



ANNUAL REPORT 2017/2018 年報

順騰國際(控股)有限公司
Shunten International (Holdings) Limited
Stock Code 股份代號: 932

incorporated in the Cayman Islands with limited liability
於開曼群島註冊成立之有限公司



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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS (THE “BOARD”)

Executive Directors

Mr. Chan Yan Tak (*Chairman and chief executive officer*)
Mr. Lee Chi Hang, Sidney
Mr. Wang Xihua
Mr. Lai Wei Lam, William
Mr. Liao Zhe

Independent Non-executive Directors

Ms. Szeto Wai Ling, Virginia
Mr. Leung Winson Kwan Yau
Mr. Tam Kin Yip
Mr. Leung Man Loon

COMPLIANCE OFFICER

Mr. Lee Chi Hang, Sidney

COMPANY SECRETARY

Mr. Wong Kui Tong

AUTHORISED REPRESENTATIVES

Mr. Chan Yan Tak
Mr. Wong Kui Tong

AUDIT COMMITTEE

Mr. Leung Winson Kwan Yau (*Chairman*)
Ms. Szeto Wai Ling, Virginia
Mr. Tam Kin Yip
Mr. Leung Man Loon

NOMINATION COMMITTEE

Mr. Tam Kin Yip (*Chairman*)
Ms. Szeto Wai Ling, Virginia
Mr. Leung Winson Kwan Yau
Mr. Leung Man Loon

REMUNERATION COMMITTEE

Mr. Tam Kin Yip (*Chairman*)
Ms. Szeto Wai Ling, Virginia
Mr. Leung Winson Kwan Yau
Mr. Leung Man Loon

INDEPENDENT AUDITOR

Elite Partners CPA Limited

董事會(「董事會」)

執行董事

陳恩德先生(*主席兼行政總裁*)
李志恒先生
王西華先生
賴偉林先生
廖喆先生

獨立非執行董事

司徒惠玲女士
梁鈞濂先生
譚健業先生
梁文龍先生

合規主任

李志恒先生

公司秘書

黃鉅棠先生

授權代表

陳恩德先生
黃鉅棠先生

審核委員會

梁鈞濂先生(*主席*)
司徒惠玲女士
譚健業先生
梁文龍先生

提名委員會

譚健業先生(*主席*)
司徒惠玲女士
梁鈞濂先生
梁文龍先生

薪酬委員會

譚健業先生(*主席*)
司徒惠玲女士
梁鈞濂先生
梁文龍先生

獨立核數師

開元信德會計師事務所有限公司

CORPORATE INFORMATION

公司資料

PRINCIPAL BANKERS

Hang Seng Bank Limited
Chong Hing Bank Limited
Bank of China (Hong Kong) Limited

THE CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

SMP Partners (Cayman) Limited
Royal Bank House – 3rd Floor,
24 Shedden Road
P.O. Box 1586
Grand Cayman KY1-1110, Cayman Islands

REGISTERED OFFICE

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman
KY1-1111, Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit A, 12/F., Guangdong Investment Tower,
148 Connaught Road Central,
Hong Kong

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER AGENT

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

STOCK CODE

932

COMPANY'S WEBSITE

www.shunten.com.hk
(the contents of which do not form part of this report)

主要往來銀行

恒生銀行有限公司
創興銀行有限公司
中國銀行(香港)有限公司

開曼群島股份過戶登記總處

SMP Partners (Cayman) Limited
Royal Bank House – 3rd Floor,
24 Shedden Road
P.O. Box 1586
Grand Cayman KY1-1110, Cayman Islands

註冊辦事處

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman
KY1-1111, Cayman Islands

香港總辦事處及主要營業地點

香港
干諾道中148號
粵海投資大廈12樓A室

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心22樓

股份代號

932

公司網址

www.shunten.com.hk
(網站所載資料概不構成本報告一部分)

FINANCIAL HIGHLIGHTS

財務概要

HIGHLIGHTS

概要

		For the year ended 31 March 截至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
Operations	業務營運		
Revenue	收益	264,451	220,853
Gross profit	毛利	181,148	157,121
EBITDA (Note 1)	EBITDA (附註1)	(120,430)	21,192
Adjusted EBITDA (Note 2)	經調整EBITDA (附註2)	(8,639)	21,192
(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	(139,217)	12,746
Non-controlling interests	非控股權益	(5,531)	(923)
		(144,748)	11,823
			(Restated) (經重列)
(Loss)/earnings per share attributable to owners of the Company (expressed in HK cents) (Note 3)	本公司擁有人應佔每股(虧損)/盈利(港仙)(附註3)		
Basic	基本	(6.6)	0.6
Diluted	攤薄	(6.6)	0.6

Notes:

- EBITDA represents (loss)/earnings before finance costs, taxation, depreciation and amortisation.
- Adjusted EBITDA represents EBITDA before (i) equity-settled share-based payments of approximately HK\$29.3 million (2017: Nil); (ii) one-off transaction costs arising from the issuance of convertible bonds of HK\$15.0 million (2017: Nil); (iii) fair value change of contingent consideration payables of HK\$9.3 million (2017: Nil); (iv) fair value change of promissory notes payable of HK\$0.4 million (2017: Nil); and (v) fair value change of convertible bonds of HK\$57.8 million (2017: Nil).
- The weighted average number of ordinary shares for the purpose of calculating the (loss)/earnings per share for the years ended 31 March 2017 and 2018 have been adjusted for the effect of the Company's share subdivision which became effective on 5 December 2017.

附註:

- EBITDA指扣除融資成本、稅項、折舊及攤銷前(虧損)/盈利。
- 經調整EBITDA指扣除(i)以股權結算以股份支付之開支約29,300,000港元(二零一七年:無);(ii)發行可換股債券之一次性交易成本15,000,000港元(二零一七年:無);(iii)或然應付代價之公平值變動9,300,000港元(二零一七年:無);(iv)應付承兌票據之公平值變動400,000港元(二零一七年:無);及(v)可換股債券之公平值變動57,800,000港元(二零一七年:無)之前之EBITDA。
- 用於計算截至二零一七年及二零一八年三月三十一日止年度的每股(虧損)/盈利的普通股加權平均數已就本公司於二零一七年十二月五日生效的股份拆細的影響進行調整。

		As at 31 March 於三月三十一日	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Financial position	財務狀況		
Total assets	資產總額	769,778	266,084
Shareholders' equity	股東權益	114,791	212,044
Net assets value per share (HK\$)	每股資產淨值(港元)	0.05	0.10*

* After adjustment of Share Subdivision

* 就股份拆細調整後

INFORMATION FOR INVESTORS

給投資者的資料

SHARE INFORMATION

Board lot size	4,000 shares
As at the last trading day of the financial year ended 31 March 2018:	
• Shares outstanding	2,123,002,150 shares
• Market capitalisation	HK\$2,441,452,473
• Closing share price	HK\$1.15

KEY DATES

- Latest time for lodging transfer documents for registration in order to qualify for attending and voting at 2018 annual general meeting 4:30 pm, 3 September 2018
- Closure of register for 2018 annual general meeting 4 – 7 September 2018
- 2018 annual general meeting 7 September 2018

INVESTOR RELATION CONTACT

Address	: Unit A, 12/F., Guangdong Investment Tower, 148 Connaught Road Central, Hong Kong
Telephone	: (852) 3700 7300
Fax	: (852) 3700 7301
E-mail	: ir@shunten.com.hk
Website	: www.shunten.com.hk

SHAREHOLDER ENQUIRIES

Any matters relating to your shareholding, e.g. transfer of shares, change of name or address, lost share certificate and dividend warrants, should be sent in writing to:

Tricor Investor Services Limited

Address	: Level 22, Hopewell Centre 183 Queen's Road East Hong Kong
Telephone	: (852) 2980 1333
Fax	: (852) 2810 8185
E-mail	: is-enquiries@hk.tricorglobal.com
Website	: http://www.tricoris.com

股份資料

買賣單位	4,000股
於截至二零一八年三月三十一日止財政年度最後交易日:	
• 發行股數	2,123,002,150股
• 市值	2,441,452,473港元
• 收市價	1.15 港元

重要日期

- 符合資格出席二零一八年股東週年大會並投票，提交過戶文件之最後日期 二零一八年九月三日 下午4時30分
- 就二零一八年股東週年大會暫停辦理股份過戶登記 二零一八年九月四日至七日
- 二零一八年股東週年大會 二零一八年九月七日

投資者聯絡查詢

地址	: 香港干諾道中148號 粵海投資大廈12樓A室
電話	: (852) 3700 7300
傳真	: (852) 3700 7301
電郵	: ir@shunten.com.hk
網址	: www.shunten.com.hk

股東查詢

如閣下對所持股份有任何查詢，例如轉讓股份、轉名或更改地址、報失股票及股息單，請致函如下：

卓佳證券登記有限公司

地址	: 香港 皇后大道東183號 合和中心22樓
電話	: (852) 2980 1333
傳真	: (852) 2810 8185
電郵	: is-enquiries@hk.tricorglobal.com
網址	: http://www.tricoris.com

CHAIRMAN'S STATEMENT

主席報告

Dear Shareholders,

On behalf of the board (the “**Board**”) of directors (the “**Directors**”) of Shunten International (Holdings) Limited (formerly known as “RM Group Holdings Limited”) (the “**Company**”), together with its subsidiaries, (the “**Group**”), I would like to announce the annual results of the Group for the financial year ended 31 March 2018 (“**FY2017/18**”).

The Group is principally engaged in the formulating, marketing, sale and distribution of health and beauty supplements and products in Hong Kong, the PRC and Taiwan, as well as the provision of online advertising agency business, online payment business, e-commerce promotion business and game distribution business. Taking into account the best interests of the Group and the shareholders as a whole, the Group changed the English name of the Company from “RM Group Holdings Limited” to “Shunten International (Holdings) Limited” and replaced “御藥堂集團控股有限公司” with “順騰國際(控股)有限公司” as the dual foreign name in Chinese of the Company on 1 February 2018. We believe that the change of company name will better reflect the Group’s diversified development extended from health and beauty supplements and products, along with the fact that it is no longer engaged in one single line of health and beauty supplements and products business. Such change of company name can promote and strengthen the Company’s corporate image while embracing the new era.

PERFORMANCE FOR THE YEAR

The total revenue of the Group for FY2017/18 reached HK\$264.5 million, representing an increase of 19.7% over the previous financial year ended 31 March 2017 (“**FY2016/17**”). In addition to a turnover of HK\$250.8 million generated from the core health and beauty supplements and products business, the Group recorded a turnover of HK\$13.7 million generated from the newly acquired online advertising business, online payment business and other businesses during the year. The net profits attributable to owners of the Company decreased from profit of HK\$12.7 million in FY2016/17 to a loss of approximately HK\$139.2 million for the year. This was attributable to the ongoing development of business, under which the Group’s new acquisition brought a substantial increase in one-off legal and professional fees, while the newly acquired business during the year was still at running-in period and incurred temporary losses; the net fair value loss and transaction costs on convertible bonds issued during the year; and the expenses of equity-settled share-based payments of share options granted during the year.

The Group’s overall gross profit margin for FY2017/18 decreased by 2.6% to 68.5% (2017: 71.1%). The gross profit margin would have remained at the same level (approximately 70.8%) if the amortisation amount of intangible assets of HK\$6.0 million arising from the acquisition of online advertising agency business and e-commerce promotion business were excluded.

各位股東：

本人謹此代表順騰國際(控股)有限公司(前稱「御藥堂集團控股有限公司」)(「本公司」)，與其附屬公司(統稱「本集團」)的董事(「董事」)會(「董事會」)，向閣下宣佈本集團截至二零一八年三月三十一日止財政年度(「二零一七/一八財政年度」)的全年業績。

本集團主要在香港、中國及台灣從事配方、推廣、銷售及分銷保健以及美容補品及產品業務，並提供線上廣告代理業務、線上支付業務、電子商務推廣業務及遊戲發行業務。經考慮本集團及股東的整體最佳利益，於二零一八年二月一日，本集團已將公司英文名稱由「RM Group Holdings Limited」更改為「Shunten International (Holdings) Limited」，並以「順騰國際(控股)有限公司」取代「御藥堂集團控股有限公司」為本公司之中文雙重外文名稱。我們相信更改公司名稱將更好地反映本集團從保健及美容補品及產品所伸展之多元發展，且不再從事單一保健及美容補品及產品業務，從而推廣及提升公司企業形象，並迎來新時代。

年度表現

本集團於二零一七/一八財政年度的總收入達到264,500,000港元，較截至二零一七年三月三十一日止先前財政年度(「二零一六/一七財政年度」)增加19.7%。除核心保健及美容補品及產品業務營業額達250,800,000港元外，本集團自年內新收購的線上廣告業務、線上支付業務及其他業務錄得營業額13,700,000港元。本公司擁有人應佔淨溢利亦由二零一六/一七財政年度的溢利12,700,000港元減至本年度虧損約139,200,000港元。此乃由於業務持續發展，本集團有關新收購產生的一次性法律和專業費用大幅增加，而於年內新收購的業務仍處於磨合期且暫時產生虧損，加上於年內發行之可換股債券之公平值虧損淨額及交易成本；及於年內授出之購股權之以股權結算以股份支付之開支所致。

本集團於二零一七/一八財政年度的整體毛利率下降2.6%至68.5%(二零一七年：71.1%)，倘不包括由於收購線上廣告代理業務及電子商務推廣業務而產生的無形資產有關攤銷額6,000,000港元，則毛利率維持在相同水平(約70.8%)。

CHAIRMAN'S STATEMENT

主席報告

PROSPECTS

While facing a market full of challenges in 2017, the Group were still able to strengthen our position as a leading market player and developed our business steadily. Looking forward, apart from continuing to develop our existing health and beauty supplements business and consolidating our position as a market leader, we will also adopt more aggressive strategies to strengthen our shares in business sectors such as the online payment services, online advertising agency, e-commerce promotion platform and game distribution platform (including online and offline). We will also develop more diversified information, expand both promotion and sales platforms and tap into new markets. Through collaboration with more business partners, we will enrich different income sources and establish access to and expand global business opportunities, with a view to establish and consolidate our long-term competitiveness in the "Internet Plus" retail sector.

In preparation for the new era and new opportunities in this ever-changing market, we will continue to leverage on our innovative products and services with an aim to develop the Internet Plus retail sector that is closely knitted with the ecological chain of consumers, communities and people's living, so as to make life more convenient and pleasant. Meanwhile, as our honourable mission, the Group will participate in philanthropic causes proactively and strive to undertake corporate social responsibility.

ACKNOWLEDGEMENTS

Employees are the prime assets for corporate growth. On behalf of the Board, I would like to thank our employees and the management team for their dedication to excellence in performing their work diligently, strong teamwork and valuable contributions. I would also like to thank our shareholders and stakeholders for their unwavering trust and steadfast support.

By order of the Board

Chan Yan Tak
Chairman
Hong Kong
27 June 2018

前景

二零一七年，集團面臨充滿挑戰的市場環境，但本集團仍鞏固了我們具領導優勢的市場地位，業務穩健發展。展望未來，我們除持續發展現有的保健美容補品業務，鞏固市場領導者地位之外，我們也採取更進取策略，奮發向前，增強在線上支付服務、線上廣告代理、電子商務推廣平台及遊戲發行平台（包括線上及線下）等業務部門的份額，並開拓更多元的資訊、加強推廣零售、銷售平台以及開發新市場。透過更多的商業合作夥伴，拓展多樣化的收入來源，連接及擴展全球商機，建立及鞏固我們的「互聯網Plus」零售領域的長期競爭優勢。

市場變化萬千，為迎來新時代、新機遇，我們將繼續通過我們的創新產品和服務，致力發展與消費者、社區、人們生活生態鏈緊密聯繫的互聯網Plus零售領域，以發揮其最大潛力，為人們帶來便捷和愉悅。同時，集團將一直積極參與公益事業、努力承擔企業社會責任，並對此我們引以為傲。

致謝

員工是企业成長的核心資產，本人謹代表董事會感謝我們所有員工和管理團隊追求卓越的敬業精神、強大的團隊合作和寶貴的貢獻。本人亦向我們所有股東及利益相關者對本集團的絕對信任與支持表示感謝。

承董事會命

主席
陳恩德
香港
二零一八年六月二十七日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

BUSINESS AND FINANCIAL REVIEW

The Group is principally engaged in the formulating, marketing, sale and distribution of health and beauty supplements and products mainly in Hong Kong, the PRC and Taiwan and the newly acquired online businesses during the year. Due to dynamic and keen competitive business environment of the retail sector in Hong Kong over the last two years, in order to maintain sustainable development, the Group actively expanded the sales and marketing channels of products, which increase the market share and enlarge existing core business. For the purpose of continuous business development and strengthening our “Internet Plus” connectivity strategy, the Group innovatively promoted interaction among merchants, customers and consumers through proactive mergers and acquisitions, business consolidation and restructuring over the past year. In April 2017, the Group entered the Hong Kong and PRC online information and advertising business by participating in the operation of gd.qq.com in Hong Kong through its subsidiary, Tenfok Asia. Furthermore, the Group has commenced operation of its WeChat cross-border payment business through the acquisition of N Dimension Limited (“N Dimension”) in September 2017. The Group believes that apart from the positive impact on the Company’s future financial performance, the aforesaid new business will also bring new opportunities to the Group.

The Group recorded a revenue of approximately HK\$264.5 million for the year ended 31 March 2018 (2017: HK\$220.9 million), representing an increase of approximately HK\$43.6 million or 19.7% over the corresponding period of last year. In addition to the core health and beauty supplements and products business with a turnover of HK\$250.8 million, the Group has recorded a turnover of HK\$13.7 million from the newly acquired online advertising agency business, online payment businesses and other businesses during the year.

The gross profit margin of the Group for the year ended 31 March 2018 was approximately 68.5% (2017: 71.1%), representing a decrease of approximately 2.6% over the corresponding period of last year. If excluding the amount of HK\$6.0 million in relation to the amortization of intangible assets arising from acquisition of online advertising agency business and e-commerce promotion business, the gross profit margin was maintained at the same level of approximately 70.8%.

Owing to the continuous business development, the Group has incurred a significant increase in one-off legal and professional fees mainly in relation to the newly acquired businesses during the year, which are still at running-in period and incurred temporary losses. Together with the net fair value loss and transaction costs on convertible bonds issued during the year, and the expenses of equity-settled share-based payment for share options granted during the year, the Group incurred a loss attributable to owners of the Company of approximately HK\$139.2 million for the year ended 31 March 2018 as compared to the profit of HK\$12.7 million of the same period in 2017.

業務及財務回顧

本集團業務主要為於香港、中國及台灣從事配
方、推廣、銷售及分銷保健以及美容補品及產品
以及年內新收購的線上業務。鑒於過去兩年，香
港零售業瞬息萬變及競爭激烈的商業環境，為維
持可持續發展，本集團積極拓展產品銷售及推廣
渠道，提高市場份額及擴大現時核心業務。為達
致業務持續發展及強化我們的「互聯網Plus」連接
策略，本集團於去年通過積極的併購、整合及重
組業務，以創新方式促進商戶、客戶及消費者互
動。於二零一七年四月，本集團透過其附屬公司
騰福亞洲參與騰訊·大粵網於香港的營運，進軍
香港及中國線上資訊廣告業務。此外，本集團於
二零一七年九月收購千維科技有限公司（「千維科
技」），從而開始涉足微信境外支付業務。本集團
相信，上述新業務對本公司將來財務表現有正面
影響外，亦為本集團帶來新機遇。

截至二零一八年三月三十一日止年度，本集
團錄得收益約264,500,000港元（二零一七年：
220,900,000港元），較去年同期增加約43,600,000
港元，增幅19.7%。除核心保健及美容補品及產
品業務營業額達250,800,000港元外，本集團自年
內新收購的線上廣告代理業務、線上支付業務及
其他業務錄得營業額13,700,000港元。

截至二零一八年三月三十一日止年度，本集團的
毛利率約為68.5%（二零一七年：71.1%），較去年
同期下跌約2.6%。倘不包括由於收購線上廣告代
理業務及電子商務推廣業務而產生的無形資產有
關攤銷額6,000,000港元，則毛利率維持在相同水
平（約70.8%）。

由於業務持續發展，截至二零一八年三月三十
一日止年度，本集團主要與年內新收購業務有關
的一次性法律和專業費用大幅增加以及於年內新收
購的業務仍處於磨合期且暫時產生虧損，加上於
年內發行之可換股債券之公平值虧損淨額及交易
成本，及於年內授出之購股權之以股權結算以股
份支付之開支，故本集團錄得本公司擁有人應佔
虧損約139,200,000港元，而二零一七年同期的溢
利則為12,700,000港元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Health and Beauty Supplements and Products segment

Revenue of Health and Beauty Supplements and Products segment

As at 31 March 2018, the Group sold and distributed 33 (2017: 38) health supplements and 8 (2017: 9) beauty supplements and products under its proprietary brands; 53 (2017: 49) health supplements and 1 (2017: 6) beauty supplement and product under the distribution facilitator's private label brands; and 14 (2017: 20) health supplements under trading of goods.

The following table sets forth the breakdown of revenue by product categories for the two years ended 31 March 2018:

		For the year ended 31 March			
		2018		2017	
		二零一八年		二零一七年	
Categories	類別	HK\$'000	% of total	HK\$'000	% of total
		千港元	佔總收益 百分比	千港元	佔總收益 百分比
Health supplements	保健產品	213,658	85.2%	179,844	81.4%
Beauty supplements and products	美容補品及產品	28,371	11.3%	26,481	12.0%
Others	其他	8,768	3.5%	14,528	6.6%
Total	總計	250,797	100.0%	220,853	100.0%

The Health and Beauty Supplements and Products segment recorded a revenue of approximately HK\$250.8 million for the year ended 31 March 2018 (2017: HK\$220.9 million), representing an increase of approximately HK\$29.9 million or 13.5% over the last year.

The overall increase in revenue was due to an increase in sales of health supplements, of which HK\$17.3 million was resulted from the expansion of the product variety of private label health supplements, which was further promoted by the engagement of a brand ambassador in Hong Kong. Benefited from increased utilisation of digital marketing platform and building product popularity within the health supplement market, the revenue attributable to health supplements increased by approximately HK\$33.9 million or 18.9% to HK\$213.7 million (2017: HK\$179.8 million).

保健及美容補品及產品分部

保健及美容補品及產品分部收益

於二零一八年三月三十一日，本集團銷售及分銷 33 款 (二零一七年：38 款) 專有品牌保健產品及 8 款 (二零一七年：9 款) 專有品牌美容補品及產品；53 款 (二零一七年：49 款) 分銷代理的自家品牌保健產品及 1 款 (二零一七年：6 款) 分銷代理的自家品牌美容補品及產品；及 14 款 (二零一七年：20 款) 商品買賣的保健產品。

下表載列截至二零一八年三月三十一日止兩個年度按產品類別劃分的收益明細：

		For the year ended 31 March			
		2018		2017	
		二零一八年		二零一七年	
Categories	類別	HK\$'000	% of total	HK\$'000	% of total
		千港元	佔總收益 百分比	千港元	佔總收益 百分比
Health supplements	保健產品	213,658	85.2%	179,844	81.4%
Beauty supplements and products	美容補品及產品	28,371	11.3%	26,481	12.0%
Others	其他	8,768	3.5%	14,528	6.6%
Total	總計	250,797	100.0%	220,853	100.0%

截至二零一八年三月三十一日止年度，保健及美容補品及產品分部的收益增加約 29,900,000 港元至約 250,800,000 港元 (二零一七年：220,900,000 港元)，同比去年增幅 13.5%。

整體收益增加乃由於保健產品銷售增加，其中 17,300,000 港元乃源於自家品牌保健產品的產品種類擴大並委聘品牌形象大使於香港進一步推廣自家品牌保健產品。得益於數碼營銷平台的使用率增加及在保健產品市場建立產品知名度，保健產品應佔收益增加約 33,900,000 港元至 213,700,000 港元 (二零一七年：179,800,000 港元)，增幅 18.9%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

For the year ended 31 March 2018, the Group's top 4 best-selling products were Royal Medic No.1 Chinese Cs-4, RM Broken Ganoderma Spore, Melty Enzyme and Health Proof Junior Milk CA+DHA PF, which in aggregate contributed to approximately HK\$90.0 million or 34.0% of the Group's total revenue.

For the year ended 31 March 2017, the Group's top 4 best-selling products were Royal Medic No.1 Chinese Cs-4, RM Broken Ganoderma Spore, Melty Enzyme and Health Proof Junior Milk CA+DHA PF, which in aggregate contributed to approximately HK\$78.6 million or 35.6% of the Group's total revenue.

Revenue by sales and distribution channels

The following table sets forth the breakdown of the Health and Beauty Supplements and Products segment's revenue by distribution channels for the two years ended 31 March 2018:

截至二零一八年三月三十一日止年度，本集團的四大暢銷產品為御藥堂培植蟲草菌絲體Cs-4、御藥堂破壁靈芝孢子、溶朮酵素及康寶庫兒童牛奶鈣，而四大暢銷產品合共佔本集團總收益約90,000,000港元或34.0%。

截至二零一七年三月三十一日止年度，本集團的四大暢銷產品為御藥堂培植蟲草菌絲體Cs-4、御藥堂破壁靈芝孢子、溶朮酵素及康寶庫兒童牛奶鈣，而四大暢銷產品合共佔本集團總收益約78,600,000港元或35.6%。

收益(按銷售及分銷渠道劃分)

下表載列截至二零一八年三月三十一日止兩個年度按分銷渠道劃分保健及美容補品及產品分部收益的分析：

		For the year ended 31 March			
		截至三月三十一日止年度			
		2018		2017	
		二零一八年		二零一七年	
		HK\$'000	% of total revenue	HK\$'000	% of total revenue
		千港元	佔總收益百分比	千港元	佔總收益百分比
Shelves in the distribution facilitator's stores	於分銷代理店舖的貨架	134,017	53.4%	125,419	56.8%
SDCs located in the distribution facilitator's stores	於分銷代理店舖的特別指定櫃位	90,663	36.2%	68,095	30.8%
Other distribution channels (Note 1)	其他分銷渠道(附註1)	9,291	3.7%	16,140	7.3%
Hong Kong Brands and Products Expo	香港工展會	15,608	6.2%	10,131	4.6%
Others (Note 2)	其他(附註2)	1,218	0.5%	1,068	0.5%
Total	總計	250,797	100.0%	220,853	100.0%

Note 1: "Other distribution channels" includes a distribution facilitator in Taiwan and the PRC, the Wisdom Club, wholesalers, and Royal Medic Chinese Medicine Clinics.

Note 2: "Others" mainly represents service income.

附註1: 「其他分銷渠道」包括於台灣及中國之分銷代理、凝智會、批發商及御藥堂中醫中藥坊。

附註2: 「其他」主要為服務收入。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

As at 31 March 2018, the Group had 18 (2017: 17) Royal Medic SDCs and 30 (2017: 20) Health Proof SDCs in the distribution facilitator's stores in Hong Kong.

Revenue by geographical locations

Over 99.0% of the existing revenue for the two years ended 31 March 2018 was contributed by the Hong Kong market, with very limited contribution from both the PRC and Taiwan markets.

Owing to the economic slowdown in Taiwan, the operations of the health and beauty supplements business line in Taiwan was experiencing challenge in the past few years. The Group tried different approaches to improve its performance but was still not satisfactory and sustained losses. The Company is of the view that the resources of the Group could be better allocated for other existing or potential businesses and decided to close down the operation in Taiwan during the year.

It is estimated that an one-off expense of approximately HK\$1.3 million will be incurred as a result of the cessation of business in Taiwan and there will be no material adverse impact on the financial and operational position of the Group.

於二零一八年三月三十一日，本集團於分銷代理的香港店舖內設有18個(二零一七年：17個)御藥堂特別指定櫃位及30個(二零一七年：20個)康寶庫特別指定櫃位。

收益(按地理位置劃分)

截至二零一八年三月三十一日止年度，逾99.0%現有收益乃由香港市場貢獻，而中國及台灣市場所作貢獻非常有限。

由於台灣經濟放緩，台灣保健及美容補品業務線過往數年營運所在環境充滿挑戰。本集團曾嘗試不同方式提升其表現，但表現仍不盡如人意且持續錄得虧損。本公司認為，可將本集團的資源更好地分配至其他現有或潛在業務並於年內決定關閉台灣業務。

終止台灣業務估計將產生一次性開支約1,300,000港元，對本集團之財務及經營狀況將並無重大不利影響。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Results of Health and Beauty Supplements and Products segment

The following table sets forth the breakdown of the Health and Beauty Supplements and Products segment's gross profit and gross profit margin by operating segments for the two years ended 31 March 2018:

保健及美容補品及產品分部業績

下表載列截至二零一八年三月三十一日止兩個年度按經營分部劃分保健及美容補品及產品分部毛利及毛利率的分析：

		For the year ended 31 March			
		2018		2017	
		二零一八年		二零一七年	
		HK\$'000	%	HK\$'000	%
		千港元	百分比	千港元	百分比
Health supplements	保健產品				
Proprietary brands	專有品牌	80,269	75.4%	76,308	74.9%
Private label brands	自家品牌	65,529	83.3%	51,328	83.7%
Trading of goods	商品買賣	11,679	40.9%	7,428	44.6%
		157,477	73.7%	135,064	75.1%
Beauty supplements and products	美容補品及產品				
Proprietary brands	專有品牌	17,533	61.9%	18,425	70.2%
Private label brands	自家品牌	26	74.3%	106	48.4%
		17,559	61.9%	18,531	70.0%
Others	其他	740	8.4%	3,526	24.3%
Total	總計	175,776	70.1%	157,121	71.1%

Owing to the increase in the segment turnover, the gross profit of the Health and Beauty Supplements and Products segment for the year ended 31 March 2018 was approximately HK\$175.8 million (2017: HK\$157.1 million), representing an increase of approximately 11.9% over last year. The gross profit margin of the Health and Beauty Supplements and Products segment for the year ended 31 March 2018 was marginally decreased to approximately 70.1% (2017: 71.1%).

由於分部營業額增加，截至二零一八年三月三十一日止年度，保健及美容補品及產品分部的毛利為約175,800,000港元（二零一七年：157,100,000港元），較去年增長約11.9%。截至二零一八年三月三十一日止年度，保健及美容補品及產品分部的毛利率略微減少至約70.1%（二零一七年：71.1%）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

The segment's selling and distribution expenses increased by approximately HK\$5.7 million or 13.0% to HK\$49.6 million for the year ended 31 March 2018 (2017: HK\$43.9 million). The selling and distribution expenses increased in line with the increase in segment turnover during the year. The said increase in expenses was also due to additional resources that has been employed by the Group to conduct digital marketing through bloggers and KOLs (key opinion leaders) in addition to the traditional marketing media, so as to boarden the customer base. The administrative expenses of this segment also increased primarily due to the inflated rental expenses of special designated counter and increase in headcounts. The segment's administrative expenses increased by approximately HK\$12.9 million or 15.6% to HK\$95.6 million for the year ended 31 March 2018 (2017: HK\$82.7 million).

As a result, the segment profits decreased slightly by HK\$0.1 million to approximately HK\$30.5 million, representing a decrease of approximately 0.3% over last year (2017: HK\$30.6 million).

Online Advertising Agency segment

The Group introduced a new operating segment of online advertising agency business following the successful completion of the acquisition of Star Root Limited on 13 April 2017. The management considers that such acquisition will enable the Group to partner with and access to online information platform in Hong Kong and the PRC, which expands the sales and advertising channels for the Group's products, provides an additional income and cash flow stream for the Group and further diversifies the Group's overall business.

During the period from 14 April 2017 to 31 March 2018, the online advertising agency business segment recorded a post-acquisition revenue and operating loss of approximately HK\$9.4 million and HK\$7.7 million (including the amortization of intangible asset of HK\$5.8 million arising from acquisition) respectively.

Hong Kong Station of gd.qq.com successfully built the news media connecting Hong Kong and Mainland China with a focus on features that cater to the needs of Mainland users for entertainment, lifestyle and fashion information in Hong Kong. The portal provides online and offline information platforms that cover entertainment, food, tourism, beauty, fashion, parent-child interaction, pets and E-sports, so as to extend the time users spend on their terminal devices.

截至二零一八年三月三十一日止年度，分部銷售及分銷開支增加約5,700,000港元或13.0%至49,600,000港元(二零一七年：43,900,000港元)。銷售及分銷開支與年內分部營業額增加趨勢一致，上述開支增加亦由於本集團除傳統的營銷媒體之外，亦通過博客及KOL(關鍵意見領袖)進行數碼化營銷，以拓寬客戶群。該分部行政開支亦有所增加，主要由於特別指定櫃位租金開支及員工人數增加所致。截至二零一八年三月三十一日止年度，分部行政開支增加約12,900,000港元或15.6%至95,600,000港元(二零一七年：82,700,000港元)。

因此，分部溢利略微減少100,000港元至約30,500,000港元(二零一七年：30,600,000港元)，較去年減少約0.3%。

線上廣告代理分部

本集團於二零一七年四月十三日成功完成收購Star Root Limited後，引入新的經營分部線上廣告代理業務。管理層認為該收購事項將能使本集團可與香港及中國線上資訊平台合作及接洽，此舉可拓展本集團產品之銷售及推廣渠道，為本集團提供額外的收入及現金流來源，並進一步令本集團之整體業務多元化。

於二零一七年四月十四日至二零一八年三月三十一日期間，線上廣告代理業務分部錄得收購後收益及經營虧損分別約9,400,000港元及7,700,000港元(包括於收購時產生的無形資產攤銷5,800,000港元)。

大粵網·香港站專注於推出迎合內地用戶在香港的娛樂資訊、生活時尚導向的特色功能，成功打造一個香港連貫內地的新聞媒體，提供娛樂、飲食、旅遊、美容、時尚、親子、寵物、電競等線上、線下資訊平台，從而延長用戶於智能終端的時長。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

We have strengthened our content curation capability and recommendation algorithm, leveraging on a team of experienced and trend-sensitive website editors, reporters and graphic designers. We have also successfully optimized the former hard-advertising content using soft articles that have better readability and sense of taste, thus to offer more personalized information flow services and to enhance user stickiness. As a result, our readership in terms of monthly reading volume increased significantly from 1.0 million views to 2.2 million views.

Regarding to expanding online advertising revenue, we used data analysis to further strengthen our ability to target customers through our advertising platform, thus enabling our advertisers to achieve greater investment return and better advertising effectiveness. Catering to the needs of advertisers, we launched special offers through the Hong Kong Station of gd.qq.com community and invited Mainland readers to participate in large events held by Hong Kong companies, similar events will be held more frequently in order to attract customers. In addition, addressing the market demand of Hong Kong customers for frequently visiting the Facebook platform, we converted article text from simplified Chinese to traditional Chinese so as to localize content and to increase the number of views and customer base.

Online Payment Business segment

During the year ended 31 March 2018, the Group introduced a new operating segment of online payment business following the successful completion of the acquisition of Empire Access Limited (“**Empire Access**”) on 21 September 2017. The management considers that such acquisition introduced the Group into the mobile payment industry which will provide an additional income and cash flows stream to the Group and further diversify the Group’s overall business.

N Dimension, a subsidiary of Empire Access, is one of the authorised WeChat payment service providers in Hong Kong. It provides peripheral software and hardware solutions support, as well as identifies and approaches potential merchants in Hong Kong for adopting the WeChat Pay cross-border electronic fund transfer system, which ultimately facilitate the PRC customers to settle purchase payments with merchants via WeChat Pay in Hong Kong.

透過經驗豐富、潮流感十足的網站編輯、記者以及圖片設計師團隊，我們已強化看點的內容管理能力及內容推薦演算法，我們亦使用可讀性及品味層次較高的軟性文章，成功優化以往硬性廣告的推廣內容，從而提供更個性化的資訊流服務及提升用戶黏性，令我們的讀者人數及閱讀量明顯提升，由每月閱讀量由100萬增加至220萬。

在拓展線上廣告收益方面，我們運用數據分析能力，進一步增強了我們廣告平台的用戶定向能力，讓廣告主實現更高的投資回報及更好的廣告效果。為滿足廣告主需求，我們透過大粵網·香港站社區效應送出優惠，招募內地讀者參與香港廠商主辦的大型活動，並將舉行更多同類型活動，吸引客戶。此外，針對香港客戶收看慣用的Facebook平台的市場需求，我們將簡體文章轉化繁體，內容地道化，增加瀏覽量及客源。

線上支付業務分部

截至二零一八年三月三十一日止年度，本集團於二零一七年九月二十一日成功完成收購Empire Access Limited(「**Empire Access**」)後，引入新的經營分部線上支付業務。管理層認為該收購事項將本集團引入流動支付行業，為本集團提供額外收入及現金流，進一步多元化本集團之整體業務。

Empire Access之附屬公司千維科技為香港其中一家獲授權微信支付服務供應商。其提供外圍軟件及硬件解決方案支援及於香港物色及接觸潛在商戶，以採用微信支付跨境電子轉賬系統，從而促進中國客戶於香港透過微信支付結算購買款項。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

During the period from 22 September 2017 to 31 March 2018, the online payment business segment recorded a post-acquisition revenue and operating loss of approximately HK\$1.8 million and HK\$3.9 million respectively. Our revenue in March 2018 recorded an increase of over 5.5 times as compared with that in October 2017, reflecting the huge market potential.

Online payment service serves as an important platform for our Internet e-commerce business. We strengthened our dominance in the field of mobile payment (in terms of the number of active accounts) and further enhanced our penetration in commercial transactions. The total number of merchants we engaged has a desirable growth from 782 at the time of acquisition to currently 2,686. We deepened the relationship with major channel partners and empowered an increasing number of small merchants with technologies to improve their operational efficiency.

Others

Acquisition of E-commerce Promotion Business

The Group completed the acquisition of Soul Marketing Group Limited (“Soul Marketing”) in December 2017. With an aim to connect our integrated e-commerce and strategies, Soul Marketing is committed to establish itself as an e-commerce promotion supplier covering the PRC, Hong Kong, Taiwan and Southeast Asia. Inspired by its original concepts, it successfully provided customers with cross-country advertising platforms and helped them to integrate product resources of all information flows, thus reducing their costs of promotion and sales through one-stop online retail solutions.

Acquisition of Game Distribution Platform

The Group completed the acquisition of IAHHong Kong Limited (“IAHHong Kong”) in February 2018. IAHHong Kong is a publisher and distributor of video games and offers video game developers a single point of access to bring video games from around the world to gamers in Greater China and Southeast Asia. IAHHong Kong has been in the business of distribution of online and console games for around 10 years and has successfully operated famous video game and is going to set up online game distribution platform.

