration and operation 註冊成立/ 登記及經營地區 | Particulars of issued and fully paid ordinary share capital/ registered capital 已發行及悉數繳足 普通股股本/ 註冊資本詳情 | Group's effective interest 本集團之 實際權益 | Proportion of ownership interest and voting power held | | Principal activities 主要業務 |
|---|---|---|--|---|-----------------------------------|--|
| | | | | Held by the Company 持有擁有權及投票權比例 本公司持有 | Held by subsidiaries 附屬公司持有 | |
| 隨州白沙洲農副產品物流園 有限公司(note 19(a)(iii)) | The PRC | RMB3,000,000 | 51% | - | 51% | Agricultural produce exchange market operation |
| 隨州白沙洲農副產品物流園 有限公司(附註19(a)(iii)) | 中國 | 人民幣3,000,000元 | | | | 經營農產品交易市場 |
| 武漢大白莎生鮮有限公司 (formerly known as 湖北盛隆正泰農副產品市場管理 有限公司)(note 19(a)(iii)) | The PRC | RMB1,000,000 | 100% | - | 100% | Food and agricultural by-products merchandising |
| 武漢大白莎生鮮有限公司 (前稱湖北盛隆正泰農副產品市場 管理有限公司)(附註19(a)(iii)) | 中國 | 人民幣1,000,000元 | | | | 食品及農副產品銷售 |

Notes:

- (i) Registered as a sino-foreign equity joint venture under the laws of the PRC.
- (ii) Registered as a wholly-owned foreign enterprise under the laws of the PRC.
- (iii) Registered as a domestic-funded enterprise under the laws of the PRC.

None of the subsidiaries had any debt securities subsisting at the end of the year or at any time during the year.

The above table lists the subsidiaries of the Group, which, in the opinion of the directors, principally affected the results or assets of the Group. To give detail of other subsidiaries would, in the opinion of the directors, result in particulars of excessive lengths.

19. 主要附屬公司(續)

(a) 附屬公司之一般資料(續)

| Name of Company 公司名稱 | Place of incorporation/ registration and operation 註冊成立/ 登記及經營地區 | Particulars of issued and fully paid ordinary share capital/ registered capital 已發行及悉數繳足 普通股股本/ 註冊資本詳情 | Group's effective interest 本集團之 實際權益 | Proportion of ownership interest and voting power held | | Principal activities 主要業務 |
|---|---|---|--|---|-----------------------------------|--|
| | | | | Held by the Company 持有擁有權及投票權比例 本公司持有 | Held by subsidiaries 附屬公司持有 | |
| 隨州白沙洲農副產品物流園 有限公司(note 19(a)(iii)) | The PRC | RMB3,000,000 | 51% | - | 51% | Agricultural produce exchange market operation |
| 隨州白沙洲農副產品物流園 有限公司(附註19(a)(iii)) | 中國 | 人民幣3,000,000元 | | | | 經營農產品交易市場 |
| 武漢大白莎生鮮有限公司 (formerly known as 湖北盛隆正泰農副產品市場管理 有限公司)(note 19(a)(iii)) | The PRC | RMB1,000,000 | 100% | - | 100% | Food and agricultural by-products merchandising |
| 武漢大白莎生鮮有限公司 (前稱湖北盛隆正泰農副產品市場 管理有限公司)(附註19(a)(iii)) | 中國 | 人民幣1,000,000元 | | | | 食品及農副產品銷售 |

附註：

- (i) 根據中國法律登記為中外合資合營公司。
- (ii) 根據中國法律登記為外商獨資企業。
- (iii) 根據中國法律登記為內資企業。

概無任何附屬公司於年終或年內任何時間擁有任何債務證券。

上表列出董事認為主要影響本集團業績或資產之本集團附屬公司。董事認為如呈報其他附屬公司詳情將使詳情過份繁複。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

19. PRINCIPAL SUBSIDIARIES (Continued)

(b) Details of non-wholly owned subsidiaries that have material non-controlling interests

| Name of Company 公司名稱 | Place of incorporation/ registration and operation 註冊成立/ 登記及經營地區 | Proportion of ownership interests and voting rights held by non-controlling interests 非控股權益所持擁有權比例 | Profits allocated to non-controlling interests 分配至非控股權益溢利 | | Accumulated non-controlling interests 累計非控股權益 | |
|--|--|---|---|---|--|--|
| | | | Year ended 31 March 2021 截至二零二一年三月三十一日止年度 HK\$'000 千港元 | Fifteen months from 1 January 2019 to 31 March 2020 自二零一九年一月一日至二零二零年三月三十一日止十五個月 HK\$'000 千港元 | As at 31 March 2021 於二零二一年三月三十一日 HK\$'000 千港元 | As at 31 March 2020 於二零二零年三月三十一日 HK\$'000 千港元 |
| 徐州源洋商貿發展有限公司 | The PRC 中國 | 49% | 4,190 | 18,198 | 173,151 | 155,444 |
| 玉林宏進農副產品批發市場有限公司 | The PRC 中國 | 35% | 6,069 | 7,468 | 190,865 | 205,200 |
| Individually immaterial subsidiaries with non-controlling interests 擁有非控股權益之個別非重大附屬公司 | | | | | 33,689 | 33,081 |
| | | | | | 397,705 | 393,725 |

Summarised 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 intragroup eliminations.

19. 主要附屬公司 (續)

(b) 擁有重大非控股權益之非全資附屬公司之詳情

有關本集團擁有重大非控股權益之各附屬公司財務資料概要載於下文。下文財務資料概要呈報集團內抵銷前款項。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

19. PRINCIPAL SUBSIDIARIES (Continued)

(b) Details of non-wholly owned subsidiaries that have material non-controlling interests (Continued)

(i) 徐州源洋商貿發展有限公司

| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|--|------------------|--|---|
| Current assets | 流動資產 | 75,167 | 59,507 |
| Non-current assets | 非流動資產 | 439,306 | 412,310 |
| Current liabilities | 流動負債 | 57,502 | 47,872 |
| Non-current liabilities | 非流動負債 | 103,577 | 106,828 |
| Equity attributable to owners of the Company | 本公司擁有人應佔權益 | 180,243 | 161,673 |
| Non-controlling interests | 非控股權益 | 173,151 | 155,444 |
| | | Year ended 31 March 2021 截至二零二一年三月三十一日止年度 HK\$'000 千港元 | Fifteen months from 1 January 2019 to 31 March 2020 自二零一九年一月一日至二零二零年三月三十一日止十五個月 HK\$'000 千港元 |
| Turnover | 營業額 | 46,629 | 55,190 |
| Other gain | 其他收益 | 1,501 | 1,783 |
| Net (loss)/gain in fair value of investment properties | 投資物業公平值(虧損)/收益淨額 | (6,003) | 9,323 |
| Expenses | 開支 | (33,575) | (29,157) |
| Profit for the year/period | 年/期內溢利 | 8,552 | 37,139 |

19. 主要附屬公司 (續)

(b) 擁有重大非控股權益之非全資附屬公司之詳情 (續)

(i) 徐州源洋商貿發展有限公司

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

19. PRINCIPAL SUBSIDIARIES (Continued)

(b) Details of non-wholly owned subsidiaries that have material non-controlling interests (Continued)

(i) 徐州源洋商貿發展有限公司 (Continued)

| | | | |
|--|----------------|---------------|--------|
| Profit attributable to owners of the Company | 本公司擁有人應佔溢利 | 4,362 | 18,941 |
| Profit attributable to non-controlling interests | 非控股權益應佔溢利 | 4,190 | 18,198 |
| Profit for the year/period | 年/期內溢利 | 8,552 | 37,139 |
| Total comprehensive income attributable to owners of the Company | 本公司擁有人應佔全面收入總額 | 18,570 | 11,330 |
| Total comprehensive income attributable to non-controlling interests | 非控股權益應佔全面收入總額 | 17,707 | 12,300 |
| Total comprehensive income for the year/period | 年/期內全面收入總額 | 36,277 | 23,630 |
| Dividend paid to non-controlling interests | 支付非控股權益之股息 | - | 6,712 |

19. 主要附屬公司 (續)

(b) 擁有重大非控股權益之非全資附屬公司之詳情 (續)

(i) 徐州源洋商貿發展有限公司 (續)

| Year ended 31 March 2021 截至二零二一年三月三十一日止年度 HK\$'000 千港元 | Fifteen months from 1 January 2019 to 31 March 2020 自二零一九年一月一日至二零二零年三月三十一日止十五個月 HK\$'000 千港元 |
|---|---|
| 4,362 | 18,941 |
| 4,190 | 18,198 |
| 8,552 | 37,139 |
| 18,570 | 11,330 |
| 17,707 | 12,300 |
| 36,277 | 23,630 |
| - | 6,712 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

19. PRINCIPAL SUBSIDIARIES (Continued)

(b) Details of non-wholly owned subsidiaries that have material non-controlling interests (Continued)

(i) 徐州源洋商貿發展有限公司 (Continued)

| | | | |
|---|-----------------|----------|----------|
| Net cash inflows from operating activities | 經營活動現金流入淨額 | 16,753 | 21,857 |
| Net cash (outflows)/inflows from investing activities | 投資活動現金(流出)／流入淨額 | (9,618) | 287 |
| Net cash outflows from financing activities | 融資活動現金流出淨額 | (13,755) | (25,449) |
| Net cash outflows | 現金流出淨額 | (6,620) | (3,305) |

(ii) 玉林宏進農副產品批發市場有限公司

| | | | |
|--|------------|---------|---------|
| Current assets | 流動資產 | 846,992 | 835,808 |
| Non-current assets | 非流動資產 | 1,481 | 1,479 |
| Current liabilities | 流動負債 | 264,288 | 209,269 |
| Non-current liabilities | 非流動負債 | 43,296 | 46,172 |
| Equity attributable to owners of the Company | 本公司擁有人應佔權益 | 350,024 | 376,646 |
| Non-controlling interests | 非控股權益 | 190,865 | 205,200 |

19. 主要附屬公司 (續)

(b) 擁有重大非控股權益之非全資附屬公司之詳情 (續)

(i) 徐州源洋商貿發展有限公司 (續)

| Year ended 31 March 2021 截至二零二一年三月三十一日止年度 HK\$'000 千港元 | Fifteen months from 1 January 2019 to 31 March 2020 自二零一九年一月一日至二零二零年三月三十一日止十五個月 HK\$'000 千港元 |
|---|---|
| 16,753 | 21,857 |
| (9,618) | 287 |
| (13,755) | (25,449) |
| (6,620) | (3,305) |

(ii) 玉林宏進農副產品批發市場有限公司

| Year ended 31 March 2021 截至二零二一年三月三十一日止年度 HK\$'000 千港元 | Fifteen months from 1 January 2019 to 31 March 2020 自二零一九年一月一日至二零二零年三月三十一日止十五個月 HK\$'000 千港元 |
|---|---|
| 846,992 | 835,808 |
| 1,481 | 1,479 |
| 264,288 | 209,269 |
| 43,296 | 46,172 |
| 350,024 | 376,646 |
| 190,865 | 205,200 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

19. PRINCIPAL SUBSIDIARIES (Continued)

(b) Details of non-wholly owned subsidiaries that have material non-controlling interests (Continued)

(ii) 玉林宏進農副產品批發市場有限公司 (Continued)

| | | | |
|--|------------|--|--|
| Turnover | 營業額 | | |
| Other gain | 其他收益 | | |
| Expenses | 開支 | | |
| Profit for the year/period | 年/期內溢利 | | |
| Profit attributable to owners of the Company | 本公司擁有人應佔溢利 | | |
| Profit attributable to non-controlling interests | 非控股權益應佔溢利 | | |
| Profit for the year/period | 年/期內溢利 | | |

19. 主要附屬公司 (續)

(b) 擁有重大非控股權益之非全資附屬公司之詳情 (續)

(ii) 玉林宏進農副產品批發市場有限公司 (續)

| Year ended 31 March 2021 截至 二零二一年 三月三十一 止年度 HK\$'000 千港元 | Fifteen months from 1 January 2019 to 31 March 2020 自二零一九年 一月一日至 二零二零年 三月三十一 止十五個月 HK\$'000 千港元 |
|--|--|
| 209,601 | 356,482 |
| 1,148 | 12,128 |
| (193,408) | (347,273) |
| 17,341 | 21,337 |
| 11,272 | 13,869 |
| 6,069 | 7,468 |
| 17,341 | 21,337 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

19. PRINCIPAL SUBSIDIARIES (Continued)

(b) Details of non-wholly owned subsidiaries that have material non-controlling interests (Continued)

(ii) 玉林宏進農副產品批發市場有限公司 (Continued)

| | | Year ended 31 March 2021 截至 二零二一年 三月三十一 止年度 HK\$'000 千港元 | Fifteen months from 1 January 2019 to 31 March 2020 自二零一九年 一月一日至 二零二零年 三月三十一 止十五個月 HK\$'000 千港元 |
|---|---------------------|--|--|
| Total comprehensive income/(loss) attributable to owners of the Company | 本公司擁有人應佔全面收入／(虧損)總額 | 41,150 | (1,170) |
| Total comprehensive income/(loss) attributable to non-controlling interests | 非控股權益應佔全面收入／(虧損)總額 | 22,158 | (630) |
| Total comprehensive income/(loss) for the year/period | 年／期內全面收入／(虧損)總額 | 63,308 | (1,800) |
| Dividend payable to non-controlling interests | 應付非控股權益之股息 | 36,493 | - |
| Net cash inflows from operating activities | 經營活動現金流入淨額 | 29,929 | 164,689 |
| Net cash inflows/(outflows) from investing activities | 投資活動現金流入／(流出)淨額 | 58,015 | (300) |
| Net cash outflows from financing activities | 融資活動現金流出淨額 | (69,445) | (175,462) |
| Net cash outflows | 現金流出淨額 | 18,499 | (11,073) |

19. 主要附屬公司 (續)

(b) 擁有重大非控股權益之非全資附屬公司之詳情 (續)

(ii) 玉林宏進農副產品批發市場有限公司 (續)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

20. STOCK OF PROPERTIES

| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|---|----------|----------------------------------|----------------------------------|
| Completed properties | 已落成物業 | 1,663,749 | 1,509,032 |
| Properties under development | 發展中物業 | 30,712 | 105,379 |
| | | 1,694,461 | 1,614,411 |
| Less: written down of stock of properties | 減：物業存貨撇減 | (1,747) | (2,969) |
| | | 1,692,714 | 1,611,442 |

As at 31 March 2021, the stock of properties of approximately HK\$437,683,000 (2020: approximately HK\$332,503,000) were pledged to bank for the Group's bank borrowings, details of which are set out in note 27.

20. 物業存貨

於二零二一年三月三十一日，物業存貨約437,683,000港元(二零二零年：約332,503,000港元)已就本集團之銀行借款抵押予銀行，有關詳情載於附註27。

21. TRADE AND OTHER RECEIVABLES

| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|--|-------------|----------------------------------|----------------------------------|
| Trade debtors, gross | 應收貿易賬款總額 | 17,943 | 9,676 |
| Allowance for expected credit losses | 預期信貸虧損撥備 | (8,177) | (6,089) |
| | | 9,766 | 3,587 |
| Trade debtors, net | 應收貿易賬款淨額 | 9,766 | 3,587 |
| Deposit for land acquisition | 土地收購按金 | 57,428 | 53,019 |
| Other deposits | 其他按金 | 7,733 | 9,866 |
| Prepayments | 預付款項 | 157,411 | 101,399 |
| Other receivables | 其他應收款項 | 81,291 | 67,074 |
| | | 303,863 | 231,358 |
| Less: allowance for expected credit losses | 減：預期信貸虧損撥備 | (15,091) | (1,128) |
| | | 288,772 | 230,230 |
| Trade and other receivables, net | 貿易及其他應收款項淨額 | 298,538 | 233,817 |

21. 貿易及其他應收款項

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

21. TRADE AND OTHER RECEIVABLES (Continued)

(a) Ageing analysis

Included in trade and other receivables are trade debtors with the following ageing analysis presented, net of allowance for expected credit loss, based on the payment terms on the tenancy agreement as of the end of the reporting period:

| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|--|--------------|----------------------------------|----------------------------------|
| Less than 30 days | 30日以內 | 8,617 | 2,493 |
| More than 30 days but less than 90 days | 超過30日但90日以內 | 385 | 460 |
| More than 90 days but less than 180 days | 超過90日但180日以內 | 548 | 369 |
| More than 180 days | 180日以上 | 216 | 265 |
| | | 9,766 | 3,587 |

The Group generally allows an average credit period of 30 days to its trade customers. The Group may on a case-by-case basis, and after evaluation of the business relationships and creditworthiness of its customers, extend the credit period upon customers' report.

21. 貿易及其他應收款項 (續)

(a) 賬齡分析

貿易及其他應收款項所包括之根據租賃協議付款條款呈列之應收貿易款項(扣除預期信貸虧損撥備)於報告期末之賬齡分析如下：

本集團一般給予其貿易客戶30日之平均信貸期。本集團可因應個別情況及經過評估與其客戶之業務關係及商譽後，根據客戶的報告而延長信貸期。

22. LOAN RECEIVABLES

| | | | |
|--|------------|---------------|---------------|
| Loan receivables, gross | 應收貸款總額 | 51,955 | 50,669 |
| Less: allowance for expected credit losses | 減：預期信貸虧損撥備 | (29,919) | (900) |
| Loan receivables, net | 應收貸款淨額 | 22,036 | 49,769 |
| Analysis as: | 分析為： | | |
| Current portion | 即期部分 | 22,036 | 49,769 |

The effective interest rates on the Group's loan receivables are 7.7% (2020: 7.4%).

22. 應收貸款

| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|--|------------|----------------------------------|----------------------------------|
| Loan receivables, gross | 應收貸款總額 | 51,955 | 50,669 |
| Less: allowance for expected credit losses | 減：預期信貸虧損撥備 | (29,919) | (900) |
| Loan receivables, net | 應收貸款淨額 | 22,036 | 49,769 |
| Analysis as: | 分析為： | | |
| Current portion | 即期部分 | 22,036 | 49,769 |

本集團之應收貸款實際利率為7.7%(二零二零年：7.4%)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

23. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|--|----------------------|----------------------------------|----------------------------------|
| Listed investments: | 上市投資： | | |
| – Equity securities listed in Hong Kong | – 於香港上市之股本證券 | 66 | 72 |
| Derivative financial instruments: | 衍生金融工具： | | |
| – Redemption option derivative component (note 30) | – 贖回購股權衍生工具部分 (附註30) | 59 | 322 |
| Fair value | 公平值 | 125 | 394 |

All financial assets at fair value through profit or loss are stated at fair values. Fair values of the listed investments are determined by reference to the quoted market bid prices available on the relevant stock exchanges. Fair value of derivative financial instruments was arrived on the basis of valuation carried out by a firm of independent professional valuers and was valued by using binomial model.

23. 按公平值列賬及於損益表處理之金融資產

所有按公平值列賬及於損益表處理之金融資產均按公平值列賬。上市投資之公平值經參考從相關股票交易所所得市場買入價而釐訂。衍生金融工具之公平值根據獨立專業估值師行使用二項式模式進行之估值達致。

24. BANK AND CASH BALANCES

| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|---------------------------|-----------|----------------------------------|----------------------------------|
| Cash at banks and in hand | 銀行結餘及手頭現金 | 424,675 | 339,599 |

Notes:

- (a) Cash at bank and in hand comprise cash held by the Group and bank balances that bear interest at prevailing market rates ranging from approximately 0.001% to 3.05% (fifteen months from 1 January 2019 to 31 March 2020: approximately 0.001% to 3.05%) per annum and have original maturity of three months or less.

Included in cash at banks and in hand as at 31 March 2021 is an amount denominated in Renminbi ("RMB") of approximately RMB300,518,000 (equivalent to approximately HK\$355,453,000) (2020: approximately RMB283,764,000 (equivalent to approximately HK\$309,870,000)). Renminbi is not freely convertible into other currencies.

