



MGG

2017/2018
ANNUAL REPORT 年度報告

Master Glory Group Limited

凱華集團有限公司

(Carrying on business in Hong Kong as “275 凱華集團”)
(以「275 凱華集團」於香港經營業務)

Table of Contents

目錄

Corporate Information	公司資料	02
Financial Highlights	財務摘要	03
Chairman’s Statement	主席報告書	04
Management Discussion and Analysis	管理層討論及分析	06
Director’s Profile	董事簡歷	11
Corporate Governance Report	企業管治報告	16
Report of the Directors	董事會報告	31
Independent Auditor’s Report	獨立核數師報告	39
Consolidated Statement of Profit or Loss and Other Comprehensive Income	綜合損益及其他全面收益表	47
Consolidated Statement of Financial Position	綜合財務狀況表	49
Consolidated Statement of Changes in Equity	綜合股東權益變動表	51
Consolidated Statement of Cash Flows	綜合現金流量表	53
Notes to the Consolidated Financial Statements	綜合財務報表附註	56
Financial Summary	財務摘要	191
Major Properties Information	主要物業資料	192

Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Dr. Yap Allan
Mr. Heung Pik Lun, Edmond
Dr. Wu Guangsheng

Independent Non-executive Directors

Mr. Kwok Ka Lap, Alva
Mr. Poon Kwok Hing, Albert
Mr. Sin Chi Fai
Dr. Wu Chun Wah

COMPANY SECRETARY

Ms. Wong Nam, Marian

AUDITOR

Deloitte Touche Tohmatsu

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
The Hongkong and Shanghai Banking Corporation Limited

PRINCIPAL REGISTRAR

Conyers Corporate Services (Bermuda) Limited
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

BRANCH REGISTRAR

Tricor Secretaries Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

PRINCIPAL OFFICE

Unit 703, 7/F
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Quarry Bay
Hong Kong

STOCK CODE

275

WEBSITE

www.mggl.com.hk

董事會

執行董事

葉家海博士
向碧倫先生
吳光勝博士

獨立非執行董事

郭嘉立先生
潘國興先生
冼志輝先生
鄔鎮華博士

公司秘書

王嵐小姐

核數師

德勤 • 關黃陳方會計師行

主要往來銀行

中國銀行(香港)有限公司
香港上海滙豐銀行有限公司

主要過戶登記處

Conyers Corporate Services (Bermuda) Limited
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

過戶登記分處

卓佳秘書商務有限公司
香港
皇后大道東183號
合和中心22樓

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

主要辦事處

香港
鰂魚涌
英皇道1063號
7樓703室

股份代號

275

公司網址

www.mggl.com.hk

Financial Highlights

財務摘要

RESULTS

For the year ended 31 March 2018

業績

截至二零一八年三月三十一日止年度

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Revenue	收益		
Sales of properties	物業銷售	974,278	–
Rental income	租金收入	129,604	57,899
Water supply business	供水業務	46,790	27,893
Total Revenue	總收益	1,150,672	85,792
Net (loss) profit attributable to shareholders	股東應佔淨(虧損)溢利	(502,839)	1,220,221
Dividends	股息	–	–
Shareholders' equity	股東權益	4,826,758	4,982,702
Per share data	每股數據		
Earnings	盈利	HK\$(0.05) (0.05)港元	HK\$0.13 0.13港元
Dividends	股息		
Total	總計	–	–
Interim	中期	–	–
Final	末期	–	–
Shareholders' equity	股東權益	HK\$0.47 0.47港元	HK\$0.52 0.52港元
Net assets	資產淨值	HK\$0.47 0.47港元	HK\$0.53 0.53港元
Financial ratio	財務比例		
Payout ratio	派息率	0	0
Net debt to equity ratio (note)	淨債項權益比率(附註)	1.10	0.90
Debt to equity ratio (note)	債項權益比率(附註)	1.19	0.93

Note: Debt include total borrowings of the Group. Net debt is defined as total borrowings less bank balances and cash of the Group.

附註：債項包括本集團之借款總額，淨債項界定為本集團借款總額減銀行結餘及現金。

Chairman's Statement

主席報告書

Dear Shareholders and Stakeholders,

I have pleasure in presenting the annual results of Master Glory Group Limited (the "Company") and its subsidiaries (together the "Group") for the year ended 31 March 2018.

China has become one of the largest e-commerce markets in the world. Coupled with the increasingly trusted digital payments infrastructure, it is anticipated that the number of Chinese consumers shopping online will continue to surge in the coming year. Many retailers are now actively engaged in selling through the rising online ecosystems or through their own e-commerce websites, and this is one of the challenges our leased out commercial properties will face.


In May last year, the A-Mall shopping mall in Guangzhou officially opened. In May this year, having overcome all hurdles, the 3-levels spectacular cinema centre, comprising IMAX cinema, has been officially put into service and is now in full operation. On top of that, all required permits for the passage which connect the second basement floor of the mall with the line 1 and line 2 interchange metro station (Gongyuanqian station) has finally been obtained. The direct connection passage with the metro station will be opened for use after completion of construction work. Seeking to embrace trendy shopping, dining and movie entertainment as highlights, and taking advantage of the location atop the metro station, this will for sure make big contribution to the number of shoppers and dinners to A-Mall, thereby generating stable rental income for the Group.

致股東及持份者：

本人欣然呈報Master Glory Group Limited凱華集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)截至二零一八年三月三十一日止年度之全年業績。

中國已成為全球最大電子商務市場之一，再加上越來越可靠的電子支付基礎設施，預計來年在線購物之中國消費者數目將持續激增。現時許多零售商通過不斷崛起之網絡生態系統或彼等自身之電子商務網站積極從事銷售，這正是我們出租商業物業將要面對的其中一個挑戰。

去年五月，廣州A-Mall購物中心正式開幕。今年五月，於克服重重障礙後，共佔三層(其中包括IMAX影院)的豪華影城已正式投入服務，目前已全面運作。除此以外，我們亦終於取得連接商場負二層及地鐵一、二號綫交匯站(公園前站)之通道所需之所有許可證，該與地鐵站直接連接之通道將在建築工程竣工後開放使用。以集合潮流、餐飲及電影娛樂為亮點的A-Mall購物中心，再兼備地鐵上蓋之優勢，肯定會對前來A-Mall購物及用餐的顧客數量作出重大貢獻，從而為集團創造穩定租金收入。



While the vast majority of the investments of the Group are in the properties segment, we are not limited to retailing commercial properties. One of the goals of our expansion is to solidify and activate new business opportunities in China. The Group will continue to look for lucrative investment opportunities adopting a prudent approach.

I would like to offer my sincere thanks to my fellow board members and employees for their extremely hard work, enthusiasm, resourcefulness, and contribution to the Group in the past year, and to our shareholders for their continued support. I will continue to work with other members of the board to guide the Group to achieve growth and sustainability of our business.

Dr. Yap Allan
Chairman

Hong Kong, 29 June 2018

儘管本集團大部份之投資屬於物業分類，但我們並不局限於零售商業物業。我們其中一個擴展之目標是鞏固和激活中國新商機。本集團將繼續審慎地尋找提供豐厚回報之投資機會。

本人衷心感謝董事會成員及各員工於過去一年的努力、熱誠、才智，以及對本集團作出的貢獻，本人亦感謝股東一直以來對我們的支持。本人將繼續與各董事會成員攜手合作，引領本集團成就業務增長及持續發展。

主席
葉家海博士

香港，二零一八年六月二十九日

Management Discussion and Analysis

管理層討論及分析

Results and Financial Review

Results

For the year ended 31 March 2018, the Group's consolidated loss was HK\$497.8 million (2017: profit of HK\$1,222.2 million), which comprised mainly revenue from water supply business of HK\$46.8 million (2017: HK\$27.9 million), revenue from property trading and leasing of HK\$1,103.9 million (2017: HK\$57.9 million), cost of sales of HK\$1,093.3 million (2017: HK\$17.0 million), other income of HK\$40.9 million (2017: HK\$16.8 million), gain on other gains and losses and other expenses of HK\$255.7 million (2017: HK\$2,311.2 million), distribution and selling costs of HK\$15.7 million (2017: HK\$15.3 million), administrative expenses of HK\$214.9 million (2017: HK\$135.8 million), finance costs of HK\$424.4 million (2017: HK\$247.4 million), share of loss of associates of HK\$19.6 million (2017: HK\$19.5 million), share of loss of a joint venture of HK\$8.5 million (2017: HK\$13.8 million) and income tax expense of HK\$168.8 million (2017: HK\$742.9 million).

The decrease in gain on other gains and losses and other expenses was mainly attributable to a non-recurring combining effect of a gain on fair value changes upon transfer of properties under development for sale to investment properties of HK\$2,732.4 million netted off by an impairment loss of HK\$265.1 million on properties held for sale and an impairment loss of HK\$115.6 million on goodwill arising from acquisition of subsidiaries during the year ended 31 March 2017. These items did not arise during the year ended 31 March 2018.

The loss for the year attributable to the owners of the Company was HK\$502.8 million (2017: profit of HK\$1,220.2 million) and the basic loss per share was HK\$0.05 (2017: profit per share HK\$0.13).

業績及財務回顧

業績

截至二零一八年三月三十一日止年度，本集團之綜合虧損為497,800,000港元(二零一七年：溢利1,222,200,000港元)，主要包括供水業務收入46,800,000港元(二零一七年：27,900,000港元)、物業買賣及租賃收入1,103,900,000港元(二零一七年：57,900,000港元)、銷售成本1,093,300,000港元(二零一七年：17,000,000港元)、其他收入40,900,000港元(二零一七年：16,800,000港元)、其他收益及虧損以及其他開支所得收益255,700,000港元(二零一七年：2,311,200,000港元)、分銷及銷售成本15,700,000港元(二零一七年：15,300,000港元)、行政開支214,900,000港元(二零一七年：135,800,000港元)、財務費用424,400,000港元(二零一七年：247,400,000港元)、應佔聯營公司虧損19,600,000港元(二零一七年：19,500,000港元)、應佔一間合營企業虧損8,500,000港元(二零一七年：13,800,000港元)及所得稅支出168,800,000港元(二零一七年：742,900,000港元)。

其他收益及虧損以及其他開支所得收益之減少主要源自一項非經常性綜合結果，即待售發展中物業轉撥至投資物業時之公平值變動收益2,732,400,000港元，藉由扣除截至二零一七年三月三十一日止年度持作銷售物業之減值虧損265,100,000港元及收購附屬公司所產生之商譽之減值虧損115,600,000港元所抵銷。截至二零一八年三月三十一日止年度並無產生以上項目。

本公司擁有人應佔之年內虧損為502,800,000港元(二零一七年：溢利1,220,200,000港元)，而每股基本虧損為0.05港元(二零一七年：每股溢利0.13港元)。

Results and Financial Review (Continued)

Segment Results

Property development, investment and trading

During the year ended 31 March 2018, substantial units of the shopping arcade of 捷登都會大廈 (also known as A-Mall) in Guangzhou were leased out to tenants including certain international and prestige local brands and rental income was generated accordingly. Apart from certain serviced-apartments held by the Group for rental purpose, titles of the remaining serviced-apartments had been transferred to the buyers upon obtaining the licenses from the relevant governmental authorities during the year. The related sales revenue of HK\$974.3 million was generated from the project.

Other developed commercial properties such as 黃金廣場 (also known as Golden Plaza), 珀東廣場 (also known as Podong Plaza) and 泰峰大廈, all located at prime locations in Guangzhou, contributed to secure recurring stable rental income during the year.

The segment turnover from property leasing and trading for the year ended 31 March 2018 was HK\$1,103.9 million (2017: HK\$57.9 million). The segment recorded a profit of HK\$112.2 million for the year ended 31 March 2018 (2017: HK\$2,564.9 million). This decrement was mainly attributable to a gain of HK\$2,732.4 million on fair value changes upon transfer of properties under development for sale to investment properties, netted off by an impairment loss on properties held for sale of HK\$265.1 million and an impairment loss on goodwill arising from acquisition of subsidiaries of HK\$115.6 million during the year ended 31 March 2017 which did not arise during the year ended 31 March 2018.

業績及財務回顧(續)

分類業績

物業發展、投資及買賣

於截至二零一八年三月三十一日止年度，位於廣州的捷登都會大廈(又稱A-Mall)的購物商城內之大部分單位已出租予租戶，當中包括若干國際品牌及本土知名品牌，因此該項目已開始產生租金收入。除本集團持有之若干用作出租的服務式住宅外，餘下的服務式住宅的所有權在取得相關政府部門的許可證後，已於本年度內移交買家。自該項目產生之相關銷售收益為974,300,000港元。

其他已發展之商用物業，如黃金廣場、珀東廣場及泰峰大廈，均位於廣州黃金地段，於本年度內為本集團帶來穩定的經常性租金收入。

截至二零一八年三月三十一日止年度來自物業租賃及買賣之分類營業額為1,103,900,000港元(二零一七年：57,900,000港元)。截至二零一八年三月三十一日止年度，該分類錄得溢利112,200,000港元(二零一七年：2,564,900,000港元)。溢利減少，主要源於待售發展中物業轉撥至投資物業時之公平值變動收益2,732,400,000港元，扣除截至二零一七年三月三十一日止年度持作銷售物業之減值虧損265,100,000港元及收購附屬公司所產生之商譽之減值虧損115,600,000港元，於截至二零一八年三月三十一日止年度並無產生該等項目。

Management Discussion and Analysis

管理層討論及分析

Results and Financial Review *(Continued)*

Segment Results (Continued)

Trading of Securities

The segment recorded a loss of HK\$7.3 million (2017: HK\$0.9 million) mainly attributable to fair value loss recognised on listed securities which were marked up to the market price as at the date of the consolidated statement of financial position and loss on disposal of listed securities held for trading.

Water Supply

During the year under review, the Group successfully introduced a new customer which gives rise to an improved performance. The Group will continuously put effort in scaling up the water supply through negotiating with existing customers and implementing effective costs control measures in this business in order to boost the profit margin.

For water supply segment, the revenue was HK\$46.8 million for the year ended 31 March 2018, increased by HK\$18.9 million (67.7%) from 2017 and segment result recorded a profit of HK\$19.1 million during the year, increased by HK\$13.5 million from HK\$5.6 million for the year ended 31 March 2017.

Interests in Associates

During the year, share of results of associates amounted to loss of HK\$19.6 million (2017: HK\$19.5 million), mainly arise from share of profit of HK\$2.2 million (2017: HK\$0.2 million) from China Enterprises Limited and share of loss of HK\$21.8 million (2017: HK\$17.6 million) from Rosedale Hotel Holdings Limited.

業績及財務回顧(續)

分類業績(續)

證券買賣

該分類錄得虧損7,300,000港元(二零一七年：900,000港元)，主要源於其上市證券已確認之公平值虧損已加成為綜合財務狀況表日期之市價及出售持作交易之上市證券之虧損。

供水

於回顧年度內，本集團成功引入一名新客戶，帶動表現有所改善。本集團將繼續致力與現有客戶磋商擴大供水規模，並為該業務推行有效之成本控制措施，從而提高利潤。

截至二零一八年三月三十一日止年度供水分類之收入為46,800,000港元，較二零一七年增加18,900,000港元(67.7%)，年內分類業績錄得溢利19,100,000港元，較截至二零一七年三月三十一日止年度之5,600,000港元增加13,500,000港元。

於聯營公司之權益

年內，應佔聯營公司業績錄得虧損19,600,000港元(二零一七年：19,500,000港元)，主要來自應佔China Enterprises Limited溢利2,200,000港元(二零一七年：200,000港元)和應佔珀麗酒店控股有限公司虧損21,800,000港元(二零一七年：17,600,000港元)。

Liquidity and financial resources

Bank balances and cash as at 31 March 2018 were HK\$430.7 million (31 March 2017: HK\$104.0 million). The gearing ratio (borrowings/shareholders' funds) at 31 March 2018 was 118.6% (31 March 2017: 92.5%). As at 31 March 2018, bank and other borrowings of the Group were approximately HK\$5,723.9 million (31 March 2017: HK\$4,609.9 million). The increase in borrowings was mainly attributable to new borrowings in the PRC. The Group's borrowings bore fixed or floating interest rates as at 31 March 2017 and 2018.

Pledge of assets

As at 31 March 2018, certain assets of the Group amounting to HK\$10,694.6 million (31 March 2017: HK\$10,314.5 million) were pledged to banks and financial institutions for loan facilities granted to the Group.

Exchange rate and interest rate risks exposure

The majority of the Group's business transactions, assets and liabilities are denominated in Hong Kong Dollars and Renminbi. The Group will consider entering into hedging contracts to eliminate any exposures to downside risks, whenever the Group and the concerned foreign subsidiaries think fit. At the reporting date, the Group did not enter into any interest rate speculative and hedging contracts.

Contingent liabilities

As at 31 March 2017, a corporate guarantee to the extent of HK\$75.0 million was given by the Group to a bank in respect of banking facilities granted to an associate. The banking facilities of approximately HK\$27.3 million was utilised by the associate as at 31 March 2017. The Company has settled amount owed by the associate to the bank under the financial guarantee and the bank released the respective financial guarantee contract subsequently. The Group did not have any significant contingent liabilities as at 31 March 2018.

流動資金及財務資源

於二零一八年三月三十一日之銀行結餘及現金為430,700,000港元(二零一七年三月三十一日：104,000,000港元)。於二零一八年三月三十一日之負債資本比率(借款／股東資金)為118.6%(二零一七年三月三十一日：92.5%)。於二零一八年三月三十一日，本集團之銀行及其他借款約為5,723,900,000港元(二零一七年三月三十一日：4,609,900,000港元)。借款增加主要源於中國的新借款。於二零一七年及二零一八年三月三十一日，本集團之借款按固定利率或浮動利率計息。

資產抵押

於二零一八年三月三十一日，本集團將10,694,600,000港元(二零一七年三月三十一日：10,314,500,000港元)之若干資產抵押予銀行及金融機構，以取得授予本集團之貸款信貸。

匯率及利率風險

本集團大部分業務交易、資產及負債均以港元及人民幣計值。本集團將於其本身及有關海外附屬公司認為有需要時，考慮訂立對沖合約以抵銷任何不利風險。於申報日期，本集團並無訂立任何利率投機及對沖合約。

或然負債

於二零一七年三月三十一日，本集團就一間聯營公司所獲授銀行信貸而向銀行作出公司擔保75,000,000港元。於二零一七年三月三十一日，銀行信貸約27,300,000港元已由該聯營公司動用。本公司已根據財務擔保支付該聯營公司欠銀行之金額，其後該銀行已解除相關財務擔保合同。於二零一八年三月三十一日，本集團並無重大或然負債。

Management Discussion and Analysis

管理層討論及分析

Event after the reporting period

On 31 May 2018, the Company entered into a non-legal binding memorandum of understanding with an independent third party on the disposal of certain issued share capital of Ally Fortune Investments Limited (together with its subsidiaries, the “Target Group”) which is a wholly-owned subsidiary of the Company (the “Proposed Disposal”). The Target Group is principally engaged in the development of real estate in the PRC and is holding certain property interests in a building in Guangzhou, the PRC. Detailed terms and conditions, including the consideration of the Proposed Disposal will be subject to further negotiation between the parties thereto and the entering into of a formal agreement. For details, please refer to the Company’s announcement dated 31 May 2018.

Taking into consideration the capital appreciation of the property in Guangzhou in recent years, the Group is of the view that the Proposed Disposal will provide an appropriate opportunity for it to realise its investment. Should the Proposed Disposal materialise, it will strengthen the liquidity and overall financial position of the Group and offer reasonable returns. No definitive agreement in relation to the Proposed Disposal has been entered into up to the date of this report.

Employees and remuneration policies

As at 31 March 2018, there were 87 employees (31 March 2017: 114) employed by the Group. The remuneration policies are formulated on the basis of performance of individual employees and the prevailing salaries’ trends in the various regions. They are subject to be reviewed every year. The Group also provides employee training programs, a mandatory provident fund scheme, medical insurance and discretionary bonuses.

報告期後事項

於二零一八年五月三十一日，本公司與獨立第三方就出售本公司全資附屬公司Ally Fortune Investments Limited（連同其附屬公司，統稱「目標集團」）若干已發行股本（「建議出售事項」）訂立沒有法律約束力之諒解備忘錄。目標集團主要在中國從事房地產開發業務，並持有中國廣州一幢樓宇之若干物業權益。有關建議出售事項之條款及條件（包括代價）尚待訂約方經進一步磋商並簽訂正式協議，方告落實。詳情請參閱本公司日期為二零一八年五月三十一日之公告。

經計及近年廣州物業升值，本集團認為建議出售事項將為變現其投資提供良機。倘建議出售事項落實，其將加強本集團之流動資金及整體財務狀況並帶來合理回報。截至本報告日期止，本公司未就建議出售事項訂立任何最終協議。

僱員及薪酬政策

於二零一八年三月三十一日，本集團僱用87名僱員（二零一七年三月三十一日：114名僱員）。薪酬政策乃根據個別僱員之表現及不同地區當時之薪酬趨勢而制定。本集團會每年檢討薪酬政策。本集團亦提供培訓計劃、強制性公積金計劃、醫療保險及酌情花紅予僱員。

Director's Profile

董事簡歷

EXECUTIVE DIRECTOR

Dr. YAP Allan, aged 62, joined the Company in 1995. In September 2008, Dr. Yap was elected as the Chairman of the Company. Dr. Yap holds an Honorary degree of Doctor of Laws and has over 30 years' experience in finance, investment and banking. Dr. Yap is the chairman and an executive director of Rosedale Hotel Holdings Limited, a company whose shares are listed on the main board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Dr. Yap is the chairman and chief executive officer of China Enterprises Limited, a company whose shares are traded on the OTC Market in the United States of America, as well as Burcon NutraScience Corporation, a company whose shares are listed on the Toronto Stock Exchange in Canada and the Frankfurt Stock Exchange in Germany and traded on the OTC Market in the United States of America. Dr. Yap is the executive chairman of Hanwell Holdings Limited and Tat Seng Packaging Group Ltd, both of which are companies whose shares are listed on the Singapore Exchange Limited.

Dr. Yap ceased to be the honorary chairman and non-executive director of SMI Holdings Group Limited, a company whose shares are listed on the main board of the Stock Exchange, with effect from 28 November 2017.

執行董事

葉家海博士，62歲，於一九九五年加入本公司。葉博士於二零零八年九月獲推選為本公司主席。葉博士持有法律榮譽博士學位，並於金融、投資及銀行業務方面積逾三十年經驗。葉博士為珀麗酒店控股有限公司之主席兼執行董事，該公司之股份於香港聯合交易所有限公司（「聯交所」）主板上市。葉博士為China Enterprises Limited（其股份於美國櫃檯市場買賣）及Burcon NutraScience Corporation（其股份於加拿大多倫多證券交易所及德國法蘭克福證券交易所上市，並於美國櫃檯市場買賣）之主席兼行政總裁。葉博士為Hanwell Holdings Limited及Tat Seng Packaging Group Ltd之執行主席，該等公司之股份均於新加坡證券交易所有限公司上市。

自二零一七年十一月二十八日起，葉博士不再擔任星美控股集團有限公司（其股份於聯交所主板上市）之榮譽主席及非執行董事。

Director's Profile

董事簡歷

Mr. HEUNG Pik Lun, Edmond, aged 56, joined the Group in December 2010 as a director of Master Glory Development (China) Company Limited (formerly known as Hanny Development (China) Company Limited), an indirect wholly-owned subsidiary of the Company and was appointed as an Executive Director of the Company in February 2011. Mr. Heung is responsible for strategic planning and property development, investment and trading business of the Group. Mr. Heung has started developing real estate projects in China since 1992 and has maintained a strong business network. Possessing in-depth knowledge in the South China market, Mr. Heung has participated in more than a hundred real estate development projects. Prior to entering the China property development market, Mr. Heung also has decades of property development experience in Canada and South East Asia.

Mr. Heung is a holder of a bachelor's degree of Arts from Windsor University, Canada. Mr. Heung is a member of ISCM (Institute of Shopping Centre Management) since 2011 and in June 2013, he was also elected a professional member of RICS (The Royal Institution of Chartered Surveyors) as a Chartered Project Management Surveyor.

向碧倫先生，56歲，於二零一零年十二月加入本集團，任本公司一間間接全資附屬公司－凱華發展(中國)有限公司(前稱錦興發展(中國)有限公司)之董事，並於二零一一年二月獲委任為本公司執行董事。向先生負責本集團之策略性計劃及房地產發展、投資及買賣業務。向先生自一九九二年開始籌劃國內房地產項目，彼於國內人脈廣博，對國內市場特別是華南地區深切了解，曾參與國內超過100個土地發展項目。另外，在進入國內房地產市場前，向先生亦於加拿大及東南亞區的房地產發展業擁有數十年經驗。

向先生於加拿大溫莎大學持有文學士學位，向先生自二零一一年起獲取香港商場管理學會會員資格，並於二零一三年六月考獲英國皇家特許測量師學會專業成員資格成為特許項目管理測量師。

Dr. WU Guangsheng, aged 39, was appointed as an Executive Director of the Company on 14 September 2016. Dr. Wu graduated from Wuhan University in 2001 with a bachelor's degree majoring in Corporate Management and minoring in Economic Law. He holds a doctoral degree in Marketing from Wuhan University as from June 2018. Dr. Wu is the chairman of 華訊方舟股份有限公司 (Huaxun Fangzhou Co., Ltd*) ("Huaxun Fangzhou"), a company listed on the Shenzhen Stock Exchange (stock code: 000687). Dr. Wu has extensive experience in telecommunications and satellite communications industries and has received many accolades by the Chinese authorities in the field of technology ventures.

In 2003, Dr. Wu founded 北京莊源國際投資諮詢有限公司 (Beijing Zhuangyuan International Investment Consulting Company Limited*), a company principally engaged in providing corporate consulting services, and served as the vice chairman of its board of directors until 2007. Dr. Wu acted as the vice chairman and chief executive officer of 華訊方舟科技有限公司 (Huaxun Fangzhou Technology Company Limited*) ("Huaxun Fangzhou Technology") since 2007 and acts as the chairman as from 2017. Huaxun Fangzhou Technology is the controlling shareholder of Huaxun Fangzhou.

Dr. Wu serves as a member of the Standing Committee of the Executive Committee of All-China Federation of Industry and Commerce (全國工商聯執行委員會常務委員), a member of the Economic Affairs Committee of the Standing Committee of Shenzhen Municipal People's Congress (深圳市人大常委會經濟工作委員會委員) and a member of the Strategic Advisory Committee for enhancing enterprise competitiveness in Shenzhen (深圳市提升企業競爭力戰略諮詢委員會委員). He is the Chairman of the Presidium of Federation of Shenzhen Industries (深圳工業總會主席團主席) and the Vice Chairman of the Guangdong-HK-Macao Bay Area Entrepreneurs Union (粵港澳大灣區企業家聯盟副主席).

* for identification purpose only

吳光勝博士，39歲，於二零一六年九月十四日起獲委任為本公司執行董事。吳博士於二零零一年於武漢大學畢業並取得學士學位，主修企業管理及副修經濟法。自二零一八年六月起，彼持有武漢大學市場營銷博士學位。吳博士為華訊方舟股份有限公司(「華訊方舟」)之董事長，該公司之股份於深圳證券交易所上市(股份代號：000687)。吳博士於電信及衛星通信行業擁有豐富經驗，並獲國家科技部門頒授多項榮譽。

於二零零三年，吳博士創立北京莊源國際投資諮詢有限公司(一間主要從事提供企業諮詢服務之公司)，並出任其副董事長直至二零零七年。吳博士自二零零七年起出任華訊方舟科技有限公司(「華訊科技」)之副董事長及總裁，並從二零一七年起擔任董事長。華訊科技乃華訊方舟之控股股東。

吳博士擔任全國工商聯執行委員會常務委員、深圳市人大常委會經濟工作委員會委員及深圳市提升企業競爭力戰略諮詢委員會委員。彼為深圳工業總會主席團主席及粵港澳大灣區企業家聯盟副主席。

Director's Profile

董事簡歷

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. KWOK Ka Lap, Alva, aged 70, has been an Independent Non-executive Director since July 2003. He was a marketing manager in an international company engaging in the design of business administration system. Mr. Kwok has been in the insurance and investments business for over 30 years, principally in the senior managerial position leading a sizable sales team. Mr. Kwok is an independent non-executive director of ITC Properties Group Limited and Rosedale Hotel Holdings Limited, both of which are companies whose shares are listed on the main board of the Stock Exchange.

Mr. POON Kwok Hing, Albert, aged 57, has been an Independent Non-executive Director since February 2007. Mr. Poon graduated from the University of Bath, United Kingdom with a Master of Science degree in Business Administration. He is also a member of the Hong Kong Institute of Certified Public Accountants and a member of the CPA Australia. Mr. Poon is currently an independent non-executive director of Rosedale Hotel Holdings Limited and Shaw Brothers Holdings Limited, both of which are companies whose shares are listed on the main board of the Stock Exchange.

Mr. SIN Chi Fai, aged 58, has been an Independent Non-executive Director since January 2008. Mr. Sin is a director and a shareholder of a Singapore company engaged in the distribution of data storage media and computer related products in Asian countries. He obtained a diploma in Banking from The Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University) and is a member of the Singapore Institute of Directors. He has over 20 year's sales and marketing experience in information technology industries and in the banking field. He is currently an independent non-executive director of Rosedale Hotel Holdings Limited, a company whose shares are listed on the main board of the Stock Exchange, and an independent director of China Enterprises Limited, a company whose shares are traded on the OTC Market in the United States of America.

獨立非執行董事

郭嘉立先生，70歲，自二零零三年七月起出任獨立非執行董事。彼曾為一間從事工商行政系統設計之跨國公司之市場經理。郭先生在保險及投資業務方面積逾三十年經驗，主要擔任高級管理人員，管轄具規模之營業隊伍。郭先生現為德祥地產集團有限公司及珀麗酒店控股有限公司之獨立非執行董事，該等公司之股份均於聯交所主板上市。

潘國興先生，57歲，自二零零七年二月起出任獨立非執行董事。潘先生畢業於英國University of Bath，並取得工商管理碩士學位。彼亦為香港會計師公會及澳洲會計師公會之會員。潘先生現為珀麗酒店控股有限公司及邵氏兄弟控股有限公司之獨立非執行董事，該等公司之股份均於聯交所主板上市。

冼志輝先生，58歲，自二零零八年一月起出任獨立非執行董事。冼先生為一間新加坡公司之董事及股東，該公司從事分銷數據儲存媒體和電腦相關產品至亞洲國家。彼於香港理工學院（現稱香港理工大學）獲得銀行系文憑及為新加坡董事學會（Singapore Institute of Directors）之會員。彼於資訊科技行業及銀行業擁有逾二十年銷售及推廣經驗。彼現為珀麗酒店控股有限公司（其股份於聯交所主板上市）之獨立非執行董事及China Enterprises Limited（其股份於美國櫃檯市場買賣）之獨立董事。



Dr. WU Chun Wah, aged 53, has been appointed as an Independent Non-executive Director with effect from 30 June 2016. Dr. Wu holds a doctor degree in business administration and a master degree in corporate governance from the Hong Kong Polytechnic University. He also holds a master degree in business administration from Northeast Louisiana University, a diploma of China trade and investment from Beijing University, a diploma of China laws from Guangdong Economic Laws Research Centre and a postgraduate diploma in management from Asia International Open University. He is a fellow member of the Hong Kong Institute of Directors, member of the Hong Kong Securities and Investment Institute, associate member of the Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators.

Dr. Wu has extensive experience in financial investment and corporate finance. He is the chief executive officer of China Chengtong Asset Management (Hong Kong) Co., Ltd. which is wholly-owned by China Chengtong Holdings Group Ltd., a central enterprise supervised by State-owned Assets Supervision and Administration Commission. He is an independent non-executive director of TANSI Global Food Group Co., Ltd (formerly known as Xiao Nan Guo Restaurants Holdings Limited), a company whose shares are listed on the main board of the Stock Exchange.

Dr. Wu was an independent non-executive director of FDB Holdings Limited (now known as Dafy Holdings Limited), a company whose shares are listed on the main board of the Stock Exchange, from November 2017 to January 2018.

鄔鎮華博士，53歲，自二零一六年六月三十日起獲委任為獨立非執行董事。鄔博士持有香港理工大學工商管理博士學位及企業管治碩士學位。彼亦持有東北路易斯安納大學工商管理碩士學位，亦取得北京大學中國貿易及投資文憑、廣東經濟法律研究中心中國法律文憑，以及亞洲國際公開大學管理深造文憑。彼為香港董事學會資深會員、香港證券及投資學會會員、香港特許秘書公會及英國特許秘書及行政人員公會會員。

鄔博士於金融投資及企業融資方面擁有豐富經驗。彼為中國誠通(香港)資產管理有限公司之行政總裁，該公司由中國誠通控股集團有限公司全資擁有，而中國誠通控股集團有限公司為受國有資產監督管理委員會監督之中央企業。彼亦為國際天食集團有限公司(前稱小南國餐飲控股有限公司，其股份於聯交所主板上市)之獨立非執行董事。

鄔博士於二零一七年十一月至二零一八年一月期間，任豐展控股有限公司(現稱達飛控股有限公司，其股份於聯交所主板上市)之獨立非執行董事。

Corporate Governance Report

企業管治報告

Master Glory Group Limited (the “Company”, together with its subsidiaries, the “Group”) is committed to ensuring and maintaining good standards of corporate governance, geared to achieving corporate goals and enhancing the interests of shareholders. The board of directors (the “Board”) of the Company formalises the corporate governance practices of the Company by adopting its corporate governance code based on the code provisions in the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The CG Code along with the Bye-Laws of the Company and the terms of references of the Board Committees, provide the corporate governance framework of the Company. This report discloses how the Company has applied the principles of the CG Code for the year ended 31 March 2018.

COMPLIANCE WITH THE CG CODE

The Company has complied with the CG Code throughout the year ended 31 March 2018, except with deviations from code provisions A.2.1, A.4.1 and E.1.2.

Code provision A.2.1 stipulates that the roles of the chairman and the chief executive should be separate and should not be performed by the same individual. The role of the chief executive is currently performed by the chairman of the Company, Dr. Yap Allan. The Board has evaluated such arrangement which has been in effect for some years, and considers that it will not impair the effectiveness of the Board as well as the management of the operations of the Group.

Code provision A.4.1 stipulates that non-executive directors should be appointed for a specific term, subject to re-election. The independent non-executive directors of the Company are not appointed for a specific term but are subject to retirement by rotation at the Company’s annual general meetings in accordance with the Bye-Laws of the Company. As at each annual general meeting, one-third of the directors of the Company (or such number as nearest to but not less than one-third) must retire by rotation, each of the directors of the Company is effectively appointed for a term of approximately two to three years.

Master Glory Group Limited 凱華集團有限公司(「本公司」，連同其附屬公司為「本集團」)致力確保及維持良好的企業管治水平，以達致實現企業目標及提升股東之利益。本公司董事會(「董事會」)採納香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄十四《企業管治守則》(「企業管治守則」)之守則條文為其企業管治守則，從而正式確立本公司之企業管治常規。企業管治守則連同本公司之公司章程細則及各董事委員會之職權範圍構成本公司之企業管治框架。本報告披露本公司於截至二零一八年三月三十一日止年度如何應用企業管治守則所載之原則。

遵守企業管治守則

本公司於截至二零一八年三月三十一日止年度內一直遵守企業管治守則，惟偏離守則條文A.2.1、A.4.1及E.1.2。

守則條文A.2.1規定，主席及行政總裁之角色應有區分，並不應由一人同時兼任。行政總裁之職責現時由本公司主席葉家海博士履行。董事會已評估生效多年之有關安排，認為有關安排不會削弱董事會之成效或降低本集團業務之管理水平。

守則條文A.4.1規定，非執行董事之委任應有指定任期，並須接受重新選舉。本公司獨立非執行董事並無指定任期，惟須根據本公司之公司章程細則於本公司股東週年大會上輪值告退。於每年之股東週年大會上，本公司三分之一之董事(或最接近但不少於三分之一之人數)須輪值告退，因此本公司各董事之實際任期約為兩至三年。

Code provision E.1.2 stipulates that the chairman of the board should attend the annual general meeting. The chairman of the Company, Dr. Yap Allan, was unable to attend the annual general meeting of the Company held on 15 September 2017 due to his travelling commitment. Mr. Heung Pik Lun, Edmond, an executive director of the Company, attended and chaired the meeting and answered questions from the shareholders of the Company.

THE BOARD

The Board currently comprises seven members, including three executive directors, Dr. Yap Allan (Chairman), Mr. Heung Pik Lun, Edmond and Dr. Wu Guangsheng and four independent non-executive directors, Mr. Kwok Ka Lap, Alva, Mr. Poon Kwok Hing, Albert, Mr. Sin Chi Fai and Dr. Wu Chun Wah. Biographical details of the directors of the Company (the "Directors") and the relevant relationships among them, if any, are set out in the "Director's Profile" on pages 11 to 15 of the annual report. The Company has maintained an updated list of Directors identifying their role and function and whether they are independent non-executive directors on the websites of the Company as well as the Stock Exchange.

The Board includes a balanced composition of executive directors and independent non-executive directors and possesses a wide spectrum of relevant skills and experience appropriate to the requirements of the Group's business. One of the independent non-executive directors has the professional accounting qualifications as required under the Listing Rules. The Company has received confirmation from each non-executive director about his independence pursuant to Rule 3.13 of the Listing Rules. The Board considers all of the non-executive directors to be independent. The Board's composition is in compliance with the requirement under Rule 3.10A of the Listing Rules that the number of independent non-executive directors must represent at least one-third of the Board.

All Board members are kept informed of material changes about the businesses of the Group and are provided with monthly updates giving a balanced and understandable assessment of the Company's performance, position and prospects. All Directors have separate and independent access to the management and to the advice and services of the Company Secretary. A written procedure has been agreed for Directors to seek independent professional advice at the Company's expense upon their request.

守則條文E.1.2規定，董事會主席應出席股東週年大會，本公司主席葉家海博士因出國公幹未克出席本公司於二零一七年九月十五日舉行之股東週年大會。本公司執行董事向碧倫先生已出席並主持該大會及回應本公司股東之提問。

董事會

董事會現時由七名成員組成，包括三名執行董事葉家海博士(主席)、向碧倫先生及吳光勝博士，以及四名獨立非執行董事郭嘉立先生、潘國興先生、冼志輝先生及鄺鎮華博士。本公司董事(「董事」)之履歷及彼等之間的相關關係(如有)載於本年報第11至15頁之「董事簡歷」內。本公司於本公司及聯交所之網站設存一份最新的董事名單，並列明彼等角色和職能，以及註明其是否獨立非執行董事。

董事會中執行董事及獨立非執行董事之組合保持平衡，並具備符合本集團業務需要的各種相關技能及經驗。其中一名獨立非執行董事具有上市規則規定之專業會計資格。本公司已接獲各非執行董事根據上市規則第3.13條所作出有關其獨立性之確認。董事會認為所有非執行董事均為獨立人士。董事會之組成乃符合上市規則第3.10A條項下之要求，即獨立非執行董事必須佔董事會成員人數至少三分之一。

所有董事會成員均獲知會本集團業務之重大變動，並每月獲提供更新資料，載列對本公司的表現、財務狀況及前景的公正及易於理解的評估。所有董事可單獨及獨立地接觸管理層，及尋求公司秘書的意見及服務。一項書面程序已商定，讓董事按需要尋求獨立專業意見，有關費用由本公司支付。

Corporate Governance Report

企業管治報告

6 Board meetings and 1 general meeting were held during the year ended 31 March 2018. Individual attendances of each Board member at these Board meetings and general meeting are shown below:

於截至二零一八年三月三十一日止年度內，本公司已舉行六次董事會會議及一次股東大會。各董事會成員出席該等董事會會議及股東大會之個別情況載列如下：

Directors	董事	Board Meetings attended/held 已出席／已舉行之 董事會會議次數	General Meeting attended/held 已出席／已舉行之 股東大會次數
<i>Executive Directors</i>	<i>執行董事</i>		
Dr. Yap Allan	葉家海博士	6/6	0/1
Mr. Heung Pik Lun, Edmond	向碧倫先生	6/6	1/1
Dr. Wu Guangsheng	吳光勝博士	5/6	0/1
<i>Independent Non-Executive Directors</i>	<i>獨立非執行董事</i>		
Mr. Kwok Ka Lap, Alva	郭嘉立先生	5/6	1/1
Mr. Poon Kwok Hing, Albert	潘國興先生	6/6	1/1
Mr. Sin Chi Fai	冼志輝先生	6/6	1/1
Dr. Wu Chun Wah	鄺鎮華博士	6/6	1/1

All Directors participated in the continuous professional development programme of the Company which aims at enabling the Directors to develop and refresh their knowledge and to perform their duties. The professional development programme arranged by the Company during the year ended 31 March 2018 focused on director's duties, regulatory updates and corporate governance matters. The Directors are also encouraged to attend suitable trainings at the expense of the Company.