於二零一七年九月二十二日至二零一八年三月三十一日期間，線上支付業務分部錄得收購後收益及經營虧損分別約1,800,000港元及3,900,000港元。我們於二零一八年三月的收益較二零一七年十月的收益增長逾5.5倍，反映市場巨大的潛力。

線上支付服務是我們的互聯網電貿業務的重要平台。我們鞏固了在移動支付領域的領導地位（按活躍賬戶數計），並進一步提升了在商業交易領域的滲透率。我們委聘的商戶數目錄得理想增長，由初收購時的782個增加至現時的2,686個。我們加深了與主要管道合作夥伴的關係，並利用技術賦能更多小商戶，以提升其運營效率。

其他

收購電子商務推廣業務

本集團於二零一七年十二月完成收購凌市場策略集團有限公司（「凌市場策略」）。為連接我們整合電子商與策略，凌市場策略矢志建立成為中國、香港、台灣以及東南亞電子商務推廣供應商。透過我們原創意念，成功為客戶提供跨國家的廣告平台，整合客戶所有信息流的產品資源，從而降低客戶的推廣及銷售成本，提供一站式網上零售解決方案。

收購遊戲發行平台

本集團於二零一八年二月完成收購IAHHong Kong Limited（「IAHHong Kong」）。IAHHong Kong為視頻遊戲發行及分銷商，為視頻遊戲開發商提供單一接入點，將全球視頻遊戲引入大中華及東南亞市場。IAHHong Kong從事網上分銷及主機遊戲業務約十年，成功經營知名視頻遊戲，並將創建網絡遊戲發行平台。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Equity-settled share-based payments

During the year ended 31 March 2018, the Group recognised a total expense of HK\$29.3 million (2017: Nil) in relation to the share options granted by the Company.

Loss for the year

As a result of the foregoing factors, the Group's loss amounted to approximately HK\$144.7 million for the year ended 31 March 2018 (2017: profit of HK\$11.8 million). The Group's loss attributable to the owners of the Company amounted to approximately HK\$139.2 million for the year ended 31 March 2018 (2017: profit of HK\$12.7 million).

Disclaimer

Save for Royal Medic No.1 Chinese Cs-4, none of the Group's products is registered under the Pharmacy and Poison Ordinance (Chapter 138 of the Laws of Hong Kong) and the Chinese Medicine Ordinance (Chapter 549 of the Laws of Hong Kong). Any claim made by those products has not been subject to evaluation for such registration. Those products are not intended to diagnose, treat or prevent any disease.

FINANCIAL POSITION AND LIQUIDITY

As at 31 March 2018, cash and bank balances of the Group amounted to approximately HK\$158.9 million (2017: HK\$110.2 million) and the current ratio (current assets divided by current liabilities) of the Group was 2.1 times as at 31 March 2018 (2017: 4.1 times). The Group's gearing ratio, representing total borrowings divided by total equity, was approximately 207.1% as at 31 March 2018 (2017: 14.9%). The increase in gearing ratio was primarily due to the convertible bonds issued in October 2017. In view of the Group's current level of cash and bank balances, funds generated internally from operations and the unutilised banking facilities available, the Board is confident that the Group will have sufficient resources to meet its financial needs for its operations. As at 31 March 2018, the Group had unutilised general banking facilities of approximately HK\$6.2 million (2017: HK\$5.9 million). On 12 October 2017, the Group completed the placing of the convertible bonds in the aggregate principal amount of HK\$265.0 million. The net proceeds from the placing of the convertible bonds are approximately HK\$250.0 million and intended to be applied in any potential acquisition by the Company relating to (i) its principal business or (ii) any online or e-commerce technology business including but not limited to the acquisition under the acquisition agreement dated 30 June 2017 in relation to the WeChat cross-border payment business and (iii) for general working capital of the Company.

以股權結算以股份支付之開支

截至二零一八年三月三十一日止年度，本集團就本公司授出的購股權確認開支總額29,300,000港元(二零一七年：無)。

年內虧損

基於上述因素，截至二零一八年三月三十一日止年度，本集團的虧損為約144,700,000港元(二零一七年：溢利11,800,000港元)。截至二零一八年三月三十一日止年度，本集團的本公司擁有人應佔虧損為約139,200,000港元(二零一七年：溢利12,700,000港元)。

免責聲明

除御藥堂培植蟲草菌絲體Cs-4外，本集團的產品概無根據香港法例第138章藥劑業及毒藥條例及香港法例第549章中醫藥條例註冊。就該等產品作出的任何聲明尚未就有關註冊而作出評估。該等產品並非用作診斷、治療或預防任何疾病。

財務狀況及流動資金

於二零一八年三月三十一日，本集團的現金及銀行結餘約158,900,000港元(二零一七年：110,200,000港元)。本集團的流動比率(即流動資產除以流動負債)於二零一八年三月三十一日為2.1倍(二零一七年：4.1倍)。於二零一八年三月三十一日，本集團之資產負債率(即借款總額除以權益總額)約為207.1%(二零一七年：14.9%)。資產負債率上升主要是由於二零一七年十月發行可換股債券所致。考慮到本集團現金及銀行結餘的現時水平，來自本集團經營業務內部的資金及可動用但尚未動用的銀行信貸融資，董事會深信，本集團將會擁有充裕資源滿足其經營業務的財政需求。於二零一八年三月三十一日，本集團持有未動用一般銀行信貸融資約6,200,000港元(二零一七年：5,900,000港元)。於二零一七年十月十二日，本集團完成配售本金總額為265,000,000港元之可換股債券。配售可換股債券之所得款項淨額約為250,000,000港元並將擬用於與本公司(i)主要業務或(ii)任何線上或電子商務技術業務有關的任何潛在收購事項，包括但不限於日期為二零一七年六月三十日有關微信境外支付業務的收購協議項下的收購事項及(iii)用作本公司的一般營運資金。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

CAPITAL MANAGEMENT

The Group's objectives in managing capital are to ensure that entities in the Group will be able to continue as a going concern while maximizing the return to the shareholders through the optimization of the debt and equity balance. The management reviews the capital structure by considering the cost of capital and the risks associated with each class of capital. In view of this, the Group will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debt or the redemption of existing debt as it sees fit and appropriate. The Group also monitors capital on the basis of the net gearing ratio. The Group's overall strategy remains unchanged throughout the period of review.

EMPLOYEE INFORMATION

As at 31 March 2018, the Group had 260 employees (2017: 169). For the year ended 31 March 2018, staff costs including directors' remuneration was approximately HK\$116.4 million (2017: HK\$61.2 million).

REMUNERATION POLICY

The Group's Directors and senior management receive compensation in the form of salaries, benefits in kind and discretionary bonuses with reference to salaries paid by comparable companies, time commitment and the performance of the Group. The Group also reimburses them for expenses, which are necessarily and reasonably incurred for the provision of services to the Group or executing their functions in relation to the operation of the Group. In addition, the Company has adopted a share option scheme as an incentive to Directors and eligible participants, particular of which are set out in note 36 to the audited consolidated financial statements in this annual report. The Group regularly reviews and determines the remuneration and compensation package of the Group's Directors and senior management, by reference to, among other things, market level of salaries paid by comparable companies, the respective responsibilities of the Group's Directors and the performance of the Group.

OUTLOOK

Health and Beauty Supplements and Products segment

Hong Kong Market

In order to recruit new generation customers and to increase market share in today's digital world, the Group will continue to allocate more resources from the traditional marketing platform to digital marketing. In addition, more online live events that can attract interactive communications will also be engaged to advertise and promote our products.

資本管理

於管理資本時，本集團之目標為確保本集團旗下實體將能夠按持續經營基準繼續經營，同時透過優化債務及權益結餘，將為股東帶來之回報最大化。管理層透過考慮資本成本及與各類資本相關之風險，檢討資本結構。有鑑於此，本集團將於其認為合適及適當時，透過派息、新股發行以及發行新債務或購回現有債務，平衡其整體資本結構。本集團亦按照淨資產負債比率對資本進行監控。本集團的整體策略於審閱期間維持不變。

僱員資料

於二零一八年三月三十一日，本集團的僱員人數為260人(二零一七年：169人)。截至二零一八年三月三十一日止年度，員工成本(包括董事薪酬)約為116,400,000港元(二零一七年：61,200,000港元)。

薪酬政策

本集團董事及高級管理層以薪金、實物福利及酌情花紅形式收取報酬，經參考可比較公司所支付的薪金、投入的時間及本集團表現釐定。本集團亦償付彼等就向本集團提供服務或履行有關本集團業務的職能時產生的必要合理開支。此外，本公司已採納一項購股權計劃，作為對董事及合資格參與人士的獎勵，購股權計劃的詳情載於本年報經審核綜合財務報表附註36。本集團參考(其中包括)可比較公司所支付的市場薪酬水平、本集團董事各自的職責以及本集團的表現，定期檢討及釐定本集團董事及高級管理層的薪酬及待遇組合。

前景

保健及美容補品及產品分部

香港市場

為招徠新一代客戶並在現今數碼化世界提升市場份額，本集團將繼續撥出更多資源從傳統營銷平台轉向數碼化營銷。此外，我們亦將參與更多可吸引互動交流的網上直播活動以宣傳及推廣我們的產品。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

The quality management accreditation for the existing food factory such as ISO22000 and HACCP has been obtained in March 2018. Nevertheless, completion date of the Chinese medicine factory is delayed to the end of 2018, since the Group would like to achieve a higher standard in product quality for its customers, but not just upgrading the factory to full production.

Non-Hong Kong markets

It has been over a year since the introduction of a strategic partner to develop the PRC market. Though effort has been made, the performance is still not satisfactory and the Group is rethinking the next step for the development in this market. For the Southeast Asia regions, various applications in registration and licensing are still in progress.

Collaboration with CUCAMed Company Limited

The laboratory collaborated with CUCAMed Company Limited (“CUCAMed”) in Hong Kong to research and develop new Chinese medicines and health products has commenced operation in September 2017. During the year ended 31 March 2018, no new product under the “LEGEND” brand was launched. A new product that planned to be launched in early 2018 was rescheduled to late 2018.

Online Business segments

An era of internet and mobile commerce has come for the global economy, in order to grasp the opportunities in this market, the Group has always been in earnest pursuit of various business opportunities for developing and diversifying our business. Looking ahead to 2018, the Group will continue to strengthen the operation of gd.qq.com in Hong Kong Station, WeChat cross-border payment business in Hong Kong, the e-commerce promotion platform run by Soul Marketing and the IAHGames games distribution platform (online and offline), so as to increase our market penetration and revenue.

有關現有食品製造廠的品質管理認證（如ISO22000及HACCP）已於二零一八年三月取得。然而，中藥廠的完工日期延遲至二零一八年年底，原因是本集團計劃向客戶提供更高水準的產品，而非僅僅將工廠提升至全面生產。

非香港市場

自引薦戰略夥伴發展中國市場以來，已有逾一年之久。儘管已作出努力，但表現仍未理想，本集團正重新考慮於該市場的下一步發展計劃。就東南亞地區而言，我們仍進行多項註冊及許可的申請。

與中大中醫藥科技有限公司合作

自二零一七年九月起，本集團與中大中醫藥科技有限公司（「中大中醫藥科技」）於香港的合營實驗室已開始研究及開發新中醫藥及保健產品。於截至二零一八年三月三十一日止年度，本集團並無推出「中大中藥傳承」品牌的任何新產品。計劃於二零一八年初推出的一款新產品重新計劃於二零一八年末推出。

線上業務分部

全球經濟已進入互聯網、移動商貿時代，為把握市場機遇，本集團一直在物色不同商機，發展多元化業務。預期於二零一八年，本集團將繼續提升騰訊·大粵網於香港站的營運、香港微信境外支付業務、凌市場策略營運的電子商務推廣平台及IAHGames遊戲發行平台（線上及線下），以提高市場滲透率及收益。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Online Advertising Agency segment

At its initial period, Hong Kong Station of gd.qq.com mainly comprises six business modules, i.e. entertainment, property and finance, sports, tourism, pets and education. Since the launch, the Hong Kong Station has been rapidly expanded to 10 business modules, with the addition of health, fashion, infant care and E-sports. The Group will continue to invest resources to enrich the website content, and aim to expand the website into 30 business modules, thus to broaden user facets and increase user volume, which ultimately increase revenue from advertising.

The Hong Kong Station of gd.qq.com launched a series of activities to encourage merchants conducting media-rich interaction with the help of entertainment tools, and to attract catering industry customers to place advertisement through award credibility such as the Hong Kong Food Awards. In addition, we also introduced WeChat payment service to our customers, and opened an official account which is linked to advertising packages of Hong Kong Station of gd.qq.com in an effort to expand advertiser base and revenue streams. Moreover, Hong Kong Station of gd.qq.com organized sales activities in Hong Kong and Mainland China for its customers in retail and real estate markets, helping them leverage upon celebrity effect in promotion.

The Group expects that the monthly view rates of Hong Kong Station of gd.qq.com will continue to increase, which will help to attract more advertising clients outside Hong Kong and explore the market in the Southeast Asia, thereby further boosting the increase of our advertising revenues.

Online Payment Business segment

As announced by the Company on 21 September 2017, the Group has completed the acquisition of 70% interest in N Dimension which is principally engaged in the WeChat cross-border payment business in Hong Kong. In view of rapid growth of mobile commerce, the rising popularity of mobile payment among the PRC population, the stable number of PRC tourists visiting Hong Kong and the stable amount of their consumption expenditure, the Group believes that there will be potential growth in WeChat cross-border payment service. Subsequent to the completion of the acquisition, the Group endeavors to continue growing this new business by way of expanding its sales efforts, forming collaboration with other market players or further acquisition(s) of suitable target company(ies) that complement the Group's direction of development.

線上廣告代理分部

大粵網·香港站初期主要分為娛樂、產經、體育、旅遊、寵物及教育六個業務版塊，從啟動至今，已迅速拓展至包括健康、時尚、育兒及數碼競技等十個業務板塊。本集團將繼續投入資源提升網站內容，目標將平台擴充至三十個業務板塊，藉此擴大用戶層面及吸納用戶量，從而提升廣告收入。

大粵網·香港站推出一系列活動，鼓勵商戶借助娛樂工具以豐富的媒體形式進行互動，並以具認受性的獎項(如香港飲食大獎)吸引飲食行業客戶投放廣告。此外，我們亦可為客戶引入微信支付服務，並開啓公眾號，網綁大粵網·香港站廣告套餐，增加客源以致增加營運收益。同時，大粵網·香港站為客戶主辦香港及內地銷售活動，例如零售及房產市場，利用明星效應幫助客戶宣傳。

本集團預期，展望大粵網·香港站的每月瀏覽量將持續上升，有助吸引更多香港之外的廣告客戶的青睞，拓展東南亞市場，進一步帶動提升廣告收入。

線上廣告代理分部

誠如本公司於二零一七年九月二十一日公佈，本集團已完成收購千維科技(該公司主要於香港從事微信境外支付業務)70%之權益。鑒於流動商業快速增長、移動支付於中國日益普及、中國遊客來香港旅遊的人數及其消費開支日漸穩定，本集團認為微信境外支付服務將有增長潛力。完成收購後，本集團致力於透過加大銷售努力、與其他業界夥伴合作或進一步收購與本集團發展方向可以形成互補的適當目標公司來繼續發展該項新業務。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

The Group is confident of the business prospect of WeChat cross-border payment business in Hong Kong. The Group will continue to explore a more profound cooperation with Tencent in the future, such as participating in WeChat cross-border payment business in Southeast Asia, WeChat Pay's "Hong Kong Wallet", and the like. Capitalising on the brand awareness, we will be able to enhance our competitiveness.

We focused on optimisation of "Integrated Payment Solution Package" products, a product that can manage different payment channels for merchants. It provides various value-added services which can assist merchants' smart bill acquiring hardware, store management software, financial services, supply chain and other value-added services. It can also help to extend business model, increase revenue, expand the Southeast Asia market and grow the vertical value-added business model.

At the same time, we actively developed the extended online payment services and launched mini programs to connect users with numerous online and offline services, including retail, e-commerce, lifestyle services, livelihood and games. The objective is to encourage users to share and connect with others in daily life, promote interaction with partners within the ecosystem, and develop innovative "Payment Plus" products to better extend business models and increase revenue.

Others

For Soul Marketing of e-commerce promotion platform and IAHHGames game distribution platform (including online and offline), we will implement our smart retail solutions to promote cross-selling of offline retailers through our technical services. We will continue to improve the life quality of consumers through our innovative products and services, seize opportunities and develop ourselves into a healthy and growing Internet Plus ecosystem.

With the increasing popularity and penetration of smartphones and computer games, IAHHGames will distribute 45 new games through agents, including famous games, and will continue to sell the existing licensed games in 2018. Through distributing more popular mainstream games, increasing distribution of innovative new games and establishing online selling platform, we will expand the sales channels, increase the market share in game distribution platform and build ourselves as the first choice among all game distribution agents in Hong Kong market.

本集團對香港微信境外支付業務前景充滿信心，本集團將會繼續與騰訊商討更深層次的合作，例如參與東南亞微信境外支付業務、微信支付的「香港錢包」等業務，借助品牌效應，提升我們的競爭力。

我們著重完善「聚合支付」產品，該產品為商戶管理不同支付通道，提供多樣化增值服務，包括協助商戶的智慧收單硬體、商舖管理軟件、金融服務，以及供應鏈等增值服務，提升商業模式延伸，增加更多收入，拓展東南亞市場，發展垂直的增值商業模式。

同時，我們積極開拓線上支付延伸業務，推出小程序將用戶與眾多的線上及線下服務連接，包括零售、電子商務、生活方式服務、民生及遊戲，以鼓勵用戶分享及進行日常生活的聯繫，促進與生態系統合作夥伴的互動，創新開發「支付Plus」產品，提升商業模式延伸，增加更多收入。

其他

針對凌市場策略的電子商務推廣平台及IAHHGames遊戲發行平台（包括線上及線下），我們將實施的智慧零售解決方案，藉助我們的技術服務，提升線下零售商的交叉銷售。我們將繼續通過我們的創新產品和服務來提升消費者的生活質素，把握機遇，並發展健康和成長性的互聯網Plus生態系統。

隨著智能手機及電腦遊戲的流行及實現大眾普及，IAHHGames於二零一八年內將會代理發行45個新遊戲，包括知名遊戲及持續銷售現有代理遊戲。通過代理更多時下受歡迎的主流遊戲、增加代理創新的新遊戲及設立網上銷售平台，我們將進一步擴大銷售渠道，增加遊戲發行平台的市場份額及穩固作為香港遊戲代理市場首選代理的地位。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

MATERIAL ACQUISITIONS OR DISPOSALS

Save as disclosed in notes 31, 32 and 33 to the audited consolidated financial statements in this annual report, there was no other material acquisition and disposal of subsidiaries, associated companies and joint ventures during the year ended 31 March 2018.

CONTINGENT LIABILITIES

Save as disclosed in note 24 to the audited consolidated financial statements in this annual report, the Group did not have material contingent liabilities as at 31 March 2018.

CAPITAL COMMITMENT

Save as disclosed in note 34 to the audited consolidated financial statements in this annual report, the Group did not have significant capital commitment as at 31 March 2018.

FOREIGN EXCHANGE EXPOSURE

Presently, the Group does not have a hedging policy with respect to the foreign exchange exposure. The Group is exposed to currency risk primarily through sales and purchases, which give rise to receivables and payables and cash balances that are denominated in foreign currencies, other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily United States dollars (“US\$”) and Renminbi (“RMB”). In order to manage and minimize the foreign currency risk, the management will continue to manage and monitor the foreign currency exposure to ensure appropriate measure are implemented in a timely and effective manner.

CHARGES ON ASSETS

As at 31 March 2018, the Group had secured bank loans of approximately HK\$28.1 million (2017: HK\$30.6 million). The banking facilities are secured by the Group’s leasehold land and buildings, having carrying amount of approximately HK\$41.8 million as at 31 March 2018 (2017: HK\$43.2 million).

重大收購或出售

除本年報經審核綜合財務報表附註31、32及33所披露外，截至二零一八年三月三十一日止年度，概無任何其他附屬公司、聯營公司及合營企業的重大收購及出售。

或然負債

除本年報經審核綜合財務報表附註24所披露外，於二零一八年三月三十一日，本集團並無任何重大或然負債。

資本承擔

除本年報經審核綜合財務報表附註34所披露外，於二零一八年三月三十一日，本集團並無任何重大資本承擔。

外匯風險

現時本集團並無就外匯風險實施對沖政策。本集團所承受貨幣風險主要因進行銷售及採購所產生以外幣計值（即以業務功能貨幣以外貨幣計值）的應收及應付款項及現金結餘所致。導致有關風險的貨幣主要為美元（「美元」）及人民幣（「人民幣」）。為管理並盡量降低外幣風險，管理層會繼續管理及監察外幣風險，確保及時有效地採取適當措施。

抵押資產

於二零一八年三月三十一日，本集團持有有抵押銀行貸款約28,100,000港元（二零一七年：30,600,000港元）。該銀行信貸融資已由本集團的租賃土地及樓宇作抵押，其賬面值於二零一八年三月三十一日約為41,800,000港元（二零一七年：43,200,000港元）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

BUSINESS OBJECTIVES AND USE OF PROCEEDS

Comparison of Business Objectives with Actual Business Progress

An analysis comparing the business objectives as stated in the placing prospectus of the Company dated 30 September 2013 (the “Prospectus”) with the Group’s actual business progress for the period from 1 April 2015 onwards is set out as below:

業務目標及所得款項用途

業務目標與實際業務進展的比較

本公司日期為二零一三年九月三十日的配售章程（「配售章程」）所列業務目標與本集團自二零一五年四月一日起期間實際業務進展的比較分析載列如下：

Business objectives for the period from 1 April 2015 onwards as stated in the Prospectus 配售章程所列自二零一五年四月一日起期間的業務目標	Actual business progress up to 31 March 2018 直至二零一八年三月三十一日的實際業務進展
<p><i>Expansion of distribution network</i> Set up about 2-11 new SDCs</p> <p>Employ more promoters</p> <p>擴大分銷網絡 增設約2至11個特別指定櫃位</p> <p>聘用更多推銷員</p>	<p>The Group continues to identify suitable stores of the distribution facilitator to set up SDCs, 2 Royal Medic SDCs and 11 Health Proof SDCs were set up during the year ended 31 March 2018.</p> <p>The Group had 48 SDCs including 18 Royal Medic SDCs and 30 Health Proof SDCs as at 31 March 2018.</p> <p>The Group continues to employ promoters and employed 96 promoters as at 31 March 2018 (As at 31 March 2017: 93).</p> <p>截至二零一八年三月三十一日止年度，本集團繼續物色適合的分銷代理店舖以增設特別指定櫃位，年內已設立2個御藥堂特別指定櫃位及11個康寶庫特別指定櫃位。</p> <p>於二零一八年三月三十一日，本集團有48個特別指定櫃位，當中包括18個御藥堂特別指定櫃位及30個康寶庫特別指定櫃位。</p> <p>本集團繼續聘用推銷員，於二零一八年三月三十一日已聘用96個推銷員（於二零一七年三月三十一日：93個）。</p>

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Business objectives for the period from 1 April 2015 onwards as stated in the Prospectus (continued)	Actual business progress up to 31 March 2018
<p>配售章程所列自二零一五年四月一日起期間的業務目標(續)</p>	<p>直至二零一八年三月三十一日的實際業務進展</p>
<p><i>Collaboration with CUCAMed to develop products</i> Launch more new health supplements under the brand of “LEGEND”</p> <p>Engaging brand ambassadors to promote the products</p> <p>Strengthen the Group’s branding and marketing strategies through various media and channels</p> <p>與中大中醫藥科技合作開發產品 以「中大中藥傳承」品牌推出更多嶄新保健產品</p> <p>委聘品牌形象大使推廣產品</p> <p>透過不同媒體及渠道以加強本集團品牌及市場推廣策略</p>	<p>No new product under “LEGEND” brand was launched during the year.</p> <p>During the year, no brand ambassador was engaged to promote the products under “LEGEND” brand.</p> <p>The Group continues to promote its products launched under “LEGEND” through various media and channels, such as digital and printed media in Hong Kong.</p> <p>The laboratory collaborated with CUCAMed in Hong Kong to research and develop new Chinese medicines and health products has commenced operation in September 2017.</p> <p>於年內並無「中大中藥傳承」品牌的新產品推出。</p> <p>於年內，本集團並未有委聘品牌形象大使推廣「中大中藥傳承」品牌產品。</p> <p>本集團繼續在香港透過數碼及印刷媒體等不同媒體及渠道，推廣「中大中藥傳承」品牌的產品。</p> <p>與中大中醫藥科技有限公司於香港合作成立以研發新中醫藥及保健產品的實驗室已於二零一七年九月開始營運。</p>

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

<p>Business objectives for the period from 1 April 2015 onwards as stated in the Prospectus (continued)</p> <p>配售章程所列自二零一五年四月一日起期間的業務目標(續)</p>	<p>Actual business progress up to 31 March 2018</p> <p>直至二零一八年三月三十一日的實際業務進展</p>
<p><i>Expanding overseas markets</i></p> <p>Engaging brand ambassadors in Taiwan</p> <p>Recruiting more promoters and strengthen the Group's branding and marketing strategies through various media and channels in Taiwan</p> <p>Continue to explore the opportunities in other overseas markets</p> <p>拓展海外市場 於台灣委聘品牌形象大使</p> <p>招聘更多推銷員及透過不同媒體及渠道以加強本集團在台灣的品牌及市場推廣策略</p> <p>繼續於其他海外市場發掘商機</p>	<p>After the expiry of the contract of a brand ambassador in Taiwan, the Group began to promote the Group's products in Taiwan using the same brand ambassadors as used in Hong Kong.</p> <p>The Group has contracted a non-exclusive distributor with extensive network in drug chain stores in Taiwan and simultaneously started its e-commerce sales network in April 2017. However, the performance was not satisfactory and still sustained losses. The Group decided to close down the operation in Taiwan during the year.</p> <p>For the Southeast Asia regions, various applications in registration and licensing are still in progress.</p> <p>於台灣委聘的品牌形象大使合約到期後，本集團已開始聘用與香港所用相同的品牌形象大使，在台灣推廣本集團產品。</p> <p>本集團已與一間於台灣擁有廣闊藥品連鎖店的非獨家分銷商簽署合同，並同時於二零一七年四月設立電子商務銷售網絡。然而，表現並不理想，仍持續錄得虧損。本集團決定於年內關閉於台灣之業務。</p> <p>就東南亞地區而言，本集團正進行多項註冊和許可的申請。</p>

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

The planned use of proceeds as stated in the Prospectus were based on the best estimation of future market conditions and development made by the Group at the time of preparing the Prospectus while the proceeds were applied in accordance with the actual development of the market. During the period from 1 April 2017 to 31 March 2018, the net proceeds from issuance of new shares of the Company by way of placing had been applied as follows:

配售章程所列所得款項擬定用途乃基於本集團在編製配售章程時對未來市況及發展的最佳估計作出，而所得款項則根據市場的實際發展使用。自二零一七年四月一日至二零一八年三月三十一日期間，本公司以配售形式發行新股份的所得款項淨額的動用情況如下：

		Planned use of proceeds 所得款項擬定用途			Actual use of proceeds 所得款項實際用途			Total amount Total amount
		Change in use of proceeds during the year ended 31 March 2017 截至 二零一七年 三月三十一日	Change in use of proceeds during the year ended 31 March 2018 截至 二零一八年 三月三十一日	Use of proceeds after change	11 October 2013 to 31 March 2017 二零一三年 十月十一日至 二零一七年 三月三十一日	1 April 2017 to 31 March 2018 二零一七年 四月一日至 二零一八年 三月三十一日	up to 31 March 2018 直至 二零一八年 三月三十一日	
As stated in the Prospectus Total		止年度 所得款項 用途變動 總額	止年度 所得款項 用途變動 總額	變動後的 所得款項 用途	變動後的 所得款項 用途	變動後的 所得款項 用途	已動用款項 總金額	
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	HK\$'000 千港元	
Expansion of distribution network	擴大分銷網絡	5,950	-	-	5,950	5,225	725	5,950
Collaboration with CUCAMed to develop products	與中大中醫藥科技合作開發產品	47,600	(25,000)	(13,285)	9,315	8,370	945	9,315
Expanding overseas markets	拓展海外市場	41,650	(25,000)	(13,196)	3,454	2,773	681	3,454
Enhancing the Group's marketing and promotion activities in Hong Kong	加強本集團在香港的營銷及推廣活動	13,090	-	-	13,090	13,090	-	13,090
Acquisition of Star Root Limited	收購Star Root Limited	-	50,000	-	50,000	5,000	45,000	50,000
Acquisition of Giant Bloom Holdings Limited	收購鉅成集團有限公司	-	-	26,481	26,481	-	26,481	26,481
General working capital	一般營運資金	10,710	-	-	10,710	10,710	-	10,710
		119,000	-	-	119,000	45,168	73,832	119,000

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

CHANGE IN USE OF PROCEEDS AND USE OF PROCEEDS

References are made to the announcements of the Company dated 9 January 2017 and 18 April 2017. As at 31 March 2018, the Company utilised HK\$45.0 million out of the unutilised proceeds as part of the consideration for the acquisition of 100% equity interest of Star Root Limited, for the purpose of product development and expansion of overseas market.

References are made to the announcements of the Company dated 31 August 2017, 7 September 2017, 11 September 2017 and 13 September 2017. As at 31 March 2018, the Company utilised HK\$26.5 million out of the unutilised proceeds as part for the consideration for the acquisition of 100% equity interest of Giant Bloom Holdings Limited, for the purpose of product development and expansion of overseas market.

Convertible Bonds

On 12 October 2017, the Group completed the placing of the convertible bonds in the aggregate principal amount of HK\$265.0 million. The net proceeds from the placing of the convertible bonds are approximately HK\$250.0 million and intended to be applied in any potential acquisitions by the Company relating to (i) its principal business or (ii) any online or e-commerce technology business including but not limited to the acquisition under the acquisition agreement dated 30 June 2017 in relation to the WeChat cross-border payment business and (iii) for general working capital of the Company.

PRINCIPAL RISKS AND UNCERTAINTIES

Based on the Group's risk management system, the Group has examined all of the possible risks and uncertainties that might affect the Group and considered that the most important risks and uncertainties would include:

Regulatory risks

The health supplement industry in Hong Kong generally believes that changes in regulatory policies and laws in respect of the monitoring and control of food and health supplement products which include Chinese medicinal ingredients may be proposed and implemented by the authorities concerned in the coming years. Significant effect may impact on the future development of health supplements as well as the food industry. If the Group fails to keep up and comply with these changes, such factors would affect the Group's success.

The Group has closely monitored the regulatory changes, strengthened its interpretation and analysis capability of regulatory policies and would adjust strategies in advance to cope with the ever-changing operating environment.

所得款項用途變動及所得款項用途

茲提述本公司日期為二零一七年一月九日及二零一七年四月十八日之公佈。於二零一八年三月三十一日，本公司就產品開發及海外市場拓展將未動用所得款項中的45,000,000港元用於支付收購Star Root Limited全部股權的部分代價。

茲提述本公司日期為二零一七年八月三十一日、二零一七年九月七日、二零一七年九月十一日及二零一七年九月十三日之公佈。於二零一八年三月三十一日，本公司就產品開發及海外市場拓展將未動用所得款項中的26,500,000港元用於支付收購鉅成集團有限公司全部股權的部分代價。

可換股債券

於二零一七年十月十二日，本集團完成配售本金總額為265,000,000港元之可換股債券。配售可換股債券之所得款項淨額約為250,000,000港元並將擬用於與本公司(i)主要業務或(ii)任何線上或電子商務技術業務有關的任何潛在收購事項，包括但不限於日期為二零一七年六月三十日有關微信境外支付業務的收購協議項下的收購事項，以及(iii)用作本公司的一般營運資金。

主要風險及不確定因素

本集團已檢討基於風險管理系統確定之全部可能風險及不確定因素，並認為可能對本集團造成影響之最重要風險及不確定因素包括：

規管風險

香港保健品業界一般相信有關當局於未來數年可能建議及實施對有關監管及控制含有中醫藥成份的食物及保健產品的規管政策及法律作出改變，對保健品及食品行業未來發展可能會產生深遠影響。假若本集團未能跟隨及符合此等改變，將會影響本集團之成功。

本集團密切關注規管走向，加強規管政策分析研判，預先調整業務策略，以應付不斷變化之營商環境。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Prolonged economic downturn

The Group's health and beauty supplements and products business is closely related to the economic conditions of Hong Kong. Slowing economic growth or a recession may affect consumer preferences and spending which in turn could have a material adverse effect on the Group's business, operational results and financial conditions.

In response to these challenges, the Group will closely monitor the changing economic conditions and also actively implement effective measures to control the administration and production costs. The Group will also continue to roll out more new products and open up more distribution channels, and diversify its business to improve the Group's overall performance.

Failure to introduce successful new products

Owing to the rapid changing nature of the health and beauty supplements and products markets in Hong Kong, if the Group fails to anticipate market trends and develop new products to respond to such trends in a timely manner, it will adversely affect its business in the long term. In addition to the Group's own product development and collaboration with external research partners, such as with CUCAMed to promote and sell products developed by CUCAMed under the brand "LEGEND", the Group is also actively looking for opportunities to collaborate with different reputable universities to conduct researches for the purpose of developing new products. Besides researches, the Group will also continue to place strong emphasis on a multifaceted market strategy through utilizing various media and channels to promote its brands and products.

Macro-economic condition, PRC tourist spending and payment habits

The health of the Group's WeChat cross-border payment business relies significantly on the number of PRC tourists visiting Hong Kong and their ensuing spending habit using WeChat Pay as the payment gateway. Should there be any adverse change in macro-economic condition, the number of PRC tourists visiting Hong Kong or their spending or a change in habit using WeChat Pay, the Group's business may be adversely affected. In addition, regulatory or other changes in the PRC such as a major outbreak of disease that affects the number of inbound PRC tourists to Hong Kong will have similar adverse impact. However, the Group believes that this online payment business is still at a start-up stage with growth potential so the Group will closely monitor the development in this business sector.

持久的經濟下滑

本集團的保健及美容補品及產品業務與香港經濟環境息息相關。經濟增長放緩或衰退或會影響消費者的喜好及消費額，從而對本集團的業務、經營業績及財政狀況造成重大不利影響。

針對上述挑戰，本集團將密切監察不斷變化的經濟狀況及積極推行有效措施控制行政及生產成本。本集團亦將繼續推出更多新產品及開拓更多分銷渠道，並多元化其業務以提升本集團的整體表現。

無法成功推出新產品

由於香港的保健產品以及美容補品及產品市場瞬息萬變，假如本集團無法預計市場趨勢及因應市場趨勢適時開發新產品，本集團的長遠業務將會受到不利影響。除了本集團自行開發產品及與外間研究夥伴合作（如與中大中醫藥科技合作推廣及銷售其開發的「中大中藥傳承」品牌的產品）外，本集團亦會主動尋找機會與不同著名大學合作進行研究，以開發新產品。除了科研外，本集團亦會繼續透過不同的媒體及渠道加強多方面的市場推廣策略以宣傳其品牌及產品。

宏觀經濟環境、中國旅客消費及支付習慣

本集團微信境外支付業務之健康發展很大程度依賴中國訪港旅客人數及彼等使用微信支付之消費習慣。倘宏觀經濟環境、中國訪港旅客人數或彼等消費發生任何不利變動或使用微信支付習慣發生變化，則本集團之業務亦可能會隨之受到不利影響。此外，中國的監管或其他變動，如可能影響中國旅客前往香港的疫病爆發等情況，亦會帶來類似不利影響。儘管如此，本集團仍相信線上支付業務仍處於起步階段，且極具發展潛力，故本集團將密切監控此業務分部的發展。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Competition

At present, there are various WeChat Pay service providers and agents operating in Hong Kong. With number of available merchant shops in Hong Kong being a relatively stable figure, there is intense competition among these service providers and agents. Should these service providers and agents actively engage in price competition, the Group may be forced to follow suit so that its business, operational results and financial conditions may accordingly be adversely affected. However, the Group believes that this online payment business is still at a start-up stage with growth potential so the Group will closely monitor the development in this business sector.

Operational risk

The Group's online payment business is heavily dependent on the stable operation of its IT systems including system software, processing systems, telecommunications networks, cloud servers as well as systems provided by third parties. Such mission critical services are susceptible to risks attributable to system outage, data loss or breach in security. Should such a situation occur, payments made to the merchant shops may not be properly processed and may expose the Group to liability to third parties. The Group will closely monitor such risks, and periodically consider and implement measures such as system/software updates, redundancy, and subcontracting to suitable and competent third party vendors.

Industry and technological changes

The Group's online advertising agency and online payment businesses are characterised by rapid technological changes, frequent and numerous product introductions and enhancements, continually evolving industry security standards and rapidly changing customers' requirements. The success of the Group in these business segments depends on a large extent upon the Group's continued ability to offer its online advertising agency and payment businesses within this environment and to meet changing market requirements, including conformity with applicable standards.

競爭

香港目前有多家微信支付服務供應商及代理商。由於香港可合作的商舖數量相對穩定，該等服務供應商及代理商之間激烈競爭。若該等服務供應商及代理商積極進行價格競爭，本集團或須被迫跟進，以致其業務、經營業績及財務狀況可能隨之受到不利影響。儘管如此，本集團仍相信線上支付業務仍處於起步階段，且極具發展潛力，故本集團將密切監控此業務分部的發展。

營運風險

本集團的線上支付業務十分依賴其資訊科技系統（包括系統軟件、處理系統、電訊網絡、雲端伺服器以及第三方提供之系統）的穩定運作。該等服務重任易受諸如系統中斷、資料遺失或保安漏洞等風險帶來的影響。倘此等情況發生，商舖或無法正常結賬收款，令本集團承受第三方責任。本集團將密切監控此等風險，並定期考慮及施行包括更新系統／軟件、備份及分判予適合及勝任之第三方供應商等措施進行應對。

行業及技術革新

本集團線上廣告代理及線上支付業務以技術發展迅猛、產品推出及更新換代頻密、行業保安標準與日強化及客戶要求不斷轉變見稱。本集團於該等業務分部能否取得成功很大程度有賴於本集團於此環境內提供線上廣告代理及支付服務及切合瞬息萬變的市場需求（包括遵循適用標準）的能力。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷詳情

EXECUTIVE DIRECTORS

Mr. Chan Yan Tak (“**Mr. Chan**”), aged 49, is the chairman of the Board, and the chief executive officer of the Company as well as a director of most subsidiaries of the Company. Mr. Chan joined the Group in 2003 and was appointed as a director of the Company (“**Director**”) on 5 December 2011. Mr. Chan is responsible for the overall management and strategic development of the Group. Mr. Chan possesses over 14 years of experience in the health food and pharmaceutical trading businesses with extensive experience in product development, materials sourcing, branding-building, advertising, marketing and retail networking. Mr. Chan has acted as the honorary president of the Federation of Beauty Industry (H.K.). He has been a member of the Association of Hong Kong and Kowloon Practitioners of Chinese Medicine Limited since 2004 and was then appointed as the advisor of the abovementioned association in 2008. Mr. Chan is currently a director of Yan Oi Tong and a founding member of Affectionate World Charitable Foundation Limited (人間有情慈善基金有限公司) since May 2017, both are registered non-profit making charitable organization.