24. 銀行及現金結餘

附註：

- (a) 銀行結餘及手頭現金包括本集團持有之現金，以及按每年介乎約0.001%至3.05% (自二零一九年一月一日至二零二零年三月三十一日止十五個月：約0.001%至3.05%) 之現行市場利率計息且原到期日為三個月或以下之銀行結餘。

於二零二一年三月三十一日，銀行結餘及手頭現金包括一項以人民幣(「人民幣」)計值之款項約人民幣300,518,000元(相當於約355,453,000港元)(二零二零年：約人民幣283,764,000元(相當於約309,870,000港元))。人民幣不能自由兌換為其他貨幣。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

24. BANK AND CASH BALANCES (Continued)

Notes: (Continued)

(a) (Continued)

Included in cash at bank and in hand as at 31 March 2021, restricted cash of an amount of approximately RMB18,013,000 (equivalent to approximately HK\$21,306,000) represents certain companies of the Group which are required to place in designated bank accounts certain amount of pre-sale proceeds as guarantee deposits for the constructions of the related properties. The deposits can only be used for payments for construction costs of the relevant properties. Such guarantee deposits will be released after the completion of construction of the related properties (2020: approximately RMB7,372,000 (equivalent to approximately HK\$8,050,000)), and restricted cash of an amount of approximately of RMB18,000 (equivalent to approximately HK\$21,000) is the restricted cash held at banks as receipt on behalf of tenant in agricultural produce exchange market (2020: RMB98,000 (equivalent to approximately HK\$106,000)).

(b) Reconciliation of liabilities arising from financing activities:

24. 銀行及現金結餘 (續)

附註：(續)

(a) (續)

於二零二一年三月三十一日，銀行結餘及手頭現金包括一項約人民幣18,013,000元(相當於約21,306,000港元)的限制性存款代表本集團的若干公司須於指定銀行賬戶存放若干數額的預售物業所得款項，作為相關物業建築工程的保證金。該保證金僅可用於支付有關物業的建築工程費用。該保證金將於相關已預售物業建築工程竣工後獲解除(二零二零年：約人民幣7,372,000元(相當於約8,050,000港元)及受限制現金金額約人民幣18,000元(相當於約21,000港元)為代表農產品交易市場租戶收取的銀行限制性存款(二零二零年：人民幣98,000元(相當於約106,000港元)))。

(b) 融資活動所產生的負債對賬：

| | | Bank and other | Convertible | Promissory | | | |
|---|---|----------------------|-------------|------------|-----------|-----------|-----------|
| | | Lease liabilities | borrowings | Bonds | bonds | notes | Total |
| | | 租賃負債 | 其他借款 | 債券 | 可換股債券 | 承兌票據 | 總額 |
| | | 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 |
| | | (note 16(b)) | (note 27) | (note 28) | (note 30) | (note 29) | |
| | | (附註 16(b)) | (附註 27) | (附註 28) | (附註 30) | (附註 29) | |
| Net debt as at 1 January 2019 | 於二零一九年 一月一日的 債務淨額 | 24,678 | 448,039 | 1,026,247 | 234,747 | 376,000 | 2,109,711 |
| Change in cash flow | 現金流量變動 | (5,799) | (18,194) | (350,850) | (24,797) | - | (399,640) |
| Foreign exchange differences | 匯兌差額 | (1,033) | (18,356) | - | - | - | (19,389) |
| Other non-cash movement | 其他非現金變動 | 6,397 | 600,000 | (498,399) | 36,944 | - | 144,942 |
| Net debt as at 31 March 2020 and 1 April 2020 | 於二零二零年 三月三十一日及 二零二零年四月一日 的債務淨額 | 24,243 | 1,011,489 | 176,998 | 246,894 | 376,000 | 1,835,624 |
| Change in cash flow | 現金流量變動 | (6,730) | (86,551) | (2,900) | (146,859) | - | (243,040) |
| Foreign exchange differences | 匯兌差額 | 1,983 | 34,299 | - | - | - | 36,282 |
| Other non-cash movement | 其他非現金變動 | 5,758 | 85,072 | 21,532 | 31,328 | (376,000) | (232,310) |
| Net debt as at 31 March 2021 | 於二零二一年 三月三十一日的 債務淨額 | 25,254 | 1,044,309 | 195,630 | 131,363 | - | 1,396,556 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

25. DEPOSITS AND OTHER PAYABLES

| | |
|-----------------------|--------|
| Accrued charges | 應計費用 |
| Construction payables | 應付建築款項 |
| Deposit received | 已收按金 |
| Interest payable | 應付利息 |
| Other tax payables | 其他應付稅項 |
| Other payables | 其他應付款項 |

25. 按金及其他應付款項

| | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|--|----------------------------------|----------------------------------|
| | 29,402 | 21,726 |
| | 43,217 | 48,038 |
| | 96,733 | 99,902 |
| | 29,506 | 298,598 |
| | 52,567 | 18,463 |
| | 269,187 | 196,317 |
| | 520,612 | 683,044 |

26. CONTRACT LIABILITIES

The Group has recognised the following liabilities related to:

| | |
|---|----------------|
| Revenue from contracts with customers: | 客戶合約收益： |
| Contract liabilities relating to sale of properties contracts | 與出售物業合約有關的合約負債 |

26. 合約負債

本集團已確認與下列各項有關的負債：

| | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|--|----------------------------------|----------------------------------|
| | 586,577 | 464,983 |

The contract liabilities relating to sale of properties contracts will be recognised as revenue when the Group satisfies its performance obligations by transferring the control of the properties to the customers.

當本集團透過轉讓物業控制權予客戶履行其履約責任時，與出售物業合約有關的合約負債將確認為收益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

26. CONTRACT LIABILITIES (Continued)

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities relating to sale of properties contracts.

26. 合約負債(續)

下表顯示於本報告期所確認與有關出售物業合約的結轉合約負債有關的收益金額。

| | | Year ended 31 March 2021 截至 二零二一年 三月三十一 止年度 HK\$'000 千港元 | Fifteen months from 1 January 2019 to 31 March 2020 自二零一九年 一月一日至 二零二零年 三月三十一 止十五個月 HK\$'000 千港元 |
|--|--------------------|---|---|
| Revenue recognised that was included in the contract liability balance at the beginning of the year/period | 年／期初計入合約負債結餘的已確認收益 | 233,183 | 202,588 |

27. BANK AND OTHER BORROWINGS

27. 銀行及其他借款

| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|---|--------------------|----------------------------------|----------------------------------|
| Secured bank borrowings (note (a) and (d)) | 有抵押銀行借款(附註(a)及(d)) | 444,309 | 394,017 |
| Unsecured bank borrowings (note (a)) | 無抵押銀行借款(附註(a)) | - | 17,472 |
| Unsecured other borrowings (note (b)) | 無抵押其他借款(附註(b)) | 600,000 | 600,000 |
| | | 1,044,309 | 1,011,489 |
| Carrying amount repayable: | 須償還賬面值： | | |
| Within one year | 一年內 | 227,856 | 231,820 |
| More than one year, but within two years | 一年以上但不超過兩年 | 644,947 | 61,733 |
| More than two years, but within five years | 兩年以上但不超過五年 | 45,538 | 658,968 |
| More than five years | 五年以上 | 125,968 | 58,968 |
| | | 1,044,309 | 1,011,489 |
| Less: amounts due within one year shown under current liabilities | 減：流動負債項下所列一年內到期款項 | (227,856) | (231,820) |
| | | 816,453 | 779,669 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

27. BANK AND OTHER BORROWINGS (Continued)

- (a) Included in the above balances are bank borrowings of variable-rate of approximately HK\$125,377,000 (2020: approximately HK\$206,706,000) which carry interest adjustable for changes of borrowing rate offered by The People's Bank of China. The average rate charged by the banks during the year ranged from approximately 3.0% to 7.1% (2020: approximately 3.0% to 7.1%) per annum. Interest is repriced every 30 days. Bank borrowings of fixed-rate of approximately HK\$318,932,000 (2020: approximately HK\$204,783,000) carry interest fixed from approximately 3.3% to 7.6% (2020: approximately 3.3% to 7.8%) per annum. In addition, included in the above balances are bill payables of fixed rate of approximately HK\$41,398,000 (2020: HK\$Nil). The average rate during the year was 5.3% per annum. All bank borrowings are denominated in RMB.
- (b) As at 31 March 2021, the Group has unsecured borrowing with carrying amount of approximately HK\$75,000,000 (2020: HK\$75,000,000) from Double Leads Investments Limited ("Double Leads"), a wholly-owned subsidiary of Wang On Group Limited and unsecured borrowing with carrying amount of approximately HK\$525,000,000 (2020: HK\$525,000,000) from Winning Rich Investments Limited ("Winning Rich"), a wholly-owned subsidiary of Wai Yuen Tong Medicine Holdings Limited. The unsecured borrowings carry fixed interest rate at 10% per annum with maturity date on September 2022.
- (c) The ranges of effective interest rates (which equal to contracted interest rates) on the Group's total borrowings are as follows:

| | |
|--------------------------|-------|
| Effective interest rate: | 實際利率： |
| Fixed-rate borrowings | 定息借款 |
| Variable-rate borrowings | 浮息借款 |

- (d) The secured bank borrowings are secured by the land use rights included in investment properties and stock of properties with a carrying amount of approximately HK\$1,405,436,000 (2020: approximately HK\$1,633,382,000) as set out in notes 17 and 20.

27. 銀行及其他借款(續)

- (a) 上述結餘包括浮息銀行借款約125,377,000港元(二零二零年：約206,706,000港元)，該筆借款之利息可按中國人民銀行提供之借款利率變動而調整。年內，銀行收取之平均利率介乎每年約3.0%至7.1%(二零二零年：約3.0%至7.1%)。利息每隔三十日重新定價一次。定息銀行借款約318,932,000港元(二零二零年：約204,783,000港元)按年固定利率約3.3%至7.6%(二零二零年：每年約3.3%至7.8%)計息。此外，上述結餘中包括固定利率之應付票據約41,398,000港元(二零二零年：零港元)。年內之平均利率為每年5.3%。所有銀行借款均為以人民幣計值。
- (b) 於二零二一年三月三十一日，本集團有來自宏安集團有限公司之全資附屬公司倍利投資有限公司(「倍利」)賬面值約為75,000,000港元(二零二零年：75,000,000港元)之無抵押借款及來自位元堂藥業控股有限公司之全資附屬公司凱裕投資有限公司(「凱裕」)賬面值約為525,000,000港元(二零二零年：525,000,000港元)之無抵押借款。無抵押借款固定年利率為10%，於二零二二年九月到期。
- (c) 本集團總借款之實際利率(相等於合約利率)範圍如下：

| 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 3.3% to 10% | 3.3% to 10.0% |
| 3.3% 至 10% | 3.3% 至 10.0% |
| 3.0% to 7.1% | 3.0% to 7.1% |
| 3.0% 至 7.1% | 3.0% 至 7.1% |

- (d) 有抵押銀行借款由附註17及20所載包括賬面值約為1,405,436,000港元(二零二零年：約1,633,382,000港元)之投資物業及物業存貨的土地使用權擔保。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

28. BONDS

28. 債券

| | | Non-listed bond maturity in 2019 ("Bonds 2019") 於二零一九年 到期之 非上市債券 (「二零一九年 債券」) HK\$'000 千港元 (Note a) (附註 a) | Non-listed bond maturity in 2020 ("Bonds 2020") 於二零二零年 到期之 非上市債券 (「二零二零年 債券」) HK\$'000 千港元 (Note b) (附註 b) | Listed bond maturity in 2024 ("Listed bonds 2024") 於二零二四年 到期之 上市債券 (「二零二四年 上市債券」) HK\$'000 千港元 (Note c) (附註 c) | Total 總額 HK\$'000 千港元 |
|---------------------------------------|------------------------------------|---|---|---|--------------------------------|
| At 1 January 2019 | 於二零一九年一月一日 | 844,055 | 25,639 | 156,553 | 1,026,247 |
| Add: Interest charge | 加：利息費用 | 75,278 | 2,258 | 24,065 | 101,601 |
| Less: Interest paid/payable | 減：已付／應付利息 | (69,894) | (1,897) | (3,620) | (75,411) |
| Less: Redemption by loan (note 28(a)) | 減：以貸款方式贖回 (附註 28(a)) | (600,000) | - | - | (600,000) |
| Less: redemption settlement | 減：贖回款項 | (249,439) | (26,000) | - | (275,439) |
| At 31 March 2020 and 1 April 2020 | 於二零二零年 三月三十一日及 二零二零年 四月一日 | - | - | 176,998 | 176,998 |
| Add: Interest charge | 加：利息費用 | - | - | 21,529 | 21,529 |
| Less: Interest paid/payable | 減：已付／應付利息 | - | - | (2,897) | (2,897) |
| At 31 March 2021 | 於二零二一年 三月三十一日 | - | - | 195,630 | 195,630 |
| Current portion | 即期部分 | | | | |
| At 31 March 2021 | 於二零二一年 三月三十一日 | - | - | - | - |
| At 31 March 2020 | 於二零二零年 三月三十一日 | - | - | - | - |
| Non-current portion | 非即期部分 | | | | |
| At 31 March 2021 | 於二零二一年 三月三十一日 | - | - | 195,630 | 195,630 |
| At 31 March 2020 | 於二零二零年 三月三十一日 | - | - | 176,998 | 176,998 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

28. BONDS (Continued)

Notes:

- a. On 4 October 2014, the Company entered into the subscription agreement with the placing agent and the subscribers for the issuance of the bonds in the aggregate principal amount of HK\$1,400,000,000.

On 28 November 2014, the Company announced the Bonds 2016 in the aggregate principal amount of HK\$200,000,000 and the Bonds 2019 in the aggregate principal amount of HK\$1,200,000,000 have been issued to the subscribers with the interest rate of 8.5% and 10.0% payable annually. The Bonds 2016 and Bonds 2019 will be matured and redemption by the Company on 27 November 2016 and 27 November 2019 respectively.

On 19 October 2016 and 24 October 2016, the Company has early redeemed the Bonds 2016 and Bonds 2019 in the aggregate principal amount of HK\$200,000,000 and HK\$40,000,000 respectively.

On 17 August 2018, 14 September 2018, 21 September 2018 and 17 November 2018, the Company has early redeemed the Bonds 2019 in the aggregate principal amount of HK\$50,000,000, HK\$50,000,000, HK\$50,000,000 and HK\$50,000,000 respectively.

On 19 December 2017, the Company has early redeemed the Bonds 2019 in the aggregate principal amount of HK\$110,000,000.

On 18 January 2019, 26 February 2019, 18 April 2019, 21 August 2019, 24 September 2019 and 15 November 2019, the Company has early redeemed the Bonds 2019 in the aggregate principal amount of HK\$20,000,000, HK\$30,000,000, HK\$20,000,000, HK\$40,000,000, HK\$30,000,000 and HK\$110,000,000 respectively.

On 26 September 2019, the Company, Double Leads and Winning Rich entered into a loan agreement, pursuant to which, Double Leads and Winning Rich agreed to grant a loan to the Company in the principal amount of HK\$710,000,000 to refinance the outstanding Bonds 2019 of the Company owed to Double Leads as to the aggregate principal amount of HK\$89,000,000 and Winning Rich as to the aggregate principal amount of approximately HK\$621,000,000. For the details, please refer to the Company's announcements dated 26 September 2019. On 15 November 2019, the Company had redeemed the Bonds 2019 in the aggregate principal amount of HK\$600,000,000 by way of such loan.

The effectively interest of Bonds 2019 was 10.3% per annum.

28. 債券 (續)

附註：

- a. 於二零一四年十月四日，本公司與配售代理訂立認購協議，向認購人發行本金總額為1,400,000,000港元之債券。

於二零一四年十一月二十八日，本公司宣佈本金總額為200,000,000港元的二零一六年債券及本金總額為1,200,000,000港元的二零一九年債券已發行予認購人，每年應付利率分別為8.5%及10.0%。二零一六年債券及二零一九年債券分別將於二零一六年十一月二十七日及二零一九年十一月二十七日到期並由本公司贖回。

於二零一六年十月十九日及二零一六年十月二十四日，本公司提早贖回本金總額分別為200,000,000港元及40,000,000港元的二零一六年債券及二零一九年債券。

於二零一八年八月十七日、二零一八年九月十四日、二零一八年九月二十一日及二零一八年十一月十七日，本公司已提早贖回本金總額分別為50,000,000港元、50,000,000港元、50,000,000港元及50,000,000港元的二零一九年債券。

於二零一七年十二月十九日，本公司提早贖回本金總額為110,000,000港元的二零一九年債券。

於二零一九年一月十八日、二零一九年二月二十六日、二零一九年四月十八日、二零一九年八月二十一日、二零一九年九月二十四日及二零一九年十一月十五日，本公司已提早贖回本金總額分別為20,000,000港元、30,000,000港元、20,000,000港元、40,000,000港元、30,000,000港元及110,000,000港元的二零一九年債券。

於二零一九年九月二十六日，本公司、倍利及凱裕訂立貸款協議，據此，倍利及凱裕同意向本公司授出本金總額為710,000,000港元之貸款，以對本公司結欠倍利及凱裕本金總額分別為89,000,000港元及約621,000,000港元之尚未贖回之二零一九年債券進行再融資。有關詳情請參閱本公司日期為二零一九年九月二十六日之公告。於二零一九年十一月十五日，本公司已以貸款方式贖回本金總額為600,000,000港元之二零一九年債券。

二零一九年債券的實際利率為每年10.3%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

28. BONDS (Continued)

Notes: (Continued)

- b. On 19 November 2014, the Company entered into a placing agreement with a placing agent for the issuance of the bonds in the aggregate principal amount of HK\$26,000,000.

The Company has issued the Bonds 2020 in the aggregate principal amount of HK\$26,000,000 on 5 January 2015, 13 February 2015, 30 March 2015 and 17 April 2015 to the subscribers with the interest rate of 3.00% payable annually on or before 18 February 2015 and 7.30% payable annually after 18 February 2015. The Bonds 2020 has been matured and fully redeemed by the Company on 18 February 2020.

The effectively interest of Bonds 2020 was 10.4% per annum.

- c. On 19 May 2014, the Company established a HK\$1,000,000,000 medium term note program. The bonds issued under the program are listed on The Stock Exchange of Hong Kong Limited by way of debt issue to professional investors only. The Company further announced that interest on the notes will be payable annually in arrears at the interest rate of 1% per annum.

The Company has totally issued 40 batches with the principal amount of HK\$400,000,000 with 1% interest rate per annum on 30 May 2014, 11 June 2014, 25 June 2014, 2 July 2014, 10 July 2014, 18 July 2014, 28 July 2014, 29 July 2014, 26 August 2014, 30 September 2014, 6 October 2014 and 7 October 2014 respectively. The entire of the Listed bonds 2024 will be matured on 30 September 2024.