全體董事均已參與本公司之持續專業發展計劃，旨在讓董事擴展及更新彼等之知識以履行彼等之職責。本公司於截至二零一八年三月三十一日止年度安排之專業發展計劃側重於董事職責、最新監管規定的更新資料及企業管治事宜。本公司亦鼓勵董事參加合適之培訓，費用由本公司支付。

Directors	董事	Receiving briefings and updates 接受簡介及更新資料	Reading materials/ seminars and other trainings 閱覽資料／座談會及其他培訓
Dr. Yap Allan	葉家海博士	✓	✓
Mr. Heung Pik Lun, Edmond	向碧倫先生	✓	✓
Dr. Wu Guangsheng	吳光勝博士	✓	✓
Mr. Kwok Ka Lap, Alva	郭嘉立先生	✓	✓
Mr. Poon Kwok Hing, Albert	潘國興先生	✓	✓
Mr. Sin Chi Fai	冼志輝先生	✓	✓
Dr. Wu Chun Wah	鄺鎮華博士	✓	✓

Each of the Directors has provided the Company a record of training he received during the year ended 31 March 2018.

各董事已向本公司提供彼等於截至二零一八年三月三十一日止年度內所接受培訓之紀錄。

The Board represents shareholders of the Company in managing the Company's affairs with the objective of enhancing shareholders value, and represents the highest level of authority in the governance structure of the Company. Its principal functions are to formulate corporate strategies and directions particularly in relation to operating plans, corporate governance and business development, to monitor and control the operating and financial performance of the Group. Day-to-day management of the Group's business is delegated to the Executive Committee. The delegation of responsibilities and authority is reviewed regularly to ensure that the appropriate reporting systems are in place. The Board has reserved for its decision and consideration matters covering corporate strategy, dividend policy, major acquisitions, disposals and capital transactions, annual and interim results, changes of members of the Board and its committees, and other significant operational and financial matters.

董事會代表本公司股東管理本公司事務，目標為提升股東價值，董事會亦為本公司管治架構中之最高權力級別，其主要職能為制定企業策略及方向（特別是有關本集團的營運計劃、企業管治及業務發展），並監察及控制本集團之營運及財務表現。本集團業務之日常管理授權予執行委員會負責，授予之職責及權力將定期進行檢討，以確保適當匯報機制之運作。涉及企業策略、股息政策、重大收購、出售及資本交易、年度及中期業績、董事會及其委員會成員變更以及其他重大營運及財務事宜，則保留予董事會考慮及作出決定。

Corporate Governance Report

企業管治報告

The roles of the chairman and the chief executive are performed by Dr. Yap Allan. A division of responsibilities at the Board level has been maintained to entail a balance of power and authority. The Board will continue to review the management structure ensuring appropriate management development and succession plans, taking into consideration the nature and extent of the Group's operation.

The Company has arranged for Directors' and Officers' Liability Insurance to indemnify its Directors and officers against potential liabilities incurred by them in discharging their duties. The insurance coverage for the Directors and officers is reviewed on an annual basis.

BOARD COMMITTEES

The Board has established the following committees to assist in carrying out its responsibilities: the Executive Committee, the Investment Committee, the Remuneration Committee, the Nomination Committee, the Corporate Governance Committee and the Audit Committee. Each committee oversees particular aspects of the Company's affairs and report regularly to the Board. The terms of reference of the Audit Committee, the Nomination Committee and the Remuneration Committee are available on both the Company's and Stock Exchange's websites.

Executive Committee

The Executive Committee comprises all executive directors. The members of the Executive Committee include Dr. Yap Allan (who acts as chairman of the committee), Mr. Heung Pik Lun, Edmond and Dr. Wu Guangsheng. The Executive Committee meets as and when required to oversee the day-to-day management and operation of the Group's business.

Investment Committee

The Investment Committee comprises an independent non-executive director Dr. Wu Chun Wah (who acts as chairman of the committee) and an executive director Dr. Yap Allan. The Investment Committee meets as and when required to review investment strategies and projects so as to enhance the Group's investment returns.

主席及行政總裁之角色目前由葉家海博士擔任。董事會內職責之分工旨在確保權力與權責平衡。董事會將繼續因應本集團營運性質及規模檢討管理架構，確保配合管理層發展及繼任計劃。

本公司已為董事及高級管理人員安排董事及高級管理人員責任保險，以彌償彼等因履行各自之職責而引起之潛在責任。董事及高級管理人員之承保範圍會於每年進行檢討。

董事委員會

董事會已設立以下委員會，以協助履行其職責，該等委員會包括執行委員會、投資委員會、薪酬委員會、提名委員會、企業管治委員會及審核委員會。各委員會監督本公司事務之特定範疇，並定期向董事會報告。審核委員會、提名委員會及薪酬委員會之職權範圍可於本公司及聯交所網站查閱。

執行委員會

執行委員會由全體執行董事組成。執行委員會成員包括葉家海博士（擔任委員會主席）、向碧倫先生及吳光勝博士。執行委員會於有需要時舉行會議，以監督本集團業務之日常管理及營運。

投資委員會

投資委員會由獨立非執行董事鄒鎮華博士（擔任委員會主席）及執行董事葉家海博士組成。投資委員會於有需要時舉行會議，以檢討投資策略及項目，從而提升本集團之投資回報。

Remuneration Committee

The Remuneration Committee comprises two independent non-executive directors and one executive director. The members of the Remuneration Committee are Mr. Kwok Ka Lap, Alva (who acts as chairman of the committee), Mr. Poon Kwok Hing, Albert and Dr. Yap Allan.

The Remuneration Committee is responsible for making recommendations to the Board on the Company's policy and structure for all directors' and senior management's remuneration, on the remuneration packages of individual executive directors and senior management, and on the remuneration of non-executive directors. The remuneration packages of Directors are based on their individual performance, salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group. The Remuneration Committee will ensure that no director or any of his associates is involved in deciding his own remuneration and have access to professional advice if considered necessary.

The Remuneration Committee met once during the year ended 31 March 2018 and reviewed the structure and levels of remuneration paid to executive directors and made recommendation in respect of the structure and levels of remuneration of the non-executive directors. Individual attendance of each Remuneration Committee member at the meeting is shown below:

Remuneration Committee Member	薪酬委員會成員	Remuneration Committee Meeting attended/held
		已出席／已舉行之薪酬委員會會議次數
Mr. Kwok Ka Lap, Alva	郭嘉立先生	1/1
Mr. Poon Kwok Hing, Albert	潘國興先生	1/1
Dr. Yap Allan	葉家海博士	1/1

薪酬委員會

薪酬委員會由兩名獨立非執行董事及一名執行董事組成。薪酬委員會成員包括郭嘉立先生(擔任委員會主席)、潘國興先生及葉家海博士。

薪酬委員會負責就本公司董事及高級管理人員的全體薪酬政策及架構、個別執行董事及高級管理層之薪酬待遇以及非執行董事之薪酬向董事會提出建議。董事之薪酬待遇乃取決於個人表現、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。薪酬委員會將確保董事或其任何聯繫人不得參與釐定其本身之薪酬，並可於有需要時尋求專業意見。

薪酬委員會於截至二零一八年三月三十一日止年度內開會一次，並已檢討支付予執行董事之薪酬架構及水平，以及就非執行董事之薪酬架構及水平提出建議。各薪酬委員會成員出席該會議之個別情況載列如下：

Corporate Governance Report

企業管治報告

Nomination Committee

The Nomination Committee currently comprises three independent non-executive directors and one executive director. The members of the Nomination Committee are Dr. Wu Chun Wah (who acts as chairman of the committee), Mr. Kwok Ka Lap, Alva, Mr. Poon Kwok Hing, Albert and Dr. Yap Allan.

The Nomination Committee reviews the structure, size and composition of the Board and identify individuals suitably qualify to become Board members as well as nominates and recommends to the Board candidates for filling vacancies on the Board.

The Nomination Committee also monitors the implementation of the board diversity policy. The policy is to ensure that the Board members with the necessary range of knowledge and skills embrace diversity in regional and industry experience, cultural and educational background, age and gender.

The Nomination Committee held one meeting during the year ended 31 March 2018, at which the committee assessed the independence of the non-executive Directors and reviewed the contributions and time required from the Directors. Individual attendance of each Nomination Committee member at the meeting is shown below:

提名委員會

提名委員會現時由三名獨立非執行董事及一名執行董事組成。提名委員會之成員為鄔鎮華博士(擔任委員會主席)、郭嘉立先生、潘國興先生及葉家海博士。

提名委員會檢討董事會之架構、人數及組成，物色具備合適資格可擔任董事之人士，並向董事會提名及推薦人選，以填補董事會之空缺。

提名委員會亦監察董事會成員多元化政策之實施情況。該政策旨在確保董事會成員具備所需之知識及技能，並在地區及行業經驗、文化及教育背景、年齡及性別方面均有多元化組合。

於截至二零一八年三月三十一日止年度，提名委員會舉行一次會議，於會上評估非執行董事之獨立地位以及檢討董事須付出的貢獻及須投放之時間。各提名委員會成員出席該會議之個別情況載列如下：

Nomination Committee Meeting attended/held 已出席／已舉行之提名委員會會議次數		
Nomination Committee Member	提名委員會成員	
Dr. Wu Chun Wah	鄔鎮華博士	1/1
Mr. Kwok Ka Lap, Alva	郭嘉立先生	1/1
Mr. Poon Kwok Hing, Albert	潘國興先生	1/1
Dr. Yap Allan	葉家海博士	1/1

Corporate Governance Committee

The Corporate Governance Committee comprises two independent non-executive directors and one executive director. The members of the Corporate Governance Committee are Dr. Wu Chun Wah (who acts as chairman of the committee), Mr. Poon Kwok Hing, Albert and Dr. Yap Allan.

The Corporate Governance Committee develops and reviews the policies and practices on corporate governance, disclosures in Corporate Governance Report and makes recommendations to the Board to maintain good standards of corporate governance.

The Corporate Governance Committee met once during the year ended 31 March 2018 at which the committee reviewed the Company's compliance with the code provisions of the CG Code and the annual corporate governance report.

Individual attendance of each Corporate Governance Committee member at the meeting is shown below:

企業管治委員會

企業管治委員會由兩名獨立非執行董事及一名執行董事組成。企業管治委員會成員為鄔鎮華博士（擔任委員會主席）、潘國興先生及葉家海博士。

企業管治委員會制定及檢討企業管治政策及常規、審閱企業管治報告中作出的披露及向董事會作出建議以維持良好的企業管治水平。

於截至二零一八年三月三十一日止年度，企業管治委員會舉行一次會議，於會上審閱本公司遵守企業管治守則條文的情況以及年度企業管治報告。

各企業管治委員會成員出席該會議之個別情況載列如下：

		Corporate Governance Committee Meeting attended/held 已出席／已舉行之 企業管治委員會會議次數
Corporate Governance Committee Member	企業管治委員會成員	
Dr. Wu Chun Wah	鄔鎮華博士	1/1
Mr. Poon Kwok Hing, Albert	潘國興先生	1/1
Dr. Yap Allan	葉家海博士	1/1

Corporate Governance Report

企業管治報告

Audit Committee

Major roles and functions of the Audit Committee are as follows:

- (a) To make recommendations to the Board on the appointment, re-appointment and removal of the external auditor, and to review and monitor the independence and objectivity of the external auditor and effectiveness of the audit process;
- (b) To review the Company's financial information and significant financial reporting judgements contained in the annual report and half-year report before submission to the Board;
- (c) To oversee the Company's financial reporting systems, risk management and internal control systems and to review the external auditor's management letter and material queries raised by the external auditor.

The Audit Committee comprises three independent non-executive directors. The members of the Audit Committee are Mr. Poon Kwok Hing, Albert (who acts as chairman of the committee), Mr. Kwok Ka Lap, Alva and Mr. Sin Chi Fai. All Audit Committee members have appropriate qualifications and experience to properly discharge its roles and responsibilities.

審核委員會

審核委員會之主要角色及職能如下：

- (a) 就外聘核數師的委任、重新委任及罷免向董事會提供建議，及檢討及監察外聘核數師是否獨立客觀及核數程序是否有效；
- (b) 在提交予董事會前，檢討載於年度報告及半年度報告內本公司的財務資料及有關財務申報的重大意見；
- (c) 監督本公司之財務匯報系統、風險管理及內部監控系統及審閱外聘核數師的審核情況說明函件及外聘核數師提出之重大疑問。

審核委員會由三名獨立非執行董事組成。審核委員會成員為潘國興先生（擔任委員會主席）、郭嘉立先生及冼志輝先生。所有審核委員會成員均擁有可適當地履行其角色及職責之資格及經驗。

During the year ended 31 March 2018, the Audit Committee held two meetings to review with the auditor the audited financial statements for the year ended 31 March 2017 and the unaudited interim financial statements for the six months ended 30 September 2017, with recommendations to the Board for approval; to review the effectiveness of the Group's risk management and internal control systems; and to approve the audit and non-audit services provided by the auditor for the year ended 31 March 2018. Individual attendance of each Audit Committee member at these meetings is shown below:

Audit Committee Member	審核委員會成員	Audit Committee Meetings attended/held
		已出席／已舉行之審核委員會會議次數
Mr. Poon Kwok Hing, Albert	潘國興先生	2/2
Mr. Kwok Ka Lap, Alva	郭嘉立先生	2/2
Mr. Sin Chi Fai	冼志輝先生	2/2

Auditor's Remuneration

For the year ended 31 March 2018, the amount paid to Deloitte Touche Tohmatsu, auditor of the Company, in respect of the audit and non-audit services provided are as follows:

Type of services	服務類型	Amount
		金額 HK\$'000 千港元
Audit	審核	3,848
Non-audit	非審核	274
Total:	合計：	4,122

於截至二零一八年三月三十一日止年度內，審核委員會舉行兩次會議，與核數師審閱截至二零一七年三月三十一日止年度之經審核財務報表及截至二零一七年九月三十日止六個月之未經審核中期財務報表，並向董事會建議批准；檢討本集團風險管理及內部監控系統之成效；以及批准截至二零一八年三月三十一日止年度核數師提供之審核及非審核服務。各審核委員會成員出席該等會議之個別情況載列如下：

核數師酬金

截至二零一八年三月三十一日止年度，就本公司核數師德勤•關黃陳方會計師行已提供之審核及非審核服務而支付之金額如下：

Corporate Governance Report

企業管治報告

CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules (the "Model Code") as its own code of conduct regarding directors' securities transactions. Having made specific enquiry by the Company, all Directors have confirmed the compliance with the required standard set out in the Model Code throughout the year ended 31 March 2018.

DIRECTORS' AND AUDITOR'S RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Directors are responsible for the preparation of financial statements to give a true and fair view of the state of affairs of the Group and of the results and cash flow for the period concerned. In preparing the financial statements for the year ended 31 March 2018, the Directors have selected suitable accounting policies and, apart from the new and revised accounting policies as disclosed in the notes to the consolidated financial statements, applied them consistently with previously financial periods. The Directors have made judgements and estimates that are prudent, fair and reasonable and the financial statements are prepared on a going concern basis.

The reporting responsibilities of the auditor are set out in the "Independent Auditor's Report" on pages 39 to 46.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board acknowledges that it has the overall responsibility for establishing and maintaining appropriate and effective risk management and internal control systems in achieving the Company's strategic business objectives. The Audit Committee, acting on behalf of the Board, oversees and reviews the effectiveness of these systems on an ongoing basis.

董事進行證券交易的守則

本公司已採納上市規則附錄十《上市發行人董事進行證券交易的標準守則》作為其董事進行證券交易之行為守則（「標準守則」）。在本公司作出特定查詢後，所有董事均確認於截至二零一八年三月三十一日止年度內一直遵守標準守則所規定之標準。

董事及核數師就財務報表所承擔之責任

董事負責編制真實及公平反映本集團事務狀況以及於有關期間業績與現金流量之財務報表。在編制截至二零一八年三月三十一日止年度之財務報表時，董事已選擇適當會計政策，並由過往財政期間起貫徹應用該等會計政策，惟綜合財務報表附註所披露之新訂及經修訂會計政策除外。董事已作出審慎、公平及合理之判斷及估計，並按持續基準編制財務報表。

核數師之報告責任載於第39至46頁之「獨立核數師報告」內。

風險管理及內部監控

董事會承認設立及維持合適及有效之風險管理及內部監控系統乃其整體責任，從而達致本公司之業務策略目標。審核委員會代表董事會持續監督及檢討該等系統之有效性。

Main Features of Risk Management and Internal Control Systems

The Group's risk management framework comprises two key elements: the corporate governance structure and the risk management process.

Roles and responsibilities in the process of risk management are assigned across different levels of the corporate governance structure to enable implementation of policies and controls and to facilitate execution of risk management practices. The governance structure is complemented by independent external auditor and consultant who provide independent assurances and recommendations on the effectiveness of the risk management processes.

Such risk management and internal control systems are designed for managing risk rather than eliminating the risk of failure in operational systems and achievement of business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

Process used to identify, evaluate and manage significant risks

Under the changing external environment, key and emerging risks affecting corporate strategies and objectives are identified for existing operations as well as new projects. Key risks are evaluated based on the likelihood of their occurrence and significance of their impact on the achievement of business objectives. Appropriate risk responses will be deployed to mitigate (e.g. through internal controls) or transfer (e.g. through insurance policies) risks exposures to an acceptable level. Risk management and internal controls are monitored to ensure risk responses are operated effectively, with the Board and Board Committees reported on a regular basis.

風險管理及內部監控系統的主要特點

本集團之風險管理框架包括兩個主要元素：企業管治架構及風險管理程序。

風險管理程序中的角色及責任分配予企業管治架構的不同級別，以實施政策及控制，亦有助執行風險管理常規。管治架構再輔以獨立外聘核數師及顧問，彼等為風險管理程序的有效性提供獨立保證及推薦建議。

該風險管理及內部監控系統旨在管理風險，而非消除營運系統失誤及未能達成業務目標的風險，且僅能就不會有重大的失實陳述或損失作出合理而非絕對的保證。

用於辨認、評估及管理重大風險的程序

在外部環境不斷變化的情況下，就現有業務及新項目而言，本公司已識別影響公司策略及目標的主要及新興風險。主要風險以其發生的可能性及對實現業務目標的影響的重大性予以評估。本公司將作出適當的風險回應以減輕風險（如透過內部監控）或將風險轉移至可接受水平（如透過保險政策）。風險管理及內部監控系統已被監察以確保風險回應有效地運作，並定期向董事會及董事委員會作出匯報。

Corporate Governance Report

企業管治報告

Process used to review the effectiveness of the Risk Management and Internal Control Systems

The risk management and internal control systems are reviewed annually to ensure appropriateness and effectiveness.

The Group does not have an internal audit division. The Audit Committee appraise the adequacy and effectiveness of the Company's risk management and internal control systems and engage an independent consultant to provide assurance and report on their evaluation of the systems on an annual basis.

During the year, the Company has engaged an independent consultant to assess the risk management and internal controls over certain business processes of the Company. Their report provided observations, reasonable assurance and recommendations to enable the Board to evaluate the effectiveness and efficiency of operations, the reliability of financial reporting and the compliance with applicable laws and regulations. The Audit Committee has reviewed the report from the independent consultant and considered the risk management and internal control systems effective and adequate. The Board has endorsed the Audit Committee's assessment.

The Audit Committee has been reported twice during the year by the external auditor, in conjunction with key findings identified.

Procedures and internal controls for the handling and dissemination of inside information

The Company has established a policy which strictly prohibit unauthorised use of inside information. The management regulates the handling and dissemination of inside information to ensure that inside information remains confidential until the disclosure of such information is appropriately approved. Management and personnel who will handle dissemination of inside information are provided with trainings and regulatory updates on legal obligations on disclosure of inside information under relevant provisions of the Listing Rules and the Securities and Futures Ordinance.

用於檢討風險管理及內部監控系統有效性的程序

風險管理及內部監控系統將每年進行檢討以確保其適當性及有效性。

本集團並無設立內部審核部門。審核委員會評估本公司風險管理及內部監控系統是否足夠及有效，及每年透過委聘獨立顧問對該等系統提供保證及匯報彼等對系統的評估。

年內，本公司已委聘獨立顧問評估本公司若干業務程序之風險管理及內部監控。顧問報告提供觀察所得、合理保證及建議，讓董事會評估業務運作之有效性及效率、財務匯報之可靠性及遵守適用法律及法規的情況。審核委員會已審閱獨立顧問之報告並認為風險管理及內部監控系統屬有效及足夠。董事會已認可審核委員會的評估。

年內，審核委員會已與外聘核數師開會兩次，聽取匯報及其主要發現。

處理及發布內幕消息的程序及內部控制措施

本公司已制定政策，嚴格禁止未經授權使用內幕消息。管理層對內幕消息之處理及發布進行規管，以確保內幕消息得以保密直至該消息的披露得到適當批准。負責處理及發布內幕消息之管理層及員工已獲提供按照上市規則及證券及期貨條例相關條文項下有關披露內幕消息的法律責任之培訓及獲提供有關的更新資料。



COMPANY SECRETARY

The Company Secretary who reports to the Chairman is an employee of the Company. The Company Secretary has undertaken at least 15 hours of professional training during the year in compliance with Rule 3.29 of the Listing Rules.

COMMUNICATION WITH SHAREHOLDERS

The Company is committed to ensure on-going dialogue with shareholders and provide shareholders with information necessary to evaluate the performance of the Company. The Company has maintained a website at www.mggl.com.hk which enables shareholders, investors and the general public to have an open access to the information of the Company. Shareholders can obtain full and timely information on the Company's website and can assess current and historical company data. The annual and special general meetings also provide the forum for the Board to meet directly with shareholders. The procedures for shareholders to request the convening of a special general meeting and to move a resolution at an annual general meeting are set out below. Shareholders may write to the Board by addressing to the Company Secretary at the principal office of the Company at Unit 703, 7/F., 1063 King's Road, Quarry Bay, Hong Kong, who will forward such communication to the Board; or via the electronic mailbox provided on the Company's website.

公司秘書

公司秘書為本公司僱員，直接向主席匯報。公司秘書於年內已遵守上市規則第3.29條參加不少於15小時的專業培訓。

與股東溝通

本公司致力確保持續與股東對話，並向股東提供必需資料以評估本公司之表現。本公司設有網站，網址為www.mggl.com.hk，以供股東、投資者及公眾人士循公開渠道取得本公司資料。股東可於本公司網站適時取得所有資料，並瀏覽公司現時及過往之數據。股東週年大會及股東特別大會亦作為董事會與股東直接會面之平台。股東要求召開股東特別大會及於股東週年大會上動議決議案之程序載於下文。股東如欲致函董事會，可寄交本公司之主要辦事處，地址為香港鰂魚涌英皇道1063號7樓703室，公司秘書將代轉交有關通訊予董事會，或經本公司網站所提供之電子郵箱送交。

Corporate Governance Report

企業管治報告

Shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid-up capital of the Company can deposit a written request at the principal office of the Company to require a Special General Meeting ("SGM") to be called by the Company. The written request must state the purposes of the meeting, signed by the shareholders concerned, and may consist of several documents in like form each signed by one or more of the requisitionists. An SGM shall be held within 2 months after the deposit of such requisition. If within 21 days of such deposit the Company fails to proceed to convene an SGM, the requisitionists may themselves convene a meeting, provided that such meeting shall not be held after the expiration of 3 months from the said date.

Shareholders holding at the date of deposit of the requisition not less than one-twentieth of the total voting rights of the Company or not less than one hundred members can deposit a written request at the registered office of the Company to move a resolution at the next annual general meeting. The written request must state the notice of intended resolution and any statement of not more than one thousand words with respect to the matter referred to in the proposed resolution, signed by the shareholders concerned, and may consist of several documents in like form each signed by one or more of the requisitionists, together with a sum reasonably sufficient to meet the Company's expenses in giving effect thereto. Provided that a requisition requiring notice of a resolution is deposited at the registered office of the Company not less than six weeks before the meeting, it shall be the duty of the Company to circulate to members entitled to have notice of the meeting such notice of intended resolution and any such statement.

於提呈要求當日，持有不少於本公司繳足股本十分之一之股東可向本公司主要辦事處提出書面要求，要求本公司召開股東特別大會（「股東特別大會」）。該書面要求必須列明會議之目的，且須由有關股東簽署，並可由多份經一名或多名提出要求人士簽署之若干類似格式文件組成。股東特別大會須於有關請求提出後2個月內舉行。倘本公司於有關要求提出後21日內未能召開股東特別大會，提出要求人士可自行召開會議，惟該會議不得於所述日期起計超過3個月後舉行。

於提呈要求當日，持有不少於本公司總投票權二十分之一或代表不少於一百名股東之股東可向本公司註冊辦事處提出書面要求，要求於下屆股東週年大會上動議決議案。該書面要求必須列出擬提出之決議案之通告，以及就該擬動議之決議案所述事宜作出不多於一千字之陳述，連同可合理支付本公司為使之生效而支付之費用之金額。該書面要求須由有關股東簽署，亦可由多份經一名或多名提出要求人士簽署之若干類似格式文件組成。倘需發出決議案通告之要求於大會舉行前不少於六個星期送交至本公司之註冊辦事處，則本公司有責任向有關收取大會通告之股東傳閱該擬動議之決議案之通告及任何有關陳述。

Report of the Directors

董事會報告

The directors (the “Directors”) of Master Glory Group Limited (the “Company”) present to the shareholders their report and the audited financial statements of the Company and its subsidiaries (the “Group”) for the year ended 31 March 2018.

PRINCIPAL ACTIVITIES

The Company is an investment holding company and the Group is principally engaged in property development, investment and trading, industrial water supply business, trading of securities and other strategic investments.

The activities of the principal subsidiaries and associates of the Company are set out in notes 49 and 20 respectively to the consolidated financial statements.

RESULTS

Details of the results of the Group for the year are set out in the consolidated statement of profit or loss and other comprehensive income on pages 47 to 48.

DIVIDEND

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

BUSINESS REVIEW

Please refer to the Management Discussion and Analysis as set out on pages 06 to 10 and the Chairman’s Statement on pages 04 to 05 which contains a review of the Group’s business with analysis using financial key performance indicators and which provides an indication of the likely future development of the Group, and notes 42 and 43 regarding the principal risks and uncertainties facing the Group. Particulars of important events that have occurred since the end of the financial year are set out in note 51 to the consolidated financial statements.

Master Glory Group Limited 凱華集團有限公司 (「本公司」) 董事 (「董事」) 謹此向各股東提呈截至二零一八年三月三十一日止年度之董事會報告及本公司和其附屬公司 (「本集團」) 之經審核財務報表。

主要業務

本公司為一間投資控股公司，而本集團主要從事物業發展、投資及買賣、工業供水業務、證券買賣以及其他策略性投資。

本公司主要附屬公司及聯營公司之業務分別載於綜合財務報表附註49及20。

業績

本集團於本年度之業績詳情載於第47至48頁之綜合損益及其他全面收益表內。

股息

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

業務審視

請參閱第06至10頁所載之管理層討論及分析及第04至05頁所載之主席報告書 (當中載有本集團業務之審視連同運用財務關鍵表現指標進行之分析，亦顯示了本集團未來可能之發展) 以及附註42及43有關本集團所面對主要風險及不明朗因素。該財政年度終結後發生之重大事件之詳情載於綜合財務報表附註51。

Report of the Directors

董事會報告

ENVIRONMENTAL POLICIES

The Company recognizes the importance of environmental protection for the sustainable development of our society. The Group has endeavoured to comply with the relevant environmental laws and regulations.

Details of the environmental policies and performance of the Group during the year will be set out in the Environmental, Social and Governance Report to be published on the websites of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and the Company no later than three months after the publication of this annual report.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

During the year, there was no incidence of non-compliance with the relevant laws and regulations that have a significant impact on the Group as far as the Board is aware.

RELATIONSHIP WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Company understands that employees, customers and suppliers are key elements to the success of the Group's business. The Group provides competitive remuneration package to motivate and retain quality staff and the Group is committed to maintaining a safe and healthy workplace for our staff. The Group has established good relationship with customers and suppliers which will enhance the Group to achieve its business goals.

PROPERTY, PLANT AND EQUIPMENT

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

環境政策

本公司深明環保對社會可持續發展之重要性。本集團致力遵守相關環保法律及法規。

本集團於年內之環境政策及表現之詳情將載於環境、社會及管治報告內，該報告將於不遲於本年報刊發日期後三個月內在香港聯合交易所有限公司（「聯交所」）及本公司網站上刊發。

遵守相關法律及規例

就董事會所知，年內並無發生任何未有遵守相關法律及規例而對本集團有重大影響之事件。

與僱員、客戶及供應商之關係

本公司瞭解僱員、客戶及供應商乃本集團業務成功之關鍵因素。為鼓勵及挽留優秀員工，本集團提供具競爭力之薪酬待遇，並致力為員工提供安全健康之工作環境。本集團與客戶及供應商保持良好關係，促進本集團實現業務目標。

物業、機器及設備

本集團於年內之物業、機器及設備之詳情載於綜合財務報表附註15。

SHARE CAPITAL

Details of movements in the share capital of the Company during the year are set out in note 34 to the consolidated financial statements.

DISTRIBUTABLE RESERVES

In addition to the accumulated profits, the contributed surplus account of the Company is available for distribution under the Companies Act 1981 of Bermuda (as amended). This is however subject to the provision that a company shall not declare or pay a dividend, or make a distribution out of contributed surplus, if there are reasonable grounds for believing that the company is, or would after the payment be, unable to pay its liabilities as they become due or the realizable value of the company's assets would thereby be less than its liabilities.

The Company had no distributable reserves as at 31 March 2018 (2017: Nil).

DIRECTORS

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

Executive Directors:

Dr. Yap Allan (*Chairman*)
Mr. Heung Pik Lun, Edmond
Dr. Wu Guangsheng

Independent Non-executive Directors:

Mr. Kwok Ka Lap, Alva
Mr. Poon Kwok Hing, Albert
Mr. Sin Chi Fai
Dr. Wu Chun Wah

In accordance with bye-laws 87(2) and 87(3) of the Company's Bye-laws, Dr. Yap Allan, Mr. Kwok Ka Lap, Alva and Dr. Wu Chun Wah will retire from office by rotation at the forthcoming annual general meeting (the "AGM"), and being eligible, will offer themselves for re-election at the AGM.

股本

本公司於年內之股本變動詳情載於綜合財務報表附註34。

可分派儲備

根據百慕達一九八一年公司法(經修訂)，除累計溢利外，本公司之實繳盈餘賬可供分派。然而，此乃受一項條文所限制，即倘有合理理據相信公司無法或將於宣派或派付股息或自實繳盈餘作出分派後無法支付其到期債務，或公司資產之可變現價值將因而低於其債務，則公司不得宣派或派付股息或自實繳盈餘作出分派。

於二零一八年三月三十一日，本公司並無可供分派儲備(二零一七年：無)。

董事

於年內及截至本報告日期，各董事為：

執行董事：

葉家海博士(主席)
向碧倫先生
吳光勝博士

獨立非執行董事：

郭嘉立先生
潘國興先生
冼志輝先生
鄺鎮華博士

按本公司之公司章程細則第87(2)及87(3)條規定，葉家海博士、郭嘉立先生及鄺鎮華博士將於應屆股東週年大會(「股東週年大會」)上輪值退任，而彼等符合資格並願意於股東週年大會上膺選連任。

Report of the Directors

董事會報告

None of the Directors eligible for re-election at the AGM has a service contract with the Group which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

INTERESTS OF DIRECTORS

As at 31 March 2018, the interests and short positions of the Directors in the shares, underlying shares and 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 (a) were recorded in the register required to be kept under section 352 of the SFO, or (b) were notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were as follows:

Name	Capacity	Number of shares held (long position) 持有股份數目 (好倉)	% of the issued share capital of the Company 佔本公司已發行股本百分比
姓名	身份		
Dr. Yap Allan 葉家海博士	Beneficial owner 實益擁有人	3,023,915,510	29.36 %

Save as disclosed above, as at 31 March 2018, none of the directors and chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be recorded in the register required to be kept under section 352 of the SFO; or (b) to be notified to the Company and the Stock Exchange pursuant to the Model Code.

符合資格於股東週年大會上膺選連任之董事概無與本集團訂立本集團不可於一年內在不予賠償(法定賠償除外)之情況下終止之服務合約。

董事之權益

於二零一八年三月三十一日，董事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、相關股份及債券中擁有(a)已記錄於根據證券及期貨條例第352條須予備存之登記冊內；或(b)根據聯交所證券上市規則(「上市規則」)附錄十《上市發行人董事進行證券交易的標準守則》(「標準守則」)已知會本公司及聯交所之權益及淡倉如下：

除上文所披露者外，於二零一八年三月三十一日，概無本公司董事及最高行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債券中擁有(a)須記錄於根據證券及期貨條例第352條而備存之登記冊內；或(b)根據標準守則須知會本公司及聯交所之任何權益或淡倉。

SHARE OPTION SCHEME

Details of the share option scheme of the Company are set out in note 45 to the consolidated financial statements.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at 31 March 2018, the Directors or their respective associates who had an interest in any business apart from the Group's business, which competes or is likely to compete, either directly or indirectly, with the Group's business that need to be disclosed pursuant to Rule 8.10 of the Listing Rules were as follows:

Director 董事	Name of business 業務名稱	Nature of business 業務性質	Nature of interests 權益性質
Dr. Yap Allan 葉家海博士	Rosedale Hotel Holdings Limited ("Rosedale") and its subsidiaries 珀麗酒店控股有限公司 (「珀麗」)及其附屬公司	trading of securities and hotel operations 證券買賣及酒店經營	executive director of Rosedale 珀麗之執行董事

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

No transaction, arrangement or contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

購股權計劃

本公司購股權計劃之詳情載於綜合財務報表附註45。

購買股份或債券之安排

本公司或其任何附屬公司於年內任何時間概無訂立任何安排，致使董事可藉購入本公司或任何其他法人團體之股份或債券而獲益。

董事於競爭業務之權益

於二零一八年三月三十一日，董事或彼等各自之聯繫人於本集團業務以外擁有與本集團業務直接或間接競爭或可能競爭之任何業務之權益而須根據上市規則第8.10條作出披露如下：

董事於重大交易、安排或合約之權益

於本年度結束時或於年內任何時間，本公司董事並無直接或間接於本公司或其任何附屬公司為其中一方的重大交易、安排或合約中擁有重大權益。

Report of the Directors

董事會報告

INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at 31 March 2018, other than a Director or chief executive of the Company, the Company had not been notified of any other interests or short positions in the shares or underlying shares of the Company which were required to be recorded in the register kept under section 336 of the SFO.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 March 2018

- (i) the Group's largest customer and the five largest customers accounted for approximately 15.26% and 20.08% respectively of the Group's total turnover;
- (ii) the Group's largest supplier and five largest suppliers accounted for approximately 58.30% and 100% respectively of the Group's total purchases.

So far as the Directors are aware, none of the Directors, their associates or shareholders who owned more than 5% of the Company's share capital had any interests in the five largest customers or suppliers of the Group.

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

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

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws or the laws in Bermuda, the Company is obliged to offer new shares on a pro-rata basis to existing shareholders.

主要股東之權益

於二零一八年三月三十一日，除董事或本公司最高行政人員以外，本公司概無獲知會於本公司股份或相關股份中擁有任何其他權益或淡倉而須記錄於根據證券及期貨條例第336條而備存之登記冊內。

主要客戶及供應商

截至二零一八年三月三十一日止年度

- (i) 本集團最大客戶及五大客戶分別佔本集團總營業額約15.26%及20.08%；
- (ii) 本集團最大供應商及五大供應商分別佔本集團總採購額約58.30%及100%。

就董事所知，概無董事、彼等之聯繫人或擁有本公司股本5%以上之股東於本集團五大客戶或供應商擁有任何權益。

購買、出售或贖回本公司之上市證券

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

優先購買權

本公司之公司細則或百慕達法例並無任何有關優先購買權之條文規定，本公司須按比例向現有股東提呈發售新股份。

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained sufficient public float as required under the Listing Rules.

EVENT AFTER THE REPORTING PERIOD

Details of the significant event after the reporting period are set out in note 51 to the consolidated financial statements.

GROUP FINANCIAL SUMMARY

A summary of the consolidated results and of the assets and liabilities of the Group for the last five financial years is set out on page 191.

PROPERTY PORTFOLIO SUMMARY

The Group's property portfolio summary is set out on page 192.

PERMITTED INDEMNITY PROVISION

Pursuant to the Company's Bye-laws and subject to the statutes, the Company shall indemnify the Directors out of the Company's assets and profits against liabilities incurred by a Director in the execution of his duty. The relevant bye-law was in force during the year ended 31 March 2018 and as at the date of this report. The Company has arranged for Directors' and Officers' Liability Insurance to indemnify the Directors and officers against potential liabilities incurred by them in discharging their duties. The insurance coverage for the Directors and officers is reviewed on an annual basis.

CORPORATE GOVERNANCE

Information on corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 16 to 30.

公眾持股量之充足性

根據本公司可公開查閱之資料及就董事所知悉，本公司按上市規則所規定維持充足公眾持股量。

申報期後事項

有關於申報期後之重大事項之詳情載於綜合財務報表附註51。

集團財務概要

本集團過去五個財政年度之綜合業績及資產與負債之摘要載於第191頁。

物業組合概要

本集團之物業組合概要載於第192頁。

獲准許的彌償條文

根據公司章程細則及受法規所規限，本公司須從其資產及溢利中撥資，對董事履行職責時所產生之責任作出彌償。有關的公司章程細則於二零一八年三月三十一日止年度及於本報告日期維持有效。本公司已為董事及高級管理人員安排董事及高級管理人員責任保險，以彌償彼等因履行各自之職責而引起的潛在責任。董事及高級管理人員之承保範圍會於每年進行檢討。

企業管治

本公司採納之企業管治常規之資料載於第16至30頁之企業管治報告內。



Report of the Directors

董事會報告

AUDITOR

A resolution will be proposed at the AGM to re-appoint Deloitte Touche Tohmatsu as auditor of the Company.

On behalf of the Board

Dr. Yap Allan
Chairman

Hong Kong, 29 June 2018

核數師

董事會將於股東週年大會上提呈重新委任德勤•關黃陳方會計師行為本公司核數師之決議案。

代表董事會

主席
葉家海博士

香港，二零一八年六月二十九日

Independent Auditor's Report

獨立核數師報告

Deloitte.

德勤

TO THE SHAREHOLDERS OF MASTER GLORY GROUP LIMITED

(Incorporated in Bermuda with limited liability)

OPINION

We have audited the consolidated financial statements of Master Glory Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 47 to 190, which comprise the consolidated statement of financial position as at 31 March 2018, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2018, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

致MASTER GLORY GROUP LIMITED

凱華集團有限公司

(於百慕達註冊成立的有限公司)

股東

意見

本核數師(以下簡稱「我們」)已審計列載於47至190頁的Master Glory Group Limited凱華集團有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，此財務報表包括於二零一八年三月三十一日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的《香港財務報告準則》(「香港財務報告準則」)真實而中肯地反映了貴集團於二零一八年三月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露要求妥為擬備。

意見的基礎

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

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS

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

Key audit matter

關鍵審計事項

Valuation of investment properties

投資物業估值

We identified the valuation of investment properties as a key audit matter due to the significance of the balance to the consolidated financial statements as a whole, combined with the degree of significant judgements, associated with determining the fair value.