Mr. Chan is currently a director of and holds entirely interests in Able Island Group Limited (“**Able Island**”), the controlling shareholder of the Company, details of which are disclosed in the Report of the Director under this report. Mr. Chan is the brother-in-law of Mr. Lim Ming Shing, Tony, a former director and the current chief financial officer of the Group.

執行董事

陳恩德先生(「陳先生」)，49歲，為董事會主席兼本公司行政總裁，亦為本公司大多數附屬公司董事。陳先生於二零零三年加入本集團，並於二零一一年十二月五日獲委任為本公司董事(「董事」)。陳先生負責本集團整體管理及策略發展。陳先生於保健食品及藥品貿易業務方面積逾十四年經驗，在產品開發、物料採購、品牌創立、廣告、營銷及零售網絡方面具有豐富經驗。陳先生曾獲委任為香港美容業總會榮譽會長，並自二零零四年起成為港九中醫師公會會員，後於二零零八年獲委任為該會顧問。陳先生現為仁愛堂之董事及自二零一七年五月起出任人間有情慈善基金有限公司的創辦成員，兩者均為註冊非牟利慈善組織。

陳先生現為本公司控股股東 Able Island Group Limited(「**Able Island**」)之董事並持有其全部權益，詳情披露於本報告的董事會報告書。陳先生為本集團前董事兼現任首席財務官林銘誠先生之內弟。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷詳情

Mr. Lee Chi Hang, Sidney, aged 54, is an executive Director and compliance officer of the Company. He joined the Group since July 2014 acting as a director of a subsidiary of the Group and was appointed as an executive Director and the compliance officer of the Company on 20 January 2016. Mr. Lee has been primarily responsible for overseeing the corporate strategy and legal matters of the Group. Mr. Lee was employed by the Group from 1 March 2013 to 1 November 2013, responsible for business development. Mr. Lee was a director of Wisdom Come Medical Group Limited (“**Wisdom Come**”), a subsidiary of the Group from 2010 till 2012. Mr. Lee was also subscriber and nominee shareholder of Wisdom Come and subscriber of Hong Kong and Macau Chinese Medicine Innovative Institute Co., Ltd. (formerly named “**M2C Natural Health Limited**”), another subsidiary of the Group, and transferred his shares in these two companies to the Group on 1 November 2005 and 19 May 2006, respectively. Mr. Lee has been a solicitor in practice in Hong Kong since August 2000. Mr. Lee graduated from The Chinese University of Hong Kong with a bachelor degree in business administration in 1986, and later also graduated from the Manchester Metropolitan University in the United Kingdom with a bachelor degree in laws in 1999. After obtaining the Postgraduate Certificate in Laws issued by University of Hong Kong, he was admitted as a solicitor in Hong Kong in August 2000. Before practising as a solicitor, Mr. Lee was employed with senior management positions in various retail enterprises in Hong Kong. From 1995 till 1997 he was employed as a director and deputy general manager of Chinese Arts & Crafts (H.K.) Limited, a retail group of companies in Hong Kong. He is currently the sole proprietor of Sidney Lee & Co., Solicitors, a law firm established in Hong Kong since July 2008, which provided legal services to the Group till 19 January 2016. Mr. Lee has been an elected member of the Central and Western District Council since 2006 with his current term of office ending on 31 December 2019. Mr. Lee has been providing voluntary services to the public on an ongoing basis and was appointed by the government as a member of various advisory boards.

李志恒先生，54歲，執行董事兼本公司合規主任。自二零一四年七月起加入本集團，於本集團附屬公司擔任董事，並於二零一六年一月二十日獲委任為執行董事及本公司合規主任。李先生主要負責監督本集團的企業策略及法律事項。李先生於二零一三年三月一日至二零一三年十一月一日期間曾受僱本集團負責業務發展。李先生於二零一零年至二零一二年為本集團附屬公司仍志醫藥集團有限公司（「仍志」）董事。李先生亦為仍志的認購人及代名股東及本集團的另一附屬公司港澳中藥創新產品研究有限公司（前稱「**M2C Natural Health Limited**」）的認購人，並分別於二零零五年十一月一日及二零零六年五月十九日將彼於該兩間公司的股份轉讓至本集團。李先生自二零零零年八月起為香港執業律師。李先生於一九八六年畢業於香港中文大學，取得工商管理學學士學位，於一九九九年再獲英國曼徹斯特城市大學頒授法律學士學位。在取得香港大學頒授法律深造證書後，於二零零零年八月獲准為香港律師。在擔任執業律師前，李先生在香港多家零售企業出任高層管理人員。自一九九五年至一九九七年彼受僱於一家香港零售集團公司中藝（香港）有限公司，擔任董事兼副總經理。彼現為於二零零八年七月成立之李志恒律師事務所獨資經營東主，該事務所為本集團提供法律服務直至二零一六年一月十九日。李先生自二零零六年起一直出任中西區區議會民選議員，任期至二零一九年十二月三十一日止。李先生長期為社會提供義務服務，亦被政府委任為多個諮詢委員會的成員。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷詳情

Mr. Wang Xihua, aged 51, is an executive Director of the Company. He joined the Group on 24 October 2016. Mr. Wang has over 20 years of commercial experience in business development and enterprise management in the People's Republic of China ("PRC") and 5 years of teaching experience in the chemical engineering profession. Mr. Wang graduated from the Faculty of Chemical Engineering at 武漢鋼鐵學院 (Wuhan Institute of Iron and Steel, currently called Wuhan University of Science and Technology*) in 1989. In addition, Mr. Wang completed a graduate program in business administration from the Guanghua School of Management of Peking University in 2003. Mr. Wang is primarily responsible for exploring investment opportunities to expand the business of the Group. Mr. Wang was an executive director and non-executive director of Elife Holdings Limited (former name: Sino Resources Group Limited) ("Elife Holdings") (Stock Code: 223) shares of the company listed on the main board of the Stock Exchange from 11 March 2013 to 31 January 2014 and 1 February 2014 to 22 September 2015 respectively. Mr. Wang is currently the managing director of SRG Capital Limited, a company in which Elife Holdings holds less than 10% equity interest. Mr. Wang was an executive director of Fortis Mining (Hong Kong) Limited from 1 February 2014 to 23 May 2015, a Hong Kong subsidiary of Kazakhstan Potash Corporation Limited, a company listed in the Australian Securities Exchange Limited (ASX code: KPC).

Mr. Lai Wei Lam, William, aged 45, is an executive Director of the Company. He joined the Company on 1 July 2017. He has solid commercial experience in international and China business development and merge and acquisition before joining the Company. Mr. Lai has a Certificate in google android application development awarded by Unisoft Education Centre in 2011. Mr. Lai is primarily responsible for the online advertising agency business, e-commerce promotion business and game distribution business of the Group.

Mr. Liao Zhe, aged 31, is an executive Director of the Company. He joined the Group on 10 October 2017. Mr. Liao has several years of marketing and brands strategy experience. Prior to joining the Group, he was responsible for managing Tencent games in Tencent Holdings Limited and WeChat payment in Caifutong Payment Technology Co., Ltd. Mr. Liao was awarded a DFI-Diploma in Communication Design in 2010, a joint programme organized by Design Factory International, College of Communication Arts and Interactive Media and Beijing Normal University, Zhuhai (北京師範大學珠海分校). Mr. Liao is primarily responsible for the online and WeChat cross-border payment business and the relevant projects of the Group.

王西華先生，51歲，為本公司執行董事。彼於二零一六年十月二十四日加入本集團。王先生於中華人民共和國（「中國」）之業務發展及企業管理方面積累逾二十年之商務經驗，並且擁有五年於化工專業的教學經驗。王先生於一九八九年於武漢鋼鐵學院（現稱武漢科技大學）化工系本科畢業。此外，王先生於二零零三年於北京大學光華管理學院完成工商管理研究生課程。王先生主要負責尋求投資機會，擴展本集團的業務。王先生分別在二零一三年三月十一日至二零一四年一月三十一日及二零一四年二月一日至二零一五年九月二十二日於易生活控股有限公司（前稱神州資源集團有限公司）（「易生活控股」）（股份代號：223，其股份於聯交所主板上市）擔任執行董事及非執行董事。王先生目前仍於神州資本有限公司擔任董事總經理，易生活控股於此公司持有少於10%股本權益。王先生曾在二零一四年二月一日至二零一五年五月二十三日於Fortis Mining (Hong Kong) Limited擔任執行董事，此公司為於澳大利亞證券交易所掛牌的Kazakhstan Potash Corporation Limited的香港附屬公司（澳交所代碼：KPC）。

賴偉林先生，45歲，為本公司執行董事。彼於二零一七年七月一日加入本公司。於加入本公司前，彼於國際及中國之業務發展及合併與收購方面具有豐富商務經驗。賴先生於二零一一年在Unisoft Education Centre獲得Certificate in google android application development。賴先生主要負責本集團線上廣告代理業務、電子商務推廣業務及遊戲發行業務。

廖喆先生，31歲，為本公司執行董事。彼於二零一七年十月十日加入本集團。廖先生擁有數年市場及品牌策略經驗。於加入本集團前，彼在騰訊控股有限公司負責管理騰訊遊戲以及在財付通支付科技有限公司負責微信支付。廖先生於二零一零年獲得由德國漢堡國際傳媒藝術與新媒體學院及北京師範大學珠海分校合作舉辦的DFI國際傳媒設計課程文憑。廖先生現時主要負責本集團的線上及微信境外支付業務及相關項目。

* For identification purpose only

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷詳情

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Szeto Wai Ling, Virginia, aged 55, is an independent non-executive Director and a member of each of audit committee, nomination committee and remuneration committee of the Company. She joined the Company on 15 April 2016. Ms. Szeto is a practising solicitor in Hong Kong and a solicitor of the Supreme Court of England and Wales. Ms. Szeto holds a Bachelor of Laws Degree from Oxford Brookes University and a Master of Science Degree in Criminal Justice Policy from The London School of Economics and Political Science. She is currently an independent non-executive director of Shaw Brothers Holdings Limited (Stock Code: 0953). Ms. Szeto was a former chairman, non-executive director and member of audit committee of Larry Jewelry International Company Limited (Stock Code: 8351) from 3 October 2016 to 12 January 2018, and was an executive director of Sino Haijing Holdings Limited (stock code: 1106), from 19 March 2015 to 4 July 2016. All three companies are listed on the main board or the GEM of the Stock Exchange. Ms. Szeto was also the Head of Legal Department of New World Development Company Limited (Stock Code: 0017) from 20 March 1998 to 31 July 2002.

Mr. Leung Winson Kwan Yau, aged 32, is an independent non-executive Director, the chairman of audit committee, a member of nomination committee and remuneration committee of the Company. He joined the Company on 24 October 2016 and was appointed as the chairman of audit committee on 6 December 2016. Mr. Leung is currently a Director of Global Business Development at TMF Group, a leading global services provider of high-value business services to clients operating and investing globally. Before joining TMF Group, he served as the financial controller of an international investment management company focusing on the market of the Greater China. Mr. Leung has worked for different international audit firms including KPMG and PricewaterhouseCoopers over the past seven years from October 2008. Mr. Leung obtained a degree of Bachelor of Commerce (Accounting and Finance) from Monash University in Australia in 2008 and has been a member of the CPA Australia since 2011.

獨立非執行董事

司徒惠玲女士，55歲，為獨立非執行董事及本公司之審核委員會、提名委員會及薪酬委員會成員。彼於二零一六年四月十五日加入本公司。司徒女士為香港執業律師及英格蘭及威爾斯最高法院律師。司徒女士持有牛津布魯克斯大學法學學士學位及倫敦政治經濟學院刑事政策理學碩士學位。彼現時為邵氏兄弟控股有限公司（股份代號：0953）之獨立非執行董事。司徒女士於二零一六年十月三日至二零一八年一月十二日為俊文寶石國際有限公司（股份代號：8351）前主席、非執行董事及審核委員會成員，並曾於二零一五年三月十九日至二零一六年七月四日擔任中國海景控股有限公司（股份代號：1106）之執行董事。該三間公司均於聯交所主板或GEM上市。司徒女士亦曾於一九九八年三月二十日至二零零二年七月三十一日為新世界發展有限公司（股份代號：0017）之法務部門主管。

梁鈞濠先生，32歲，為獨立非執行董事、本公司審核委員會主席、提名委員會及薪酬委員會成員。彼於二零一六年十月二十四日加入本公司，並於二零一六年十二月六日獲委任為審核委員會主席。梁先生現時為TMF Group全球業務發展董事，該集團是全球領先的高價值商業服務提供商，面向全球運營及投資客戶。在加入TMF Group之前，他曾擔任一家專注於大中華市場的國際投資管理公司之財務總監。梁先生由二零零八年十月開始，曾於不同國際審計事務所包括畢馬威及羅兵咸永道任職超過七年。梁先生在二零零八年於澳大利亞莫納什大學獲得商科學士（會計及財務）學位及自二零一一年起為澳洲會計師公會會員。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷詳情

Mr. Tam Kin Yip, aged 44, is an independent non-executive Director, the chairman of nomination committee and remuneration committee and a member of audit committee of the Company. He joined the Company on 7 March 2017. Mr. Tam is a practicing Barrister-At-Law in Hong Kong and has over 15 years' experience in litigation. Mr. Tam served as independent non-executive director of Zhi Cheng Holdings Limited (Stock Code: 8130), from 16 February 2012 to 3 July 2015, Zhuoxin International Holdings Limited (formerly known as Gold Tat Group International Limited) (Stock Code: 8266), from 3 March 2015 to 1 March 2016, shares of these two companies listed on the GEM of the Stock Exchange, China Solar Energy Holdings Limited (Stock Code: 155) from 21 October 2014 to 15 May 2015, shares of this company listed on the main board of the Stock Exchange.

Mr. Leung Man Loon, aged 40, is an independent non-executive Director and a member of each of audit committee, nomination committee and remuneration committee of the Company. He joined the Company on 11 September 2017. He is currently working in BOC Group Life Assurance Company Limited. Mr. Leung has extensive experience focusing in Life insurance and banking industries. Mr. Leung obtained a degree of Bachelor of Arts in Finance Services from Edinburgh Napier University in United Kingdom. Mr. Leung has been a Certified Financial PlannerCM (CFPCM) since 2010 and designated a Fellow, Life Management Institute from Life Office Management Association since 2006.

SENIOR MANAGEMENT

Mr. Cheng Tze Kit Larry, aged 62, is the chief investment officer of the Group. Mr. Cheng joined the Group in March 2018. Mr. Cheng has over 26 years of experience in real estate development and financial mergers and acquisitions in Hong Kong, Canada and the PRC. He holds a Bachelor of Science (Hons) in Engineering and a Master of Business Administration. Mr. Cheng is a Chartered Engineer of United Kingdom. Mr. Cheng was served as an executive director, non-executive director and chief investment officer of several Hong Kong listed companies.

譚健業先生，44歲，為獨立非執行董事、本公司提名委員會及薪酬委員會主席及審核委員會成員。彼於二零一七年三月七日加入本公司。譚先生為香港執業大律師，擁有超過十五年法律訴訟經驗。譚先生於二零一二年二月十六日至二零一五年七月三日出任智城控股有限公司（股份代號：8130）之獨立非執行董事，於二零一五年三月三日至二零一六年三月一日出任卓信國際控股有限公司（前稱金達集團國際有限公司）（股份代號：8266）之獨立非執行董事（這兩家公司的股份均於聯交所GEM上市），並於二零一四年十月二十一日至二零一五年五月十五日出任中國源暢光電能源控股有限公司（股份代號：155）之獨立非執行董事，該公司的股份於聯交所主板上市。

梁文龍先生，40歲，為獨立非執行董事、本公司審核委員會、提名委員會及薪酬委員會成員。彼於二零一七年九月十一日加入本公司。彼現任職於中銀集團人壽保險有限公司。梁先生於人壽及銀行行業具有豐富經驗。梁先生在英國愛丁堡納皮爾大學獲得金融服務文學士。梁先生自二零一零年為認可財務策劃師及自二零零六年起為美國壽險管理學會的資深會員。

高級管理層

鄭子傑先生，62歲，為本集團首席投資官。鄭先生於二零一八年三月加入本集團。鄭先生擁有逾二十六年的香港、加拿大及中國之房地產發展及融資併購經驗。彼持有工程學（榮譽）理學士學位及工商管理碩士學位。鄭先生為英國特許工程師。鄭先生曾於若干香港上市公司擔任執行董事、非執行董事及首席投資官。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷詳情

Mr. Lim Ming Shing, Tony, aged 57, is the chief financial officer of the Group. Mr. Lim joined the Group as treasurer in August 2014. He was executive Director of the Company from 1 January 2016 to 31 August 2017. On 31 May 2016, he was appointed as chief financial officer and he is primarily responsible for the overall accounting, tax, finance and treasury functions of the Group. Mr. Lim has over 20 years of experience in financial and management accounting. He was awarded a professional diploma in management accountancy from the Hong Kong Polytechnic University (previously known as Hong Kong Polytechnic) in 1985 and he obtained his master degree in business administration from Heriot-Watt University, United Kingdom in 1999. Mr. Lim is a member of the Hong Kong Institute of Certified Public Accountants. He is also a member of the Association of Chartered Certified Accountants and of the Chartered Institute of Management Accountants. Mr. Lim is the brother-in-law of Mr. Chan Yan Tak, the chairman of the Board, the chief executive officer of the Company and an executive Director.

Mr. Yan Tat Ming, aged 54, is the chief production officer of the Group. Mr. Yan joined the Group in January 2012. He is primarily responsible for the production and quality assurance functions of the Group. Mr. Yan has more than 16 years of experience in the pharmaceutical industry. He is experienced in the areas of production and quality assurance and familiar with production with GMP standard. Mr. Yan obtained his bachelor's degree in pharmacy from Robert Gordon Institute of Technology, Aberdeen, United Kingdom in 1991. He is registered as a pharmaceutical chemist and is a member of the Royal Pharmaceutical Society of Great Britain since 1992. He is also admitted as a pharmacist in accordance to the Pharmacy and Poisons Ordinance (Chapter 138, the Laws of Hong Kong) in 1992. Mr. Yan was elected as the committee member and deputy secretary-general of the Hong Kong Chinese Prepared Medicine Traders Association in 2004 and 2006, respectively.

Ms. Wong Chui Lan, aged 46, is the general manager of the Group. Ms. Wong is responsible for sales department including the supervision of the sales promoter team of the Group and also acts as the person-in-charge of the customer services and member club functions of the Group. She joined the Group in 2004 as a senior manager and was subsequently promoted to the deputy general manager in 2010, sales controller in 2011 and general manager in 2016. Ms. Wong possesses more than 12 years of working experience in the retail marketing specialising in selling and distribution of PCM health supplements and beauty supplements and products.

林銘誠先生，57歲，為本集團首席財務官。林先生於二零一四年八月加入本集團為司庫。彼於二零一六年一月一日至二零一七年八月三十一日為本公司執行董事。於二零一六年五月三十一日，彼獲委任為首席財務官，主要負責本集團會計、稅務、財務及庫務管理。林先生在財務及管理會計方面擁有超過二十年的工作經驗。彼於一九八五年畢業於香港理工大學（前稱香港理工學院），獲頒管理會計專業文憑，並於一九九九年於英國赫瑞瓦特大學獲得工商管理碩士學位。林先生為香港會計師公會會員，亦為英國特許公認會計師公會及英國特許管理會計師公會會員。林先生為董事會主席、本公司行政總裁兼執行董事陳恩德先生之姐夫。

甄達明先生，54歲，為本集團首席生產官。甄先生於二零一二年一月加入本集團，主要負責本集團的生產及質量保證職能。甄先生於製藥業積逾十六年經驗，並於生產及質量保證方面擁有豐富經驗，對GMP標準生產瞭如指掌。甄先生於一九九一年在英國亞伯丁Robert Gordon Institute of Technology取得藥劑學士學位。彼自一九九二年起註冊成為化學藥劑師，並為英國皇家藥劑學會會員。彼於一九九二年亦根據香港法例第138章藥劑業及毒藥條例獲認可為註冊藥劑師。甄先生於二零零四年及二零零六年先後獲選為香港中成藥商會的委員會委員及副秘書長。

王翠蘭女士，46歲，為本集團總經理。王女士負責銷售部門，包括監督本集團的促銷團隊，亦作為本集團客戶服務及會員俱樂部的負責人員。彼於二零零四年加入本集團出任高級經理，先後於二零一零年、二零一一年及二零一六年晉升為副總經理、銷售總監及總經理。王女士於零售推廣方面積逾十二年工作經驗，專注於銷售及分銷中成藥保健產品以及美容補品及產品。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷詳情

Mr. Chui Pak Shing, aged 50, is the chief strategy officer of the Group. Mr. Chui joined the Group in December 2015. Mr. Chui was the company secretary and authorised representative of the Company from 25 January 2016 to 6 December 2016. Mr. Chui has over 20 years of working experience in accounting and financial management, company secretarial work and served as executive director and financial controller of several Hong Kong listed companies in various industries, before joining the Company. Mr. Chui holds a Bachelor Degree in Commerce from University of Wollongong, Australia and a Master Degree in Business Administration from University of Portsmouth, the United Kingdom. He is a fellow of CPA Australia and of the Hong Kong Institute of Certified Public Accountants.

Mr. Wong Kui Tong, aged 37, is the company secretary and authorised representative of the Company. Mr. Wong joined the Company in December 2016. Mr. Wong has over 15 years of experience in accounting and financial management. Mr. Wong is a member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants and he is also a fellow member of The Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Chartered Secretaries. Prior to joining the Company, Mr. Wong held the position of Finance Manager and Company Secretary in China Lumena New Materials Corp. (Stock Code: 67) from 2009 and 2010 to 2016 respectively and worked in PricewaterhouseCoopers from 2004 to 2009. Mr. Wong obtained a Bachelor of Arts in Accountancy degree and a Master of Corporate Governance degree from The Hong Kong Polytechnic University.

COMPLIANCE OFFICER

Mr. Lee Chi Hang, Sidney, aged 54, is the compliance officer of the Company. Please refer to the paragraph headed “Executive Directors” in this section for his further details.

崔伯勝先生，50歲，為本集團首席策略官。崔先生於二零一五年十二月加入本集團。於二零一六年一月二十五日至二零一六年十二月六日，崔先生為本公司的公司秘書及授權代表。崔先生在會計、財務管理和公司秘書工作擁有超過20年的工作經驗，加入本公司前曾於數間不同行業的香港上市公司擔任執行董事及財務總監。崔先生在澳洲臥龍崗大學取得商學學士學位並在英國樸茨茅斯大學獲得工商管理碩士學位。彼為澳洲會計師公會及香港會計師公會資深會員。

黃鉅棠先生，37歲，為本公司公司秘書及授權代表。黃先生於二零一六年十二月加入本公司。黃先生在會計和財務管理方面擁有超過十五年的經驗。黃先生為香港會計師公會及特許公認會計師公會會員，亦為英國特許秘書及行政人員公會及香港特許秘書公會資深會員。於加入本公司之前，黃先生於二零零九年及二零一零年至二零一六年分別在中國旭光新材料集團有限公司（股份代號：67）擔任財務經理和公司秘書，並由二零零四年至二零零九年在羅兵咸永道會計師事務所工作。黃先生獲得香港理工大學的會計學士學位及香港理工大學的企業管治碩士學位。

合規主任

李志恒先生，54歲，為本公司的合規主任。有關彼進一步詳情，請參閱本節「執行董事」一段。

REPORT OF THE DIRECTOR

董事會報告書

The directors of the Company (the “**Director(s)**”) herein present their report and the audited consolidated financial statements of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 March 2018.

PRINCIPAL ACTIVITIES

The Group are principally engaged in the formulating, marketing, sale and distribution of health and beauty supplements and products in Hong Kong, the PRC and Taiwan, as well as the provision of online advertising agency business, online payment business, e-commerce promotion business and game distribution business. There was no significant change in nature of the Group’s principal activities during the year.

BUSINESS REVIEW AND PERFORMANCE

A fair review of the business of the Company and a discussion and analysis of the Group’s performance during the year as required by the Schedule 5 to the Hong Kong Companies Ordinance (Cap. 622), including a discussion of the principal risks and uncertainties facing the Group and indication of likely future development of the Group’s business, the material factors underlying its results and financial position are provided in the “Chairman’s Statement” from pages 6 to 7 and “Management Discussion and Analysis” from pages 8 to 28, particulars of important events affecting the Company that have occurred since the end of the financial year ended 31 March 2018, if any, can also be found in the abovementioned sections and the “Notes to the Consolidated Financial Statements”, the outlook of the Company’s business is discussed throughout this Annual Report including the “Chairman’s Statement” of this Annual Report, all these sections form part of this report of the Directors.

CHANGE OF COMPANY NAME, CHANGE OF STOCK SHORT NAME AND ADOPTION OF NEW COMPANY LOGO

The English name of the Company has been changed from “RM Group Holdings Limited” to “Shunten International (Holdings) Limited” and “順騰國際(控股)有限公司” has been adopted to replace “御藥堂集團控股有限公司” as the dual foreign name of the Company in Chinese with effect from 9 January 2018 in order to reflect the Group’s business diversification and expansion development.

The stock short name for trading in the Shares on the Stock Exchange has also been changed from “RM GROUP” to “SHUNTEN INTL” in English and from “御藥堂” to “順騰國際控股” in Chinese with effect from 9 a.m. on 6 February 2018. The stock code of the Company remains unchanged as “932”.

The logo of the Company has been changed from  to  with effect from 1 February 2018.

本公司董事(「董事」)謹此提呈董事會報告書以及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的經審核綜合財務報表。

主要業務

本集團主要於香港、中國及台灣從事配方、推銷、銷售及分銷保健以及美容補品及產品，並提供線上廣告代理業務、線上支付業務、電子商務推廣業務及遊戲發行業務。年內，本集團主要業務的性質並無重大變動。

業務審視及業績

香港公司條例(第622章)附表5所規定有關本公司業務的中肯審視與本集團年內表現有關的討論及分析(包括有關本集團面臨的主要風險及不明朗因素的討論以及本集團業務未來可能發展的徵兆)以及與業績及財務狀況相關的重要因素的討論，在第6至7頁的「主席報告」及第8至28頁的「管理層討論與分析」中闡述。有關在截至二零一八年三月三十一日止財政年度完結後發生並對本公司有影響的重大事件(如有)之詳情亦已於上述章節及「綜合財務報表附註」中披露。本公司的業務前景則於本年報不同部份(包括本年報「主席報告」)討論，所有該等章節均為董事會報告書的一部分。

更改公司名稱、更改股份簡稱及採納新公司標誌

本公司之英文名稱已由「RM Group Holdings Limited」更改為「Shunten International (Holdings) Limited」，並已採納「順騰國際(控股)有限公司」以取代「御藥堂集團控股有限公司」作為本公司雙重外國名稱之中文版本，自二零一八年一月九日起生效，以反映本集團業務多元化及擴張性發展。

本公司於聯交所買賣股份之英文股份簡稱亦已由「RM GROUP」更改為「SHUNTEN INTL」，及中文股份簡稱已由「御藥堂」更改為「順騰國際控股」，自二零一八年二月六日上午九時正起生效。本公司之股份代號仍為「932」。

本公司的標誌已由  更改為 ，自二零一八年二月一日起生效。

REPORT OF THE DIRECTOR

董事會報告書

SUBSIDIARIES

Details of the Company's principal subsidiaries as at 31 March 2018 are set out in note 38 to the audited consolidated financial statements in this annual report.

RESULTS AND APPROPRIATIONS

For the year ended 31 March 2018, the results and the state of affairs of the Group are set out in the audited consolidated financial statements in this annual report on pages 82 to 223.

FINAL DIVIDEND

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

CLOSURE OF REGISTER OF MEMBERS

For Attendance of 2018 AGM

The register of members of the Company will be closed from Tuesday, 4 September 2018 to Friday, 7 September 2018 (both dates inclusive), for the purpose of determining the eligibility of shareholders of the Company ("Shareholders") to attend and vote at the annual general meeting of the Company to be held on Friday, 7 September 2018 (the "2018 AGM"), during which no transfer of shares of the Company will be effected. In order to qualify for attendance of the 2018 AGM, all completed transfer forms accompanied by the relevant share certificates of the Company must be lodged with the Company's branch share registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on Monday, 3 September 2018.

FINANCIAL SUMMARY

A summary of the results and assets and liabilities of the Group for the past 5 financial years is set out on page 224 of this annual report. This summary does not form part of the audited consolidated financial statements of the Group in this annual report.

PROPERTY, PLANT AND EQUIPMENT

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

SHARE CAPITAL AND SHARE OPTIONS

Details of movements in the share capital of the Company during the year are set out in note 29 to the audited consolidated financial statements in this annual report.

Particulars of share options of the Company (the "Share Option") and details of movements in the Share Options during the year are set out in note 36 to the audited consolidated financial statements in this annual report.

附屬公司

於二零一八年三月三十一日，本公司主要附屬公司的詳情載於本年報經審核綜合財務報表附註38。

業績及分派

截至二零一八年三月三十一日止年度，本集團的業績及事務狀況載於本年報經審核綜合財務報表第82至223頁。

末期股息

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)。

暫停辦理股份過戶登記手續

出席二零一八年股東週年大會

為釐定本公司股東(「股東」)出席本公司將於二零一八年九月七日(星期五)舉行的股東週年大會(「二零一八年股東週年大會」)並於會上投票的資格，本公司將於二零一八年九月四日(星期二)至二零一八年九月七日(星期五)(首尾兩日包括在內)暫停辦理股東登記手續，於此期間亦不會辦理本公司股份過戶登記手續。為符合資格出席二零一八年股東週年大會，所有已填妥之過戶表格連同本公司有關股票必須於二零一八年九月三日(星期一)下午四時三十分前，送達本公司之股份過戶登記分處卓佳證券登記有限公司，地址為香港皇后大道東183號合和中心22樓。

財務概要

本集團過去五個財政年度業績及資產與負債概要載於本年報第224頁。此概要不構成本年報的經審核綜合財務報表一部分。

物業、廠房及設備

於本年度，本集團的物業、廠房及設備變動詳情載於本年報經審核綜合財務報表附註15。

股本及購股權

於本年度，本公司的股本變動詳情載於本年報經審核綜合財務報表附註29。

本公司購股權(「購股權」)之詳情及購股權年內變動詳情載於本年報經審核綜合財務報表附註36。

REPORT OF THE DIRECTOR

董事會報告書

SHARE SUBDIVISION

An ordinary resolution of the subdivision of each issued share of par value HK\$0.01 each in the share capital of the Company into four (4) shares of par value HK\$0.0025 each in the share capital of the Company (the “**Shares(s)**”) has been approved by the Shareholders at the extraordinary general meeting of the Company held on 4 December 2017, accordingly, the issued share capital of the Company was increased by 1,585,800,000 Shares from 528,600,000 Shares to 2,114,400,000 Shares on 5 December 2017 (the “**Share Subdivision**”), details of the Share Subdivision may refer to the announcements of the Company dated 27 October 2017, 3 November 2017, 6 November 2017, 8 November 2017 and 4 December 2017 and the circular of the Company on 10 November 2017 and the note 29(b)(ii) to the audited consolidated financial statement in this annual report. After the completion of the Share Subdivision took on 5 December 2017, 36,800,000 share options outstanding under the share option scheme adopted on 11 October 2013 has been adjusted to 147,200,000 share options outstanding and the exercise price of HK\$6.80 per Shares has been adjusted to the exercise price of HK\$1.70 per Share on the same date effect, details of which may refer to the announcement of the Company on 4 December 2017 and the note 36 to the audited consolidated financial statement in this annual report.

PLACING OF CONVERTIBLE BONDS

The Company have been successfully placed the convertible bonds in the aggregate principal amount of HK\$265.0 million (the “**Convertible Bonds**”) by the placing agent to six places which took place on 12 October 2017. The Convertible Bonds are convertible into (i) 56,989,247 new shares of par value HK\$0.01 each in the share capital of the Company at the conversion price of HK\$4.65 per Share (the “**Price Before First Anniversary**”) if all the Convertible Bonds are being converted into new Shares within the first anniversary of the date of their issuance; or (ii) 66,250,000 new Shares at the conversion price of HK\$4.00 per Share (the “**Price After First Anniversary**”) if all the Convertible Bonds are being converted into new Shares after the first anniversary of the date of their issuance and before the maturity date, details of which may refer to the announcement of the Company dated 24 April 2017, 9 May 2017, 31 May 2017, 30 June 2017, 31 July 2017, 22 September 2017, 25 September 2017 and 12 October 2017.

股份拆細

股東於本公司於二零一七年十二月四日舉行之股東特別大會上批准將本公司股本中每股面值0.01港元之已發行股份拆細為四(4)股本公司股本中每股面值0.0025港元之股份(「股份」)之普通決議案，因此，於二零一七年十二月五日，本公司之已發行股本由528,600,000股股份增加1,585,800,000股股份至2,114,400,000股股份(「股份拆細」)，股份拆細詳情可參閱本公司日期為二零一七年十月二十七日、二零一七年十一月三日、二零一七年十一月六日、二零一七年十一月八日及二零一七年十二月四日之公佈及本公司日期為二零一七年十一月十日之通函以及本年報經審核綜合財務報表附註29(b)(ii)。於二零一七年十二月五日完成股份拆細後，於二零一三年十月十一日採納的購股權計劃項下有36,800,000份購股權尚未行使，已調整為147,200,000份尚未行使購股權及行使價每股股份6.80港元已於同日調整為行使價每股股份1.70港元，其詳情可參閱本公司日期為二零一七年十二月四日之公佈及本年報經審核綜合財務報表附註36。

配售可換股債券

本公司已於二零一七年十月十二日透過配售代理成功向六名承配人配售本金總額為265,000,000港元之可換股債券(「可換股債券」)。可換股債券可(i)按換股價每股股份4.65港元(「第一週年前價格」)轉換為本公司股本中56,989,247股每股面值0.01港元之新股份，如可換股債券於發行日期第一週年內獲悉數轉換為新股份；或(ii)按換股價每股股份4.00港元(「第一週年後價格」)轉換為66,250,000股新股份，如可換股債券於發行日期第一週年後及於到期日前悉數轉換為新股份，其詳情可參閱本公司日期為二零一七年四月二十四日、二零一七年五月九日、二零一七年五月三十一日、二零一七年六月三十日、二零一七年七月三十一日、二零一七年九月二十二日、二零一七年九月二十五日及二零一七年十月十二日之公佈。

REPORT OF THE DIRECTOR

董事會報告書

Subsequently, the Share Subdivision took effective on 5 December 2017, the Price Before First Anniversary of HK\$4.65 per Share (subject to adjustment) and the Price After First Anniversary of HK\$4.00 per Share (subject to adjustment) has been adjusted in accordance with the terms and conditions of the Convertible Bonds to HK\$1.1625 (the “Adjusted Price Before First Anniversary”) per Share and HK\$1.00 (the “Adjusted Price After First Anniversary”) per Share respectively, both also with effect on 5 December 2017. Accordingly, the number of new Shares issuable upon full conversion under the Convertible Bonds at the Adjusted Price Before First Anniversary and the Adjusted Price After First Anniversary are 227,956,988 new Shares and 265,000,000 new Shares respectively. On 22 March 2018, the Company allotted and issued 8,602,150 new ordinary Shares as a result of the conversion of amount of HK\$10,000,000 under Convertible Bonds at the Adjusted Price Before First of Anniversary of HK\$4.65 per new Share. As the date of the year ended 31 March 2018 and the date of this report, the outstanding amount of the Convertible Bonds amounted HK\$255,000,000.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company’s listed securities during the year ended 31 March 2018 (2017: Nil).

EQUITY-LINKED AGREEMENT

No equity-linked agreement was entered into during the year, save for the Convertible Bonds disclosed above, the Share Options (defined below) which were under the section of “SHARE OPTION SCHEME” and others, if any, disclosed in this report.

RESERVES

Details of movements in the reserves of the Group and the Company during the year are set out in the audited consolidated statement of changes in equity on page 86 and note 29(a) to the audited consolidated financial statements in this annual report, respectively.

DISTRIBUTABLE RESERVES

As at 31 March 2018, the Company’s reserves available for distribution to the Shareholders, calculated in accordance with the provisions of Cayman Islands’ legislation, amounted to approximately HK\$101.4 million (2017: HK\$180.1 million).

PARTICULARS OF BANK AND OTHER BORROWINGS

Particulars of bank and other borrowings of the Group as at 31 March 2018 are set out in note 23 to the audited consolidated financial statements in this annual report.

其後，股份拆細於二零一七年十二月五日生效，第一週年前價格每股股份4.65港元(可予調整)及第一週年後價格每股股份4.00港元(可予調整)已分別根據可換股債券之條款及條件調整為每股股份1.1625港元(「經調整第一週年前價格」)及每股股份1.00港元(「經調整第一週年後價格」)，亦均於二零一七年十二月五日生效。因此，按經調整第一週年前價格及經調整第一週年後價格悉數轉換可換股債券而可予發行之新股份數目分別為227,956,988股新股份及265,000,000股新股份。於二零一八年三月二十二日，本公司因按經調整第一週年前價格每股新股份4.65港元轉換10,000,000港元之可換股債券而配發及發行8,602,150股新普通股。於截至二零一八年三月三十一日止年度及本報告日期，可換股債券之尚未轉換金額為255,000,000港元。

購買、贖回或出售本公司上市證券

截至二零一八年三月三十一日止年度，本公司及其任何附屬公司概無購買、贖回或出售本公司任何上市證券(二零一七年：無)。

股票掛鈎協議

年內，並無訂立任何股票掛鈎協議，惟上文所披露的可換股債券、「購股權計劃」一節內提述的購股權(定義見下文)及本報告披露的其他(如有)除外。

儲備

於本年度，本集團及本公司的儲備變動詳情分別載於本年報第86頁經審核綜合權益變動表及經審核綜合財務報表附註29(a)。

可供分派儲備

於二零一八年三月三十一日，本公司根據開曼群島法例條文計算的可供分派予股東的儲備約為101,400,000港元(二零一七年：180,100,000港元)。

銀行及其他借款詳情

本集團於二零一八年三月三十一日的銀行及其他借款詳情載於本年報經審核綜合財務報表附註23。

REPORT OF THE DIRECTOR

董事會報告書

DIRECTORS

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

Current Directors

Executive Directors

Mr. Chan Yan Tak (*Chairman and chief executive officer*)
Mr. Lee Chi Hang, Sidney
Mr. Wang Xihua
Mr. Lai Wei Lam, William (*appointed on 1 July 2017*)
Mr. Liao Zhe* (*appointed on 10 October 2017*)

Independent Non-executive Directors

Ms. Szeto Wai Ling, Virginia
Mr. Leung Winson Kwan Yau
Mr. Tam Kin Yip
Mr. Leung Man Loon* (*appointed on 11 September 2017*)

Former Directors

Executive Directors

Mr. Wong Mau Tai (*retired on 5 April 2017*)
Mr. Lim Ming Shing, Tony (*retired on 31 August 2017*)
Mr. So Kevin Hoi Chak* (*appointed on 11 September 2017 and then resigned on 13 February 2018*)
Mr. Wong Ping Yiu (*resigned on 4 May 2018*)

* He was retired in the extraordinary general meeting of the Company held on 4 December 2017 and was re-elected by the Shareholders on the same meeting.