28. 債券 (續)

附註：(續)

- b. 於二零一四年十一月十九日，本公司與配售代理訂立配售協議以發行本金總額為26,000,000港元之債券。

本公司已於二零一五年一月五日、二零一五年二月十三日、二零一五年三月三十日及二零一五年四月十七日發行本金總額為26,000,000港元的二零二零年債券予認購人，於二零一五年二月十八日或之前每年應付利率為3.00%及於二零一五年二月十八日之後每年應付利率為7.30%。二零二零年債券已於二零二零年二月十八日到期及由本公司悉數贖回。

二零二零年債券的實際利率為每年10.4%。

- c. 於二零一四年五月十九日，本公司設立1,000,000,000港元之中期票據計劃。根據計劃發行之債券以只向專業投資者發行債務的方式於香港聯合交易所有限公司上市。本公司進一步宣佈票據利息將每年支付，年利率為1%。

本公司已分別於二零一四年五月三十日、二零一四年六月十一日、二零一四年六月二十五日、二零一四年七月二日、二零一四年七月十日、二零一四年七月十八日、二零一四年七月二十八日、二零一四年七月二十九日、二零一四年八月二十六日、二零一四年九月三十日、二零一四年十月六日及二零一四年十月七日合共發行40批本金額為400,000,000港元年利率為1%的債券。二零二四年上市債券將全部於二零二四年九月三十日到期。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

28. BONDS (Continued)

Notes: (Continued)

c. (Continued)

The information of Listed bonds 2024 are presented as follows:

| | |
|---|---|
| Principal amount: 本金額 : | HK\$400,000,000 400,000,000 港元 |
| Interest: 利息 : | 1% p.a. payable annually 每年 1% , 須每年支付 |
| Issue date: 發行日期 : | 40 batches issued from 30 May 2014 to 7 October 2014 由二零一四年五月三十日至二零一四年十月七日發行 40 個批次 |
| Maturity date: 到期日 : | 30 September 2024 二零二四年九月三十日 |
| Redemption period by the Company: 本公司的贖回期間 : | Three specified redemption dates from 31 December 2023 to 30 June 2024 三個指定的贖回日期由二零二三年十二月三十一日至 二零二四年六月三十日 |
| Redemption period for the bond holders: 債券持有人的贖回期間 : | Twelve Specified redemption dates from 30 September 2021 to 30 June 2024 十二個指定的贖回日期由二零二一年九月三十日 至二零二四年六月三十日 |
| Redemption amount on maturity date: 於到期日的贖回金額 : | HK\$387,400,000 (96.85% of principal amount) 387,400,000 港元 (本金額的 96.85%) |

As at 31 March 2020, the Company has completed the purchase of and cancelled the Listed bonds 2024 in the aggregate principal amount of HK\$110,000,000. The Listed bonds 2024 purchased by the Company will be cancelled, upon which the Listed bonds 2024 in the principal amount of HK\$290,000,000 will remain outstanding.

The fair value of the Bonds 2024 is approximately HK\$205,400,000 as at 31 March 2021 (2020: approximately HK\$170,628,000). The Bonds 2024 were classified as level 2 of fair value hierarchy.

The imputed interest expenses on the Listed bonds 2024 were calculated using effective interest method by using the effective interest rate of 11.6%.

28. 債券 (續)

附註 : (續)

c. (續)

二零二四年上市債券之資料呈列如下 :

| | |
|---|---|
| Principal amount: 本金額 : | HK\$400,000,000 400,000,000 港元 |
| Interest: 利息 : | 1% p.a. payable annually 每年 1% , 須每年支付 |
| Issue date: 發行日期 : | 40 batches issued from 30 May 2014 to 7 October 2014 由二零一四年五月三十日至二零一四年十月七日發行 40 個批次 |
| Maturity date: 到期日 : | 30 September 2024 二零二四年九月三十日 |
| Redemption period by the Company: 本公司的贖回期間 : | Three specified redemption dates from 31 December 2023 to 30 June 2024 三個指定的贖回日期由二零二三年十二月三十一日至 二零二四年六月三十日 |
| Redemption period for the bond holders: 債券持有人的贖回期間 : | Twelve Specified redemption dates from 30 September 2021 to 30 June 2024 十二個指定的贖回日期由二零二一年九月三十日 至二零二四年六月三十日 |
| Redemption amount on maturity date: 於到期日的贖回金額 : | HK\$387,400,000 (96.85% of principal amount) 387,400,000 港元 (本金額的 96.85%) |

於二零二零年三月三十一日, 本公司已完成購回及註銷本金總額為 110,000,000 港元的二零二四年上市債券。本公司購買的二零二四年上市債券將被註銷, 而本金額為 290,000,000 港元的二零二四年上市債券仍未償還。

二零二四年上市債券於二零二一年三月三十一日的公平值約為 205,400,000 港元 (二零二零年: 約 170,628,000 港元)。二零二四年上市債券分類為公平值層級第二級。

二零二四年上市債券的推算利息開支使用實際利率法計算的實際利率為 11.6%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

29. PROMISSORY NOTES

On 5 December 2007, the Company issued two promissory notes with an aggregate amount of HK\$376,000,000 as part of the consideration for the acquisition of Wuhan Baisazhou Market (the “**Promissory Notes**”). The Promissory Notes bear interest at 5% per annum and are repayable in five years from the date of issue. The Company may, at its absolute discretion, pay all or any part of the outstanding principal amount and interest of the Promissory Notes.

During the period ended 31 March 2020, the Group was pursuing a litigation regarding the Promissory Notes. As at 18 January 2021, the promissory note was offsetted with the gains granted under the Judgment upon settlement of the litigation. For details, please refer to note 36(B).

The movement of the carrying amount of the Promissory Notes during the year/period ended 31 March 2021 and 31 March 2020 is set out below:

| | HK\$'000 千港元 |
|---|-----------------|
| At 1 January 2019, 31 March 2020 and 1 April 2020 | 376,000 |
| 於二零一九年一月一日、 二零二零年三月三十一日 及二零二零年四月一日 | (376,000) |
| Less: offsetting upon litigation judgment (Note 36) | - |
| 減：訴訟判決後抵消(附註36) | - |
| At 31 March 2021 | - |
| 於二零二一年三月三十一日 | - |

The effective interest rate of the Promissory Notes before matured and matured were 12.23% and 5.00% per annum respectively.

29. 承兌票據

於二零零七年十二月五日，本公司發行兩項總金額為376,000,000港元之承兌票據，作為收購武漢白沙洲市場之部分代價（「承兌票據」）。承兌票據按年利率5%計息，須由發行日期起計五年內償還。本公司可全權酌情支付承兌票據之全部或任何部分未償還本金額及利息。

截至二零二零年三月三十一日止年度，本集團就承兌票據提起一項訴訟。於二零二一年一月十八日，解決訴訟後承兌票據獲根據判決授予之收益所抵消。詳情請參閱附註36(B)。

截至二零二一年三月三十一日及二零二零年三月三十一日止年度／期間，承兌票據之賬面值變動載列如下：

到期前及已到期之承兌票據之實際年利率分別為12.23%及5.00%。

30. CONVERTIBLE BONDS

On 19 October 2016, the Company issued 7.5% denominated convertible bonds with the aggregate principal amount of HK\$500,000,000 (the “**Convertible Bonds**”). Each bond entitles the holder to convert into the Company’s ordinary share at a conversion price of HK\$0.4 and maturity on 19 October 2021.

The Company issued the Convertible Bonds for the principal amount of HK\$500,000,000 to raise additional funds for the general working capital and repayment of indebtedness of the Company.

The Convertible Bonds may be converted into shares of the Company at any time on or after issue date up to the close of business on the maturity date.

30. 可換股債券

於二零一六年十月十九日，本公司發行本金總額為500,000,000港元的7.5%可換股債券（「可換股債券」）。每份債券賦予持有人權利按轉換價0.4港元轉換本公司之普通股，於二零二一年十月十九日到期。

本公司發行本金額為500,000,000港元的可換股債券，以籌集額外資金作為一般營運資金及償還本公司債務。

可換股債券於發行日期當日或之後任何時間直至到期日結束營業可轉換為本公司股份。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

30. CONVERTIBLE BONDS (Continued)

Unless previously redeemed, converted, purchased and cancelled, the Company will redeem each Convertible Bonds at its principal amount with accrued and unpaid interest thereon on the maturity date.

The Company shall, at any time before the maturity date, have the option to redeem the Convertible Bonds in whole or in part by giving not less than seven clear business days' prior notice. The amount payable for any redemption shall be the relevant amount of the principal amount of the Convertible Bonds so redeemed.

The Convertible Bonds bear interest from and including the issue date at 7.5% per annum in arrears every six calendar months after the date of issuance of the Convertible Bonds. The interest payable amount is calculated by 7.5% to outstanding principal amount of such Bonds.

The Convertible Bonds contain three components: redemption option derivative, liability and equity elements. The redemption option derivative and term extension derivative components are measured at fair value with changes in fair value recognised in profit or loss. The equity element is presented in equity heading "convertible bonds equity reserve". The effective interest rate of the liability component on initial recognition is 12.31% per annum. The valuation of Convertible Bonds was performed by an independent qualified professional valuer of the Company.

On 6 April 2017 and 19 April 2017, 380,000,000 shares and 115,500,000 shares have been converted. On 19 December 2017, the Convertible Bonds in the aggregate principal amount of HK\$37,000,000 were used to set off the consideration of rights shares of the Company.

On 9 December 2020, the Convertible Bonds with the aggregate principal amount of HK\$130,000,000 were redeemed early with loss of HK\$5,067,000 recognised in the consolidation statement of profit or loss and other comprehensive income.

As at 31 March 2021 and 2020, the Convertible Bonds with the principal amount of HK\$134,800,000 and HK\$264,800,000 respectively were outstanding and the maximum number of shares to be converted is 337,000,000 shares and 662,000,000 shares respectively.

The fair value of the Convertible Bonds of approximately HK\$133,982,000 (2020: approximately HK\$249,669,000) as at 31 March 2021. The Convertible Bonds were classified as level 3 of fair value hierarchy.

30. 可換股債券 (續)

除非先前已贖回、轉換、購回及註銷，否則本公司將於到期日按本金額連同應計及未付利息贖回每份可換股債券。

於到期日前任何時間，本公司可選擇全部或部分贖回可換股債券，惟須發出不少於七個營業日事先通知。就贖回應付款項的相關金額將為被贖回可換股債券的本金額。

可換股債券自發行日(包括該日)起按年利率7.5%計息，於可換股債券發行日期後每六個月支付。應付利息金額乃按有關債券未行使本金額之7.5%計算。

可換股債券包含三部分：贖回購股權衍生工具、負債及權益部分。贖回購股權衍生工具及延期衍生工具部分乃按公平值連同於損益確認的公平值變動計值。權益分部以「可換股債券權益儲備」於權益呈列。初步確認負債部分的實際年利率為12.31%。可換股債券之估值由本公司一名獨立合資格專業估值師進行。

於二零一七年四月六日及二零一七年四月十九日，已分別轉換380,000,000股股份及115,500,000股股份。於二零一七年十二月十九日，本金總額為37,000,000港元的可換股債券用於抵銷本公司供股的代價。

於二零二零年十二月九日，本金總額為130,000,000港元的可換股債券已提早贖回，並於綜合損益及其他全面收益表確認虧損5,067,000港元。

於二零二一年及二零二零年三月三十一日，本金額分別為134,800,000港元及264,800,000港元的可換股債券尚未行使，可轉換股份分別最多為337,000,000股及662,000,000股。

於二零二一年三月三十一日，可換股債券之公平值約為133,982,000港元(二零二零年：約249,669,000港元)，可轉換債券分類為公平值層級第三級。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

30. CONVERTIBLE BONDS (Continued)

The Convertible Bonds information are presented as follows:

30. 可換股債券(續)

可換股債券之資料呈列如下：

| | | Convertible Bonds 可換股債券 HK\$'000 千港元 |
|--|--|---|
| Principal amounts: – as at 31 March 2021 interest: | 本金額： – 於二零二一年三月三十一日 | 134,800 in HK\$ settlement 7.5% p.a. payable per six calendar months after the date of issuance 須於發行日期後每六個 曆月以港元為單位每年 支付7.5% |
| Issue date: | 發行日期： | 19 October 2016 二零一六年十月十九日 |
| Maturity date: | 到期日： | 19 October 2021 二零二一年十月十九日 |
| Conversion price per share: | 每股轉換價： | HK\$0.4 0.4港元 |
| Risk free rate: | 無風險利率： | 0.64% |
| Discount rate: | 折讓率： | 12.39% |
| Liability component | 負債部分 | |
| As at 1 January 2019 | 於二零一九年一月一日 | 234,747 |
| Imputed interest charge (note 7(a)) | 推算利息支出(附註7(a)) | 36,944 |
| Interest paid | 已付利息 | (24,797) |
| As at 31 March 2020 and 1 April 2020 | 於二零二零年三月三十一日及 二零二零年四月一日 | 246,894 |
| Early redemption | 提早贖回 | (124,933) |
| Imputed interest charge (note 7(a)) | 推算利息支出(附註7(a)) | 26,261 |
| Interest paid | 已付利息 | (16,859) |
| As at 31 March 2021 | 於二零二一年三月三十一日 | 131,363 |
| Equity component | 權益部分 | |
| As at 1 January 2019, 31 March 2020 and 1 April 2020 | 於二零一九年一月一日、 二零二零年三月三十一日 及二零二零年四月一日 | 79,547 |
| Early redemption | 提早贖回 | (39,052) |
| As at 31 March 2021 | 於二零二一年三月三十一日 | 40,495 |
| Redemption option derivative component | 贖回購股權衍生工具部分 | |
| As at 1 January 2019 | 於二零一九年一月一日 | (2,109) |
| Change in fair value | 公平值變動 | 1,787 |
| As at 31 March 2020 and 1 April 2020 | 於二零二零年三月三十一日及 二零二零年四月一日 | (322) |
| Change in fair value | 公平值變動 | 263 |
| As at 31 March 2021 | 於二零二一年三月三十一日 | (59) |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

31. INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(a) Income tax payable in the consolidated statement of financial position represents provision for PRC enterprise income tax.

(b) Deferred taxation recognised:

The components of deferred tax liabilities recognised in the consolidated statement of financial position and the movements during the year/period ended 31 March 2021 and 2020 are as follows:

31. 綜合財務狀況表之所得稅

(a) 綜合財務狀況表應付所得稅指中國企業所得稅撥備。

(b) 已確認遞延稅項：

截至二零二一年及二零二零年三月三十一日止年度／期間，已於綜合財務狀況表確認之遞延稅項負債之組成部分及其變動如下：

| | | PRC withholding tax on distributable profits | Fair value adjustments of investment properties and stock of properties | Convertible Bonds | Total |
|---|------------------------|--|---|--|--|
| | | 可分派溢利之中國預扣稅 | 投資物業及物業存貨之公平值調整 | 可換股債券 | 總額 |
| | | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| Deferred tax arising from: | 遞延稅項產生自： | | | | |
| At 1 January 2019 | 於二零一九年一月一日 | - | 411,105 | 9,976 | 421,081 |
| Exchange adjustments | 匯兌調整 | - | (19,662) | - | (19,662) |
| Charge/(credit) to profit or loss | 扣除／(計入)損益 | - | 86,134 | (4,032) | 82,102 |
| At 31 March 2020 and 1 April 2020 | 於二零二零年三月三十一日及二零二零年四月一日 | - | 477,577 | 5,944 | 483,521 |
| Exchange adjustments | 匯兌調整 | - | 40,533 | - | 40,533 |
| Charge/(credit) to profit or loss | 扣除／(計入)損益 | 20,000 | 24,750 | (4,803) | 39,947 |
| At 31 March 2021 | 於二零二一年三月三十一日 | 20,000 | 542,860 | 1,141 | 564,001 |
| Net deferred tax liabilities recognised in the consolidated statement of financial position | 在綜合財務狀況表確認之遞延稅項負債淨額 | | | | |
| | | | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| | | | | 564,001 | 483,521 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

31. INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Continued)

(c) Deferred taxation not recognised

At the end of the reporting period, the Group has unused tax losses of approximately HK\$398,114,000 for the year ended 31 March 2021 (fifteen months from 1 January 2019 to 31 March 2020: approximately HK\$383,339,000) available for offset the future taxable profits. No deferred tax asset has been recognised due to the unpredictability of the future profit stream. Included in unrecognised tax losses are losses of approximately HK\$362,492,000 (2019: HK\$359,351,000) arising from the PRC which may be carried forward for five years. Other losses of approximately HK\$35,622,000 (2019: HK\$23,988,000) may be carried forward indefinitely. The Group had no other significant deferred tax assets/liabilities not recognised as at the end of the reporting period.

31. 綜合財務狀況表之所得稅 (續)

(c) 未確認之遞延稅項

於報告期末，本集團有未使用截至二零二一年三月三十一日止期間約398,114,000港元(自二零一九年一月一日至二零二零年三月三十一日止十五個月：約383,339,000港元)稅項虧損可用以抵銷未來應課稅溢利。因難以預測未來溢利來源，故並無確認遞延稅項資產。上述虧損包括產生自中國之未確認稅項虧損約362,492,000港元(二零一九年：359,351,000港元)可於五年內結轉。其他虧損約35,622,000港元(二零一九年：23,988,000港元)可無限期結轉。於報告期末，本集團並無其他重大未確認之遞延稅項資產／負債。

32. CAPITAL AND RESERVES

(a) Authorised and issued share capital

| | 2021 二零二一年 | | 2020 二零二零年 | | |
|--|---|---|-----------------------------|---|---------|
| | Number of shares 股份數目 | Nominal value 面值 HK\$'000 千港元 | Number of shares 股份數目 | Nominal value 面值 HK\$'000 千港元 | |
| Authorised: Ordinary shares of HK\$0.01(2020: HK\$0.01) each | 法定： 每股面值0.01港元 (二零二零年：0.01 港元)之普通股 | 30,000,000,000 | 300,000 | 30,000,000,000 | 300,000 |
| Ordinary shares, issued and fully paid: At the beginning and the end of the year/period | 普通股，已發行及 繳足： 於年／期初及年／期末 | 9,953,067,822 | 99,531 | 9,953,067,822 | 99,531 |

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally in regard to the Company's residual assets.

32. 資本及儲備

(a) 法定及已發行股本

普通股持有人有權收取不時宣派之股息及有權於本公司之會議上就每股投一票。所有普通股對本公司剩餘資產均享有同等權益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

32. CAPITAL AND RESERVES (Continued)

(b) Nature and purpose of reserves

- (i) *Share premium*
The application of the share premium account is governed by section 40 of the Bermuda Companies Act 1981 of Bermuda.
- (ii) *Capital redemption reserve*
The capital redemption reserve represents the nominal value of the Company's shares repurchased which has been paid out of the distributable reserves of the Company.
- (iii) *Contributed surplus*
The contributed surplus represents (i) the difference between the underlying net asset value of the subsidiaries acquired over the nominal value of the shares of the Company issued pursuant to group reorganisation in 1995, and (ii) contribution arising from capital reorganisation in 2003 and 2009.
- Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus is available for distribution to shareholders. However, the Company cannot declare or pay a dividend, or make distributions out of contributed surplus if:
- it is, or would after the payment be, unable to pay its liabilities as they become due; or
 - the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.
- (iv) *Shareholders' contribution*
The shareholders' contribution represents imputed interest expense on the non-current interest-free loan from ultimate holding company in 2005.
- (v) *Exchange reserve*
The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements into presentation currency of the Group which is dealt with in accordance with the accounting policy set out in note 2(r).

32. 資本及儲備 (續)

(b) 儲備之性質及目的

- (i) *股份溢價*
股份溢價賬之應用方式須符合百慕達之一九八一年百慕達公司法第40條規定。
- (ii) *資本贖回儲備*
資本贖回儲備指本公司已購回股份之面值，乃從本公司之可分派儲備中撥支。
- (iii) *實繳盈餘*
實繳盈餘指(i)所收購附屬公司之相關資產淨值高於一九九五年根據集團重組所發行本公司股份的面值之間差額，及(ii)二零零三年及二零零九年股本重組所產生之出資。
- 根據百慕達一九八一年公司法(經修訂)，實繳盈餘可分派予股東。然而，本公司於下列情況下不得宣派或派付股息，或從實繳盈餘作出分派：
- 目前或於作出分派後未能償還到期之債務；或
 - 將導致資產可變現價值低於其負債及其已發行股本和股份溢價賬之總和。
- (iv) *股東出資*
股東出資指最終控股公司於二零零五年提供非即期免息貸款之推算利息開支。
- (v) *匯兌儲備*
匯兌儲備包括所有產生自將財務報表換算為本集團呈報貨幣之匯兌差額，有關換算按照附註2(r)所載之會計政策處理。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

32. CAPITAL AND RESERVES (Continued)

(b) Nature and purpose of reserves (Continued)

(vi) Other reserve

The other reserve of the Group was the changes in the Group's ownership interests in its subsidiaries that do not result in the loss of control.