由於結餘對整體綜合財務報表至關重要，加上於釐定公平值時所作判斷之重大程度，我們將投資物業估值識別為一項關鍵審計事項。

Management has estimated the fair value of the Group's investment properties, which are located in People's Republic of China (the "PRC"), to be HK\$10,360,347,000 at 31 March 2018, with fair value changes for the year ended 31 March 2018 recorded in profit or loss of HK\$150,106,000.

管理層估計於二零一八年三月三十一日，貴集團位於中華人民共和國（「中國」）之投資物業公平值將為10,360,347,000港元，並於截至二零一八年三月三十一日止年度於損益錄得公平值變動150,106,000港元。

關鍵審計事項

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

How our audit addressed the key audit matter

我們之審計如何處理關鍵審計事項

Our procedures in relation to the valuation of investment properties included:

我們有關投資物業估值之程序包括：

- Evaluating the competence, capabilities and objectivity of the independent professional valuers (the "Valuers"); 評估獨立專業估值師（「估值師」）之資歷、能力及客觀性；
- Understanding the valuation methodology, assumptions and estimates used by the Valuers and comparing them against general market practice for similar property type; 了解估值師所使用之估值方法、假設及估計並與類似物業類別之一般市場慣例進行比較；
- Evaluating the management's valuation process, the valuation methodology, and the significant judgement and assumptions applied by the management, including future lease income and yields. Benchmarking them against market comparable, historical data and available industry data for comparable markets and properties; and 評估管理層之估值程序、估值方法及管理層所應用之重大判斷及假設，包括未來租賃收入及效益。基於可資比較市場、過往數據及可資比較市場及物業可得行業數據與之進行比較；及

Key audit matter
關鍵審計事項

How our audit addressed the key audit matter
我們之審計如何處理關鍵審計事項

Valuation of investment properties (Continued)
投資物業估值(續)

As disclosed in notes 4 and 17 to the consolidated financial statements, the valuation of investment properties requires the application of significant judgement and estimation in determining the appropriate valuation methodology to be used, use of subjective assumptions and various unobservable inputs. The valuation is sensitive to underlying assumptions applied by the valuers such as market comparable used and the capitalisation rate which can have a significant impact to the valuation.

誠如綜合財務報表附註4及17所披露，投資物業估值需要在釐定所使用的適當估值方法、使用主觀假設和各項不可觀察的輸入數據時應用重大判斷和估計。估值對估值師採用的相關假設(如使用可比較市場及資本化比率)敏感，該等假設對估值會有重大影響。

Impairment review of interests in associates
於聯營公司之權益之減值檢討

We identified the impairment review of interests in associates as a key audit matter due to the significance of the Group's interests in associates in the context of the Group's consolidated financial statements as a whole, combined with the judgements involved in management's impairment assessment of the interests in associates.

由於 貴集團於聯營公司之權益對 貴集團綜合財務報表整體而言至關重要，加上管理層對聯營公司之權益之減值評估所涉及之判斷，我們將於聯營公司之權益之減值檢討識別為一項關鍵審計事項。

- Evaluating the adequacy and appropriateness of the disclosures made in the consolidated financial statements, including description of the significant unobservable inputs.

評估於綜合財務報表所作披露之充分性及適當性，包括重大不可觀察輸入數據之說明。

Our procedures in relation to the impairment review of interests in associates included:

我們有關於聯營公司之權益之減值檢討之程序包括：

- Assessing the reasonableness of the recoverable amounts of the associates and obtaining understanding from management of the financial position and future prospects of the associates; and
評估聯營公司可收回金額之合理性及向管理層了解聯營公司之財務狀況及未來前景；及

Independent Auditor's Report

獨立核數師報告

Key audit matter

關鍵審計事項

How our audit addressed the key audit matter

我們之審計如何處理關鍵審計事項

Impairment review of interests in associates (Continued)

於聯營公司之權益之減值檢討(續)

The Group's interests in associates represented investments in associates listed in Hong Kong and oversea. The carrying value of the Group's interests in associates as at 31 March 2018 amounted to HK\$550,197,000.

貴集團於聯營公司之權益指於香港及海外上市之聯營公司之投資。於二零一八年三月三十一日，貴集團於聯營公司之權益之賬面值為550,197,000港元。

As disclosed in note 3 to the consolidated financial statements, interests in associates are initially recognised at cost and adjusted thereafter to recognise the Group's share of profit or loss and other comprehensive income of the associates. As disclosed in note 20 to the consolidated financial statements, the carrying value of the Group's interests in associates exceeded the market value of the Group's holding therein as at 31 March 2018 and the management performed impairment assessment on whether the estimated recoverable amounts exceed the carrying amounts of the interests in associates. The recoverable amounts of the Group's interests in associates are determined by value in use calculations based on the present value of the estimated future cash flows expected to arise from the investments. During the year ended 31 March 2018, an impairment loss of HK\$46,767,000 was recognised in profit or loss.

誠如綜合財務報表附註3所披露，於聯營公司之權益首次按成本確認，隨後作出調整以確認貴集團應佔聯營公司之損益及其他全面收益。誠如綜合財務報表附註20所披露，貴集團於聯營公司之權益之賬面值超過貴集團所持權益於二零一八年三月三十一日之市值，而管理層已就於聯營公司之權益之估計可收回金額是否超過賬面值進行減值評估。貴集團於聯營公司之權益之可收回金額乃採用使用價值計算方法基於投資預期產生之估計未來現金流量釐定。截至二零一八年三月三十一日止年度，減值虧損約46,767,000港元於損益內確認。

- Assessing the reasonableness of key inputs and assumptions used by management in their estimation of recoverable amounts, including expected future cash flows arise from dividends to be received from the interests in associates and the expected proceeds from the ultimate disposal of the investment. 評估管理層於估計可收回金額時所採用之主要輸入數據及假設之合理性，包括將自於聯營公司之權益收取之股息產生之預期未來現金流量，以及最終出售投資之預期所得款項。

OTHER INFORMATION

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

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

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

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

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

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

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

其他資訊

貴公司董事須對其他資訊負責。其他資訊包括刊載於年報內的資訊，但不包括綜合財務報表及我們的核數師報告。

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

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

董事及治理層就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的《香港財務報告準則》及香港《公司條例》的披露要求擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

治理層須負責監督貴集團的財務報告過程。

Independent Auditor's Report

獨立核數師報告

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

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

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

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

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並按照《百慕達公司法》第90條的規定僅向全體股東出具包括我們意見的核數師報告。除此以外，我們的報告不可用作其他用途。我們並不就本報告之內容對任何其他人士承擔任何責任或接受任何義務。合理保證是高水準的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易及事項。
- 就 貴集團內實體或業務活動的財務資訊獲取充足、適當的審計憑證，以對綜合財務報表發表意見。我們對 貴集團審計的方向、監督和執行承擔責任。我們為審計意見承擔全部責任。

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

除其他事項外，我們與治理層溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

Independent Auditor's Report

獨立核數師報告

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

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

The engagement partner on the audit resulting in the independent auditor's report is Mak Chun Bon.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong
29 June 2018

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

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

出具本獨立核數師報告的審計專案合夥人是麥振邦。

德勤 • 關黃陳方會計師行
執業會計師

香港
二零一八年六月二十九日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

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

		NOTES 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Revenue	收入	5	1,150,672	85,792
Cost of sales	銷售成本		(1,093,280)	(17,027)
Gross profit	毛利		57,392	68,765
Other income	其他收入	7	40,924	16,773
Other gains and losses and other expenses	其他收益及虧損以及其他開支	8	255,673	2,311,207
Distribution and selling costs	分銷及銷售成本		(15,732)	(15,255)
Administrative expenses	行政開支		(214,854)	(135,794)
Finance costs	財務費用	9	(424,378)	(247,417)
Share of results of associates	應佔聯營公司業績		(19,627)	(19,488)
Share of results of a joint venture	應佔一間合營企業業績		(8,463)	(13,764)
(Loss) profit before tax	除稅前(虧損)溢利		(329,065)	1,965,027
Income tax expense	所得稅支出	10	(168,770)	(742,872)
(Loss) profit for the year	年內(虧損)溢利	11	(497,835)	1,222,155
Other comprehensive income (expense)	其他全面收入(開支)			
Items that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益之項目：			
Exchange differences arising on translation of foreign operations	換算海外業務所產生之匯兌差額		357,891	(169,285)
Share of other comprehensive (expense) income of associates	應佔聯營公司其他全面(開支)收入		(6,535)	7,181
Other comprehensive income (expense) for the year	年內其他全面收入(開支)		351,356	(162,104)
Total comprehensive (expense) income for the year	年內全面(開支)收入總額		(146,479)	1,060,051

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

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

		NOTES 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
(Loss) profit for the year attributable to:	以下人士應佔年內(虧損)溢利：			
Owners of the Company	本公司擁有人		(502,839)	1,220,221
Non-controlling interests	非控股權益		5,004	1,934
			(497,835)	1,222,155
Total comprehensive (expense) income attributable to:	以下人士應佔全面(開支)收入總額：			
Owners of the Company	本公司擁有人		(155,944)	1,060,498
Non-controlling interests	非控股權益		9,465	(447)
			(146,479)	1,060,051
(Loss) earnings per share – basic	每股(虧損)溢利－基本	14	HK\$(0.05)港元	HK\$0.13港元

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 March 2018 於二零一八年三月三十一日

		NOTES 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、機器及設備	15	48,425	50,493
Prepaid lease payments	預付租賃付款	16	33,785	35,288
Investment properties	投資物業	17	10,360,347	9,445,175
Intangible assets	無形資產	18	14,879	17,034
Goodwill	商譽	19	14,152	–
Interests in associates	於聯營公司之權益	20	550,197	601,265
Interest in a joint venture	於一間合營企業之權益	21	–	–
Amount due from a joint venture	應收一間合營企業款項	21	–	31,345
Available-for-sale investments	可供銷售投資	22	169,705	193,388
Club debentures	會所債券		5,320	5,320
Deposits for acquisition of investment properties	收購投資物業之訂金	39	88,973	2,770
Deposits for acquisition of interests in investments	收購投資權益之訂金	40	37,175	–
Deferred tax assets	遞延稅項資產	33	32	32
			11,322,990	10,382,110
CURRENT ASSETS	流動資產			
Prepaid lease payments	預付租賃付款	16	4,392	3,227
Inventories	存貨		309	228
Available-for-sale investments	可供銷售投資	22	75,780	–
Properties held for sale	持作銷售物業	23	96,761	1,132,151
Trade and other receivables and prepayments	貿易及其他應收款項及預付款項	24	65,696	387,425
Deposits for acquisition of interests in investments	收購投資權益之訂金	40	260,616	237,378
Short-term loans receivable	應收短期貸款	25	57,000	57,000
Amounts due from associates	應收聯營公司款項	26	–	46,511
Investments held for trading	持作買賣投資	27	81,000	48,909
Restricted bank deposit	受限制銀行存款	28	31,708	36,908
Bank balances and cash	銀行結餘及現金	28	430,655	103,957
			1,103,917	2,053,694
Assets classified as held for sale	分類為持作銷售資產	29	196,142	–
			1,300,059	2,053,694

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 March 2018 於二零一八年三月三十一日

		NOTES 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
CURRENT LIABILITIES	流動負債			
Other payables and accruals	其他應付款項及應計費用	30	304,157	420,542
Deposits received in advance	預收訂金	31	–	991,970
Tax payable	應付稅項		91,086	56,371
Borrowings – due within one year	借款 – 一年內到期	32	728,672	375,854
			1,123,915	1,844,737
Liabilities classified as held for sale	分類為持作銷售之負債	29	121,036	–
			1,244,951	1,844,737
NET CURRENT ASSETS	流動資產淨值		55,108	208,957
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		11,378,098	10,591,067
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	34	2,059,638	2,059,638
Share premium and reserves	股份溢價及儲備		2,767,120	2,923,064
Equity attributable to owners of the Company	本公司擁有人應佔權益		4,826,758	4,982,702
Non-controlling interests	非控股權益		51,983	43,192
TOTAL EQUITY	權益總額		4,878,741	5,025,894
NON-CURRENT LIABILITIES	非流動負債			
Borrowings – due after one year	借款 – 一年後到期	32	4,995,225	4,234,080
Deferred tax liabilities	遞延稅項負債	33	1,504,132	1,331,093
			6,499,357	5,565,173
			11,378,098	10,591,067

The consolidated financial statements on pages 47 to 190 were approved and authorised for issue by the Board of Directors on 29 June 2018 and are signed on its behalf by:

董事會已於二零一八年六月二十九日批准及授權第47至190頁之綜合財務報表，由以下人士代表簽署：

Dr. Yap Allan
葉家海博士
CHAIRMAN
主席

Mr. Heung Pik Lun, Edmond
向碧倫先生
DIRECTOR
董事

Consolidated Statement of Changes in Equity

綜合股東權益變動表

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

		Attributable to owners of the Company 本公司擁有人應佔									
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Contributed surplus 實繳盈餘 HK\$'000 千港元 (note a) (附註a)	Currency translation reserve 貨幣兌換儲備 HK\$'000 千港元	Capital redemption reserve 資本贖回儲備 HK\$'000 千港元	Other reserves 其他儲備 HK\$'000 千港元 (note b) (附註b)	Retained profits 保留溢利 HK\$'000 千港元	Total 合計 HK\$'000 千港元	Non-controlling interests 非控股權益 HK\$'000 千港元	Total equity 權益總額 HK\$'000 千港元
At 1 April 2016	於二零一六年四月一日	112,371	2,390,935	8,541	85,795	592	(313,206)	638,354	2,923,382	812,684	3,736,066
Profit for the year	年內溢利	-	-	-	-	-	-	1,220,221	1,220,221	1,934	1,222,155
Other comprehensive (expense) income for the year	年內其他全面(開支)收入	-	-	-	(166,904)	-	7,181	-	(159,723)	(2,381)	(162,104)
Total comprehensive (expense) income for the year	年內全面(開支)收入總額	-	-	-	(166,904)	-	7,181	1,220,221	1,060,498	(447)	1,060,051
Issue of shares	發行股份	898,972	224,743	-	-	-	-	-	1,123,715	-	1,123,715
Bonus issue	發行紅股	1,029,819	(1,029,819)	-	-	-	-	-	-	-	-
Transactions costs attributable to issue of shares and scrip share	發行股份及代息股份應佔交易成本	-	(26,332)	-	-	-	-	-	(26,332)	-	(26,332)
Dividend recognised as distribution	已確認為分派之股息	18,476	22,771	-	-	-	-	(151,701)	(110,454)	-	(110,454)
Dividend paid to non-controlling interests	已付非控股權益股息	-	-	-	-	-	-	-	-	(2,472)	(2,472)
Acquisition of additional interest in subsidiaries	收購附屬公司額外權益	-	-	-	-	-	11,893	-	11,893	(766,573)	(754,680)
At 31 March 2017	於二零一七年三月三十一日	2,059,638	1,582,298	8,541	(81,109)	592	(294,132)	1,706,874	4,982,702	43,192	5,025,894
(Loss) profit for the year	年內(虧損)溢利	-	-	-	-	-	-	(502,839)	(502,839)	5,004	(497,835)
Other comprehensive income (expense) for the year	年內其他全面收入(開支)	-	-	-	353,430	-	(6,535)	-	346,895	4,461	351,356
Total comprehensive income (expense) for the year	年內全面收入(開支)總額	-	-	-	353,430	-	(6,535)	(502,839)	(155,944)	9,465	(146,479)
Dividend paid to non-controlling interests	已付非控股權益股息	-	-	-	-	-	-	-	-	(2,536)	(2,536)
Acquisition of a subsidiary (note 36(a))	收購附屬公司(附註36(a))	-	-	-	-	-	-	-	-	1,862	1,862
At 31 March 2018	於二零一八年三月三十一日	2,059,638	1,582,298	8,541	272,321	592	(300,667)	1,204,035	4,826,758	51,983	4,878,741

Consolidated Statement of Changes in Equity

綜合股東權益變動表

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

Notes:

(a) The contributed surplus of the Group at the end of reporting period represented:

- (i) the credit arising from the transfer of the share premium account of the Company as at 20 February 1998 and 19 February 2003 to the contributed surplus account of the Company;
- (ii) the credit arising from the reduction of the nominal value of the shares of the Company in 1999, 2003, 2009 and 2011; and
- (iii) a balance as reduced by amounts transferred to the accumulated losses or retained profits of the Group as at 31 January 2000, 31 January 2001, 20 March 2003, 31 March 2005, 28 March 2013, 31 March 2014 and 31 March 2016.

(b) The other reserves of the Group at the end of reporting period mainly represented:

- (i) the difference between the consideration paid for the acquisition of additional equity interests in Best Smooth International Limited and its subsidiaries and the carrying amount of non-controlling interests acquired amounting to HK\$251,561,000 during the year ended 31 March 2011;
- (ii) the share of net asset value of an associate transferred from a non-wholly owned subsidiary to another wholly owned subsidiary upon transfer of interest in an associate between subsidiaries during the year ended 31 March 2011;
- (iii) the difference between the carrying amount of the 41% and 8% interests transferred and the consideration received respectively in relation to the disposal of partial equity interests in China Good Investments Limited ("China Good") without losing control during the years ended 31 March 2012 and 2013;
- (iv) the difference between the consideration paid for acquisition of additional equity interest in China Good and its subsidiary and the carrying amount of the non-controlling interest acquired amounting to HK\$11,893,000 during the year ended 31 March 2017; and
- (v) the share of the currency translation reserve and investment revaluation reserve of the Group's associates.

附註：

(a) 本集團於申報期末之實繳盈餘指：

- (i) 本公司於一九九八年二月二十日及二零零三年二月十九日將股份溢價賬轉撥至本公司之實繳盈餘賬所產生之進賬；
- (ii) 於一九九九年、二零零三年、二零零九年及二零一一年削減本公司股份面值所產生之進賬；及
- (iii) 扣除轉撥至本集團於二零零零年一月三十一日、二零零一年一月三十一日、二零零三年三月二十日、二零零五年三月三十一日、二零一三年三月二十八日、二零一四年三月三十一日及二零一六年三月三十一日之累計虧損或保留溢利之金額後所得結餘。

(b) 本集團於申報期末之其他儲備主要指：

- (i) 於截至二零一一年三月三十一日止年度，就收購百順國際有限公司及其附屬公司額外股權已付代價與已收購非控股權益賬面值之差額251,561,000港元；
- (ii) 於截至二零一一年三月三十一日止年度，附屬公司間轉撥一間聯營公司權益時由一間非全資附屬公司轉撥至另一間全資附屬公司之應佔一間聯營公司資產淨值；
- (iii) 於截至二零一二年及二零一三年三月三十一日止年度，就於並無失去控制權的情況下出售中廣投資有限公司(「中廣」)部分股權已轉讓之41%及8%權益之賬面值分別與已收代價之差額；
- (iv) 於截至二零一七年三月三十一日止年度，就收購中廣及其附屬公司之額外股權支付之代價與所收購非控股權益之賬面值之間的差額達11,893,000港元；及
- (v) 應佔本集團聯營公司之匯兌儲備及投資重估儲備。

Consolidated Statement of Cash Flows

綜合現金流量表

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

	NOTES 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
OPERATING ACTIVITIES	經營業務		
(Loss) profit before tax	除稅前(虧損)溢利	(329,065)	1,965,027
Adjustments for:	就下列各項作出之調整：		
Interest income	利息收入	(40,213)	(15,960)
Dividend income from investments held for trading	持作買賣投資之股息收入	(530)	(674)
Finance costs	財務費用	424,378	247,417
Other transaction costs on issue of other borrowings	發行其他借款之其他交易成本	9,425	-
Early repayment fee on other borrowing	其他借款之提前償還費用	39,683	-
Gain on disposal of a joint venture	出售一間合營企業之收益	(43,944)	-
Gain on disposal of property, plant and equipment	出售物業、機器及設備之收益	(42)	(445)
Gain on fair value changes upon transfer of properties under development for sale to investment properties	由待售發展中物業轉撥至投資物業時之公平值變動收益	-	(2,732,380)
Gain on fair value changes on investment properties	投資物業之公平值變動收益	(150,106)	(229,217)
Loss on fair value changes on investments held for trading	持作買賣投資之公平值變動虧損	7,857	1,558
Impairment loss on properties held for sale	持作銷售物業之減值虧損	-	265,136
Impairment loss on goodwill arising from acquisition of subsidiaries	收購附屬公司所產生之商譽之減值虧損	-	115,578
Impairment loss on interests in associates	於聯營公司之權益之減值虧損	46,767	70,281
Written off of a loan to an associate	一間聯營公司貸款之撇銷	5,000	-
Impairment loss on available-for-sale investment	可供銷售投資之減值虧損	3,553	-
Impairment loss on amount due from a joint venture	應收一間合營企業款項之減值虧損	-	17,865
Impairment loss on club debentures	會所債券之減值虧損	-	700
Share of results of associates	應佔聯營公司業績	19,627	19,488
Share of results of a joint venture	應佔一間合營企業業績	8,463	13,764
Amortisation of intangible assets	無形資產攤銷	2,155	2,155
Depreciation of property, plant and equipment	物業、機器及設備折舊	8,869	8,459
Release of prepaid lease payments	預付租賃付款撥回	3,334	572

Consolidated Statement of Cash Flows

綜合現金流量表

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

		NOTES 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Operating cash flows before movements in working capital	未計營運資金變動之經營現金流量		15,211	[250,676]
Increase in inventories	存貨增加		(81)	[26]
Increase in properties under development for sale	待售發展中物業增加		-	[12,143]
Decrease (increase) in trade and other receivables and prepayments	貿易及其他應收款項及預付款項減少(增加)		130,689	[81,659]
(Increase) decrease in investments held for trading	持作買賣投資(增加)減少		(39,948)	2,592
Increase in other payables and accruals	其他應付款項及應計費用增加		18,343	351,203
Increase in deposits received in advance	預收訂金增加		-	118,223
Decrease (increase) in restricted bank balances	受限制銀行結餘減少(增加)		5,200	[17,798]
Cash generated from operations	經營業務產生之現金		129,414	109,716
Income tax paid	已付所得稅		(18,397)	[2,351]
Land appreciation tax ("LAT") paid	已付土地增值稅(「土地增值稅」)		(44,737)	-
NET CASH FROM OPERATING ACTIVITIES	經營業務產生之現金淨額		66,280	107,365
INVESTING ACTIVITIES	投資業務			
Interest received	收訖利息		1,624	3,630
Dividend received	收訖股息		530	674
Advance of short-term loans receivable	應收短期貸款墊款		-	[27,000]
Repayment from associates	來自聯營公司償還款項		41,511	-
Repayment of short-term loans receivable	償還應收短期貸款		-	42,084
Purchase of investment properties	購買投資物業		-	[217,682]
Purchase of property, plant and equipment	購買物業、機器及設備		(580)	[4,393]
Proceeds from disposal of a joint venture	出售一間合營企業之所得款項		91,497	-
Proceeds from disposal of property, plant and equipment	出售物業、機器及設備之所得款項		42	756
Advance to an associate	墊付一間聯營公司		-	[45,466]
Advance to a joint venture	墊付一間合營企業		(24,671)	-
Deposits made for acquisition of investment properties	收購投資物業之訂金	39	(108,626)	[2,833]
Deposits made for acquisition of interests in investments	收購投資權益之訂金		(35,278)	[241,978]
Acquisition of assets through acquisition of subsidiaries	透過收購附屬公司收購資產	35	-	[190,348]
Acquisition of subsidiaries	收購附屬公司	36	(15,196)	[1,262,726]
NET CASH USED IN INVESTING ACTIVITIES	投資業務動用之現金淨額		(49,147)	(1,945,282)

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
	NOTES 附註		
FINANCING ACTIVITIES	融資業務		
Proceeds from bank borrowings	銀行借款之所得款項	1,465,059	369,320
Proceeds from loan notes	貸款票據之所得款項	-	1,400,000
Proceeds from other borrowings	其他借款之所得款項	1,667,022	854,661
Repayments of bank borrowings	償還銀行借款	(1,397,897)	(57,877)
Repayments of other borrowings	償還其他借款	(976,541)	(747,768)
Other transaction costs paid on issue of other borrowings	已付發行其他借款之其他交易成本	(9,425)	-
Interest paid	已付利息	(423,076)	(214,460)
Early repayment fee paid on other borrowing	支付其他借款之提前償還費用	(39,683)	-
Proceeds from issue of shares	發行股份之所得款項	-	1,123,715
Share issue expenses	股份發行開支	-	(26,332)
Dividend paid	已付股息	-	(110,454)
Dividend paid to non-controlling interests	已付非控股權益股息	(2,536)	(2,472)
Acquisition of additional interest in subsidiaries and repurchase of amount due to the non-controlling interest	收購附屬公司額外權益及購回應付非控股權益之款項	-	(700,000)
NET CASH FROM FINANCING ACTIVITIES	融資業務產生之現金淨額	282,923	1,888,333
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值項目增加淨額	300,056	50,416
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	年初之現金及現金等值項目	103,957	59,837
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	匯率變動之影響	26,642	(6,296)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank balances and cash	年末之現金及現金等值項目，指銀行結餘及現金	430,655	103,957

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

1. GENERAL

The Company was incorporated in Bermuda on 3 September 1991 as an exempted company with limited liability under the Companies Act 1981 of Bermuda (as amended) and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The address of the registered office of the Company is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and the address of the principal place of business of the Company is Unit 703, 7/F, 1063 King's Road, Quarry Bay, Hong Kong.

The consolidated financial statements are presented in Hong Kong dollars, which is also the functional currency of the Company.

The Company is engaged in trading of securities and investment holding. The principal activities of its principal subsidiaries, associates and a joint venture are set out in notes 49, 20 and 21 respectively.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

Amendments to HKFRSs that are mandatorily effective for the current year

The Group has applied the following amendments to HKFRSs issued by the HKICPA for the first time in the current year:

Amendments to Hong Kong Accounting Standards ("HKAS")	Disclosure Initiative
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to HKFRS 12	As part of the Annual Improvements to HKFRSs 2014 – 2016 Cycle

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

1. 一般事項

本公司於一九九一年九月三日在百慕達根據百慕達一九八一年公司法(經修訂)以獲豁免有限公司形式註冊成立，其股份於香港聯合交易所有限公司(「聯交所」)上市。本公司註冊辦事處之地址為Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda，而本公司主要營業地點之地址為香港鰂魚涌英皇道1063號7樓703室。

綜合財務報表以港元呈列，而港元亦為本公司之功能貨幣。

本公司從事證券買賣及投資控股。其主要附屬公司、聯營公司及合營企業之主要業務分別載於附註49、20及21。

2. 應用香港財務報告準則(「香港財務報告準則」)新訂及修訂本

本年度強制生效之香港財務報告準則修訂本

於本年度，本集團首次應用下列由香港會計師公會頒佈之香港財務報告準則修訂本：

香港會計準則	披露計劃
(「香港會計準則」)	
第7號(修訂本)	
香港會計準則第12號(修訂本)	確認未變現虧損之遞延稅項資產
香港財務報告準則第12號(修訂本)	二零一四年至二零一六年週期香港財務報告準則之年度改進之一部分

除下文所述外，於本年度應用香港財務報告準則修訂本對本集團於本年度及過往年度之財務表現及狀況及／或此等綜合財務報表載列之披露並無重大影響。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

Amendments to HKAS 7 “Disclosure Initiative”

The Group has applied these amendments for the first time in the current year. The amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both cash and non-cash changes. In addition, the amendments also require disclosures on changes in financial assets if cash flows from those financial assets were, or future cash flows will be included in cash flows from financing activities.

Specifically, the amendments require the following to be disclosed: (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair values; and (v) other changes.

A reconciliation between the opening and closing balances of these items is provided in note 44. Consistent with the transition provisions of the amendments, the Group has not disclosed comparative information. Apart from the additional disclosure in note 44, the application of these amendments has had no impact on the Group’s consolidated financial statements.

2. 應用香港財務報告準則(「香港財務報告準則」)新訂及修訂本(續)

香港會計準則第7號(修訂本)「披露計劃」

本集團已於本年度首次應用該修訂本。該修訂本要求實體作出披露，以便財務報表之使用者可評估融資活動所引致之負債變化，包括現金及非現金變化。此外，該修訂本亦要求，當金融資產之現金流量已經或其未來現金流量將會計入融資活動之現金流量時，實體須披露有關金融資產之變動。

尤其是，該修訂本要求必須披露下列變化：(i)融資現金流量之變化；(ii)獲得或失去對附屬公司或其他業務之控制所引致之變化；(iii)外匯匯率變化之影響；(iv)公平值之變化；及(v)其他變化。

有關該等項目期初及期末結餘之對賬載於附註44。根據修訂本之過渡條款之規定，本集團並無披露之比較資料。除附註44之額外披露外，應用該等修訂本並無對本集團之綜合財務報表產生影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

- ¹ Effective for annual periods beginning on or after 1 January 2018
- ² Effective for annual periods beginning on or after 1 January 2019
- ³ Effective for annual periods beginning on or after a date to be determined
- ⁴ Effective for annual periods beginning on or after 1 January 2021

2. 應用香港財務報告準則(「香港財務報告準則」)新訂及修訂本(續)

已頒佈但尚未生效之香港財務報告準則新訂及修訂本

本集團並無提早應用以下已頒佈但尚未生效之新訂及經修訂香港財務報告準則：

香港財務報告準則第9號	財務工具 ¹
香港財務報告準則第15號	客戶合約收益及相關修訂 ¹
香港財務報告準則第16號	租約 ²
香港財務報告準則第17號	保險合約 ⁴
香港(國際財務報告詮釋委員會)–詮釋(「香港(國際財務報告詮釋委員會)–詮釋」)第22號	外幣交易及墊付代價 ¹
香港(國際財務報告詮釋委員會)–詮釋第23號	所得稅處理之不確定性 ²
香港財務報告準則第2號(修訂本)	以股份為基礎的支付交易之分類及計量 ¹
香港財務報告準則第4號(修訂本)	與香港財務報告準則第4號「保險合約」一併應用香港財務報告準則第9號「財務工具」 ¹
香港財務報告準則第9號(修訂本)	具有負補償的提前還款特性 ²
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營企業間之資產出售或注資 ³
香港會計準則第19號(修訂本)	計劃調整、削減或結算 ²
香港會計準則第28號(修訂本)	於聯營公司及合營企業之長期權益 ²
香港會計準則第28號(修訂本)	二零一四年至二零一六年週期香港財務報告準則之年度改進一部分 ¹
香港會計準則第40號(修訂本)	轉讓投資物業 ¹
香港財務報告準則(修訂本)	二零一五年至二零一七年週期香港財務報告準則之年度改進 ²

- ¹ 於二零一八年一月一日或之後開始之年度期間生效
- ² 於二零一九年一月一日或之後開始之年度期間生效
- ³ 於尚未釐定之日期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

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 9 “Financial Instruments”

HKFRS 9 introduces new requirements for the classification and measurement of financial assets, financial liabilities, general hedge accounting and impairment requirements for financial assets.

Key requirements of HKFRS 9 that are relevant to the Group are:

- all recognised financial assets that are within the scope of HKFRS 9 are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at fair value through other comprehensive income (“FVTOCI”). All other financial assets are measured at their fair value at subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

2. 應用香港財務報告準則(「香港財務報告準則」)新訂及修訂本(續)

香港財務報告準則第9號「財務工具」

香港財務報告準則第9號引進財務資產、財務負債、一般對沖會計處理分類及計量之新規定以及財務資產之減值規定。

與本集團有關之香港財務報告準則第9號之主要規定：

- 屬香港財務報告準則第9號範圍內之所有已確認財務資產往後須按攤銷成本或公平值計量。尤其是，以旨在收取合約現金流量之業務模式持有之債務投資，以及合約現金流量僅為支付本金及未償還本金利息之債務投資，一般於往後會計期末按攤銷成本計量。以旨在同時收取合約現金流量及出售財務資產之業務模式持有之債務工具，以及合約條款令於特定日期產生之現金流量僅為支付本金及未償還本金之利息之債務工具，一般採用按公平值列賬並計入其他全面收入(「按公平值列賬並計入其他全面收入」)之方式計量。所有其他金融資產於往後會計期末按公平值計量。此外，根據香港財務報告準則第9號，實體可以不可撤回地選擇於其他全面收入呈列股本投資(並非持作買賣)之其後公平值變動，而一般只有股息收入於損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 9 “Financial Instruments” (Continued)

- in relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39 “Financial Instruments: Recognition and Measurement”. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

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

Classification and measurement:

- Debt instruments classified as loan receivables carried at amortised cost as disclosed in notes 24 and 25 respectively: these are held within a business model whose objective is to collect the contractual cash flows that are solely payments of principal and interest on the principal outstanding. Accordingly, these financial assets will continue to be subsequently measured at amortised cost upon the application of HKFRS 9;
- Equity securities classified as available-for-sale investments carried at cost less impairment as disclosed in note 22: these securities qualified for designation as measured at FVTOCI under HKFRS 9, however, the Group plans not to elect the option for designating these securities to be measured at FVTOCI and will measure these securities at fair value with subsequent fair value gains or losses to be recognised in profit or loss. Upon initial application of HKFRS 9, fair value changes related to these securities, representing the differences between cost less impairment and fair value would be adjusted to retained profits as at 1 April 2018;

2. 應用香港財務報告準則(「香港財務報告準則」)新訂及修訂本(續)

香港財務報告準則第9號「財務工具」(續)

- 就財務資產減值而言，與根據香港會計準則第39號「財務工具：確認及計量」按已產生信貸虧損模式計算相反，香港財務報告準則第9號規定按預期信貸虧損模式計算。預期信貸虧損模式規定實體於各申報日期將預期信貸虧損及該等預期信貸虧損之變動入賬，以反映信貸風險自初始確認以來之變動。換言之，毋須再待發生信貸事件方確認信貸虧損。

根據本集團於二零一八年三月三十一日之財務工具及風險管理政策，本公司董事預測首次應用香港財務報告準則第9號具有以下潛在影響：

分類及計量：

- 誠如附註24及25分別披露，分類為應收貸款的債務工具按攤銷成本計量：該等為目的為收取合約現金流量的業務模式下持有以及附有純粹作本金及尚未償還本金利息付款的合約現金流量的債務投資。因此，於應用香港財務報告準則第9號後，該等金融資產將繼續按攤銷成本計量；
- 誠如附註22所披露，分類為可供銷售投資之股權證券獲按成本減減值計量：該等證券更具香港財務報告準則第9號合資格指定為按公平值列賬並計入其他全面收入。然而，本集團並無計劃選擇將該等證券指定為按公平值列賬並計入其他全面收入，並將繼續按公平值計量該等證券，而其後之公允值收益或虧損將於損益內確認。於初步採用香港財務報告準則第9號時，該等證券之相關公平值變動，即成本減去減值與公平值之差額，將於二零一八年四月一日之保留溢利中調整；

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 9 “Financial Instruments” (Continued)

Classification and measurement: (Continued)

- Distressed debt assets classified as available-for-sale investments carried at fair value as disclosed in note 22: these distressed debt assets did not satisfy the contractual cash flow characteristics test and therefore will be measured subsequently at fair value with fair value gains or losses to be recognised in profit or loss instead of other comprehensive income under HKFRS 9. On initial application of HKFRS 9, investment revaluation reserve relating to these distressed debt assets subsequently measured at fair value through profit or loss will be transferred to retained earnings as at 1 April 2018; and
- All other financial assets and financial liabilities will continue to be measured on the same bases as are currently measured under HKAS 39.

Impairment:

In general, the directors of the Company anticipate that the application of the expected credit loss model of HKFRS 9 will result in earlier provision of credit losses which are not yet incurred in relation to the Group’s financial assets measured at amortised costs and other items that subject to the impairment provisions upon application of HKFRS 9 by the Group.

Based on the assessment by the directors of the Company, if the expected credit loss model were to be applied by the Group, the accumulated amount of impairment loss to be recognised by Group as at 1 April 2018 would be increased as compared to the accumulated amount recognised under HKAS 39 mainly attributable to expected credit losses provision on trade and other receivables, available-for-sale investments and short-term loans receivable. Such further impairment recognised under expected credit loss model would reduce the opening retained profits at 1 April 2018.

2. 應用香港財務報告準則(「香港財務報告準則」)新訂及修訂本(續)

香港財務報告準則第9號「財務工具」(續)

分類及計量：(續)

- 誠如附註22披露，分類為可供銷售投資之不良債務資產按公平值計量：該等不良債務資產無法通過合同現金流量特徵測試，並因此將根據香港財務報告準則第9號隨後按公平價值計量且其變動計入損益而非其他全面收益。於首次應用香港財務報告準則第9號，有關該等隨後透過損益按公平值計量不良債務資產的投資重估儲備將於二零一八年四月一日轉撥至保留溢利；及
- 全部其他金融資產及金融負債將繼續按照目前根據香港會計準則第39號計量的相同基準進行計量。

減值：

整體上，本公司董事預計，應用香港財務報告準則第9號的預期信貸虧損模式可能導致本集團於應用香港財務報告準則第9號後按攤銷成本計量之本集團財務資產及需計提減值撥備的其他項目尚未產生之信貸虧損作出提早撥備。

根據本公司董事的評估，倘本集團將應用預期信貸虧損模式，本集團於二零一八年四月一日予以確認的減值虧損累計金額將較根據香港會計準則第39號確認的累計金額有所增加，主要原因在於貿易及其他應收款項、可供銷售投資及應收短期貸款的預期信貸虧損撥備。該等根據預期信貸虧損模式確認的進一步減值將減少二零一八年四月一日的期初保留溢利。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 15 “Revenue from Contracts with Customers”

HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 “Revenue”, HKAS 11 “Construction Contracts” and the related interpretations when it becomes effective.

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when ‘control’ of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

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

2. 應用香港財務報告準則(「香港財務報告準則」)新訂及修訂本(續)

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號已頒佈並建立了一個單一的綜合模式，用作將客戶合約收益入賬。香港財務報告準則第15號將於生效時取代現行之收入確認指引，包括香港會計準則第18號「收入」、香港會計準則第11號「建築合約」及相關詮釋。

香港財務報告準則第15號的核心原則乃一個實體應確認收入以體現向客戶轉讓承諾貨品或服務的數額，並反映實體預期交換該等貨品或服務而應得的對價。具體來說，該準則引入確認收入的五個步驟：

- 第一步：識別與客戶訂立的合約
- 第二步：識別合約中之履約責任
- 第三步：釐定交易價格
- 第四步：將交易價格分配至合約中的履約責任
- 第五步：於實體達成履約責任時(或就此)確認收入

根據香港財務報告準則第15號，當實體達成履約責任時確認收入，即與特定履約責任相關之貨品或服務之「控制權」轉移至客戶時。香港財務報告準則第15號已就特別情況之處理方法加入更明確之指引。此外，香港財務報告準則第15號要求更廣泛之披露。

於二零一六年，香港會計師公會頒佈香港財務報告準則第15號之澄清，內容有關識別履約責任、當事人與代理之考量及發牌之應用指引。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) *(Continued)*

HKFRS 15 “Revenue from Contracts with Customers” *(Continued)*

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

HKFRS 16 “Leases”

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

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

2. 應用香港財務報告準則(「香港財務報告準則」)新訂及修訂本(續)

香港財務報告準則第15號客戶合約收益(續)

本公司董事預期未來應用香港財務報告準則第15號可能帶來更多披露。然而，本公司董事並不預期應用香港財務報告準則第15號將對於各報告期間確認收益的時間及金額造成重大影響。

香港財務報告準則第16號「租約」

香港財務報告準則第16號引入一個綜合模式以供識別租賃安排及出租人及承租人之會計處理。香港財務報告準則第16號將於生效時取代香港會計準則第17號「租約」及相關詮釋。

香港財務報告準則第16號根據已識別資產是否由客戶控制來區分租約及服務合約。除短期租約及低值資產租約外，經營租約及融資租約之差異自承租人會計處理中移除，並須由承租人就所有租約確認使用權資產及相應負債之模式替代。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 16 “Leases” (Continued)

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

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

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

Furthermore, extensive disclosures are required by HKFRS 16.