The biographical details of the current Directors are set out on pages 29 to 35 of this annual report.

DIRECTORS ROTATION

Messrs. Chan Yan Tak and Wang Xihua, being executive Directors, and Ms. Szeto Wai Ling, Virginia, being independent non-executive Director, have entered into service agreements with the Company for a term of three years from the respective dates of their appointment or re-election in annual general meeting of the Company, subject to retirement by rotation from the Board at the conclusion of the 2018 AGM and then, being eligible, offer themselves for re-election as Director by the Shareholders in the 2018 AGM in accordance with article 84(1) of our Company's Articles of Association (“**Articles of Association**”) and the Listing Rules.

董事

於本年度及直至本年報日期的董事如下：

現任董事

執行董事

陳恩德先生 (*主席兼行政總裁*)
李志恒先生
王西華先生
賴偉林先生 (*於二零一七年七月一日獲委任*)
廖喆先生* (*於二零一七年十月十日獲委任*)

獨立非執行董事

司徒惠玲女士
梁鈞濤先生
譚健業先生
梁文龍先生* (*於二零一七年九月十一日獲委任*)

前任董事

執行董事

黃茂泰先生 (*於二零一七年四月五日退任*)
林銘誠先生 (*於二零一七年八月三十一日退任*)
蘇凱澤先生* (*於二零一七年九月十一日獲委任及於二零一八年二月十三日辭任*)
黃平耀先生 (*於二零一八年五月四日辭任*)

* 彼於二零一七年十二月四日舉行之本公司股東特別大會上退任並於同一大會上獲股東重選連任。

現任董事履歷詳情載於本年報第29至35頁。

董事輪席

執行董事陳恩德先生及王西華先生以及獨立非執行董事司徒惠玲女士與本公司簽訂服務協議，自彼等各自獲委任日期或於本公司股東週年大會重選日期起為期三年，惟須根據本公司組織章程細則（「組織章程細則」）第84(1)條及上市規則，於二零一八年股東週年大會結束時輪席退任董事會，屆時符合資格並願意於二零一八年股東週年大會上由股東重選連任為董事。

REPORT OF THE DIRECTOR

董事會報告書

RE-ELECTION OF DIRECTORS BY THE SHAREHOLDERS IN EXTRAORDINARY GENERAL MEETING

Messrs. So Kevin Hoi Chak and Leung Man Loon have been appointed as the Directors by the Board both with effect on 11 September 2017 and Mr. Liao Zhe has been appointed as the Directors by the Board on 10 October 2017. All of them were then retired from the Board at the conclusion of the extraordinary general meeting of the Company on 4 December 2017 (“2017 EGM”) and were re-appointed as the Director by the Shareholders in the 2017 EGM in accordance with article 83(3) of the Articles of Association and the Listing Rules.

RESIGNATIONS OF DIRECTORS

Mr. Wong Mau Tai retired from his position as an executive Director with effect from 5 April 2017. Mr. Lim Ming Shing, Tony (“**Mr. Lim**”) retired as an executive Director after conclusion of the annual general meeting of the Company held on 31 August 2017 (the “2017 AGM”) in accordance with the Articles of Association, he then did not offer himself for re-election at the 2017 AGM. On the same date, he also ceased to be a member of the remuneration committee of the Company. Mr. So Kevin Hoi Chak tendered his resignation as an executive Director with effect from 13 February 2018. Mr. Wong Ping Yiu tendered his resignation as an executive Director with effect from 4 May 2018.

CONFIRMATION OF INDEPENDENCE

The Company has received written confirmations of independence from all four independent non-executive Directors, Ms. Szeto Wing Ling, Virginia, Mr. Leung Winson Kwan Yau, Mr. Tam Kin Yip and Mr. Leung Man Loon respectively for the year ended 31 March 2018 pursuant to the Listing Rules. The Board and the nomination committee of the Company considered and agreed all the current independent non-executive Directors to be independent pursuant to Rule 3.13 of the Listing Rules.

股東於股東特別大會上重選董事

於二零一七年九月十一日，蘇凱澤先生及梁文龍先生獲董事會委任為董事及廖喆先生於二零一七年十月十日獲董事會委任為董事。彼等其後均於二零一七年十二月四日本公司股東特別大會（「二零一七年股東特別大會」）結束時退任董事，並於二零一七年股東特別大會上由股東根據組織章程細則第83(3)條及上市規則重新獲委任為董事。

董事辭任

黃茂泰先生退任執行董事一職，自二零一七年四月五日起生效。根據組織章程細則，林銘誠先生（「林先生」）於二零一七年八月三十一日舉行之本公司股東週年大會（「二零一七年股東週年大會」）結束後退任執行董事，其後彼並未於二零一七年股東週年大會上膺選連任。同日，彼亦不再擔任本公司薪酬委員會成員。蘇凱澤先生辭任執行董事一職，自二零一八年二月十三日起生效。黃平耀先生辭任執行董事一職，自二零一八年五月四日起生效。

確認獨立性

根據上市規則，本公司已分別接獲全體四位獨立非執行董事司徒惠玲女士、梁鈞滙先生、譚健業先生及梁文龍先生截至二零一八年三月三十一日止年度的書面獨立性確認。根據上市規則第3.13條，董事會及本公司提名委員會認為並同意全體現有獨立非執行董事均為獨立人士。

REPORT OF THE DIRECTOR

董事會報告書

DIRECTORS' AND SENIOR MANAGEMENT'S REMUNERATION AND FIVE INDIVIDUALS WITH THE HIGHEST EMOLUMENT

Details of the emoluments of the Directors and the five individuals with the highest emoluments disclosed on a named basis and/or by band respectively, are set out in note 9 to 10 to the audited consolidated financial statements in this annual report, respectively.

Details of the remuneration of the senior management disclosed by band are set out under paragraph headed "Remuneration Committee" under section headed "Board Committees" in Corporate Governance Report in this annual report.

DIRECTORS' SERVICE AGREEMENT

The Company has entered into service agreements with each of the executive Director and independent non-executive Director for a term of three years from the respective dates of appointment or re-election in the annual general meeting of the Company, respectively. Their terms of office are also subject to retirement by rotation from the Board and re-election at the annual general meeting of the Company in accordance with the Articles of Association and the Listing Rules.

No Director being proposed for re-election at the 2018 AGM has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

MANAGEMENT CONTRACT

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year.

董事及高級管理層酬金和五名最高薪人士

分別按實名基準及／或酬金範圍披露的董事酬金及五名最高薪人士詳情分別載於本年報經審核綜合財務報表附註9至10。

按薪酬範圍披露的高級管理層酬金詳情載於本年報之企業管治報告「董事會委員會」一節「薪酬委員會」一段內。

董事服務協議

本公司已與每位執行董事及獨立非執行董事各自訂立服務協議，由各自獲委任日期或於本公司股東週年大會重選日期起為期三年。彼等任期亦須按照組織章程細則及上市規則於本公司股東週年大會上自董事會輪值退任及膺選連任。

本公司並無與將於二零一八年股東週年大會上建議重選之董事訂有任何服務合同，使本公司在一年內終止其合同須作賠償(法定賠償除外)。

管理合約

本公司於本年度概無訂立或存在任何關於管理及經營本公司全部或任何主要部分業務的合約。

REPORT OF THE DIRECTOR

董事會報告書

DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 March 2018, the interests 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 (i) are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); or (ii) were recorded in the register required to be kept under Section 352 of the SFO; or (iii) were required to be notified to the Company and the Stock Exchange pursuant Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules were as follows:

董事於股份、相關股份及債權證的權益

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)的股份、相關股份及債權證中，擁有(i)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益(包括彼等根據證券及期貨條例的有關條文被當作或視為擁有的權益及淡倉)；或(ii)記錄於根據證券及期貨條例第352條須備存的登記冊的權益；或(iii)根據上市規則附錄十所載之《上市發行人董事進行證券交易的標準守則》(「標準守則」)須知會本公司及聯交所的權益如下：

Long positions in the shares of the Company 於本公司股份之好倉

Names of Director 董事姓名	Number of shares 股份數目		Number of underlying shares held under equity derivatives ² 股本衍生工具內持有相關股份數目 ²	Approximate percentage of interest in the Company's issued share capital* 佔本公司已發行股本的概約權益百分比*
	Personal interests 個人權益	Corporate Interests ¹ 公司權益 ¹		
Mr. Chan Yan Tak ("Mr. Chan") 陳恩德先生(「陳先生」)		733,568,000		34.55%
Mr. Lee Chi Hang, Sidney 李志恒先生	1,000,000		6,000,000	0.33%
Mr. Wong Ping Yiu (resigned on 4 May 2018) 黃平耀先生(於二零一八年五月四日辭任)			4,000,000	0.19%
Mr. Wang Xihua 王西華先生			4,000,000	0.19%
Mr. Lai Wei Lam, William 賴偉林先生			4,000,000	0.19%
Mr. Liao Zhe 廖喆先生			20,000,000	0.94%
Ms. Szeto Wai Ling, Virginia 司徒惠玲女士			2,000,000	0.09%
Mr. Leung Winson Kwan Yau 梁鈞濇先生			2,000,000	0.09%
Mr. Tam Kin Yip 譚健業先生			2,000,000	0.09%
Mr. Leung Man Loon 梁文龍先生			2,000,000	0.09%

1. This represents the shares of the Company held by Able Island Group Limited ("Able Island"), a company is beneficially and wholly owned by Mr. Chan and he is the sole director of Able Island, therefore, he is deemed to be interested in 733,568,000 Shares under the SFO.

2. This represents interests in Share Options held by the relevant Directors as a beneficial owner to subscribe for the relevant underlying shares granted by the Company under the Share Option Scheme, where the validity period is from 30 October 2017 until 29 October 2019 (both days inclusive) at the adjusted exercise price of HK\$1.70 per option and the option will be vested on 30 October 2018. The number of outstanding share option and the exercise price has been adjusted due to the Share Subdivision, details of which may refer to the above section "SHARE SUBDIVISION" and the note 36 to the audited consolidated financial statements in this annual report.

* The percentage has been adjusted, if any, based on the total number of the Shares in issue as at 31 March 2018 (i.e. 2,123,002,150 Shares).

1. 指Able Island Group Limited(「Able Island」)持有本公司的股份，而陳先生實益及全資擁有Able Island並為Able Island的唯一董事，因此，根據證券及期貨條例，彼被視為於733,568,000股股份中擁有權益。

2. 指由有關董事作為實益擁有人持有可按照調整行使價每份購股權1.70港元認購本公司根據購股權計劃所授出有關相關股份的購股權權益，購股權有效期由二零一七年十月三十日至二零一九年十月二十九日(包括首尾兩天)，及購股權將於二零一八年十月三十日歸屬。尚未行使的購股權數目及行使價已因股份拆細予以調整，其詳情可參閱上文「股份拆細」一節及本年報經審核綜合財務報表附註36。

* 百分比已經根據本公司於二零一八年三月三十一日已發行股份總數(即2,123,002,150股股份)作出調整(如有)。

REPORT OF THE DIRECTOR

董事會報告書

Save as disclosed above and the interests as disclosed under section headed “DIRECTORS’ RIGHTS TO ACQUIRE SHARES AND DEBENTURES” below, as at 31 March 2018, none of the Directors or the chief executive of the Company had any interest or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (i) are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO); or (ii) were recorded in the register required to be kept under Section 352 of the SFO; or (iii) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS’ RIGHTS TO ACQUIRE SHARES AND DEBENTURES

As at 31 March 2018, the number of outstanding Share Option granted by the Company under the share option scheme adopted on 24 September 2013 (“Share Option Scheme”) for the Directors to subscribe the shares of the Company, as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code is set out the sections head “SHARE CAPITAL AND SHARE OPTION” and in the note 36 to the audited consolidated financial statements in this annual report.

Save as disclosed in this report, at no time during the year ended 31 March 2018 was the Company, its subsidiaries, its fellow subsidiaries or its holding companies a party to any arrangement to enable the Directors, their spouse and children under the age of 18, to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS’ INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in note 35 to the audited consolidated financial statements in this annual report and under the section headed “CONNECTED TRANSACTION”, if any, in this report, no Director or any entities connected with the Director had a material interest, either directly or indirectly, in any transactions, arrangements or contract of significance to the business of the Group to which the Company, or any of its subsidiaries, its fellow subsidiaries or its holding companies was a party during the year.

除上文所披露者及下文「董事購買股份及債權證之權利」一節所披露者外，於二零一八年三月三十一日，概無董事或本公司主要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）的任何股份、相關股份或債權證中，擁有(i)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的任何權益或淡倉（包括彼等根據證券及期貨條例的有關條文被當作或視為擁有的權益或淡倉）；或(ii)根據證券及期貨條例第352條須記入登記冊的權益或淡倉；或(iii)根據標準守則須知會本公司及聯交所的權益或淡倉。

董事購買股份及債權證之權利

於二零一八年三月三十一日，按照根據證券及期貨條例第352條須存置之登記冊所記錄或根據標準守則另行知會本公司及聯交所，本公司根據於二零一三年九月二十四日採納之購股權計劃（「購股權計劃」）授予董事以認購本公司股份之尚未行使購股權數目載於「股本及購股權」一節及本年報經審核綜合財務報表附註36。

除本報告所披露者外，截至二零一八年三月三十一日止年度的任何時間內，本公司、其附屬公司、同系附屬公司或控股公司概無訂立任何安排，令董事、彼等之配偶及18歲以下之子女可藉購入本公司或任何其他法人團體的股份或債權證而獲益。

董事於重大交易、安排或合約的權益

除於本年報內經審核綜合財務報表附註35及於本報告內「關連交易」（如有）一節所披露外，年內，概無董事或與董事有關連的任何實體於本公司或其任何附屬公司、同系附屬公司或控股公司所訂立且就本集團業務而言屬重大的任何交易、安排或合約中直接或間接擁有重大權益。

REPORT OF THE DIRECTOR

董事會報告書

SUBSTANTIAL SHAREHOLDER'S INTERESTS

As at 31 March 2018, according to the register of interests kept by the Company under section 336 of the SFO, the interest of the persons, other than the Directors or the chief executive of the Company, in the shares and underlying shares of the Company which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO and entered in the register maintained by the Company pursuant to Section 336 of the SFO, or otherwise notified to the Company were as follows:

Long positions in the shares of the Company 於本公司股份之好倉

Names of shareholder	Capacity	Nature of interest	Number of Shares	Total	Approximate percentage of interest in the Company's issued share capital*
					佔本公司已發行股本的概約權益百分比*
股東姓名／名稱	身份	權益性質	股份數目	總計	
Able Island ¹	Beneficial owner 實益擁有人	Ordinary Shares 普通股	733,568,000	733,568,000	34.55%
Tong Sui Lun Franco 董瑞麟	Beneficial owner 實益擁有人	Convertible instruments ³ 可換股工具 ³	111,827,956 ⁴	111,827,956	5.27%
Altair Asia Investments Limited ("Altair Asia") ²	Beneficial owner 實益擁有人	Ordinary Shares 普通股	12,624,000 ⁴	111,548,732	5.25%
		Convertible instruments ³ 可換股工具 ³	98,924,732 ⁴		
Ardon Maroon Fund Management Limited ("Ardon Maroon") ²	Interested of controlled corporation 受控制法團權益	Ordinary Shares 普通股	12,624,000 ⁴	111,548,732	5.25%
		Convertible instruments ³ 可換股工具 ³	98,924,732 ⁴		

- | | |
|---|--|
| <p>1. The entire issued share capital of Able Island is beneficially and wholly owned by Mr. Chan.</p> <p>2. The entire issued share capital of Altair Asia is currently held by Ardon Maroon. Accordingly, Ardon Maroon be deemed to be interested in the Shares in which Altair Asia is interested under the SFO.</p> <p>3. The convertible instruments referred to the Convertible Bonds issued by the Company on 12 October 2017, the outstanding Convertible Bonds amounted to HK\$255,000,000 as the date of the year ended 31 March 2018 and the date of this report, details of which may refer to the above section of "PLACING OF CONVERTIBLE BONDS" of this annual report on page 38.</p> <p>4. The number of Shares held by the respective Shareholders have been adjusted due to the Share Subdivision took effect on 5 December 2017, details of which may refer to the above section of "SHARE SUBDIVISION".</p> <p>* The percentage has been adjusted, if any, based on the total number of shares of the Company in issue as at 31 March 2018 (ie. 2,123,002,150).</p> | <p>1. Able Island的全部已發行股本由陳先生實益全資擁有。</p> <p>2. Altair Asia的全部已發行股本現由Ardon Maroon持有。因此，根據證券及期貨條例，Ardon Maroon被視為於Altair Asia擁有權益的股份中擁有權益。</p> <p>3. 可換股工具指本公司於二零一七年十月十二日發行的可換股債券，於截至二零一八年三月三十一日止年度及本報告日期，未行使可換股債券為255,000,000港元，其詳情可參閱本報第38頁「配售可換股債券」一節。</p> <p>4. 各股東持有的股份數目已因於二零一七年十二月五日生效的股份拆細而予以調整，其詳情可參閱上文「股份拆細」一節。</p> <p>* 百分比已經根據本公司於二零一八年三月三十一日已發行股份總數(即2,123,002,150股)作出調整(如有)。</p> |
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REPORT OF THE DIRECTOR

董事會報告書

Save as disclosed above, as at 31 March 2018, the Company had not been notified by any persons (other than the Directors or the chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

COMPETING INTEREST

For the year ended 31 March 2018, the Directors were not aware of any business or interest of the Directors, the controlling Shareholder and their respective close associates that compete or may compete, either directly or indirectly, with the business of the Group and any other conflict of interest which any such person has or may have with the Group.

DEED OF NON-COMPETITION

The controlling shareholders, namely Mr. Chan Yan Tak and Able Island, entered into a deed of non-competition dated 24 September 2013 (“**Deed of Non-Competition**”) in favour of the Company (for itself and as trustee for each of its subsidiaries). For details of the deed of non-competition, please refer to the section headed “Non-Competition Undertakings” in the prospectus of the Company dated 30 September 2013. Each of the controlling shareholders has confirmed that none of them is engaged in, or interested in any business (other than the Group) which, directly or indirectly, competes or may compete with the business of the Group during the financial year. The independent non-executive Directors have also reviewed the status of compliance and the written confirmation from each of the controlling shareholders.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, during the year and up to the date of this annual report, there is sufficient public float of not less than 25% of the Company’s issued shares as required under the Listing Rules.

除上文所披露者外，於二零一八年三月三十一日，概無任何人士（董事或本公司主要行政人員除外）知會本公司其擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露或記錄於本公司根據證券及期貨條例第336條所備存登記冊的本公司股份或相關股份中的權益或淡倉。

競爭權益

截至二零一八年三月三十一日止年度，董事並不知悉董事、控股股東及彼等各自的緊密聯繫人士的任何業務或權益與本集團業務直接或間接構成競爭或可能構成競爭，亦不知悉任何該等人士與本集團具有或可能具有任何其他利益衝突。

不競爭契據

控股股東陳恩德先生及Able Island於二零一三年九月二十四日訂立以本公司（為其本身及作為其各附屬公司的受託人）為受益人的不競爭契據（「不競爭契據」）。有關不競爭契據的詳情，請參閱本公司日期為二零一三年九月三十日之配售章程「不競爭承諾」一節。各控股股東已確認，於財政年度內，彼等概無從事任何直接或間接與本集團的業務構成競爭或可能構成競爭之業務（本集團業務除外）或於其中擁有權益。獨立非執行董事亦已審閱各控股股東之合規狀況及書面確認。

公眾持股量

根據本公司公開取得的資料及據董事所知，於年內及直至本年報日期，本公司已按照上市規則的規定維持本公司已發行股份不少於25%的足夠公眾持股量。

REPORT OF THE DIRECTOR

董事會報告書

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association and the Companies Law (2016 Revision) of the Cayman Islands, which would oblige the Company to offer new Shares on a pro-rata basis to the existing Shareholders.

USE OF NET PROCEEDS FROM PLACING

Details of the net proceeds from the Company's issue of new Shares at the time of its listing on the GEM of the Stock Exchange on 11 October 2013 and the movement during the year are set out in the "MANAGEMENT DISCUSSION AND ANALYSIS" from pages 8 to 28 in this annual report.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 March 2018, the aggregate sales attributable to the Group's five largest customers accounted for approximately 54.6% (2017: 64.0%) of the total sales and the aggregate sales attributable to the largest customer included therein accounted for approximately 50.7% (2017: 56.8%) of the total sales.

For the year ended 31 March 2018, the aggregate purchases attributable to the Group's five largest suppliers accounted for approximately 60.2% (2017: 45.1%) of the total purchases and the aggregate purchases attributable to the largest supplier included therein accounted for approximately 21.7% (2017: 16.1%) of the total purchases.

As far as the Directors are aware, neither the Directors, their close associates, nor those Shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any beneficial interest in any of the Group's five largest customers or suppliers.

優先購買權

組織章程細則及開曼群島公司法(二零一六年修訂版)並無載有優先購買權的條文，規定本公司須按比例向現有股東提呈發售新股份。

配售所得款項淨額用途

本公司於二零一三年十月十一日在聯交所GEM上市時發行新股份的所得款項淨額及年內變動之詳情，載於本年報第8至28頁的「管理層討論與分析」。

主要客戶及供應商

截至二零一八年三月三十一日止年度，本集團五大客戶應佔銷售額合共佔總銷售額約54.6% (二零一七年：64.0%)，當中最大客戶應佔銷售額合共佔總銷售額約50.7% (二零一七年：56.8%)。

截至二零一八年三月三十一日止年度，本集團五大供應商應佔採購額合共佔總採購額約60.2% (二零一七年：45.1%)，當中最大供應商應佔採購額合共佔總採購額約21.7% (二零一七年：16.1%)。

據董事所知，概無董事、彼等各自的緊密聯繫人士或據董事所深知擁有本公司已發行股本5%以上的任何股東於本集團任何五大客戶或供應商中擁有任何實益權益。

REPORT OF THE DIRECTOR

董事會報告書

CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code, amended from time to time. All the Directors have confirmed they have complied with the required standard set out in the Model Code throughout the year ended 31 March 2018. Employees of the Company, who are likely to be in possession of unpublished inside information, have been requested to comply with provisions of the Model Code.

DONATIONS

During the year, the Group made charitable donations amounting to approximately HK\$95,000.

CONNECTED TRANSACTION

During the year, there were no transactions which need to be disclosed as connected transaction or continuing connected transaction in accordance with the requirements of the Listing Rules.

RELATED PARTY TRANSACTIONS

Details of the related party transactions of the Group are set out in note 35 to the audited consolidated financial statements in this annual report.

PERMITTED INDEMNITY PROVISION

Pursuant to the Articles of Association, the Directors shall be indemnified against all losses and liabilities which they may incur in connection with their duties. The Company has arranged appropriate directors' and officers' liability insurance coverage for the directors and officers of the Group.

STAFF

As at 31 March 2018, the Group had approximately 260 employees. Salaries of employee and directors are determined with reference to their duties and responsibilities in the Group and are maintained at competitive levels and bonus are fixed on a discretionary basis. Other employee benefits include provident fund, insurance, medical cover, subsidized educational and training programmes as well as the Share Option Scheme.

董事進行證券交易的守則

本公司已採納標準守則(經不時修訂)。全體董事均已確認，彼等於截至二零一八年三月三十一日止整個年度內已遵守標準守則所載之規定標準。可能擁有本公司未公佈的內幕消息的僱員均須遵守標準守則的條文。

捐款

年內，本集團作出慈善捐款約95,000港元。

關連交易

年內，概無交易須按照上市規則之規定披露為關連交易或持續關連交易。

關連方交易

本集團關連方交易的詳情載於本年報經審核綜合財務報表附註35。

獲准許的彌償條文

根據組織章程細則，董事就履行其職務而可能引致的任何損失或責任均可獲得賠償。本公司已為本集團董事及高級職員安排恰當的董事及高級職員責任保險。

員工

於二零一八年三月三十一日，本集團約有260名僱員。僱員及董事薪金乃經參考彼等於本集團的職務及職責釐定，維持於具競爭力的水平，並酌情釐定花紅。其他僱員福利包括公積金、保險、醫療保障、教育資助及培訓計劃以及購股權計劃。

REPORT OF THE DIRECTOR

董事會報告書

PENSION SCHEMES

The pension schemes of the Group are primary in form of contributions to Hong Kong's Mandatory Provident Fund and the PRC statutory public welfare fund respectively. Details of which are set out in note 14 to the audited consolidated financial statement in this annual report.

CHANGE OF PRINCIPAL PLACE OF BUSINESS IN HONG KONG

The Company's principal place of business in Hong Kong has been changed to Unit A, 12/F., Guangdong Investment Tower, 148 Connaught Road Central, Hong Kong with effect from 23 February 2018.

COMPLIANCE WITH LAWS AND REGULATIONS

Compliance procedures are in place to ensure adherence to applicable laws, rules and regulations in particular, those have significant impact on the Group. The Board review and monitor the Group's policies and practices on compliance with legal and regulatory requirements in a regular basis. Any changes in the applicable laws, rules and regulations are brought to the attention of relevant employees and relevant operation units from time to time.

During the financial year ended 31 March 2018, to the best of the Company's knowledge, the Company has complied with the requirements under the memorandum of association and articles of association of the Company, the Listing Rules, the SFO, Companies Law (2016 Revision) of the Cayman Islands and other law applicable to the Company. Details of the Company's compliance with the code provisions set out in the Corporate Governance Code and Corporate Governance Report contained in the Listing Rules are provided in the "Corporate Governance Report" from pages 51 to 72 of this annual report.

To protect the privacy of its employees and clients of its products and to safeguard the interests of its employees, the Group has complied with the requirements of the Personal Data (Privacy) Ordinance, the Employment Ordinance, the Minimum Wage Ordinance and ordinances relating to disability, sex, family status, race discrimination and occupational safety through established internal policies and/or procedures.

退休金計劃

本集團之退休金計劃主要供款形式分別為香港強制性公積金及中國法定公益金。詳情載於本年報經審核綜合財務報表附註14。

變更香港主要營業地點

本公司在香港的主要營業地點已變更為香港干諾道中148號粵海投資大廈12樓A室，自二零一八年二月二十三日起生效。

遵守法律及法規

本集團已制訂合規程序，以確保遵守適用法律、規則及法規，尤其是對本集團有重大影響者。董事會會定期檢討並監察本集團有關遵守相關法律及法規要求的政策及常規。相關僱員及相關運營單位亦會不時留意適用法律、規則及法規發生的任何變動。

於截至二零一八年三月三十一日止財政年度，據本公司所知，本公司已遵守本公司組織章程大綱及組織章程細則、上市規則、證券及期貨條例、開曼群島公司法(二零一六年修訂版)及其他適用於本公司的法律的規定。有關本公司遵守上市規則《企業管治守則》及《企業管治報告》中守則條文的詳情已載於本年報第51至72頁的「企業管治報告」內。

為保護其僱員及產品客戶之私隱以及保障其僱員之利益，本集團已透過制定內部政策及／或程序遵守《個人資料(私隱)條例》、《僱傭條例》、《最低工資條例》以及有關殘疾、性別、家庭狀況、種族歧視及職業安全的條例的規定。

REPORT OF THE DIRECTOR

董事會報告書

EVENTS AFTER THE REPORTING DATE

Details of a significant event occurring after the reporting date are set out in note 41 to the audited consolidated financial statement in this annual report.

AUDITOR

In consideration of the independence of the auditor of the Company and maintaining a good corporate governance practice under the requirements of the Listing Rules, the Board is of the view that the auditor of Company should be considered for rotation from the Company after they have provided several years of services to the Company. Crowe Horwath (HK) CPA Limited (“**Crowe Horwath (HK)**”), together with one of its preceding merged firms CCIF CPA Limited, has been engaged as auditors of the Group for 7 years, the Board has therefore agreed and approved the change on the Company’s auditor for the year ended 31 March 2018. In this connection, Elite Partners CPA Limited (“**Elite Partners**”) has been appointed by the Board as the auditor of the Company in place of Crowe Horwath (HK) as the auditor of the Company with effect on 16 March 2018. The financial statements for the year ended 31 March 2018 were audited by Elite Partners, they hold office until the conclusion of the 2018 AGM and a resolution of the re-appointment of Elite Partners as auditor of the Company for the forthcoming year by the Shareholders would be proposed in the 2018 AGM.

On behalf of the Board

Shunten International (Holdings) Limited

Chan Yan Tak

Chairman

Hong Kong, 27 June 2018

報告日後事項

於報告日後發生的重大事項詳情載於本年報經審核綜合財務報表附註41。

核數師

考慮到本公司核數師之獨立性及根據上市規則之規定維持良好的企業管治常規，董事會認為，應於本公司核數師向本公司提供多年服務後考慮輪換。國富浩華(香港)會計師事務所有限公司(「國富浩華(香港)」)(連同之前所合併其中之一的事務所陳葉馮會計師事務所有限公司)已擔任本集團核數師達七年，因此，董事會同意及批准就截至二零一八年三月三十一日止年度更換本公司核數師。就此而言，董事會已委任開元信德會計師事務所有限公司(「開元信德」)為本公司核數師，以替換本公司核數師國富浩華(香港)，自二零一八年三月十六日起生效。截至二零一八年三月三十一日止年度之財務報表已獲開元信德審核，其將任職至二零一八年股東週年大會結束為止及股東將於二零一八年股東週年大會提呈續聘開元信德為本公司下個年度之核數師之決議案。

代表董事會

順騰國際(控股)有限公司

主席

陳恩德

香港，二零一八年六月二十七日

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Company recognises the importance of good corporate governance to the Company's growth and has devoted considerable efforts to identifying and formulating corporate governance practices appropriate to the Company's needs. The Company has adopted the code provisions set out in the Corporate Governance Code (amended from time to time, the "Code") contained in the Appendix 14 of the Rules Governing the Listing of Securities ("Listing Rules") on The Stock Exchange of Hong Kong Limited ("Stock Exchange"). Throughout the year ended 31 March 2018, the Company has complied with the Code provisions as set out in the Code the Appendix 14 of the Listing Rule except the deviation from the Code provision A.2.1, which stipulate that the roles of chairman of the board of directors of the Company ("Board") and chief executive officer of the Company should be separated. Detail of the deviation is elaborated below under the paragraph headed "Chairman and Chief Executive Officer".

The Company has complied with the memorandum of association and articles of association of the Company ("Articles of Association"), the Companies Law (2016 Revision) of the Cayman Islands, the Securities and Future Ordinance and the Listing Rules as well as other law applicable to the Company.

The Board has conducted an annual review of its corporate governance duties in accordance with the Code, and considered that the Company's (i) policies and practices on corporate governance; (ii) approach to the continuous professional development of directors of the Company ("Directors") and senior management of the Company; (iii) policies and practices on compliance with legal and regulatory requirements; and (iv) the compliance with the Code and disclosure in this report, are adequate and appropriate for the Company in light of its current corporate strategy. The Company did and will review of its corporate governance duties in light of the changing legal and regulatory requirements as well as the Code from time to time.

企業管治常規

本公司深明良好的企業管治對本公司發展極為重要，故致力確立及制定切合本公司需要的企業管治常規。本公司已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」）附錄十四的企業管治守則所載守則條文（經不時修訂，「守則」）。截至二零一八年三月三十一日止年度，本公司已遵守上市規則附錄十四守則所載守則條文，惟偏離守則條文A.2.1，該條規定本公司董事會（「董事會」）主席與本公司行政總裁的角色應有區分。有關偏離詳情於下文「主席及行政總裁」一段詳述。

本公司已遵守本公司組織章程大綱及組織章程細則（「組織章程細則」）、開曼群島公司法（二零一六年修訂版）、證券及期貨條例及上市規則以及其他適用於本公司之法律。

董事會已按守則對其企業管治職責進行年度檢討，並認為本公司(i)於企業管治方面的政策及常規；(ii)為本公司董事（「董事」）及高級管理層安排持續專業發展的方法；(iii)於遵守法律及監管規定方面的政策及常規；及(iv)遵守守則及於本報告作出披露，均已足夠及符合本公司現時的企業策略。鑑於法律及監管規定和守則不時修訂，本公司已及將對其企業管治職責作出檢討。

CORPORATE GOVERNANCE REPORT

企業管治報告

THE BOARD

Board Composition

The Board currently comprises nine (9) Directors, all with professional backgrounds and/or extensive expertise for the direction and oversight of the Group's strategic priorities and public responsibilities. The current composition of the Board comprises the following Directors together with the Directors resigned during the year:

Current Directors

Executive Directors

Mr. Chan Yan Tak (*Chairman and chief executive officer*)
Mr. Lee Chi Hang, Sidney
Mr. Wang Xihua
Mr. Lai Wei Lam, William (*appointed on 1 July 2017*)
Mr. Liao Zhe* (*appointed on 10 October 2017*)

Independent Non-executive Directors

Ms. Szeto Wai Ling, Virginia
Mr. Leung Winson Kwan Yau
Mr. Tam Kin Yip
Mr. Leung Man Loon* (*appointed on 11 September 2017*)

Former Directors

Executive Directors

Mr. Wong Mau Tai (*retired on 5 April 2017*)
Mr. Lim Ming Shing, Tony (*retired on 31 August 2017*)
Mr. So Kevin Hoi Chak* (*appointed on 11 September 2017 and then resigned on 13 February 2018*)
Mr. Wong Ping Yiu (*resigned on 4 May 2018*)

* He was retired in the extraordinary general meeting of the Company held on 4 December 2017 and was re-elected by the Shareholders on the same meeting.

The composition, experiences, balance of skills, qualifications and diversity on the Board are regularly reviewed by nomination committee of the Company to ensure that the Board retains a core of members with longstanding and deep knowledge of the Group alongside new Directors who bring fresh perspectives and diverse experiences to the Board.

董事會

董事會組成

董事會現由九(9)名董事組成，均具有專業背景及／或對本集團的重點策略工作及公共責任的方向和監察有豐富專業知識。董事會現由以下董事(連同於年內辭任的董事)組成：

現任董事

執行董事

陳恩德先生(*主席兼行政總裁*)
李志恒先生
王西華先生
賴偉林先生(*於二零一七年七月一日獲委任*)
廖喆先生* (*於二零一七年十月十日獲委任*)

獨立非執行董事

司徒惠玲女士
梁鈞濠先生
譚健業先生
梁文龍先生* (*於二零一七年九月十一日獲委任*)

前任董事

執行董事

黃茂泰先生(*於二零一七年四月五日退任*)
林銘誠先生(*於二零一七年八月三十一日退任*)
蘇凱澤先生* (*於二零一七年九月十一日獲委任及於二零一八年二月十三日辭任*)
黃平耀先生(*於二零一八年五月四日辭任*)

* 彼於二零一七年十二月四日舉行之本公司股東特別大會上退任並於同一大會上獲股東重選連任。

本公司提名委員會定期檢討董事會組成、經驗、技能平衡、資格及多元化，以確保董事會除了留有對本集團有長久深入認識的核心成員之外，亦能加入新董事為董事會帶來新觀點和不同的經驗。

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The biographical details of all the current Directors are set out under the section headed “BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT” in this annual report. A list of Directors identifying their roles, functions and titles is available on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.shunten.com.hk).

Save as Mr. Chan Yan Tak, the chairman of the Board, is the brother-in-law of Mr. Lim Ming Shing, Tony, a former executive Director and the current chief financial officer of the Group, and other information disclosed in this annual report, if any, there is no financial, business, family or other material and/or relevant relationship between the Board members.

Directors' Appointment and Re-election

Pursuant to the Articles of Association, at least one-third of the Directors for the time being shall retire by rotation from the Board at the conclusion of each of annual general meeting of the Company as well as each Director shall be subject to retirement at the annual general meetings of the Company at least once every three year under the Listing Rules. The Directors to retire in every year shall be those who have been the longest in office since their last re-elections in the annual general meeting of the Company. Any Director appointed to fill a casual vacancy to the Board during the year is subject to re-election by the shareholders of the Company (the “Shareholders”) at the first general meeting of the Company after his/her appointment by the Board in accordance with the Listing Rules and the Articles of Association.

Messrs. Chan Yan Tak and Wang Xihua, being executive Directors, and Ms. Szeto Wai Ling, Virginia, being independent non-executive Director, have been the longest in office among the Directors since their last re-elections by the Shareholders, they are subject to retirement by rotation from the Board at the annual general meeting of the Company to be held on Friday, 7 September 2018 (the “2018 AGM”) in accordance with the Articles of Association and the Listing Rules.

Messrs. So Kevin Hoi Chak and Leung Man Loon were appointed as the Directors by the Board both on 11 September 2017 and Mr. Liao Zhe was appointed as the Director by the Board on 10 October 2017. All of them were then retired from the Board at the conclusion of the extraordinary general meeting of the Company on 4 December 2017 (“2017 EGM”) and were then re-appointed as the Director by the Shareholders in the 2017 EGM in accordance with article 83(3) of the Articles of Association and the Listing Rules.

所有現任董事履歷詳情載於本年報「董事及高級管理層履歷詳情」一節。列明董事角色、職能及職銜的董事名單可於聯交所網站(www.hkexnews.hk)及本公司網站(www.shunten.com.hk)查閱。

除董事會主席陳恩德先生為前任執行董事兼本集團現任首席財務官林銘誠先生之內弟及於本年報內所披露之其他資料(如有)外,董事會各成員之間並無任何財務、業務、家族或其他重大及/或相關關係。

董事委任及重選

根據組織章程細則,當時至少三分之一董事須於本公司每屆股東週年大會結束時自董事會輪席退任董事,及根據上市規則,各董事須最少每三年於本公司股東週年大會上輪席退任一次。每年須退任的董事為自上次於本公司股東週年大會上膺選連任以來任期最長的董事。年內任何由董事會委任以填補董事會臨時空缺的董事須根據上市規則及組織章程細則於彼獲委任後本公司首個股東大會上獲本公司股東(「股東」)重新選舉。

執行董事陳恩德先生及王西華先生以及獨立非執行董事司徒惠玲女士為自上次獲股東重選連任以來任期最長的董事,彼等須根據組織章程細則及上市規則於二零一八年九月七日(星期五)舉行之本公司股東週年大會(「二零一八年股東週年大會」)上自董事會輪席退任董事。

蘇凱澤先生及梁文龍先生於二零一七年九月十一日獲董事會委任為董事及廖喆先生於二零一七年十月十日獲董事會委任為董事。彼等其後均於二零一七年十二月四日舉行之本公司股東特別大會(「二零一七年股東特別大會」)結束時退任董事並根據組織章程細則第83(3)條及上市規則於二零一七年股東特別大會上已獲股東重新委任為董事。

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For independent non-executive Director who has served the Company for more than nine years, his/her further appointment will be subject to a separate resolution to be approved by the Shareholders at the annual general meeting and the papers to the Shareholders accompanying that resolution will include the reasons why the Board believes he/she is still independent and should be re-elected under the Listing Rules.