(vii) Convertible bonds reserve

The convertible bonds reserve represents the conversion option of convertible bonds recognised in the equity until either the bonds are converted or redeemed.

(c) Distributability of reserves

At 31 March 2021, the aggregate amount of reserves available for distribution to equity shareholders of the Company was nil (2020: Nil).

(d) Capital 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 strictly control the debt level. The Group maintains a strategy on acquiring land only if the project development can commence within a short period of time so as to minimise the time period between acquisition and development of the acquired land, thus the Group's capital can be efficiently deployed.

The Group monitors its capital structure on the basis of gearing ratio. For this purpose, the Group defines net debt as total debt (which includes bank and other borrowings, bonds, convertible bonds and promissory notes) less cash and cash equivalents. Capital comprises total equity attributable to equity shareholders of the Company. The Group's overall strategy remains unchanged from prior year.

32. 資本及儲備 (續)

(b) 儲備之性質及目的

(vi) 其他儲備

本集團之其他儲備為本集團於其附屬公司之擁有權權益變動(不會導致失去控制權)。

(vii) 可換股債券儲備

可換股債券儲備指在債券獲轉換或贖回前將可換股債券於權益確認的轉換選擇權。

(c) 儲備之可分派能力

於二零二一年三月三十一日，可向本公司權益股東分派儲備之總金額為零(二零二零年：無)。

(d) 資本管理

本集團管理資本之首要目標為保障本集團持續經營業務之能力，透過將產品及服務的價格訂於與風險相稱之水平及按合理成本籌措融資，使其能夠繼續為股東提供回報及為其他利益相關者提供利益。

本集團積極及定期檢討及管理資本結構，以嚴格控制債務水平。本集團維持之政策為僅會於得以在短期內展開時方會購入土地作項目發展，藉以盡量縮短收購及發展已購入土地之間相隔的日子，使本集團能有效地運用資本。

本集團以負債比率為基準監控其資本結構。就此而言，本集團將債務淨額界定為債務總額(包括銀行及其他借款、債券、可換股債券以及承兌票據)減去現金及現金等額。資本包括本公司權益股東應佔之總權益。本集團之整體策略與去年相同。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

32. CAPITAL AND RESERVES (Continued)

(d) Capital management (Continued)

The gearing ratio as at 31 March 2021 and 2020 was as follows:

| | | Notes 附註 | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|----------------------------------|------------------|-------------|----------------------------------|----------------------------------|
| Current debts | 流動債務 | | | |
| – Bank and other borrowings | – 銀行及其他借款 | 27 | 227,856 | 231,820 |
| – Convertible bonds | – 可換股債券 | 30 | 131,363 | – |
| – Promissory notes | – 承兌票據 | 29 | – | 376,000 |
| Total current debts | 即期債務總額 | | 359,219 | 607,820 |
| Non-current debts | 非流動債務 | | | |
| – Bank and other borrowings | – 銀行及其他借款 | 27 | 816,453 | 779,669 |
| – Convertible bonds | – 可換股債券 | 30 | – | 246,894 |
| – Bonds | – 債券 | 28 | 195,630 | 176,998 |
| Total non-current debts | 非即期債務總額 | | 1,012,083 | 1,203,561 |
| Total debt | 債務總額 | | 1,371,302 | 1,811,381 |
| Less: Cash and cash equivalents | 減：現金及現金等額 | 24 | (424,675) | (339,599) |
| Net debt | 債務淨額 | | 946,627 | 1,471,782 |
| Total equity | 權益總額 | | 2,205,853 | 1,485,365 |
| Net debt-to-capital ratio | 債務淨額對資本比率 | | 42.9% | 99.1% |

Neither the Company nor its subsidiaries are subject to externally imposed capital requirements.

32. 資本及儲備 (續)

(d) 資本管理 (續)

於二零二一年及二零二零年三月三十一日之負債比率如下：

| | | Notes 附註 | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|----------------------------------|------------------|-------------|----------------------------------|----------------------------------|
| Current debts | 流動債務 | | | |
| – Bank and other borrowings | – 銀行及其他借款 | 27 | 227,856 | 231,820 |
| – Convertible bonds | – 可換股債券 | 30 | 131,363 | – |
| – Promissory notes | – 承兌票據 | 29 | – | 376,000 |
| Total current debts | 即期債務總額 | | 359,219 | 607,820 |
| Non-current debts | 非流動債務 | | | |
| – Bank and other borrowings | – 銀行及其他借款 | 27 | 816,453 | 779,669 |
| – Convertible bonds | – 可換股債券 | 30 | – | 246,894 |
| – Bonds | – 債券 | 28 | 195,630 | 176,998 |
| Total non-current debts | 非即期債務總額 | | 1,012,083 | 1,203,561 |
| Total debt | 債務總額 | | 1,371,302 | 1,811,381 |
| Less: Cash and cash equivalents | 減：現金及現金等額 | 24 | (424,675) | (339,599) |
| Net debt | 債務淨額 | | 946,627 | 1,471,782 |
| Total equity | 權益總額 | | 2,205,853 | 1,485,365 |
| Net debt-to-capital ratio | 債務淨額對資本比率 | | 42.9% | 99.1% |

本公司及其附屬公司均毋須遵守外部施加之資本規定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

33. STATEMENT OF FINANCIAL POSITION AND RESERVES MOVEMENT OF THE COMPANY

(a) Financial position of the Company

| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|---|--------------------|----------------------------------|----------------------------------|
| Non-current asset | 非流動資產 | | |
| Investments in subsidiaries | 於附屬公司之投資 | 319,580 | 319,580 |
| Current assets | 流動資產 | | |
| Other receivables | 其他應收款項 | 2,051,793 | 2,397,086 |
| Financial assets at fair value through profit or loss | 按公平值列賬及於損益表處理之金融資產 | 59 | 322 |
| Cash and cash equivalents | 現金及現金等額 | 64,607 | 24,520 |
| | | 2,116,459 | 2,421,928 |
| Current liabilities | 流動負債 | | |
| Other payables | 其他應付款項 | 732,366 | 646,296 |
| Convertible bonds | 可換股債券 | 131,363 | - |
| Promissory notes | 承兌票據 | - | 376,000 |
| | | 863,729 | 1,022,296 |
| Net current assets | 流動資產淨額 | 1,252,730 | 1,399,632 |
| Total assets less current liabilities | 總資產減流動負債 | 1,572,310 | 1,719,212 |
| Non-current liabilities | 非流動負債 | | |
| Bonds | 債券 | 195,630 | 176,998 |
| Other borrowing | 其他借款 | 600,000 | 600,000 |
| Convertible bonds | 可換股債券 | - | 246,894 |
| Deferred tax liability | 遞延稅項負債 | 1,141 | 5,944 |
| | | 796,771 | 1,029,836 |
| Net assets | 淨資產 | 775,539 | 689,376 |
| Capital and reserves | 資本及儲備 | | |
| Share capital | 股本 | 99,531 | 99,531 |
| Reserves | 儲備 | 676,008 | 589,845 |
| Total equity | 權益總額 | 775,539 | 689,376 |

Approved and authorised for issue by the board of directors on 28 June 2021.

Leung Sui Wah, Raymond

梁瑞華
Director
董事

於二零二一年六月二十八日獲董事會批准及授權刊發。

Tang Ching Ho

鄧清河
Director
董事

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

33. STATEMENT OF FINANCIAL POSITION AND RESERVES MOVEMENT OF THE COMPANY

(Continued)

(b) A summary to the Company's reserves is as follows:

| | | Capital | | Convertible | | | Total | |
|---------------------------------------|------------------------|------------------|--------------------|---------------------|----------------|---------------------------|--------------------|--------------------|
| | | Share premium | redemption reserve | Contributed surplus | bonds reserves | Shareholders contribution | | Accumulated losses |
| | | 股份溢價 | 資本贖回儲備 | 實繳盈餘 | 可換股債券儲備 | 股東出資 | 累計虧損 | 總額 |
| | | 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 |
| At 1 January 2019 | 於二零一九年一月一日 | 3,923,147 | 945 | 588,812 | 79,547 | 664 | (3,869,724) | 723,391 |
| Loss for the period | 本期間虧損 | - | - | - | - | - | (133,546) | (133,546) |
| At 31 March 2020 and 1 April 2020 | 於二零二零年三月三十一日及二零二零年四月一日 | 3,923,147 | 945 | 588,812 | 79,547 | 664 | (4,003,270) | 589,845 |
| Early redemption of convertible bonds | 提早贖回可換股債券 | - | - | - | (39,052) | - | 39,052 | - |
| Profit for the year | 本年度溢利 | - | - | - | - | - | 86,163 | 86,163 |
| At 31 March 2021 | 於二零二一年三月三十一日 | 3,923,147 | 945 | 588,812 | 40,495 | 664 | (3,878,055) | 676,008 |

33. 本公司財務狀況表及儲備變動 (續)

(b) 本公司之儲備概要如下：

34. EQUITY SETTLED SHARE-BASED TRANSACTIONS

The Company adopted a share option scheme (the "Scheme") on 3 May 2012 whereby the directors the Company are authorised, at their discretion, to invite selected eligible persons (the "Participants") to take up options for their contribution to the Group. The Scheme will remain in force for 10 years. Under the Scheme, the board of directors (the "Board") may grant options to the Participants to subscribe for shares in the Company for a consideration of HK\$1 for each lot of share options granted. The exercise price is to be determined by the Board and shall not be less than the highest of:

- the official closing price of the shares as stated in the daily quotations sheets of the Stock Exchange on the offer date which must be a business day (and for this purpose, shall be taken to be the date of the Board meeting at which the Board proposes to grant the options);
- the average of the official closing price of the shares as stated in the daily quotations sheets of the Stock Exchange for the five business days immediately preceding the offer date; and
- the nominal value of a share.

34. 以權益結算以股份為基礎之交易

根據本公司於二零一二年五月三日採納之購股權計劃(「計劃」)，本公司董事獲授權可酌情邀請所挑選合資格人士(「參與者」)就彼等對本集團之貢獻而接納購股權。計劃將維持十年有效。根據計劃，董事會(「董事會」)可向參與者授出購股權，每批獲授予認購本公司股份之購股權之代價為1港元。行使價將由董事會釐定，並不得低於以下各項之最高者：

- 股份於購股權授出當日(須為營業日，且就此而言，須作為董事會建議授出購股權之董事會會議當日)在聯交所每日報價表所列之正式收市價；
- 股份於緊接授出購股權前五個營業日在聯交所每日報價表所列之正式收市價平均數；及
- 股份面值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

34. EQUITY SETTLED SHARE-BASED TRANSACTIONS (Continued)

Pursuant to the Scheme, the maximum number of shares in the Company in respect of which options may be granted when aggregated with any other share option scheme of the Company is not permitted to exceed 116,334,463 shares, representing approximately 1.17% of the issued share capital of the Company as at the date of this report. Subject to the issue of a circular and the approval of the shareholders of the Company in general meeting and/or such other requirements prescribed under the Listing Rules from time to time, the Board may refresh the limit at any time to 10% of the total number of shares in issue as at the date of approval by the shareholders of the Company in general meeting. Notwithstanding the foregoing, the shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option schemes of the Company at any time shall not exceed 30% of the shares in issue from time to time.

The number of shares in respect of which options may be granted to the Participants in any 12-month period up to and including the date of grant shall not exceed 1% of the total number of shares in issue as at the date of grant. Any further grant of options in excess of this 1% limit shall be subject to the approval of the shareholders in general meeting. The participant and his associates (as defined in the Listing Rules) are abstained from voting and/or other requirements prescribed under the Listing Rules from time to time. Options granted to substantial shareholders or independent non-executive directors in excess of 0.1% of the Company's share capital or with a value in excess of HK\$5,000,000 must be approved in advance by the Company's shareholders.

There is no specific requirement that an option must be held for any minimum period before it can be exercised but the Board is empowered to impose at its discretion any such minimum period at the time of grant of any particular option. The period during which an option may be exercised will be determined by the Board at its absolute discretion, save that no option may be exercised more than ten years from the date of grant.

No options have been granted, exercised, cancelled or lapsed during the year/period ended 31 March 2021 and 2020.

34. 以權益結算以股份為基礎之交易 (續)

根據計劃，連同本公司任何其他購股權計劃可授出之購股權所涉及之本公司股份最高數目不得超過 116,334,463 股，即本公司於本報告日期已發行股本約 1.17%。根據刊發通函、本公司股東於股東大會上批准及／或上市規則不時訂明之其他規定，董事會可隨時將限額重新釐定為於本公司股東在股東大會上批准當日已發行股份總數之 10%。儘管有上述規定，因行使計劃及本公司任何其他購股權計劃項下已授出但未行使之所有尚未行使購股權而可予發行之股份，於任何時候均不得超過不時已發行股份之 30%。

倘於授出日期(包括該日)前任何十二個月期間內，有關可能向參與者授出之購股權之股份數目不得超出授出日期已發行股份總數之 1%。任何進一步授出超過該 1% 限額之購股權，須待股東於股東大會上批准。參與者及其聯繫人士(定義見上市規則)須放棄投票及／或遵守上市規則不時訂明之其他規定。倘授予主要股東或獨立非執行董事之購股權超過本公司股本之 0.1%，或其價值超過 5,000,000 港元，則須經本公司股東事先批准。

概無明文規定購股權須持有任何最短期限方可行使，惟董事會有權酌情於授出任何個別購股權時施加任何最短期限。董事會可全權酌情釐定可行使購股權之期間，惟購股權概不可於授出日期起計十年以後行使。

於截至二零二一年及二零二零年三月三十一日止年度／期間並無任何購股權被授出、行使、註銷或失效。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Exposure to credit, liquidity and market risks (including interest rate, currency risk and equity price risk) arises in the normal course of the Group's business.

These risks are limited by the Group's financial management policies and practices described below.

(a) Credit risk

The Group is exposed to credit risk in relation to its trade and other receivables, loan receivables and cash deposits with banks.

The carrying amounts of trade and other receivables, loan receivables and cash and cash equivalents represent the Group's maximum exposure to credit risk in relation to financial assets.

In relation to the Group's deposits with bank, the Group limits its exposure to credit risk by placing deposits with financial institutions with high credit rating and no recent history of default. The directors of the Company consider that the Group's credit risk on the bank deposits is low. Management continues to monitor the position and will take appropriate action if their ratings should change. As at 31 March 2021 and 2020, the Group has no significant concentration of credit risk in relation to deposits with bank.

The Group has a concentration of credit risk in certain individual customers. At the end of each reporting period, the five largest receivable balances accounted for approximately 37.7% (2020: approximately 78%) of the trade receivables and the largest trade receivable was approximately 31.6% (2020: approximately 61%) of the Group's total trade receivables. The Group seeks to minimise its risk by dealing with counterparties which have good credit history. Majority of the trade receivables that are neither past due nor impaired have no default payment history.

The Group's concentration of credit risk by geographical location is mainly in the PRC.

35. 財務風險管理目標及政策

本集團於正常業務過程中產生信貸、流動資金及市場風險(包括利率、貨幣風險及股價風險)。

本集團根據下述財務管理政策及慣例限制該等風險。

(a) 信貸風險

本集團面臨著與其貿易及其他應收款項、應收貸款及銀行現金存款有關的信貸風險。

貿易及其他應收款項、應收貸款及現金及現金等額的賬面值指本集團有關金融資產的最大信貸風險。

就本集團存放於銀行之存款而言，本集團透過將存款存放於具高信貸評級及近期並無違約紀錄之金融機構，藉以減低所承擔之信貸風險。本公司董事認為，本集團銀行存款之信貸風險偏低。管理層繼續監察有關狀況，並會於彼等之評級有變時採取適當行動。於二零二一年及二零二零年三月三十一日，本集團並無有關銀行存款之高度集中信貸風險。

本集團面對若干個別客戶之集中信貸風險。於各個報告期末，五大應收款項結餘佔應收貿易款項約37.7%(二零二零年：約78%)，而最大應收貿易款項佔本集團應收貿易款項總額約31.6%(二零二零年：約61%)。本集團透過與信貸記錄良好之交易對手交易以減低其風險。大部分既未逾期亦無減值之應收貿易款項過往並無拖欠付款記錄。

本集團按地區位置劃分之信貸風險主要集中位於中國。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(a) Credit risk (Continued)

For loan and other receivables, management makes periodic collective assessments as well as individual assessment on the recoverability of loan and other receivables based on historical settlement records and past experience. The directors of the Company believe that there is no material credit risk inherent in the Group's outstanding balance of loan and other receivables.

The Group considers the probability of default upon initial recognition of, a financial asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Especially the following indicators are incorporated:

- internal credit rating;
- external credit rating;
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations;
- actual or expected significant changes in the operating results of the borrower;
- significant increases in credit risk on other financial instruments of the same borrower; and
- significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the Group and changes in the operating results of the borrower.

The Group applies the simplified approach to providing for expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables.

35. 財務風險管理目標及政策 (續)

(a) 信貸風險 (續)

就貸款及其他應收款項而言，管理層會基於過往結算紀錄及過往經驗對貸款及其他應收款項之可回收性定期作出整體評估及個別評估。本公司董事認為本集團的未結付貸款及其他應收款項結餘並無重大信貸風險。

本集團認為於金融資產初步確認後可能發生違約，並持續評估信貸風險於各報告期間內是否顯著增加。為評估信貸風險是否顯著增加，本集團將資產於報告日期發生的違約風險與初始確認日期的違約風險進行比較。認為可用合理且具有支持性的前瞻性資料。尤其包含以下指標：

- 內部信貸評級；
- 外部信貸評級；
- 預期會導致借款人履行其義務能力發生重大變動的業務、財務或經濟狀況的實際或預期重大不利變動；
- 借款人經營業績的實際或預期重大變動；
- 同一借款人的其他金融工具的信貸風險大幅增加；及
- 借款人的預期業績及行為發生重大變動，包括本集團借款人付款狀況的變動以及借款人經營業績的變動。

本集團應用簡化法就香港財務報告準則第9號所規定的預期信貸虧損作出撥備，該準則准許對所有應收貿易款項使用全期預期虧損撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued) 35. 財務風險管理目標及政策 (續)

(a) Credit risk (Continued)

The Group has credit policy to monitor the level of credit risk. In general, the credit record and credit period for each customer or debtor are regularly assessed, based on the customer's or debtor's financial condition, their capacity to obtain guarantee from third parties, their credit records and other factors such as current market condition. Management overall considers the shared credit risk characteristic and the days past due of the trade receivables to measure the expected credit. The Group considered among other factors including forward looking information, analysed historical pattern.