2. 應用香港財務報告準則(「香港財務報告準則」)新訂及修訂本(續)

香港財務報告準則第16號「租約」(續)

使用權資產首次按成本計量，隨後以成本（惟若干例外情況除外）減累計折舊及減值虧損計量，並就租賃負債之任何重新計量而作出調整。租賃負債首次按租賃付款（非當日支付）之現值計量。隨後，租賃負債會就（其中包括）利息及租賃付款以及租約修訂之影響作出調整。就現金流量分類而言，本集團現時將前期預付租賃付款呈列為與自用租賃土地及分類為投資物業之租賃土地有關之投資現金流量，而其他經營租賃付款則呈列為經營現金流量。於應用香港財務報告準則第16號後，有關租賃負債的租賃付款將分配至本金及利息部分，其將由本集團以融資現金流量呈列。

根據香港會計準則第17號，本集團已就融資租賃安排及租賃土地（本集團為承租人）預付租賃付款確認資產及相關融資租賃負債。應用香港財務報告準則第16號可能導致該等資產之分類發生潛在變動，惟視乎本集團是否將使用權資產單獨或於同一項目內呈列而定，若擁有相關資產，則將呈列相應相關資產。

與承租人會計處理方法相反，香港財務報告準則第16號大致繼承了香港會計準則第17號之出租人會計處理規定，並繼續規定出租人將租約分類為經營租約或融資租約。

此外，香港財務報告準則第16號要求更廣泛之披露。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 16 “Leases” (Continued)

As at 31 March 2018, the Group has non-cancellable operating lease commitments of HK\$5,103,000 as disclosed in note 38. A preliminary assessment indicates that these arrangements will meet the definition of a lease. Upon application of HKFRS 16, the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases.

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

Amendments to HKAS 40 “Transfers of Investment Property”

The amendments clarify that a transfer to, or from, investment property necessitates an assessment of whether a property meets, or has ceased to meet, the definition of investment property, supported by observable evidence that a change in use has occurred. The amendments further clarify that situations other than the ones listed in HKAS 40 may evidence a change in use, and that a change in use is possible for properties under construction. For example, change in use for transfer from properties under development for sale in the ordinary course of business to investment properties could be evidenced by inception of an operating lease to another party. Currently, the Group accounts for such transfer only upon commencement of an operating lease.

The directors of the Company anticipate that the application of these amendments will result in early recognition of such transfers on the Group’s consolidated financial statements in future periods should there be a change in use of any of its properties.

2. 應用香港財務報告準則(「香港財務報告準則」)新訂及修訂本(續)

香港財務報告準則第16號「租約」(續)

於二零一八年三月三十一日，誠如附註38所披露，本集團擁有不可撤銷之經營租約承擔5,103,000港元。初步評估顯示，該等安排將符合租約之定義。本集團將就所有該等租約確認使用權資產及相應負債，除非有關租約於應用香港財務報告準則第16號後符合低值或短期租約。

此外，應用新規定可能導致上文所述計量、呈列及披露發生變動。

香港會計準則第40號(修訂本)「轉讓投資物業」

該等修訂澄清轉至或轉自投資物業需評估物業是否符合或不再符合投資物業之定義，須以可觀察證據支持其用途改變。該修訂進一步澄清，除香港會計準則第40號所列情況外，其他情況可作為用途已改變之憑證，而在建物業亦有可能出現用途改變之情況。例如，向另一訂約方訂立經營租賃可證明於一般業務過程中將發展中待售物業用途改變為投資物業。目前，本集團僅於經營租賃開始時將該等轉撥入賬。

本公司董事預期，倘其任何物業之用途改變，應用上述修訂將會導致本集團未來期間之綜合財務報表提早確認該等轉撥。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

Amendments to HKAS 40 “Transfers of Investment Property” (Continued)

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

3. SIGNIFICANT ACCOUNTING POLICIES

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

The consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments that are measured at fair values at the end of the 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. 應用香港財務報告準則(「香港財務報告準則」)新訂及修訂本(續)

香港會計準則第40號(修訂本)轉讓投資物業(續)

除上文提及香港財務報告準則新訂及修訂本，本公司董事預期應用全部其他香港財務報告準則新訂及修訂本於可見未來不會對綜合財務報表造成重大影響。

3. 重大會計政策

綜合財務報表遵從香港會計師公會頒佈之香港財務報告準則編製。此外，為符合聯交所證券上市規則(「上市規則」)及香港公司條例(「公司條例」)之規定，綜合財務報表包括了適用之披露事項。

綜合財務報表乃按歷史成本法編製，惟投資物業及若干財務工具則按公平值計量(如下文所載之會計政策所闡釋)。

歷史成本一般以就交換貨品及服務而給予之代價之公平值為基礎。

3. SIGNIFICANT ACCOUNTING POLICIES (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 within the scope of HKAS 17 “Leases”, 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”.

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.

3. 重大會計政策(續)

公平值為市場參與者於計量日期進行有秩序交易出售資產應收取或轉讓負債應支付之價格，而不論該價格是否直接可觀察得出或可使用其他估值方法估算。估計資產或負債之公平值時，本集團考慮了市場參與者於計量日期為該資產或負債進行定價時將會考慮之資產或負債特徵。在此等綜合財務報表內計量及／或披露之公平值均在此基礎上予以釐定，惟香港財務報告準則第2號「以股份為基礎的支付」範圍內之以股份為基礎的支付交易、香港會計準則第17號「租賃」範圍內之租賃交易以及與公平值類似但並非公平值（例如，香港會計準則第2號「存貨」之可變現淨值或香港會計準則第36號「減值虧損」之使用價值）之計量除外。

此外，就財務報告而言，公平值計量根據公平值計量之輸入數據可觀察程度及輸入數據對公平值計量之整體重要性分類為第一級、第二級或第三級，載述如下：

- 第一級輸入數據乃實體於計量日期可取得之相同資產或負債於活躍市場之報價（未經調整）；
- 第二級輸入數據乃就資產或負債直接或間接地可觀察之輸入數據（第一級包括之報價除外）；及
- 第三級輸入數據乃資產或負債之不可觀察輸入數據。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

For investment properties which are transferred 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 the results of the valuation technique equals the transaction price.

The principal accounting policies are set out below.

Basis of consolidation

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

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

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

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

3. 重大會計政策(續)

非財務資產公平值之計量則參考市場參與者可從使用該資產得到之最高及最佳效用，或把該資產售予另一可從使用該資產得到最高及最佳效用之市場參與者所產生之經濟效益。

按公平值轉讓之投資物業，凡於其後期間應用以不可觀察數據計量公平值之估值方法，估值方法應予校正，以致估值方法之結果相等於交易價格。

主要會計政策載列如下。

綜合基準

綜合財務報表包括本公司、受本公司及其附屬公司控制之實體之財務報表。倘本公司符合以下條件，即取得該實體之控制權：

- 擁有對被投資方行使之權力；
- 擁有參與被投資方業務所帶來之各種回報或獲得有關回報之權利；及
- 擁有對被投資方行使權力以影響投資者回報之能力。

倘有事實及情況顯示以上所列三項控制權要素之一項或多項出現變動，則本集團會重新評估其是否對被投資方擁有控制權。

本集團於取得附屬公司控制權時將附屬公司綜合入賬，並於失去附屬公司控制權時終止入賬。具體而言，於年內所收購或出售附屬公司之收入及開支乃自本集團取得控制權當日起計入綜合損益及其他全面收益表，直至本集團失去附屬公司控制權當日為止。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

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 into line with the Group's accounting policies.

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

Changes in the Group's ownership interests in existing subsidiaries

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

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

3. 重大會計政策(續)

綜合基準(續)

損益及其他全面收入之每個項目由本公司擁有人及非控股權益分佔。附屬公司之全面收入總額亦由本公司擁有人及非控股權益分佔，即使此舉會導致非控股權益產生虧絀結餘。

如有需要，本集團會對附屬公司之財務報表作出調整，使其會計政策符合本集團之會計政策。

與本集團成員公司間之交易有關之所有集團間資產及負債、權益、收入、開支及現金流均於綜合賬目時全數對銷。

本集團於現有附屬公司之擁有權權益之變動

倘本集團於現有附屬公司之擁有權權益之變動並無導致本集團失去附屬公司之控制權，有關變動會入賬列作權益交易。本集團權益之相關組成部份與非控股權益之賬面值會就其兩者於附屬公司之相對權益變動而作出調整包括按照本集團與非控股權益之權益比例，將本集團與非控股權益之間的相關儲備重新歸屬。

非控股權益之調整金額與已付或已收代價公平值之差額直接於權益內確認，並由本公司擁有人應佔。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations

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

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

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 “Income Taxes” and HKAS 19 “Employee Benefits” respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered 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); and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 “Non-current Assets Held for Sale and Discontinued Operations” are measured in accordance with that standard.

3. 重大會計政策(續)

業務合併

業務收購使用收購法列賬。在業務合併中轉讓的代價按公平值計量，而公平值乃按本集團所轉讓資產、本集團向被收購方前擁有人承擔的負債及本集團為交換被收購方控制權所發行股本權益於收購日期的公平值總和計算。收購相關成本一般在產生時於損益確認。

於收購日期，所收購可識別資產及所承擔負債應按其公平值確認，惟下列各項除外：

- 遞延稅項資產或負債及與僱員福利安排有關之負債或資產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；
- 與被收購方的以股份為基礎的支付安排或本集團的以股份為基礎的支付安排取代被收購方的以股份為基礎的支付安排有關的負債或股權工具於收購日期根據香港財務報告準則第2號「以股份為基礎的支付」計量（見下文會計政策）；及
- 根據香港財務報告準則第5號「持作銷售的非流動資產及已終止經營業務」劃分為持作銷售的資產（或出售組合）根據該準則計量。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations (Continued)

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

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

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (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.

3. 重大會計政策(續)

業務合併(續)

商譽按所轉撥之代價、與被收購方之任何非控股權益及收購方之前持有被收購方(如有)之股權之公平值之總和超出所收購之可識別資產及承擔之負債於收購日期之淨額之部份計量。倘於重估過後，所收購之可識別資產及所承擔之負債於收購日期之淨值超出所轉撥之代價、於被收購方任何非控股權益之金額及收購方先前持有被收購方(如有)權益之公平值之總和，超出部份即時於損益中確認議價購買收益。

屬現時擁有權權益且於清盤時其持有人有權按比例分佔相關附屬公司資產淨值之非控股權益，並首次按非控股權益應佔被收購方可識別資產淨值或公平值之已確認金額比例計量。計量基準視乎每項交易而作出選擇。其他非控股權益類型乃按公平值計量。

倘若首次以業務合併入賬而於合併發生之申報期末仍未完成合併，本集團就仍未完成項目金額呈報為撥備款項。該等撥備款項於計算期間(見上文)內作出調整，且額外資產或負債予以確認，以反映獲得有關於收購當日存有之事實及情況之新資料(如獲知)會影響於當日確認款額。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Acquisition of a subsidiary not constituting a business

When the Group acquires a group of assets and liabilities that do not constitute a business, the Group identifies and recognises the individual identifiable assets acquired and liabilities assumed by allocating the purchase price first to investment properties which are subsequently measured under fair value model and financial assets and financial liabilities at the respective fair values, the remaining balance of the purchase price is then allocated to the other individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction does not give rise to goodwill or bargain purchase gain.

Goodwill

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

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

3. 重大會計政策(續)

收購並不構成業務之附屬公司

當本集團收購一組不構成業務之資產及負債時，本集團識別及確認個別可識別所收購資產及所承擔負債，乃透過首先按各自公平值分配購買價格至其後根據公平值模式計量之投資物業以及金融資產及金融負債，再按購買日期各自公平值分配購買價格餘下結餘至其他個別可識別資產及負債。有關交易並無帶來商譽或議價購買收益。

商譽

業務收購所產生之商譽以收購業務當日確認之成本(見上述會計政策)減累計減值虧損(如有)列賬。

就減值測試而言，商譽分配至預期受益於合併協同效應之本集團各現金產生單位(或現金產生單位組別)，而該單位或單位組別指就內部管理目的監控商譽的最低水平且規模不超過經營分部。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Goodwill (Continued)

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or group of cash-generating units). An impairment loss recognised for goodwill is not reversed in subsequent period.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal (or any of the cash-generating unit within group of cash-generating units in which the Group monitors goodwill).

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

Investments in associates and a joint venture

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

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

3. 重大會計政策(續)

商譽(續)

獲分配商譽的現金產生單位(或現金產生單位組別)會每年進行減值測試,或於單位出現減值跡象時增加測試次數。就於某申報期間因收購產生的商譽而言,獲分配商譽的現金產生單位(或現金產生單位組別)於申報期末前進行減值測試。倘可收回款額少於賬面值,則減值虧損會首先分配以削減商譽的賬面值,其後按各項資產所佔單位(或現金產生單位組別)的賬面值比例分配至其他資產。該項確認為商譽的減值虧損不會於其後期間撥回。

於出售相關現金產生單位時,釐定出售損益金額時須計入商譽應佔金額(或本集團監控商譽的任何現金產生單位組別內的現金產生單位)。

本集團涉及收購聯營公司及合營企業產生之商譽之政策載於下文。

聯營公司及合營企業投資

聯營公司為本集團對其有重大影響力之公司。重大影響力指參與被投資方財務及經營策略決策之權力,但並非控制或共同控制該等策略。

合營企業為一種合營安排,據此,對安排擁有共同控制權之訂約方對合營安排之淨資產享有權利。共同控制權指按合約協定共享對安排之控制權,僅於與相關活動有關之決策須獲共享控制權之訂約方一致同意時存在。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in associates and a joint venture (Continued)

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

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

3. 重大會計政策(續)

聯營公司及合營企業投資(續)

聯營公司及合營企業之業績與資產及負債按會計權益法計入綜合財務報表。根據權益法，於聯營公司或合營企業之投資首次於綜合財務狀況表中按成本值確認，其後調整，以確認本集團應佔聯營公司或合營企業之損益及其他全面收入。聯營公司／合營企業的資產淨值變動（計入損益及其他全面收益者除外）不予入賬，除非該等變動引致本集團持有的所有權權益發生變動。倘本集團應佔聯營公司或合營企業虧損超過所持該聯營公司或合營企業權益（包括任何實質上屬於本集團於聯營公司或合營企業投資淨額一部分之長期權益），則本集團會終止確認額外應佔虧損。僅當本集團已承擔法定或推定責任或代表該聯營公司或合營企業作出付款時，方會確認額外虧損。

於聯營公司或合營企業之投資自被投資方成為聯營公司或合營企業當日起採用權益法入賬。收購於聯營公司或合營企業之投資時，投資成本超出本集團應佔被投資方之可識別資產及負債公平淨值之任何差額，均確認為商譽（包括於投資之賬面值內）。本集團應佔可識別資產及負債公平淨值超出投資成本之任何差額，經重新評估後，即時於收購投資期間在損益確認。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in associates and a joint venture (Continued)

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

When the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with HKAS 39. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing the relevant interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) upon disposal/partial disposal of the relevant associate or joint venture.

3. 重大會計政策(續)

聯營公司及合營企業投資(續)

本集團應用香港會計準則第39號之規定，以釐定是否有必要確認有關本集團於聯營公司或合營企業之投資之任何減值虧損。於有需要時，投資之賬面總值(包括商譽)會按照香港會計準則第36號「資產減值」，透過比較投資可收回金額(使用價值與公平值減出售成本兩者之較高者)與賬面值，作為單一資產進行減值測試。任何已確認之減值虧損組成投資之賬面值一部分。減值虧損任何撥回按照香港會計準則第36號以投資可收回金額於其後之增加為限確認。

倘本集團對聯營公司不再有重大影響或不再對合營企業擁有共同控制權，則其入賬列為出售該投資公司之全數權益，產生之收益或虧損於損益中確認。倘本集團保留於前聯營公司或合營企業之權益，而保留權益為財務資產，則本集團按該日之公平值計量保留權益，而公平值被視為根據香港會計準則第39號其於首次確認時之公平值。該聯營公司或合營企業於終止使用權益法當日之賬面值與任何保留權益之公平值及出售該聯營公司或合營企業相關權益之任何所得款項之差額，於釐定出售該聯營公司或合營企業之收益或虧損時計入。此外，本集團將先前於其他全面收入就該聯營公司或合營企業確認之所有金額入賬之方式，與該聯營公司或合營企業已直接出售相關資產或負債所需之方式相同。因此，倘該聯營公司或合營企業先前於其他全面收入確認之收益或虧損於出售相關資產或負債時應重新分類至損益，則本集團於出售／部分出售相關聯營公司或合營企業時將有關收益或虧損由權益重新分類至損益(列作重新分類調整)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in associates and a joint venture (Continued)

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

Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

3. 重大會計政策(續)

聯營公司及合營企業投資(續)

倘集團實體與本集團之聯營公司或合營企業進行交易，則與該聯營公司或合營企業進行交易所引致之損益會於本集團之綜合財務報表確認，惟僅以與本集團無關之聯營公司或合營企業權益為限。

持作銷售之非流動資產

當非流動資產及出售組別之賬面值主要將通過銷售交易(而非通過持續使用)收回，則此類非流動資產及出售組別會分類為持作銷售。僅當該資產(或出售組別)在其當前狀態下僅根據出售此類資產(或出售組別)的通常及慣用條款就可立即出售而且銷售極有可能發生時，才視為滿足此條件。管理層必須對出售作出承諾，並預期能夠從分類之日起一年內完成銷售並予以確認。

當本集團致力進行涉及失去附屬公司控制權之出售計劃時，假如符合上述條件，不論出售後本集團是否於其前附屬公司保留非控股權益，該附屬公司之全部資產及負債均會分類為持作銷售。

分類為持作銷售之非流動資產(及出售組別)以其過往賬面值與公平值減出售成本中之較低者計量。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold and services provided in the normal course of business, net of sales related taxes.

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

Revenue from water supply operations is recognised when goods are delivered.

Revenue from sale of properties is recognised when the properties are delivered to the buyers, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Deposits and installments received from purchasers on sale of properties prior to this stage are included in current liabilities.

3. 重大會計政策(續)

收入確認

收入按已收或應收代價之公平值計量，即於日常業務過程中所出售商品及提供服務之應收金額，並扣除銷售相關稅項。

當收入的數額能夠可靠計量、未來經濟利益很有可能流入本集團，而本集團每項活動均符合具體條件時(如下文所述)，即確認收入。

供水業務之收入於貨品付運後確認。

來自銷售物業之收入於物業交付予買方，即達成下列所有條件時確認：

- 本集團已向買方轉讓商品擁有權之重大風險及回報；
- 本集團並無保留一般與已售商品擁有權相關之持續管理權，亦無保留已售商品之實際控制權；
- 收入金額能可靠地計量；
- 與交易有關之經濟利益有可能流入本集團；及
- 就交易產生或將產生之成本能可靠地計量。

此階段前已收買方之物業銷售訂金及分期付款計入流動負債。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

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

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time apportionment basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

The Group's accounting policy for recognition of revenue from operating lease is described in the accounting policy for leasing below.

Property, plant and equipment

Property, plant and equipment including buildings held for use in the production or supply of goods or services, or for administrative purposes are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

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

3. 重大會計政策(續)

收入確認(續)

來自投資之股息收入於股東有權收取款項時確認。

來自財務資產之利息收入，於經濟利益有可能流入本集團及收入金額能可靠地計量時予以確認。利息收入按時間比例基準以尚未償還之本金額及適用之實際利率計算，有關利率為於財務資產之估計可用年內用以準確地將估計未來現金收入貼現至該資產於首次確認時之賬面淨值之利率。

本集團確認經營租賃所得收入的會計政策乃載述於下文有關租賃的會計政策。

物業、機器及設備

物業、機器及設備，包括持作供生產或供應貨品或服務使用或作行政用途之樓宇，按成本減其後累計折舊及累計減值虧損（如有）在綜合財務狀況表內入賬。

物業、機器及設備項目之折舊確認乃根據其估計可用年期，按直線法撇銷其成本減剩餘價值計算。估計可用年期、剩餘價值及折舊方法乃於申報期末檢討，估計變動之影響按預先計提之基準入賬。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment (Continued)

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

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values. All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are classified and accounted for as investment properties and are measured using the fair value model. 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 asset) is included in the profit or loss in the period in which the property is derecognised.

If there is a transfer from properties under development for sales or properties held for sales to investment properties carried at fair value, any difference between the fair value of the properties as at the date of transfer and their previous carrying amount is recognised in profit or loss.

3. 重大會計政策(續)

物業、機器及設備(續)

物業、機器及設備項目於出售或預期繼續使用有關資產不會產生未來經濟利益時終止確認。出售或棄置物業、機器及設備項目之任何收益或虧損(按資產銷售所得款項與賬面值之差額計算)計入損益。

投資物業

投資物業為持有以賺取租金及／或作資本增值用途之物業。

投資物業首次按成本計量，包括任何直接應佔開支。首次確認後，投資物業按公平值計量。本集團根據經營租約持有以賺取租金或作資本增值用途之所有物業權益分類為及入賬列作投資物業，利用公平值模式計量。投資物業公平值變動產生之收益或虧損於產生期間計入損益。

投資物業於出售時，或永久不再使用且預期日後出售亦不能獲取經濟利益時終止確認。終止確認物業之任何收益或虧損(按資產出售所得款項淨額與賬面值之差額計算)於物業終止確認期間計入損益。

倘待售發展中物業或持作銷售物業轉換為按公平值計量之投資物業，則於轉換日期該等物業之公平值與其先前賬面值之任何差額於損益內確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leasing

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

The Group as lessor

Rental income is recognised in profit or loss on a straight-line basis over the term of the term of the relevant lease.

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

Leasehold land and building

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

3. 重大會計政策(續)

租賃

凡根據租約條款，擁有權之絕大部分風險與回報轉歸承租人所有之租約，均列作融資租約。所有其他租約皆列作經營租約。

本集團為出租人

租賃收入以直線法按相關租約之租期於損益內確認。

本集團為承租人

經營租賃付款以直線法按租期確認為開支。經營租賃產生之或然租金於產生期間確認為開支。

租賃土地及樓宇

倘本集團就物業權益(包括租賃土地及樓宇部分)付款，則本集團評估各部分擁有權相關之絕大部分風險與回報是否已轉移至本集團，將各部分劃分，除非兩個部份均明顯屬經營租賃，在此情況下，整個物業均以經營租賃入賬。特別是，所有代價(包括任何一次過預付款)按於初步確認時租賃土地部分與樓宇部分於租賃權益之相對公平值之比例分配至土地與樓宇部分。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leasing (Continued)

Leasehold land and building (Continued)

To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as “prepaid lease payments” in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis except for those that are classified and accounted for as investment properties under the fair value model. When the payments cannot be allocated reliably between the leasehold land and building elements, the entire property is generally classified as if the leasehold land is under finance lease.

Foreign currencies

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

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

3. 重大會計政策(續)

租賃(續)

租賃土地及樓宇(續)

倘若相關付款能可靠地分配，則入賬列作經營租約之租賃土地權益會於綜合財務狀況表呈列為「預付租賃付款」，並以直線法按有關租期攤銷，惟分類為及入賬列作根據公平值模式計量之投資物業者除外。倘無法在租賃土地與樓宇元素之間可靠地分配付款，則整項物業一般會按租賃地地屬融資租賃之方式分類。

外幣

於編製各個別集團實體之財務報表時，以該實體之功能貨幣以外之貨幣(外幣)進行之交易乃按於交易日期之匯率確認。於申報期末，以外幣定值之貨幣項目乃按該日之匯率重新換算。按外幣過往成本計量之非貨幣項目毋須重新換算。

於結算貨幣項目所產生的匯兌差額及於貨幣項目之重新換算於其產生期間在損益內確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

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

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

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.

3. 重大會計政策(續)

外幣(續)

就綜合財務報表之呈列而言，本集團海外業務之資產與負債乃使用申報期末之匯率換算為本集團之列賬貨幣(即港元)。收入及支出項目乃按該期間之平均匯率換算，惟倘匯率於該期間內大幅波動則除外，在該情況下採用交易日之匯率換算。所產生之匯兌差額(如有)乃於其他全面收入確認，並於貨幣兌換儲備(在適當情況下則在非控股權益)項下之權益累計。

於收購海外業務時產生之有關所收購可識別資產之商譽及公平值調整乃作為該海外業務之資產及負債處理，並按於申報期末之匯率進行重新換算。產生之匯兌差額乃於其他全面收入內確認。

借款成本

收購、建造或生產合資格資產(指須經長時間方能準備就緒以供擬定用途或銷售之資產)直接應佔之借款成本乃計入該等資產之成本，直至該等資產已大致上準備就緒以供擬定用途或銷售為止。

暫時投資特定借款有待應用於合資格資產前所得之投資收入，從合資格資本化之借款成本中扣除。

所有其他借款成本於產生期間在損益確認。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Retirement benefits costs

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

Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from “(loss) profit before tax” as reported in the consolidated statement of profit or loss and other comprehensive income 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.

3. 重大會計政策(續)

退休福利成本

國家管理之退休福利計劃及強積金計劃之付款於僱員提供服務而合資格享有供款時確認開支。

稅項

所得稅支出指即期應付稅項及遞延稅項之總和。

即期應付稅項按年內應課稅溢利計算。應課稅溢利與綜合損益及其他全面收益表所報之「除稅前(虧損)溢利」不同，此乃由於在其他年度應課稅或可扣減之收入或開支項目，以及毋須課稅或不可扣稅之項目所致。本集團即期稅項負債乃按照申報期末已頒佈或實質上已頒佈之稅率計算。

遞延稅項乃就綜合財務報表中資產及負債賬面值與計算應課稅溢利相應稅基之臨時差額確認。遞延稅項負債通常會就所有應課稅臨時差額確認，而遞延稅項資產一般於將有應課稅溢利可以可扣稅臨時差額抵銷時確認所有可扣稅臨時差額。若於一項交易中，因首次確認資產及負債(業務合併除外)而引致之臨時差額既不影響應課稅溢利亦不影響會計溢利，則不會確認遞延稅項資產及負債。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

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

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

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

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 liabilities or deferred tax assets 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.

3. 重大會計政策(續)

稅項(續)

遞延稅項負債乃按因於附屬公司之投資、於聯營公司及合營企業的權益而引致之應課稅臨時差額而確認，惟本集團可控制臨時差額撥回及臨時差額有可能未必於可見將來撥回之情況除外。與該等投資及權益有關之可扣減臨時差額而產生之遞延稅項資產，僅在可能產生足夠應課稅溢利以動用臨時差額利益並預期可在可見將來撥回時確認。

遞延稅項資產之賬面值於申報期末檢討，並在不再可能有足夠應課稅溢利回撥全部或部分資產價值時調減。

遞延稅項資產及負債乃根據於申報期末已頒佈或實質上已頒佈之稅率(及稅法)，按預期於負債清償或資產變現期間適用之稅率計算。

遞延稅項負債及資產之計量反映按照本集團所預期方式於申報期末收回或結算其資產及負債賬面值之稅務後果。

計量使用公平值模式計量之投資物業之遞延稅項負債或遞延稅項資產時，該等物業之賬面值假定透過銷售全數收回，除非假設被否定則作別論。倘投資物業可予折舊，並以旨在隨時間流逝而非透過銷售消耗投資物業絕大部分內含經濟利益之業務模式持有，則假設即被否定。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Club debentures

Club debentures are measured at cost less any impairment losses.

Intangible assets

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

Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives (see the accounting policy in respect of impairment losses on tangible and intangible assets below).

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or 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 the profit or loss in the period when the asset is derecognised.

3. 重大會計政策(續)

稅項(續)

即期及遞延稅項於損益確認，惟與於其他全面收入或直接在權益確認之項目有關之即期及遞延稅項除外，在此情況下即期及遞延稅項亦會分別於其他全面收入或直接在權益確認。倘即期或遞延稅項於首次進行業務合併會計處理時產生，則其稅務影響計入該業務合併之會計處理。

會所債券

會所債券按成本減任何減值虧損計量。

無形資產

於業務合併所收購之無形資產會與商譽分開確認，並首次按收購當日之公平值(被視為成本)確認。

於首次確認後，於業務合併所收購而具有有限使用年期之無形資產乃按成本減累計攤銷及任何累計減值虧損呈報。具有有限使用年期之無形資產以直線法按其估計可使用年期確認攤銷。(請參閱下文有關有形及無形資產之減值虧損之會計政策)。

無形資產於出售或預期使用或出售該無形資產不會產生未來經濟利益時終止確認。因終止確認無形資產而產生之收益或虧損乃按出售所得款項淨額與有關資產賬面值間之差額計量，並在該資產終止確認期間於損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Properties held for sale

Properties held for sale are classified under current assets. They are stated at the lower of cost and net realisable value. Cost relating to the development of properties, comprising payment for land cost and development costs, are included in properties held for sale until such time when they are completed. Net realisable value represents the estimated selling price less all anticipated costs to be incurred in marketing and selling.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Impairment on tangible and intangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

3. 重大會計政策(續)

持作銷售物業

持作銷售物業分類為流動資產，並按成本或可變現淨值兩者之較低者入賬。於竣工前，物業發展相關成本(包括支付土地成本及發展成本)計入持作銷售物業。可變現淨值乃估計售價減市場推廣及銷售所產生之所有估計成本。

存貨

存貨以成本及可變現淨值兩者中之較低者列賬。成本乃按加權平均法計算。可變現淨值代表存貨之估計售價減所有估計完成成本及必要銷售成本。

有形及無形資產減值

於申報期末，本集團檢討其有形及具有限可用年期之無形資產之賬面值，以確定有否跡象顯示該等資產出現減值虧損。倘存在有關跡象，則估算相關資產之可收回金額以釐定減值虧損(如有)之程度。若不可能估計個別資產之可收回金額，本集團則估計該資產所屬現金產生單位之可收回金額。若可明辨一合理及貫徹之分配基準，企業資產亦會分配至個別現金產生單位，否則會分配至最少並有一可明辨合理貫徹分配基準之現金產生單位組別內。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment on tangible and intangible assets (Continued)

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

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

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

3. 重大會計政策(續)

有形及無形資產減值(續)

可收回金額乃公平值減銷售成本及使用價值中之較高者。於評估使用價值時，估計未來現金流量採用反映現時市場對貨幣時間價值及資產(或現金產生單位)之特定風險(估計未來現金流量尚未就其作出調整)評估之除稅前貼現率，貼現至其現值。

如資產(或現金產生單位)之可收回金額估計低於其賬面值，則資產(或現金產生單位)之賬面值會削減至其可收回金額。分配減值虧損時，首先分配減值虧損以減低任何商譽的賬面值(如適用)，然後按該單位內各項資產的賬面值所佔比例分配至其他資產。資產賬面值不得減少至低於其公平值減出售成本(如可計量)、其使用價值(如可計量)及零之中的最高值。已另行分配至資產之減值虧損數額按比例分配至該單位其他資產。減值虧損會即時於損益確認。

倘減值虧損其後撥回，則資產(或現金產生單位)賬面值將增至其經修訂之估計可收回金額，惟已增加之賬面值不得超出假設過往年度並無就資產(或現金產生單位)確認任何減值虧損而釐定之賬面值。減值虧損撥回會即時於損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments

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

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

Financial assets

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

3. 重大會計政策(續)

財務工具

倘集團實體成為工具合約條文之訂約方，則確認財務資產及財務負債。

財務資產及財務負債首次按公平值計算。收購或發行財務資產及財務負債(按公平值列賬並計入損益之財務資產及財務負債除外)直接應佔之交易成本於首次確認時計入或從財務資產或財務負債之公平值扣除(視情況而定)。收購按公平值列賬並計入損益之財務資產或財務負債之直接應佔交易成本即時於損益確認。

財務資產

本集團之財務資產分為三個類別，包括按公平值列賬並計入損益之財務資產(「按公平值列賬並計入損益」)、貸款及應收款項以及可供銷售(「可供銷售」)財務資產。分類取決於財務資產之性質及作用，並於首次確認時釐定。所有財務資產常規買賣按交易日基準確認及終止確認。財務資產常規買賣指須根據有關市場規例或慣例設定之時限內交付資產之財務資產買賣。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments.

Financial assets at FVTPL

Financial assets at FVTPL represent financial asset held for trading.

A financial asset is classified as held for trading if:

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

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial assets and is included in the 'other gains and losses' line item. Fair value is determined in the manner described in note 43c.

3. 重大會計政策(續)

財務工具(續)

財務資產(續)

實際利率法

實際利率法乃用以計算財務資產之攤銷成本和在有關期間分配利息收入之方法。實際利率為於財務資產之預期年期或(如適用)較短年期內，用以準確地貼現估計未來現金收款(包括所有構成實際利率一部分之已付或已收費用及點子、交易成本及其他溢價或折讓)至其於首次確認時之賬面淨值之利率。

就債務工具而言，利息收入按實際利率基準確認。

按公平值列賬並計入損益之財務資產

按公平值列賬並計入損益之財務資產即持作買賣財務資產。

倘若出現下列情況，則財務資產分類為持作買賣：

- 購入之主要目的為於不久將來出售；或
- 首次確認時，其為本集團聯合管理之財務工具之已識別組合之一部分，並擁有短期獲利之最近實際模式；或
- 其並非指定及實際作為對沖工具之衍生工具。

按公平值列賬並計入損益之財務資產按公平值列賬，而重新計量所產生之任何收益或虧損於損益確認。於損益確認之收益或虧損淨額不包括財務資產賺取之任何股息或利息，計入「其他收益及虧損」項目。公平值乃按附註43c所述方式釐定。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and other receivables, amounts due from associates, amount due from a joint venture, short-term loans receivable, restricted bank deposit and bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment of financial assets below).

AFS financial assets

AFS financial assets are non-derivatives that are either designated as available-for-sale or are not classified as (a) loans and receivables, (b) held-to-maturity investments or (c) financial assets at FVTPL.

Equity and debt securities held by the Group that are classified as AFS financial assets and are traded in an active market are measured at fair value at the end of the reporting period except for unquoted equity investments whose fair value cannot be reliably measured. Changes in the carrying amount of AFS debt instruments relating to interest income calculated using the effective interest method and dividends on AFS equity investments are recognised in profit or loss. Dividends on AFS equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established. Other changes in the carrying amount of AFS financial assets are recognised in other comprehensive income and accumulated under the heading of investment revaluation reserve. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss (see the accounting policy in respect of impairment of financial assets below).

3. 重大會計政策(續)

財務工具(續)

財務資產(續)

貸款及應收款項

貸款及應收款項為有固定或可確定付款而並無活躍市場報價之非衍生財務資產。於首次確認後，貸款及應收款項(包括貿易及其他應收款項、應收聯營公司款項、應收一間合營企業款項、應收短期貸款、受限制銀行存款及銀行結餘及現金)按攤銷成本以實際利率法減去任何已識別減值虧損入賬(請參閱下文有關財務資產減值之會計政策)。

可供銷售財務資產

可供銷售財務資產乃指定為可供銷售或不獲劃分為(a)貸款及應收款項、(b)持至到期投資或(c)按公平值列賬並計入損益之財務資產之非衍生工具。

除未能可靠計算公平值之非上市股權投資外，本集團所持分類為可供銷售財務資產並於活躍市場買賣之股本及債務證券於申報期末按公平值計量。與利息收入相關之可供銷售債務工具根據實際利率法計算導致之賬面值變動以及可供銷售股本投資之股息於損益確認。可供銷售股本工具之股息在本集團收取股息之權利確立時於損益確認。可供銷售財務資產賬面值之其他變動於其他全面收入確認，並於投資重估儲備下累計。當投資售出或釐定為已減值，則先前於投資重估儲備累計之累計收益或虧損重新分類至損益(請參閱下文有關財務資產減值之會計政策)。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

AFS financial assets (Continued)

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

Impairment of financial assets

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

For AFS equity investments, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

3. 重大會計政策(續)

財務工具(續)

財務資產(續)

可供銷售財務資產(續)

在活躍市場上並無市場報價及其公平值無法可靠地計量之可供銷售股本投資，於申報期末按成本減任何已識別減值虧損計量（請參閱下文有關財務資產減值之會計政策）。

財務資產減值

除按公平值列賬並計入損益者外，財務資產於申報期末評估是否有減值跡象。倘有客觀證據證明首次確認財務資產後發生之一項或多項事件令財務資產之估計未來現金流量受到影響，則財務資產被視為已減值。

就可供銷售股本投資而言，倘該項投資之公平值大幅或長期下跌至低於其成本，則被視為減值之客觀證據。

就所有其他財務資產而言，減值之客觀證據可包括：

- 發行人或對手方遇到嚴重財政困難；或
- 違反合約，如逾期或拖欠利息或本金還款；或
- 借款人有可能破產或進行財務重組。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of one to two months, observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

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

3. 重大會計政策(續)

財務工具(續)

財務資產(續)

財務資產減值(續)

就若干財務資產類別，例如貿易應收款項而言，被評估為非個別減值之資產，乃於其後按整體基準進行減值評估。應收款項組合之客觀減值證據可包括本集團之過往收款經驗、組合內延遲還款至超逾一至兩個月之平均信貸期之次數增加，以及與應收款項逾期有關之全國或地方經濟狀況明顯改變。

就按攤銷成本列賬之財務資產而言，已確認減值虧損數額指該資產之賬面值與按財務資產原先實際利率貼現之估計未來現金流量之現值間之差額。

就按成本列賬之財務資產而言，減值虧損金額按資產賬面值與同類財務資產按現行市場回報率貼現之估計未來現金流量現值間之差額計量。該項減值虧損不會於往後期間撥回。

就所有財務資產而言，財務資產之賬面值直接按減值虧損減少，惟貿易及其他應收款項除外，其賬面值乃透過使用撥備賬而減少。撥備賬之賬面值變動於損益確認。倘應收款項被視為無法收回，則與撥備賬撇銷。其後收回過往撇銷之款項計入損益。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

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

In respect of AFS equity investments, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investment revaluation reserve. In respect of AFS debt investments, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

3. 重大會計政策(續)

財務工具(續)

財務資產(續)

財務資產減值(續)

倘可供銷售財務資產被視為已減值，先前於其他全面收入確認之累計收益或虧損重新分類至期內損益。

就按攤銷成本計量之財務資產而言，倘於往後期間，減值虧損金額減少，而該減少可客觀地與確認減值後發生之事件有關，則先前確認之減值虧損透過損益撥回，惟該投資於撥回減值日期之賬面值不得超過在並無確認減值之情況下應有之攤銷成本。

就可供銷售股本投資而言，先前於損益確認之減值虧損不會透過損益撥回。確認減值虧損後之任何公平值增加乃在其他全面收入確認，並於投資重估儲備內累積。就可供銷售債務投資而言，倘投資之公平值增加可客觀地與確認減值虧損後發生之事件有所關連，則減值虧損其後透過損益撥回。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements entered into 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.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Interest expense is recognised on an effective interest basis.

Financial liabilities at amortised cost

Financial liabilities (including other payables and borrowings) are subsequently measured at amortised cost, using the effective interest method.

3. 重大會計政策(續)

財務工具(續)

財務負債及股本工具

集團實體發行之債務及股本工具根據所訂立合約安排之內容以及財務負債及股本工具之定義分類為財務負債或股本。

股本工具

股本工具乃證明於實體資產經扣除一切負債後之剩餘權益之任何合約。本集團發行之股本工具於取得所得款項扣除直接發行成本後確認。

實際利率法

實際利率法乃用以計算財務負債之攤銷成本和在有關期間分配利息開支之方法。實際利率為於財務負債之預期年期或較短期間(如適用)內，用以準確地貼現估計未來現金付款(包括所有構成實際利率之一切已付或已收費用及點子、交易成本及其他溢價或折讓)至其於首次確認時之賬面淨值之利率。利息開支按實際利率基準確認。

按攤銷成本列賬之財務負債

財務負債(包括其他應付款項及借款)其後使用實際利率法按攤銷成本計量。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial guarantee contracts

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

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

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

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

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.