Service Agreements with the Company

The Company has entered into service agreements with each of the Directors for a term of three years, respectively. Their terms of office are also subject to (1) retirement by rotation from the Board at least once every three years at the conclusion of annual general meeting; (2) at least one-third of the Directors for the time being shall retire by rotation from the Board at the conclusion of each annual general meeting; and (3) Director appointed by the Board to fill a casual vacancy during the year shall hold office until the conclusion of the first general meeting of the Company and then be re-appointed by the Shareholders at the same meeting in accordance with the Articles of Association and/or the Listing Rules.

Directors' Responsibilities and Delegation

The overall management of the Company's business is vested in the Board. The Board has delegated the day-to-day management, administration and operation of the Company's business to the senior management of the Company and the delegated functions and work tasks have been formalised and periodically reviewed by the Board. Approval has to be obtained from the Board prior to any significant transactions, arrangements and/or contracts entered into by the senior management of the Company and the Group. The Board focuses its attention on matters affecting the Company's overall strategic policies, corporate governance, finances and the Shareholders, including financial statements, dividend policy, significant changes in accounting policy, annual operating budget, certain material contracts, strategies for future growth, major financing arrangements and major investments, corporate governance functions, risk management system, treasury policies and fare structures. The Board has the full support of its senior management to discharge its responsibilities.

就於本公司在任超過九年的獨立非執行董事而言，彼是否獲續任須由股東以獨立決議案方式於股東週年大會上批准後，方可作實，隨附該決議案一併向股東發出的文件根據上市規則將載有董事會認為彼仍屬獨立人士並應獲重選連任的原因。

本公司服務協議

本公司與每位董事分別訂立為期三年之服務協議。彼等亦須按照組織章程細則及／或上市規則(1)至少每三年須於股東週年大會結束時自董事會輪值退任董事一次；(2)當時在任的至少三分之一董事須於每屆股東週年大會結束時自董事會輪值退任董事；及(3)獲董事會於年內委任以填補臨時空缺的董事將任職至本公司首個股東大會結束為止，並可於同一大會上獲股東重新委任。

董事職責及授權

董事會獲授權管理本公司整體業務。董事會將本公司業務之日常管理、行政及營運工作授權予本公司高級管理層處理，而所授權之職能及工作模式已由董事會制定並作定期檢討。本公司高級管理層及本集團在訂立任何重大交易、安排及／或合約前，須取得董事會批准。董事會專注於處理影響本公司整體策略方針、企業管治、財務及股東事宜，其中包括財務報表、股息政策、會計政策的重大變動、年度經營預算、若干重大合約、未來發展策略、主要融資安排及重大投資、企業管治職能、風險管理系統、庫務政策及費用架構。董事會獲其高級管理層全力支持以履行其職責。

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Chairman and Chief Executive Officer

Code provision A.2.1 stipulates that the roles of chairman of the Board and chief executive officer should be separate and should not be performed by the same individual. Mr. Chan Yan Tak is the chairman of the Board and the chief executive officer of the Company.

Mr. Chan currently provides leadership to the Board in terms of establishing policies, strategies, business directions and development and ensures that the Board discharges its responsibilities.

Mr. Chan has been responsible for the overall management and strategic development of the Group since 2005. He is also responsible for formulating, approving, organising and implementing the Group's strategy. His expert knowledges in the areas of development and retail marketing of health and beauty supplement products has assisted the Group to grow substantially over the past ten years. The Board therefore agreed that it is beneficial to and in the best interest of the Company and the Shareholders as the whole for Mr. Chan to continue with his roles as the chairman of the Board and chief executive officer of the Company.

Independent Non-executive Directors

The independent non-executive Directors take an active role in Board meetings and committees of the Board, contribute to the development of strategies and policies and make sound judgement in various aspects. They take lead when potential conflicts of interest arise. Independent board committee of the Company comprising all independent non-executive Directors will be formed to advise the independent Shareholders on those connected transactions to be approved by the independent Shareholders at the extraordinary general meeting of the Company in accordance with the Listing Rules. The independent non-executive Directors are also members of various Board Committees and devote sufficient amount of time and attention to the affairs of the Company.

Directors' Induction and Development

The Company provides a comprehensive, formal and tailored induction programme for newly appointed Directors to enhance their knowledge and understanding of the key areas of business operations and practices of the Group as well as the general and specific responsibilities and duties of Directors under the Articles of Association, the Companies Law (2016 Revision) of the Cayman Islands, the Listing Rules and relevant applicable regulatory requirements in Cayman Islands and Hong Kong.

主席及行政總裁

守則條文A.2.1規定董事會主席與行政總裁的角色應有區分，並不應由一人同時兼任。陳恩德先生同時為董事會主席兼本公司行政總裁。

陳先生一直領導董事會制定政策、策略及業務方針和發展，並確保董事會履行其職責。

自二零零五年起，陳先生一直負責本集團的整體管理及發展策略。彼亦負責制定、批准、組織及實行本集團策略。於過去十多年間，憑藉陳先生對保健及美容補品及產品發展及零售推廣的專業知識，使本集團有重大的增長。有見及此，董事會同意由陳先生繼續同時兼任董事會主席與本公司行政總裁符合本公司及股東之整體最佳利益。

獨立非執行董事

獨立非執行董事積極參與董事會及董事會委員會會議，為策略及政策的制定作出貢獻，以及就各方面事宜作出明智的判斷。彼等於出現潛在利益衝突時主持大局。當關連交易須由獨立股東於本公司股東特別大會上批准時，本公司將根據上市規則成立由全體獨立非執行董事組成的獨立董事會委員會以向獨立股東提供意見。獨立非執行董事亦為各董事會委員會成員，投入足夠時間和關注於本公司事務。

董事就職及發展

本公司為新獲委任的董事提供全面、正式及特訂的入職培訓，以確保其了解及明白本集團主要業務營運及常規，並知悉於組織章程細則、開曼群島公司法(二零一六年修訂版)、上市規則及於開曼群島及香港之相關適用法規要求項下董事須遵守的一般及特定職責及責任。

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An induction programme covering the roles of a Director from group structure, Board procedures, business management and operation of the Company, duties under the Listing Rules, the Securities and Futures Ordinance, as well as the essence of corporate governance and the trends in these areas, were therefore arranged for Messrs. Lai Wei Lam, William, Liao Zhe and So Kelvin Hoi Chak as executive Directors who joined the Board on 1 July 2017, 10 October 2017 and 11 September 2017, respectively, and Mr. Leung Man Loon as independent non-executive Director, who joined the Board on 11 September 2017.

Continuous professional development and training of Directors is an ongoing process to ensure the continued enhancement of their skills and knowledge. The company secretary regularly circulates information and materials related to roles, functions and duties of listed company directors, business research and development, updated rules and regulations, economic, environmental and social topics to all the Directors: namely, Mr. Chan Yan Tak, Mr. Lee Chi Hang, Sidney, Mr. Wang Xihua, Mr. Lai Wei Lam William, Mr. Liao Zhe, Ms. Szeto Wai Ling, Virginia, Mr. Leung Winson Kwan Yau, Mr. Tam Kin Yip and Mr. Leung Man Loon, being all current Directors, as well as the former Directors, namely, Mr. Wong Mau Tai, Mr. Lim Ming Shing, Tony and Mr. So Kelvin Hoi Chak retired/resigned during the year. Mr. Wong Ping Yiu resigned on 4 May 2018. All Directors are encouraged to attend relevant training courses provided by external bodies at the Company's expense.

All Directors are required to provide the Company with their training records on an annual basis, and such records are maintained by the company secretary of the Company for regular review by the nomination committee of the Company. The training records of the Directors were reviewed by the nomination committee of the Company in June 2018.

Board and Board Committees Proceedings

The Directors attend quarterly Board meetings and meets at other times as and when required. All Directors have full and timely access to relevant information of the Company and may take independent professional advice at the Company's expense, if necessary, in accordance with the approved procedures.

Notice to regular Board meeting is served to all Directors at least 14 days before the meeting. For other Board and committees of the Board (“**Board Committee(s)**”) meetings, reasonable notice is generally given.

本公司已分別為執行董事賴偉林先生、廖喆先生及蘇凱澤先生(分別於二零一七年七月一日、二零一七年十月十日、二零一七年九月十一日加入董事會)以及獨立非執行董事梁文龍先生(於二零一七年九月十一日加入董事會)安排入職培訓，內容包括董事於集團結構、董事會程序、本公司業務管理及運作方面的角色、於上市規則、證券及期貨條例下的職責，以及公司管治的要素及該等方面的趨勢。

持續發展董事專長及培訓是不間斷的過程，旨在不斷增進董事的技能及知識。公司秘書定期傳閱與上市公司董事的角色、職能及職責、業務研究及發展、獲更新的規則及規例以及經濟、環境及社會課題有關的資料及材料予全體董事：陳恩德先生、李志恒先生、王西華先生、賴偉林先生、廖喆先生、司徒惠玲女士、梁鈞濂先生、譚健業先生及梁文龍先生(均為現任董事)和於年內退休/辭任的前任董事黃茂泰先生、林銘誠先生及蘇凱澤先生。黃平耀先生於二零一八年五月四日辭任。本公司鼓勵全體董事出席外界團體舉辦的相關培訓課程，費用由本公司承擔。

全體董事須每年向本公司提供其培訓記錄，有關記錄由本公司公司秘書保存，以供本公司提名委員會定期審閱。本公司提名委員會於二零一八年六月審閱董事培訓記錄。

董事會及董事會委員會會議程序

董事每季出席董事會會議並於必要時另行會面。全體董事均可全面及適時取得本公司相關資料，並按已審批程序於有需要時諮詢獨立專業意見，費用由本公司承擔。

全體董事於常規會議舉行前最少14日獲發董事會會議通知。其他董事會及董事會委員會(「**董事會委員會**」)會議一般給予合理通知。

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The draft agenda for Board and Board Committees meetings is prepared by the company secretary and approved by the chairman of the Board and Board Committees. Directors are advised to inform the chairman of the Board and Board Committees or the company secretary not less than one week before the relevant Board and Board Committees meeting if they wish to include a matter in the agenda of the meeting. The agenda together with Board and Board Committees papers are sent at least three days before the intended date of the Board and Board Committees meeting. To facilitate the decision-making process, the Directors and Committee members are free to have access to the management for enquiries and to obtain further information and have unrestricted access to the advice and services of the company secretary when required.

The chairman of the Board has encouraged all Directors to make full and active contributions to the Board's affairs and takes the lead to ensure that the Board acts in the best interest of the Company and the Shareholder as a whole. He has promoted a culture of openness and debate by facilitating the effective contribution of independent non-executive Directors and ensuring constructive relations between executive Directors and independent non-executive Directors. Accordingly, the Board operates in a functional manner with clearly defined objectives, strategies and responsibilities.

All Directors are required to comply with their duty to act in the best interests of the Company and have particular regard to the interest of the Shareholders as a whole. Amongst others, all Directors are required to declare the nature and extent of their interests, if any, in any transaction, arrangement, contract or other proposal to be considered by the Board at Board meetings. Unless specifically permitted by the Articles of Association, a Director cannot cast a vote on any contract, transaction, arrangement or any other proposal in which he/she has or any of his/her close associates is materially interested.

Monthly financial and operational information is provided to the Directors by the company secretary to discharge their duties and acknowledge the development of the Company from time to time. Other regular and ad hoc reports are also prepared for the Board and Board Committees, to ensure that the Directors and member of the Board Committees are supplied with all the requested information in a timely and appropriate manner.

董事會及董事會委員會會議的議程由公司秘書草擬，並經董事會及董事會委員會主席批准。董事如欲將議題納入會議議程內，則須於相關董事會及董事會委員會會議舉行前不少於一星期知會董事會及董事會委員會主席或公司秘書。議程連同董事會及董事會委員會文件須於董事會及董事會委員會會議擬定日期前最少三日送達。為促進決策過程，董事及委員會成員可隨時聯絡管理層進行查詢，並在必要時獲取進一步資料及不受限制地取得公司秘書的意見及服務。

董事會主席鼓勵全體董事全力積極參與董事會事務，並以身作則，確保董事會以本公司及股東整體最佳利益行事。彼提倡公開積極討論的文化，促進獨立非執行董事對董事會作出有效貢獻，並確保執行董事與獨立非執行董事之間維持建設性的關係。因此，董事會得以按照清晰既定的目標、策略及責任有效地運作。

全體董事均須履行其職責，並以本公司最佳利益行事，並特別考慮股東整體利益。當中，全體董事均須申報其於任何將由董事會於董事會會議上考慮的交易、安排、合約或其他建議中所擁有權益的性質及內容(如有)。除非組織章程細則特別批准，否則董事不得就其或其任何緊密聯繫人士於當中擁有重大權益的任何合約、交易、安排或任何其他建議投票。

公司秘書每月向董事提供財務及營運資料，讓彼等履行其職責及不時了解本公司之發展。亦為董事會及董事會委員會編製其他定期及專案報告，以確保董事及董事會委員會成員可適時及合適地獲得彼等所需一切資料。

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Directors' Attendance Records at Meetings

The individual attendance record of each Director at meetings of the Board as well as the annual general meeting of the Company during the year ended 31 March 2018 is as follows:

董事出席會議記錄

截至二零一八年三月三十一日止年度，各董事出席董事會會議及本公司股東週年大會之個別記錄載列如下：

		Attendance/Number of meetings during the Directors' tenure of office 出席次數／董事任期內會議次數		
		Extraordinary general meeting 股東特別大會	Annual general meeting 股東週年大會	Board 董事會
Number of Meeting(s)	會議次數	2	1	29
Executive Directors	執行董事			
Mr. Chan Yan Tak	陳恩德先生	0/2	1/1	28/29
Mr. Lee Chi Hang, Sidney	李志恒先生	2/2	1/1	29/29
Mr. Wang Xihua	王西華先生	2/2	1/1	28/29
Mr. Lai Wei Lam, William ¹	賴偉林先生 ¹	2/2	1/1	22/22
Mr. Liao Zhe ²	廖喆先生 ²	0/2	N/A不適用	7/15
Independent Non-executive Directors	獨立非執行董事			
Ms. Szeto Wai Ling, Virginia	司徒惠玲女士	2/2	1/1	29/29
Mr. Leung Winson Kwan Yau	梁鈞滙先生	0/2	1/1	29/29
Mr. Tam Kin Yip	譚健業先生	0/2	1/1	29/29
Mr. Leung Man Loon ³	梁文龍先生 ³	0/2	N/A不適用	16/16
Former Directors	前任董事			
Executive Director	執行董事			
Mr. Wong Mau Tai ⁴	黃茂泰先生 ⁴	N/A不適用	N/A不適用	N/A不適用
Mr. Lim Ming Shing, Tony ⁵	林銘誠先生 ⁵	N/A不適用	1/1	11/11
Mr. So Kevin Hoi Chak ⁶	蘇凱澤先生 ⁶	2/2	N/A不適用	12/12
Mr. Wong Ping Yiu ⁷	黃平耀先生 ⁷	2/2	1/1	29/29

Notes:

1. Mr. Lai Wei Lam, William was appointed on 1 July 2017.
2. Mr. Liao Zhe was appointed on 10 October 2017.
3. Mr. Leung Man Loon was appointed on 11 September 2017.
4. Mr. Wong Mau Tai retired on 5 April 2017.
5. Mr. Lim Ming Shing, Tony retired on 31 August 2017.
6. Mr. So Kevin Hoi Chak was appointed on 11 September 2017 and then resigned on 13 February 2018.
7. Mr. Wong Ping Yiu resigned on 4 May 2018.

附註：

1. 賴偉林先生於二零一七年七月一日獲委任。
2. 廖喆先生於二零一七年十月十日獲委任。
3. 梁文龍先生於二零一七年九月十一日獲委任。
4. 黃茂泰先生於二零一七年四月五日退任。
5. 林銘誠先生於二零一七年八月三十一日退任。
6. 蘇凱澤先生於二零一七年九月十一日獲委任及於二零一八年二月十三日辭任。
7. 黃平耀先生於二零一八年五月四日辭任。

CORPORATE GOVERNANCE REPORT

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Directors are expected to devote sufficient time and attention in performing their duties and responsibilities towards the Company. The high attendance record at the Board meetings and Board committees meetings for the year ended 31 March 2018, which was reviewed by the nomination committee of the Company in June 2018, demonstrated the Directors' strong commitment to the Company.

The minutes of Board and Board committees meetings are currently prepared by the company secretary with details of the matters considered by the Board and Board committees and decisions reached, including any concerns raised by the Director(s) and members of Board committees or dissenting views expressed (if any). The draft minutes are circulated to all members of the Board and Board committees for their comment within a reasonable time after the meeting.

Statutory Confirmations

The Company has received written annual confirmation of independence from all independent non-executive Directors for the year ended 31 March 2018 in accordance with rule 3.13 of the Listing Rules. The nomination committee of the Company has assessed their independence and concluded that all the independent non-executive Directors are independent within the definition of the Listing Rules and continues to consider each of them to be independent.

According to the Code, each Director should ensure that he/she can give sufficient time and attention to the affairs of the Company and make contribution to the development of the Company's strategy and policies through independent, constructive and informed comments. The chairman of the Board held a meeting with the non-executive Directors during the year.

Regarding disclosure of the number and nature of offices held by the Directors in public companies or organisations and other significant commitments as well as their identity and the time involved (the "Commitments") to the Company, all Directors have agreed to confirm/update their Commitments to the Company in a timely manner and confirm his/her other directorships, major appointments and interests to the Company twice a year.

Directors' Insurance

Directors' and Officers' liability insurance has been arranged for all Directors, including company securities, employment practices, regulatory crisis event, investigation, litigation, tax liabilities and public relation, etc.. The Company has conducted an annual review of the Company's Directors' and Officers' liability insurance policy with reference to recent trends in the insurance market and other relevant factors. The review compared the amount of coverage against other similar policies purchase by other companies.

董事在履行其對本公司的職務及職責時須付出充分時間及關注。截至二零一八年三月三十一日止年度董事會會議及董事會委員會會議的高出席率(於二零一八年六月經本公司提名委員會審閱)顯示董事對本公司有高度承擔。

目前，公司秘書負責編製董事會及董事會委員會會議紀錄，當中載有董事會及董事會委員會考慮的事宜及達成的決策詳情，包括董事及董事會委員會成員提出的任何疑慮或發表的反對意見(如有)。於會議舉行後合理時間內，會議紀錄草擬本會傳閱予董事會及董事會委員會全體成員，以便彼等提出意見。

法定確認

根據上市規則第3.13條，本公司已接獲全部獨立非執行董事截至二零一八年三月三十一日止年度的年度獨立性確認書。本公司提名委員會已評估彼等的獨立性，結論為全體獨立非執行董事均為獨立人士(定義見上市規則)，並繼續視彼等各自為獨立人士。

根據守則，各董事須確保彼付出充分時間及專注處理本公司事務，並透過提出獨立、富建設性及知情意見對本公司制定策略及政策作出貢獻。年內，董事會主席已聯同非執行董事舉行會議。

有關董事須向本公司披露其於公眾公司或組織擔任職位的數目及性質、其他重大承擔以及其身份及參與時間(「職務承擔」)，全體董事同意適時向本公司確認/更新彼等的職務承擔，並每年兩次向本公司確認彼的其他董事職務、主要任命及權益。

董事保險

本公司已為全體董事購買董事及高級職員責任保險(包括公司證券、僱用事項、監管危機事件、審查、訴訟、稅務負債及公共關係等方面)。本公司每年檢討本公司董事及高級職員的責任保險保單，並參考保險市場近期走勢及其他相關因素。進行檢討時會比較投保金額與其他公司投購的其他類似保單。

CORPORATE GOVERNANCE REPORT

企業管治報告

Directors' Securities Transactions

The Company has adopted the required standard of dealings the Model Code for Securities Transactions by Directors of Listed Issuers (“**Model Code**”) as set out in the Appendix 10 of Listing Rules as the code of conduct regarding Directors' securities transactions in the securities of the Company. Upon the Company's specific enquiry, each Director has confirmed that they have fully complied with the Model Code under the Listing Rules, and there is no event of non-compliance. Employees of the Company, who are likely to be in possession of unpublished inside information of the Company, have been requested to comply with the provisions of the Model Code.

COMPANY SECRETARY

All Directors have access to the advice and services of the company secretary, who is responsible for ensuring that the Board procedures are followed and for facilitating information flows and communications among the Directors as well as with the Shareholders and management. Mr. Wong Kui Tong is currently the company secretary of the Company. Please refer to the section “**BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT**” for details of Mr. Wong's professional qualifications.

BOARD COMMITTEES

As an integral part of good corporate governance, the Board has established a total of three Board committees, namely, the audit committee, the remuneration committee and the nomination committee, to oversee particular aspects of the Company's affairs. Each of these Board committees is governed by its respective terms of reference (amended from time to time) which are available on the websites of both the Company (www.shunten.com.hk) and the Stock Exchange (www.hkexnews.hk).

All Board committees are provided with sufficient resources to discharge their duties and are able to seek independent professional advice in appropriate circumstances, at the Company's expense, to perform their responsibilities.

Audit Committee

The audit committee has been established by the Board, it comprise a minimum of three members, at least one of whom is an independent non-executive Director with appropriate professional qualifications or accounting or related financial management expertise as required under the Rule 3.10(2) of the Listing Rules. The majority of the audit committee members is currently independent non-executive Directors. The audit committee is currently chaired by an independent non-executive Director in compliance with the Rule 3.21 of the Listing Rules.

The audit committee consists of four (4) members, they are all independent non-executive Directors, namely Mr. Leung Winson Kwan Yau (chairman), Ms. Szeto Wai Ling, Virginia, Mr. Tam Kin Yip and Mr. Leung Man Loon. None of the members of the audit committee is a former partner of the Company's existing external auditor.

董事證券交易

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則(「標準守則」)載列的規定交易準則，作為規管董事就本公司證券進行證券交易之行事守則。經本公司具體查詢後，每位董事均已確認，彼等已全面遵守上市規則標準守則，亦無任何違規事件。可能擁有本公司未公佈內幕消息的僱員均須遵守標準守則的條文。

公司秘書

全體董事均可取得公司秘書的意見及服務，公司秘書負責確保董事會程序獲遵循，以及促進董事之間及股東與管理層之間的資訊交流及溝通。黃鉅棠先生目前為本公司公司秘書。黃先生之專業資格詳情請參閱「董事及高級管理層履歷詳情」一節。

董事會委員會

作為良好企業管治的重要部分，董事會共成立三個董事會委員會，為審核委員會、薪酬委員會及提名委員會，以監督本公司的特定事務。各董事會委員會受其各自職權範圍(不時修訂)的管治，有關詳情均可於本公司網站(www.shunten.com.hk)及聯交所網站(www.hkexnews.hk)查閱。

所有董事會委員會均獲提供充足資源以履行其職責，並可於適當情況下尋求獨立專業意見以履行其職責，費用由本公司承擔。

審核委員會

董事會已成立審核委員會，其由最少三名成員組成，其中至少一名為具備上市規則第3.10(2)條規定的適當專業資格或會計或相關財務管理專業知識之獨立非執行董事。審核委員會的大部分成員目前為獨立非執行董事。根據上市規則第3.21條，審核委員會目前由一名獨立非執行董事擔任主席。

審核委員會由四(4)名成員組成，彼等均為獨立非執行董事，即梁鈞濂先生(主席)、司徒惠玲女士、譚健業先生及梁文龍先生。概無審核委員會成員為本公司現任外聘核數師的前任合夥人。

CORPORATE GOVERNANCE REPORT

企業管治報告

Duties of Audit Committee

The primary duties of the audit committee, among other things, are to make recommendation to the Board on the appointment, re-appointment and removal of the external auditor; review the financial statements and material advice (if any) in respect of financial reporting system; and oversee internal control system and risk management system of the Company.

Work Performed by Audit Committee

During the financial year ended 31 March 2018, the audit committee held five (5) meetings. The attendance of each member at meetings is as follows:

審核委員會職責

審核委員會的主要職責為(其中包括)就外聘核數師的委聘、續聘及罷免向董事會提出推薦意見; 審閱財務報表及就財務申報系統提出重要建議(如有); 及監察本公司內部監控系統及風險管理系統。

審核委員會所履行工作

截至二零一八年三月三十一日止財政年度, 審核委員會曾舉行五(5)次會議。各成員出席會議記錄載列如下:

Name of members	成員姓名	Attendance/ No. of meetings during the members tenure of office 出席次數/ 成員任期內會議次數
Mr. Leung Winson Kwan Yau (<i>Chairman</i>)	梁鈞濂先生(主席)	5/5
Ms. Szeto Wai Ling, Virginia	司徒惠玲女士	5/5
Mr. Tam Kin Yip	譚健業先生	5/5
Mr. Leung Man Loon (<i>appointed on 11 September 2017</i>)	梁文龍先生 (於二零一七年九月十一日獲委任)	3/3

In accordance with its terms of reference, the audit committee performed, inter alia, the following work during the year ended 31 March 2018 and up to the date of this report:

1. reviewed, approved and recommended the draft audited financial statements and unaudited financial statements, the interim and final dividend (if any) and the draft results announcements of the Company, including any changes in accounting policies and practices; major judgmental areas; compliance with accounting and auditing standards; and compliance with the listing requirements on the Listing Rules and legal requirements in relation to financial reporting prior to recommending them to the Board for approval.
2. reviewed, approved and recommended the report in relation to the evaluation of the internal control system and the risk management system of the Group and the relevant report prior to recommending them to the Board for approval.

截至二零一八年三月三十一日止年度及直至本報告日期, 根據其職權範圍, 審核委員會曾履行(其中包括)以下工作:

1. 在向董事會提供推薦意見以獲得批准前, 審閱、批准及建議本公司的經審核財務報表及未經審核財務報表初稿、中期及末期股息(如有)以及業績公佈初稿, 包括會計政策及慣例的任何變動; 主要判斷範疇; 遵守會計及審計準則; 以及遵守上市規定的上市規定及有關財務報告的法律規定。
2. 在向董事會提供推薦意見以獲得批准前, 審閱、批准及建議有關評估本集團內部監控系統及風險管理系統之報告以及相關報告。

CORPORATE GOVERNANCE REPORT

企業管治報告

- | | |
|--|---|
| <p>3. reviewed, assessed and commented relationship with the external auditor and independence and the level of support and co-operation given by the Group's management.</p> <p>4. reviewed, approved and recommended the changes, re-appointment and remuneration of the external auditor.</p> <p>5. reviewed, assessed and commented the adequacy of resources, qualifications and experience of the staff of the Group's accounting and financial reporting function and their training programmes and budget.</p> | <p>3. 審閱、評估及評論與外聘核數師的關係、其獨立性以及本集團管理層提供的支援及合作程度。</p> <p>4. 審閱、批准及建議外聘核數師的變更、續聘及薪酬。</p> <p>5. 審閱、評估及評論本集團會計及財務申報職能的資源充裕程度、員工資歷和經驗及培訓計劃以及預算。</p> |
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Remuneration Committee

The remuneration committee has been established by the Board, it is currently chaired by an independent non-executive Director and comprising a majority of independent non-executive Directors in compliance with Rule 3.25 of the Listing Rules.

The remuneration committee consists of four (4) members, they are all independent non-executive Directors, namely Mr. Tam Kin Yip (chairman), Ms. Szeto Wai Ling, Virginia, Mr. Leung Winson Kwan Yau and Mr. Leung Man Loon.

Duties of Remuneration Committee

The primary duties of the remuneration committee are to make recommendations to the Board on the overall remuneration policy and structure relating to all the Directors and senior management of the Group; review performance based remuneration; and ensure none of the Directors determine their own remuneration. The remuneration committee also administers and makes recommendation to the Board with respect to the share option scheme adopted by the Company. When the remuneration package of an individual Director is under review, such Director will abstain from voting.

薪酬委員會

董事會已成立薪酬委員會，根據上市規則第3.25條，其目前由一名獨立非執行董事擔任主席並由大部分獨立非執行董事組成。

薪酬委員會由四(4)名成員組成，彼等均為獨立非執行董事，即譚健業先生(主席)、司徒惠玲女士、梁鈞濤先生及梁文龍先生。

薪酬委員會職責

薪酬委員會的主要職責為就與全體董事及本集團高級管理層有關的整體薪酬政策及架構向董事會提出推薦意見；檢討表現掛鈎薪酬；及確保概無任何董事釐定其本身的薪酬。薪酬委員會亦管理及就本公司所採納購股權計劃向董事會提出推薦意見。當檢討個別董事薪酬待遇組合時，該名董事將放棄投票。

CORPORATE GOVERNANCE REPORT

企業管治報告

Work Performed by Remuneration Committee

During the financial year ended 31 March 2018, the remuneration committee held nine (9) meetings. The attendance of each member is as follows:

薪酬委員會所履行工作

截至二零一八年三月三十一日止財政年度，薪酬委員會曾舉行九(9)次會議。各成員出席記錄載列如下：

Name of members	成員姓名	Attendance/ No. of meetings during the members' tenure of office 出席次數/ 成員任期內會議次數
Mr. Tam Kin Yip (<i>Chairman</i>)	譚健業先生(主席)	9/9
Ms. Szeto Wai Ling, Virginia	司徒惠玲女士	9/9
Mr. Leung Winson Kwan Yau	梁鈞濬先生	9/9
Mr. Leung Man Loon (<i>appointed on 11 September 2017</i>)	梁文龍先生 (於二零一七年九月十一日獲委任)	6/6

In accordance with its terms of reference, the remuneration committee performed, inter alia, the following work during the year ended 31 March 2018 and up to the date of this report:

截至二零一八年三月三十一日止年度及直至本報告日期，根據其職權範圍，薪酬委員會曾履行(其中包括)以下工作：

- | | |
|--|---|
| 1. reviewed, commented and/or approved the policy and structure for the remuneration of Directors and senior management. | 1. 審閱、評論及／或批准董事及高級管理層的薪酬政策及架構。 |
| 2. reviewed, commented and approved the procedures for fixing the remuneration packages. | 2. 審閱、評論及批准釐定薪酬組合的程序。 |
| 3. reviewed and made recommendation on the remuneration packages with reference to comparable companies, time commitment, responsibilities and employment conditions of the respective Directors and the senior management and/or other matters. | 3. 參考可資比較公司、各董事及高級管理層的時間投入、責任及僱用狀況及／或其他事宜，審閱各董事及高級管理層的薪酬組合並就薪酬組合提供推薦意見。 |
| 4. reviewed, approved and recommended the respective Directors' service agreement. | 4. 審閱、批准及建議個別董事服務合約。 |
| 5. considered, approved and recommended the salary package of newly appointed Director and senior management of the Company. | 5. 考慮、批准及建議本公司新任董事及高級管理層薪酬組合。 |
| 6. reviewed, approved and recommended the payment to the Directors, if any, in relation to the retirement and resignation of the Directors. | 6. 審閱、批准及建議就董事退任及辭任向董事支付的款項(如有)。 |
| 7. revised, approved and recommended the grant of share option to the Directors. | 7. 審閱、批准及建議向董事授出購股權。 |

CORPORATE GOVERNANCE REPORT

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Details of the Directors' remuneration for the year ended 31 March 2018 are set out in note 9 to the audited consolidated financial statements in this annual report. In addition, pursuant to the Code provision B.1.5, the annual remuneration of the senior management of the Group by bands for the year ended 31 March 2018 is set out below:

截至二零一八年三月三十一日止年度董事薪酬詳情載列於本年報經審核綜合財務報表附註9。此外，根據守則條文B.1.5，截至二零一八年三月三十一日止年度，按等級劃分之本集團高級管理層之年度薪酬載列如下：

Remuneration to the senior management by bands	按高級管理層之薪酬等級	Number of individuals 人數
HK\$1 to HK\$500,000	1港元至500,000港元	1
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	2
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	1
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	1
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至3,000,000港元	1

Nomination Committee

The nomination committee has been established by the Board, it is currently chaired by an independent non-executive Director and comprises a majority of independent non-executive Directors in compliance with Rules A5.1 and A5.2 under the Appendix 14 of the Listing Rules.

The nomination committee consists of four (4) members, they are all independent non-executive Directors, namely Mr. Tam Kin Yip (chairman), Ms. Szeto Wai Ling, Virginia, Mr. Leung Winson Kwan Yau and Mr. Leung Man Loon.

Duties of Nomination Committee

The primary function of the nomination committee is to make recommendations to the Board regarding appointment of Directors and candidates to fill vacancies on the Board and to assess the independence of the independent non-executive Directors.

The Company adopted a board diversity policy, amend from time to time, ("Diversity Policy") since 2013 which sets out the approach to achieve diversity of Board members. The objective of the Diversity Policy stated that selection of candidates be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service, the summary of which are set out below:

- (a) With a view to achieving a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development.

提名委員會

董事會已成立提名委員會，根據上市規則附錄14第A5.1及A5.2條，其目前由一名獨立非執行董事擔任主席並由大部分獨立非執行董事組成。

提名委員會由四(4)名成員組成，彼等均為獨立非執行董事，即譚健業先生(主席)、司徒惠玲女士、梁鈞濤先生及梁文龍先生。

提名委員會職責

提名委員會的主要職責為就委任董事及候選人填補董事會空缺向董事會提出推薦意見以及評估獨立非執行董事的獨立性。

本公司自二零一三年起採納董事會多元化政策(經不時修訂)(「多元化政策」)，當中載列達致董事會成員多元化的方法。多元化政策旨在說明甄選候選人按一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期，其摘要載列如下：

- (a) 為達致可持續的均衡發展，本公司視董事會層面日益多元化為支持其達到戰略目標及維持可持續發展的關鍵元素。

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- (b) In designing the Board's composition, Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.
- (c) All Board appointments did and will be based on meritocracy, and candidates did and will be considered against objective criteria, having due regard for the benefits of diversity on the Board.
- (b) 在設定董事會成員組成時，會從多個方面考慮董事會成員多元化，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期。
- (c) 董事會所有委任均已並將以用人唯才為原則，並已及將於考慮人選時以客觀條件充分顧及董事會成員多元化的裨益。

Work Performed by Nomination Committee

During the financial year ended 31 March 2018, the nomination committee held four (4) meetings. The attendance of each member is as follows:

提名委員會所履行工作

截至二零一八年三月三十一日止財政年度，提名委員會曾舉行四(4)次會議。各成員出席記錄載列如下：

Name of members	成員姓名	Attendance/ No. of meetings during the members' tenure of office 出席次數/ 成員任期內會議次數
Mr. Tam Kin Yip (<i>Chairman</i>)	譚健業先生(主席)	4/4
Ms. Szeto Wai Ling, Virginia	司徒惠玲女士	4/4
Mr. Leung Winson Kwan Yau	梁鈞濇先生	4/4
Mr. Leung Man Loon (<i>appointed on 11 September 2017</i>)	梁文龍先生 (於二零一七年九月十一日獲委任)	2/2

In accordance with its terms of reference, the nomination committee performed the following, inter alia, work during the year ended 31 March 2018 and up to the date of this report:

截至二零一八年三月三十一日止年度及直至本報告日期，根據其職權範圍，提名委員會曾履行(其中包括)以下工作：

- reviewed, assessed and commented, inter alia, the policy for the nomination of Directors.
- assessed the independence of each independent non-executive Director.
- sourced and recommended individuals suitably qualified, if any, to become Board members.
- approved and recommended to the Board the appointments, resignations and the retirements in Directors.
- identified and recommended those Directors to be retired by rotation from the Board and then be re-elected as Directors in the annual general meeting of the Company in accordance with the Articles of Association and the Listing Rules.
- reviewed and assessed the structure, size and composition of the Board and analysis the diversity of the Board with reference with the Board Diversity Policy.
- 審閱、評估及評論(其中包括)提名董事的政策。
- 評估每名獨立非執行董事的獨立性。
- 物色及建議具備合適資格的人選(如有)成為董事會成員。
- 批准及就董事的委任、辭任及退任向董事會提出建議。
- 確定及推薦根據組織章程細則及上市規則，將於本公司股東週年大會上自董事會輪席告退及膺選連任董事的董事。
- 審閱及評估董事會結構、規模及組成以及參考董事會多元化政策對董事會多元化進行分析。

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FINANCIAL REPORTING

The Directors acknowledge their responsibilities for preparing the accounts of the Company and of the Group for the year ended 31 March 2018. The accounts are prepared on a going concern basis and give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2018, and of the Group's loss and cash flow for the year then ended. In preparing the accounts for the year ended 31 March 2018, the Directors have selected appropriate accounting policies and, apart from those new and amended accounting policies as disclosed in the notes to the accounts for the year ended 31 March 2018, have applied them consistently with previous financial periods. Judgments and estimates have been made that are prudent and reasonable. The reporting responsibilities of the external auditor are set out on pages 73 to 81 of this annual report.

Internal Control System and Risk Management System

The Board is responsible for maintaining and reviewing the adequacy and effectiveness of the Group's system of internal controls and risk management, (the "System"), which are designed to meet the Group's particular needs and to minimise the risks to which the Group is exposed, and are designed to manage rather than eliminate the risks to achieve business objective and can only provide reasonable and not absolute assurance against misstatements or losses. The Group's internal control framework covers (i) the setting of objectives, budgets and targets; (ii) the establishment of regular reporting of financial information, in particular, the tracking of deviations between actual performances and budgets/targets; (iii) the delegation of authority; (iv) the establishment of clear lines of accountability; and (v) review and evaluation of the Systems.

On behalf of the Board, the audit committee has reviewed the report prepared by external independent professional firm in respect of the adequacy and effectiveness of the System of the Group for the year ended 31 March 2018, including the reliability of financial reporting, effectiveness and efficiency of operations, compliance with applicable laws and regulations, effectiveness of risk management functions and the adequacy of resources, staff qualifications and experience, training programmes of the Company's accounting and financial reporting function and budget. This is achieved primarily through approving the scope of the annual internal audit plan, reviewing the findings of internal audit work, the annual and interim financial statements, and the nature, scope of work, and report of the external independent professional firm. Base on the results of the annual review by the audit committee, the Board considered that the Systems are effective and adequate. There is no significant change in the nature and extent of risks and the Company's ability to respond to changes in its business and the external environment since the last annual review.