On that basis, the loss allowance as at 31 March 2021 and 2020 was determined as follows for trade receivables:

| As at 31 March 2021 | 於二零二一年 三月三十一日 | More than 90 days but less than 180 days | | | More than 180 days | Total |
|-------------------------------------|------------------|---|--|-----------------------|-----------------------|-------|
| | | Less than 90 days | More than 90 days but less than 180 days | More than 180 days | | |
| | | 90日以內 | 超過90日 但180日以內 | 超過180日 | 總額 | |
| Trade receivables | 應收貿易款項 | | | | | |
| Expected loss rate | 預期虧損率 | -% | -% | 98.6% | | |
| Gross carrying amount (HK\$'000) | 總賬面值(千港元) | 9,002 | 644 | 8,297 | 17,943 | |
| Loss allowance (HK\$'000) | 虧損撥備(千港元) | - | - | (8,177) | (8,177) | |
| Net carrying amount (HK\$'000) | 賬面淨值(千港元) | 9,002 | 644 | 120 | 9,766 | |

(a) 信貸風險 (續)

本集團使用信用政策監察信貸風險水平。一般而言，根據客戶或債務人的財務狀況、彼等從第三方獲得擔保的能力、彼等的信用記錄以及當前市場狀況等其他因素，定期評估每個客戶或債務人的信用記錄及信用期。管理層整體考慮貿易應收款項的共同信貸風險特徵及到期日以計量預期信貸。本集團經考慮眾多因素包括(其中包括前瞻性資料)經分析歷史模式。

按此基準，於二零二一年及二零二零年三月三十一日的應收貿易款項的虧損撥備釐定如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued) 35. 財務風險管理目標及政策 (續)

(a) Credit risk (Continued)

On that basis, the loss allowance as at 31 March 2021 and 2020 was determined as follows for trade receivables: (continued)

| As at 31 March 2020 | 於二零二零年 三月三十一日 | Less than 90 days 90日以內 | More than 90 days but less than 180 days 超過90日 但180日以內 | More than 180 days 超過180日 | Total 總額 |
|-------------------------------------|------------------|-------------------------------|---|---------------------------------|-------------|
| Trade receivables | 應收貿易款項 | | | | |
| Expected loss rate | 預期虧損率 | 7.6% | 33.0% | 95.5% | |
| Gross carrying amount (HK\$'000) | 總賬面值(千港元) | 3,196 | 551 | 5,929 | 9,676 |
| Loss allowance (HK\$'000) | 虧損撥備(千港元) | (243) | (182) | (5,664) | (6,089) |
| Net carrying amount (HK\$'000) | 賬面淨值(千港元) | 2,953 | 369 | 265 | 3,587 |

The closing loss allowances for trade receivables as at 31 March 2021 and 2020 reconcile to the opening loss allowances as follows:

(a) 信貸風險 (續)

按此基準，於二零二一年及二零二零年三月三十一日的應收貿易款項的虧損撥備釐定如下：(續)

於二零二一年及二零二零年三月三十一日之應收貿易款項之期末虧損撥備與期初虧損撥備的對賬如下：

| | | Trade receivables 應收貿易款項 HK\$'000 千港元 |
|---|---------------------------|---|
| At 1 January 2019 | 於二零一九年一月一日 | 10,327 |
| Increase in loss allowance recognised in profit or loss during the period | 期內於損益中確認之虧損撥備增加 | 5,160 |
| Amounts written off as uncollectible | 無法收回需撇銷款項 | (9,104) |
| Exchange difference | 匯兌差額 | (294) |
| At 31 March 2020 and 1 April 2020 | 於二零二零年三月三十一日及 二零二零四月一日 | 6,089 |
| Increase in loss allowance recognised in profit or loss during the year | 年內於損益中確認之虧損撥備增加 | 1,532 |
| Exchange difference | 匯兌差額 | 556 |
| At 31 March 2021 | 於二零二一年三月三十一日 | 8,177 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(a) Credit risk (Continued)

The Group will monitor debtors with long outstanding balances and will engage in enforcement activities to recover the receivables due. Where recoveries are made, these are recognised in consolidated statements of profit or loss and other comprehensive income. The Group closely monitors trade receivables balance more than 30 days. Those trade receivables, due more than 90 days, with financial difficulties, declining credit standing and poor historical payment pattern will be considered as default. The Group will write off these unrecovered receivables after all possible means of debt recovery activities.

For loan and other receivables, the Group applies either a 12-month expected credit losses or lifetime expected credit losses, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivables has occurred since initial recognition then impairment is measured as lifetime expected credit losses.

In determining the 12-month or lifetime expected credit loss for these receivables, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical payment experience and the corresponding historical credit loss rates, and adjusted for forward-looking macroeconomic data. In assessing whether the credit risk on these receivables have increased significantly since initial recognition, the Group compares the risk of a default occurring on these receivables as at the reporting date with the risk of default occurring on these receivables as at the date of initial recognition. Management would re-assess these factors periodically for any deterioration or improvement indications to determine if credit risk from these receivables has increased or decreased.

35. 財務風險管理目標及政策 (續)

(a) 信貸風險 (續)

本集團將監察長期未償還結餘的債務人，並將採取強制行動以收回到期應收款項。倘得以收回款項，則於綜合損益及其他全面收益表確認該等款項。本集團密切監控超過30日的貿易應收款項之結餘。該等逾期超過90日、具有財務困難、信用狀況下降及過往還款情況欠佳之貿易應收款項將被視為違約。於作出所有可能的債務收回措施後，本集團將撇銷該等未收回之應收款項。

就貸款及其他應收款項而言，本集團應用12個月預期信貸虧損或全期預期信貸虧損，視乎信貸風險自初始確認以來有否顯著增加而定。倘從初始確認起應收款項之信貸風險出現顯著增加，則減值按全期預期信貸虧損計量。

於釐定該等應收款項的12個月或全期的預期信貸虧損時，本集團考慮合理及可靠的定量及定性資料，包括過往還款經驗及相應的過往信貸虧損率，並根據前瞻性宏觀經濟數據進行調整。於評估該等應收款項的信貸風險自初始確認以來是否大幅增加，本集團將該等應收款項於報告日期發生的違約風險與該等應收款項於初始確認日期發生的違約風險進行比較。管理層將定期重新評估該等因素，以確定任何惡化或改善跡象，從而釐定該等應收款項的信貸風險是否增加或減少。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued) 35. 財務風險管理目標及政策 (續)

(a) Credit risk (Continued)

The Group's internal credit risk grading assessment comprises the following categories:

| Internal credit rating 內部信貸評級 | Description 描述 | Deposits and other receivables and loan receivables 按金及其他應收款項及應收貸款 |
|----------------------------------|---|---|
| Low risk 低風險 | The counterparty has a low risk of default and does not have any past-due amounts 交易對手之違約風險甚低，並無任何逾期款項 | 12m ECL 12個月預期信貸虧損 |
| Watch list 監察名單 | Debtor frequently repays after due dates but usually settle in full 債務人經常於逾期後才還款，惟通常悉數清償 | 12m ECL 12個月預期信貸虧損 |
| Doubtful 可疑 | There have been significant increases in credit risk since initial recognition through information developed internally or external resources 信貸風險自初步確認以來因內部資料或外部資源而重大增加 | 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 有證據顯示該資產已出現信貸減值 | Lifetime ECL – credit-impaired 全期預期信貸虧損 – 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，且本集團收款機會渺茫 | Amount is written off 金額已撇銷 |

(a) 信貸風險 (續)

本集團之內部信貸風險評級評估包括以下類別：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued) 35. 財務風險管理目標及政策 (續)

(a) Credit risk (Continued)

The tables below detail the credit risk exposures of the Group's financial assets, which are subject to ECL assessment:

| | Internal credit rating 內部信貸評級 | 12m or lifetime ECL 12個月或全期預期信貸虧損 | 2021 二零二一年 Gross carrying amount 總賬面值 | | 2020 二零二零年 Gross carrying amount 總賬面值 | |
|---|----------------------------------|---|--|---------------|--|-----------------|
| | | | HK'000 千港元 | HK'000 千港元 | HK'000 千港元 | HK\$'000 千港元 |
| Financial assets at amortised cost 按攤銷成本入賬之金融資產 | | | | | | |
| Loan receivables (Note 22) 應收貸款 (附註22) | Low risk 低風險 | 12m ECL 12個月預期信貸虧損 | 11,976 | | 7,207 | |
| | Doubtful 可疑 | Lifetime ECL (not credit-impaired) 全期預期信貸虧損 (並無信貸減值) | 1,656 | | 43,462 | |
| | Loss 虧損 | Lifetime ECL (credit-impaired) 全期預期信貸虧損 (信貸減值) | 38,323 | 51,955 | - | 50,669 |
| Other receivables (Note 21) 其他應收款項 (附註21) | Low risk 低風險 | 12m ECL 12個月預期信貸虧損 | 47,975 | | 32,106 | |
| | Doubtful 可疑 | Lifetime ECL (not credit-impaired) 全期預期信貸虧損 (並無信貸減值) | 14,274 | | 34,968 | |
| | Loss 虧損 | Lifetime ECL (credit-impaired) 全期預期信貸虧損 (信貸減值) | 19,042 | 81,291 | - | 67,074 |
| Other deposit (Note 21) 其他按金 (附註21) | Low risk 低風險 | 12m ECL 12個月預期信貸虧損 | | 7,733 | | 9,866 |
| Deposit for land acquisition (Note 21) 土地收購之按金 (附註21) | Low risk 低風險 | 12m ECL 12個月預期信貸虧損 | | 57,428 | | 53,019 |

(a) Credit risk (Continued)

下表載列本集團金融資產之信貸風險敞口，而該等金融資產須進行預期信貸虧損評估：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued) 35. 財務風險管理目標及政策 (續)

(a) Credit risk (Continued)

The closing loss allowances for deposits and other receivables and loan receivables as at 31 March 2021 and 2020 reconcile to the opening loss allowances as follows:

| Deposit and other receivables | | 按金及其他應收款項 | | | |
|--|-----------------------------|----------------|---|---------------------------------------|---------------|
| | | 12m ECL | Lifetime ECL (not credit- impaired) | Lifetime ECL (credit- impaired) | Total |
| | | 12個月 預期信貸虧損 | 全期預期 信貸虧損 (並無信貸減值) | 全期預期 信貸虧損 (信貸減值) | 總額 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 |
| At 1 January 2019 | 於二零一九年一月一日 | 104 | 344 | - | 448 |
| Increase in loss allowance recognised in profit or loss during the period | 期內於損益中確認之虧損撥備增加 | 343 | 379 | - | 722 |
| Exchange difference | 匯兌差額 | (16) | (26) | - | (42) |
| At 31 March 2020 and 1 April 2020 | 於二零二零年三月三十一日及二零二零年四月一日 | 431 | 697 | - | 1,128 |
| Transfer to credit-impaired (Decrease)/increase in loss allowance recognised in profit or loss during the year | 轉移至信貸減值年內於損益中確認之虧損撥備(減少)/增加 | - | (291) | 291 | - |
| Exchange difference | 匯兌差額 | (353) | (309) | 14,086 | 13,424 |
| | | 24 | 39 | 476 | 539 |
| At 31 March 2021 | 於二零二一年三月三十一日 | 102 | 136 | 14,853 | 15,091 |

(a) 信貸風險 (續)

於二零二一年及二零二零年三月三十一日之按金及其他應收款項及應收貸款之期末虧損撥備與期初虧損撥備的對賬如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued) 35. 財務風險管理目標及政策 (續)

(a) Credit risk (Continued)

Loan receivables

| | | 12m ECL | Lifetime ECL (not credit- impaired) | Lifetime ECL (credit- impaired) | Total |
|---|-------------------------------------|----------------|---|---------------------------------------|---------------|
| | | 12個月 預期信貸虧損 | 全期預期 信貸虧損 (並無信貸減值) | 全期預期 信貸虧損 (已發生信貸減值) | 總額 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 |
| At 1 January 2019 | 於二零一九年一月一日 | 198 | - | - | 198 |
| (Decrease)/increase in loss allowance recognised in profit or loss during the period | 期內於損益中確認之 虧損撥備(減少)/增加 | (162) | 897 | - | 735 |
| Exchange difference | 匯兌差額 | (3) | (30) | - | (33) |
| At 31 March 2020 and 1 April 2020 | 於二零二零年 三月三十一日及 二零二零年四月一日 | 33 | 867 | - | 900 |
| Transfer to credit-impaired (Decrease)/increase in loss allowance recognised in profit or loss during the year | 轉移至信貸減值 年內於損益中確認之 虧損撥備(減少)/增加 | - | (706) | 706 | - |
| Exchange difference | 匯兌差額 | (24) | (154) | 28,191 | 28,013 |
| | | 2 | 9 | 995 | 1,006 |
| At 31 March 2021 | 於二零二一年三月三十一日 | 11 | 16 | 29,892 | 29,919 |

(a) 信貸風險 (續)

應收貸款

(b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. 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 parent company's board when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor its current and expected liquidity requirements and its compliance with lending covenants to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term. As at 31 March 2021 and 2020, there were no unutilised banking facilities.

(b) 流動資金風險

流動資金風險為本集團於財務債務到期時未能履行債務之風險。本集團旗下之獨立營運實體須自行負責現金管理工作，包括現金盈餘之短期投資及籌措貸款以應付預期現金需求，惟如借款超出預定授權金額則須獲得母公司董事會批准後，方可進行。本集團之政策是定期監察目前及預期流動資金需要以及其是否已遵守借貸契諾之規定，確保其維持充裕的現金儲備及從主要金融機構取得足夠的承諾融資，以應付其短期及長期流動資金需求。於二零二一年及二零二零年三月三十一日，並無未動用之銀行融資額度。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(b) Liquidity risk (Continued)

The following table details the remaining contractual maturities at the end of reporting period of the Group's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of reporting period) and the earliest date the Group and the Company can be required to pay:

At 31 March 2021

| | Weighted average interest rate | Carrying amount | Total contractual undiscounted cash flows | Within 1 year or on demand | More than 1 year but less than 2 years | More than 2 years but less than 5 years | More than 5 years |
|----------------------------|--------------------------------|-----------------|---|----------------------------|--|---|-------------------|
| | 加權平均利率 | 賬面值 | 訂約未貼現現金流量總額 | 一年內或應要求 | 一年後但兩年內 | 兩年後但五年內 | 五年後 |
| | | 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 |
| Deposit and other payables | | - | 468,045 | 468,045 | - | - | - |
| Bank and other borrowings | 8.2% | 1,044,309 | 1,218,188 | 308,346 | 688,768 | 72,372 | 148,702 |
| Bonds | 11.6% | 195,630 | 291,011 | 2,900 | 2,900 | 285,211 | - |
| Lease liabilities | 8.4% | 25,254 | 32,407 | 6,952 | 6,655 | 14,244 | 4,556 |
| Convertible bonds | 12.3% | 131,363 | 140,365 | 140,365 | - | - | - |
| | | 1,864,601 | 2,150,016 | 926,608 | 698,323 | 371,827 | 153,258 |

(b) 流動資金風險 (續)

下表詳列本集團於報告期末以訂約未貼現現金流量為基礎之非衍生金融負債(包括按合約利率或(如屬浮息則根據報告期末通行之利率)計算之利息付款)之剩餘訂約還款期,以及本集團及本公司須償還有關款項之最早日期:

於二零二一年三月三十一日

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued) 35. 財務風險管理目標及政策 (續)

(b) Liquidity risk (Continued)

At 31 March 2020

| | | Weighted average interest rate | Carrying amount | Total contractual undiscounted cash flows 訂約未貼現 現金流量 總額 | Within 1 year or on demand 一年內 或應要求 | More than 1 year but less than 2 years 一年後 但兩年內 | More than 2 years but less than 5 years 兩年後 但五年內 | More than 5 years 五年後 |
|----------------------------|-----------|--------------------------------------|------------------------|---|---|--|---|-----------------------------|
| | | 加權平均利率 | 賬面值 HK\$'000 千港元 | 總額 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 |
| Deposit and other payables | 按金及其他應付款項 | - | 664,581 | 664,581 | 664,581 | - | - | - |
| Bank and other borrowings | 銀行及其他借款 | 8.2% | 1,011,489 | 1,249,456 | 310,028 | 129,782 | 717,555 | 92,091 |
| Bonds | 債券 | 11.6% | 176,998 | 303,062 | 2,900 | 2,900 | 297,262 | - |
| Lease liabilities | 租賃負債 | 9.0% | 24,243 | 32,349 | 5,609 | 5,802 | 16,381 | 4,557 |
| Promissory notes | 承兌票據 | 5.0% | 376,000 | 376,000 | 376,000 | - | - | - |
| Convertible bonds | 可換股債券 | 12.3% | 246,894 | 295,597 | 19,860 | 275,737 | - | - |
| | | | 2,500,205 | 2,921,045 | 1,378,978 | 414,221 | 1,031,198 | 96,648 |

(b) 流動資金風險 (續)

於二零二零年三月三十一日

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(c) Interest rate risk

The Group's interest rate risk arises primarily from bank and other borrowings, bonds, convertible bonds, promissory notes, and cash and cash equivalents.

Cash and cash equivalents comprise mainly cash at banks and in hand, with the annual interest rates ranging from approximately 0.001% to 3.05% as at 31 March 2021 (2020: approximately 0.001% to 1.95%).

The interest rates of the Group's bank and other borrowings, bonds, promissory notes and convertible bonds are disclosed in notes 27, 28, 29 and 30 respectively.

The Group is exposed to fair value interest rate risk in relation to fixed-rate bank and other borrowings, bonds, promissory notes and convertible bonds (see notes 27, 28, 29 and 30 for details).

The Group is exposed to cash flow interest rate risk in respect of its variable-rate bank and other borrowings (see note 27) and bank balances (see note 24) due to changes of interest rates. It is the Group's present policy to keep its borrowings at floating rate of interests so as to minimise the fair value interest rate risk. The Group currently does not have any interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant fixed-rate bank and other borrowings should the need arise.

Sensitivity analysis

At 31 March 2021, it is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variables held constant, would decrease/increase the Group's profit after tax and increase/decrease accumulated losses by approximately HK\$940,000 (fifteen months from 1 January 2019 to 31 March 2020: HK\$1,496,000). Other components of equity would not be affected (fifteen months from 1 January 2019 to 31 March 2020: Nil) in response to the general increase/decrease in interest rates.

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the end of reporting period and had been applied to the exposure to interest rate risk for non-derivative financial instruments in existence at that date. The 100 basis point increase or decrease represents management's assessment of a reasonably possible change in the respective interest rates over the period until the next annual reporting period. The analysis is performed on the same basis for 2020.

35. 財務風險管理目標及政策 (續)

(c) 利率風險

本集團面對之利率風險主要來自銀行及其他借款、債券、可換股債券、承兌票據以及現金及現金等額。

現金及現金等額主要包括銀行結餘及手頭現金，於二零二一年三月三十一日其年利率介乎約0.001%至3.05%（於二零二零年：約0.001%至1.95%）。

本集團銀行及其他借款、債券、承兌票據及可換股債券之利率分別於附註27、28、29及30披露。

本集團面臨固定利率銀行及其他借款、債券、承兌票據及可換股債券之公平值利率風險（詳情見附註27、28、29及30）。

利率變動令本集團就其浮息銀行及其他借款（請參閱附註27）以及銀行結餘（請參閱附註24）面對現金流量利率風險。本集團目前之政策為維持浮息借款以減低公平值利率風險。本集團目前並無任何利率對沖政策。然而，管理層監察利率風險，並考慮在出現有關需要時對沖巨額定息銀行及其他借款。

敏感度分析

於二零二一年三月三十一日，估計若利率整體上調／下調一百個基點，而所有其他不定因素維持不變，本集團之除稅後溢利將會減少／增加而累計虧損將會增加／減少約940,000港元（自二零一九年一月一日至二零二零年三月三十一日止十五個月：1,496,000港元）。整體利率上調／下調不會影響權益之其他組成部分（自二零一九年一月一日至二零二零年三月三十一日止十五個月：無）。

上述敏感度分析乃假設利率變動已於報告期末發生及已應用於該日存在之非衍生金融工具之利率風險而作出。增加或減少一百個基點代表管理層對利率於直至下一個年度報告期止期間合理潛在變動之估計。二零二零年之分析乃根據相同基準進行。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(d) Currency risk

Currency risk to the Group is minimal as most of the Group's transactions denominated and settled in the functional currency of the operations to which the transactions relate. Most of the Group's monetary assets and liabilities are also denominated in the Group's functional currencies. Therefore, the Group has no significant currency risk exposure as they are denominated in a currency same as the functional currencies of the group entities to which these transactions relate.

(e) Equity price risk

The Group is exposed to equity price risk mainly through its investment in listed equity securities. The management manages this exposure by maintaining a portfolio of investments with difference risk and return profiles. The Group exposed to equity price risk arising from changes in the Group's financial assets at fair value through profit or loss.

Sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to equity price risk at the reporting date. If equity price had been 5% higher/lower, the Group's net profit for the year would increase/decrease by approximately HK\$3,300 (fifteen months from 1 January 2019 to 31 March 2020: approximately HK\$3,600). This is mainly due to the changes in financial assets at fair value through profit or loss.

(f) Fair value of financial instrument

The fair values of financial assets and financial liabilities are determined as follows:

- (i) the fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices; and
- (ii) the fair values of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The carrying amount of other financial assets and liabilities carried at amortised cost, approximate their respective fair values due to the relatively short-term nature of these financial instruments.

35. 財務風險管理目標及政策 (續)

(d) 貨幣風險

本集團所面臨之貨幣風險微乎其微，乃因本集團大部分交易乃以交易所涉經營業務之功能貨幣計值及結付。本集團大部分貨幣資產及負債亦乃按本集團功能貨幣計值。因此，本集團並無面臨任何重大貨幣風險，乃因彼等以與該等交易所涉及集團實體功能貨幣相同貨幣列值所致。

(e) 股價風險

本集團主要於上市股本證券之投資令其承受股價風險。管理層透過維持不同風險及回報狀況之投資組合以管理此類風險。本集團承受按公平值列賬及於損益表處理之金融資產變動所產生之股價風險。

敏感度分析

下文之敏感度分析乃基於在報告日期所承受之股價風險而作出。倘股價上升／下跌5%，本集團本年度之淨溢利將會增加／減少約3,300港元（自二零一九年一月一日至二零二零年三月三十一日止十五個月：約3,600港元）。此主要來自按公平值列賬及於損益表處理之金融資產之變動。

(f) 金融工具之公平值

金融資產及金融負債之公平值由以下各項釐定：

- (i) 有標準條款及條件並於活躍並容易套現之市場交易之金融資產及金融負債之公平值參考市場報價釐定；及
- (ii) 其他金融資產及金融負債之公平值按照公認定價模型根據貼現現金流量分析釐定。

由於該等金融工具之相對短期性質，其他金融資產及金融負債之賬面值按攤銷成本列賬，約相當於其各自之公平值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(f) Fair value of financial instrument (Continued)

Fair value measurements recognised in the consolidated statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable as at 31 March 2021 and 2020.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the assets or liability that are not based on observable market data (unobservable inputs).

(f) 金融工具之公平值 (續)

於綜合財務狀況表確認的公平值計量

下表提供於初步確認後按公平值計量之金融工具之分析，並根據於二零二一年及二零二零年三月三十一日之公平值之可觀察程度分為第一至三級分類。

- 第一級公平值計量是指由活躍市場上相同資產或負債之報價(不作任何調整)得出之公平值計量。
- 第二級公平值計量是指在第一級內之報價以外之可直接(即價格)或間接(即由價格得出)觀察之與資產或負債相關之輸入數據得出之公平值計量。
- 第三級公平值計量是指由包括並非基於可觀察市場數據之資產或負債相關輸入數據(不可觀察輸入數據)之估值技術得出之公平值計量。

| | | Level 1 第一級 HK\$'000 千港元 | Level 2 第二級 HK\$'000 千港元 | Level 3 第三級 HK\$'000 千港元 | Total 總額 HK\$'000 千港元 |
|---|--------------------|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------|
| At 31 March 2021 | 於二零二一年 三月三十一日 | | | | |
| Financial assets | 金融資產 | | | | |
| Financial assets at fair value through profit or loss | 按公平值列賬及於損益表處理之金融資產 | | | | |
| – Equity securities listed in Hong Kong | – 於香港上市之股本證券 | 66 | – | – | 66 |
| Derivative financial instruments | 衍生金融工具 | | | | |
| – Redemption option derivative component | – 贖回購股權衍生工具部分 | – | – | 59 | 59 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(f) Fair value of financial instrument (Continued)

Fair value measurements recognised in the consolidated statement of financial position (Continued)

| | | Level 1 第一級 HK\$'000 千港元 | Level 2 第二級 HK\$'000 千港元 | Level 3 第三級 HK\$'000 千港元 | Total 總額 HK\$'000 千港元 |
|---|--------------------------|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------|
| At 31 March 2020 | 於二零二零年 三月三十一日 | | | | |
| Financial assets | 金融資產 | | | | |
| Financial assets at fair value through profit or loss | 按公平值列賬及於損益表處理之金融資產 | | | | |
| – Equity securities listed in Hong Kong | – 於香港上市之股本證券 | 72 | – | – | 72 |
| Derivative financial instruments | 衍生金融工具 | | | | |
| – Redemption option derivative component | – 贖回購股權衍生工具部分 | – | – | 322 | 322 |

There were no transfer between Level 1, 2 and 3 in both years. When a determination is made to classify an asset or liability within Level 3, the determination is base upon the significance of the unobservable inputs to the overall fair value measurement.

於兩個年度，第一級、第二級及第三級之間並無轉撥。倘決定將資產或負債分類為第三級，有關決定乃根據不可觀察輸入數據對整體公平值計量之重要程度為基準。

| Financial assets 金融資產 | Valuation techniques 估值技術 | Unobservable inputs 不可觀察輸入數據 | 2021 二零二一年 | 2020 二零二零年 |
|---|------------------------------|---------------------------------|---------------|---------------|
| Financial assets at fair value through profit or loss – derivative financial instruments 按公平值列賬及在損益表處理之金融資產 – 衍生金融工具 | Binomial model 二項式模型 | Discount rate 貼現率 | 15.86% | 14.73% |

As at 31 March 2021, the discount rate used to compute the fair value is 15.86% (2020: 14.73%). The higher the discount rate, the lower the fair value.

於二零二一年三月三十一日，用於計算公平值之貼現率為15.86% (二零二零年：14.73%)。貼現率越高，公平值越低。

For reconciliation Level 3 fair value measurements of financial assets, refer to Note 30.

有關金融資產之第三級公平值計量之對賬，請參閱附註30。

(f) 金融工具之公平值(續)

於綜合財務狀況表確認的公平值計量(續)

| | | Level 1 第一級 HK\$'000 千港元 | Level 2 第二級 HK\$'000 千港元 | Level 3 第三級 HK\$'000 千港元 | Total 總額 HK\$'000 千港元 |
|---|--------------------------|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------|
| At 31 March 2020 | 於二零二零年 三月三十一日 | | | | |
| Financial assets | 金融資產 | | | | |
| Financial assets at fair value through profit or loss | 按公平值列賬及於損益表處理之金融資產 | | | | |
| – Equity securities listed in Hong Kong | – 於香港上市之股本證券 | 72 | – | – | 72 |
| Derivative financial instruments | 衍生金融工具 | | | | |
| – Redemption option derivative component | – 贖回購股權衍生工具部分 | – | – | 322 | 322 |

There were no transfer between Level 1, 2 and 3 in both years. When a determination is made to classify an asset or liability within Level 3, the determination is base upon the significance of the unobservable inputs to the overall fair value measurement.

於兩個年度，第一級、第二級及第三級之間並無轉撥。倘決定將資產或負債分類為第三級，有關決定乃根據不可觀察輸入數據對整體公平值計量之重要程度為基準。

| Financial assets 金融資產 | Valuation techniques 估值技術 | Unobservable inputs 不可觀察輸入數據 | 2021 二零二一年 | 2020 二零二零年 |
|---|------------------------------|---------------------------------|---------------|---------------|
| Financial assets at fair value through profit or loss – derivative financial instruments 按公平值列賬及在損益表處理之金融資產 – 衍生金融工具 | Binomial model 二項式模型 | Discount rate 貼現率 | 15.86% | 14.73% |

As at 31 March 2021, the discount rate used to compute the fair value is 15.86% (2020: 14.73%). The higher the discount rate, the lower the fair value.

於二零二一年三月三十一日，用於計算公平值之貼現率為15.86% (二零二零年：14.73%)。貼現率越高，公平值越低。

For reconciliation Level 3 fair value measurements of financial assets, refer to Note 30.

有關金融資產之第三級公平值計量之對賬，請參閱附註30。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

36. LITIGATION

(A) Writ issued in the PRC by Ms. Wang Xiu Qun and Wuhan Tian Jiu Industrial and Commercial Development Co., Ltd. against the Company (“**PRC Action No.1**”)

- On 7 January 2011, the Company received a writ (the “**Writ**”) issued by Ms. Wang Xiu Qun (“**Ms. Wang**”) and Wuhan Tian Jiu Industrial and Commercial Development Co., Ltd. (“**Tian Jiu**”) (as plaintiffs) against the Company (as defendant) and filed with the Higher People’s Court of Hubei Province (the “**Hubei Court**”) of the PRC, together with the related court summons dated 4 January 2011 (the “**Summons**”). The Writ also joined Wuhan Baisazhou Agricultural By-Product Grand Market Company Limited (“**Baisazhou Agricultural**”) as third party to such civil proceeding.

Major allegations of Ms. Wang and Tian Jiu as set out in the Writ are as follows:

- it is alleged that Baisazhou Agricultural forged a share transfer agreement (the “**Contended Agreement**”) in relation to the acquisition of Baisazhou Agricultural (the “**Acquisition**”) wherein consideration for the Acquisition was understated and the manner of settlement of the consideration was inaccurately described;
- it is alleged that Baisazhou Agricultural forged the related documentation for filing with the PRC Ministry of Commerce (“**MOFCOM**”) and the Hubei Administration For Industry and Commerce (the “**Hubei AIC**”), and that such documentation and the Contended Agreement involved forged signatures; and

36. 訴訟

(A) 王秀群女士及武漢天九工貿發展有限公司於中國向本公司發出之令狀（「**中國第一號令狀**」）

- 於二零一一年一月七日，本公司收到王秀群女士（「**王女士**」）及武漢天九工貿發展有限公司（「**天九**」）（作為原告）針對本公司（作為被告）向中國湖北省高級人民法院（「**湖北法院**」）提交之令狀（「**令狀**」），連同日期為二零一一年一月四日之相關法院傳票（「**傳票**」）。令狀亦令武漢白沙洲農副產品大市場有限公司（「**白沙洲農副產品**」）作為第三方牽涉入該等民事法律程序。

王女士及天九於令狀中的主要指稱如下：

- 指控白沙洲農副產品偽造有關收購白沙洲農副產品（「**收購事項**」）之股份轉讓協議（「**爭議協議**」），此協議內收購事項之代價被低報，且對代價支付方式之描述亦不準確；
- 指控白沙洲農副產品偽造於中國商務部（「**商務部**」）及湖北工商管理局（「**湖北工商局**」）存檔之相關文件，並指控有關文件及爭議協議涉及偽造簽名；及

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

36. LITIGATION (Continued)

(A) Writ issued in the PRC by Ms. Wang Xiu Qun and Wuhan Tian Jiu Industrial and Commercial Development Co., Ltd. against the Company (“**PRC Action No.1**”) (Continued)

1. (Continued)

- (c) it is alleged that MOFCOM and the Hubei AIC approved the Acquisition and processed the related filings on the basis of the above documents that are allegedly forged.

At the relevant time of the Acquisition, none of the current Directors or senior management of the Company as at the date of this report were involved in the Acquisition.

According to the Writ, Ms. Wang and Tian Jiu were seeking an order from the court that the Contended Agreement, to which the Company is a party, is void and invalid from the beginning and should therefore be terminated, and claimed against the Company and Baisazhou Agricultural all relevant profits of Baisazhou Agricultural which were attributable to Ms. Wang and Tian Jiu, together with costs of the legal proceedings.

2. On 18 November 2011, the Hubei Court made an interim order that the 8% equity interest held by the Company in Baisazhou Agricultural be subject to a freezing order pending determination of the Writ. The percentage of equity interest held by the Company in Baisazhou Agricultural subject to a freezing order was subsequently reduced from 8% to 1.3%. On 26 May 2015, a decision was issued by the Wuhan Intermediate People’s Court discharging this freezing order. It follows that the freezing order no longer has any effect on the Group.
3. On 18 June 2014, the Company received the judgment (the “**Hubei Court Judgment**”) dated 31 May 2014 from the Hubei Court in relation to PRC Action No. 1. In the Hubei Court Judgment, the Hubei Court dismissed the claims of Ms. Wang and Tian Jiu, and they were ordered to bear the legal costs of the matter.

36. 訴訟 (續)

(A) 王秀群女士及武漢天九工貿發展有限公司於中國向本公司發出之令狀 (「**中國第一號令狀**」) (續)

1. (續)

- (c) 指控商務部與湖北工商局根據上述偽造文件批准收購事項及處理相關文檔。

於進行相關收購事項時，本公司於本報告日期的現任董事或高級管理層並無涉足收購事項。

根據令狀，王女士及天九正向法院尋求法令，勒令爭議協議(本公司為訂約方之一)從一開始即失效及無效，且應當終止，並向本公司及白沙洲農副產品索償王女士及天九應佔白沙洲農副產品之所有相關溢利連同法律訴訟費用。

2. 於二零一一年十一月十八日，湖北法院作出臨時命令，本公司所持有白沙洲農副產品的8%股權須凍結，以待確定令狀。本公司於白沙洲農副產品所持有的股權百分比受凍結令所限，其後由8%減至1.3%。於二零一五年五月二十六日，武漢市中級人民法院下達判決解除此凍結令。其後該凍結令不再對本集團有任何效力。
3. 於二零一四年六月十八日，本公司接獲湖北法院於二零一四年五月三十一日作出有關中國第一號令狀的判決(「**湖北法院判決**」)。在湖北法院判決中，湖北法院駁回王女士及天九的索償，且彼等被責令承擔法律訴訟的法律費用。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

36. LITIGATION (Continued)

(A) Writ issued in the PRC by Ms. Wang Xiu Qun and Wuhan Tian Jiu Industrial and Commercial Development Co., Ltd. against the Company (“**PRC Action No.1**”) (Continued)

4. On 4 July 2014, the Company received the notice of appeal to the Supreme People’s Court of the PRC (the “**Supreme People’s Court**”) from Ms. Wang and Tian Jiu regarding PRC Action No. 1 (the “**Appeal**”). In the Appeal, Ms. Wang and Tian Jiu sought an order from the Supreme People’s Court that the Contended Agreement was void.
5. On 13 January 2015, the Company received the judgment dated 31 December 2014 handed down from the Supreme People’s Court in relation to the Appeal (the “**Beijing Judgment**”). In the Beijing Judgment, the Supreme People’s Court ordered that: (a) the Hubei Court Judgment be revoked; (b) the Contended Agreement was void; and (c) acknowledged that the HK\$1,156 million sale and purchase agreement (the “**SPA**”) shall be the actual agreement being performed by the Company, Ms. Wang and Tian Jiu.

As advised by the PRC legal adviser of the Company:

- (a) The Supreme People’s Court only ordered the Contended Agreement void, but it did not make any ruling regarding the Acquisition itself, and/or the approval of the Acquisition issued by MOFCOM in November 2007.
- (b) The Beijing Judgment will not directly lead to any immediate change of ownership of Baisazhou Agricultural. The Company continues to be the legal owner of Baisazhou Agricultural until and unless the revocation of:
 - (i) the approval of the Acquisition from MOFCOM; and
 - (ii) the registration of the transfer of shareholding by the Hubei AIC.

36. 訴訟 (續)

(A) 王秀群女士及武漢天九工貿發展有限公司於中國向本公司發出之令狀 (「**中國第一號令狀**」) (續)

4. 於二零一四年七月四日，本公司接獲中國最高人民法院 (「**最高人民法院**」) 有關王女士及天九就中國第一號令狀的上訴通知 (「**上訴**」)。在該上訴中，王女士及天九尋求最高人民法院頒令爭議協議無效。
5. 於二零一五年一月十三日，本公司收到最高人民法院於二零一四年十二月三十一日作出有關上訴的判決 (「**北京判決**」)。在北京判決中，最高人民法院頒令：(a) 撤銷湖北法院判決；(b) 爭議協議無效；及 (c) 承認 1,156,000,000 港元之買賣協議 (「**買賣協議**」) 須為本公司、王女士及天九履行之實際協議。

按本公司中國法律顧問的意見：

- (a) 最高人民法院只判決爭議協議無效，但並無對收購事項本身及／或商務部於二零零七年十一月授出的收購事項之批准作出任何判決。
- (b) 北京判決將不會直接導致白沙洲農副產品擁有權的任何即時變更。本公司將繼續為白沙洲農副產品的合法擁有人，直至及除非撤銷：
 - (i) 商務部對收購事項的批准；及
 - (ii) 湖北工商局處理的股權轉讓登記。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

36. LITIGATION (Continued)

(A) Writ issued in the PRC by Ms. Wang Xiu Qun and Wuhan Tian Jiu Industrial and Commercial Development Co., Ltd. against the Company (“**PRC Action No.1**”) (Continued)

6. On 23 June 2015, the Company submitted an application to the Supreme People’s Court for a retrial, requesting that the Beijing Judgment be set aside.
7. On 21 July 2015, the Company received the written Notice of Acceptance of the retrial application from the Supreme People’s Court.
8. On 22 December 2015, the Supreme People’s Court dismissed the Company’s petition (the “**December 2015 Judgment**”). The Company received the December 2015 Judgment on 7 January 2016.

(B) Writ issued by the Company against Ms. Wang and Tian Jiu in Hong Kong

1. On or about 24 October 2011, the Company issued a Writ of Summons in the Hong Kong Court of First Instance (the “**Court**”) against Ms. Wang and Tian Jiu. The Company (as purchaser) sought damages from Ms. Wang and Tian Jiu (as vendors) for their breach of various provisions of the SPA for the Acquisition.