3. 重大會計政策(續)

財務工具(續)

財務擔保合約

財務擔保合約乃合約發行者根據某項債務工具原有或經修改之條款，因某特定債務人於到期日未能償還款項而須支付特定款項以補償合約持有者招致之損失之合約。

由本集團發行之財務擔保合約於首次確認時按公平值計量，有關合約如非指定按公平值列賬並計入損益，其後按下列較高者計量：

- (i) 根據香港會計準則第37號「撥備、或然負債及或然資產」釐定之合約責任金額；及
- (ii) 首次確認之金額減去(如適用)擔保期已確認之累計攤銷。

終止確認

僅當收取資產現金流量之合約權利屆滿，或財務資產已被轉讓而本集團已轉讓該項資產擁有權之絕大部分風險及回報予另一實體時，方會終止確認有關財務資產。

於終止確認整項財務資產時，該項資產賬面值與已收及應收代價及於其他全面收入中確認及於權益累計之累計收益或虧損之總和之差額會於損益確認。

僅當本集團之責任獲解除、註銷或屆滿時，方會終止確認財務負債。終止確認之財務負債賬面值與已付及應付代價之差額會於損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgments in applying accounting policies

The followings are the critical judgments, apart from those involving estimations, that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

4. 關鍵會計判斷及主要不確定估計來源

於應用附註3所述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。所作出之估計及相關假設乃以過往經驗及其他被視為相關之因素為基準。實際結果可能有別於該等估計。

估計及相關假設乃以持續基準審閱。倘對會計估計之修訂僅影響進行修訂之期間，則於該期間確認，或倘修訂會影響目前及未來期間，則於修訂及未來期間確認。

應用會計政策之關鍵判斷

以下為董事在應用本集團會計政策過程中所作出，且對綜合財務報表內已確認金額構成最重大影響之關鍵判斷（涉及估計的判斷除外）。

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Critical judgments in applying accounting policies (Continued)

Deferred taxation on investment properties

For the purposes of measuring deferred tax liabilities or deferred tax assets arising from investment properties that are measured using the fair value model, the directors of the Company have reviewed the Group's investment property portfolios and concluded certain of the investment properties located in the People's Republic of China (the "PRC") of carrying amount with HK\$10,360,347,000 at 31 March 2018 (2017: HK\$9,258,775,000) are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, the directors of the Company have determined that the presumption that the carrying amounts of such investment properties are recovered entirely through sale is rebutted. As a result, the Group has not recognised deferred taxes on LAT in respect of changes in fair value of such investment properties but has recognised deferred tax on Enterprise Income Tax ("EIT") on the assumption that these investment properties will be recovered through use.

4. 關鍵會計判斷及主要不確定估計來源(續)

應用會計政策之關鍵判斷(續)

投資物業之遞延稅項

為計量採用公平值模式計量之投資物業所產生之遞延稅項負債或遞延稅項資產，本公司董事已檢討本集團之投資物業組合，並斷定若干於二零一八年三月三十一日賬面值為10,360,347,000港元(二零一七年：9,258,775,000港元)之位於中華人民共和國(「中國」)之投資物業以旨在隨時間流逝消耗投資物業絕大部分內含經濟利益之業務模式持有，而非透過銷售持有。因此，本公司董事確定有關投資物業賬面值藉銷售全數收回之假設已被否定。因此，本集團並無就該等投資物業之公平值變動確認土地增值稅之遞延稅項，但倘假設投資物業將透過使用而收回，則將確認企業所得稅(「企業所得稅」)之遞延稅項。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Valuation of investment properties

Investment properties are stated at fair value based on the valuation performed by independent professional valuers. The valuation of investment properties requires the application of significant judgement and estimation in determining the appropriate valuation methodology to be used, use of subjective assumptions and various unobservable inputs. The valuation is sensitive to underlying assumptions applied by the valuers such as market comparable used and the capitalisation rate which can have a significant impact to the valuation.

In relying on the valuation report, the directors of the Company have exercised their judgement and are satisfied that the assumptions used in the valuation is reflective of the current market conditions and current development of the investment properties. Changes to these assumptions would result in changes in the fair values of the Group's investment properties and the corresponding adjustments to the amount of gain or loss reported in the consolidated statement of profit or loss. As at 31 March 2018, the carrying amount of investment properties is HK\$10,360,347,000 (2017: HK\$9,445,175,000).

4. 關鍵會計判斷及主要不確定估計來源(續)

主要不確定估計來源

以下為有關日後之主要假設及於申報期末其他主要不確定估計來源，而該等假設及不確定估計存在使下一個財政年度之資產及負債賬面值作出重大調整之重大風險。

投資物業估值

投資物業乃基於獨立專業估值師所進行之估值按公平值列賬。投資物業估值需要在釐定所使用的適當估值方法、主觀假設的使用和各項不可觀察的輸入數據時應用重大判斷和估計。估值對估值師採用的相關假設敏感，例如可能對估值產生重大影響的市場比較數據及資本化比率。

倚賴估值報告時，本公司董事已作出判斷並信納估值所使用之假設反映了投資物業的當前市況及當前發展狀況。該等假設的變化將導致本集團投資物業公平值變動及對綜合損益表所呈報之收益或虧損金額作出相應調整。於二零一八年三月三十一日，投資物業之賬面值為10,360,347,000港元(二零一七年：9,445,175,000港元)。

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Valuation of distressed debt assets classified as available-for-sale investments

The distressed assets are measured at fair value determined with reference to discounted cash flow model. The key unobservable inputs used by the management in discounted cash flows model included the expected recoverable amounts of the distressed debt assets, discount rates reflect both return requirements of the market and the risk inherent in the investment and expected recovery date. Changes in assumptions about these unobservable inputs could affect the estimated fair value of the distressed debt assets. As at 31 March 2018, the carrying amount of distressed debt assets is HK\$200,947,000 (2017: HK\$155,976,000).

Impairment review of properties held for sale ("PHS")

In the impairment review of the Group's PHS, the Group takes into consideration estimated net realisable value (e.g. future selling prices less estimated costs of selling expenses) and the properties presale agreements. Impairment is made if the estimated net realisable value of the PHS is less than the carrying amount. If the actual net realisable value of PHS is less than expected as a result of change in market condition, material write down may result. As at 31 March 2018, the carrying amount of PHS was HK\$96,761,000 (2017: HK\$1,132,151,000). During the year ended 31 March 2018, no impairment was recognised on PHS (2017: HK\$265,136,000).

4. 關鍵會計判斷及主要不確定估計來源(續)

主要不確定估計來源(續)

分類為可供銷售投資的不良債務資產估值

不良資產按公平值計量，並參照貼現現金流量模式釐定。管理層於貼現現金流模式中使用的主要不可觀察輸入數據包括不良債務資產預期可收回金額、反映市場回報要求及投資固有風險的貼現率以及預期收回日期。該等不可觀察輸入數據假設的變動將影響不良債務資產的預計公平值。於二零一八年三月三十一日，不良債務資產的賬面值為200,947,000港元(二零一七年：155,976,000港元)。

持作銷售物業(「持作銷售物業」)之減值檢討

對本集團持作銷售物業進行減值檢討時，本集團考慮估計可變現淨值(即未來售價減銷售開支之估計成本)及物業預售協議。倘持作銷售物業之估計可變現淨值低於賬面值，則作出減值。倘因市況發生變化，持作銷售物業之實際可變現淨值低於預期，則可能會導致重大撇減。於二零一八年三月三十一日，持作銷售物業之賬面值為96,761,000港元(二零一七年：1,132,151,000港元)。截至二零一八年三月三十一日止年度，就持作銷售物業概無確認減值(二零一七年：265,136,000港元)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Impairment review of interests in associates

Management regularly reviews the recoverable amount of interests in associates. Determining whether impairment is required involves the estimation of the recoverable amount of the associates to which exceed the carrying amount of the associates.

The recoverable amounts are determined by value in use calculation which are based on the Group's share of the present value of the estimated future cash flows expected to arise from dividends to be received from the interests in associates and the expected proceeds from the ultimate disposal of the investment. Where the actual future cash flows are less than expected, a material impairment loss may arise.

As at 31 March 2018, the carrying amount of interest in associates net of accumulated impairment loss of HK\$141,416,000, amounted to HK\$550,197,000. During the year ended 31 March 2018, impairment of HK\$46,767,000 (2017: HK\$70,281,000) was recognised on interests in associates.

Impairment review of intangible assets

Determining whether intangible assets are impaired requires an estimation of the value in use of the cash-generating units to which intangible assets have been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. The management performed an impairment assessment on intangible assets and no impairment loss was recognised for both years ended 31 March 2018 and 2017. As at 31 March 2018, the carrying amount of intangible assets was HK\$14,879,000 (2017: HK\$17,034,000).

4. 關鍵會計判斷及主要不確定估計來源(續)

主要不確定估計來源(續)

於聯營公司之權益之減值檢討

管理層定期審閱於聯營公司權益之可收回金額。釐定是否減值須對超過聯營公司賬面值之聯營公司可收回金額作出估計。

可收回金額根據使用價值釐定，使用價值乃基於本集團應佔預期產生之未來現金流量(包括自聯營公司權益所收取之股息及最終出售該項投資所得款項)現值。倘實際未來現金流量低於預期，則可能會出現重大減值虧損。

於二零一八年三月三十一日，於聯營公司之權益之賬面值(扣除累計減值虧損141,416,000港元)為550,197,000港元。於截至二零一八年三月三十一日止年度，就於聯營公司之權益確認減值為46,767,000港元(二零一七年：70,281,000港元)。

無形資產減值檢討

釐定無形資產是否減值須對獲分派無形資產之現金產生單位之使用價值作出估計。使用價值計算法要求本集團估計預期產生自現金產生單位之未來現金流量及適當貼現率以計算現值。倘實際未來現金流量低於預期，則可能會出現重大減值虧損。管理層已對無形資產進行減值評估，於截至二零一八年及二零一七年三月三十一日止兩個年度均無確認減值虧損。於二零一八年三月三十一日，無形資產之賬面值為14,879,000港元(二零一七年：17,034,000港元)。

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Impairment review of unlisted securities classified as available-for-sale investments

Determining whether the unlisted securities classified as available-for-sale investments are impaired requires an estimation of the carrying amount of the unlisted securities. The carrying amount of the available-for-sale investments may be adjusted to reflect the revised estimated cash flows when the Group reviews recoverable amount of the available-for-sale investments. During the years ended 31 March 2018 and 2017, no impairment was recognised on the unlisted securities classified as available-for-sale investments.

As at 31 March 2018, the carrying amount of unlisted securities classified as available-for-sale investments was HK\$44,538,000 (2017: HK\$37,412,000).

Impairment loss on short-term loans receivable

Management regularly reviews the recoverability of the short-term loans receivable and amounts due from associates. Appropriate impairment for estimated irrecoverable amount is recognised in profit or loss when there is objective evidence that the amount is not recoverable.

In determining whether allowance for bad and doubtful debts is required, the Group takes into consideration the aged status and the creditworthiness of each loans receivable. Specific allowance is only made for the loans receivable with high uncollectibility and is recognised on the difference between the carrying amount of loans receivable and the present value of estimated future cash flow discounted using the original effective interest rate. Where the actual future cash flows are less than expected, a material impairment loss may arise. During the year ended 31 March 2018, loan to an associate amounting to HK\$5,000,000 (2017: nil) was written off.

4. 關鍵會計判斷及主要不確定估計來源(續)

主要不確定估計來源(續)

分類為可供銷售投資之非上市證券之減值回顧

釐定分類為可供銷售投資之非上市證券是否減值須對非上市證券之賬面值作出估計。本集團檢討可供銷售投資之可收回金額時，可供銷售投資之賬面值可能須予調整以反映經修訂估計現金流量。截至二零一八年及二零一七年三月三十一日止兩個年度，就分類為可供銷售投資之非上市證券均無確認減值。

於二零一八年三月三十一日，分類為可供銷售投資之非上市證券的賬面值為44,538,000港元(二零一七年：37,412,000港元)。

應收短期貸款減值虧損

管理層會定期檢討應收短期貸款及應收聯營公司款項之可收回程度。倘有客觀證據證明金額無法收回，則就估計無法收回金額於損益確認適當減值。

釐定是否需要計提呆壞賬撥備時，本集團會考慮賬齡狀況及各應收貸款之信譽。倘應收貸款的不可收回性較高，方會計提特別撥備，而所確認金額為應收貸款之賬面值與估計未來現金流量按原實際利率貼現之現值間之差額。倘實際未來現金流量少於預期，則可能出現重大減值虧損。於截至二零一八年三月三十一日止年度，一間聯營公司貸款5,000,000港元(二零一七年：零)已撇銷。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

5. REVENUE

An analysis of the Group's revenue for the year is as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Sales of properties	物業銷售	974,278	–
Rental income	租金收入	129,604	57,899
Water supply business	供水業務	46,790	27,893
		1,150,672	85,792

6. SEGMENT INFORMATION

Information reported to the chief operating decision maker (i.e. the executive directors) for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services provided.

Segment revenue and results

The Group's reportable and operating segment are as follows:

Trading of securities	– Trading of investments held for trading in Hong Kong and overseas
Property development, investment and trading	– Development, investment and sale of properties and provision of property management services in the PRC and Hong Kong
Water supply	– Provision of water supply in the PRC

5. 收入

本集團年內所得收入之分析如下：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
銷售物業	974,278	–
租金收入	129,604	57,899
供水業務	46,790	27,893
	1,150,672	85,792

6. 分類資料

就資源分配及分類表現評估向主要營運決策者(即執行董事)呈報之資料主要有關所提供貨品或服務之類型。

分類收入及業績

本集團之可呈報及經營分類如下：

證券買賣	– 於香港及海外買賣持作買賣投資
物業發展、投資及買賣	– 於中國及香港發展、投資及銷售物業以及提供物業管理服務
供水	– 於中國提供供水服務

6. SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

The following is an analysis of the Group's revenue and results by reportable and operating segment.

6. 分類資料(續)

分類收入及業績(續)

按可呈報及經營分類劃分之本集團收入及業績之分析如下。

		Trading of securities 證券買賣 HK\$'000 千港元	Property development, investment and trading 物業發展、 投資及買賣 HK\$'000 千港元	Water supply 供水 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
For the year ended 31 March 2018	截至二零一八年 三月三十一日止年度				
REVENUE	收入				
Segment revenue	分類收入	-	1,103,882	46,790	1,150,672
SEGMENT (LOSS) PROFIT	分類(虧損)溢利	(7,327)	112,175	19,128	123,976
Interest income	利息收入				40,213
Unallocated corporate income	未分配企業收入				181
Unallocated corporate expenses	未分配企業支出				(228,957)
Exchange gain	匯兌收益				199,366
Finance costs (note)	財務費用(附註)				(424,378)
Impairment loss on interests in associates	於聯營公司之權益之 減值虧損				(46,767)
Impairment loss on available-for-sale investments	可供銷售投資之減值虧損				(3,553)
Written off of a loan to an associate	一間聯營公司貸款之撇銷				(5,000)
Gain on disposal of a joint venture	出售一間合營企業之收益				43,944
Share of results of associates	應佔聯營公司業績				(19,627)
Share of results of a joint venture	應佔一間合營企業業績				(8,463)
Loss before tax	除稅前虧損				(329,065)

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

6. SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

6. 分類資料(續)

分類收入及業績(續)

		Trading of securities 證券買賣 HK\$'000 千港元	Property development, investment and trading 物業發展、 投資及買賣 HK\$'000 千港元	Water supply 供水 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
For the year ended	截至二零一七年				
31 March 2017	三月三十一日止年度				
REVENUE	收入				
Segment revenue	分類收入	-	57,899	27,893	85,792
SEGMENT (LOSS) PROFIT	分類(虧損)溢利	(884)	2,564,915	5,613	2,569,644
Interest income	利息收入				15,960
Unallocated corporate income	未分配企業收入				1,147
Unallocated corporate expenses	未分配企業支出				(142,883)
Exchange loss	匯兌虧損				(110,026)
Finance costs (note)	財務費用(附註)				(247,417)
Impairment loss on interests in associates	於聯營公司之權益之減值虧損				(70,281)
Impairment loss on amount due from a joint venture	應收一間合營企業款項之減值虧損				(17,865)
Share of results of associates	應佔聯營公司業績				(19,488)
Share of results of a joint venture	應佔一間合營企業業績				(13,764)
Profit before tax	除稅前溢利				1,965,027

6. SEGMENT INFORMATION *(Continued)*

Segment revenue and results *(Continued)*

Note: The Group allocated certain borrowings to the segment liabilities without allocating the finance costs to segment results as the chief operating decision maker did not take into account of finance costs in the measurement of segment results.

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3. Segment (loss) profit represents (loss) profit incurred by each segment without allocation of interest income, unallocated corporate income, unallocated corporate expenses, exchange gain (loss), finance costs, gain on disposal of a joint venture, impairment loss on interests in associates, impairment loss on amount due from a joint venture, impairment loss on available-for-sale investments, written off of a loan to an associate, share of results of a joint venture and share of results of associates. This is the measure reported to the chief operating decision maker (i.e. executive directors) for the purpose of resource allocation and assessment of segment performance.

6. 分類資料(續)

分類收入及業績(續)

附註： 本集團將若干借款分配至分類負債，而並無將財務費用分配至分類業績，原因是主要營運決策者於計算分類業績時，並無計及財務費用。

經營分類之會計政策與附註3所述本集團之會計政策相同。分類(虧損)溢利指各分類所產生之(虧損)溢利，並無分配利息收入、未分配企業收入、未分配企業支出、匯兌收益(虧損)、財務費用、出售一間合營企業之收益、於聯營公司之權益之減值虧損、應收一間合營企業款項之減值虧損、可供銷售投資之減值虧損、一間聯營公司貸款之撇銷、應佔一間合營企業業績及應佔聯營公司業績。此乃就資源分配及分類表現評估向主要營運決策者(即執行董事)呈報之計量方式。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

6. SEGMENT INFORMATION (Continued)

Segment assets and liabilities

6. 分類資料(續)

分類資產及負債

		Trading of securities 證券買賣 HK\$'000 千港元	Property development, investment and trading 物業發展、 投資及買賣 HK\$'000 千港元	Water supply 供水 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
At 31 March 2018	於二零一八年 三月三十一日				
ASSETS	資產				
Segment assets	分類資產	100,083	11,056,034	134,862	11,290,979
Interests in associates	於聯營公司之權益				550,197
Available-for-sale investments	可供銷售投資				245,485
Short-term loans receivable	應收短期貸款				57,000
Bank balances and cash	銀行結餘及現金				176
Deferred tax assets	遞延稅項資產				32
Deposits for acquisition of interests in investments	收購投資權益之訂金				297,791
Deposit for acquisition of investment properties	收購投資物業之訂金				88,973
Other unallocated assets	其他未分配資產				92,416
Consolidated assets	綜合資產				12,623,049
LIABILITIES	負債				
Segment liabilities	分類負債	133,434	3,384,950	6,227	3,524,611
Borrowings	借款				2,681,800
Deferred tax liabilities	遞延稅項負債				1,504,132
Other unallocated liabilities	其他未分配負債				33,765
Consolidated liabilities	綜合負債				7,744,308

6. SEGMENT INFORMATION (Continued)
Segment assets and liabilities (Continued)

6. 分類資料(續)
分類資產及負債(續)

		Trading of securities 證券買賣 HK\$'000 千港元	Property development, investment and trading 物業發展、 投資及買賣 HK\$'000 千港元	Water supply 供水 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
At 31 March 2017	於二零一七年 三月三十一日				
ASSETS	資產				
Segment assets	分類資產	161,352	10,740,703	114,115	11,016,170
Interests in associates	於聯營公司之權益				601,265
Amount due from a joint venture	應收一間合營企業款項				31,345
Amounts due from associates	應收聯營公司款項				46,511
Available-for-sale investments	可供銷售投資				193,388
Short-term loans receivable	應收短期貸款				57,000
Bank balances and cash	銀行結餘及現金				78
Deferred tax assets	遞延稅項資產				32
Deposits for acquisition of interests in investments	收購投資權益之訂金				237,378
Deposit for acquisition of investment properties	收購投資物業之訂金				2,770
Other unallocated assets	其他未分配資產				249,867
Consolidated assets	綜合資產				12,435,804
LIABILITIES	負債				
Segment liabilities	分類負債	87,170	3,406,541	3,938	3,497,649
Borrowings	借款				2,390,140
Deferred tax liabilities	遞延稅項負債				1,331,093
Other unallocated liabilities	其他未分配負債				191,028
Consolidated liabilities	綜合負債				7,409,910

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

6. SEGMENT INFORMATION *(Continued)*

Segment assets and liabilities *(Continued)*

For the purposes of monitoring segment performances and allocating resources between segments:

- assets are allocated to reportable and operating segments other than certain property, plant and equipment, interests in associates, amount due from a joint venture, amounts due from associates, deposits for acquisition of investment properties, available-for-sale investments, short-term loans receivable, deposits for acquisition of interests in investments, deferred tax assets, certain other receivables and prepayments and certain bank balances and cash; and
- liabilities are allocated to reportable and operating segments other than unallocated other payables and accruals, certain borrowings, tax payable and deferred tax liabilities.

6. 分類資料(續)

分類資產及負債(續)

就監控分類表現及於分類間分配資源而言：

- 除若干物業、機器及設備、於聯營公司之權益、應收一間合營企業款項、應收聯營公司款項、收購投資物業之訂金、可供銷售投資、應收短期貸款、收購投資權益之訂金、遞延稅項資產、若干其他應收款項及預付款項以及若干銀行結餘及現金外，資產已分配至可呈報及經營分類；及
- 除未分配其他應付款項及應計費用、若干借款、應付稅項及遞延稅項負債外，負債已分配至可呈報及經營分類。

6. SEGMENT INFORMATION (Continued)

Other segment information

6. 分類資料(續)

其他分類資料

For the year ended 31 March 2018	截至二零一八年 三月三十一日止年度	Trading of securities 證券買賣 HK\$'000 千港元	Property development, investment and trading 物業發展、 投資及買賣 HK\$'000 千港元	Water supply 供水 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Amounts included in the measure of segment (loss) profit and segment assets	計量分類(虧損)溢利及分類資產 所計入之金額					
Additions to property, plant and equipment	添置物業、機器及設備	-	33	78	469	580
Gain on disposal of property, plant and equipment	出售物業、機器及設備之收益	-	-	42	-	42
Release of prepaid lease payments	預付租賃付款撥回	-	2,778	556	-	3,334
Amortisation of intangible assets	無形資產攤銷	-	-	2,155	-	2,155
Loss on fair value changes on investments held for trading	持作買賣投資之公平值變動虧損	7,857	-	-	-	7,857
Gain on fair value changes on investment properties	投資物業之公平值變動收益	-	150,106	-	-	150,106
Depreciation of property, plant and equipment	物業、機器及設備折舊	-	855	4,709	3,305	8,869
Written off of a loan to an associate	一間聯營公司貸款之撇銷	-	-	-	5,000	5,000

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

6. SEGMENT INFORMATION (Continued)

Other segment information (Continued)

6. 分類資料(續)

其他分類資料(續)

		Trading of securities 證券買賣 HK\$'000 千港元	Property development, investment and trading 物業發展、 投資及買賣 HK\$'000 千港元	Water supply 供水 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
For the year ended 31 March 2017	截至二零一七年 三月三十一日止年度					
Amounts included in the measure of segment (loss) profit and segment assets	計量分類(虧損)溢利及分類資產 所計入之金額					
Additions to property, plant and equipment	添置物業、機器及設備	-	1,051	-	3,342	4,393
Gain on disposal of property, plant and equipment	出售物業、機器及設備之收益	-	-	445	-	445
Release of prepaid lease payments	預付租賃付款撥回	-	-	572	-	572
Amortisation of intangible assets	無形資產攤銷	-	-	2,155	-	2,155
Loss on fair value changes on investments held for trading	持作買賣投資之公平值變動虧損	1,558	-	-	-	1,558
Gain on fair value changes upon transfer of properties under development for sale to investment properties	由待售發展中物業轉撥至投資物 業時之公平值變動收益	-	2,732,380	-	-	2,732,380
Gain on fair value changes on investment properties	投資物業之公平值變動收益	-	229,217	-	-	229,217
Depreciation of property, plant and equipment	物業、機器及設備折舊	-	1,106	4,862	2,491	8,459

6. SEGMENT INFORMATION *(Continued)*

Geographical information

The Group's revenue from external customers based on the location of the property for property development, investment and trading segment and the location of customers for other segments, and information about its non-current assets by geographical location of the assets are detailed below:

		Revenue from external customers 來自外部客戶之收入		Non-current assets <i>(note)</i> 非流動資產 (附註)	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Hong Kong	香港	5,273	4,359	568,623	801,870
PRC	中國	1,145,399	81,433	10,570,478	9,355,475
Overseas	海外	-	-	14,152	-
		1,150,672	85,792	11,153,253	10,157,345

Note: Non-current assets excluded amount due from a joint venture, available-for-sale investments and deferred tax assets.

6. 分類資料(續)

地域資料

就物業發展、投資及買賣分類按物業所在地及就其他分類按客戶所在地劃分本集團來自外部客戶之收入，以及按資產地域位置劃分之非流動資產詳述如下：

附註：非流動資產不包括應收一間合營企業款項、可供銷售投資及遞延稅項資產。

Information about major customers

For the year ended 31 March 2018, there was one customer (2017: one customer) who is an independent third party to the Group and accounted for over 10% of total revenue with revenue of HK\$175,576,000 (2017: HK\$20,885,000) related to property development, investment and trading segment (2017: water supply segment).

有關主要客戶之資料

截至二零一八年三月三十一日止年度，物業發展、投資及買賣分類(二零一七年：供水分類)中一名(二零一七年：一名)屬本集團獨立第三方之客戶佔總收入逾10%，有關收入為175,576,000港元(二零一七年：20,885,000港元)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

7. OTHER INCOME

7. 其他收入

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Interest income on	下列各項之利息收入		
– bank deposits	— 銀行存款	1,436	432
– short-term loans receivable	— 應收短期貸款	6,850	7,656
– available-for-sale investments	— 可供銷售投資	31,739	7,664
– others	— 其他	188	208
		40,213	15,960
Dividend income from investments held for trading	來自持作買賣投資之股息收入	530	674
Others	其他	181	139
		40,924	16,773

8. OTHER GAINS AND LOSSES AND OTHER EXPENSES

8. 其他收益及虧損以及其他開支

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Other gains and losses	其他收益及虧損		
Gain on fair value changes upon transfer of properties under development for sale to investment properties	由待售發展中物業轉撥至投資物業時之公平值變動收益	-	2,732,380
Gain on fair value changes on investment properties (note 17)	投資物業之公平值變動收益(附註17)	150,106	229,217
Gain on disposal of property, plant and equipment	出售物業、機器及設備之收益	42	445
Gain on disposal of a joint venture (note 21)	出售一間合營企業之收益(附註21)	43,944	-
Exchange gain (loss)	匯兌收益(虧損)	199,366	(110,026)
Loss on fair value changes on investments held for trading	持作買賣投資之公平值變動虧損	(7,857)	(1,558)
Others	其他	-	758
		385,601	2,851,216
Other expenses	其他開支		
Other transaction costs on issue of other borrowings	發行其他借款之其他交易成本	(9,425)	-
Early repayment fee on other borrowing	其他借款之提前償還費用	(39,683)	-
Other transaction costs on issue of loan notes	發行貸款票據之其他交易成本	-	(70,449)
Impairment loss on properties held for sale	持作銷售物業之減值虧損	-	(265,136)
Impairment loss on available-for-sale investment (note 22)	可供銷售投資之減值虧損(附註22)	(3,553)	-
Impairment loss on goodwill arising from acquisition of subsidiaries (note 36)	收購附屬公司所產生之商譽之減值虧損(附註36)	-	(115,578)
Impairment loss on interests in associates (note 20)	於聯營公司之權益之減值虧損(附註20)	(46,767)	(70,281)
Impairment loss on amount due from a joint venture	應收一間合營企業款項之減值虧損	-	(17,865)
Written off of a loan to an associate	一間聯營公司貸款之撇銷	(5,000)	-
Impairment loss on club debentures	會所債券之減值虧損	-	(700)
Loss arising from financial guarantee contracts (note 37)	財務擔保合同所產生之虧損(附註37)	(25,500)	-
		(129,928)	(540,009)
		255,673	2,311,207

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

9. FINANCE COSTS

9. 財務費用

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Interest on bank and other borrowings	銀行及其他借款之利息	424,378	278,784
Less: amounts capitalised in properties under development for sale	減：於待售發展中物業中資本化之金額	-	[31,367]
		424,378	247,417

Borrowing cost capitalised in prior year arose from specific borrowings.

於過往年度撥充資本之借款成本乃因特定借款而產生。

10. INCOME TAX EXPENSE

10. 所得稅支出

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Income tax expense comprises:	所得稅支出包括：		
Current tax:	即期稅項：		
PRC EIT	中國企業所得稅	54,965	2,396
PRC LAT	中國土地增值稅	72,881	-
Deferred tax charge (note 33)	遞延稅項支出(附註33)	40,924	740,476
		168,770	742,872

There was no estimated assessable profit of Hong Kong Profits Tax for both years.

兩個年度均無香港利得稅估計應課稅溢利。

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法之實施條例，兩個年度之中國附屬公司稅率均為25%。

10. INCOME TAX EXPENSE (Continued)

The provision of LAT is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT has been levied at progressive rates ranging from 30% to 60% on the appreciation of land value, represented by the excess of sales proceeds of properties over prescribed direct costs. Prescribed direct costs are defined to include costs of land, development and construction costs, as well as certain costs relating to the property development. According to the State Administration of Taxation's official circulars, LAT shall be payable provisionally upon sales of the properties, followed by final ascertainment of the gain at the completion of the properties development.

The income tax expense for the year can be reconciled to the (loss) profit before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

10. 所得稅支出(續)

計提土地增值稅撥備是按有關中國稅法及規例要求而估算。按土地增值金額(根據物業銷售收入扣去指定直接成本)以累進稅率30%至60%基準繳交土地增值稅。指定直接成本界定為土地成本、發展及建築成本,及其他關於房產發展的成本。按照國家稅務總局之官方公告,銷售樓宇時應暫繳土地增值稅,到房產發展完成後才確認所得收益。

年內所得稅支出與綜合損益及其他全面收益表內除所得稅前(虧損)溢利之對賬如下:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
(Loss) profit before tax	除稅前(虧損)溢利	(329,065)	1,965,027
Tax (credit) charge at applicable tax rate of 25% (2017: 25%) (note)	按適用稅率25% (二零一七年: 25%) 計算之稅項(抵免)扣除(附註)	(82,266)	491,257
Tax effect of share of results of associates	應佔聯營公司業績之稅務影響	4,907	4,872
Tax effect of share of results of a joint venture	應佔一間合營企業業績之稅務影響	2,116	3,441
PRC LAT	中國土地增值稅	72,881	-
Tax effect of PRC LAT	中國土地增值稅之稅務影響	(18,220)	-
Tax effect of income not taxable for tax purposes	毋須繳稅收入之稅務影響	(19,423)	(388)
Tax effect of expenses not deductible for tax purposes	不能扣稅開支之稅務影響	34,611	123,500
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	174,164	120,190
Income tax expense for the year	年內所得稅支出	168,770	742,872

Note: The Group's major operating subsidiaries are located in the PRC and accordingly, income tax rate of 25% is adopted.

附註: 本集團之主要營運附屬公司位於中國, 因此採納25%之所得稅稅率。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

11. (LOSS) PROFIT FOR THE YEAR

11. 年內(虧損)溢利

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
(Loss) profit for the year has been arrived at after charging (crediting):	年內(虧損)溢利乃於扣除(計入)下列各項後達致：		
Staff costs (including directors' emoluments):	員工成本(包括董事酬金)：		
Salaries and other benefits	薪金及其他福利	26,462	21,977
Retirement benefits scheme contributions	退休福利計劃供款	1,846	1,957
		28,308	23,934
Auditor's remuneration	核數師酬金	4,352	3,859
Cost of inventories sold	已售存貨成本	1,093,280	17,027
Amortisation of intangible assets (included in administrative expenses)	無形資產攤銷(已計入行政開支)	2,155	2,155
Depreciation of property, plant and equipment	物業、機器及設備折舊	8,869	8,459
Release of prepaid lease payments	預付租賃付款撥回	3,334	572
Rental income under operating lease on investment properties less negligible outgoings	經營租約項下之投資物業租金收入減小額開支	(129,604)	(57,899)

12. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' REMUNERATION

(a) Directors' remuneration

Directors' and chief executive's remuneration for the year, disclosed pursuant to the applicable Listing Rules and CO, is as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
EXECUTIVE DIRECTORS	執行董事		
Yap, Allan (<i>Chief Executive</i>)	葉家海 (<i>行政總裁</i>)		
Fees	袍金	-	-
Other emoluments:	其他酬金：		
Salaries and other benefits	薪金及其他福利	2,400	2,400
Retirement benefits scheme contributions	退休福利計劃供款	18	18
		2,418	2,418
Heung Pik Lun, Edmond	向碧倫		
Fees	袍金	-	-
Other emoluments:	其他酬金：		
Salaries and other benefits	薪金及其他福利	2,160	2,160
Retirement benefits scheme contributions	退休福利計劃供款	18	18
		2,178	2,178
Wu Guangsheng (appointed on 14 September 2016)	吳光勝 (於二零一六年九月十四日獲委任)		
Fees	袍金	-	-
Other emoluments:	其他酬金：		
Salaries and other benefits	薪金及其他福利	360	197
Retirement benefits scheme contributions	退休福利計劃供款	18	10
		378	207
Sub-total	小計	4,974	4,803

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Group.

12. 董事、行政總裁及僱員薪酬

(a) 董事薪酬

根據適用上市規則及公司條例披露之年內董事及行政總裁薪酬如下：

上表所列執行董事之酬金主要為彼等就本集團事務提供管理服務之酬金。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

12. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' REMUNERATION (Continued)

(a) Directors' remuneration (Continued)

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
INDEPENDENT NON-EXECUTIVE DIRECTORS	獨立非執行董事		
Kwok Ka Lap, Alva	郭嘉立		
Fees	袍金	100	88
Other emoluments:	其他酬金：		
Salaries and other benefits	薪金及其他福利	-	-
Retirement benefits scheme contributions	退休福利計劃供款	-	-
		100	88
Sin Chi Fai	冼志輝		
Fees	袍金	80	72
Other emoluments:	其他酬金：		
Salaries and other benefits	薪金及其他福利	-	-
Retirement benefits scheme contributions	退休福利計劃供款	-	-
		80	72
Poon Kwok Hing, Albert	潘國興		
Fees	袍金	100	88
Other emoluments:	其他酬金：		
Salaries and other benefits	薪金及其他福利	-	-
Retirement benefits scheme contributions	退休福利計劃供款	-	-
		100	88
Wu Chun Wah (appointed on 30 June 2016)	鄔鎮華(於二零一六年六月三十日獲委任)		
Fees	袍金	180	136
Other emoluments:	其他酬金：		
Salaries and other benefits	薪金及其他福利	-	-
Retirement benefits scheme contributions	退休福利計劃供款	-	-
		180	136
Sub-total	小計	460	384
Total	合計	5,434	5,187

The independent non-executive directors' emoluments shown above were for their services as directors of the Company.

上表所列獨立非執行董事之酬金主要為彼等擔任本公司董事所提供服務之酬金。

12. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' REMUNERATION (Continued)

(a) Directors' remuneration (Continued)

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Total	合計		
Directors' fees	董事袍金	460	384
Other emoluments:	其他酬金：		
Salaries and other benefits	薪金及其他福利	4,920	4,757
Retirement benefits scheme contributions	退休福利計劃供款	54	46
		5,434	5,187

(b) Employees' remuneration

The emoluments of the five highest paid individuals of the Group included two directors (2017: two directors) for the year ended 31 March 2018, whose emoluments are included in (a) above. The aggregate emoluments of the remaining three individuals are as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	2,966	2,942
Retirement benefits scheme contributions	退休福利計劃供款	85	85
		3,051	3,027

12. 董事、行政總裁及僱員薪酬(續)

(a) 董事薪酬(續)

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Total	合計		
Directors' fees	董事袍金	460	384
Other emoluments:	其他酬金：		
Salaries and other benefits	薪金及其他福利	4,920	4,757
Retirement benefits scheme contributions	退休福利計劃供款	54	46
		5,434	5,187

(b) 僱員薪酬

截至二零一八年三月三十一日止年度，本集團五位最高薪人士包括兩名董事(二零一七年：兩名董事)，彼等之酬金已於上文(a)呈列。其餘三名人士之酬金總額如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	2,966	2,942
Retirement benefits scheme contributions	退休福利計劃供款	85	85
		3,051	3,027

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

12. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' REMUNERATION (Continued)

(b) Employees' remuneration (Continued)

		Number of employees 僱員人數	
		2018 二零一八年	2017 二零一七年
Nil to HK\$1,000,000	零至1,000,000港元	1	1
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	2	2
		3	3

No inducement paid or payable to directors to join or upon joining the Group in both years and no directors waived any emoluments in both years.

於該兩個年度，並無已付或應付董事加盟或於加盟本集團時之獎勵，亦無董事放棄該兩個年度之任何酬金。

13. DIVIDEND

Dividends recognised as distribution during the year:	年內確認為分派之股息：
Nil (2017: 2016 final dividend HK3 cents per share)	零(二零一七年：二零一六年末期股息每股3港仙)

The 2016 final dividend paid in cash and in scrip shares amounted to HK\$110,454,000 and HK\$41,247,000, respectively. For details of the scrip shares, please refer to the Company's circular dated 7 October 2016.

No final dividend was proposed for the year ended 31 March 2018.

13. 股息

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
-	151,701

以現金及代息股份派付之二零一六年末期股息分別為110,454,000港元及41,247,000港元。有關代息股份之詳情，請參閱本公司日期為二零一六年十月七日之通函。

不建議派付截至二零一八年三月三十一日止年度之末期股息。

14. (LOSS) EARNINGS PER SHARE

The calculation of the basic (loss) earnings per share attributable to owners of the Company is based on the following data:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
(Loss) profit for the year attributable to owners of the Company	本公司擁有人應佔年內 (虧損)溢利	(502,839)	1,220,221
		2018 二零一八年 '000 千股	2017 二零一七年 '000 千股
Number of shares:	股份數目：		
Weighted average number of ordinary shares	普通股加權平均數目	10,298,189	9,531,685

No diluted (loss) earnings per share has been presented as there were no potential ordinary shares outstanding for both years.