財務申報

董事知悉其負責編製本公司及本集團截至二零一八年三月三十一日止年度賬目的責任。賬目乃按持續經營基準編製，並真實及公平反映本公司及本集團於二零一八年三月三十一日的事務狀況以及本集團截至該日止年度的虧損及現金流量。於編製截至二零一八年三月三十一日止年度的賬目時，董事選擇適當的會計政策，並貫徹應用於過往財政期間（截至二零一八年三月三十一日止年度的賬目附註所披露新訂及經修訂會計政策除外）。所作判斷及估計均屬審慎合理。外聘核數師的申報責任載於本年報第73至81頁。

內部監控系統及風險管理系統

董事會負責維持本集團的內部監控及風險管理系統（「系統」）及檢討其充分性及有效性，系統乃為切合本集團的特定需求及減低本集團須承受的風險，並為管理風險而非為消除風險而設，從而達致業務目標。系統僅可就錯誤陳述或損失提供合理而非絕對的保證。本集團的內部監控框架涵蓋(i)訂定目的、預算及目標；(ii)制定財務資料的定期報告，特別是追查實際表現與預算／目標的差額；(iii)授出權力；(iv)訂定問責的界線；及(v)審閱及評估系統。

截至二零一八年三月三十一日止年度，審核委員會已代表董事會審閱外部獨立專業公司就本集團系統的充分性及有效性編製的報告，包括財務申報的可靠性、營運效益及效率、適用法例及法規的遵守情況、風險管理職能的效益，以及本公司會計及財務申報職能的資源的充裕程度、員工資歷及經驗、培訓計劃及預算。評估主要透過批核年度內部審核計劃的範疇、檢視內部審核工作的結果、審議年度及中期財務報表，以及外部獨立專業公司工作的性質、範疇及報告進行。根據審核委員會進行年度檢討的結果，董事會認為系統屬有效及充分。自上年年檢後，風險的性質及程度以及本公司應對其業務及外在環境轉變的能力並無發生顯著的變化。

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Process Used to Identify, Evaluate and Manage Risks

The Board monitors the Group's business risks, operating risk management and internal controls. An external audit has been conducted to carry out the internal audit functions to ensure proper compliance with the internal control systems and risk management system to identify the potential risks which may arise in the operation and financial of the Group's business for implementation of appropriate measures and policies on a continuing basis. The scope of review and the audit programme of external audit company, which are formulated based on a risk assessment approach and focuses on areas with relatively higher perceived risks, are approved by the audit committee at the end of the preceding financial year in conjunction with the management. The external audit company executes their functions based on a yearly plan and prepares reports for their assignments. These reports are submitted to the management, the Board and the audit committee for review on a regular basis. Such reports are also circulated to the external auditor on an annual basis.

Handling and Dissemination of Inside Information

The Board has approved and adopted an Inside Information Disclosure Policy (the "Disclosure Policy") for the Company since 2013 for monitoring inside information to ensure compliance with the Listing Rules and the Securities and Futures Ordinance.

The Disclosure Policy sets out the obligations, guidelines and procedures for handling and dissemination of inside information to all Directors, senior management and relevant employees. These guidelines and procedures to ensure that the inside information of the Company is to be disseminated to the public in equal and timely manner in accordance with the applicable laws and regulations. The inside information should remain confidential until the disclosure of such information is appropriately approved, and the dissemination of such information is efficiently and consistently made. Disclosure must be made in a manner that the public can have an equal, timely and effective access to the information available through the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.shunten.com.hk).

用於辨認、評估及管理風險的程序

董事會監察本集團的業務風險、營運風險管理及內部監控。進行外部審核以執行內部審核職能，確保妥善遵守內部監控系統及風險管理系統，以識別本集團業務營運及財務方面可能產生的潛在風險，以持續執行適當措施及政策。外聘審核機構的審閱範疇及審核計劃乃根據風險評估法制定及專注於比較高潛在風險的區域，且由審核委員會會同管理層於上個財政年度結束時批准。外聘審核機構根據年度計劃履行其職能及編製其任務的報告。該等報告定期呈交予管理層、董事會及審核委員會以供審閱。該等報告亦按年度基準派發予外聘核數師。

處理及發佈內幕消息

董事會自二零一三年起就本公司批准及採納內幕消息披露政策（「披露政策」）監控內幕消息，以確保遵守上市規則及證券及期貨條例。

披露政策載列處理及向全體董事、高級管理層及相關僱員傳播內幕消息的責任、指引及程序。該等指引及程序確保根據適用法例及法規，公平及適時地向公眾傳播本公司的內幕消息。內幕消息應於有關消息披露獲得適當批准前保密，且有關消息將以有效及一致的方式進行傳播。披露須以可讓公眾透過聯交所網站(www.hkexnews.hk)及本公司網站(www.shunten.com.hk)，公平、適時及有效查閱相關消息的方式作出。

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COMMUNICATION WITH SHAREHOLDERS

The Company's annual general meeting is one of the principal channels of communication with its Shareholders. The Board and the management are committed to use of annual general meetings of the Company as a forum to meet with the Shareholders and to hear their views and answer their questions about the Group and its business. The chairman of the Board, and each Board Committee's chairman or his alternate did and would attend annual general meetings of the Company along with the external auditor to answer Shareholders' questions.

All Shareholders are encouraged to attend annual general meeting and exercise their right to vote. Shareholders who are unable to attend annual general meeting can appoint proxies to attend and vote at annual general meeting.

The Company did and will send the notice of the annual general meeting to Shareholders at least 20 clear business days before the annual general meeting. The Company did and would send meeting notice to Shareholders not less than 10 clear business days before any extraordinary general meetings of the Company.

Shareholders are invited to ask questions related to the business of the Company. Apart from usual business at the annual general meeting, the Board has proposed general mandates for the repurchase of shares and the issue of shares of the Company.

Further details of business to be conducted at the annual general meeting will be set out in the circular to the Shareholders to be sent together with annual report and posted on the websites of the Company (www.shunten.com.hk) and the Stock Exchange (www.hkexnews.hk). All resolutions be passed by way of a poll conducted and verified by the Company's branch share registrar, Tricor Investor Services Limited, as an independent scrutineer. The poll results of each of the proposed resolutions to the Board be published on the Stock Exchange (www.hkexnews.hk) and the Company's websites (www.shunten.com.hk) shortly after annual general meeting and extraordinary general meeting of the Company held.

與股東溝通

本公司股東週年大會乃與股東溝通的主要渠道之一。董事會及管理層致力於將本公司股東週年大會作為與股東會面的平台，聽取股東意見並回答彼等有關本集團及其業務的提問。董事會主席及各董事會委員會主席或其替任人士，已經及將會聯同外聘核數師出席本公司股東週年大會，以回答股東提問。

本公司鼓勵全體股東出席股東週年大會及行使其投票權。無法出席股東週年大會的股東可委任受委代表出席股東週年大會及於會上投票。

本公司已並將於股東週年大會舉行前最少足20個營業日向股東寄發股東週年大會通告。本公司已經及將會於本公司任何股東特別大會舉行前最少足10個營業日向股東寄發大會通告。

股東獲邀提出有關本公司業務的問題。除股東週年大會的一般例行事務外，董事會已建議授出購回及發行本公司股份的一般授權。

有關股東週年大會將進行事務的進一步詳情將載於與年報一併寄發的致股東通函，該通函將登載於本公司網站(www.shunten.com.hk)及聯交所網站(www.hkexnews.hk)。全部決議案均以按股數投票表決方式通過，並經本公司股份過戶登記分處卓佳證券登記有限公司(作為獨立監票人)核實。各項向董事會所提呈決議案的投票表決結果將會於本公司股東週年大會及股東特別大會舉行後即分別於聯交所網站(www.hkexnews.hk)及本公司網站(www.shunten.com.hk)登載。

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SHAREHOLDERS' RIGHTS

Procedures for making enquiries to the Board

Shareholders should direct their questions about their shareholdings to the Company's Hong Kong branch share registrar and transfer agent, namely, Tricor Investor Services Limited, whose contact details are as follows:

Tricor Investor Services Limited

Address : Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong
Telephone : (852) 2980 1333
Fax : (852) 2810 8185
E-mail : is-enquiries@hk.tricorglobal.com
Website : <http://www.tricoris.com>
Attention : Board of Directors/Company Secretary

Shareholders and members of the investor community are welcome to send their enquiries to the Board and the company secretary as follows:

Shunten International (Holdings) Limited

Address : Unit A, 12/F.,
Guangdong Investment Tower,
148 Connaught Road Central,
Hong Kong
Telephone : (852) 3700 7300
Fax : (852) 3700 7301
E-mail : ir@shunten.com.hk
Website : www.shunten.com.hk

Shareholders may at any time make a request for the Company's information to the extent such information is publicly available.

股東權利

向董事會查詢的程序

股東須將有關其股權的問題直接提交予本公司的香港股份過戶登記分處卓佳證券登記有限公司，其聯絡資料如下：

卓佳證券登記有限公司

地址 : 香港
皇后大道東183號
合和中心22樓
電話 : (852) 2980 1333
傳真 : (852) 2810 8185
電郵 : is-enquiries@hk.tricorglobal.com
網址 : <http://www.tricoris.com>
收件人 : 董事會／公司秘書

歡迎股東及投資界向董事會及公司秘書查詢，詳情如下：

順騰國際(控股)有限公司

地址 : 香港
干諾道中148號
粵海投資大廈
12樓A室
電話 : (852) 3700 7300
傳真 : (852) 3700 7301
電郵 : ir@shunten.com.hk
網址 : www.shunten.com.hk

股東可隨時要求本公司提供公開資料。

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Procedures for convening extraordinary general meeting on requisition

One or more Shareholders holding, at the date of deposit of the requisition, not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the secretary of the Company (the “**Requisition**”) to require an extraordinary general meeting of the Company to be called by the Board for the transaction of any business specified in the Requisition.

The Requisition shall be made in writing to the Board or the secretary of the Company at the principal place of business in Hong Kong and registered office of the Company in Cayman Islands as follows:

Principal place of business of the Company in Hong Kong

Address: Unit A, 12/F.,
Guangdong Investment Tower,
148 Connaught Road Central,
Hong Kong

Attention: Board of Director/Company Secretary

Registered office of the Company in Cayman Islands

Conyers Trust Company (Cayman) Limited
Address: Cricket Square Hutchins Drive
P.O. Box 2681 Grand Cayman
KY1-1111 Cayman Island

Attention: Board of Director/Company Secretary

Procedures for Shareholders to put forward proposals at general meetings

Shareholders who wish to put forward proposals for the Company’s consideration at the general meetings can send their proposals to the company secretary at the principal place of business in Hong Kong as specified above.

請求召開股東特別大會的程序

一名或多名於提出請求當日持有本公司實繳股本不少於十分之一並有權在本公司股東大會上投票的股東，將隨時有權向董事會或本公司秘書提出書面請求（「請求」），要求董事會就處理請求所指明任何事務而召開本公司股東特別大會。

請求須致函香港主要營業地點及本公司於開曼群島的註冊辦事處向董事會或本公司秘書書面提出，詳情如下：

本公司香港主要營業地點

地址： 香港
干諾道中148號
粵海投資大廈
12樓A室

收件人： 董事會／公司秘書

本公司於開曼群島的註冊辦事處

Conyers Trust Company (Cayman) Limited
地址： Cricket Square Hutchins Drive
P.O. Box 2681 Grand Cayman
KY1-1111 Cayman Island

收件人： 董事會／公司秘書

股東於股東大會上提呈建議的程序

股東如欲於股東大會上提呈建議以供本公司考慮，可致函上文所列的香港主要營業地點向公司秘書提呈建議。

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INVESTOR RELATIONS

In order to develop and maintain a continuing investors' relationship programme to enable Shareholders and investors to better understand the Group's business, the Company has established various channels of communication with the Shareholders and the investor community:

1. Shareholders can raise any comments on the performance and future directions of the Company with the directors at the annual general meeting.
2. The Company may arrange press and analysts' conferences in relation to the results announcements, at which the chairman of the Board and/or the executive Directors are available to answer questions regarding the Group's operational and financial performances.
3. The Company's website at www.shunten.com.hk contains important corporate information, annual and interim reports, as well as announcements and circulars issued by the Company to enable the Shareholders and the investor community to have timely access to updated information about the Group.
4. The Board has established a Shareholders' communication policy since 2013 and has reviewed and reviews it on a regular basis to ensure its effectiveness.
5. The Company has uploaded its memorandum and articles of association of the Company on the Company's website at www.shunten.com.hk and the Stock Exchange's website at www.hkexnews.hk.

投資者關係

為發展及維持長久的投資者關係計劃，以便股東及投資者更加了解本集團業務，本公司已建立多個與股東及投資界溝通的渠道：

1. 股東可就本公司表現及未來路向於股東週年大會上向董事提出任何意見。
2. 本公司可能會安排有關業績公佈的記者招待會及分析員會議，董事會主席及／或執行董事亦會出席會議回答有關本集團營運及財務表現的提問。
3. 本公司網站www.shunten.com.hk載有重要的公司資料、本公司刊發的年度及中期報告以及公佈及通函，讓股東及投資界適時取得本集團的最新資料。
4. 董事會自二零一三年起制定股東溝通政策，並已定期檢討以確保其成效。
5. 本公司將其組織章程大綱及細則上載至本公司網站www.shunten.com.hk及聯交所網站www.hkexnews.hk。

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企業管治報告

EXTERNAL AUDITOR

In consideration of the independence of the auditor of the Company and maintaining a good corporate governance practice under the requirements of the Listing Rules, the Board is of the view that the auditor of Company should be considered for rotation from the Company after they have provided several years of services to the Company. Crowe Horwath (HK) CPA Limited (“**Crowe Horwath (HK)**”), together with one of its preceding merged firms CCIF CPA Limited, has been engaged as auditors of the Group for 7 years, the Board has therefore agreed and approved the change on the Company’s auditor for the year ended 31 March 2018. In this connection, Elite Partners CPA Limited (“**Elite Partners**”) has been appointed by the Board as the auditor of the Company in place of the resignation of Crowe Horwath (HK) as the auditor of the Company with effect on 16 March 2018. The financial statements for the year ended 31 March 2018 were audited by Elite Partners, they hold office until the conclusion of the 2018 AGM and a resolution of the re-appointment of Elite Partners as auditor of the Company for the forthcoming year by the Shareholders would be proposed in the 2018 AGM.

In order to maintain Elite Partners’s independence and objectivity and the effectiveness of the audit process in accordance with applicable standards, the audit committee reviewed all audit services to be provided by Elite Partners and discusses with Elite Partners the nature and scope of their audit and reporting obligations.

The audit committee also reviewed and approved the engagement of Elite Partners to provide any non-audit services for complying with relevant legal requirements.

During the year ended 31 March 2018, audit services fees payable to auditors amounted to HK\$900,000 (2017: HK\$990,000). Non-audit services fee payable to auditors during the year amounted to HK\$64,000 (2017: HK\$10,000).

外聘核數師

考慮到本公司核數師之獨立性及根據上市規則之規定維持良好的企業管治常規，董事會認為，應於本公司核數師向本公司提供多年服務後考慮輪換。國富浩華(香港)會計師事務所有限公司(「國富浩華(香港)」)(連同之前所合併其中之一的事務所陳葉馮會計師事務所有限公司)已獲委聘擔任本集團核數師達七年，因此，董事會同意及批准就截至二零一八年三月三十一日止年度更換本公司核數師。就此而言，董事會已委任開元信德會計師事務所有限公司(「開元信德」)為本公司核數師，以替換自二零一八年三月十六日起辭任本公司核數師的國富浩華(香港)。截至二零一八年三月三十一日止年度之財務報表已獲開元信德審核，其將任職至二零一八年股東週年大會結束為止及股東將於二零一八年股東週年大會提呈續聘開元信德為本公司下個年度之核數師之決議案。

為確保按適用標準維持開元信德的獨立客觀性及核數程序的成效，審核委員會已審閱將由開元信德提供的全部核數服務，並就其核數性質及範疇以及申報責任與開元信德商討。

審核委員會亦審閱及批准委聘開元信德提供任何非核數服務，以遵守相關法例規定。

於截至二零一八年三月三十一日止年度，應付核數師的核數服務費為數900,000港元(二零一七年：990,000港元)。年內應付核數師的非核數服務費為數64,000港元(二零一七年：10,000港元)。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SHUNTEN INTERNATIONAL (HOLDINGS) LIMITED

(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Shunten International (Holdings) Limited (“the Company”) and its subsidiaries (collectively, “the Group”) set out on pages 82 to 223, 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, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 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 (“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 (“HKSA”) 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.

獨立核數師報告
致順騰國際(控股)有限公司股東

(於開曼群島註冊成立的有限公司)

意見

本行已審計列載於第82至223頁順騰國際(控股)有限公司(以下簡稱「貴公司」)及其附屬公司(合稱「貴集團」)的綜合財務報表,此綜合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,以及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,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」)真實而公允地反映貴集團於二零一八年三月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量,並已按照香港公司條例的披露規定妥為編製。

意見基準

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》(「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 judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters

關鍵審計事項

Impairment of trade receivables

應收賬款的減值

Refer to Note 2(j)(i) “Significant Accounting Policies”, Note 5(iv) “Critical Accounting Estimates” and Note 19 “Trade and other receivables” to the consolidated financial statements.

參閱綜合財務報表附註2(j)(i)「主要會計政策」、附註5(iv)「關鍵會計估計」及附註19「應收賬款及其他應收款項」。

As at 31 March 2018, gross trade receivables of the Group amounted to HK\$56,379,000, which accounted for 7% of the Group's total assets. The provision for impairment of trade receivables amounted to HK\$162,000, all of which was attributable to customers located in Hong Kong.

於二零一八年三月三十一日，貴集團的應收賬款總額為56,379,000港元，佔貴集團資產總額7%。應收賬款減值撥備為162,000港元，當中全部源自香港的客戶。

Management performed periodic credit monitoring, which included the review of customers' credit worthiness, collection of outstanding balances and individual credit terms. If there is indicator that the receivables are impaired, management would make specific provision against individual balances with reference to the recoverable amount. The estimation and judgement involved in the determination of the recoverable amounts of trade receivables.

管理層定期進行信用監督，包括審查客戶的信用值、逾期結餘的收回情況和個別客戶的信貸期。如有跡象顯示應收款項存在減值的可能，管理層將參照可收回金額對個別結餘作出特定撥備。在釐定應收賬款可收回金額時涉及估計和判斷。

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 the matter was addressed in our audit

我們的審計如何處理該事項

In response to this key audit matter, we performed the following procedures:

針對這一關鍵審計事項，我們已進行以下程序：

- Understood and validated the credit control procedures performed by management, including its procedures on periodic review on aged receivables and assessment on recoverability of these receivables;
理解和驗證管理層執行的信用監控程序，包括其對定期審閱逾期應收款項及評估該等應收款項可收回性的程序；
- Tested on a sample basis, the accuracy of ageing profile on trade receivables by checking to the underlying sales invoices; and
透過檢查相關銷售發票，以抽樣方式測試應收賬款賬齡之準確性；及
- Tested subsequent settlement of trade receivables balances. Where settlement had not been received subsequent to the year end for those unprovided aged receivables beyond the credit period as at year end, we obtained management's assessment on the recoverability of these debts and corroborated explanations with historical settlement pattern and underlying correspondence with the relevant customers.
測試應收賬款結餘於結算日後的償付情況。對於在年結日已超出其信貸期的未撥備逾期應收款項在年末後仍未有付款，我們取得了管理層對該等債務可回收性所作的評估，並透過相關客戶過往的償付模式和有關的往來信函佐證其解釋。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (CONTINUED)

關鍵審計事項(續)

Key audit matters

關鍵審計事項

How the matter was addressed in our audit

我們的審計如何處理該事項

Business combinations

業務合併

Refer to Note 2(d) “Significant Accounting Policies”, Note 5(xii) “Critical Accounting Estimates” and Note 31 “Business combinations” to the consolidated financial statements.

請參閱綜合財務報表附註2(d)「主要會計政策」、附註5(xii)「關鍵會計估計」及附註31「業務合併」。

During the year, the Group completed four business acquisitions resulting in goodwill recognised at the date of acquisition totaling HK\$177,496,000, which represented the excess of the consideration paid over the Group's share of the fair value of the identifiable net assets, including the intangible assets, of the acquired businesses.

年內，貴集團完成四項業務收購，導致於收購日期確認的商譽合共為177,496,000港元，即為已付代價與貴集團應佔所收購業務可識別資產淨值(包括無形資產)的賬面值之間的差額。

In response to this key audit matter, we performed the following procedures:

針對該關鍵審計事項，我們採取下列程序：

- Reviewed the sale and purchase agreements and evaluated the accounting treatment for the acquisitions with reference to the terms set out in the sale and purchase agreements;
檢討買賣協議及參照買賣協議所載的條款評估會計處理方法；
- Obtained and reviewed the valuation assessment prepared by the Independent professional valuers engaged by the management and on which the management's assessment of the fair values of the assets and liabilities acquired was based;
取得及審閱管理層所委聘獨立專業估值師編製及董事評估所收購資產及負債的公平值時所依據的估值評估；
- Assessed the Independent professional valuers' qualifications, experience and expertise in the assets being valued and considered their objectivity and independence;
評估獨立專業估值師的資歷、經驗及於所評估資產方面的專業知識，並考慮其客觀性及獨立性；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (CONTINUED)

關鍵審計事項(續)

Key audit matters

關鍵審計事項

How the matter was addressed in our audit

我們的審計如何處理該事項

Business combinations (Continued)

業務合併(續)

The fair values of the identifiable assets and liabilities acquired in these transactions were assessed by the management where the assessments involved significant judgement and estimates made by the management, particularly in relation to the projection of future performance of the businesses acquired.

於該等交易所收購可識別資產及負債的公平值乃由管理層評估，而有關評估涉及管理層作出的重大判斷及估計，尤其是有關預測所收購業務未來表現的判斷及估計。

- Discussed with the Independent professional valuers on the valuation methodologies adopted in assessing the fair values of the assets and liabilities acquired, including intangible assets, and challenged the assumptions and critical judgements which impacted the valuation by comparing these assumptions and critical judgements with market data, our past experience of similar transactions and the Group's business plan supporting the business combination;

與獨立專業估值師討論評估所收購資產及負債(包括無形資產)的公平值時所採用的估值方法，並通過將假設及關鍵判斷與市場數據、我們於類似交易的過往經驗及貴集團支持業務合併的業務計劃相比較，就影響估值的該等假設及關鍵判斷提出質疑；

- Evaluated the valuation methodologies adopted by the Independent professional valuers with reference to industry standards and the requirements of the prevailing accounting standards; and

參照行業標準及現行會計準則的規定，評估獨立專業估值師所採用的估值方法；及

- Assessed the disclosures in the consolidated financial statements in respect of the business combination in accordance with the requirements of the prevailing accounting standards.

根據現行會計準則的規定，評估綜合財務報表中就業務合併作出的披露。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (CONTINUED)

關鍵審計事項(續)

Key audit matters

關鍵審計事項

How the matter was addressed in our audit

我們的審計如何處理該事項

Goodwill impairment assessment

商譽減值評估

Refer to Note 2(h) "Significant Accounting Policies", Note 5(viii) "Critical Accounting Estimates" and Note 17 "Goodwill" to the consolidated financial statements.

請參閱綜合財務報表附註2(h)「主要會計政策」、附註5(viii)「關鍵會計估計」及附註17「商譽」。

The Group has recognised goodwill arising from business acquisitions. The goodwill is subject to annual impairment assessment which involves the estimation of the recoverable amount. The estimation is complex and is dependent on assumptions about the future events. Specifically, significant judgement is required in relation to the appropriate use of discount rates, terminal values and the resulting forecast cash flows in determining the value in use.

貴集團已確認業務收購產生的商譽。商譽須進行年度減值評估，當中涉及估計可收回金額。估計是複雜的，並視乎有關未來事項的假設而定。特別是，須就釐定使用價值時適當使用貼現率、最終價值及所得的預測現金流量作出重大判斷。

In response to this key audit matter, we performed the following procedures:

針對該關鍵審計事項，我們採取下列程序：

- Assessed the Independent professional valuers' qualifications, experience and expertise in the assets being valued and considered their objectivity and independence;
評估獨立專業估值師的資歷、經驗及於所評估資產方面的專業知識，並考慮其客觀性及獨立性；
- Obtained, understood and evaluated managements' valuation methodologies for value in use calculations;
獲得、理解並評估管理層計算使用價值的估值方法；
- Challenged the key assumptions used in determining the recoverable amounts of the cash generating units. This included a comparison of the assumptions with externally derived data including external hospitality industry reports; and
質疑釐定現金產生單位的可收回金額時所使用的主要假設，包括將該等假設與外部取得數據(包括外部酒店業報告)相比較；及
- Considered the appropriateness of the disclosures in the consolidated financial statements about the methodologies used and the key assumptions applied.
考慮綜合財務報表中就所使用方法及所應用主要假設作出的披露之適當性。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (CONTINUED)

關鍵審計事項(續)

Key audit matters

關鍵審計事項

Valuation of convertible bonds

可換股債券估值

Refer to Note 2(p) “Significant Accounting Policies”, Note 5(x) “Critical Accounting Estimates” and Note 25 “Convertible bonds” to the consolidated financial statements.

請參閱綜合財務報表附註2(p)「主要會計政策」、附註5(x)「關鍵會計估計」及附註25「可換股債券」。

During the year, the Company issued 6% per annum unsecured convertible bonds with a principal amount of approximately HK\$265,000,000 which will mature on their second anniversary following the issue of convertible bonds (“Convertible Bonds”) to six independent third parties.

年內，貴公司向六名獨立第三方發行本金額為約265,000,000港元及年息為6%並將於發行可換股債券後第二週年到期的無抵押可換股債券（「可換股債券」）。

Management decided to designate the Convertible Bonds as a whole as at financial liabilities as at fair value through profit or loss on initial recognition. In subsequent periods, such Convertible Bonds are measured at fair values with changes in fair values being recognised in profit or loss.

管理層決定將可換股債券指定為於初步確認時整體列為按公平值經損益入賬之財務負債。於其後期間，有關可換股債券按公平值計量，公平值變動於損益確認。

The fair value of the Convertible Bonds was HK\$310,510,000 as at 31 March 2018, with fair value loss for the year ended 31 March 2018 recorded in the consolidated statement of profit or loss and other comprehensive income of HK\$57,764,000.

於二零一八年三月三十一日，可換股債券之公平值為310,510,000港元，其中於綜合損益及其他全面收益表錄得截至二零一八年三月三十一日止年度之公平值虧損57,764,000港元。

The convertible bonds are classified under Level 3 for fair value hierarchy which are dependent on certain key assumptions that required significant management judgement.

可換股債券分類為公平值層級之第三級，取決於若干須管理層作出重大判斷之關鍵假設。

How the matter was addressed in our audit

我們的審計如何處理該事項

In response to this key audit matter, we performed the following procedures:

針對這一關鍵審計事項，我們已進行以下程序：

- Assessed the Independent professional valuers’ qualifications, experience and expertise in the assets being valued and considered their objectivity and independence;
評估獨立專業估值師的資歷、經驗及於所評估資產方面的專業知識，並考慮其客觀性及獨立性；
- Obtained and reviewed the valuation assessment prepared by the Independent professional valuers and on which the assessment of the management of the fair value of the Convertible Bonds was based;
取得及審閱獨立專業估值師編製及管理層評估可換股債券的公平值時所依據的估值評估；
- Discussed with the Independent professional valuers on the valuation methodologies adopted in assessing the fair value of the Convertible Bonds, including on initial recognition, date of conversion and as at the year ended date, and challenged the assumptions and critical judgements which impacted the valuation by comparing these assumptions and critical judgements with market data, our past experience of similar transactions and the Group’s business profile supporting the acquisitions; and
與獨立專業估值師討論評估可換股債券於初始確認、轉換日期及年終日期的公平值時所採用的估值方法，並通過將假設及關鍵判斷與市場數據、我們於類似交易的過往經驗及貴集團支持該等收購的業務概況相比較，就影響估值的該等假設及關鍵判斷提出質疑；及
- Considered the appropriateness of the disclosures in the consolidated financial statements about the methodologies used and the key assumptions applied.
考慮綜合財務報表中就所使用方法及所應用主要假設作出的披露之適當性。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

綜合財務報表及其核數師報告以外的信息

董事需對其他信息負責。其他信息包括刊載於年報內的全部信息，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信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事就綜合財務報表承擔的責任

董事須負責根據香港會計師公會頒佈的《香港財務報告準則》及香港公司條例的披露要求編製真實而公允的綜合財務報表，並對其認為為使綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

審核委員會協助董事履行監督 貴集團的財務報告過程的責任。

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

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

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

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

核數師就審計綜合財務報表承擔的責任

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，並出具包括我們意見的核數師報告。本報告僅向整體股東作出，除此之外本報告別無其他目的。我們概不就本報告的內容，對任何其他人士負上或承擔任何責任。

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或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。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

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

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

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

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

The engagement director on the audit resulting in this independent auditor's report is Yip Kai Yin, with Practising Certificate number P05131.

Elite Partners CPA Limited
Certified Public Accountants
Hong Kong
27 June 2018

核數師就審計綜合財務報表承擔的責任(續)

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

除其他事項外，我們與審核委員會溝通了計劃的審計範圍、時間安排及重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

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

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

出具本獨立核數師報告的審計項目合夥人是葉啟賢，執業證書編號：P05131。

開元信德會計師事務所有限公司
執業會計師
香港
二零一八年六月二十七日

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

		Note	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		附註		
REVENUE	收益	6	264,451	220,853
Cost of revenue	收益成本		(83,303)	(63,732)
GROSS PROFIT	毛利		181,148	157,121
Other revenue and other net loss	其他收益及其他虧損淨額	7	565	209
Selling and distribution expenses	銷售及分銷開支		(49,566)	(43,873)
Administrative expenses	行政開支		(168,864)	(97,041)
Equity-settled share-based payments	以股權結算以股份支付之開支		(29,290)	–
Fair value change of contingent consideration payables	或然應付代價公平值變動	24	(9,264)	–
Fair value change of promissory notes payable	應付承兌票據公平值變動	26	(447)	–
Fair value change of convertible bonds	可換股債券公平值變動	25	(57,764)	–
(LOSS)/PROFIT FROM OPERATIONS	經營(虧損)/溢利		(133,482)	16,416
Finance costs	融資成本	8(c)	(8,574)	(776)
(LOSS)/PROFIT BEFORE TAXATION	除稅前(虧損)/溢利	8	(142,056)	15,640
Taxation	稅項	11	(2,692)	(3,817)
(LOSS)/PROFIT FOR THE YEAR	年內(虧損)/溢利		(144,748)	11,823
OTHER COMPREHENSIVE INCOME/ (LOSS)	其他全面收益/(虧損)			
Item that may be reclassified subsequently to profit or loss:	將隨後重新歸類至損益之項目：			
Exchange differences on translation of financial statements of foreign operations	換算外國業務財務報表時的匯兌差額		670	(504)
TOTAL COMPREHENSIVE (LOSS)/ INCOME FOR THE YEAR	年內全面(虧損)/收益總額		(144,078)	11,319

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

			2018 二零一八年	2017 二零一七年
		Note 附註	HK\$'000 千港元	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		(139,217)	12,746
Non-controlling interests	非控股權益		(5,531)	(923)
			(144,748)	11,823
Total comprehensive (loss)/income attributable to:	以下人士應佔全面(虧損)/收益總額：			
Owners of the Company	本公司擁有人		(138,797)	12,208
Non-controlling interests	非控股權益		(5,281)	(889)
			(144,078)	11,319
				(Restated) (經重列)
(Loss)/earnings per share attributable to owners of the Company for the year (expressed in HK cents per share)	本公司擁有人應佔年內每股(虧損)/盈利(每股港仙)			
– basic	– 基本	13(a)	(6.6)	0.6
– diluted	– 攤薄	13(b)	(6.6)	0.6

The notes on pages 89 to 223 form an integral part of these financial statements.

第89頁至第223頁的附註屬本財務報表的一部分。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 March 2018 於二零一八年三月三十一日

		Note	2018	2017
		附註	二零一八年	二零一七年
			HK\$'000	HK\$'000
			千港元	千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	15	121,672	54,314
Intangible assets	無形資產	16	206,166	2,752
Prepayments and deposits	預付款項及按金	19	2,932	707
Goodwill	商譽	17	177,496	–
			508,266	57,773
Current assets	流動資產			
Inventories	存貨	18	22,091	27,183
Trade and other receivables	應收賬款及其他應收款項	19	80,000	70,146
Cash and cash equivalents	現金及現金等價物	20	158,913	110,218
Tax recoverable	可收回稅項		508	764
			261,512	208,311
Current liabilities	流動負債			
Trade and other payables	應付賬款及其他應付款項	21	34,026	16,632
Contingent consideration payables	或然應付代價	24	59,169	–
Promissory notes payable	應付承兌票據	26	1,491	–
Bank borrowings	銀行借款	23	28,119	30,565
Tax payable	應付稅項		327	2,129
Provisions	撥備	27	1,007	1,345
			124,139	50,671
Non-current liabilities	非流動負債			
Contingent consideration payables	或然應付代價	24	118,350	–
Promissory notes payable	應付承兌票據	26	9,087	–
Other borrowings	其他借款	23	5,500	–
Convertible bonds	可換股債券	25	310,510	–
Amounts due to non-controlling interests	應付非控股權益款項	22	1,242	1,200
Deferred tax liabilities	遞延稅項負債	28	34,215	589
			478,904	1,789
Net assets	資產淨值		166,735	213,624

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 March 2018 於二零一八年三月三十一日

		Note	2018	2017
		附註	二零一八年	二零一七年
			HK\$'000	HK\$'000
			千港元	千港元
EQUITY	權益			
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Share capital	股本	29(b)	5,308	5,286
Reserves	儲備		109,483	206,758
			114,791	212,044
Non-controlling interests	非控股權益		51,944	1,580
TOTAL EQUITY	權益總額		166,735	213,624

The consolidated financial statements on pages 82 to 223 were approved and authorised for issue by the Board of Directors on 27 June 2018 and are signed on its behalf by:

第82頁至第223頁的綜合財務報表於二零一八年六月二十七日經由董事會批准及授權刊發，並由下列董事代表簽署：

Chan Yan Tak

陳恩德

Director

董事

Lai Wei Lam, William

賴偉林

Director

董事

The notes on pages 89 to 223 form an integral part of these financial statements.

第89頁至第223頁的附註屬本財務報表的一部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

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	Share premium	Merger reserve	PRC statutory reserve	Translation reserve	Share option reserve	Retained earnings/ losses	Total	Non-controlling interests	Total Equity
		股本	股份溢價	合併儲備	中國法定儲備	換算儲備	購股權儲備	保留溢利/ (累計虧損)	總計	非控股權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
			(note 29)	(note 29)	(note 29)	(note 29)	(note 29)				
			(c)(i)	(c)(iii)	(c)(iv)	(c)(v)	(c)(vi)				
			(附註 29)	(附註 29)	(附註 29)	(附註 29)	(附註 29)				
			(c)(i)	(c)(iii)	(c)(iv)	(c)(v)	(c)(vi)				
At 1 April 2016	於二零一六年四月一日	5,163	125,416	(10)	770	(519)	6,864	41,696	179,380	-	179,380
Changes in equity for 2017:	二零一七年權益變動:										
Profit/(loss) for the year	年內溢利/(虧損)	-	-	-	-	-	-	12,746	12,746	(923)	11,823
Other comprehensive income:	其他全面(虧損)/收益:										
Exchange differences on translation of financial statements of foreign operations	換算外國業務財務報表時的匯兌差額	-	-	-	-	(538)	-	-	(538)	34	(504)
Total comprehensive income for the year	年內全面收益總額	-	-	-	-	(538)	-	12,746	12,208	(889)	11,319
Disposal of partial interest in a subsidiary without losing control (note 33)	出售一間附屬公司部分權益但並未失去該附屬公司之控制權(附註33)	-	-	-	(308)	365	-	774	831	2,469	3,300
Transaction costs attributable to the disposal of partial interest in a subsidiary (note 33)	出售一間附屬公司部分權益應佔的交易成本(附註33)	-	-	-	-	-	-	(547)	(547)	-	(547)
Shares issued under share option scheme (note 29(b)(i))	根據購股權計劃發行股份(附註29(b)(i))	123	23,468	-	-	-	(3,419)	-	20,172	-	20,172
Share options lapsed	購股權失效	-	-	-	-	-	(3,445)	3,445	-	-	-
At 31 March 2017 and 1 April 2017	於二零一七年三月三十一日及二零一七年四月一日	5,286	148,884	(10)	462	(692)	-	58,114	212,044	1,580	213,624
Changes in equity for 2018:	二零一八年權益變動:										
Loss for the year	年內虧損	-	-	-	-	-	-	(139,217)	(139,217)	(5,531)	(144,748)
Other comprehensive income:	其他全面收益:										
Exchange differences on translation of financial statements of foreign operations	換算外國業務財務報表時的匯兌差額	-	-	-	-	420	-	-	420	250	670
Total comprehensive loss for the year	年內全面虧損總額	-	-	-	-	420	-	(139,217)	(138,797)	(5,281)	(144,078)
Equity-settled share-based payments	以股權結算以股份支付之開支	-	-	-	-	-	29,290	-	29,290	-	29,290
Non-controlling interests arising on business combinations (note 31)	業務合併產生的非控股權益(附註31)	-	-	-	-	-	-	-	-	55,645	55,645
Shares issued upon conversion of convertible bonds (note 29(b)(iii))	於轉換可換股債券後發行股份(附註29(b)(iii))	22	12,232	-	-	-	-	-	12,254	-	12,254
At 31 March 2018	於二零一八年三月三十一日	5,308	161,116	(10)	462	(272)	29,290	(81,103)	114,791	51,944	166,735

The notes on pages 89 to 223 form an integral part of these financial statements.