36. 訴訟(續)

(A) 王秀群女士及武漢天九工貿發展有限公司於中國向本公司發出之令狀(「**中國第一號令狀**」)(續)

6. 於二零一五年六月二十三日，本公司向最高人民法院提出再審申請，要求擱置北京判決。
7. 於二零一五年七月二十一日，本公司接獲最高人民法院之再審申請受理通知書。
8. 於二零一五年十二月二十二日，最高人民法院駁回本公司的申請(「**二零一五年十二月判決**」)。本公司於二零一六年一月七日收到二零一五年十二月判決。

(B) 本公司於香港對王女士及天九發出之令狀

1. 於二零一一年十月二十四日或前後，本公司於香港原訟法院(「**法院**」)向王女士及天九發出傳票令狀。由於王女士及天九(作為賣方)對收購事項違反買賣協議多項條文，本公司(作為買方)正向彼等尋求損害賠償。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

36. LITIGATION (Continued)

(B) Writ issued by the Company against Ms. Wang and Tian Jiu in Hong Kong (Continued)

2. On 5 October 2012, the Company obtained a court order from the Court to the effect that undertakings (the “**Undertakings**”) were given by Ms. Wang and Tian Jiu not to: (i) indorse, assign, transfer or negotiate the two instruments (purportedly described as promissory notes in the SPA) (the “**Instruments**”); and (ii) enforce payment by presentation of the Instruments until the final determination of the court action or further court order. Pursuant to the Undertakings, the Instruments will no longer fall due for payment by the Company on 5 December 2012.
3. On 9 June 2017, upon the parties’ joint application to the Court, the Court varied the Undertakings to the effect that the Undertakings shall stand save that Ms. Wang and Tian Jiu can make a counterclaim under the present action as per the draft attached to the Consent Summons filed by the parties on 2 June 2017.
4. The trial took place in February, March and June 2019 for 23 days.
5. On 18 January 2021, the Court handed down a judgment (“**HK Judgment**”). Pursuant to the HK Judgment, the Court ruled, inter alia, that:
 - (a) Ms. Wang and Tian Jiu shall pay to the Company damages in the total sum of RMB510,000,000 for loss and damages suffered by the Company in that the value of Baisazhou Agricultural’s shares was substantially less than what Ms. Wang and Tianjiu warranted;
 - (b) Ms. Wang shall pay to the Company nominal damages of HK\$1 for the failure on the part of Ms. Wang to assist the Company or Baishazhou Agricultural to obtain the Land Use Certificates in question;

36. 訴訟 (續)

(B) 本公司於香港對王女士及天九發出之令狀 (續)

2. 於二零一二年十月五日，本公司接獲法院之法院令狀，令王女士及天九給予之承諾(「承諾」)生效，彼等向本公司承諾不會(i)對兩份文據(據稱是買賣協議之承兌票據)(「文據」)背書、分配、轉讓或磋商；及(ii)於出具文據時須強制付款，直至法院作出最終判決或進一步發出法院令狀為止。根據承諾，文據將不再到期，而令本公司於二零一二年十二月五日作出支付。
3. 於二零一七年六月九日，訴訟雙方共同向法院提出申請後，法院更改承諾，指承諾須繼續保留，惟王女士及天九可在本訴訟中按照訴訟雙方於二零一七年六月二日提交之同意傳票附帶的草擬稿提出反申索。
4. 審訊於二零一九年二月、三月及六月進行，為期23天。
5. 於二零二一年一月十八日，法院作出一項判決(「香港判決」)。根據香港判決，法院裁定(其中包括)：
 - (a) 王女士及天九須因本公司就白沙洲農副產品的股份價值大幅低於王女士及天九所擔保者所遭受的損失和損害而向本公司支付損害賠償總額人民幣510,000,000元；
 - (b) 王女士須因其未能協助本公司或白沙洲農副產品取得有關土地使用證而向本公司支付象徵式的損害賠償1港元；

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

36. LITIGATION (Continued)

(B) Writ issued by the Company against Ms. Wang and Tian Jiu in Hong Kong (Continued)

5. (Continued)
 - (c) The Company is entitled to set-off the amount of HK\$54,211,000 from the sum due by the Company to Ms. Wang under one of the Instruments, being the net profit shortfall;
 - (d) As the quantum of the award of damages to the Company is greater than the amounts due under the Instruments, Ms. Wang and Tian Jiu are not allowed to enforce the Instruments against the Company; and
 - (e) The counterclaim of Ms. Wang and Tian Jiu for, amongst others, an order that the Company do cause and/or procure the shares in Baisazhou Agricultural to be transferred back to the defendants, be dismissed.
6. In the circumstances, the Company is not required to make any payment under the Instruments to Ms. Wang or Tian Jiu. Further, as the counterclaim of Ms. Wang and Tian Jiu was dismissed, the Company continues to be the legal and beneficial owner of Baisazhou Agricultural.
7. As at 18 January 2021, the aggregate amount of the principal amount and interest payable of the promissory notes was approximately HK\$660,833,000 and the award of damages was approximately HK\$663,253,000. Based on the assessment by the management of the Company, the exceeding amount of approximately HK\$2,420,000 from the award of damages was not recognised as probability of the recoverability is remote. As a result, the management of the Company only recognised approximately HK\$660,833,000 in the consolidated statement of profit or loss and other comprehensive income.

36. 訴訟(續)

(B) 本公司於香港對王女士及天九發出之令狀(續)

5. (續)
 - (c) 本公司有權自本公司根據第一份文據(即淨利潤偏差)結欠王女士的款項中扣除54,211,000港元；
 - (d) 由於須向本公司支付的損害賠償金額大於文據項下的應付款項，故王女士及天九不得針對本公司強制執行文據；及
 - (e) 王女士及天九有關(其中包括)本公司促使及/或促成白沙洲農副產品之股份轉讓回被告之頒令的反申索被駁回。
6. 在此情況下，本公司無需根據文據向王女士或天九支付任何款項。此外，由於王女士及天九提出之反申索被駁回，本公司繼續為白沙洲農副產品之法定實益擁有人。
7. 於二零二一年一月十八日，承兌票據本金額及應付利息合共約660,833,000港元，損害賠償金額約為663,253,000港元。根據本公司管理層評估後，由於可收回金額之可能性很小，故並無確認來自損害賠償之超出金額約2,420,000港元。因此，本公司管理層於綜合損益及其他全面收益表僅確認約660,833,000港元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

36. LITIGATION (Continued)

(C) Legal proceedings against MOFCOM by Ms. Wang and Tian Jiu

1. On 4 May 2015 and 5 May 2015, Ms. Wang and Tian Jiu had jointly commenced two separate legal proceedings against MOFCOM alleging that MOFCOM failed to discharge its statutory duties for handling their application submitted in January 2015 for revoking the certificate of approval and letter of approval in relation to the Contended Agreement (the “**Application**”). The cases have been accepted by the Beijing Second Intermediate People’s Court (the “**Beijing Court**”).
2. On 20 May 2015, MOFCOM had filed its defence and each of the Company and Baisazhou Agricultural has then made an application to join the cases as third party.
3. On 25 May 2015, the Beijing Court issued a notice to the Company regarding submission of evidence.
4. On 8 January 2016, the Company received a judgment dated 31 December 2015 issued by the Beijing Court, by which the Beijing Court demanded MOFCOM to handle the Application again within 30 days.
5. On 15 February 2016, an inquiry was held by MOFCOM where the relevant parties to the legal proceedings were invited to attend and make submissions.
6. On 23 May 2016, the Company received a decision issued by MOFCOM dated 19 May 2016 (the “**MOFCOM Decision**”) to the effect, inter alia, that its approval issued in November 2007 in relation to the Contended Agreement shall not be revoked and shall remain to be in force.

36. 訴訟(續)

(C) 王女士及天九對商務部提出法律訴訟

1. 於二零一五年五月四日及二零一五年五月五日，王女士及天九已共同對商務部提出兩項獨立的法律訴訟，指稱商務部未能履行其法定職責，處理王女士及天九於二零一五年一月就撤銷有關爭議協議之批准證書及批覆提交之申請(「申請」)。案件已獲北京第二中級人民法院(「北京法院」)受理。
2. 於二零一五年五月二十日，商務部已提出其抗辯及本公司及白沙洲農副產品各自隨後申請作為第三方加入該等案件。
3. 於二零一五年五月二十五日，北京法院就提交證據向本公司發出通告。
4. 本公司於二零一六年一月八日收到北京法院頒佈之日期為二零一五年十二月三十一日的判決，北京法院要求商務部於30日內重新處理申請。
5. 於二零一六年二月十五日，商務部邀請參與法律訴訟並作出陳詞的相關人士召開聽證會。
6. 於二零一六年五月二十三日，本公司收到由商務部於二零一六年五月十九日作出之決定(「**商務部決定**」)，當中確認(其中包括)其於二零零七年十一月就爭議協議發出之批准將不予撤銷且維持其效力。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

36. LITIGATION (Continued)

(C) Legal proceedings against MOFCOM by Ms. Wang and Tian Jiu (Continued)

7. According to a writ dated 3 August 2016, Ms. Wang and Tian Jiu requested the Beijing Court to revoke the MOFCOM Decision and to order MOFCOM to make a decision to revoke the approval. According to a notice issued by the Beijing Court together with the writ which was served to the Company, each of the Company and Baisazhou Agricultural has been added as a third party to the proceedings by the Beijing Court. Three hearings have taken place in the Beijing Court so far.
8. On 18 April 2017, the Company received the judgment of the Beijing Court dated 31 March 2017 (the “**31 March Judgment**”) stating that the request made by Ms. Wang and Tian Jiu to revoke the MOFCOM Decision lacked both legal and factual basis and was not supported by the Beijing Court. Accordingly, the Beijing Court dismissed the application of Ms. Wang and Tian Jiu.
9. On 10 May 2017, the Company received a Notice of Appeal dated 8 May 2017. By the Notice of Appeal, Ms. Wang and Tian Jiu appealed against the 31 March Judgment and requested for an order that (a) the 31 March Judgment be set aside and that (b) MOFCOM to make a decision to revoke the approval issued in 2007 in relation to the Contended Agreement.
10. On 24 December 2018, the Company received the judgment of the Beijing High People’s Court dated 20 December 2018 (the “**20 December Judgment**”) dismissing the appeal of Ms. Wang and Tian Jiu and upholding the ruling of the Beijing Court as set out in the 31 March Judgment.
11. On 4 March 2020, the Company noted the judgment of the Supreme Court dated 31 December 2019 (the “**31 December Judgment**”). By the 31 December Judgment, the Supreme Court dismissed the application of Ms. Wang and Tian Jiu for retrial and for dismissal of the 31 March Judgment and the 20 December Judgment.
12. In other words, the approval issued by MOFCOM in November 2007 in relation to the Contended Agreement shall not be revoked and shall remain to be in force.

36. 訴訟(續)

(C) 王女士及天九對商務部提出法律訴訟(續)

7. 根據二零一六年八月三日之令狀，王女士及天九要求北京法院撤回商務部決定並要求商務部作出決定撤回批准。根據北京法院發出之通知，連同本公司接獲的令狀，本公司與白沙洲農副產品各自已被北京法院加入作為訴訟的第三方。目前為止，三項聆訊已在北京法院進行。
8. 於二零一七年四月十八日，本公司收到北京法院日期為二零一七年三月三十一日之判決(「**三月三十一日判決**」)，當中指出王女士及天九請求撤銷商務部決定缺乏法律及事實依據，不獲北京法院支持。因此，北京法院駁回王女士及天九之申請。
9. 於二零一七年五月十日，本公司接獲一份日期為二零一七年五月八日的行政上訴狀。依據行政上訴狀，王女士及天九就三月三十一日判決提出上訴，請求頒令(a)撤銷三月三十一日判決，及(b)商務部作出決定以撤回於二零零七年就爭議協議發出之批准。
10. 於二零一八年十二月二十四日，本公司接獲日期為二零一八年十二月二十日的北京高級人民法院之判決(「**十二月二十日判決**」)，駁回王女士及天九之上訴，並維持三月三十一日判決所載的北京法院之判決。
11. 於二零二零年三月四日，本公司注意到最高人民法院日期為二零一九年十二月三十一日的判決(「**十二月三十一日判決**」)。根據十二月三十一日判決，最高人民法院駁回王女士及天九就重審及駁回三月三十一日判決及十二月二十日判決提出的申請。
12. 換言之，商務部於二零零七年十一月發出有關爭議協議的批准將不予撤銷並維持有效。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

36. LITIGATION (Continued)

(D) Writ issued by the Company against Ms. Wang and Tian Jiu in Hubei

1. On 22 May 2015, in view of the Beijing Judgment (as disclosed in Section (A) above), the Company upon being advised by the PRC legal adviser of the Company and out of an abundance of caution, issued a writ against Ms. Wang and Tian Jiu. The Company seeks an order from the Hubei Court that Ms. Wang and Tian Jiu shall assist Baisazhou Agricultural to discharge its contractual duties under the SPA to make the necessary filing with MOFCOM.
2. On 26 May 2015, the writ was accepted by the Hubei Court.
3. On 15 June 2015, Ms. Wang and Tian Jiu brought a jurisdiction objection to the Hubei Court.
4. On 25 August 2015, the Hubei Court dismissed the jurisdiction objection.
5. On 6 September 2015, Ms. Wang and Tian Jiu appealed to the Supreme People's Court regarding the dismissal of jurisdiction objection.
6. On 30 October 2015, the Supreme People's Court dismissed the appeal of Ms. Wang and Tian Jiu.
7. On 20 July 2016, the Hubei Court issued a notice to the parties for attendance at the pre-trial review on 11 August 2016.
8. According to the counterclaim filed by Ms. Wang and Tian Jiu dated 6 August 2016, they sought for a declaration from the Hubei Court that the SPA has no longer in force.

36. 訴訟(續)

(D) 本公司於湖北向王女士及天九發出令狀

1. 於二零一五年五月二十二日，鑒於北京判決(如上文(A)節所披露)，本公司按本公司中國法律顧問之意見及出於審慎起見，向王女士及天九發出令狀。本公司尋求湖北法院頒令要求王女士及天九須協助白沙洲農副產品履行買賣協議下其須向商務部報批備案的合約義務。
2. 於二零一五年五月二十六日，湖北法院受理令狀。
3. 於二零一五年六月十五日，王女士及天九對湖北法院提出管轄權異議。
4. 於二零一五年八月二十五日，湖北法院駁回管轄權異議。
5. 於二零一五年九月六日，王女士及天九就駁回管轄權異議向最高人民法院上訴。
6. 於二零一五年十月三十日，最高人民法院駁回王女士及天九的上訴。
7. 於二零一六年七月二十日，湖北法院向訴訟各方發出通知出席於二零一六年八月十一日舉行之審訊前覆核。
8. 根據王女士及天九於二零一六年八月六日提出之反申索，彼等尋求湖北法院宣佈買賣協議不再具任何效力。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

36. LITIGATION (Continued)

(D) Writ issued by the Company against Ms. Wang and Tian Jiu in Hubei (Continued)

9. On 11 August 2016, the Company submitted an application to modify its claims. The modified claims include: (1) to confirm that the SPA has been legally made; (2) to seek an order from the Hubei Court that Ms. Wang and Tian Jiu shall assist the Company and Baisazhou Agricultural to discharge its contractual duties under the SPA to make the necessary filing with MOFCOM; (3) to seek an order from the Hubei Court that if Ms. Wang and Tian Jiu fail to assist as abovementioned then the Company and Baisazhou Agricultural shall have the right to make the necessary filing with MOFCOM on their own; and (4) to seek an order from the Hubei Court that Ms. Wang and Tian Jiu shall bear the costs of the proceedings.
10. On 27 March 2017, the Hubei Court made an order that since the outcome of the legal proceedings against MOFCOM by Ms. Wang and Tian Jiu (see Section (C) above) would affect the trial of these proceedings, these proceedings should be stayed.
11. On 26 April 2017, Ms. Wang and Tian Jiu applied to the Hubei Court for a freezing order in respect of the Company's 70% interest in Baisazhou Agricultural. The Hubei Court refused the application by Ms. Wang and Tian Jiu on that occasion.
12. On 10 May 2017, Ms. Wang and Tian Jiu applied to the Hubei Court again for a freezing order in respect of the Company's 70% interest in Baisazhou Agricultural. According to the order of the Hubei Court dated 26 May 2017 (the "**26 May Order**"), the Hubei Court granted the freezing order as against the Company's 70% interest in Baisazhou Agricultural.
13. On 26 May 2017, Ms. Wang and Tian Jiu applied to add a counterclaim for return of the Company's 90% interest in Baisazhou Agricultural (70% for Ms. Wang and 20% for Tian Jiu).

36. 訴訟(續)

(D) 本公司於湖北向王女士及天九發出令狀(續)

9. 於二零一六年八月十一日，本公司提交一份申請以修改其索償。已修改索償包括：(1) 確認買賣協議已合法簽訂；(2) 向湖北法院尋求頒令王女士及天九協助本公司及白沙洲農副產品履行買賣協議下其須向商務部報批備案的合約義務；(3) 向湖北法院尋求頒令，倘王女士及天九無法提供上述協助，則本公司及白沙洲農副產品將有權自行向商務部報批備案；及(4) 向湖北法院尋求頒令王女士及天九須承擔訴訟的費用。
10. 於二零一七年三月二十七日，湖北法院作出命令，指由於王女士及天九針對商務部的法律訴訟結果(見上文(C)節)將影響該等審理程序，故該等審理程序應押後。
11. 於二零一七年四月二十六日，王女士及天九就本公司於白沙洲農副產品之70%權益向湖北法院申請凍結令。湖北法院當時拒絕王女士及天九的申請。
12. 於二零一七年五月十日，王女士及天九再次就本公司於白沙洲農副產品之70%權益向湖北法院申請凍結令。根據湖北法院於二零一七年五月二十六日的命令(「**五月二十六日命令**」)，湖北法院批准凍結令，凍結本公司於白沙洲農副產品之70%權益。
13. 於二零一七年五月二十六日，王女士及天九申請增加反申索，要求取回本公司於白沙洲農副產品之90%權益(王女士70%、天九20%)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

36. LITIGATION (Continued)

(D) Writ issued by the Company against Ms. Wang and Tian Jiu in Hubei (Continued)

14. On 5 June 2017, the Company applied to the Hubei Court for review of the 26 May Order. According to the order of the Hubei Court dated 12 June 2017, the application by the Company was dismissed.
15. On 10 April 2019, in light of the outcome of the legal proceedings against MOFCOM by Ms. Wang and Tian Jiu (see section (C) above), the Company applied to the Hubei Court for withdrawal of the Company's claim. The application of the Company was granted on 11 April 2019.
16. According to the judgment of the Hubei Court dated 23 December 2019 (the "**23 December Judgment**"), the counterclaim made by Ms. Wang and Tianjiu was dismissed by the Hubei Court.
17. Pursuant to a notice of appeal dated 19 January 2020, Ms. Wang and Tian Jiu appealed against the 23 December Judgment and requested from the Supreme People's Court for an order that (a) the 23 December Judgment be set aside, (b) the SPA no longer have any force, and (c) the Company's 90% interest in Baisazhou Agricultural be returned (70% for Ms. Wang and 20% for Tian Jiu).
18. On 29 March 2021, the Company received the judgment of the Supreme Court dated 29 December 2020 (the "**29 December Judgment**") stating that the appeal basis of Ms. Wang and Tian Jiu could not be established and was not supported by the Supreme Court. Accordingly, the Supreme Court dismissed the appeal of Ms. Wang and Tian Jiu and upheld the 23 December Judgment.

36. 訴訟(續)

(D) 本公司於湖北向王女士及天九發出令狀(續)

14. 於二零一七年六月五日，本公司向湖北法院申請複審五月二十六日命令。根據二零一七年六月十二日湖北法院的命令，本公司之申請被駁回。
15. 於二零一九年四月十日，鑒於王女士及天九針對商務部的法律訴訟結果(見上文(C)節)，本公司向湖北法院申請撤回本公司的申索。本公司的申請於二零一九年四月十一日獲得批准。
16. 根據湖北法院日期為二零一九年十二月二十三日的判決(「十二月二十三日判決」)，王女士及天九提出的反申索已被湖北法院駁回。
17. 根據日期為二零二零年一月十九日之上訴通知，王女士及天九就十二月二十三日判決提出上訴，請求最高人民法院頒令(a)撤銷十二月二十三日判決，(b)買賣協議不再具有任何效力，及(c)退還本公司於白沙洲農副產品的90%權益(王女士佔70%及天九佔20%)。
18. 於二零二一年三月二十九日，本公司接獲最高法院日期為二零二零年十二月二十九日之判決(「十二月二十九日判決」)，當中指出王女士及天九的上訴理據可能不成立，不獲最高法院支持。因此，最高法院駁回王女士及天九上訴，並維持十二月二十三日判決原判。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

36. LITIGATION (Continued)

(E) Writ issued in the PRC by Jiangsu Shenglong Zhengtai Trade and Commercial Development Co., Ltd against Huai'an Mingyuan Agricultural Development Company Ltd and Mr. Wang Yong Gang

- On 4 November 2018, Jiangsu Shenglong Zhengtai Trade and Commercial Development Co., Ltd ("**Jiangsu Shenglong**") issued a writ against Huai'an Mingyuan Agricultural Development Company Ltd ("**Huai'an Mingyuan**") and Mr. Wang Yong Gang ("**Mr Wang**"), seeking an order from the Jiangsu Nanjing Xuanwu District People's Court (the "**Xuanwu Court**"), inter alia, that (1) the Business Cooperation Agreement and Supplemental Business Cooperation Agreement signed by the parties shall be terminated; (2) Huai'an Mingyuan shall pay Jiangsu Shenglong RMB30,000,000 as compensation for breach of the Business Cooperation Agreement; (3) Huai'an Mingyuan shall pay Jiangsu Shenglong RMB2,029,250 and RMB5,795,000 as compensation for breaches of the Supplemental Business Cooperation Agreement; (4) Mr. Wang shall be held responsible for Huai'an Mingyuan's aforementioned compensations to Jiangsu Shenglong; and (5) the defendants shall be jointly liable for the costs of the proceedings and Huai'an Mingyuan shall be liable for the legal fees of Jiangsu Shenglong.
- On 16 December 2018, Huai'an Mingyuan issued counterclaim against Jiangsu Shenglong, seeking an order from the Xuanwu Court, inter alia, that (1) the Termination of Cooperation Notice issued by Jiangsu Shenglong dated 17 September 2018 does not have any force against Huai'an Mingyuan; and (2) Jiangsu Shenglong shall be liable for the legal fees of Huai'an Mingyuan.
- According to the judgment of the Xuanwu Court dated 31 December 2020 (the "**31 December Judgment**"), the Xuanwu Court ordered that (1) the Business Cooperation Agreement and Supplemental Business Cooperation Agreement signed by the parties be terminated; (2) Huai'an Mingyuan shall pay the legal fees of Jiangsu Shenglong of RMB10,000,000; (3) Mr. Wang shall be held responsible for Huai'an Mingyuan's aforementioned compensations to Jiangsu Shenglong; (4) other claims of Jiangsu Shenglong be dismissed.