14. 每股(虧損)盈利

本公司擁有人應佔每股基本(虧損)盈利乃按以下數據計算：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
(Loss) profit for the year attributable to owners of the Company	本公司擁有人應佔年內 (虧損)溢利	(502,839)	1,220,221
		2018 二零一八年 '000 千股	2017 二零一七年 '000 千股
Number of shares:	股份數目：		
Weighted average number of ordinary shares	普通股加權平均數目	10,298,189	9,531,685

由於兩個年度均無發行在外之潛在普通股，故並無呈列每股攤薄(虧損)盈利。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、機器及設備

		Buildings	Plant and machinery	Furniture, fixtures and equipment 傢具、裝置及設備	Motor vehicles	Vessel	Total
		樓宇 HK\$'000 千港元	機器及設備 HK\$'000 千港元	及設備 HK\$'000 千港元	汽車 HK\$'000 千港元	船隻 HK\$'000 千港元	總額 HK\$'000 千港元
COST	成本						
At 1 April 2016	於二零一六年四月一日	89,302	7,596	19,922	8,540	9,750	135,110
Currency realignment	外幣調整	(4,161)	(526)	(309)	(129)	-	(5,125)
Additions	添置	-	-	1,326	3,067	-	4,393
Acquisition of subsidiaries (note 36)	收購附屬公司(附註36)	-	3,505	618	394	-	4,517
Disposals	出售	-	-	(1,036)	(3,831)	-	(4,867)
Write off	撇銷	-	-	(7,039)	(1,500)	-	(8,539)
At 31 March 2017	於二零一七年三月三十一日	85,141	10,575	13,482	6,541	9,750	125,489
Currency realignment	外幣調整	6,811	1,035	701	269	-	8,816
Additions	添置	-	-	580	-	-	580
Acquisition of subsidiaries (note 36)	收購附屬公司(附註36)	-	-	2,284	-	-	2,284
Disposals	出售	-	-	-	(305)	-	(305)
At 31 March 2018	於二零一八年三月三十一日	91,952	11,610	17,047	6,505	9,750	136,864
DEPRECIATION	折舊及減值						
At 1 April 2016	於二零一六年四月一日	52,175	5,259	14,802	7,789	2,221	82,246
Currency realignment	外幣調整	(1,908)	(323)	(289)	(94)	-	(2,614)
Provided for the year	年內撥備	4,168	1,232	1,514	895	650	8,459
Eliminated upon disposals	出售時對銷	-	-	(1,000)	(3,556)	-	(4,556)
Eliminated upon write off	撇銷時對銷	-	-	(7,039)	(1,500)	-	(8,539)
At 31 March 2017	於二零一七年三月三十一日	54,435	6,168	7,988	3,534	2,871	74,996
Currency realignment	外幣調整	3,522	650	520	187	-	4,879
Provided for the year	年內撥備	4,234	835	2,251	899	650	8,869
Eliminated upon disposals	出售時對銷	-	-	-	(305)	-	(305)
At 31 March 2018	於二零一八年三月三十一日	62,191	7,653	10,759	4,315	3,521	88,439
CARRYING VALUE	賬面值						
At 31 March 2018	於二零一八年三月三十一日	29,761	3,957	6,288	2,190	6,229	48,425
At 31 March 2017	於二零一七年三月三十一日	30,706	4,407	5,494	3,007	6,879	50,493

15. PROPERTY, PLANT AND EQUIPMENT (Continued)

The above items of property, plant and equipment are depreciated on straight-line basis at the following rates per annum.

Buildings	Over the period of the leases or 2% – 5%
Plant and machinery	10% – 20%
Furniture, fixtures and equipment	10% – 33%
Motor vehicles	20% – 25%
Vessel	6.7%

The Group's buildings are situated on a piece of land in the PRC with medium-term leases.

16. PREPAID LEASE PAYMENTS

The Group's prepaid lease payments comprise leasehold lands in the PRC held under medium-term land use rights.

15. 物業、機器及設備(續)

上述物業、機器及設備項目乃按直線法及以下年率折舊。

樓宇	按租約年期或 2%-5%
機器及設備	10%-20%
傢具、裝置及 設備	10%-33%
汽車	20%-25%
船隻	6.7%

本集團之樓宇位於中國一幅中期租約土地。

16. 預付租賃付款

本集團之預付租賃付款包括在中國根據中期土地使用權持有之租賃土地。

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Analysed for reporting purposes as:	就呈報目的而作出分析：		
Non-current asset	非流動資產	33,785	35,288
Current asset	流動資產	4,392	3,227
		38,177	38,515

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

17. INVESTMENT PROPERTIES

17. 投資物業

		HK\$'000 千港元
FAIR VALUE	公平值	
At 1 April 2016	於二零一六年四月一日	181,560
Exchange realignment	匯兌調整	(252,339)
Changes in fair value recognised in profit or loss	於損益確認之公平值變動	229,217
Acquisition of subsidiaries (note 36)	收購附屬公司(附註36)	2,829,901
Acquisition of assets through acquisition of subsidiaries (note 35)	透過收購附屬公司收購資產(附註35)	162,499
Transferred from properties under development for sale	轉自待售發展中物業	6,076,655
Additions	添置	217,682
At 31 March 2017	於二零一七年三月三十一日	9,445,175
Exchange realignment	匯兌調整	916,335
Changes in fair value recognised in profit or loss	於損益確認之公平值變動	150,106
Transferred from properties held for sale	轉自持作銷售物業	17,653
Transferred to assets held for sale (note 29)	轉至持作銷售資產(附註29)	(196,000)
Additions	添置	27,078
At 31 March 2018	於二零一八年三月三十一日	10,360,347

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are classified and accounted for as investment properties and measured using the fair value model.

所有本集團為賺取租金或作資本增值用途而持有之物業權益均列為投資物業入賬，並採用公平值模式計量。

17. INVESTMENT PROPERTIES *(Continued)*

The fair values of the Group's investment properties at 31 March 2018, 31 March 2017, the date of transfer from properties under development for sale/properties held for sale and the date of acquisition of subsidiaries have been arrived at on the basis of valuations carried out on the respective dates by Ascent Partners Valuation Service Limited, for investment properties located in Hong Kong, and Norton Appraisals Holdings Limited, for investment properties located in the PRC, independent qualified professional valuers. Ascent Partners Valuation Service Limited and Norton Appraisals Holdings Limited have appropriate qualifications and recent experience in the valuation of properties in the relevant locations.

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

The fair value of investment properties located in Hong Kong and certain investment properties in the PRC is determined by using direct comparison approach assuming sale of the property interest in its existing state by making reference to comparable sales transactions as available in the relevant market, adjusted for various unobservable inputs.

The fair value of certain investment properties located in the PRC is determined by using income capitalisation approach. The income capitalisation approach is calculated by capitalising the rental income derived from the existing tenancies with due provision for any reversionary income potential.

17. 投資物業(續)

本集團於二零一八年三月三十一日、二零一七年三月三十一日、自待售發展中物業／持作銷售物業轉撥當日及收購附屬公司當日之投資物業公平值乃按與獨立合資格專業估值師艾升評值諮詢有限公司(就位於香港之投資物業而言)及普敦國際評估有限公司(就位於中國之投資物業而言)於各自日期所進行之估值釐定。艾升評值諮詢有限公司及普敦國際評估有限公司擁有合適資格及近期評估相關地區物業之經驗。

於估計物業之公平值時，物業之最高及最佳用途為目前用途。

位於香港之投資物業及中國若干投資物業之公平值乃採用直接比較法於參考相關市場可得並可予比較之銷售交易後假設以物業現況出售物業權益而釐定，並就各種不可觀察輸入數據進行調整。

位於中國之若干投資物業之公平值乃採用收入資本化法釐定。收入資本化法透過將從現有租戶收取之租金收入撥充資本連同就任何潛在復歸收入作出適當撥備計算。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

17. INVESTMENT PROPERTIES (Continued)

All of the investment properties are categorised into Level 3 of the fair value hierarchy and below is a table which presents the significant unobservable inputs.

17. 投資物業(續)

所有投資物業均分類為第三級公平值層級，下表列示重大不可觀察輸入數據。

		Unobservable inputs (note a) 不可觀察輸入數據(附註a)			
		Fair value 公平值	Capitalisation rate 資本化比率	Market rent 市場租金 (per square meter) (每平方米)	Adjusted market price 經調整市價 (per square feet) (每平方米) (note b) (附註b)
Hong Kong (note c) Office	香港(附註c) 辦公室	HK\$183,400,000 (2017: HK\$175,000,000) 183,400,000港元 (二零一七年: 175,000,000港元)	N/A	N/A	HK\$19,621 (2017: HK\$18,723)
			不適用	不適用	19,621港元 (二零一七年: 18,723港元)
Car park	停車場	HK\$12,600,000 (2017: HK\$11,400,000) 12,600,000港元 (二零一七年: 11,400,000港元)	N/A	N/A	N/A
			不適用	不適用	2,100,000港元 (二零一七年: 1,900,000港元)
The PRC (note c) Retail	中國(附註c) 零售	HK\$8,717,225,000 (2017: HK\$7,953,696,000) 8,717,225,000港元 (二零一七年: 7,953,696,000港元)	2.75% to 4.5% (2017: 3% to 4.75%)	RMB95 to RMB1,200 (2017: RMB85 to RMB1,200) 人民幣95元至 人民幣1,200元 (二零一七年: 人民幣85元至 人民幣1,200元)	N/A
			2.75%至4.5% (二零一七年: 3%至4.75%)	人民幣95元至 人民幣1,200元 (二零一七年: 人民幣85元至 人民幣1,200元)	不適用
Office	辦公室	HK\$1,425,031,000 (2017: HK\$1,118,510,000) 1,425,031,000港元 (二零一七年: 1,118,510,000港元)	5.25% (2017: 5.75%)	RMB195 to RMB210 (2017: RMB185 to RMB250) 人民幣195元至 人民幣210元 (二零一七年: 人民幣185元至 人民幣250元)	N/A
			5.25% (二零一七年: 5.75%)	人民幣195元至 人民幣210元 (二零一七年: 人民幣185元至 人民幣250元)	不適用
Car park	停車場	HK\$218,091,000 (2017: HK\$186,569,000) 218,091,000港元 (二零一七年: 186,569,000港元)	N/A	N/A	N/A
			不適用	不適用	RMB380,950 to RMB500,000 (2017: RMB300,000 to RMB500,000) 人民幣380,950元至 人民幣500,000元 (二零一七年: 人民幣300,000元至 人民幣500,000元)

17. INVESTMENT PROPERTIES *(Continued)*

Notes:

- (a) The relationship of unobservable inputs to fair value are (i) the higher the capitalisation rate, the lower the fair value; (ii) the higher the market rent, the higher the fair value; and (iii) the higher the adjusted market price, the higher the fair value.
- (b) Adjusted market price has taken into account of property-specific adjustments including location and timing of reference transactions.
- (c) Fair value measurement of investment properties is positively correlated to the market rent and adjusted market price, but inversely correlated to the capitalisation rate.

There is no transfer into or out of Level 3 during years ended 31 March 2018 and 31 March 2017.

17. 投資物業(續)

附註：

- (a) 公平值與不可觀察輸入數據之關係為：(i)資本化比率愈高，公平值愈低；(ii)市場租金愈高，公平值愈高；及(iii)經調整市價愈高，公平值愈高。
- (b) 經調整市價已計及針對物業之調整，包括參考交易之地點及時間。
- (c) 投資物業之公平值計量與市場租金及經調整市價正相關，但與資本化比率反相關。

截至二零一八年三月三十一日及二零一七年三月三十一日止年度，概無轉入或轉出第三級。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

18. INTANGIBLE ASSETS

18. 無形資產

		Customer contracts 客戶合約 HK\$'000 千港元	Operating right to water supply business 供水業務 經營權利 HK\$'000 千港元	Total 總額 HK\$'000 千港元
COST	成本			
At 1 April 2016, 31 March 2017 and 31 March 2018	於二零一六年四月一日、 二零一七年三月三十一日及 二零一八年三月三十一日	31,472	13,395	44,867
AMORTISATION	攤銷			
At 1 April 2016	於二零一六年四月一日	19,777	5,901	25,678
Charge for the year	年內扣除	1,732	423	2,155
At 31 March 2017	於二零一七年三月三十一日	21,509	6,324	27,833
Charge for the year	年內扣除	1,732	423	2,155
At 31 March 2018	於二零一八年三月三十一日	23,241	6,747	29,988
CARRYING VALUE	賬面值			
At 31 March 2018	於二零一八年三月三十一日	8,231	6,648	14,879
At 31 March 2017	於二零一七年三月三十一日	9,963	7,071	17,034

18. INTANGIBLE ASSETS (Continued)

The above intangible assets were purchased as part of the acquisition of Regrowth Resources Limited (water supply business) during the year ended 31 March 2008.

During both years ended 31 March 2018 and 2017, the Group had not recognised any impairment loss in relation to the customer contracts and operating right included in intangible assets arising on acquisition of water supply business, which is included in the cash-generating unit ("CGU") of water supply business.

The above intangible assets have finite lives and are amortised on a straight-line basis over the following periods:

Customers contracts	10 – 15 years
Operating right to water supply business	26 years

18. 無形資產(續)

上述無形資產乃於截至二零零八年三月三十一日止年度內購入，作為收購新生資源有限公司(供水業務)之一部分。

於截至二零一八年及二零一七年三月三十一日止年度，本集團就客戶合約及經營權利(已計入收購供水業務所產生之無形資產)並無確認任何減值虧損(計入供水業務之現金產生單位(「現金產生單位」))。

上述無形資產之使用年期有限，於下列期間按直線基準攤銷：

客戶合約	10-15年
供水業務經營權利	26年

19. GOODWILL

19. 商譽

		2018 二零一八年 HK\$'000 千港元
COST	成本	
At 1 April 2017	於二零一七年四月一日	-
Exchange realignment	匯兌調整	791
Arising on acquisition of a subsidiary (note 36)	產生自收購一間附屬公司(附註36)	13,361
At 31 March 2018	於二零一八年三月三十一日	14,152

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

19. GOODWILL *(Continued)*

During the year ended 31 March 2018, the Group acquired 51% equity interests in Fullpay K.K. ("Fullpay") and goodwill arising on acquisition of Fullpay amounted to HK\$14,152,000.

For the purposes of impairment testing, goodwill has been allocated to the CGU of sourcing and provision of electronic fund transfer at point of sale ("EFT-POS") services ("sourcing and EFT-POS business").

The recoverable amount of the sourcing and EFT-POS business has been determined based on the value in use calculation. That calculation uses cash flow projections based on financial budgets approved by management covering a five-year period, and discount rate of 15.3%, cash flows beyond the five-year period are extrapolated using a steady 1% growth rate. Other key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows which include budgeted sales and gross margin, such estimation is based on the management's expectations for the market development. Management believes that any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount of sourcing and EFT-POS business to exceed the aggregate recoverable amount of sourcing and EFT-POS business.

During the year ended 31 March 2018, management of the Group determines that there is no impairment of goodwill in sourcing and EFT-POS business.

19. 商譽(續)

於截至二零一八年三月三十一日止年度，本集團收購Fullpay株式會社(「Fullpay」) 51%股權，而產生自收購Fullpay之商譽為14,152,000港元。

就減值測試而言，商譽已分配至採購及提供銷售點電子資金轉帳(「電子支付終端」)服務(「採購及電子支付終端業務」)之現金產生單位。

採購及電子支付終端業務之可收回金額乃按照使用價值計算釐定。該計算使用以管理層批核之五年期財務預算及15.3%貼現率為基礎的現金流量預測計算。超過五年期的現金流量則按1%的穩定增長率推斷。與估計現金流入／流出有關的使用價值計算的其他重要假設包括預算銷售及毛利率，有關估計乃根據管理層對市場發展之預期為基準。管理層相信，任何該等假設的任何合理可能變動將不會導致採購及電子支付終端業務的賬面總值超過其相應的可收回總額。

截至二零一八年三月三十一日止年度，本集團管理層釐定，採購及電子支付終端業務之商譽並無減值。

20. INTERESTS IN ASSOCIATES

20. 於聯營公司之權益

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cost of investments in associates	於下列聯營公司投資之成本：		
which are:			
– listed in Hong Kong	— 香港上市	460,892	507,659
– listed overseas	— 海外上市	168,742	168,742
– unlisted	— 非上市	17,692	17,692
Share of post-acquisition loss and other comprehensive expense, net of dividends received	應佔收購後虧損及其他全面開支，減已收股息	(97,129)	(92,828)
		550,197	601,265

Notes:

- (a) During the year ended 31 March 2018, impairment losses of HK\$46,767,000 (2017: HK\$70,281,000) was recognised in relation to interests in associates.
- (b) Included in the share of post-acquisition loss and other comprehensive expense, net of dividends received was loss of dilution of interest in an associate listed in Hong Kong of HK\$89,787,000 in 2016.

附註：

- (a) 於截至二零一八年三月三十一日止年度，本集團就於聯營公司之權益確認減值虧損46,767,000港元(二零一七年：70,281,000港元)。
- (b) 於二零一六年，應佔收購後虧損及其他全面開支(減已收股息)包括攤薄於一間香港上市聯營公司之權益之虧損89,787,000港元。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

20. INTERESTS IN ASSOCIATES *(Continued)*

Details of the Group's principal associates as at 31 March 2017 and 2018 are as follows:

Name of associate 聯營公司名稱	Place of incorporation/ establishment 註冊成立／成立地點	Place of operation 營運地點
China Enterprises Limited ("CEL")	Bermuda	Hong Kong and the PRC
China Enterprises Limited ("CEL")	百慕達	香港及中國
Rosedale Hotel Holdings Limited ("Rosedale")	Bermuda	Hong Kong and the PRC
珀麗酒店控股有限公司 (「珀麗」)	百慕達	香港及中國
Fortune Well Holdings Limited ("Fortune Well")	British Virgin Islands ("BVI")	Hong Kong and the PRC
Fortune Well Holdings Limited ("Fortune Well")	英屬處女群島 (「英屬處女群島」)	香港及中國

20. 於聯營公司之權益(續)

本集團於二零一七年及二零一八年三月三十一日之主要聯營公司詳情如下：

Proportion of equity interest held by the Group 本集團持有股權比例	Principal activities 主要業務
2018 二零一八年 %	2017 二零一七年 %
28.95	28.95 Investment holding 投資控股
18.82	18.82 Hotel operation and trading of securities 酒店營運及證券買賣
26.09	26.09 Ceased operation (2017: Manufacturing and trading of garments products) 停止營運(二零一七年：成衣製造及買賣)

20. INTERESTS IN ASSOCIATES *(Continued)*

CEL's subsidiaries operate in both Hong Kong and the PRC and its shares are traded on the OTC Market in the United States of America. The financial year end date of CEL is 31 December. The Group's share of net assets and interest of CEL at 31 March 2017 and 31 March 2018 is calculated based on the net assets of CEL as at 31 December 2016 and 31 December 2017 respectively, after adjusting for any material transactions up to 31 March 2017 and 31 March 2018.

As at 31 March 2018, the market value of CEL held by the Group is approximately HK\$3,072,000 (2017: HK\$2,630,000) based on the trade price from the OTC Market, as compared to the Group's share of the carrying amount of CEL of HK\$215,679,000 (2017: HK\$209,104,000). The directors of the Company conducted a review on the recoverable amounts of the Group's interest in CEL. The recoverable amount of the Group's interest in CEL is determined based on value in use calculation. The value in use is determined based on the present value of the expected future cash flows arise from dividends to be received from CEL and the expected proceeds from the ultimate disposal of the interest in CEL. No impairment has been recognised on interest in CEL as the recoverable amount is higher than the carrying amount.

The Group exercises significant influence over Rosedale through representation on the board of directors of Rosedale. Rosedale's subsidiaries operate in both Hong Kong and the PRC and its shares are listed on the Stock Exchange. The financial year end date of Rosedale is 31 December. The Group's share of net assets and interest of Rosedale at 31 March 2017 and 31 March 2018 is calculated based on the net assets of Rosedale as at 31 December 2016 and 31 December 2017 respectively, after adjusting for any material transactions up to 31 March 2017 and 31 March 2018.

20. 於聯營公司之權益(續)

CEL之附屬公司於香港及中國經營，其股份在美國櫃檯市場買賣。CEL之財政年度截止日期為十二月三十一日。本集團應佔CEL於二零一七年三月三十一日及二零一八年三月三十一日之資產淨值及權益，乃分別根據CEL於二零一六年十二月三十一日及二零一七年十二月三十一日之資產淨值，經就截至二零一七年三月三十一日及二零一八年三月三十一日之任何重大交易進行調整後計算。

於二零一八年三月三十一日，按櫃檯市場之交易價，本集團所持CEL之市值約為3,072,000港元(二零一七年：2,630,000港元)，而本集團應佔CEL之賬面值則為215,679,000港元(二零一七年：209,104,000港元)。本公司董事已檢討本集團於CEL之權益之可收回金額。本集團於CEL之權益之可收回金額乃採用使用價值計算法釐定。有關使用價值乃採用預期自CEL收取之股息及最終出售CEL權益所得之預計所得款項產生之預期未來現金流量現值釐定。由於可收回金額高於賬面值，故並無確認CEL權益之減值。

本集團透過委派代表出席珀麗董事會，對該公司有重大影響力。珀麗之附屬公司於香港及中國經營，其股份於聯交所上市。珀麗之財政年度截止日期為十二月三十一日。本集團應佔珀麗於二零一七年三月三十一日及二零一八年三月三十一日之資產淨值及權益，乃分別根據珀麗於二零一六年十二月三十一日及二零一七年十二月三十一日之資產淨值，經就分別於截至二零一七年三月三十一日及二零一八年三月三十一日發生之任何重大交易進行調整後計算。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

20. INTERESTS IN ASSOCIATES *(Continued)*

As at 31 March 2018, the market value of Rosedale held by the Group is approximately HK\$59,402,000 (2017: HK\$61,630,000) based on the quoted price from the Stock Exchange, as compared to the Group's share of the carrying amount of Rosedale of HK\$334,518,000 (2017: HK\$392,161,000). The directors of the Company conducted a review on the recoverable amounts of the Group's interest in Rosedale. The recoverable amount of the Group's interest in Rosedale is determined based on value in use calculation. The value in use is determined based on the present value of the expected future cash flows arise from dividends to be received from Rosedale and the expected proceeds from the ultimate disposal of the interest in Rosedale. During the year ended 31 March 2018, an impairment loss of HK\$46,767,000 (2017: HK\$56,013,000) has been recognised on interest in Rosedale as the recoverable amount is lower than the carrying amount.

The carrying amount of the Group's interest in Fortune Well was nil as at 31 March 2018 and 2017.

Summarised financial information of material associates

Summarised financial information in respect of each of the Group's material associates is set out below. The summarised financial information below represents amounts shown in the associate's financial statements prepared in accordance with HKFRSs.

All of these associates are accounted for using the equity method in these consolidated financial statements.

20. 於聯營公司之權益(續)

於二零一八年三月三十一日，按照聯交所之報價，本集團所持珀麗之市值約為59,402,000港元(二零一七年：61,630,000港元)，而本集團應佔珀麗之賬面值則為334,518,000港元(二零一七年：392,161,000港元)。本公司董事已採用使用價值計算法檢討本集團於珀麗之權益之可收回金額。有關使用價值乃採用預期自於珀麗收取之股息及最終出售珀麗權益所得之預計所得款項產生之預計未來現金流量現值釐定。於截至二零一八年三月三十一日止年度，由於可收回金額低於賬面值，故已就於珀麗之權益確認減值虧損46,767,000港元(二零一七年：56,013,000港元)。

於二零一八年及二零一七年三月三十一日，本集團於Fortune Well之權益之賬面值為零。

重大聯營公司之財務資料概要

本集團各重大聯營公司之財務資料概述如下。下文之財務資料概要乃聯營公司根據香港財務報告準則編製之財務報表所示金額。

所有該等聯營公司均採用權益法於此等綜合財務報表入賬。

20. INTERESTS IN ASSOCIATES *(Continued)*

Summarised financial information of material associates *(Continued)*

(a) CEL

		31.12.2017 二零一七年 十二月三十一日 HK\$'000 千港元	31.12.2016 二零一六年 十二月三十一日 HK\$'000 千港元
Current assets	流動資產	599,518	587,616
Non-current assets	非流動資產	227,457	221,161
Current liabilities	流動負債	(37,066)	(41,581)
		1.1.2017 to 31.12.2017 二零一七年 一月一日至 二零一七年 十二月三十一日 HK\$'000 千港元	1.1.2016 to 31.12.2016 二零一六年 一月一日至 二零一六年 十二月三十一日 HK\$'000 千港元
Revenue	收入	-	-
Profit for the year	年內溢利	7,696	708
Other comprehensive (expense) income for the year	年內其他全面(開支)收入	(60,499)	50,190
Total comprehensive (expense) income for the year	年內全面(開支)收入總額	(52,803)	50,898

20. 於聯營公司之權益(續)

重大聯營公司之財務資料概要(續)

(a) CEL

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

20. INTERESTS IN ASSOCIATES (Continued)

Summarised financial information of material associates (Continued)

(a) CEL (Continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements:

		31.12.2017 二零一七年 十二月三十一日 HK\$'000 千港元	31.12.2016 二零一六年 十二月三十一日 HK\$'000 千港元
Net assets of CEL	CEL之資產淨值	789,909	767,196
Proportion of the Group's ownership interest in CEL	本集團於CEL之擁有權權益比例	28.95%	28.95%
Other adjustments	其他調整	228,679 (13,000)	222,104 (13,000)
Carrying amount of the Group's interest in CEL	本集團於CEL權益之賬面值	215,679	209,104

20. 於聯營公司之權益(續)

重大聯營公司之財務資料概要(續)

(a) CEL(續)

上述財務資料概要與於綜合財務報表內確認之聯營公司權益賬面值之對賬：

20. INTERESTS IN ASSOCIATES *(Continued)*

Summarised financial information of material associates *(Continued)*

(b) Rosedale

		31.12.2017 二零一七年 十二月三十一日 HK\$'000 千港元	31.12.2016 二零一六年 十二月三十一日 HK\$'000 千港元
Current assets	流動資產	1,889,181	1,907,740
Non-current assets	非流動資產	584,911	627,270
Current liabilities	流動負債	(185,063)	(181,904)
Non-current liabilities	非流動負債	(41,154)	(46,583)
		1.1.2017 to 31.12.2017 二零一七年 一月一日至 二零一七年 十二月三十一日 HK\$'000 千港元	1.1.2016 to 31.12.2016 二零一六年 一月一日至 二零一六年 十二月三十一日 HK\$'000 千港元
Revenue	收入	252,311	242,296
Loss for the year	年內虧損	(125,248)	(93,194)
Other comprehensive income [expense] for the year	年內其他全面收入(開支)	52,885	(45,887)
Total comprehensive expense for the year	年內全面開支總額	(72,363)	(139,081)

20. 於聯營公司之權益(續)

重大聯營公司之財務資料概要(續)

(b) 珀麗

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

20. INTERESTS IN ASSOCIATES (Continued)

Summarised financial information of material associates (Continued)

(b) Rosedale (Continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements:

		31.12.2017 二零一七年 十二月三十一日 HK\$'000 千港元	31.12.2016 二零一六年 十二月三十一日 HK\$'000 千港元
Net assets of Rosedale	珀麗之資產淨值	2,247,875	2,306,523
Non-controlling interests	非控股權益	(191,656)	(192,518)
		2,056,219	2,114,005
Proportion of the Group's ownership interest in Rosedale	本集團於珀麗之 擁有權權益比例	18.82%	18.82%
		386,980	397,856
Impairment loss	減值虧損	(52,462)	(5,695)
Carrying amount of the Group's interest in Rosedale	本集團於珀麗權益之賬面值	334,518	392,161

20. 於聯營公司之權益(續)

重大聯營公司之財務資料概要(續)

(b) 珀麗(續)

上述財務資料概要與於綜合財務報表內確認之聯營公司權益賬面值之對賬：

21. INTEREST IN A JOINT VENTURE/AMOUNT DUE FROM A JOINT VENTURE

During the year ended 31 March 2016, the Group, together with Violet Profit Holdings Limited ("the joint venture partner"), a private company incorporated in BVI, established an entity, Edgar Team Limited ("Edgar Team"), in which the Group holds 50% equity interest. There were two shares at par value of US\$1 each allotted and issued as fully paid shares to the Group and the joint venture partner respectively. Pursuant to the relevant shareholders' agreement, the Group has the power to appoint one director and the joint venture partner has the power to appoint another one director to form the board of director of Edgar Team, and the decisions about the relevant activities of Edgar Team required the unanimous consent of both the Group and the joint venture partner. Accordingly, the Group is able to exercise joint control with the joint venture partner over Edgar Team and Edgar Team is regarded as a joint venture of the Group. In addition, during the year ended 31 March 2016, the Group advanced an amount of HK\$66,834,000 to Edgar Team and its direct wholly-owned subsidiary as its working capital for business development.

During the year ended 31 March 2018, the Group disposed the interest in Edgar Team to the joint venture partner at the consideration of HK\$91,497,000 and recognised a gain on disposal amounting to HK\$43,944,000.

21. 於一間合營企業之權益／應收一間合營企業款項

截至二零一六年三月三十一日止年度，本集團夥拍Violet Profit Holdings Limited（「合營企業夥伴」，一間於英屬處女群島註冊成立之私人公司）成立一間本集團持有50%股權之實體Edgar Team Limited（「Edgar Team」）。本集團及合營企業夥伴分別獲配發及發行兩股每股面值1美元之繳足股份。根據相關股東協議，由於本集團有權委任一位董事而合營企業夥伴有權委任另一位董事組成Edgar Team之董事會，而Edgar Team相關活動之決策需要本集團與合營企業夥伴一致同意方可落實，因此本集團可與合營企業夥伴對Edgar Team行使共同控制權，而Edgar Team被視為本集團之合營企業。此外，於截至二零一六年三月三十一日止年度，本集團向Edgar Team及其直接全資附屬公司進一步墊支66,834,000港元，作為其業務發展之營運資金。

截至二零一八年三月三十一日止年度，本集團向合營企業夥伴出售於Edgar Team之權益，代價為91,497,000港元，以及確認出售收益43,944,000港元。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

21. INTEREST IN A JOINT VENTURE/AMOUNT DUE FROM A JOINT VENTURE (Continued)

Details of the Group's investment in a joint venture as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cost of unlisted investments in Edgar Team	於Edgar Team之非上市投資成本	-	-
Share of post-acquisition loss	應佔收購後虧損	-	(20,447)
Deemed capital contribution – interest-free loan	視作出資 – 免息貸款	-	20,447
		-	-
Amount due from a joint venture, net	應收一間合營企業款項淨額	-	31,345

21. 於一間合營企業之權益／應收一間合營企業款項(續)

本集團於一間合營企業之投資詳情如下：

Name of company	Form of business structure	Place of incorporation	Principal place of operation	Class of shares held	Attributable proportion of nominal value of issued/registered capital held by the Group		Proportion of voting power held by the Company		Principal activities
公司名稱	業務結構形式	註冊成立地點	主要營業地點	持有股份類別	本集團持有之已發行／註冊資本面值之應佔比例		本公司持有之投票權比例		主要業務
					2018 二零一八年	2017 二零一七年	2018 二零一八年	2017 二零一七年	
Edgar Team	Incorporated	BVI	Hong Kong	Ordinary	Nil	50%	Nil	50%	Investment holding and its subsidiary engaged in provision of aviation services in Hong Kong
	註冊成立	英屬處女群島	香港	普通股	零		零		投資控股及其附屬公司於香港提供航空服務

22. AVAILABLE-FOR-SALE INVESTMENTS

22. 可供銷售投資

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Unlisted equity securities (note a)	非上市股本證券(附註a)	44,538	37,412
Distressed debt assets (note b)	不良債務資產(附註b)	200,947	155,976
		245,485	193,388
Less: Distressed debt assets classified as current asset	減：分類為流動資產之 不良債務資產	(75,780)	–
Available-for-sale investments classified as non-current assets	分類為非流動資產之 可供銷售投資	169,705	193,388

Notes:

- (a) Included in the unlisted equity securities is an investee engaged in holding of properties interest located in the PRC. The unlisted equity securities are measured at cost less impairment at the end of the reporting period because the range of reasonable fair value estimates is so significant that the directors of the Company are of the opinion that their fair value cannot be measured reliably.
- (b) The distressed assets represents the Group's rights to receive repayment of the principal amount of loans, together with interest thereon. The Group acquired these distressed assets from banks and assets management companies through negotiated acquisition and public auction. The Group established corresponding management strategies and maximizes the value of assets to achieve cash recovery by recovery through litigation.

As at 31 March 2018, included in the distressed asset is carrying amount of RMB61,154,000 (or equivalent to HK\$75,780,000) (31 March 2017: RMB54,134,000 (or equivalent to HK\$61,099,000)) of principal amount of a loan and interest receivable of RMB72,499,000 from an independent third party, 廣東富華房地產開發有限公司. The distressed asset is secured by properties located in Guangzhou, the PRC. The distressed asset was acquired through acquisition of Topack Group Limited ("Topack") and its subsidiaries (together the "Topack Group") during the year ended 31 March 2017, please refer to note 36 for details. During the year ended 31 March 2018, an impairment loss of HK\$3,553,000 (31 March 2017: nil) has been recognised as the management was in the opinion that the expected recovery date of the distressed asset is extended. As at 31 March 2018, the key unobservable inputs of discounted cash flows represent the expected recoverable amounts of RMB72,499,000 (31 March 2017: RMB72,499,000), discount rates of 18.55% (31 March 2017: 18.55%) and expected recovery date of 31 March 2019 (31 March 2017: 31 December 2018).

附註：

- (a) 非上市股本證券包括業務為持有位於中國之物業權益之被投資方。由於合理公平價值估計範圍相當大，而本公司董事認為非上市股本證券之公平價值無法可靠地計量，故於申報期末按成本減減值計量該等證券。
- (b) 不良資產指本集團收取貸款本金額之還款連同其利息之權利。本集團透過協商收購及公開拍賣自銀行及資產管理公司收購該等不良資產。本集團制定相應的管理策略及盡量擴大資產價值，以透過訴訟收回現金。

於二零一八年三月三十一日，不良資產包括賬面值為人民幣61,154,000元（或相當於75,780,000港元）（二零一七年三月三十一日：人民幣54,134,000元（或相當於61,099,000港元））之貸款本金額及應收獨立第三方廣東富華房地產開發有限公司之利息人民幣72,499,000元。不良資產以位於中國廣州之物業作抵押。截至二零一七年三月三十一日止年度，不良資產透過收購德柏集團有限公司（「德柏」）及其附屬公司（統稱「德柏集團」）而收購，有關詳情請參閱附註36。截至二零一八年三月三十一日止年度，已確認減值虧損3,553,000港元（二零一七年三月三十一日：零），乃由於管理層認為，不良資產之預期收回日期已延長。於二零一八年三月三十一日，貼現現金流量之關鍵不可觀察輸入數據指預期可收回金額人民幣72,499,000元（二零一七年三月三十一日：人民幣72,499,000元）、貼現率18.55%（二零一七年三月三十一日：18.55%）及預期收回日期二零一九年三月三十一日（二零一七年三月三十一日：二零一八年十二月三十一日）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

22. AVAILABLE-FOR-SALE INVESTMENTS

(Continued)

Notes: (Continued)

(b) (Continued)

As at 31 March 2018, included in the distressed asset is carrying amount of RMB101,010,000 (or equivalent to HK\$125,167,000) (31 March 2017: RMB84,061,000 (or equivalent to HK\$94,877,000)) of principal amount of a loan of RMB170,000,000 from an independent third party, 廣州現代信息工程職業技術學院. The distressed asset is secured by properties and a land use right located in Anhui, the PRC. The distressed asset was acquired through acquisition of 廣州仁訊通訊設備有限公司 ("Guangzhou Ren Xun Communications Equipment Co, Ltd") ("Ren Xun") during the year ended 31 March 2017, please refer to note 35 for details. As at 31 March 2018, the key unobservable inputs of discounted cash flows represent the expected recoverable amounts of RMB170,000,000 (31 March 2017: RMB170,000,000), discount rates of 19.26% (31 March 2017: 19.26%) and expected recovery date of 31 March 2021 (31 March 2017: 31 March 2021).

The distressed assets are measured at fair value determined with reference to discounted cash flow model. The key unobservable inputs used by the management in discounted cash flows model included the expected recoverable amounts of the distressed debt assets, discount rates reflect both return requirements of the market and the risk inherent in the investment and expected recovery date. The higher the recoverable amounts, the lower the discount rates and the earlier the recovery date, will result in the higher of the fair value.

The sensitivity analysis below have been determined based on the exposure to discount rates for the distressed debt assets. The analysis is prepared assuming the financial instruments outstanding at the end of the period were outstanding for the whole year. A 100 basis points (2017: 100 basis points) increase or decrease is used for distressed debt assets and when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in discount rates respectively.

22. 可供銷售投資(續)

附註：(續)

(b) (續)

於二零一八年三月三十一日，不良資產包括賬面值為人民幣101,010,000元（或相當於125,167,000港元）（二零一七年三月三十一日：人民幣84,061,000元（或相當於94,877,000港元））之本金額為人民幣170,000,000元之獨立第三方廣州現代信息工程職業技術學院之貸款。不良資產以位於中國安徽之物業及土地使用權作抵押。截至二零一七年三月三十一日止年度，不良資產透過收購廣州仁訊通訊設備有限公司（「仁訊」）而收購，有關詳情請參閱附註35。於二零一八年三月三十一日，貼現現金流量之關鍵不可觀察輸入數據指預期可收回金額人民幣170,000,000元（二零一七年三月三十一日：人民幣170,000,000元）、貼現率19.26%（二零一七年三月三十一日：19.26%）及預期收回日期二零二一年三月三十一日（二零一七年三月三十一日：二零二一年三月三十一日）。

不良資產按公平值計量，並參照貼現現金流量模式釐定。管理層於貼現現金流量模式中使用之關鍵不可觀察輸入數據包括不良債務資產之預期可收回金額，貼現率反映市場回報要求以及投資及預期收回日期之固有風險。可收回金額愈高，貼現率愈低，而收回日期愈早，將引致更高之公平值。

以下敏感度分析乃基於不良債務資產的貼現率風險釐定，並假設於期末未償還金融工具於整個年度均未償還而編製。用於不良債務資產且向主要管理層人員內部報告利率風險時所使用100基點（二零一七年：100基點）之增加或減少，為管理層對貼現率合理可能變動之評估。

22. AVAILABLE-FOR-SALE INVESTMENTS (Continued)

Notes: (Continued)

(b) (Continued)

If discount rates for distressed debt assets had been 100 basis points (2017: 100 basis points) higher/lower and all other variables were held constant, the Group's loss for the year ended 31 March 2018 would increase/decrease by HK\$3,722,000 (profit for the year ended 31 March 2017: decrease/increase by HK\$3,408,000). This is mainly attributable to the Group's exposure to discount rates on its distressed debt assets.

23. PROPERTIES HELD FOR SALE

The carrying amounts of properties held for sale comprise properties situated in:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Hong Kong	香港	96,761	96,761
The PRC	中國	-	1,035,390
		96,761	1,132,151

22. 可供銷售投資(續)

附註：(續)

(b) (續)

倘不良債務資產之折現率增加／減少100個基點(二零一七年：100個基點)，而所有其他變數維持不變，本集團截至二零一八年三月三十一日止年度的虧損將增加／減少3,722,000港元(截至二零一七年三月三十一日止年度溢利：減少／增加3,408,000港元)。此乃主要由於本集團之不良債務資產的折現率風險。

23. 持作銷售物業

持作銷售物業之賬面值包括物業位於：

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

24. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

24. 貿易及其他應收款項及預付款項

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Trade receivables	貿易應收款項	4,014	2,429
Other receivables (net of allowance for doubtful debts) (note)	其他應收款項(扣除呆賬撥備)(附註)	36,125	252,128
Deposits and prepayments	訂金及預付款項	4,399	15,034
Interest receivables	應收利息	21,158	14,516
Prepaid LAT and other PRC taxes	預付土地增值稅及其他中國稅項	-	103,318
		65,696	387,425

Note: As at 31 March 2017, included in the other receivables was HK\$171,265,000 of receivables from Mr. Chan Tsz Pan, the vendor of Topack Group, on the PRC withholding tax arising from the sales of the entire equity interest in Topack to the Group. The respective PRC withholding tax payable to the PRC Government of HK\$171,265,000 was included in the other payables and accruals. For details for acquisition of Topack Group, please refer to note 36(b). During the year ended 31 March 2018, the PRC withholding tax was settled by Mr. Chan and hence the respective other receivable and other payable of the Group was eliminated.

附註： 於二零一七年三月三十一日，其他應收款項包括就向本集團出售德柏之全部權益產生之中國預扣稅而應收陳子斌先生(德柏集團之賣方)之款項171,265,000港元。應向中國政府繳納之各中國預扣稅項171,265,000港元計入其他應付款項及應計費用。有關收購德柏集團之詳情，請參閱附註36(b)。於截至二零一八年三月三十一日止年度，中國預扣稅項已由陳先生結付，因此本集團之其他應收款項扣其他應付款項各自對銷。

24. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS (Continued)

The Group allows an average credit period of one to two months to its trade customers in water supply business. The following is an aged analysis of trade receivable, presented based on invoice date at the end of the reporting period:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
0 – 30 days	0日至30日	4,014	2,429

Before accepting any new customer, the Group will assess and understand the potential customer's credit quality and defines its credit limits. Credit limits attributed to each customer are reviewed regularly.