第89頁至第223頁的附註屬本財務報表的一部分。

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

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		Note 附註		
OPERATING ACTIVITIES	經營業務			
(Loss)/profit before taxation	除稅前(虧損)/溢利		(142,056)	15,640
Adjustments for:	就以下各項所作調整：			
Finance costs	融資成本	8(c)	8,574	776
Write-down of inventories	撇減存貨	18(b)	9,773	4,961
Reversal of write-down of inventories	撇減存貨撥回	18(b)	(4,557)	(2,012)
Depreciation on property, plant and equipment	物業、廠房及設備折舊	15	6,950	4,633
Amortisation of intangible assets	無形資產攤銷	16	6,102	143
Impairment loss of trade receivables	應收賬款減值虧損	19(b)	-	23
Bank interest income	銀行利息收入	7	(21)	(43)
Net loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損淨額	7	169	230
Fair value change of convertible bonds	可換股債券公平值變動	25	57,764	-
Fair value change of contingent consideration payables	或然應付代價公平值變動	24	9,264	-
Fair value change of promissory notes payable	應付承兌票據公平值變動	26	447	-
Equity-settled share-based payments	以股權結算以股份支付之開支	8(a)	29,290	-
Transaction costs arising from the issuance of convertible bonds	發行可換股債券產生之交易成本	25	15,026	-
Provisions for goods return	退貨撥備	27	609	932
			(2,666)	25,283
Changes in working capital	營運資金變動			
Increase in inventories	存貨增加		(124)	(9,823)
Increase in trade and other receivables	應收賬款及其他應收款項增加		(12,601)	(13,918)
(Decrease)/increase in trade and other payables	應付賬款及其他應付款項(減少)/增加		(403)	647
Increase in amounts due to non-controlling interests	應付非控股權益款項增加		42	-
Utilisation of provisions for goods return	退貨撥備提用	27	(947)	(1,158)
CASH (USED IN)/GENERATED FROM OPERATIONS	(用於)/來自經營業務的現金		(16,699)	1,031
Hong Kong Profits Tax refunded	已退香港利得稅		680	3,930
Hong Kong Profits Tax paid	已繳香港利得稅		(5,578)	(879)
PRC Enterprise Income Tax refunded	已退中國企業所得稅		7	-
PRC Enterprise Income Tax paid	已繳中國企業所得稅		(190)	(519)
Net cash (used in)/generated from operating activities	(用於)/來自經營業務的現金淨額		(21,780)	3,563

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

		Note 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
INVESTING ACTIVITIES	投資活動			
Purchase of property, plant and equipment	購買物業、廠房及設備	15	(5,452)	(4,798)
Proceeds from sale of property, plant and equipment	銷售物業、廠房及設備的所得款項		351	2
Purchase of intangible assets	購買無形資產	16	–	(2,200)
Bank interest received	已收銀行利息	7	21	43
Withdrawal of bank deposits with maturity greater than three months	提取到期日多於三個月的銀行存款		–	10,156
Deposits paid for potential acquisition	潛在收購已付按金		–	(5,000)
Net cash outflow from business combinations, net of cash acquired	業務合併之現金流出淨額，扣除所得現金	31	(115,861)	–
Net cash outflow from acquisition of assets through acquisition of subsidiaries	透過收購附屬公司收購資產之現金流出淨額	32	(61,000)	–
NET CASH USED IN INVESTING ACTIVITIES	用於投資活動的現金淨額		(181,941)	(1,797)
FINANCING ACTIVITIES	融資活動			
Repayment of bank borrowings	償還銀行借貸		(7,813)	(30,209)
Proceeds from new bank borrowings	新銀行借貸所得款項		5,367	25,513
Proceeds from other borrowings	其他借款所得款項		5,500	–
Interest paid	已付利息		(1,283)	(776)
Proceeds from shares issued under share option scheme	根據購股權計劃發行股所得款項	29(b)(i)	–	20,172
Proceeds from partial disposal of equity interest in a subsidiary, net of transaction costs	部分出售一間附屬公司股權之所得款項，扣除交易成本	33	–	2,753
Proceeds from assignment of shareholder's loan to a non-controlling interest	將股東貸款轉讓予非控股權益的所得款項	33	–	1,200
Proceeds from issuance of convertible bonds, net of transaction costs	發行可換股債券所得款項，扣除交易成本		249,974	–
NET CASH GENERATED FROM FINANCING ACTIVITIES	來自融資活動的現金淨額		251,745	18,653
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加淨額		48,024	20,419
Effect of foreign exchange rate changes	匯率變動的影響		671	(522)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	年初的現金及現金等價物		110,218	90,321
CASH AND CASH EQUIVALENTS AT END OF YEAR	年終的現金及現金等價物	20(a)	158,913	110,218

The notes on pages 89 to 223 form an integral part of these financial statements.

第89頁至第223頁的附註屬本財務報表的一部分。

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. CORPORATE INFORMATION

Shunten International (Holdings) Limited (formerly known as “RM Group Holdings Limited”) (the “Company”) was incorporated and domiciled in the Cayman Islands under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands as an exempted company with limited liability on 5 December 2011. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The Company has established a principal place of business in Hong Kong at Unit A, 12/F, Guangdong Investment Tower, 148 Connaught Road Central, Hong Kong and has been registered as a non-Hong Kong company under the Hong Kong Companies Ordinance on 5 April 2012. The Company’s issued shares have been listed on the GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 11 October 2013. On 20 November 2015, the listing of the shares of the Company has been transferred from the GEM to the Main Board of the Stock Exchange (the “Transfer of Listing”).

Pursuant to a special resolution passed by the shareholders of the Company on 5 January 2018, the Company’s name was changed from “RM Group Holdings Limited” to “Shunten International (Holdings) Limited” with effect from 9 January 2018.

The Company is an investment holding company and its subsidiaries (collectively referred to as the “Group”) are principally engaged in the sale, marketing and distribution of health and beauty supplements and products in Hong Kong, Taiwan and the People’s Republic of China (the “PRC”), provision of online advertising agency business, online payment business, e-commerce promotion business and game distribution business.

1. 公司資料

順騰國際(控股)有限公司(前稱御藥堂集團控股有限公司)(「本公司」)為一間於二零一一年十二月五日根據開曼群島法例第22章公司法(一九六一年法例3, 經綜合及修訂)在開曼群島註冊成立並以開曼群島為居駐地之獲豁免有限公司。其註冊辦事處位於Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands。本公司於香港設立主要業務地點, 地址為香港干諾道中148號粵海投資大廈12樓A室, 並已於二零一二年四月五日根據香港公司條例註冊為非香港公司。本公司之已發行股份已自二零一三年十月十一日起於香港聯合交易所有限公司(「聯交所」)GEM上市。於二零一五年十一月二十日, 本公司之股份已由聯交所GEM轉往主板上市(「轉板上市」)。

根據本公司股東於二零一八年一月五日通過之特別決議案, 本公司之名稱已由「御藥堂集團控股有限公司」更改為「順騰國際(控股)有限公司」, 自二零一八年一月九日起生效。

本公司主要業務為投資控股及其附屬公司(統稱為「本集團」)主要於香港、台灣及中華人民共和國(「中國」)從事銷售、推銷及分銷保健產品以及美容補品及產品、提供線上廣告代理業務、線上支付業務、電子商務推廣業務及遊戲發行業務。

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. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). Significant accounting policies adopted by the Group are disclosed below.

The HKICPA has issued certain new and revised HKFRSs which are first effective or available for early adoption for the current accounting period of the Group. Note 3 provides information on any changes in accounting policies resulting from the initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 March 2018 comprise the Company and its subsidiaries.

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). These financial statements are presented in Hong Kong dollars (“HK\$”), rounded to the nearest thousand except for per share data. HK\$ is the Company’s functional and the Group’s presentation currency.

The measurement basis used in the preparation of the financial statements is the historical cost basis except for contingent consideration payables, promissory notes payable and convertible bonds which are stated at their fair value as explained in the accounting policies set out below.

2. 主要會計政策

(a) 合規聲明

本財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈的所有適用香港財務報告準則（「香港財務報告準則」）（包括所有適用的個別香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋）及香港公認會計原則編製並符合香港公司條例的披露規定。本財務報表亦遵守香港聯合交易所有限公司證券上市規則（「上市規則」）的適用披露條文。本集團採納的主要會計政策於下文披露。

香港會計師公會已頒佈若干新訂及經修訂香港財務報告準則，該等準則於本集團當前會計期間首次生效或可供提早採納。附註3提供與初次應用上述新發展所引致會計政策之任何變動有關之資料，該等發展於本期間及以往會計期間對本集團而言屬相關並在本財務報表中反映。

(b) 財務報表的編製基準

截至二零一八年三月三十一日止年度之綜合財務報表包括本公司及其附屬公司。

計入本集團各實體財務報表之項目乃使用該實體經營所在之主要經濟環境之貨幣（「功能貨幣」）計量。除每股數據外，該等財務報表以港元（「港元」）呈列，並四捨五入至千位數。港元為本公司之功能貨幣及本集團之呈列貨幣。

編製財務報表所用計量基準為歷史成本基準，惟下文載列之會計政策所述按其公平值列賬之或然應付代價、應付承兌票據及可換股債券除外。

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. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of preparation of the financial statements (Continued)

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

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

Judgements made by management in the application of HKFRSs that have a significant effect on the financial statements and key sources of estimation uncertainty are discussed in note 5.

(c) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

2. 主要會計政策(續)

(b) 財務報表的編製基準(續)

編製符合香港財務報告準則的財務報表，要求管理層作出可影響政策應用及所呈報資產、負債、收入及支出數額的判斷、估計及假設。這些估計及相關假設乃根據以往經驗和管理層因應當時情況認為合理的多項其他因素作出，其結果構成了管理層在無法依循其他途徑即時得知資產與負債的賬面值時所作出判斷的基礎，實際結果可能有別於估計數額。

估計及相關假設乃按持續基準檢討。倘會計估計的修訂僅影響某一期間，其影響將於該期間內確認；倘修訂對當前和未來期間均有影響，則在作出修訂的期間和未來期間內確認。

管理層就應用對財務報表有重大影響的香港財務報告準則所作的判斷，以及估計不明朗因素的主要來源，乃於附註5中討論。

(c) 附屬公司及非控股權益

附屬公司是指本集團控制之實體。當本集團對某實體有控制權，是指本集團能夠或有權享有來自參與該實體業務之浮動回報，並能運用其權力以影響該等回報。在評估本集團是否有控制權時，只以實質權利(本集團及其他方所持有者)為考慮因素。

於附屬公司的投資計入由控制開始當日至控制終止當日的綜合財務報表。集團內公司間結餘，交易及現金流，以及集團內公司間交易所產生的任何未變現溢利，會在編製綜合財務報表時全數對銷。集團內公司間交易所引致未變現虧損的抵銷方法與未變現收益相同，但對銷額只限於並無證據顯示已出現減值的部分。

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. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Subsidiaries and non-controlling interests (Continued)

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the owners of the Company. 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. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in the relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 2(j)), unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

2. 主要會計政策(續)

(c) 附屬公司及非控股權益(續)

非控股權益指於附屬公司權益中並非由本公司直接或間接應佔的部份，而本集團並無就此與該等權益的持有人協定任何額外條款，致使本集團整體就該等權益承擔符合財務負債定義的合約責任。

非控股權益乃於綜合財務狀況表的權益中與本公司擁有人應佔的股權分開呈列。於本集團業績內的非控股權益在綜合損益及其他全面收益表內以年內分配予非控股權益與本公司擁有人的總溢利或虧損及全面收益總額方式列報。附屬公司的全面收益總額歸屬於本公司擁有人及非控股權益，即使此舉導致非控股權益出現虧絀結餘。非控股權益持有人提供的貸款及向該等持有人承擔的其他合約責任乃於綜合財務狀況表列作財務負債。

本集團於現有附屬公司的所有者權益變動

本集團將不導致失去控股權的附屬公司權益變動按權益交易方式入賬，即只調整在綜合權益內的控股及非控股權益的金額以反映其相關權益的變動，但不調整商譽及確認盈虧。

當本集團失去對一家附屬公司的控股權時，將按出售該附屬公司的所有權益入賬，而所產生的盈虧則於損益確認。任何在失去控股權當日仍保留於該前附屬公司的權益按公平值確認，而此金額被視為初始確認財務資產的公平值，或(如適用)初始確認於聯營公司或合資企業投資的成本。

在本公司財務狀況表中，於附屬公司的投資是按成本減去減值虧損(見附註2(j))後入賬，除非此項投資分類為持作出售(或計入分類為持作出售之出售組別)。

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. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Business combinations

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

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

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 *Share-based Payment* at the acquisition date; 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.

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

2. 主要會計政策(續)

(d) 業務合併

收購業務採用收購法入賬。業務合併所轉讓之代價按公平值計量，而計算方法為本集團所轉讓資產、本集團向被收購方原擁有人承擔之負債及本集團為交換被收購方控制權所發行之股本權益於收購日期之公平值總額。有關收購之成本一般於產生時在損益中確認。

於收購日期，可識別所收購資產及所承擔負債按彼等之公平值確認，惟：

- 遞延稅項資產或負債及與僱員福利安排有關之資產或負債乃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；
- 與被收購方之以股份為基礎付款交易有關或與用於取代被收購方以股份為基礎付款交易之本集團以股份為基礎付款交易有關之負債或股本工具，乃於收購日期根據香港財務報告準則第2號「以股份為基礎付款」計量；及
- 根據香港財務報告準則第5號「持作出售之非流動資產及已終止經營業務」分類為持作出售之資產(或出售組別)乃根據該準則計量。

商譽按所轉讓代價、於被收購方之任何非控股權益金額及收購方先前所持被收購方股本權益之公平值(如有)之總和超出可識別所收購資產及所承擔負債於收購日期之淨額之部分計量。倘於重新評估後，可識別所收購資產及所承擔負債於收購日期之淨額之部分超出所轉讓代價、於被收購方之任何非控股權益金額及收購方先前所持被收購方權益之公平值(如有)之總和，超出金額即時於損益中確認為議價收購收益。

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Business combinations (Continued)

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 either 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.

Where the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement (including the contingent consideration payables and promissory notes payable), the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

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

2. 主要會計政策(續)

(d) 業務合併(續)

屬現時擁有權益且於清盤時讓持有人有權按比例分佔有關附屬公司淨資產之非控股權益，初步按非控股權益應佔被收購方可識別資產淨值的已確認金額比例或按公平值計量。計量基準乃視乎每項交易作出選擇。其他類別之非控股權益以其公平值計量。

倘本集團於業務合併中轉讓之代價包括或然代價安排產生之資產或負債(包括或然應付代價及應付承兌票據)，或然代價按其收購日期公平值計算並視為於業務合併中所轉讓之代價一部份。或然代價之公平值變動(如符合計量期間調整資格)可追溯調整，並對商譽作出相應調整。計量期間調整為於「計量期間」就於收購日期存在之事實及情況獲得額外資訊而引致之調整。計量期間不超過收購日期起計一年內。

不符合計量期間調整資格之或然代價之隨後入賬，取決於或然代價如何劃分。劃分為權益之或然代價並無於隨後申報日期重新計算，而其後結算於權益內入賬。劃分為資產或負債之或然代價於隨後申報日期重新計算為公平值，而相應之收益或虧損於損益中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Business combinations (Continued)

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control), and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

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.

(e) 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 the 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.

(f) Property, plant and equipment

Property, plant and equipment are stated at cost less any accumulated depreciation and any accumulated impairment losses (see note 2(j)(ii)).

2. 主要會計政策(續)

(d) 業務合併(續)

倘業務合併分階段完成，本集團先持有被收購方權益重新計算至收購日期(即本集團獲得控制權當日)之公平值，而所產生之收益或虧損(如有)於損益確認。在收購日前於其他全面收益中確認來自被收購方權益之金額，在權益出售時重新分類至損益。

倘於合併發生之報告期末仍未完成業務合併之初步會計處理，本集團則就仍未完成會計處理之項目呈報暫定金額。該等暫定金額於計量期間(見上文)內作出調整，且確認額外資產或負債，以反映獲得有關於收購日期已存在事實及情況之新資料，而倘知悉該等資料，將會影響於當日確認之金額。

(e) 收購並非構成業務的附屬公司

當本集團收購並不構成業務的資產及負債組別，則本集團識別及確認所收購個別可識別資產及所承擔負債，方式為首先將購買價按各自的公平值分配至財務資產及財務負債，購買價餘額繼而分配至其他個別可識別資產及負債，基準為按其於購買日期的相對公平值。該交易不會產生商譽或議價收購收益。

(f) 物業、廠房及設備

物業、廠房及設備乃按成本減任何累計折舊及任何累計減值虧損列賬(見附註2(j)(ii))。

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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. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Property, plant and equipment (Continued)

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

- leasehold land classified as held under finance leases is depreciated over the unexpired term of lease.
- buildings situated on leasehold land are depreciated over the shorter of the unexpired term of lease and their estimated useful lives, being no more than 50 years after the date of completion.
- Leasehold improvements 20%–33% per annum or over the lease term, if shorter
- Plant and machinery 30%–33% per annum
- Furniture, fixtures and equipment 20%–33% per annum
- Motor vehicles 20%–30% per annum

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

Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are recognised in profit or loss during the reporting period in which they are incurred.

2. 主要會計政策(續)

(f) 物業、廠房及設備(續)

折舊乃於物業、廠房及設備項目的估計可用年期內以直線法撇銷其成本減其估計剩餘價值(如有)，詳情如下：

- 分類為根據融資租賃持有的租賃土地按未屆滿的租賃年期折舊。
- 位於租賃土地的樓宇於未屆滿租期及其估計可用年期(即於落成日期後50年內)(以較短期者為準)以直線法折舊。
- 租賃物業裝修 每年20%至33%
或按租約年期
(以較短者為準)
- 廠房及機器 每年30%至33%
- 傢具、裝置及設備 每年20%至33%
- 汽車 每年20%至30%

倘若某項物業、廠房及設備項目其中部分的可用年期不同，該項目的成本會按合理基準分配至有關部分，而各部分均分開計提折舊。資產的可用年期及其剩餘價值(如有)每年檢討。

歷史成本包括收購項目的直接應佔開支。成本亦可包括從權益中轉撥的有關利用外幣購買的物業、廠房及設備的合資格現金流量對沖產生的任何收益/虧損。

日後出現的成本只在涉及有關項目的未來經濟利益有可能流入本集團而項目成本能可靠計量時方列入該資產的賬面值或(按適用情況而定)分開確認為一項資產。入賬列為獨立資產的任何部分的賬面值於重置時取消確認。所有其他維修保養成本於其出現的報告期間於損益確認。

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Property, plant and equipment (Continued)

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

(g) Intangible assets (other than goodwill)

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less any subsequent accumulated impairment losses.

The following intangible assets with finite useful lives are amortised from the date they are available for use and their estimated useful lives are as follows:

—	Product development rights	7 years
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Internally-generated intangible assets — research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

2. 主要會計政策(續)

(f) 物業、廠房及設備(續)

資產的賬面值倘超出其估計可收回金額，則即時撇減至其可收回金額。

報廢或出售物業、廠房及設備項目所產生盈虧按出售所得款項淨額與項目賬面值間的差額釐定，並於報廢或出售當日於損益確認。

(g) 無形資產(商譽除外)

個別收購的無形資產

個別收購且具備有限可使用年期的無形資產按成本減累計攤銷及任何累計減值虧損入賬。有限可使用年期之無形資產攤銷於其估計可使用年內按直線基準計提。估計可使用年期及攤銷法於各報告期末檢討，而估計之任何變動影響按未來適用法予以入賬。個別收購的無限可用年期無形資產則按成本減日後累計減值虧損入賬。

以下具有有限使用年期之無形資產由可供使用當日起攤銷，其估計可使用年期如下：

—	產品開發權	7年
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內部產生的無形資產 — 研發開支

研究活動的支出於產生期間確認為開支。

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. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Intangible assets (other than goodwill) (Continued)

Internally-generated intangible assets — research and development expenditure (Continued)

An internally-generated intangible asset arising from development activities (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Intangible assets acquired in business combinations

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

Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately. Intangible assets acquired in a business combination with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses.

2. 主要會計政策(續)

(g) 無形資產(商譽除外)(續)

內部產生的無形資產 — 研發開支(續)

因開發活動(或內部項目發展階段)而從內部產生的無形資產僅會在符合以下所有條件時方予以確認：

- 完成無形資產使其可供使用或銷售的技術可行性；
- 完成無形資產使其可供使用或銷售的意向；
- 使用或銷售無形資產的能力；
- 無形資產如何產生未來經濟利益；
- 具有足夠技術、財務和其他資源以完成其發展，並使用及銷售無形資產；及
- 能夠可靠計量開發無形資產時的應佔開支。

就內部產生無形資產初步確認的金額為無形資產首次符合上述確認條件當日起所產生的開支總和。倘並無內部產生的無形資產可予確認，發展開支會於產生期間在損益中確認。

初步確認後，內部產生的無形資產乃按成本減累計攤銷及累計減值虧損，並按與已個別收購的無形資產相同的基準分開計量。

於業務合併中所收購之無形資產

業務合併過程中收購之無形資產會與商譽分開確認，並按收購日期之公平值(被視為其成本)初步確認。

初步確認後，於業務合併中所收購之具有有限可使用年期之無形資產按與獨立收購之無形資產相同的基準，以成本減累計攤銷及累計減值虧損呈報。於業務合併中所收購之具無限可使用年期之無形資產按成本減任何其後累計之減值虧損列賬。

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Intangible assets (other than goodwill) (Continued)

Intangible assets acquired in business combinations (Continued)

- *Customer relationship*
Customer relationship acquired in a business combination are recognised at fair value at the acquisition date. Customer relationship has a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method of 5 years over the expected life of the customer relationship.
- *Licensing agreements*
Licensing agreements acquired in the business combinations represent (i) the licensing agreement with finite useful life in respect of the rights to deal with gd.qq.com as the exclusive and sole advertising agency in Hong Kong for the operation of the online advertising agency business and (ii) the licensing agreement with indefinite life for authorising the Group to be one of the online payment service providers in Hong Kong for the operation of online payment business.

The licensing agreement with finite useful life acquired in a business combination is recognised at fair value at the acquisition date and is subsequently carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method of 6 years over the expected life of the licensing agreement.

The licensing agreement with indefinite life acquired in a business combination is recognised at fair value at the acquisition date and is subsequently carried at cost less accumulated impairment losses. The licensing agreement with indefinite life has no foreseeable limit to the period over which the Group can use to generate net cash flows. As a result, the licensing agreement with indefinite life is considered by the management of the Group as having an indefinite useful life because they are expected to contribute to net cash inflows indefinitely. The licensing agreement with indefinite life will not be amortised until their useful lives are determined to be finite. Instead they will be tested for impairment annually and whenever there is an indication that they may be impaired.

2. 主要會計政策(續)

(g) 無形資產(商譽除外)(續)

於業務合併中所收購之無形資產(續)

- *客戶關係*
於業務合併中收購的客戶關係於收購日期按公平值確認。客戶關係的使用年期有限及按成本減累計攤銷入賬。攤銷乃於客戶關係的預期年年期內使用五年直線法計算。
- *許可權協議*
於業務合併獲得之許可權協議指(i)有關作為香港獨家及唯一廣告代理處理騰訊·大粵網經營線上廣告代理業務之權利之具有有限使用年期之許可權協議及(ii)授權本集團作為香港其中一家線上支付服務供應商經營線上支付業務之具有無限使用年期之許可權協議。

於業務合併獲得之具有有限使用年期之許可權協議於收購日期按公平值確認，而隨後按成本減累計攤銷入賬。攤銷乃以直線法於許可權協議預期6年使用年期內計算。

於業務合併獲得之具有無限使用年期之許可權協議於收購日期按公平值確認，而隨後按成本減累計減值虧損入賬。具有無限使用年期之許可權協議並無可見限期，而有關期限本集團可使用許可權協議帶來現金流量淨額。因此，具有無限使用年期之許可權協議被本集團管理層視為具有無限使用年期，原因是預期該許可權協議無限期貢獻現金流入淨額。具無限使用年期之許可權協議於其使用年期被釐定為有限前將不會攤銷，而每年及每當有跡象顯示可能出現減值時將會進行減值測試。

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Intangible assets (other than goodwill) (Continued)

Club membership

Club membership with indefinite useful life is stated at cost less any impairment losses. Impairment is reviewed annually or when there is any indication that the club membership has suffered an impairment loss.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

(h) Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business 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.

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

On disposal of the relevant cash-generating unit, 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).

2. 主要會計政策(續)

(g) 無形資產(商譽除外)(續)

俱樂部會籍

具無限可使用年期之俱樂部會籍乃按成本減任何減值虧損列賬。俱樂部會籍將於每年或當有任何跡象顯示出現減值虧損時進行減值檢討。

倘資產之賬面值超過其估計可收回價值，其賬面值將即時被減值至其可收回價值。

終止確認無形資產

無形資產於出售時或當使用或出售預期不會產生任何日後經濟利益時終止確認。終止確認無形資產所產生的盈虧，乃按出售所得款項淨額與資產賬面值之間的差額計量，並於終止確認資產時於損益確認。

(h) 商譽

收購業務產生之商譽乃按於收購業務當日確立之成本減累計減值虧損(如有)列賬。

就減值測試而言，商譽乃被分配至預期從合併之協同效應中受益之本集團各現金產生單位(或現金產生單位組別)，而現金產生單位為就內部管理監察商譽的不大於經營分部之最低級別。

已獲分配商譽之現金產生單位(或現金產生單位組別)每年或於單位有可能出現減值之跡象時更頻繁地進行減值測試。就於某個報告期之收購所產生之商譽而言，已獲分配商譽之現金產生單位(或現金產生單位組別)於該報告期末之前進行減值測試。當可收回金額少於該單位之賬面值，則減值虧損首先被分配，以削減分配至任何商譽之賬面值，其後以單位(或現金產生單位組別)各資產之賬面值為基準按比例分配至其他資產。

出售相關現金產生單位時，商譽之應佔金額在釐定出售損益之金額(或本集團監察商譽之現金產生單位組別內之任何現金產生單位)時計算在內。

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

(i) Classification of assets leased to the Group

Assets held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases, with the following exception:

- land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease. For these purposes, the inception of the lease is the time that the lease was first entered into by the Group, or taken over from the previous lessee.

(ii) Operating lease charges

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged as expenses in the accounting period in which they are incurred.

2. 主要會計政策(續)

(i) 租賃資產

倘本集團釐定某項安排附帶權利，可透過付款或支付一系列款項而於協定期間內使用特定資產，有關安排(包括一項交易或一系列交易)即屬或包含租賃。該釐定乃基於有關安排性質的評估而作出，而不論有關安排是否具備租賃的法律形式。

(i) 租予本集團的資產分類

本集團根據租賃持有的資產，而其中擁有權的絕大部分風險及利益均轉移至本集團，乃分類為根據融資租賃持有。並未向本集團轉移擁有權絕大部分風險及利益的租賃則分類為經營租賃，惟以下情況例外：

- 根據經營租賃持有自用的土地，而其公平值無法與於其上蓋興建的樓宇於租約生效時的公平值分開計量，有關土地則根據融資租賃持有入賬，惟有關樓宇亦明顯根據經營租賃持有則例外。就此而言，租賃生效的時間為本集團首次訂立租賃的時間，或從先前承租人接管租賃的時間。

(ii) 經營租賃支出

倘本集團根據經營租賃擁有資產的使用權，則根據租賃作出的付款會在租期所涵蓋會計期間內，以等額分期方式自損益扣除，惟倘有其他基準更能反映租賃資產所產生收益的模式則作別論。已收取的租賃優惠在損益確認為總租賃付款淨額的一部分。或然租金在其產生的會計期間內作為費用撇銷。

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Leased assets (Continued)

(iii) Leasehold land and buildings held for own use

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.

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. 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.

(j) Impairment of assets

(i) Impairment of trade and other receivables

Trade and other receivables that are stated at cost or amortised cost are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events:

2. 主要會計政策(續)

(i) 租賃資產(續)

(iii) 持作自用的租賃土地及樓宇

當本集團就物業權益(包括租賃土地及樓宇部分)付款時,本集團會依照其所評估與各部分擁有權有關的絕大部分風險與報酬是否已轉移至本集團,單獨評估各部分應分類,除非明顯兩個部分均為經營租賃,在此情況下,則整項物業入賬列為經營租賃。具體而言,全部代價(包括任何一次性預付款項)於初步確認時,按租賃土地部分及樓宇部分租賃權益的相對公平值的比例於土地及樓宇部分之間分配。

倘相關款項能可靠地分配,入賬列為經營租賃的租賃土地權益會於綜合財務狀況表呈列為「預付租賃款項」,並於租期內按直線法攤銷。若款項未能可靠地於租賃土地及樓宇部分之間作出分配,整項物業一般按租賃土地屬融資租賃之方式分類。

(j) 資產減值

(i) 應收賬款及其他應收款項的減值

按成本或攤銷成本列賬的應收賬款及其他應收款項於各報告期末檢討以釐定有否出現客觀減值證據。客觀減值證據包括下列引起本集團關注一項或多項虧損事件的可觀察數據:

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Impairment of assets (Continued)

(i) Impairment of trade and other receivables (Continued)

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation; and
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor.

If any such evidence exists, impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. This assessment is made collectively where these financial assets share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

2. 主要會計政策(續)

(j) 資產減值(續)

(i) 應收賬款及其他應收款項的減值(續)

- 債務人面臨重大財政困難；
- 違約，如逾期支付或拖欠利息或本金還款；
- 債務人有可能破產或進行其他財務重組；及
- 技術、市場、經濟或法律環境的重大變動對債務人產生不利影響。

如存在任何證據，減值虧損乃根據資產賬面值與按財務資產原實際利率(即該等資產於首次確認時計算的實際利率)貼現預期未來現金流量現值(當貼現的影響為重大時)的差額計算。倘按攤銷成本列賬的財務資產具備類似的風險特徵(例如類似逾期情況及並未單獨被評估為出現減值)，則此等資產會一併進行評估。集體評估減值的財務資產的未來現金流量以信貸風險特徵與本集團類似的資產過往的損失情況為依據。

倘於其後期間減值虧損金額有所減少，而客觀上與確認減值虧損後發生的事件有關，有關減值虧損會於損益撥回。減值虧損的撥回不應導致資產賬面值超過其在過往年度並無確認任何減值虧損情況下原應釐定的金額。

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Impairment of assets (Continued)

(i) Impairment of trade and other receivables (Continued)

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of trade receivables included within trade and other receivables, whose recovery is considered doubtful but not remote. In this case, the impairment losses for doubtful debts are recorded using an allowance account. When the Group is satisfied that recovery is remote, the amount considered irrecoverable is written off against trade receivables directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

(ii) Impairment of other assets

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

- property, plant and equipment;
- intangible assets;
- goodwill; and
- investments in subsidiaries in the Company's statement of financial position.

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, intangible assets that are not yet available for use and intangible assets that have indefinite useful lives, the recoverable amount is estimated annually whether or not there is any indication of impairment.

2. 主要會計政策(續)

(j) 資產減值(續)

(i) 應收賬款及其他應收款項的減值(續)

減值虧損直接以相應資產撇銷，惟就應收賬款(於應收賬款及其他應收款項內列值)確認的減值虧損除外，能否收回有關金額被視為存疑但並非不可能收回。在此情況下，呆賬的減值虧損使用備抵賬記錄。倘本集團認為收回金額可能性甚微，視為不可收回的金額會於應收賬款中直接對銷，而備抵賬內關於該債務的任何金額則會撥回。過去於備抵賬入賬的金額倘在其後收回，會於備抵賬內撥回。備抵賬的其他變動及於其後收回先前直接撇銷的金額，均於損益確認。

(ii) 其他資產的減值

內部及外部資料來源乃於各報告期末予以檢討，以識別下列資產可能出現減值或(除商譽外)原先已確認的減值虧損不再存在或可能已減少的跡象：

- 物業、廠房及設備；
- 無形資產；
- 商譽；及
- 於本公司財務狀況表的附屬公司的投資。

倘出現任何該等跡象，則會估計資產之可收回數額。此外，就尚無法使用之商譽、無形資產及有無限年期的無形資產而言，可收回數額均會每年作估計以釐定是否出現任何減值跡象。

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Impairment of assets (Continued)

(ii) Impairment of other assets (Continued)

Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e., a cash-generating unit).

Recognition of impairment losses

An impairment loss is recognised in profit or loss whenever the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying amount of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

2. 主要會計政策(續)

(j) 資產減值(續)

(ii) 其他資產的減值(續)

計算可收回金額

資產的可收回金額為其公平值減出售成本與使用價值兩者間的較高者。於評估使用價值時，估計未來現金流量乃使用反映貨幣時間價值及資產特定風險的現時市場評估稅前貼現率貼現至其現值。倘資產產生的現金流入並非大致上獨立於來自其他資產的現金流入，則為獨立產生現金流入的最小一組資產(即現金產生單位)釐定可收回金額。

確認減值虧損

當資產或資產所屬的現金產生單位的賬面值超出其可收回金額，則減值虧損於損益內確認。就現金產生單位確認的減值虧損予以分配首先用以減少分配至現金產生單位(或單位組)的任何商譽的賬面值，然後用於按比例減少單位(或單位組)其他資產的賬面值，惟資產的賬面值不會扣減至低於其個別公平值減出售成本(倘可計量)，或使用價值(倘可釐定)。

撥回減值虧損

就商譽以外的資產而言，倘用以釐定可收回金額的估計出現有利變動，則減值虧損予以撥回。有關商譽的減值虧損並無被撥回。

減值虧損的撥回限於倘於過往年度內並無確認減值虧損時原應釐定的資產賬面值。減值虧損撥回於確認撥回年度計入損益。

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Impairment of assets (Continued)

(iii) *Interim financial reporting and impairment*

Under the Listing Rules, the Group is required to prepare an interim financial report in compliance with HKAS 34, *Interim Financial Reporting*, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (see notes 2(j)(i) and (ii)).

Impairment losses recognised in an interim period in respect of goodwill carried at cost are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognised had the impairment been assessed only at the end of the financial year to which the interim period relates.

(k) Inventories

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the first-in, first-out method and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

2. 主要會計政策(續)

(j) 資產減值(續)

(iii) *中期財務報告及減值*

根據上市規則，本集團須遵照香港會計準則第34號*中期財務報告*編製財政年度首六個月的中期財務報告。於中期期末，本集團採用財政年度末相同之減值測試、確認、及撥回標準(見附註2(j)(i)及(ii))。

於中期期間有關按成本入賬的商譽確認的減值虧損並未於後續期間撥回。倘減值僅於中期期間有關的財政年度末予以評估，即使不會確認虧損或更少的虧損，情況也是這樣。

(k) 存貨

存貨乃按成本與可變現淨值兩者中的較低者列賬。

成本按先入先出法計算，包括所有購買成本、轉換成本及將存貨付運至其現在位置及令存貨達致現在狀況所產生的其他成本。

可變現淨值為於日常業務過程中的估計售價減完成的估計成本及銷售所需估計成本。

當存貨售出時，該等存貨的賬面值於確認有關收入期間確認為開支。將存貨撇減至可變現淨值的金額及存貨的所有虧損於撇減或虧損發生期間確認為開支。任何存貨撇減的撥回金額乃於撥回產生期間確認為已確認為開支的存貨金額的減少。

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less allowance for impairment of doubtful debts, except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts (see note 2(j)(i)).

(m) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

(n) Trade and other payables

Trade and other payables are initially recognised at fair value and are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

2. 主要會計政策(續)

(l) 應收賬款及其他應收款項

應收賬款及其他應收款項初步按公平值確認，其後以實際利率法按攤銷成本減呆賬減值撥備列賬，惟倘應收款項乃向關連方所提供並無固定還款期或貼現影響並不重大的免息貸款則除外。於該等情況下，應收款項乃按成本減呆賬減值撥備列賬(見附註2(j)(i))。

(m) 計息借貸

計息借貸初步以公平值減應佔交易成本確認。在初步確認後，計息借貸按攤銷成本列賬，而初步確認金額與贖回價值之間的任何差額連同任何應付利息及費用在借貸期間以實際利率法在損益確認。

(n) 應付賬款及其他應付款項

應付賬款及其他應付款項初步按公平值確認，其後按攤銷成本列賬，惟倘貼現的影響屬輕微則除外，於該情況乃按成本列賬。

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows.

(p) Convertible bonds

Convertible bonds include a conversion option that will or may not be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's ordinary shares and accordingly the conversion option does not meet the definition of an equity instrument. Further, the convertible bonds include early redemption options exercisable by the Company or the bondholders.

With these embedded derivatives that are not considered related to the host debt component, management decided to designate the convertible bonds as a whole as at financial liabilities at fair value through profit or loss on initial recognition. At the end of subsequent reporting periods, the convertible bonds are measured at fair value with changes in fair value recognised directly in profit or loss in the period in which they arise. Transaction costs relating to the issuance of the convertible bonds is charged to profit or loss.

2. 主要會計政策(續)

(o) 現金及現金等價物

現金及現金等價物包括銀行存款及手頭現金、銀行及其他金融機構活期存款，以及可隨時轉換為已知金額現金及價值變動風險輕微、於取得後三個月內到期之短期高流通性之投資。須按要求償還及構成本集團現金管理一部分之銀行透支就綜合現金流量表而言亦計入現金及現金等價物之一部分。

(p) 可換股債券

可換股債券包括將或可能以固定金額現金或另一項財務資產交換固定數量之本公司普通股之方式結付之換股權，故有關換股權不符合股本工具之定義。此外，可換股債券包括本公司或債券持有人可行使之提早贖回選擇權。

透過該等被認為與主債務部分並無關聯的嵌入式衍生工具，管理層決定於初步確認時將可換股債券整體指定為按公平值經損益入賬之財務負債。於其後報告期末，可換股債券按公平值計量，而公平值變動於產生期間直接於損益內確認。有關發行可換股債券之交易成本已於損益內扣除。

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Employee benefits

(i) *Short-term employee benefits and contributions to defined contribution retirement plans*

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

(ii) *Equity-settled share-based payments*

Share options granted to eligible employees

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in share option reserve within equity. The fair value is measured at grant date using the binomial lattice model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the share options, the total estimated fair value of the share options is spread over the vesting period, taking into account the probability that the options will vest.

During the vesting period, the number of share options expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised in prior years is charged/credited to the profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the share option reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of share options that vest (with a corresponding adjustment to the share option reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. When share options are exercised, the amount previously recognised in share option reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to retained earnings.

2. 主要會計政策(續)

(q) 僱員福利

(i) *短期僱員福利及定額供款退休計劃供款*

薪金、年度花紅、年度有薪假期、定額供款退休計劃供款及非貨幣福利的成本於僱員提供相關服務的年度計入。倘延遲付款或結算，且影響屬重大，有關數額按現值列賬。

(ii) *以股權結算以股份支付之開支 授予合資格僱員之購股權*

授予僱員之購股權之公平值乃確認為僱員成本，而權益內之購股權儲備則相應增加。公平值於授出當日以模型二項式點陣模式計算，並考慮購股權之授出條款及條件。倘僱員於無條件地有權獲授購股權前符合歸屬條件，則購股權之估計總公平值在歸屬期內攤分，並需考慮購股權在歸屬期滿後行使之可能性。

於歸屬期內，需審閱預期歸屬之購股權數量。任何對過往年度已確認累計公平值所作之調整於回顧年度之損益賬內扣除／計入，除非原有僱員開支合資格確認為資產，則對購股權儲備作出相應調整。於歸屬日期，已確認為開支之金額會作調整，以反映所歸屬之實際購股權數量(同時亦相應調整購股權儲備)，惟僅於未能達到有關本公司股份市價之歸屬條件時方會沒收其購股權。購股權獲行使時，過往於購股權儲備中確認的數額將轉移至股份溢價。當購股權於歸屬期後被放棄或於屆滿日仍未獲行使，過往在購股權儲備中確認的數額將撥入保留溢利。

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Employee benefits (Continued)

(iii) Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of these benefits and when it recognises restructuring costs involving the payment of termination benefits.

(r) Equity-settled share-based payments for share options granted to eligible participant other than employees

Share options issued in exchange for services are measured at the fair values of the services received, unless that fair value cannot be reliably measured, in which case the services received are measured by reference to the fair value of the share options granted. The fair values of the services received are recognised as expenses, with a corresponding increase in equity (share option reserve), when the counterparties render the services, unless the services qualify for recognition as assets.