36. 訴訟(續)

(E) 江蘇盛隆正泰商貿發展有限公司於中國向淮南市明遠農業發展有限公司及王永鋼先生發出之令狀

- 於二零一八年十一月四日，江蘇盛隆正泰商貿發展有限公司(「**江蘇盛隆**」)向淮南市明遠農業發展有限公司(「**淮安明遠**」)及王永鋼先生(「**王先生**」)發出令狀，尋求江蘇南京玄武區人民法院(「**玄武法院**」)頒令，(其中包括)(1)各方簽訂之業務合作協議及補充業務合作協議將予終止；(2)淮安明遠須向江蘇盛隆支付人民幣30,000,000元，作為違反業務合作協議之賠償；(3)淮安明遠須向江蘇盛隆支付人民幣2,029,250元及人民幣5,795,000元作為違反補充業務合作協議之賠償；(4)王先生應對淮安明遠上述對江蘇盛隆之賠償負責；及(5)被告人須共同負責承擔訴訟費用及淮安明遠須負責承擔江蘇盛隆的律師費。
- 於二零一八年十二月十六日，淮安明遠向江蘇盛隆發出民事反訴狀，尋求玄武法院頒令，其中包括(1)江蘇盛隆所發出的日期為二零一八年九月十七日的終止合作經營通知對淮安明遠不產生效力；及(2)江蘇盛隆須負責承擔淮安明遠的律師費。
- 根據玄武法院日期為二零二零年十二月三十一日的判決(「**十二月三十一日判決**」)，玄武法院頒令(1)各方簽訂之業務合作協議及補充業務合作協議將予終止；(2)淮安明遠須向江蘇盛隆支付人民幣10,000,000元之法律費用；(3)王先生應對淮安明遠上述對江蘇盛隆之賠償負責；(4)其他江蘇盛隆之申索將予駁回。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

36. LITIGATION (Continued)

(E) Writ issued in the PRC by Jiangsu Shenglong Zhengtai Trade and Commercial Development Co., Ltd against Huai'an Mingyuan Agricultural Development Company Ltd and Mr. Wang Yong Gang (Continued)

- On 2 February 2021, Jiangsu Shenglong appealed against the 31 December Judgment and requested for an order from the Nanjing Intermediate People's Court, inter alia, that (1) Huai'an Mingyuan shall pay Jiangsu Shenglong RMB30,000,000 as compensation for breach of the Business Cooperation Agreement; (2) Huai'an Mingyuan shall pay Jiangsu Shenglong RMB2,029,250 and RMB5,795,000 as compensation for breaches of the Supplemental Business Cooperation Agreement.
- As at the date of this report, the case is still ongoing.

(F) Writ issued in the PRC by Puyang Kaiping Construction Company Limited against Puyang Hongjin Agricultural and By-Product Exchange Market Company Limited

- On 19 October 2020, Puyang Kaiping Construction Company Limited ("**Puyang Kaiping**") issued a writ against Puyang Hongjin Agricultural and By-Product Exchange Market Company Limited ("**Puyang Hongjin**"), seeking an order from the Puyang Hualong District People's Court (the "**Hualong Court**") that Puyang Hongjin shall pay Puyang Kaiping RMB3,719,501.87 being construction payment together with interest.
- On 21 January 2021, Puyang Hongjin received the judgment of the Hualong Court dated 12 January 2020 (the "**12 January Judgment**"), in which the Hualong Court ordered that (1) Puyang Hongjin shall pay Puyang Kaiping RMB3,719,501.87 being construction payment and (2) in the event of default by Puyang Hongjin, interest accrued on the outstanding sum shall be doubled during the period of delayed performance.

36. 訴訟(續)

(E) 江蘇盛隆正泰商貿發展有限公司於中國向淮安市明遠農業發展有限公司及王永鋼先生發出之令狀(續)

- 於二零二一年二月二日，江蘇盛隆就十二月三十一日判決提出上訴，並請求南京市中級人民法院頒令(其中包括)(1)淮安明遠須向江蘇盛隆支付人民幣30,000,000元，作為違反業務合作協議之賠償；(2)淮安明遠須向江蘇盛隆支付人民幣2,029,250元及人民幣5,795,000元，作為違反補充業務合作協議之賠償。
- 於本報告日期，訴訟仍在進行。

(F) 濮陽開平建設工程有限公司於中國向濮陽宏進農副產品交易市場有限公司發出之令狀

- 於二零二零年十月十九日，濮陽開平建設工程有限公司(「**濮陽開平**」)向濮陽宏進農副產品交易市場有限公司(「**濮陽宏進**」)發出令狀，尋求濮陽市華龍區人民法院(「**華龍法院**」)頒令濮陽宏進須向濮陽開平支付建築款項連同利息人民幣3,719,501.87元。
- 於二零二一年一月二十一日，濮陽宏進收到華龍法院日期為二零二零年一月十二日之判決(「**一月十二日判決**」)，當中華龍法院頒令(1)濮陽宏進須向濮陽開平支付建築款項人民幣3,719,501.87元；及(2)倘濮陽宏進未能履行，在延遲履行期間，未償還款項之應計利息理應加倍償還。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

36. LITIGATION (Continued)

(F) Writ issued in the PRC by Puyang Kaiping Construction Company Limited against Puyang Hongjin Agricultural and By-Product Exchange Market Company Limited (Continued)

3. On 2 February 2021, Puyang Hongjin appealed against the 12 January Judgment to the Puyang Intermediate People's Court and requested for an order from the Puyang Intermediate People's Court, inter alia, that (1) the 12 January Judgment be set aside and (2) the claim of Puyang Kaiping be dismissed.
4. As at the date of this report, the case is still ongoing.

Save as disclosed above, as at 31 March 2021, so far as the Directors were aware, (i) the Group was not engaged in any litigation or claims of material importance, and (ii) no litigation or claims of material importance is pending or threatened against the Group.

37. COMMITMENTS

Capital commitments outstanding at 31 March 2021 and 2020 not provided for in the financial statements were as follows:

| | |
|--|-------------------|
| Capital expenditure authorised and contracted for in respect of: | 已就以下項目授權及訂約之資本開支： |
| – construction costs | – 建築成本 |

36. 訴訟(續)

(F) 濮陽開平建設工程有限公司於中國向濮陽宏進農副產品交易市場有限公司發出之令狀(續)

3. 於二零二一年二月二日，濮陽宏進就一月十二日判決向濮陽市中級人民法院提出上訴，並請求濮陽市中級人民法院頒令(其中包括(1)撤銷一月十二日判決；及(2)駁回濮陽開平之申索。
4. 於本報告日期，訴訟仍在進行。

除上文披露者外，於二零二一年三月三十一日，就董事所知，(i)本集團並無涉及任何重大訴訟或索償，以及(ii)本集團並無尚未了結或面臨的重大訴訟或索償或遭到威脅。

37. 承擔

於二零二一年及二零二零年三月三十一日，並無於財務報表撥備之未履行資本承擔如下：

| | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|--|----------------------------------|----------------------------------|
| Capital expenditure authorised and contracted for in respect of: | | |
| – construction costs | 241,436 | 397,717 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

38. MATERIAL RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in the consolidated financial statements, the Group has the following material related party transactions:

(a) Transactions with key management personnel

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in note 9 and certain of the highest paid employees as disclosed in note 10, is as follows:

| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|------------------------------|--------|----------------------------------|----------------------------------|
| Short-term employee benefits | 短期僱員福利 | 10,035 | 22,879 |
| Post-employment benefits | 離職後福利 | 140 | 199 |
| | | 10,175 | 23,078 |

Total remuneration is included in "staff costs" (see note 7(b)).

(b) Balances with related parties

Details of the balances with related parties as at 31 March 2021 and 2020 are set out in note 27.

(c) Material related party transaction

| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|----------------------------------|-----------------------|----------------------------------|----------------------------------|
| Peony Finance Limited | Peony Finance Limited | | |
| – Interest on convertible bonds | – 可換股債券利息 | 10,199 | 14,370 |
| Double Leads Investments Limited | 倍利投資有限公司 | | |
| – Interest on other borrowings | – 其他借款利息 | 7,500 | 1,233 |
| Winning Rich Investments Limited | 凱裕投資有限公司 | | |
| – Interest on other borrowings | – 其他借款利息 | 52,500 | 8,630 |

38. 重大關連人士交易

除綜合財務報表另有披露者外，本集團已訂立以下重大關連人士交易：

(a) 與主要管理人員的交易

附註9披露之本集團主要管理人員(包括已支付予本公司董事之金額)及附註10披露之若干最高薪酬人士的薪酬如下：

薪酬總額已列入「員工成本」(請參閱附註7(b))。

(b) 與關連人士之結餘

於二零二一年及二零二零年三月三十一日與關連人士之結餘的詳情載於附註27。

(c) 重大關連人士交易

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

39. FINANCE GUARANTEE

As at 31 March 2021, a wholly-owned subsidiary of the Company provided guarantees of approximately HK\$27,000 to our customers in favor of a bank for the loans provided by the bank to the customers of our project (2020: HK\$126,000).

40. EVENT AFTER THE REPORTING PERIOD

Disposal of equity interest in a non-wholly owned subsidiary

Subsequent to the year ended 31 March 2021, on 18 June 2021, Century Choice Limited (“**Century Choice**”), a wholly-owned subsidiary of CAP and a substantial shareholder (the “**PRC Shareholder**”) of 玉林宏進農副產品批發市場有限公司 (Yulin Hongjin Agricultural By-products Wholesale Marketplace Limited (“**Yulin Hongjin**”)) entered into an agreement in relation to the reduction of registered capital contribution of Century Choice in Yulin Hongjin. Pursuant to the agreement, the PRC Shareholder waived its entitlement to the dividend declared by Yulin Hongjin for the financial year ended 31 December 2020 in the amount of approximately RMB117 million and directed the same to be paid to Century Choice, and the amount of registered capital contribution by Century Choice in Yulin Hongjin was reduced by an amount equal to approximately RMB41.9 million. As a result of such reduction of registered capital contribution, the CAP Group’s equity interest in Yulin Hongjin was decreased from 65% to 51%. Details of the capital reduction were disclosed in the joint announcement of, inter alia, the Company dated 18 June 2021.

41. AUTHORISATION FOR ISSUE OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 28 June 2021.

39. 財務擔保

於二零二一年三月三十一日，本公司的全資附屬公司向我們客戶提供擔保約27,000港元，用於擔保銀行提供予我們項目客戶之貸款（二零二零年：約126,000港元）。

40. 報告期後事項

出售於非全資附屬公司的股權

於截至二零二一年三月三十一日止年度後，於二零二一年六月十八日，龍群有限公司（「**龍群**」，本公司的全資附屬公司）與玉林宏進農副產品批發市場有限公司（「**玉林宏進**」）的一名主要股東（「**中國股東**」）訂立有關龍群減持其於玉林宏進之註冊資本注資的協議。根據該協議，中國股東放棄其享有玉林宏進於截至二零二零年十二月三十一日止財政年度宣派股息約人民幣117,000,000元的權利，並指示將金額支付予龍群，而龍群於玉林宏進的註冊資本注資將減少金額相等於約人民幣41,900,000元。由於以上註冊資本注資的減少，中國農產品集團於玉林宏進的股權已由65%減少至51%。有關資本減少的詳情已在（其中包括）本公司日期為二零二一年六月十八日的聯合公佈披露。

41. 授權刊發綜合財務報表

董事會已於二零二一年六月二十八日批准及授權刊發綜合財務報表。

PARTICULARS OF PROPERTIES

物業詳情

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

INVESTMENT PROPERTIES

投資物業

| Location 地址 | Use 用途 | Tenure 年期 | Attributable interest of the Group 本集團應佔權益 |
|---|---|---------------------------|---|
| Wuhan Baishazhou Agri-Products Market, Special Nos.1 Qingling Street, Qingling Country, Hongshan District, Wuhan City, Hubei Province, the PRC 中國湖北省武漢市洪山區青菱鄉青菱街特一號 武漢白沙洲農副產品大市場 | Agricultural produce exchange market 農產品交易市場 | Medium term lease 中期租約 | 100% |
| No. 58 Huahu Avenue, Gang District, Huangshi City, Hubei Province, the PRC 中國湖北省黃石市港區花湖大道58號 黃石宏進農副產品市場 | Agricultural produce exchange market 農產品交易市場 | Medium term lease 中期租約 | 80% |
| Henan Luoyang Hong-Jin Agri-Products International Logistics Centre, west of Luoji Expressway, Old town District, Luoyang City, Henan Province, the PRC 中國河南省洛陽市老城區洛吉快速通道西側 洛陽宏進農副產品國際物流中心 | Agricultural produce exchange market 農產品交易市場 | Medium term lease 中期租約 | 100% |
| Henan Kaifeng Hong-Jin Agri-Products International Logistics Centre, south of Kaiqi Highway and East of Xilin Public Cemetery, Kaifeng City, Henan Province, the PRC 中國河南省開封市開杞公路北側及西林公墓東側 河南宏進農副產品國際物流中心 | Agricultural produce exchange market 農產品交易市場 | Medium term lease 中期租約 | 100% |
| Xuzhou Agri-Products Centre Wholesale Market, East of Yingbin Avenue, Quanshan District, Xuzhou City, Jiangsu Province, the PRC 中國江蘇省徐州市泉山區迎賓大道東側 徐州農副產品中心批發市場 | Agricultural produce exchange market 農產品交易市場 | Medium term lease 中期租約 | 51% |

PARTICULARS OF PROPERTIES 物業詳情

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

PROPERTIES HELD FOR SALE

持作出售物業

| Location 地址 | Approximate saleable floor area (square feet) 概約可售建築面積 (平方呎) | Use 用途 | Attributable interest of the Group 本集團 應佔權益 |
|---|---|---|---|
| Henan Luoyang Hong-Jin Agri-Products International Logistics Centre, West of Luoji Expressway, Old town district, Luoyang City, Henan Province, the PRC 中國河南省洛陽市老城區洛吉快速通道西側 洛陽宏進農副產品國際物流中心 | 1,048,000 | Agricultural produce exchange market 農產品交易市場 | 100% |
| Henan Kaifeng Hong-Jin Agri-Products International Logistics Centre, South of Kaiqi Highway and east of Xilin Public Cemetery, Kaifeng City, Henan Province, the PRC 中國河南省開封市開杞公路北側及西林公墓東側 河南宏進農副產品國際物流中心 | 103,000 | Agricultural produce exchange market 農產品交易市場 | 100% |
| Phase I of Guangxi Yulin Hong-Jin Agri-Products Market, South of the Second Ring North Road, Yuzhou District, Yulin City, Guangxi Zhuang Autonomous Region, the PRC 中國廣西壯族自治區玉州區二環北路南側 玉林宏進農副產品批發市場一期 | 744,000 | Agricultural produce exchange market 農產品交易市場 | 65% |
| China – ASEAN (Qinzhou) Agri-Products Market, north of Jinhaiwan West Avenue (Entrance of North and South Highway), Qinzhou City, Guangxi Zhuang Autonomous Region, the PRC 中國廣西壯族自治區欽州市金海灣西大街北側 (南北高速出入口)中國 – 東盟(欽州)農產品大市場 | 1,687,000 | Agricultural produce exchange market 農產品交易市場 | 100% |

PARTICULARS OF PROPERTIES 物業詳情

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

PROPERTIES UNDER DEVELOPMENT

發展中物業

| Location | Use | Approximate site area (square feet) | Estimated approximate gross floor area (square feet) | Estimate completion date | Stage of completion | Attributable interest of the Group |
|---|--------------------------------------|-------------------------------------|--|--------------------------|----------------------|------------------------------------|
| 地址 | 用途 | 概約地盤面積 (平方呎) | 估計概約總建築面積 (平方呎) | 估計完成日期 | 完成階段 | 本集團應佔權益 |
| Phase II of Guangxi Yulin Hong-Jin Agricultural Products Market, South of the Second Ring North Road and North West of Longbiao River, Yuzhou District, Yulin City, Guangxi Zhuang Autonomous Region, the PRC | Agricultural produce exchange market | 448,000 | 758,000 | 2022 | Planning in progress | 100% |
| 中國廣西壯族自治區玉州區二環北路南側龍表河西北側玉林宏進農副產品批發市場二期 | 農產品交易市場 | | | 2022年 | 規劃進行中 | |

FIVE-YEAR FINANCIAL SUMMARY

五年財務概要

For the year ended 31 March 2021 截至二零二一年三月三十一日止年度

| | | Year ended 31 March 2021 截至 二零二一年 三月三十一 止年度 HK\$'000 千港元 | Fifteen months from 1 January 2019 to 31 March 2020 自二零一九年 一月一日至 二零二零年 三月三十一 止十五個月 HK\$'000 千港元 | Year from 1 January to 31 December 2019 2018 2017 自一月一日至年十二月三十一日止年度 二零一九年 二零一八年 二零一七年 HK\$'000 HK\$'000 HK\$'000 千港元 千港元 千港元 | | |
|-----------------------------------|--------------|--|---|---|-------------|-------------|
| Results | 業績 | | | | | |
| Turnover | 營業額 | 650,529 | 1,091,437 | 778,857 | 790,059 | 603,132 |
| Profit/(loss) before taxation | 除稅前溢利／(虧損) | 644,463 | 171,800 | (114,079) | (301,257) | (852,442) |
| Income tax | 所得稅 | (143,293) | (138,475) | (65,240) | (36,314) | 73,884 |
| Profit/(loss) for the year/period | 年／期內溢利／(虧損) | 501,170 | 33,325 | (179,319) | (337,571) | (778,558) |
| Attributable to: | 以下人士應佔： | | | | | |
| Owners of the Company | 本公司擁有人 | 489,602 | 5,880 | (212,596) | (340,970) | (740,997) |
| Non-controlling interests | 非控股權益 | 11,568 | 27,445 | 33,277 | 3,399 | (37,561) |
| | | 501,170 | 33,325 | (179,319) | (337,571) | (778,558) |
| Assets and liabilities | 資產及負債 | | | | | |
| Total assets | 總資產 | 5,584,243 | 5,138,673 | 5,603,672 | 6,111,476 | 5,957,204 |
| Total liabilities | 總負債 | (3,378,390) | (3,653,308) | (4,008,308) | (4,153,873) | (4,798,198) |
| | | 2,205,853 | 1,485,365 | 1,595,364 | 1,957,603 | 1,159,006 |
| Attributable to: | 以下人士應佔： | | | | | |
| Owners of the Company | 本公司擁有人 | 1,808,148 | 1,091,640 | 1,208,971 | 1,588,311 | 805,616 |
| Non-controlling interests | 非控股權益 | 397,705 | 393,725 | 386,393 | 369,292 | 353,390 |
| | | 2,205,853 | 1,485,365 | 1,595,364 | 1,957,603 | 1,159,006 |



中國農產品交易
CHINA AGRI-PRODUCTS EXCHANGE

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