No trade receivable balance is past due at the reporting date for which the Group has not provided for impairment loss for both years.

No allowance for doubtful debts on trade receivables has been provided and no movement in the allowance was noted for both years.

24. 貿易及其他應收款項及預付款項
(續)

本集團向其供水業務貿易客戶提供平均一至兩個月不等之信貸期。於報告期末，貿易應收款項按發票日期呈列之賬齡分析如下：

在接納任何新客戶前，本集團會評估及了解潛在客戶之信貸質素並釐定其信貸限額。每位客戶之信貸限額均會作定期檢討。

於兩個年度，本集團並無於申報日期已逾期且未計提減值虧損撥備之貿易應收款項結餘。

於兩個年度，並無就貿易應收款項呆賬計提撥備，亦無錄得撥備變動。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

25. SHORT-TERM LOANS RECEIVABLE

25. 應收短期貸款

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Loans receivable	應收貸款	57,000	57,000

During the year ended 31 March 2017, the Group advanced HK\$17,000,000 and HK\$10,000,000 (2018: nil) unsecured short-term loans to two (2018: nil) independent third parties. The loans receivable are repayable on demand without fixed repayment terms.

As at 31 March 2018, short-term loans receivable of HK\$57,000,000 (2017: HK\$57,000,000) carry fixed interest rate ranged from 5% to 15% (2017: 5% to 15%) per annum. The directors of the Company expect the short-term loans receivable to be fully settled within next twelve months.

As at 31 March 2018, the directors of the Company were in the opinion that no impairment was recognised as the loans receivable was fully settled subsequent to the year ended 31 March 2018.

於截至二零一七年三月三十一日止年度，本集團墊付17,000,000港元及10,000,000港元(二零一八年：無)無抵押短期貸款予兩名(二零一八年：無)獨立第三方。應收貸款須按要求償還，並無固定還款期限。

於二零一八年三月三十一日，應收短期貸款57,000,000港元(二零一七年：57,000,000港元)按固定年利率5%至15%(二零一七年：5%至15%)計息。本公司董事預計應收短期貸款將於未來十二個月內悉數結付。

於二零一八年三月三十一日，本公司董事認為，由於截至二零一八年三月三十一日止年度後應收貸款已悉數結付，則概無確認減值。

26. AMOUNTS DUE FROM ASSOCIATES

26. 應收聯營公司款項

During the year ended 31 March 2018, the Group received HK\$41,511,000 settlement from an associate. HK\$5,000,000 of a loan to an associate was written off during the year as the management considers the amount is uncollectible in view of the associate's severe financial difficulties.

As at 31 March 2017, the amounts are in non-trade nature, unsecured and repayable on demand. Except from a loan to an associate of HK\$5,000,000 which carries variable interest rate based on Hong Kong Prime Rate without fixed repayment terms, the remaining amount due from an associate is non-interest bearing.

於截至二零一八年三月三十一日止年度，本集團收到自一間聯營公司41,511,000港元的結付款項。因管理層認為，由於一間聯營公司之若干財務困難，無法收回5,000,000港元之聯營公司貸款，故已於年內撇銷該款項。

於二零一七年三月三十一日，該金額為非貿易性質、無抵押及須應要求償還。除應收一間聯營公司5,000,000港元貸款按香港最優惠利率之浮動利率計息且無固定還款期外，應收一間聯營公司其餘款項為免息。

27. INVESTMENTS HELD FOR TRADING

Listed securities at fair value:	按公平值之上市證券：
- Equity securities listed in Hong Kong	－於香港上市之股本證券
- Equity securities listed overseas	－於境外上市之股本證券

The fair value of all listed equity securities are determined by reference to the quoted market bid prices available on the relevant exchanges in active markets as at 31 March 2018 and 31 March 2017.

28. BANK BALANCES AND CASH/RESTRICTED BANK DEPOSIT

The bank balances and cash comprises cash and short-term bank deposits with an original maturity of three months or less held by the Group. The bank balances carries interest at 0.01% to 0.35% per annum (2017: 0.01% to 0.35% per annum).

The restricted bank deposit represents the deposit received from the sales of properties.

27. 持作買賣投資

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
80,981	48,888
19	21
81,000	48,909

所有上市股本證券之公平值乃參考於二零一八年三月三十一日及二零一七年三月三十一日在活躍市場之相關交易所之市場買入報價而釐定。

28. 銀行結餘及現金／受限制銀行存款

銀行結餘及現金包括本集團所持有之現金及原到期日為三個月或以內之短期銀行存款。銀行結餘按年率0.01%至0.35%（二零一七年：年率0.01%至0.35%）計息。

受限制銀行存款指銷售物業所得存款。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

29. ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE

On 14 March 2018, the Group entered into a provisional sale and purchase agreement with a third party (the “Purchaser”), pursuant to which the Purchaser has conditionally agreed to acquire and the Group has conditionally agreed to sell 100% equity interest in Smartmedia Ltd. (“Smartmedia”) and the shareholder’s loan at an aggregate cash consideration of HK\$196,000,000. The shareholder loan represents all such sum of money advanced by way of loan by the Group to the Smartmedia and due and owing by Smartmedia to the Group as at completion of the disposal. Smartmedia is engaged in property investment and its principal assets are investment properties situated in Hong Kong.

The major classes of assets and liabilities classified as held for sale are as follows:

29. 分類為持作銷售之資產及債務

於二零一八年三月十四日，本集團與第三方（「買方」）訂立臨時買賣協議，據此，買方有條件同意收購而本集團有條件同意出售 Smartmedia Ltd.（「Smartmedia」）100% 股權及股東貸款，現金代價總額為 196,000,000 港元。股東貸款指於出售事項完成時本集團以貸款方式向 Smartmedia 墊付之所有有關款項及 Smartmedia 到期應付予本集團之款項。Smartmedia 從事物業投資，其主要資產為香港之投資物業。

分類為持作銷售之資產及債務之主要類別如下：

		2018 二零一八年 HK\$'000 千港元
Investment properties (note 17)	投資物業(附註17)	196,000
Other receivables	其他應收款項	137
Bank balances and cash	銀行結餘及現金	5
Total assets classified as held for sale	分類為持作銷售之資產總額	196,142
Other payables	其他應付款項	4,052
Bank borrowings (note 32)	銀行借款(附註32)	116,984
Total liabilities classified as held for sale	分類為持作銷售之債務總額	121,036

In considering the insignificant transaction costs, the net proceeds of disposal are expected to exceed the net carrying amount of the relevant assets and liabilities and accordingly, no impairment loss has been recognised.

考慮到交易開支並不重大，出售事項之所得款項淨值預計超過相關資產及債務之淨賬面值，因此，並無確認減值虧損。

30. OTHER PAYABLES AND ACCRUALS

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Accrued expenses	應計開支	178,753	126,230
Interest payables	應付利息	35,039	33,737
Payables for construction project	建設項目應付款項	9,871	8,991
Others	其他	80,494	251,584
		304,157	420,542

31. DEPOSITS RECEIVED IN ADVANCE

The amount represented deposits received in related to the presale of certain properties of A-Mall which were classified as properties held for sale as at 31 March 2017. The amount was fully recognised as revenue during the current year upon completion of the sale process.

31. 預收訂金

該金額指就預售若干A-Mall物業收取之訂金，該等物業於二零一七年三月三十一日被歸類為持作銷售物業。於完成銷售流程後，該金額已確認為本年度收益。

32. BORROWINGS

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Borrowings comprise:	借款包括：		
Secured bank borrowings	有抵押銀行借款	2,766,485	2,246,144
Secured other borrowings	有抵押其他借款	53,000	752,390
Unsecured other borrowings	無抵押其他借款	1,581,396	211,400
Unsecured loan notes	無抵押貸款票據	1,440,000	1,400,000
		5,840,881	4,609,934
Less: Liabilities classified as held for sale (note 29)	減：分類為持作銷售之負債(附註29)	(116,984)	-
		5,723,897	4,609,934

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

32. BORROWINGS (Continued)

32. 借款(續)

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
The amounts are repayable as follows: 上述款項須於以下年期償還：			
The Group's borrowings are repayable based on repayment schedules set out in the loan agreements, as follows: 本集團之借款須按貸款協議所載之還款時間表償還如下：			
- on demand or within one year	— 應要求或一年內	845,656	375,854
- more than one year, but not exceeding two years	— 一年後但不超過兩年	1,679,239	825,129
- more than two years, but not more than five years	— 兩年後但不超過五年	2,340,939	2,742,306
- more than five years	— 五年後	975,047	666,645
		5,840,881	4,609,934
Less: Amounts due within one year shown under current liabilities (including a borrowing with a repayable on demand clause)	減：列入流動負債項下於一年內到期之款項(包括附帶應要求償還條款之借款)	(728,672)	(375,854)
Liabilities classified as held for sale (note 29)	分類為持作銷售之負債(附註29)	(116,984)	—
		4,995,225	4,234,080

32. BORROWINGS (Continued)

As at 31 March 2018, certain of the Group's borrowings amounted to HK\$2,967,601,000 (2017: HK\$2,299,390,000) were subject to fixed interest rate. The Group's remaining borrowings were based on Hong Kong Prime Rate, Hong Kong Interbank Offered Rate ("HIBOR") and benchmark interest rate in People's Bank of China. The ranges of effective interest rates during the year (which are equal to contractual interest rates) on the Group's borrowings are as follows:

32. 借款(續)

於二零一八年三月三十一日，本集團若干為數2,967,601,000港元(二零一七年：2,299,390,000港元)之借款按固定利率計息，其餘借款則按香港最優惠利率、香港銀行同業拆息(「香港銀行同業拆息」)及中國人民銀行之基準利率計息。本集團借款於年內之實際利率(相等於合約利率)如下：

		2018 二零一八年	2017 二零一七年
Effective interest rate:	實際利率：		
Fixed-rate borrowings	固定利率借款	8% to 18% 8%至18%	9.5% to 18% 9.5% 至18%
Variable-rate borrowings	浮動利率借款	2.5% to 18% 2.5%至18%	2.05% to 18% 2.05%至18%

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

33. DEFERRED TAX

The following are the major deferred tax liabilities (assets) recognised and movements thereon during the year:

33. 遞延稅項

年內已確認之主要遞延稅項負債(資產)及其變動如下：

		Fair value changes of investment properties	Fair value changes of available- for-sale investments	Fair value adjustment of intangible assets and property, plant and equipment arising on business combination 因業務合併 而產生之 無形資產及 物業、 機器及設備 公平值調整	Accelerated tax depreciation 加速 稅項折舊	Tax losses 稅項虧損	Total 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	HK\$'000 千港元
At 1 April 2016	於二零一六年四月一日	-	-	4,890	37	(32)	4,895
Charge (credit) to profit or loss	於損益扣除(入賬)	739,189	1,916	(623)	(6)	-	740,476
Acquisition of subsidiaries (note 36)	收購附屬公司(附註36)	591,884	8,705	-	-	-	600,589
Acquisition of assets through acquisition of subsidiaries (note 35)	透過收購附屬公司收購資產(附註35)	29,618	-	-	-	-	29,618
Exchange realignment	匯兌調整	(44,232)	(285)	-	-	-	(44,517)
At 31 March 2017	於二零一七年三月三十一日	1,316,459	10,336	4,267	31	(32)	1,331,061
Charge (credit) to profit or loss	於損益扣除(入賬)	34,432	7,046	(554)	-	-	40,924
Exchange realignment	匯兌調整	130,724	1,391	-	-	-	132,115
At 31 March 2018	於二零一八年三月三十一日	1,481,615	18,773	3,713	31	(32)	1,504,100

33. DEFERRED TAX (Continued)

The following is the analysis of the deferred tax balances for financial reporting purposes:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Deferred tax assets	遞延稅項資產	(32)	(32)
Deferred tax liabilities	遞延稅項負債	1,504,132	1,331,093
		1,504,100	1,331,061

The Group has unused tax losses of HK\$2,117,000,000 as at 31 March 2018 (2017: HK\$1,403,629,000) available for offset against future profits. A deferred tax asset has been recognised in respect of such tax losses amounting to HK\$196,000 (2017: HK\$196,000). No deferred tax has been recognised in respect of the remaining tax loss of HK\$2,116,804,000 (2017: HK\$1,403,433,000) due to the unpredictability of future profit streams. The losses can be carried forward indefinitely.

Deferred taxation has not been recognised in respect of undistributed retained profits earned by the subsidiaries in the PRC as the directors of the Company are of the opinion that the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

33. 遞延稅項(續)

以下為作財務申報用途之遞延稅項結餘分析：

於二零一八年三月三十一日，本集團可用於對銷未來溢利之未動用稅項虧損為2,117,000,000港元（二零一七年：1,403,629,000港元）。本集團已就196,000港元（二零一七年：196,000港元）之稅項虧損確認遞延稅項資產。由於未能預測未來溢利來源，故未有就其餘稅項虧損2,116,804,000港元（二零一七年：1,403,433,000港元）確認遞延稅項。該等虧損可無限期結轉。

本公司並無就中國附屬公司所得之未分派保留溢利確認遞延稅項，因為本公司董事認為本集團有能力控制暫時差額撥回之時間，且於可見將來可能並無暫時差額可獲撥回。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

34. SHARE CAPITAL

34. 股本

		Notes 附註	Nominal value per share 每股面值 HK\$ 港元	Number of shares 股份數目	Value 價值 HK\$'000 千港元
Authorised:	法定股本：				
At 1 April 2016	於二零一六年 四月一日		0.2	10,000,000,000	2,000,000
Increase in authorised shares	法定股份增加	(c)		90,000,000,000	18,000,000
At 31 March 2017 and 2018	於二零一七年及 二零一八年 三月三十一日		0.2	100,000,000,000	20,000,000
Issued and fully paid:	已發行及繳足股本：				
Balance at 1 April 2016	於二零一六年 四月一日之結餘		0.2	561,857,211	112,371
Issue of shares	發行股份	(a)		4,494,857,688	898,972
Issue of shares as scrip dividend	發行以股代息股份	(b)		92,379,426	18,476
Bonus issue	發行紅股	(c)		5,149,094,325	1,029,819
Balance at 31 March 2017 and 2018	於二零一七年及 二零一八年三月 三十一日之結餘		0.2	10,298,188,650	2,059,638

34. SHARE CAPITAL *(Continued)*

Notes:

- (a) On 25 January 2016, the Board of Directors of the Company (the "Board") announced to put forward a proposal to the shareholders which involved, among other things, a proposed rights issue of 4,494,857,688 rights shares at HK\$0.25 per rights share. For details, please refer to the Company's announcement dated 25 January 2016, circular dated 10 March 2016 and prospectus dated 11 April 2016. The proposed rights issue was completed in April 2016.
- (b) On 29 June 2016, the Board proposed a final dividend of HK3 cents per share for the year ended 31 March 2016. The proposed final dividend was declared on 13 September 2016 and the dividend would be settled in cash, with an option to elect to receive the same in scrip shares credited as fully paid in lieu of cash, in respect of part or all of such dividends. The market value of each scrip share was HK\$0.4465. 92,379,426 scrip shares had been issued and allotted in November 2016. For details, please refer to the Company's circular dated 7 October 2016.
- (c) On 28 November 2016, the Board put forward a proposal to the shareholders of bonus issue on the basis of one bonus share for every one existing share held. In order to facilitate the bonus issue and possible further issue of shares, the Board also proposed to increase the authorised share capital of the Company from HK\$2,000,000,000 divided into 10,000,000,000 shares to HK\$20,000,000,000 divided into 100,000,000,000 shares. The increase in authorised share capital was effective and the bonus issue was completed in February 2017. For details, please refer to the Company's announcement dated 13 December 2016 and circular dated 4 January 2017.

All shares issued rank pari passu with the existing shares in issue in all respects.

34. 股本(續)

附註：

- (a) 於二零一六年一月二十五日，本公司董事會（「董事會」）向股東提呈建議（其中包括）以每股供股股份0.25港元進行供股，發行4,494,857,688股供股股份。詳情請參閱本公司日期為二零一六年一月二十五日之公告、日期為二零一六年三月十日之通函及日期為二零一六年四月十一日之供股章程。建議供股已於二零一六年四月完成。
- (b) 於二零一六年六月二十九日，董事會建議就截至二零一六年三月三十一日止年度派付末期股息每股3港仙。建議之末期股息已於二零一六年九月十三日宣派，該股息將以現金支付，亦可選擇以入賬列作繳足之代息股份代替現金收取部分或全部有關股息。每股代息股份之市值為0.4465港元。92,379,426股代息股份已於二零一六年十一月予以發行及配發。詳情請參閱本公司日期為二零一六年十月七日之通函。
- (c) 於二零一六年十一月二十八日，董事會已向股東提呈建議，每持有一股現有股份獲發一股紅股。為促進紅股發行及可能進一步發行股份，董事會亦建議將本公司法定股本由2,000,000,000港元（分為10,000,000,000股股份）增加至20,000,000,000港元（分為100,000,000,000股股份）。於二零一七年二月，增加法定股本生效及發行紅股完成。詳情請參閱本公司日期為二零一六年十二月十三日之公告及日期為二零一七年一月四日之通函。

所有已發行之股份於所有方面與現有已發行股份享有同等地位。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

35. ACQUISITION OF ASSETS THROUGH ACQUISITION OF SUBSIDIARIES

For the year ended 31 March 2017

During the year ended 31 March 2017, the Group completed the acquisition of two subsidiaries, 廣州市高階物業管理有限公司 ("Guangzhou Gao Jie Properties Management Co, Ltd") ("Gao Jie") and Ren Xun. The directors of the Company are of the opinion that acquisition of these subsidiaries does not constitute business combinations as defined in HKFRS 3, therefore, these acquisitions have been accounted for as acquisition of assets. Details of these acquisitions are summarised follows:

- (a) On 13 March 2017, the Group acquired the entire equity interest in Gao Jie from an independent third party at a consideration of RMB86,797,000 (or equivalent to HK\$97,965,000). Gao Jie is engaged in property investments in Guangzhou, the PRC.

35. 透過收購附屬公司收購資產

截至二零一七年三月三十一日止年度

於截至二零一七年三月三十一日止年度，本集團完成收購兩間附屬公司，即廣州市高階物業管理有限公司（「高階」）及仁訊。本公司董事認為，收購該等附屬公司並不構成業務合併（定義見香港財務報告準則第3號），因此，該等收購只構成收購資產。該等收購之詳情摘要如下：

- (a) 於二零一七年三月十三日，本集團向獨立第三方收購高階之全部股權，代價為人民幣86,797,000元（或相當於97,965,000港元）。高階於中國廣州市從事物業投資。

		Total 總額 HK\$'000 千港元
Net assets of Gao Jie acquired:	所收購之高階資產淨值：	
Investment properties	投資物業	162,499
Bank balances and cash	銀行結餘及現金	2,382
Other payables and accruals	其他應付款項及應計費用	(3,438)
Borrowing	借款	(33,860)
Deferred tax liabilities	遞延稅項負債	(29,618)
Net assets	資產淨值	97,965
Cash consideration paid	已付現金代價	97,965
Bank balances and cash acquired	已收購之銀行結餘及現金	(2,382)
Net cash outflow in respect of the acquisition of a subsidiary	有關收購一間附屬公司之現金流出淨額	95,583

35. ACQUISITION OF ASSETS THROUGH ACQUISITION OF SUBSIDIARIES *(Continued)*

For the year ended 31 March 2017 *(Continued)*

- (b) On 15 March 2017, the Group acquired the entire equity interest in Ren Xun from independent third parties at a consideration of RMB83,998,000 (or equivalent to HK\$94,806,000). Ren Xun holds interest in an available-for-sale investment in Anhui, the PRC.

35. 透過收購附屬公司收購資產(續)

截至二零一七年三月三十一日止年度(續)

- (b) 於二零一七年三月十五日，本集團向獨立第三方收購仁訊之全部股權，代價為人民幣83,998,000元（或相當於94,806,000港元）。仁訊持有位於中國安徽之可供銷售投資之權益。

		Total 總額 HK\$'000 千港元
Net assets of Ren Xun acquired:	所收購之仁訊資產淨值：	
Available-for-sale investment	可供銷售投資	94,877
Bank balances and cash	銀行結餘及現金	41
Other payables and accruals	其他應付款項及應計費用	[112]
Net assets	資產淨值	94,806
Cash consideration paid	已付現金代價	94,806
Bank balances and cash acquired	已收購之銀行結餘及現金	[41]
Net cash outflow in respect of the acquisition of a subsidiary	有關收購一間附屬公司之現金流出淨額	94,765

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

36. ACQUISITION OF SUBSIDIARIES

- (a) On 31 August 2017, the Group acquired 51% equity interests in Fullpay from an independent third party at a total cash consideration of HK\$15,300,000. This acquisition has been accounted for using the acquisition method. Fullpay is engaged in the sourcing and provision of EFT-POS terminals and peripheral devices which support WeChat Pay, as well as the provision of relevant EFT-POS installation and system support services, to vendors in Japan. The Group acquired Fullpay for the purposes of gaining reputation in overseas markets and provides the Group a valuable opportunity to step into the potential mobile payment industry.

36. 收購附屬公司

- (a) 於二零一七年八月三十一日，本集團自一名獨立第三方以15,300,000港元之總現金代價收購Fullpay 51%股權。該收購使用收購法入賬。Fullpay從事採購及向日本之商戶提供支持微信支付之銷售點電子資金轉賬(EFT-POS)終端機及周邊設備，以及提供相關EFT-POS之安裝及系統支持服務。本集團收購Fullpay乃為了於海外市場建立聲譽並為本集團帶來進入潛在移動支付行業之機遇。

		HK\$'000 千港元
Assets acquired and liabilities recognised at the date of acquisition are as follows (determined on a provisional basis):	於收購日期收購之資產及確認之負債如下 (按臨時基準釐定)：	
Property, plant and equipment	物業、機器及設備	2,284
Other receivables	其他應收款項	1,913
Bank balances and cash	銀行結餘及現金	104
Other payables	其他應付款項	(500)
Provisional net assets	臨時資產淨值	3,801
Consideration on acquisition	收購代價	15,300
Non-controlling interests (49% in Fullpay)	非控股權益(Fullpay之49%)	1,862
Less: Provisional net assets recognised	減：已確認之臨時資產淨值	(3,801)
Goodwill arising on acquisition	收購所產生之商譽	13,361

Goodwill arose in the acquisition of Fullpay because the cost of the combination included potential revenue growth and future market development of Fullpay.

由於合併成本包括潛在收益增長及Fullpay未來市場發展，故收購Fullpay產生商譽。

None of the goodwill arising on this acquisition is expected to be deductible for tax purposes.

預期該項收購所產生之商譽不可作扣稅用途。

36. ACQUISITION OF SUBSIDIARIES (Continued)

(a) (Continued)

The provisional goodwill arising from the above acquisition is determined on a provisional basis as the Group is in the process of completing the independent valuation to assess the provisional fair value of the identifiable assets acquired. It may be adjusted upon the completion of initial accounting year which shall not exceed one year from the acquisition date.

Net cash outflow arising on acquisition: 收購所產生之現金流出淨額：

Cash consideration paid	已付現金代價	[15,300]
Bank balances and cash acquired	已收購之銀行結餘及現金	104
Net cash outflow in respect of the acquisition of Fullpay		[15,196]

The acquisition-related costs are insignificant and have been excluded from the consideration transferred and recognised in profit or loss.

Impact of acquisition on the results of the Group

No revenue is recognised by Fullpay during the year ended 31 March 2018. Included in the loss for the year ended 31 March 2018 is loss of HK\$2,215,000 attributable to Fullpay.

Had the acquisition of Fullpay been effected at the beginning of the year, the amount of the loss for the year would have been HK\$499,417,000. The proforma information is for illustrative purposes only and is not necessarily an indication of results of operations of the Group that actually would have been achieved had the acquisition been completed at the beginning of the year, nor is it intended to be a projection of future results.

36. 收購附屬公司(續)

(a) (續)

上述收購事項所產生的臨時商譽按臨時基準釐定，因為本集團正在落實獨立估值以評定所收購可識別資產之臨時公平值。於初始會計年度完結時（自有關收購日期起不超過一年），商譽或會調整。

HK\$'000
千港元

收購相關成本並不重大且已從所轉讓代價中剔除，並於損益中確認。

收購對本集團業績之影響

於截至二零一八年三月三十一日止年度，Fullpay並無確認收益。截至二零一八年三月三十一日止年度之虧損中包括Fullpay應佔之虧損2,215,000港元。

倘收購Fullpay一事於本年度年初進行，則年內虧損金額將為499,417,000港元。備考資料僅供說明之用，並不一定反映在收購於本年度年初完成之情況下本集團實際將會達到之經營業績，亦不擬預測未來業績。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

36. ACQUISITION OF SUBSIDIARIES (Continued)

- (b) On 29 June 2016, the Group acquired entire equity interests in the Topack Group together with the loan from an ex-shareholder, from a connected person to the Group, at a total consideration of HK\$1,109,156,000. This acquisition has been accounted for using the acquisition method. The Topack Group is engaged in property investments and provision of property management services in Guangzhou, the PRC. The Topack Group was acquired so as to enlarge the Group's investment property portfolio in Guangzhou, the PRC.

36. 收購附屬公司(續)

- (b) 於二零一六年六月二十九日，本集團向其關連人士收購德柏集團之全部股權連同來自一名前股東之貸款，總代價為1,109,156,000港元。此項收購已使用收購法入賬。德柏集團於中國廣州市從事物業投資及提供物業管理服務。收購德柏集團旨在擴大本集團於中國廣州市之投資物業組合。

		Total 總額 HK\$'000 千港元
Assets acquired and liabilities recognised at the date of acquisition are as follows:		
於收購日期收購之資產及確認之負債如下：		
Property, plant and equipment	物業、機器及設備	3,924
Investment properties	投資物業	2,553,039
Other receivables	其他應收款項	12
Available-for-sale investment	可供銷售投資	55,140
Bank balances and cash	銀行結餘及現金	3,062
Other payables and accruals	其他應付款項及應計費用	(102,062)
Loan from an ex-shareholder	來自一方前股東之貸款	(252,831)
Tax payable	應付稅項	(40,692)
Bank borrowings	銀行借款	(926,947)
Deferred tax liabilities	遞延稅項負債	(533,681)
Net assets	資產淨值	758,964
Consideration on acquisition	收購代價	1,109,156
Consideration on acquisition	收購代價	1,109,156
Less: Loan from an ex-shareholder	減：來自一名前股東之貸款	(252,831)
Less: Net assets recognised	減：已確認之資產淨值	(758,964)
Goodwill arising on acquisition	收購所產生之商譽	97,361

36. ACQUISITION OF SUBSIDIARIES *(Continued)*

(b) *(Continued)*

Goodwill arose in the acquisition of the Topack Group because the cost of the combination included future market development of the Topack Group.

None of the goodwill arising on this acquisition is expected to be deductible for tax purposes.

36. 收購附屬公司(續)

(b) (續)

由於合併成本包括德柏集團未來市場發展，故收購德柏集團產生商譽。

預期該項收購所產生之商譽不可作扣稅用途。

HK\$'000
千港元

Net cash outflow arising on acquisition: 收購所產生之現金流出淨額：

Cash consideration paid	已付現金代價	(1,109,156)
Bank balances and cash acquired	已收購之銀行結餘及現金	3,062

Net cash outflow in respect of the acquisition of subsidiaries	有關收購附屬公司之現金流出淨額	(1,106,094)
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The Group paid deposit of HK\$100,000,000 as at 31 March 2016 for the acquisition of the Topack Group. The remaining consideration of approximately HK\$1,009,156,000 was settled in June 2016 upon completion. Net cash outflow in respect of the acquisition of the Topack Group during the year ended 31 March 2017 was approximately HK\$1,006,094,000.

Acquisition-related costs amounting to HK\$2,115,000 have been excluded from the consideration transferred and included in the "administrative expenses" line item in profit or loss.

於二零一六年三月三十一日，本集團已就收購德柏集團支付訂金100,000,000港元。代價餘額約1,009,156,000港元已於完成後在二零一六年六月結清。於截至二零一七年三月三十一日止年度，有關收購德柏集團之現金流出淨額約為1,006,094,000港元。

2,115,000港元之收購相關成本已從所轉讓代價中剔除，並於損益之「行政開支」一項中確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

36. ACQUISITION OF SUBSIDIARIES *(Continued)*

(b) *(Continued)*

Impact of acquisition on the results of the Group

Included in the profit for the year ended 31 March 2017 is loss of HK\$14,955,000 attributable to the Topack Group, excluding the impairment of HK\$96,791,000 on goodwill arising from acquisition of the Topack Group. Revenue for the year ended 31 March 2017 includes HK\$41,211,000 is attributable to the Topack Group.

Had the acquisition of the Topack Group been effected at the beginning of the year ended 31 March 2017, the total revenue of the Group for the year ended 31 March 2017 would have been HK\$97,954,000, and the amount of the profit for the year ended 31 March 2017 would have been HK\$1,219,686,000. The proforma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed at the beginning of the year ended 31 March 2017, nor is it intended to be a projection of future results.

In determining the “pro-forma” revenue and profit of the Group had the Topack Group been acquired at the beginning of the year ended 31 March 2017, the directors of the Company calculated depreciation of property, plant and equipment based on the recognised amounts of property, plant and equipment at the date of the acquisition.

During the year ended 31 March 2017, the Group recognised an impairment losses of HK\$96,791,000 on the goodwill arising from acquisition of the Topack Group due to management’s previous expectation on expected market development of the properties market in the PRC could not be met.

36. 收購附屬公司(續)

(b) (續)

收購對本集團業績之影響

截至二零一七年三月三十一日止年度溢利中包括德柏集團應佔之虧損14,955,000港元，不包括收購德柏集團所產生商譽之減值96,791,000港元。截至二零一七年三月三十一日止年度收入中包括德柏集團應佔之41,211,000港元。

倘收購德柏集團一事於截至二零一七年三月三十一日止年度初進行，則本集團於二零一七年三月三十一日止年度之總收入應為97,954,000港元，而截至二零一七年三月三十一日止年度溢利金額應為1,219,686,000港元。備考資料僅供說明之用，並不一定反映在收購於截至二零一七年三月三十一日止年度年初完成之情況下本集團實際將會達到之收入及經營業績，亦不擬預測未來業績。

於釐定在德柏集團於截至二零一七年三月三十一日止年度年初收購之情況下本集團之「備考」收入及溢利時，本公司董事已依照物業、機器及設備於收購當日之已確認金額，計算物業、機器及設備之折舊。

於截至二零一七年三月三十一日止年度，由於無法達致管理層對中國物業市場之市場發展之先前預期，故本集團就收購德柏集團所產生之商譽確認減值虧損96,791,000港元。

36. ACQUISITION OF SUBSIDIARIES *(Continued)*

- (c) On 30 March 2017, the Group acquired the entire equity interests in 廣州市新雨商貿有限公司 ("Guangzhou City Xin Yu Shang Mao Co, Ltd") ["Xin Yu"], from independent third parties at a total consideration of RMB228,702,000 (or equivalent to HK\$258,129,000). This acquisition has been accounted for using the acquisition method. Xin Yu is engaged in property investments in Guangzhou, the PRC. For enlarging the Group's investment property portfolio in Guangzhou and securing recurring stable income for the Group, the Group acquired Xin Yu.

36. 收購附屬公司(續)

- (c) 於二零一七年三月三十日，本集團向獨立第三方收購廣州市新雨商貿有限公司(「新雨」)之全部股權，總代價為人民幣228,702,000元(或相當於258,129,000港元)。此項收購已利用收購法入賬。新雨主要於中國廣州市從事物業投資。本集團收購新雨，藉此擴大本集團於廣州之投資物業組合及獲得經常性穩定收益。

		Total 總額 HK\$'000 千港元
Assets acquired and liabilities recognised at the date of acquisition are as follows:	於收購日期收購之資產及確認之負債如下：	
Property, plant and equipment	物業、機器及設備	593
Investment properties	投資物業	276,862
Prepaid lease payment	預付租賃付款	29,597
Other receivables	其他應收款項	885
Bank balances and cash	銀行結餘及現金	1,497
Other payables and accruals	其他應付款項及應計費用	(2,768)
Deferred tax liabilities	遞延稅項負債	(66,908)
Net assets	資產淨值	239,758
Consideration on acquisition	收購代價	258,129
Consideration on acquisition	收購代價	258,129
Less: Net assets recognised	減：已確認之資產淨值	(239,758)
Goodwill arising on acquisition	收購所產生之商譽	18,371

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

36. ACQUISITION OF SUBSIDIARIES *(Continued)*

(c) *(Continued)*

Goodwill arose in the acquisition of Xin Yu because the cost of the combination included future market development of the Xin Yu.

None of the goodwill arising on this acquisition is expected to be deductible for tax purposes.

36. 收購附屬公司(續)

(c) (續)

由於合併成本包括新雨未來市場發展，故收購新雨產生商譽。

預期該項收購所產生之商譽不可作扣稅用途。

HK\$'000
千港元

Net cash outflow arising on acquisition:	收購所產生之現金流出淨額：	
Cash consideration paid	已付現金代價	(258,129)
Bank balances and cash acquired	已收購之銀行結餘及現金	1,497
Net cash outflow in respect of the acquisition of subsidiaries	有關收購附屬公司之現金流出淨額	(256,632)

The acquisition-related costs are insignificant and have been excluded from the consideration transferred and recognised in profit or loss.

收購相關成本並不重大及已從所轉讓代價中剔除，並於損益中確認。

During the year ended 31 March 2017, the Group recognised an impairment losses of HK\$18,787,000 on the goodwill arising from acquisition of Xin Yu due to unstable economic condition, which led to the previous expectation on expected market development of the properties market in the PRC could not be met.

於截至二零一七年三月三十一日止年度，由於經濟狀況不穩定導致無法達致對中國物業市場之市場發展之先前預期，故本集團就收購新雨所產生之商譽確認減值虧損18,787,000港元。

37. CONTINGENT LIABILITIES

37. 或然負債

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Amounts granted in respect of guarantees given to the bank for facilities granted to an associate	就一間聯營公司所獲信 貸向銀行提供擔保而授予 之金額	-	75,000
Amounts utilised in respect of guarantees given to the bank for facilities granted to an associate	就一間聯營公司所獲信貸 向銀行提供擔保而動用 之金額	-	27,300

In the opinion of the directors of the Company, the fair value of the financial guarantee is insignificant as at 31 March 2017. During the year ended 31 March 2018, the associate had default its repayment to the bank and the Company settled the entire outstanding indebtedness amounting to HK\$25,500,000, owed by the associate to the bank under the financial guarantee. The bank released the respective financial guarantee contract subsequently.

本公司董事認為，於二零一七年三月三十一日該財務擔保之公平值並不重大。截至二零一八年三月三十一日止年度，該聯營公司已拖欠其結欠該銀行之款項，而本公司已根據財務擔保悉數支付該聯營公司未償還該銀行之貨款金額25,500,000港元。其後該銀行已解除相關財務擔保合同。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

38. OPERATING LEASES

The Group as lessor

During the year ended 31 March 2018, the Group had property rental income of approximately HK\$129,604,000 (2017: HK\$57,899,000).

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases with fixed rents in respect of premises which would fall due as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within one year	一年內	205,911	51,338
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)	508,268	126,324
After five years	五年後	243,611	79,270
		957,790	256,932

Operating lease payments represent rentals receivable by the Group from leasing of its investment properties. Typically, leases are negotiated and rentals are fixed for lease term of one to fifteen years (31 March 2017: one to fifteen years). Certain leases include contingent rentals calculated with reference to turnover of the tenants.

38. 經營租約

本集團作為出租人

截至二零一八年三月三十一日止年度，本集團之物業租金收入約為129,604,000港元（二零一七年：57,899,000港元）。

於申報期末，本集團尚有不可撤銷之經營租約（附固定租金），涉及物業之未來最低租賃付款承擔之到期日如下：

經營租賃付款指本集團就其投資物業應收的租金。一般而言，租賃乃經商議，且租金固定不變並為期一至十五年（二零一七年三月三十一日：一至十五年）。若干租賃包括按租戶營業額計算之或然租金。

38. OPERATING LEASES *(Continued)*

The Group as lessee

Minimum lease payments paid under operating leases: 根據經營租約支付之最低租賃付款：

Land and buildings 土地及樓宇

2018
二零一八年
HK\$'000
千港元

2017
二零一七年
HK\$'000
千港元

4,175

4,548

At the end of the reporting period, the Group had commitments for future minimum lease payments in respect of rented premises under non-cancellable operating leases which fall due as follows:

於申報期末，本集團尚有不可撤銷之經營租約，涉及租賃物業之未來最低租賃付款承擔之到期日如下：

Within one year 一年內
In the second to fifth year inclusive 第二至第五年(包括首尾兩年)

2018
二零一八年
HK\$'000
千港元

2017
二零一七年
HK\$'000
千港元

2,606

2,973

2,497

2,938

5,103

5,911

Leases are negotiated for lease term of one to two years (2017: one to two years) and rentals are fixed over the terms of the leases.

商議之租約年期為一至兩年(二零一七年：一至兩年)，而租金在租約期內固定。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

39. DEPOSITS FOR ACQUISITION OF INVESTMENT PROPERTIES

During the year ended 31 March 2018, the Group entered into agreements with the vendor and paid deposits of RMB92,375,000 (or equivalent to HK\$108,626,000) (31 March 2017: RMB50,000,000 (or equivalent to HK\$57,710,000)) for renovation and decoration of the investment properties held by the Group in the PRC which RMB23,027,000 (or equivalent to HK\$27,078,000) (31 March 2017: RMB47,546,000 (or equivalent to HK\$54,878,000)) was capitalised in investment properties.

40. CAPITAL COMMITMENT

During the year ended 31 March 2017, the Group paid deposits of RMB210,317,000 (or equivalent to HK\$237,378,000) for acquisition of interests in investments. The acquisition was terminated during the year ended 31 March 2018 and the deposits were fully refunded subsequent to the year ended 31 March 2018.

41. PLEDGE OF ASSETS

At the end of the reporting period, the following assets were pledged by the Group to secure banking and other financing facilities:

Investments in securities	證券投資
Investment properties	投資物業
Investment properties classified as asset held for sales	分類為持作銷售資產之投資物業
Properties held for sale	持作銷售物業

39. 收購投資物業之訂金

於截至二零一八年三月三十一日止年度，本集團與賣方訂立協議並已支付訂金人民幣92,375,000元（或相當於108,626,000港元）（二零一七年三月三十一日：人民幣50,000,000元（或相當於57,710,000港元））作翻新及裝修本集團於中國持有之投資物業，當中人民幣23,027,000元（或相當於27,078,000港元）（二零一七年三月三十一日：人民幣47,546,000元（或相當於54,878,000港元））已於投資物業資本化。

40. 資本承擔

於截至二零一七年三月三十一日止年度，本集團已支付訂金人民幣210,317,000（或相當於237,378,000港元）作收購投資權益。該收購已於截至二零一八年三月三十一日止年度終止，而該訂金已於截至二零一八年三月三十一日止年度後悉數退還。

41. 資產抵押

於申報期末，本集團將下列資產抵押作為其銀行及其他融資信貸之擔保：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Investments in securities	138,217	110,835
Investment properties	10,360,347	9,168,312
Investment properties classified as asset held for sales	196,000	—
Properties held for sale	—	1,035,389
	10,694,564	10,314,536

Note: As at 31 March 2018, included in the investment in securities pledged by the Group to secure other financing facilities was certain of the Group's equity interest in Rosedale with market value of HK\$59,065,000 (31 March 2017: HK\$61,280,000) based on the quoted price from the Stock Exchange on 31 March 2018.

附註： 於二零一八年三月三十一日，作為其他融資信貸擔保之本集團已抵押證券投資中，包括本集團所持若干珀麗股權，其市值按聯交所於二零一八年三月三十一日之報價為59,065,000港元（二零一七年三月三十一日：61,280,000港元）。



42. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of borrowings and equity attributable to owners of the Company, comprising issued share capital, retained profits and various reserves.

The directors of the Company review the capital structure on a regular basis. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors of the Company, the Group will balance its overall capital structure through the payment of dividends, new share issues, new borrowings raised and repayment of borrowings.

42. 資本風險管理

本集團之資本管理為確保本集團內各實體可以持續方式經營，同時透過適當平衡負債與權益結構為股東帶來最大回報。本集團之整體策略自去年起維持不變。

本集團之資本架構包括借款及本公司擁有人應佔權益（包括已發行股本、保留溢利及各項儲備）。

本公司董事定期檢討資本架構。作為該檢討一部分，本公司董事考慮資本成本與各類資本之相關風險。根據本公司董事建議，本集團將透過派發股息、發行新股、新增借款及償還借款，以平衡其整體資本架構。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

43. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

43. 財務工具

(a) 財務工具類別

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Financial assets	財務資產		
<i>Fair value through profit or loss</i>	<i>按公平值列賬並計入損益</i>		
– Investments held for trading	– 持作買賣投資	81,000	48,909
<i>Available-for-sale financial assets</i>	<i>可供銷售財務資產</i>	245,485	193,388
<i>Loans and receivables</i>	<i>貸款及應收款項</i>		
– Trade and other receivables	– 貿易及其他應收款項	61,297	269,073
– Amounts due from associates	– 應收聯營公司款項	–	46,511
– Amount due from a joint venture	– 應收一間合營企業款項	–	31,345
– Short-term loans receivable	– 應收短期貸款	57,000	57,000
– Bank balances and cash	– 銀行結餘及現金	462,363	140,865
		580,660	544,794
Total	總計	907,145	787,091
Financial liabilities at amortised cost	按攤銷成本列賬之財務負債		
Other payables	其他應付款項	125,404	294,312
Borrowings	借款	5,723,897	4,609,934
		5,849,301	4,904,246

43. FINANCIAL INSTRUMENTS *(Continued)*

(b) Financial risk management objectives and policies

The Group's major financial instruments are set out in note 43(a) above and details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) Credit risk

Credit risk represents the potential loss that may arise from a customer or counterparty's failure to meet its obligation. The Group's major credit risks arise from financial assets classified as trade and other receivables, short-term loans receivable and distressed debt assets.

The Group implements the following measures to mitigate credit risk:

- In respect of credit exposures to tenants, credit risk exposure is minimised by undertaking transactions with a large number of counterparties and conducting credit reviews on prospective tenants. The Group also has policies in place to ensure that rental security deposits are required from tenants prior to commencement of leases;

43. 財務工具(續)

(b) 財務風險管理目標及政策

本集團之主要財務工具載列於上文附註43(a)，該等財務工具詳情亦於各附註披露。下文載列與該等財務工具有關之風險及減低該等風險之政策。管理層管理並監控該等風險，以確保及時和有效地採取適當之措施。

(i) 信貸風險

信貸風險指因客戶或交易對手違約而造成的潛在虧損。本集團之主要信貸風險乃來自分類為貿易及其他應收款項、應收短期貸款及不良債務資產之財務資產。

本集團採取以下措施以降低信貸風險：

- 就因租戶而面臨之信貸風險而言，透過與大量交易對手進行交易及對準租戶進行信用審查而將信貸風險減至最低。本集團亦設有政策以確保租戶於租賃前須繳交租金按金。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

43. FINANCIAL INSTRUMENTS *(Continued)*

(b) Financial risk management objectives and policies *(Continued)*

(i) Credit risk *(Continued)*

- In respect of credit exposures to short-term loans receivable, credit risk exposure is minimised by referencing to external credit rating information to manage the credit quality of counterparties, and selecting counterparties with acceptable credit quality and repayment ability to balance credit risk and return; and
- In respect of distressed debt assets, credit risk exposure is minimised by obtaining effective collateral from distressed debt assets. The Group also timely evaluating the recoverability of the distressed debt assets and obtaining legal advice regarding the legal status of the distressed debt assets.

The credit risk on liquid funds is limited because the counterparties are banks and with good reputation.

(ii) Market risk

(i) Interest rate risk

The Group is exposed to fair value interest rate risk in relation to amounts due from associates (see note 26), available-for-sale investments (see note 22), short-term loans receivable (see note 25) and fixed-rate bank deposits and bank and other borrowings (see notes 28 and 32). The Group is also exposed to cash flow interest rate risk primarily relate to bank balances and variable-rate borrowings (see notes 28 and 32).

43. 財務工具(續)

(b) 財務風險管理目標及政策(續)

(i) 信貸風險(續)

- 就應收短期貸款而面臨之信貸風險而言，透過參考外部信用評級信息，對交易對手信用情況予以掌控，謹慎選擇具備可接受的信用水平及償還能力以平衡信用風險與回報的交易對手，以最大程度降低信貸風險；及
- 就不良債務資產而面臨之信貸風險而言，透過向不良債務資產取得有效之抵押品以降低信貸風險。本集團亦適時評估不良債務資產之可收回性以及就不良債務資產之法律地位取得法律建議。

由於流動資金之對手方均為具有良好信譽之銀行，故此流動資金之信貸風險有限。

(ii) 市場風險

(i) 利率風險

本集團面對之公平值利率風險乃涉及應收聯營公司款項(見附註26)、可供銷售投資(見附註22)、應收短期貸款(見附註25)以及定息銀行存款及銀行及其他借款(見附註28及32)。本集團亦面對現金流量利率風險，主要涉及銀行結餘及浮息借款(見附註28及32)。

43. FINANCIAL INSTRUMENTS *(Continued)*

(b) Financial risk management objectives and policies *(Continued)*

(ii) Market risk *(Continued)*

(i) Interest rate risk *(Continued)*

The Group maintains variable rate borrowings. The Group currently does not have an interest rate hedging policy. However, management monitor interest rate change exposure and will consider hedging significant interest rate exposure should the need arise.

The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of HIBOR, the prime lending rate arising from the Group's Hong Kong dollar denominated borrowings and People's Bank of China benchmark lending rate arising from the Group's RMB denominated borrowings.

Sensitivity analysis

Regarding the cash flow interest rate risk, the sensitivity analysis below have been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. For variable-rate short-term loans receivable and variable-rate borrowings, the analysis is prepared assuming the amount of the relevant asset and liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points (2017: 50 basis points) higher/lower and all other variables were held constant, the Group's post-tax loss for the year ended 31 March 2018 would increase/decrease by HK\$10,845,000 (2017: post-tax profit for the year decrease/increase by HK\$8,717,000).

43. 財務工具(續)

(b) 財務風險管理目標及政策(續)

(ii) 市場風險(續)

(i) 利率風險(續)

本集團維持浮息借款。本集團目前並無利率對沖政策。然而，管理層監控利率變動風險，並會於必要時考慮對沖重大利率風險。

本集團之現金流量利率風險主要集中於源自其港元計值借款之香港銀行同業拆息率，本集團以港元計值之借款之最優惠借貸利率及本集團以人民幣計值之借款之中國人民銀行基準借貸利率之波動。

敏感度分析

就現金流量利率風險而言，下文之敏感度分析乃根據於申報期末所面對之非衍生工具利率風險而釐定。就應收浮息短期貸款及浮息借款而言，該分析乃假設於申報期末之相關資產及未償還負債金額為於整個年度內存在且未償還而作出。增加或減少50個基點代表管理層對利率之合理潛在變動作出之評估。

倘利率增加／減少50個基點（二零一七年：50個基點），而所有其他變數維持不變，本集團截至二零一八年三月三十一日止年度之稅後虧損將增加／減少10,845,000港元（二零一七年：年內稅後溢利將減少／增加8,717,000港元）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

43. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

(ii) Market risk (Continued)

(i) Interest rate risk (Continued)

Sensitivity analysis (Continued)

In the opinion of the directors of the Company, the cash flow interest rate risk of bank balances is considered insignificant and therefore no sensitivity analysis is presented.

(ii) Price risk on investments held for trading

The Group is primarily exposed to equity price risk through its investments in investments held for trading. The management manages this exposure by maintaining a portfolio of investments with different risks. The Group's equity price risk is mainly concentrated on equity instruments quoted in the Stock Exchange.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to equity price risks of listed securities included investments held for trading at the reporting date.

If the share prices of the respective equity investments had been 20% (2017: 20%) higher/lower and all other variables were held constant, the Group's post-tax loss for the year would decrease/increase by HK\$13,527,000 (2017: post-tax profit for the year would increase/decrease by HK\$8,168,000) as a result of the changes in fair value of investments held for trading.

43. 財務工具(續)

(b) 財務風險管理目標及政策(續)

(ii) 市場風險(續)

(i) 利率風險(續)

敏感度分析(續)

本公司董事認為，銀行結餘之現金流量利率風險並不重大，故並無呈列敏感度分析。

(ii) 持作買賣投資下之價格風險

本集團因投資於持作買賣投資項目，主要面臨股本價格風險。管理層透過維持不同風險投資之組合管理該風險。本集團之股本價格風險主要集中於在聯交所報價之股本工具。

敏感度分析

下文之敏感度分析乃根據於申報日期計入持作買賣投資之上市證券面對之股本價格風險釐定。

倘有關股本投資之股價上升／下跌20%（二零一七年：20%），而所有其他變數維持不變，本集團之年內稅後虧損將因持作買賣投資之公平值變動而減少／增加13,527,000港元（二零一七年：年內稅後溢利將增加／減少8,168,000港元）。

43. FINANCIAL INSTRUMENTS *(Continued)*

(b) Financial risk management objectives and policies *(Continued)*

(iii) Currency risk

The functional currency of the Company and its major subsidiaries in Hong Kong is Hong Kong dollars ("HK\$") in which most of the transactions are denominated. The functional currency of those subsidiaries operating in the PRC is Renminbi ("RMB") in which most of its transactions are denominated.

The Group has foreign currency balances which expose the Group to foreign currency risks, however, in the opinion of the directors of the Company, the foreign currency risk is not significant as the amount of foreign currency balances is not material and therefore, no sensitivity analysis is presented.

(iv) Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of the borrowings and ensures compliance with loan covenants.

43. 財務工具(續)

(b) 財務風險管理目標及政策(續)

(iii) 貨幣風險

本公司及其香港主要附屬公司之功能貨幣為港元(「港元」)，大部分交易亦以港元計值。於中國營運之附屬公司之功能貨幣為人民幣(「人民幣」)，大部分交易亦以人民幣計值。

本集團有外幣結餘，使本集團面對外幣風險，惟本公司董事認為由於外幣結餘之金額並不重大，外幣風險不高，故並無呈列敏感度分析。

(iv) 流動資金風險

在管理流動資金風險時，本集團監控現金及現金等值項目水平，並將之維持於管理層認為足以為本集團之營運提供資金並減輕現金流量波動影響之水平。管理層監控借款之使用狀況及確保遵守貸款契諾。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

43. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

(iv) Liquidity risk (Continued)

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. Specifically, other borrowings with a repayment on demand clause are included in the earliest time band regardless of the probability of the lender choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate at the end of reporting period.

Liquidity tables

43. 財務工具(續)

(b) 財務風險管理目標及政策(續)

(iv) 流動資金風險(續)

下表載列本集團非衍生財務負債之餘下合約到期日。下表乃依據於本集團可被要求還款之最早日期，按財務負債之未貼現現金流量編製而成。具體而言，包含應要求償還條文之其他借款會計入最早還款期間，而不論貸款人選擇行使其權利之可能性。其他非衍生財務負債之到期日按協定之還款日期為依據。下表包括利息及本金之現金流量。倘利息流量按浮息計算，則以申報期末之利率計算未貼現金額。

流動資金表

		Contractual weighted average interest rate	Less than 3 months or on demand	3 months to 1 year	1 - 5 years	Over 5 years	Total undiscounted cash flows	Carrying amount at 31.3.2018 於二零一八年 三月三十一日 之賬面值
		%	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
2018	二零一八年							
Non-derivative financial liabilities	非衍生財務負債							
Other payables	其他應付款項	-	125,404	-	-	-	125,404	125,404
Borrowings	借款	7.70	640,121	503,295	4,664,317	1,121,268	6,929,001	5,723,897
			765,525	503,295	4,664,317	1,121,268	7,054,405	5,849,301

43. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

(iv) Liquidity risk (Continued)

Liquidity tables (Continued)

		Contractual weighted average interest rate	Less than 3 months or on demand	3 months to 1 year	1 – 5 years	Over 5 years	Total undiscounted cash flows	Carrying amount at 31.3.2017 於二零一七年 三月三十一日 之賬面值
		合約加權 平均利率 %	少於三個月 或於要求時 HK\$'000 千港元	三個月至 一年 HK\$'000 千港元	一至五年 HK\$'000 千港元	超過五年 HK\$'000 千港元	未貼現現金 流量總額 HK\$'000 千港元	三月三十一日 之賬面值 HK\$'000 千港元
2017	二零一七年							
Non-derivative financial liabilities	非衍生財務負債							
Other payables	其他應付款項	-	294,312	-	-	-	294,312	294,312
Borrowings	借款	8.57	306,712	411,961	4,258,114	716,777	5,693,564	4,609,934
Financial guarantee contracts	財務擔保合約	-	27,300	-	-	-	27,300	-
			628,324	411,961	4,258,114	716,777	6,015,176	4,904,246

Other borrowings with a repayment on demand clause are included in the "on demand or less than 3 months" time band in the above maturity analysis. As at 31 March 2018 and 31 March 2017, the aggregate undiscounted principal amounts of these other borrowings amounted to HK\$34,100,000 and HK\$31,000,000 respectively. Taking into account the Group's financial position, the directors of the Company do not believe that it is probable that the lender will exercise their discretionary rights to demand immediate payment.

附帶按要求償還條款的其他借款在上文的到期日分析內計入「按要求或少於三個月」的時期內。於二零一八年三月三十一日及二零一七年三月三十一日，此等其他借款的未貼現本金額合計分別為數34,100,000港元及31,000,000港元。經計及本集團的財務狀況，本公司董事認為，貸款人行使其酌情權權要求即時還款的可能性不大。

43. 財務工具(續)

(b) 財務風險管理目標及政策(續)

(iv) 流動資金風險(續)

流動資金表(續)

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

43. FINANCIAL INSTRUMENTS *(Continued)*

(b) Financial risk management objectives and policies *(Continued)*

(iv) Liquidity risk (Continued)

Liquidity tables (Continued)

The undiscounted cash flows on financial guarantee contracts have been categorised into time bands based on the earliest date the bank borrowings obtained by an associate are due for repayment in accordance with loan repayment schedule agreed with respective lenders.

The amounts included above for financial guarantee contracts are the maximum amounts the Group could be required to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on expectations at the end of the reporting period, the Group considers that it is more likely than not that no amount will be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

The amounts included above for variable interest rate instruments for non-derivative financial liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

43. 財務工具(續)

(b) 財務風險管理目標及政策(續)

(iv) 流動資金風險(續)

流動資金表(續)

財務擔保合約之未貼現現金流量乃就聯營公司所取得銀行借款按照與有關貸款人協定之貸款還款時間表到期償還之最早日期分為不同時期。

上述財務擔保合約金額包括倘擔保對手方就全數擔保金額提出申索，則本集團根據有關安排可被要求清償之最高金額。根據於申報期末之預期，本集團認為很可能毋須根據有關安排支付任何金額。然而，此預期可能有變，視乎對手方根據擔保提出申索之可能性，而此可能性則須視乎對手方持有並受擔保之財務應收款項蒙受信貸損失之可能性而定。

倘浮動利率之變動有別於在申報期末釐定之利率估計，則上述非衍生財務負債浮息工具之金額可能有所變動。

43. FINANCIAL INSTRUMENTS (Continued)

(c) Fair value measurements of financial instruments

(i) Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

The fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The fair value of financial assets and financial liabilities are determined as follows:

(ii) Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The disclosures of fair value measurements as shown above use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

- Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;

43. 財務工具(續)

(c) 財務工具之公平值計量

(i) 並非以經常性基準按公平值計量之財務資產及財務負債公平值

本公司董事認為綜合財務報表內按攤銷成本列賬之財務資產及財務負債賬面值與其公平值相若。

其他財務資產與財務負債之公平值乃根據公認定價模式以貼現現金流量分析釐定。

財務資產與財務負債之公平值按以下方式釐定：

(ii) 以經常性基準按公平值計量之本集團財務資產公平值

公平值乃於計量日期市場參與者之間於有序交易中出售資產將會收取或轉讓負債將會支付之價格。上文所示公平值計量的披露乃採用公平值級別，即將計量公平值所用估值技術之輸入數據劃分為三個級別：

- 第一級輸入數據：本集團於計量日期可於活躍市場就相同資產或負債獲取的報價(未經調整)；

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

43. FINANCIAL INSTRUMENTS *(Continued)*

(c) Fair value measurements of financial instruments *(Continued)*

(ii) Fair value of the Group's financial assets that are measured at fair value on a recurring basis (Continued)

- Level 2 inputs: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 inputs: unobservable inputs for the asset or liability.

The Group's investments in listed equity interests in held-for-trading investments are measured at fair value (Level 1 inputs) at the end of the reporting period. The Group's distressed debt assets in available-for-sale are measured at fair value (level 3 inputs) at the end of the reporting period. There was no transfers amongst Level 1, 2 and 3 during the year.

The directors of the Company consider that the carrying amounts of the other financial assets and financial liabilities recorded at amortised cost in the results and financial position of the Group approximate their respective fair values.

43. 財務工具(續)

(c) 財務工具之公平值計量(續)

(ii) 以經常性基準按公平值計量之本集團財務資產公平值(續)

- 第二級輸入數據：有關資產或負債直接或間接可觀察的輸入數據，而非第一級所包括的報價；
- 第三級輸入數據：資產或負債的不可觀察輸入數據。

於報告期末，本集團列於持作買賣投資下的上市股權投資按公平值(第一級輸入數據)計量。於報告期末，本集團可供銷售的不良債務資產按公平值(第三級輸入數據)計量。於年內，第一、第二及第三級之間並無轉移。

本公司董事認為，於本集團業績及財務狀況內按攤銷成本列賬的其他財務資產及財務負債的賬面值與其各自的公平值相若。

44. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

44. 融資活動所產生負債的對賬

下表載列本集團融資活動所產生負債的變動詳情，其中包括現金及非現金變動。融資活動所產生負債為該等已經或日後將會於本集團綜合現金流量表歸類為融資活動所產生現金流量的現金流量。

		Interest payables 應付利息 HK\$'000 千港元 (Note 30) (附註30)	Bank and other borrowings 銀行及其他借款 HK\$'000 千港元 (Note 32) (附註32)	Total 總計 HK\$'000 千港元
At 1 April 2017	於二零一七年四月一日	33,737	4,609,934	4,643,671
Financing cash flows	融資現金流量	(423,076)	757,643	334,567
Interest expenses	利息支出	424,378	-	424,378
Liabilities classified as held for sale (note 29)	分類為持作銷售 之負債(附註29)	-	(116,984)	(116,984)
Exchange realignment	匯兌調整	-	473,304	473,304
At 31 March 2018	於二零一八年三月三十一日	35,039	5,723,897	5,758,936

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

45. SHARE OPTION SCHEME

Pursuant to a resolution passed at the 2014 annual general meeting of the Company on 18 September 2014 ("Adoption Date"), the Company has adopted a new share option scheme (the "2014 Share Option Scheme"). Under the 2014 Share Option Scheme, the Board may grant options to directors and employees of the Group and any advisors, consultants, distributors, contractors, suppliers, agents, customers, business partners, joint venture business partners, promoters and service providers of any members of the Group who the board of directors considers have contributed or will contribute or can contribute to the Group. The purpose of the 2014 Share Option Scheme is to provide participants with the opportunity to acquire proprietary interests in the Company and to encourage participants to work towards enhancing the value of the Company and its shares for the benefits of the Company and its shareholders as a whole.

The total number of shares which may be issued upon exercise of all options to be granted under the 2014 Share Option Scheme and any other schemes of the Company (the "Scheme Mandate Limit") must not in aggregate exceed 10% of the shares in issue as at the date of approval of the 2014 Share Option Scheme (or as at the date of approval of the refreshment of the Scheme Mandate Limit by the shareholders of the Company). Apart from the 2014 Share Option Scheme, the Company has no other share option scheme in force. At the annual general meeting of the Company held on 13 September 2016, the refreshment of the Scheme Mandate Limit was approved by the shareholders. Pursuant to the refreshed Scheme Mandate Limit, the directors have been authorised to grant options to subscribe up to 505,671,489 shares, representing approximately 4.91% of the issued shares as at the date of this report. Further to the foregoing, the maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2014 Share Option Scheme and any other share option scheme of the Company shall not exceed 30% of the shares in issue from time to time.

45. 購股權計劃

根據於二零一四年九月十八日(「採納日期」)舉行之本公司二零一四年股東週年大會上通過之決議案，本公司採納了一項新購股權計劃(「二零一四年購股權計劃」)。根據二零一四年購股權計劃，董事會可將購股權授予其認為曾經或將會或能夠對本集團作出貢獻之本集團董事及僱員、本集團任何成員公司之任何諮詢人、顧問、分銷商、承包商、供應商、代理人、客戶、業務夥伴、合營企業業務夥伴、發起人及服務供應商。二零一四年購股權計劃之目的在於向參與者提供獲得本公司所有權權益之機會，並激勵參與者為本公司及其股東整體利益而努力提升本公司及其股份價值。

根據二零一四年購股權計劃及本公司任何其他計劃將授出之所有購股權獲行使時可予發行之股份總數(「計劃授權限額」)，合共不得超逾二零一四年購股權計劃獲批准當日(或更新計劃授權限額獲本公司股東批准當日)已發行股份之10%。除二零一四年購股權計劃外，本公司並無其他生效中之購股權計劃。於二零一六年九月十三日舉行之本公司股東週年大會上，更新計劃授權限額已獲股東批准。根據經更新之計劃授權限額，董事獲授權授出可認購最多505,671,489股股份(相當於本報告日期已發行股份之約4.91%)之購股權。此外，根據二零一四年購股權計劃及本公司任何其他購股權計劃已授出而尚未行使之所有購股權獲行使時可予發行之最高股份數目，不得超過不時已發行股份之30%。

45. SHARE OPTION SCHEME *(Continued)*

Under the 2014 Share Option Scheme, the options which may be granted to any individual in any 12-month period are not permitted to exceed 1% of the shares of the Company in issue, without prior approval from the Company's shareholders. Options granted to any director, chief executive or substantial shareholder of the Company in excess of 0.1% of the Company's share capital or with a value in excess of HK\$5 million must be approved in advance by the Company's shareholders.

An offer of options shall remain open for acceptance for a period of 28 days. An option shall be deemed to have been granted and accepted when the acceptance together with a payment of HK\$1.00 is received by the Company. The option period is determined by the Board at the time of making an offer which shall not expire later than 10 years from the date of grant.

The 2014 Share Option Scheme does not specify a minimum period for which an option must be held nor a performance target which must be achieved before an option can be exercised. However, the terms of the 2014 Share Option Scheme provide that the Board may determine, at its sole discretion, such term(s) on the grant of an option, which decision may vary on a case by case basis. The exercise price is determined by the Board, and will not be less than the higher of the closing price of the Company shares on the date of grant or the average closing price of the shares for the five business days immediately preceding the date of grant or the nominal value of the share of the Company.

Subject to the provisions of the 2014 Share Option Scheme, the 2014 Share Option Scheme shall be valid and effective for a period of 10 years commencing on the Adoption Date, after which period no further options shall be offered or granted.

No options were granted since the adoption of 2014 Share Option Scheme up to the date of issuance of these consolidated financial statements.

45. 購股權計劃(續)

根據二零一四年購股權計劃，凡未經本公司股東事先批准，於任何12個月期間可授予任何個人之購股權不得超過本公司已發行股份之1%。倘向本公司任何董事、最高行政人員或主要股東授出之購股權超過本公司股本之0.1%或價值超過5,000,000港元，則須獲本公司股東事先批准。

授予購股權之要約於28天之期間內可供接納。當本公司收到接納書連同1.00港元之付款後，購股權即被視作已獲授出及接納。購股權期間由董事會於提出要約時釐定，惟該期間不得超過自授出日期起計10年。

二零一四年購股權計劃並無訂明於行使購股權前須持有購股權之最短期限或須達致之表現目標。然而，二零一四年購股權計劃之條款規定董事會可全權酌情決定授出購股權之條款，而有關決定可因應個別情況而定。行使價由董事會釐定，該價格不得低於以下三者中之較高者：本公司股份於授出日期之收市價，或本公司股份於緊接授出日期前五個營業日之平均收市價，或本公司股份之面值。

在二零一四年購股權計劃條文之規限下，二零一四年購股權計劃於自採納日期起計10年期間有效及有作用；於該期間後，不得再提呈或授出購股權。

自二零一四年購股權計劃獲採納起至此等綜合財務報表刊發日期止，概無授出任何購股權。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

46. RETIREMENT BENEFITS SCHEMES

The Group operates a Mandatory Provident Fund ("MPF") scheme for qualifying employees of the Company and its subsidiaries in Hong Kong. The assets of the MPF scheme are held separately from those of the Group, in funds under the control of trustees. The Group contributes 5% of relevant payroll costs to the scheme subject to a maximum of HK\$1,500 per month, which contribution is matched by employees.

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

The total cost charged to profit or loss of HK\$1,846,000 (2017: HK\$1,957,000) represents contributions payable to these schemes by the Group in respect of the current year. As at 31 March 2018 and 31 March 2017, no contribution was due in respect of the reporting period had not been paid over to these schemes.

46. 退休福利計劃

本集團為本公司及其香港附屬公司之合資格僱員營辦強制性公積金(「強積金」)計劃。強積金計劃之資產乃獨立於本集團，於信託人控制之基金內持有。本集團就有關工資成本之5%向該計劃供款，供款上限為每月1,500港元，與僱員之供款額相同。

受僱於中國附屬公司之本集團僱員為中國政府所營辦國家管理退休福利計劃之成員。該等附屬公司須將工資若干百分比作為該退休福利計劃之供款，為福利提供資金。本集團對該退休福利計劃之責任僅為作出特定之供款。

於損益扣除之總成本1,846,000港元(二零一七年：1,957,000港元)指本集團就本年度對該等計劃應付之供款。於二零一八年三月三十一日及二零一七年三月三十一日，並無尚未對該等計劃支付而關於申報期之到期供款。

47. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

As at 31 March 2018, the Company has settled all outstanding indebtedness owed by an associate and the bank released the financial guarantee contracts guaranteed by the Company to secure certain banking facilities granted to the associate (2017: HK\$75,000,000).

Compensation of key management personnel

The remuneration of directors and other members of key management during the year was as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Short-term benefits	短期福利	8,346	8,083
Retirement benefits scheme contributions	退休福利計劃供款	139	131
		8,485	8,214

The remuneration of directors and key executives of the Group is recommended by the remuneration committee having regard to the performance of individuals and market trends.

Save as disclosed above, there were no other significant transactions with related parties during the year or significant balances with them at the end of the reporting period.

47. 與關連人士進行之交易及結餘

於二零一八年三月三十一日，本公司已結清一間聯營公司所欠付的所有未償還債項，而銀行已解除本公司就一間聯營公司獲授的若干銀行融資作出擔保的財務擔保合約(二零一七年：75,000,000港元)。

主要管理人員報酬

董事及其他主要管理層成員於年內之薪酬如下：

本集團董事及主要行政人員薪酬由薪酬委員會經參考彼等個別之工作表現及市場趨勢後作出建議。

除上文所披露者外，年內並無與關連人士進行其他重大交易，而於申報期末亦無重大結餘。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

48. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

48. 本公司財務狀況及儲備資料概要

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產		
Investments in subsidiaries	於附屬公司之投資	7,594,437	7,502,482
Amount due from joint venture	應收合營企業款項	-	5,713
Club debenture	會所債券	1,330	1,330
		7,595,767	7,509,525
CURRENT ASSETS	流動資產		
Other receivables	其他應收款項	188	23,449
Amounts due from subsidiaries	應收附屬公司款項	47,036	42,902
Investments held for trading	持作買賣投資	2,144	502
Bank balances and cash	銀行結餘及現金	37	682
		49,405	67,535
CURRENT LIABILITIES	流動負債		
Other payables and accruals	其他應付款項及應計費用	47,042	38,746
Amount due to subsidiaries	應付附屬公司款項	1,705,539	1,700,794
Borrowings – due within one year	借款 – 一年內到期	157,100	171,000
		1,909,681	1,910,540
NET CURRENT LIABILITIES	流動負債淨值	(1,860,276)	(1,843,005)
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債	5,735,491	5,666,520
CAPITAL AND RESERVES	資本及儲備		
Share capital	股本	2,059,638	2,059,638
Share premium and reserves <i>(note)</i>	股份溢價及儲備(附註)	1,151,153	1,507,492
TOTAL EQUITY	權益總額	3,210,791	3,567,130
NON-CURRENT LIABILITY	非流動負債		
Borrowings – due after one year	借款 – 一年後到期	2,524,700	2,099,390
		5,735,491	5,666,520

48. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY *(Continued)*

48. 本公司財務狀況及儲備資料概要 (續)

		Share premium 股份溢價 HK\$'000 千港元	Contributed surplus 實繳盈餘 HK\$'000 千港元	Capital redemption reserve 資本贖回 儲備 HK\$'000 千港元	Retained profits (accumulated loss) 保留溢利 (累計虧損) HK\$'000 千港元	Total reserves 總儲備 HK\$'000 千港元
At 1 April 2016	於二零一六年四月一日	2,390,935	78,913	592	257,656	2,728,096
Issue of shares	發行股份	224,743	-	-	-	224,743
Bonus issue	發行紅股	(1,029,819)	-	-	-	(1,029,819)
Transaction cost attributable to issue of share and scrip share	發行股份及代息股份 應佔交易成本	(26,332)	-	-	-	(26,332)
Loss and total comprehensive expense for the year	年內虧損及全面開支總額	-	-	-	(260,266)	(260,266)
Dividend recognised as distribution	已確認為分派之股息	22,771	-	-	(151,701)	(128,930)
At 31 March 2017	於二零一七年三月三十一日	1,582,298	78,913	592	(154,311)	1,507,492
Loss and total comprehensive expense for the year	年內虧損及全面開支總額	-	-	-	(356,339)	(356,339)
At 31 March 2018	於二零一八年三月三十一日	1,582,298	78,913	592	(510,650)	1,151,153

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES

Details of the Company's principal subsidiaries as at 31 March 2018 and 31 March 2017 are as follows:

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration 註冊成立/ 登記地點	Class of shares held 持有股份類別	Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊資本
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49. 主要附屬公司之詳情

於二零一八年三月三十一日及二零一七年三月三十一日，本公司主要附屬公司之詳情如下：

				2018 二零一八年		2017 二零一七年		Principal activities 主要業務
				Directly 直接	Indirectly 間接	Directly 直接	Indirectly 間接	
廣州吉祥房產發展有限公司 (note b)(附註b)	PRC 中國	Registered capital 已註冊資本	US\$17,180,000 17,180,000美元	-	100%	-	100%	Development of properties for sale 開發物業以供銷售
廣州市彩發貿易有限公司 (note c)(附註c)	PRC 中國	Registered capital 已註冊資本	RMB20,000,000 人民幣20,000,000元	-	100%	-	100%	Investment in distressed asset 投資不良資產
廣州市治暉市場開發有限公司 (note c)(附註c)	PRC 中國	Registered capital 已註冊資本	RMB65,000,000 人民幣65,000,000元	-	100%	-	100%	Property investments 物業投資
廣州市珀富實業有限公司 (note c)(附註c)	PRC 中國	Registered capital 已註冊資本	RMB50,000,000 人民幣50,000,000元	-	100%	-	100%	Property investments 物業投資
Xin Yu (note c) 新雨(附註c)	PRC 中國	Registered capital 已註冊資本	RMB10,300,000 人民幣10,300,000元	-	100%	-	100%	Property investments 物業投資
Gao Jie (note c) 高階(附註c)	PRC 中國	Registered capital 已註冊資本	RMB500,000 人民幣500,000元	-	100%	-	100%	Property investments 物業投資
Ren Xun (note c) 仁訊(附註c)	PRC 中國	Registered capital 已註冊資本	RMB1,000,000 人民幣1,000,000元	-	100%	-	100%	Investment in distressed asset 投資不良資產
Master Glory Group Management Limited 凱華集團管理有限公司	Hong Kong 香港	Ordinary 5% non-voting deferred shares (note a) 普通股 5%無投票權 遞延股份(附註a)	HK\$1,100,000,200 HK\$6,000,000 1,100,000,200港元 6,000,000港元	-	100%	-	100%	Investment holding 投資控股
Smartmedia Ltd.	BVI 英屬處女群島	Ordinary 普通股	US\$130,000 130,000美元	-	100%	-	100%	Property investments 物業投資
山東肥城市大禹水務有限公司 (note b)(附註b)	PRC 中國	Registered capital 已註冊資本	RMB76,980,000 人民幣76,980,000元	-	59.75%	-	59.75%	Water supply business 供水業務

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

Notes:

- (a) The holders of the 5% non-voting deferred shares are not entitled to receive notice of or to attend or vote at any general meetings of the company. The non-voting deferred shares practically carry no rights to dividends or to participate in any distribution on winding up.
- (b) These companies are registered in the form of foreign investment enterprises.
- (c) These companies are registered in the form of wholly owned enterprise in the PRC.

The above table lists the subsidiaries of the Group which, in the opinion of the directors of the Company, principally affected the result of the Group for the year or formed a substantial portion of the net assets of the Group at the end of the year. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particular of excessive length.

None of the subsidiaries had issued any debt securities at the end of the year.

The directors of the Company are of the opinion that none of the Group's subsidiaries that have non-controlling interests are material to the consolidated financial statements as a whole, therefore, the financial information in respect of those subsidiaries that have non-controlling interests are not presented.

50. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with current year's presentation. These reclassification have no effect on financial position, loss for the year or cash flows of the Group.

49. 主要附屬公司之詳情(續)

附註：

- (a) 5%無投票權遞延股份之持有人無權收取該公司任何股東大會之通告或出席大會或於會上投票。無投票權遞延股份實際上並無附有任何權利獲派股息或在清盤時獲得任何分派。
- (b) 該等公司以外商投資企業形式登記。
- (c) 該等公司於中國以全資企業形式登記。

上表列載之本集團附屬公司，乃本公司董事認為主要影響本集團年內業績或構成本集團年終資產淨值重大部分之公司。本公司董事認為，詳載其他附屬公司會導致篇幅過於冗長。

年末概無附屬公司發行任何債務證券。

本公司董事認為，本集團概無附屬公司擁有對綜合財務報表整體而言屬重大的非控股權益，因此，並無呈列有關此等擁有非控股權益的附屬公司的財務資料。

50. 比較數字

若干比較數字已重新分類，以符合本年度的呈列方式。此等重新分類不會對本集團的財務狀況、年內虧損或現金流量造成任何影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

51. EVENT AFTER THE REPORTING PERIOD

On 31 May 2018, the Company entered into a non-legal binding memorandum of understanding with an independent third party on the disposal of certain issued share capital of Ally Fortune Investments Limited together with its subsidiaries, (the “Target Group”) which is a wholly-owned subsidiary of the Company (the “Proposed Disposal”). The Target Group is principally engaged in the development of real estate in the PRC and is holding certain property interests in a building in Guangzhou, the PRC. Detailed terms and conditions, including the consideration, of the Proposed Disposal will be subject to further negotiation between the parties thereto and the entering into of a formal agreement. For details, please refer to the Company’s announcement dated 31 May 2018. No definitive agreement in relation to the Proposed Disposal has been entered into up to the date of the issuance of these consolidated financial statements.

51. 申報期後事項

於二零一八年五月三十一日，本公司與一名獨立第三方就出售本公司之全資附屬公司Ally Fortune Investments Limited 連同其附屬公司(「目標集團」)若干已發行股本訂立無法律約束力諒解備忘錄(「建議出售事項」)。目標集團主要於中國從事開發房地產業務，並於中國廣州一幢樓宇持有若干物業權益。建議出售事項之詳細條款及條件(包括代價)須待訂約雙方進一步磋商及訂立正式協議後方可作實。詳情請參閱本公司日期為二零一八年五月三十一日之公告。直至此等綜合財務報表刊發日期，並無就建議出售事項訂立具體協議。

Financial Summary

財務摘要

A summary of the consolidated results and of the assets and liabilities of the Group for each of the five years ended 31 March 2018 is set out below:

本集團於截至二零一八年三月三十一日止五個年度各年綜合業績以及資產及負債之概要載於下文：

(a) Results

(a) 業績

		Year ended 31 March 截至三月三十一日止年度				
		2014 二零一四年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Revenue	收入	26,721	120,052	25,852	85,792	1,150,672
(Loss) profit for the year from continuing operations	來自持續經營業務之年內(虧損)溢利	(108,584)	(87,582)	(146,680)	1,222,155	(497,835)
Profit for the year from discontinued operation	來自已終止經營業務之年內溢利	-	-	-	-	-
(Loss) profit for the year	年內(虧損)溢利	(108,584)	(87,582)	(146,680)	1,222,155	(497,835)
Attributable to:	以下人士應佔：					
Owners of the Company	本公司擁有人	(102,015)	(75,325)	(135,774)	1,220,221	(502,839)
Non-controlling interests	非控股權益	(6,569)	(12,257)	(10,906)	1,934	5,004
		(108,584)	(87,582)	(146,680)	1,222,155	(497,835)

(b) Assets and liabilities

(b) 資產及負債

		At 31 March 於三月三十一日				
		2014 二零一四年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Total assets	資產總值	4,989,820	5,982,058	6,905,184	12,435,804	12,623,049
Total liabilities	負債總額	(1,756,501)	(2,720,080)	(3,169,118)	(7,409,910)	(7,744,308)
		3,233,319	3,261,978	3,736,066	5,025,894	4,878,741
Equity attributable to	以下人士應佔權益					
Owners of the Company	本公司擁有人	2,373,723	2,435,442	2,923,382	4,982,702	4,826,758
Non-controlling interests	非控股權益	859,596	826,536	812,684	43,192	51,983
		3,233,319	3,261,978	3,736,066	5,025,894	4,878,741

Major Properties Information

主要物業資料

The Group's property portfolio summary – major properties held for investment.

本集團物業組合概要—持作投資之主要物業。

Location 地點	Existing use 現時用途	Tenure 租期	Group's interest [%] 本集團之權益 (%)	
			2018 二零一八年	2017 二零一七年
1. Certain floors of A-Mall, No. 70 Zhongshan Fifth Road, Yuexiu District, Guangzhou, Guangdong Province, the PRC (the "A-Mall") 中國廣東省廣州市越秀區中山五路70號A-Mall若干樓層 (「A-Mall」)	Shops and offices 商舖及辦公室	Medium to long term lease 中長期租約	100%	100%
2. The whole of 1st to 6th floors of Golden Plaza, Nos. 11 and 13 Huangsha Avenue, Liwan District, Guangzhou, Guangdong Province, the PRC 中國廣東省廣州市荔灣區黃沙大道11及13號黃金廣場1至6層全層	Shops 商舖	Medium term lease 中期租約	100%	100%
3. Various units and car parking spaces of Podong Plaza, No. 1 Guigang Road, Yuexiu District, Guangzhou, Guangdong Province, the PRC 中國廣東省廣州市越秀區龜崗大馬路1號珀東廣場若干單位及停車位	Offices and car parking spaces 辦公室及停車位	Medium term lease 中期租約	100%	100%
4. Certain units and car parking spaces of No. 22 Pan Fu Road, Yuexiu District, Guangzhou, Guangdong Province, the PRC 中國廣東省廣州市越秀區盤福路22號若干單位及停車位	Shops and car parking spaces 商舖及停車位	Medium term lease 中期租約	100%	100%
5. Nos. 430, 432 and 434, Hui Fu East Road, Yuexiu District, Guangzhou, Guangdong Province, the PRC 中國廣東省廣州市越秀區惠福東路430、432及434號	Shops 商舖	Medium term lease 中期租約	100%	100%



MASTER GLORY GROUP LIMITED 凱華集團有限公司

(Carrying on business in Hong Kong as “275 凱華集團”)

(以「275 凱華集團」於香港經營業務)

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立的有限公司)

(Stock Code 股份代號: 275)