(s) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

2. 主要會計政策(續)

(q) 僱員福利(續)

(iii) 終止僱用的福利

終止僱用的福利於本集團不再能夠撤回該等福利之要約，或其確認重組成本並涉及支付終止僱用的福利時，方予確認。

(r) 以股權結算以股份支付之開支授予僱員以外之合資格參與者之購股權

為換取服務而發行之購股權乃按所獲得服務之公平值計量，除非該公平值無法可靠地計量，而在此情況下，所獲得服務乃參考所授出購股權之公平值計量。除非該等服務合資格確認為資產，否則在對手方提供服務時，所獲得服務之公平值確認為開支，並在權益(購股權儲備)內作出相應增額。

(s) 所得稅

本年度所得稅包括即期稅項及遞延稅項資產與負債的變動。即期稅項及遞延稅項資產與負債的變動均在損益確認，惟與於其他全面收益或直接於權益確認的項目相關者，則相關稅項金額分別於其他全面收益或直接於權益確認。

即期稅項為按本年度應課稅收入，使用於報告期末已頒佈或實際頒佈的稅率計算的預期應付稅項，並就過往年度應付稅項作出調整。

遞延稅項資產及負債分別由可抵扣及應課稅暫時差額產生。暫時差額為資產及負債就財務報告而言的賬面值與其稅基間的差額。遞延稅項資產亦來自未動用稅項虧損及未動用稅項抵免。

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Income tax (Continued)

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided that those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary differences or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

2. 主要會計政策(續)

(s) 所得稅(續)

除若干有限例外情況外，所有遞延稅項負債及所有遞延稅項資產(僅限於有可能可動用未來應課稅溢利抵銷該項資產的情況)均予確認。支持確認由可扣減暫時差額所產生遞延稅項資產的未來應課稅溢利，包括將藉撥回目前應課稅暫時差額產生者，而此等應課稅暫時差額乃與由同一稅務當局及同一應課稅實體相關，並預期在可予扣減暫時差額預期撥回的同一年內撥回，或在由遞延稅項資產產生的稅項虧損能轉回或轉入的期間內撥回。在評定目前應課稅暫時差額是否支持確認由未動用稅項虧損及抵免所產生遞延稅項資產時採用相同標準，即該等暫時差額由同一稅務當局向同一應課稅實體徵收，並預期在稅項虧損或抵免能應用的期間內撥回方計算在內。

遞延稅項資產和負債確認的有限例外情況包括：不可扣稅商譽、不影響會計或應課稅溢利(如屬業務合併的一部分則除外)的資產或負債的初次確認產生的暫時差額，以及與附屬公司的投資有關的暫時差額。如屬應課稅差額，只限於本集團可以控制撥回的時間，而且在可預見的將來不大可能撥回的差額；或如屬可予扣減的差額，則只限於可在將來撥回的差額。

所確認遞延稅項的金額乃按照資產及負債賬面值的預期變現或結算方式，採用於報告期末已頒佈或實際頒佈的稅率計量。遞延稅項資產及負債均不會貼現。

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Income tax (Continued)

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

2. 主要會計政策(續)

(s) 所得稅(續)

遞延稅項資產的賬面值會在各報告期末予以審閱，若日後不再可能有足夠應課稅溢利用以抵扣相關稅項利益，則扣減遞延稅項資產賬面值。若日後可能有足夠應課稅溢利用以抵扣，則撥回所扣減之數額。

派發股息引起的額外所得稅在有關股息的支付責任獲確立時確認。

即期稅項結餘及遞延稅項結餘以及其變動，乃各自分開列示及並無相互抵銷。倘本公司或本集團具可依法執行權力，將即期稅項資產與即期稅項負債互相抵銷，且符合下列額外條件，則即期稅項資產可抵銷即期稅項負債，及遞延稅項資產可抵銷遞延稅項負債：

- 倘屬即期稅項資產及負債，本公司或本集團擬以淨額清償，或同時變現資產及清償負債；或
- 倘屬遞延稅項資產及負債，且其與同一稅務當局向下述者徵收的所得稅有關：
 - 同一應課稅實體；或
 - 不同應課稅實體，而在每一段未來期間，預期將清償或收回巨額遞延稅項負債或資產、擬以淨額變現即期稅項資產及清償即期稅項負債或同時變現即期稅項資產及清償即期稅項負債。

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(t) Provisions and contingent liabilities

(i) *Contingent liabilities assumed in business combinations*

Contingent liabilities assumed in a business combination which are present obligations at the date of acquisition are initially recognised at fair value, provided the fair value can be reliably measured. After their initial recognition at fair value, such contingent liabilities are recognised at the higher of the amount initially recognised, less accumulated amortisation where appropriate, and the amount that would be determined in accordance with note 2(t)(ii). Contingent liabilities assumed in a business combination that cannot be reliably fair valued or were not present obligations at the date of acquisition are disclosed in accordance with note 2(t)(ii).

(ii) *Other provisions and contingent liabilities*

Provisions are recognised for other liabilities of uncertain timing or amount when the Group or the Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of an outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of an outflow of economic benefits is remote.

2. 主要會計政策(續)

(t) 撥備及或然負債

(i) *於業務合併時承擔之或然負債*

於業務合併時承擔之或然負債為於收購日期之現有責任，初步按公平值確認，前提是公平值能可靠地計量。於初步按公平值確認後，該等或然負債會按初步確認金額減累計攤銷(如適用)及根據附註2(t)(ii)釐定之金額兩者中的較高者確認。倘於業務合併時承擔之或然負債未能可靠地按公平值計量或於收購日期並非現有責任，則根據附註2(t)(ii)作披露。

(ii) *其他撥備及或然負債*

當本集團或本公司因過往事件產生法定或推定責任，且很可能須流出經濟利益以履行責任及可作出可靠估計時，本集團會就時間或金額不確定的其他負債確認撥備。倘貨幣時間價值屬重大，撥備乃以預期履行該責任的開支的現值列賬。

倘不大可能須流出經濟利益，或金額不能可靠估計，則該責任作為或然負債披露，除非經濟利益流出的可能性微乎其微則作別論。僅因一件或多件日後事件發生或不發生而產生的可能責任亦作為或然負債披露，除非經濟利益流出的可能性微乎其微。

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

- (i) **Sale of health and beauty supplements and products**
Revenue is recognised when goods are delivered at the customers' premises which is taken to be the point in time when the customer has accepted the goods and the related risk and rewards of ownership. Revenue is recognised after value-added tax or other sales taxes and is after deduction of any trade discounts and net of sales return.
- (ii) **Provision of Chinese medical consultation services**
Income from provision of Chinese medical consultation services is recognised when services are rendered.
- (iii) **Provision of health food processing services**
Income from provision of health food processing services is recognised when services are rendered.
- (iv) **Income from online advertising agency business**
Income from online advertising agency business is recognised when the advertising agency services are rendered.
- (v) **Income from online payment business**
Income from online payment business is recognised on a trade date basis when the relevant transactions are executed.

2. 主要會計政策(續)

(u) 收益確認

收益乃按已收代價或應收代價的公平值計算。倘經濟效益可能流入本集團，以及能夠可靠地計算收益及成本(如適用)時，收益根據下列方法在損益內確認：

- (i) **銷售保健及美容補品及產品**
當貨品付運至客戶處所(即客戶被視為接收貨品以及擁有權相關風險及回報)時確認收益。收益於扣除增值稅或其他銷售稅及任何貿易折扣及扣除銷售退貨後確認。
- (ii) **提供中醫診症服務**
提供中醫診症服務的收入於提供服務時確認。
- (iii) **提供保健食品加工服務**
提供保健食品加工服務產生之收入於提供服務時確認。
- (iv) **線上廣告代理業務的收入**
線上廣告代理業務的收入於提供廣告代理服務時確認。
- (v) **線上支付業務的收入**
線上支付業務的收入於進行相關交易時按交易日期基準確認。

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Revenue recognition (Continued)

(vi) *Income from e-commerce promotion business*

Income from e-commerce promotion business primarily comprised of commission income and revenue from merchandise sales. Commission income are recognised for transactions where the Group is not the primary obligor, is not subject to inventory risk, and does not have latitude in establishing prices and selecting suppliers. Commission income are recognised on a net basis which is based on a fixed percentage of the sales amount. Revenue from merchandise sales and related costs are recognised on a gross basis when the Group acts as a principal.

Commission income and revenue from merchandise sales are recognised when the customer has accepted the goods and the related risks and rewards of ownership.

(vii) *Income from game distribution business*

Revenue is recognised when goods are delivered at the customers' premises which is taken to be the point in time when the customer has accepted the goods and the related risk and rewards of ownership. Revenue is recognised after value-added tax or other sales taxes and is after deduction of any trade discounts and net of sales return.

(viii) *Interest income*

Interest income is recognised as it accrues using the effective interest method.

2. 主要會計政策(續)

(u) 收益確認(續)

(vi) 電子商務推廣業務收入

電子商務推廣業務收入主要包括佣金收入及來自銷售商品之收益。倘本集團並非交易的主要義務人，毋須承擔存貨風險及在定價和選擇供應商方面並無自主權，該交易之收益以佣金收入確認。佣金收入乃按銷售淨額之固定百分比確認。來自商品銷售之收益及相關成本乃於本集團作為負責人時按總額確認。

佣金收入及來自銷售商品之收益乃於客戶接受貨品及所有權之相關風險及回報時確認。

(vii) 遊戲發行業務收入

當貨品付運至客戶處所(即客戶被視為接收貨品以及擁有權相關風險及回報)時確認收益。收益於扣除增值稅或其他銷售稅及任何貿易折扣及扣除銷售退貨後確認。

(viii) 利息收入

利息收入利用實際利率法於產生時確認。

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(v) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

The results of foreign operations are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items are translated into Hong Kong dollars at the closing foreign exchange rates ruling at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the translation reserve.

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

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates that do not result in the Group losing significant influence), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

2. 主要會計政策(續)

(v) 外幣換算

本年度的外幣交易按交易日的匯率換算。以外幣結算的貨幣資產及負債則按報告期末的匯率換算。匯兌盈虧於損益確認。

以外幣按歷史成本計算的非貨幣資產及負債使用交易日的匯率換算。以外幣按公平值計值的非貨幣資產及負債使用釐定公平值當日的匯率換算。

海外業務之業績按與交易日期通行之外匯匯率概約之匯率換算為港元。財務狀況表之項目按報告期末之收市匯率換算為港元。因此產生之匯兌差額於其他全面收益確認，並分開於換算儲備之權益中累計。

出售海外業務時(即出售本集團海外業務之全部權益、涉及失去對包含海外業務的附屬公司控制權的出售、或部分出售於一間包含海外業務的聯營公司的權益(其保留權益成為財務資產))，就本公司擁有人應佔該業務而累計入權益之所有匯兌差額，會重新分類至損益。

此外，有關部分出售包含海外業務之附屬公司但不引致本集團失去對該附屬公司之控制權，則按比例分佔之累計匯兌差額重新歸類為非控股權益，而並不於損益內確認。就所有其他部分出售(即部分出售聯營公司但不引致本集團失去重大影響力)而言，按比例分佔之累計匯兌差額重新分類至損益。

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(w) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

(x) Related parties

(a) A person, or a close member of that person's family, is related to the Group if that person:

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or the Group's parent.

(b) An entity is related to the Group if any of the following conditions applies:

- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

2. 主要會計政策(續)

(w) 借貸成本

與收購、建設或生產某項須經頗長時間方可作擬定用途或銷售的資產直接應佔的借貸成本予以資本化，作為該資產的部分成本。其他借貸成本均於產生期間確認為支出。

屬於合資格資產成本一部分的借貸成本在資產產生開支、借貸成本產生和使資產投入擬定用途或銷售所必須的準備工作進行時開始資本化。在使合資格資產投入擬定用途或銷售所必須的絕大部分準備工作中止或完成時，借貸成本便會暫停或停止資本化。

(x) 關連方

(a) 倘屬以下人士，即該人士或該人士的近親與本集團有關連：

- (i) 控制或共同控制本集團；
- (ii) 對本集團有重大影響；或
- (iii) 為本集團或本集團母公司的主要管理層成員。

(b) 倘符合下列任何條件，即實體與本集團有關連：

- (i) 該實體與本集團屬同一集團的成員公司（即各母公司、附屬公司及同系附屬公司彼此間有關連）。
- (ii) 一家實體為另一實體的聯營公司或合營企業（或另一實體為成員公司的集團旗下成員公司的聯營公司或合營企業）。

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(x) Related parties (Continued)

- (b) An entity is related to the Group if any of the following conditions applies: (Continued)
- (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

2. 主要會計政策(續)

(x) 關連方(續)

- (b) 倘符合下列任何條件，即實體與本集團有關連：(續)
- (iii) 兩家實體均為同一第三方的合營企業。
 - (iv) 一家實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司。
 - (v) 實體為本集團或與本集團有關連的實體就僱員利益設立的離職福利計劃。
 - (vi) 實體受(a)所識別人士控制或受共同控制。
 - (vii) 於(a)(i)所識別人士對實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員。
 - (viii) 實體、或一間集團之任何成員公司(為集團之一部分)向本集團或本集團之母公司提供主要管理人員服務。

個人的近親為預期可影響該等與實體買賣的個人的家庭成員或受該個人影響的家庭成員。

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(y) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's chief operating decision maker ("CODM") for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

The HKICPA has issued several amendments to HKFRSs that are first effective for the current accounting period of the Group. None of these impact on the accounting policies of the Group. However, additional disclosure has been included in note 20(b) to satisfy the new disclosure requirements introduced by the amendments to HKAS 7, *Statement of Cash Flows: Disclosure Initiative*, which require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

2. 主要會計政策(續)

(y) 分部報告

經營分部及財務報表所呈報各分部項目的數額，會在定期向本集團之主要經營決策者(「主要經營決策者」)提供的財務資料中確定，以對本集團各項業務及經營地區進行資源分配及績效評估。

在財務申報上，規模重大的個別經營分部不予累集計算，除非有關分部具有類似的經濟特點，且產品及服務性質、生產工序性質、客戶類型、分銷產品或提供服務的方法以及監管環境性質相若則作別論。規模並非重大的個別經營分部倘彼此符合上述大部分標準則可累集計算。

3. 應用新訂及經修訂香港財務報告準則

香港會計師公會已頒佈多項於本集團之本會計期間首次生效之香港財務報告準則之修訂。該等修訂並無對本集團之會計政策造成影響。然而，附註20(b)已計入額外披露以符合香港會計準則第7號修訂現金流量表：披露計劃引入之新披露規定，其規定實體須披露資料，令財務報表使用者可評估融資活動所產生的負債變動(包括因現金流量產生之變動及非現金變動)。

本集團於本會計期間並無應用尚未生效之任何新準則或詮釋。

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4. FINANCIAL RISK MANAGEMENT AND CAPITAL DISCLOSURES

(a) Financial instruments by categories

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

As at 31 March 2018

Financial assets

		Loans and receivables 貸款及應收款項 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial assets included in “trade and other receivables”	計入「應收賬款及其他應收款項」的財務資產	59,497	59,497
Cash and cash equivalents	現金及現金等價物	158,913	158,913
		218,410	218,410

Financial liabilities

財務負債

		Financial liabilities at fair value through profit or loss 以公平值經損益入賬的財務負債 HK\$'000 千港元	Financial liabilities at amortised cost 按攤銷成本列賬的財務負債 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial liabilities included in “trade and other payables”	計入「應付賬款及其他應付款項」的財務負債	–	33,418	33,418
Contingent consideration payables	或然應付代價	177,519	–	177,519
Promissory notes payable	應付承兌票據	10,578	–	10,578
Bank borrowings	銀行借貸	–	28,119	28,119
Other borrowings	其他借款	–	5,500	5,500
Convertible bonds	可換股債券	310,510	–	310,510
Amounts due to non-controlling interests	應付非控股權益款項	–	1,242	1,242
		498,607	68,279	566,886

4. 財務風險管理及資本披露

(a) 財務工具分類

各類財務工具於報告期末的賬面值如下：

於二零一八年三月三十一日

財務資產

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4. FINANCIAL RISK MANAGEMENT AND CAPITAL DISCLOSURES (CONTINUED)

(a) Financial instruments by categories (Continued)

As at 31 March 2017

Financial assets

		Loans and receivables 貸款及應收款項 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial assets included in “trade and other receivables”	計入「應收賬款及其他應收款項」的 財務資產	45,972	45,972
Cash and cash equivalents	現金及現金等價物	110,218	110,218
		156,190	156,190

Financial liabilities

財務負債

		Financial liabilities at amortised cost 按攤銷成本 列賬的財務負債 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial liabilities included in “trade and other payables”	計入「應付賬款及其他應付款項」的 財務負債	16,632	16,632
Bank borrowings	銀行借貸	30,565	30,565
Amounts due to non-controlling interests	應付非控股權益款項	1,200	1,200
		48,397	48,397

(b) Financial risk management and policies

The main risks arising from the Group's financial instruments are credit risk, liquidity risk, interest rate risk and currency risk arising from financial instruments. The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(b) 財務風險管理及政策

本集團財務工具所產生的主要風險有財務工具產生之信貸風險、流動資金風險、利率風險及貨幣風險。本集團承擔的有關風險以及本集團就管理該等風險所採用的財務風險管理政策及慣例載列如下。

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4. FINANCIAL RISK MANAGEMENT AND CAPITAL DISCLOSURES (CONTINUED)

(b) Financial risk management and policies (Continued)

(i) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of merely dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

In respect of trade and other receivables, in order to minimise risk, the management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis. Credit evaluations of the financial position and condition of the customers and debtors of the Group are performed on all customers and debtors requiring credit over a certain amount. Debtors with overdue balances, which will be reviewed on a case-by-case basis, are requested to settle all outstanding balances before any further credit is granted. Normally, the Group does not obtain collateral from customers.

In respect of trade and other receivables, the Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer and debtor. The default risk of the industry and country in which customers operate also has an influence on credit risk. At the end of the reporting period, the Group has certain concentrations of credit risk of 59% (2017: 55%) of the total trade and other receivables was due from the Group's largest customer and 60% (2017: 57%) of the total trade and other receivables was due from the Group's five largest customers respectively.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

Further quantitative disclosures in respect of the Group's exposure of credit risk arising from trade and other receivables are set out in note 19.

4. 財務風險管理及資本披露(續)

(b) 財務風險管理及政策(續)

(i) 信貸風險

信貸風險指交易對方違反合約責任而對本集團構成財務損失的風險。本集團已採納政策，僅與信譽良好的交易對方進行交易，從而減輕因違約構成財務損失的風險。

就應收賬款及其他應收款項而言，為將風險降至最低程度，管理層已實施信貸政策，持續監察該等信貸風險。本集團會對所有要求一定信貸額的客戶及債務人進行財務狀況及狀態的信貸評估。視乎個別情況而定，持有逾期結餘的債務人於獲授任何進一步信貸前，須應要求結清所有尚未清償結餘。一般而言，本集團不會向客戶收取抵押品。

就應收賬款及其他應收款項而言，本集團所承受信貸風險主要受不同客戶及債務人的個別特性影響。客戶所處行業及國家的違約風險亦會影響信貸風險。於報告期末，本集團承受若干信貸集中風險，其中本集團最大客戶佔應收賬款及其他應收款項總額的59% (二零一七年：55%)，而本集團五大客戶則佔應收賬款及其他應收款項總額的60% (二零一七年：57%)。

流動資金信貸風險有限，因為對手方為獲得國際信貸評級機構給予高信貸評級的銀行。

有關本集團產生自應收賬款及其他應收款項的信貸風險的進一步定量披露載於附註19。

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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. FINANCIAL RISK MANAGEMENT AND CAPITAL DISCLOSURES (CONTINUED)

(b) Financial risk management and policies (Continued)

(ii) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the raising of loans to cover expected cash demands, subject to Board approval. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants to ensure that it maintains sufficient amount of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following tables set out the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities and derivative financial liabilities based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay.

4. 財務風險管理及資本披露(續)

(b) 財務風險管理及政策(續)

(ii) 流動資金風險

本集團旗下各經營實體須自行管理其現金，包括籌措貸款以應付預期現金需要，惟須待董事會批准。本集團的政策為定期監察流動資金需求以及貸款契諾的遵守情況，確保本集團備有充裕現金及取得主要金融機構提供足夠的承諾資金，以應付短期及長期的流動資金需求。

下列表格載列本集團的非衍生財務負債及衍生財務負債於報告期末的剩餘合約到期情況，該等財務負債乃根據合約未貼現現金流量(包括以按合約利率(或如屬浮動，則按報告期末的現行利率)計算的利息付款)及本集團須付款的最早日為基準。

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4. FINANCIAL RISK MANAGEMENT AND CAPITAL DISCLOSURES (CONTINUED)

(b) Financial risk management and policies (Continued)

(ii) Liquidity risk (Continued)

As at 31 March 2018

	On demand	Within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total contractual undiscounted cash flows	Carrying amount
	應要求	一年內	超過一年但少於兩年	超過兩年但少於五年	現金流量總額	賬面值
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元
Financial liabilities included in “trade and other payables”	–	33,418	–	–	33,418	33,418
Bank borrowings	28,119	–	–	–	28,119	28,119
Other borrowings	–	110	275	5,775	6,160	5,500
Convertible bonds	–	8,174	270,300	–	278,474	310,510
Amounts due to non-controlling interests	–	–	1,242	–	1,242	1,242
	28,119	41,702	271,817	5,775	347,413	378,789

As at 31 March 2017

於二零一七年三月三十一日

	On demand	Within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total contractual undiscounted cash flows	Carrying amount
	應要求	一年內	超過一年但少於兩年	超過兩年但少於五年	現金流量總額	賬面值
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元
Financial liabilities included in “trade and other payables”	–	16,632	–	–	16,632	16,632
Bank borrowings	30,565	–	–	–	30,565	30,565
Amount due to a non-controlling interest	–	–	1,200	–	1,200	1,200
	30,565	16,632	1,200	–	48,397	48,397

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4. FINANCIAL RISK MANAGEMENT AND CAPITAL DISCLOSURES (CONTINUED)

(b) Financial risk management and policies (Continued)

(iii) Interest rate risk

(i) Interest rate profile

The Group is exposed to fair value interest rate risk in relation to fixed rate other borrowings (note 23), convertible bonds (note 25) and promissory notes payable (note 26). The management considered that the risk is insignificant as the amounts are carried at amortised cost.

The Group is also exposed to cash flow interest rate risk in relation to variable rate cash at bank (note 20) and variable rate bank borrowings (note 23). The following table details the interest rate profile of the Group's financial assets and liabilities with variable interest rates 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
Variable interest rates:			
Financial assets	浮息： 財務資產		
Cash at bank	銀行現金	158,820	110,139
		158,820	110,139
Financial liabilities	財務負債		
Bank borrowings	銀行借款	28,119	30,565
		28,119	30,565
Net	淨值	130,701	79,574

(ii) Sensitivity analysis

At 31 March 2018, if interest rates had been 100 basis point higher with all other variables held constant, the Group's loss after tax would have decreased by HK\$1,099,000 (2017: profit after tax would have increased by HK\$673,000).

At 31 March 2018, if interest rate had been 100 basis point lower with all other variables held constant, the Group's loss after tax would have increased by HK\$1,099,000 (2017: profit after tax would have decreased by HK\$673,000).

4. 財務風險管理及資本披露(續)

(b) 財務風險管理及政策(續)

(iii) 利率風險

(i) 利率概況

本集團就定息其他借款(附註23)、可換股債券(附註25)及應付承兌票據(附註26)面臨公平值利率風險。由於該等金額按攤銷成本列賬，管理層認為有關風險並不重大。

本集團亦就浮息銀行現金(附註20)及浮息銀行借貸(附註23)面臨現金流量利率風險。下表詳述本集團的浮息財務資產及負債於報告期末的利率概況：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
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(ii) 敏感度分析

於二零一八年三月三十一日，倘利率上調100個基點，在所有其他變量保持不變的情況下，本集團的除稅後虧損將減少1,099,000港元(二零一七年：除稅後溢利將增加673,000港元)。

於二零一八年三月三十一日，倘利率下調100個基點，在所有其他變量保持不變的情況下，本集團的除稅後虧損將增加1,099,000港元(二零一七年：除稅後溢利將減少673,000港元)。

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

4. FINANCIAL RISK MANAGEMENT AND CAPITAL DISCLOSURES (CONTINUED)

(b) Financial risk management and policies (Continued)

(iii) Interest rate risk (Continued)

(ii) Sensitivity analysis (Continued)

The decrease/increase in the loss after tax (2017: the increase/decrease in profit after tax) results mainly from higher/lower interest income from cash at bank and lower/higher interest expense on bank borrowings. Other components of equity would not be significantly affected by the changes in interest rates.

The sensitivity analysis above indicates the exposure to cash flow interest rate risk arising from floating rate non-derivative instruments held by the Group at the end of the reporting period.

(iv) Currency risk

(i) Exposure to currency risk

Presently, the Group does not have a hedging policy with respect to the foreign exchange exposure. The Group is exposed to currency risk primarily through sales and purchases which give rise to receivables and payables and cash balances that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily United States dollars (“USD”), Renminbi (“RMB”) and HK\$.

In order to manage and minimise the foreign currency risk, the management will continue to manage and monitor the foreign currency exposure to ensure appropriate measures are implemented in a timely and effective manner.

4. 財務風險管理及資本披露(續)

(b) 財務風險管理及政策(續)

(iii) 利率風險(續)

(ii) 敏感度分析(續)

除稅後虧損減少／增加(二零一七年：除稅後溢利增加／減少)主要由於銀行現金的利息收入增加／減少以及銀行借貸的利息開支減少／增加所致。利率變動不會對權益的其他部分構成重大影響。

上述敏感度分析顯示於報告期末由本集團持有的浮息非衍生工具所產生的現金流量利率風險。

(iv) 貨幣風險

(i) 承受貨幣風險

現時本集團並無就外匯風險實施對沖政策。本集團所承受貨幣風險主要因進行銷售及採購所產生以外幣計值(即以有關交易的營運功能貨幣以外貨幣計值)的應收及應付款項及現金結餘所致。導致有關風險的貨幣主要為美元(「美元」)、人民幣(「人民幣」)及港元(「港元」)。

為管理並盡量降低外幣風險，管理層會繼續管理及監察外幣風險，確保及時及有效採取適當措施。

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4. FINANCIAL RISK MANAGEMENT AND CAPITAL DISCLOSURES (CONTINUED)

(b) Financial risk management and policies (Continued)

(iv) Currency risk (Continued)

(i) Exposure to currency risk (Continued)

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities that are denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in Hong Kong dollars, translated using the spot rate at the year end date.

4. 財務風險管理及資本披露(續)

(b) 財務風險管理及政策(續)

(iv) 貨幣風險(續)

(i) 承受貨幣風險(續)

下表詳列本集團於報告期末就以實體相關功能貨幣以外貨幣計值的已確認資產或及負債所產生的貨幣風險而承受風險。就呈列而言，風險金額以港元呈列，並按年結日的即期匯率換算。

		Exposure to foreign currencies (expressed in Hong Kong dollars) 所承受貨幣風險(以港元表示)					
		2018 二零一八年			2017 二零一七年		
		USD 美元	RMB 人民幣	HK\$ 港元	USD 美元	RMB 人民幣	HK\$ 港元
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Cash and cash equivalents	現金及現金等價物	633	419	1,515	117	204	1,158
Financial assets included in "trade and other receivables"	計入「應收賬款及其他 應收款項」的財務資產	-	16	-	41	-	-
Financial liabilities included in "trade and other payables"	計入「應付賬款及其他 應付款項」的財務負債	(987)	(346)	-	(1,303)	(7)	-
Net exposure arising from recognised assets and liabilities	已確認資產及負債 產生的風險淨額	(354)	89	1,515	(1,145)	197	1,158

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4. FINANCIAL RISK MANAGEMENT AND CAPITAL DISCLOSURES (CONTINUED)

(b) Financial risk management and policies (Continued)

(iv) Currency risk (Continued)

(ii) Sensitivity analysis

The following table indicates the instantaneous change in the Group's loss after tax and accumulated losses (2017: profit after tax and retained earnings) that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant. In this respect, it is assumed that the pegged rate between the Hong Kong dollars and the United States dollars would be materially unaffected by any changes in movement in value of the United States dollar against other currencies.

4. 財務風險管理及資本披露(續)

(b) 財務風險管理及政策(續)

(iv) 貨幣風險(續)

(ii) 敏感度分析

下表指出本集團除稅後虧損及累計虧損(二零一七年: 除稅後溢利及保留溢利)因應本集團於報告期末有重大風險之外匯匯率如在該日出現變動而產生之即時變動(假設所有其他風險因素維持不變)。就此而言, 假設港元及美元間之掛鈎匯率不會受美元兌其他貨幣之價值變動之任何變化有重大影響。

		2018 二零一八年		2017 二零一七年	
		Increase/ (decrease)	Decrease/(increase)	Increase/ (decrease)	Increase/ (decrease)
		in foreign exchange rates	in loss after tax and accumulated losses	in foreign exchange rates	in profit after tax and retained earnings
		外幣匯率 上升/(下跌)	除稅後虧損 及累計虧損 減少/(增加)	外幣匯率 上升/(下跌)	除稅後溢利及 保留溢利 增加/(減少)
		HK\$'000 千港元		HK\$'000 千港元	
RMB	人民幣	5%	4	5%	8
		(5%)	(4)	(5%)	(8)
HKS	港元	5%	76	5%	58
		(5%)	(76)	(5%)	(58)

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4. FINANCIAL RISK MANAGEMENT AND CAPITAL DISCLOSURES (CONTINUED)

(b) Financial risk management and policies (Continued)

(iv) Currency risk (Continued)

(ii) Sensitivity analysis (Continued)

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the group entities' profit/loss after tax and equity measured in the respective functional currencies, translated into Hong Kong dollars at the exchange rate ruling at the end of the reporting period for presentation purposes.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period. The analysis is performed on the same basis for 2017.

(c) Capital management

The Group's objectives when managing capital are to ensure that entities in the Group will be able to continue as a going concern while maximising the return to the stakeholders through the optimisation of the debt and equity balance. The management reviews the capital structure by considering the cost of capital and the risks associated with each class of capital. In view of this, the Group will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debt or the redemption of existing debt as it sees fit and appropriate.

The Group monitors capital on the basis of the net gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt/ (cash) is calculated as total borrowings (including amounts due to non-controlling interests, bank and other borrowings and convertible bonds (as detailed in notes 22, 23 and 25 respectively)) less cash and cash equivalents (note 20). Total capital is calculated as "equity" as shown in the consolidated statement of financial position plus net debt, if any.

4. 財務風險管理及資本披露(續)

(b) 財務風險管理及政策(續)

(iv) 貨幣風險(續)

(ii) 敏感度分析(續)

上表中所列示的分析結果乃本集團所有功能貨幣對集團各實體除稅後溢利／虧損及權益的即時影響的總計，該總計以報告期末的匯率折算成港元表示。

敏感性分析是假設外匯兌換率的變動應用於重新計量本集團於報告期末持有的財務工具而釐定本集團所面臨的外幣風險。該分析與二零一七年的分析基準一致。

(c) 資本管理

於管理資本時，本集團的目標為確保本集團旗下各實體將能夠按持續經營基準繼續經營，同時透過優化債務及權益結餘將持份者回報最大化。管理層透過考慮資本成本及各類資本相關的風險，檢討資本結構。有鑑於此，本集團將透過於合適及適當時派息、發行新股以及發行新債務或贖回現有債務，平衡整體資本結構。

本集團按淨資產負債比率監察資本。有關比率乃按債務淨額除以總資本計算。債務／(現金)淨額乃按借款總額(包括應付非控股權益款項、銀行及其他借款以及可換股債券(詳情分別載於附註22、23及25))減現金及現金等價物(附註20)計算。總資本則為綜合財務狀況表所列「權益」加債務淨額(如有)。

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4. FINANCIAL RISK MANAGEMENT AND CAPITAL DISCLOSURES (CONTINUED)

(c) Capital management (Continued)

The net gearing ratio of the Group as at 31 March 2017 and 2018 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
Debts	債務	345,371	31,765
Less: Cash and cash equivalents (note 20)	減：現金及現金等價物(附註20)	(158,913)	(110,218)
Net debt/(cash)	債務/(現金)淨額	186,458	(78,453)
Total capital	資本總額	166,735	213,624
Net gearing ratio	淨資產負債比率	1.12	N/A不適用

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

(d) Financial assets and liabilities measured at fair value

(i) Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, *Fair Value Measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.

4. 財務風險管理及資本披露(續)

(c) 資本管理(續)

於二零一七年及二零一八年三月三十一日，本集團的淨資產負債比率如下：

本公司或其任何附屬公司均毋須遵守外部施加的資本規定。

(d) 以公平值計量之財務資產及負債

(i) 公平值層級

下表呈列本集團於報告期末按經常性基準計量的財務工具公平值，有關公平值於香港財務報告準則第13號「公平值計量」所界定之公平值三級架構中進行分類。公平值計量所歸類的層級乃經參考以下估值方法所用的輸入數據的可觀察性及重要性而釐定：

- 第一級估值：僅以第一級輸入數據計量公平值，即相同資產或負債於計量日期之活躍市場未經調整報價。

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4. FINANCIAL RISK MANAGEMENT AND CAPITAL DISCLOSURES (CONTINUED)

(d) Financial assets and liabilities measured at fair value (Continued)

(i) Fair value hierarchy (Continued)

- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

Valuation process

The Group's finance department headed by the board of directors is responsible for determining the policies and procedures for the fair value measurement of financial instruments.

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engaged third party qualified valuers to perform the valuation. The finance department works closely with qualified independent professional valuers to establish the appropriate valuation techniques and inputs to the model. The Chief Financial Officer reports to the board of directors semi-annually to explain the cause of fluctuations in the fair value of the assets or liabilities.

4. 財務風險管理及資本披露(續)

(d) 以公平值計量之財務資產及負債(續)

(i) 公平值層級(續)

- 第二級估值：以第二級輸入數據計量公平值，即未能符合第一級規定之可觀察輸入數據，以及不使用重大不可觀察輸入數據。不可觀察輸入數據即不可取得市場數據之輸入數據。
- 第三級估值：以重大不可觀察輸入數據計量公平值。

估值流程

本集團財務部由董事會領導，負責釐定財務工具公平值計量的政策及程序。

於估計資產或負債之公平值時，本集團盡量使用市場可觀察數據。當無法獲得第一級輸入數據時，本集團委聘第三方合資格估值師進行估值。財務部與合資格獨立專業估值師緊密合作，制訂合適之估值方法及模型輸入數據。首席財務官每半年向董事會報告闡釋資產或負債公平值波動之原因。

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

4. FINANCIAL RISK MANAGEMENT AND CAPITAL DISCLOSURES (CONTINUED)

(d) Financial assets and liabilities measured at fair value (Continued)

- (i) *Fair value hierarchy (Continued)*
As at 31 March 2018

4. 財務風險管理及資本披露(續)

(d) 以公平值計量之財務資產及負債(續)

- (i) 公平值層級(續)
於二零一八年三月三十一日

		Fair value measurements as at 31 March 2018 categorised into 於二零一八年三月三十一日 按以下分類之公平值計量			Fair value as at 31 March 2018 於二零一八年 三月三十一日 之公平值
		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	HK\$'000 千港元
Recurring fair value measurements	經常性公平值計量				
Financial liabilities:	財務負債：				
– Contingent consideration payables	– 或然應付代價	–	–	177,519	177,519
– Promissory notes payable	– 應付承兌票據	–	–	10,578	10,578
– Convertible bonds	– 可換股債券	–	–	310,510	310,510
		–	–	498,607	498,607

During the year ended 31 March 2018, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

於截至二零一八年三月三十一日止年度，第一級及第二級之間並無轉移，亦無第三級轉入或轉出之情況。本集團的政策是於報告期末確認公平值層級之間於期內發生的轉移。

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

4. FINANCIAL RISK MANAGEMENT AND CAPITAL DISCLOSURES (CONTINUED)

(d) Financial assets and liabilities measured at fair value (Continued)

(ii) Information about Level 3 fair value measurements

The valuation techniques and the quantitative information about the significant (except for the information of convertible bonds which are disclosed in note 25 to these consolidated financial statements) unobservable inputs used in Level 3 fair value measurement at the end of the reporting period are as follows:

Description	Fair value as at 31 March 2018 於二零一八年三月三十一日之 公平值 HK\$'000 千港元	Valuation techniques	Significant unobservable inputs	Inputs	Relationship of unobservable inputs to fair value
描述		估值方法	重大不可觀察輸入數據	輸入數據	不可觀察輸入數據與公平值之關係
Contingent consideration payables arising from the acquisition of Empire Access Limited ("Empire Access")	165,123	Income approach	Discount rate	7.5%	The increase in discount rate used would result in decrease in the fair value of contingent consideration payables, and vice versa.
收購Empire Access Limited (「Empire Access」)產生之或然應付代價	165,123	收入法	貼現率	7.5%	所使用之貼現率增加將導致或然應付代價之公平值減少，反之亦然。
					As at 31 March 2018, it is estimated that a 5% increase or decrease in the discount rate used while holding all other variables constant would decrease or increase the carrying amount of contingent consideration payables by HK\$3,479,000 or HK\$3,122,000 respectively.
			Revenue for the period from 22 September 2017 to 21 September 2018 ("Revenue for First Period")	HK\$10,666,000	The increase in the Revenue for First Period, Revenue for Second Period and NP for Third Period used would result in increase in the fair value of contingent consideration payables, and vice versa.
			二零一七年九月二十二日至二零一八年九月二十一日期間之收益(「首個期間收益」)	10,666,000港元	所使用之首個期間收益、第二個期間收益及第三個期間純利增加將導致或然應付代價之公平值增加，反之亦然。
			Revenue for the period from 22 September 2018 to 21 September 2019 ("Revenue for Second Period")	HK\$47,319,000	As at 31 March 2018, it is estimated that a 5% increase or decrease in Revenue for First Period, Revenue for Second Period and NP for Third Period while holding all other variables constant would increase or decrease the carrying amount of contingent consideration payables by HK\$300,000 or HK\$2,754,000 respectively.
			二零一八年九月二十二日至二零一九年九月二十一日期間之收益(「第二個期間收益」)	47,319,000港元	於二零一八年三月三十一日，預計首個期間收益、第二個期間收益及第三個期間純利增加或減少5%，而所有其他變數維持不變，則或然應付代價之賬面值將分別增加300,000港元或減少2,754,000港元。
			Net profit for the period from 22 September 2019 to 21 September 2020 ("NP for Third Period")	HK\$22,766,000	
			二零一九年九月二十二日至二零二零年九月二十一日期間之純利(「第三個期間純利」)	22,766,000港元	

4. 財務風險管理及資本披露(續)

(d) 以公平值計量之財務資產及負債(續)

(ii) 有關第三級公平值計量之資料

於報告期末，第三級公平值計量所使用之估值方法及重大不可觀察輸入數據之量化資料(該等綜合財務報表附註25所披露可換股債券之資料除外)如下：

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4. FINANCIAL RISK MANAGEMENT AND CAPITAL DISCLOSURES (CONTINUED)

(d) Financial assets and liabilities measured at fair value (Continued)

(ii) Information about Level 3 fair value measurements (Continued)

Description	Fair value as at 31 March 2018 於二零一八年三月三十一日之 公平值 HK\$'000 千港元	Valuation techniques	Significant unobservable inputs	Inputs	Relationship of unobservable inputs to fair value
描述		估值方法	重大不可觀察輸入數據	輸入數據	不可觀察輸入數據與公平值之關係
Contingent consideration payables arising from the acquisition of IAHGames Hong Kong Limited ("IAHGames")	12,396	Income approach	Discount rate	6.6%	No sensitivity analysis is disclosed as the impact is not significant to the Group's profit or loss.
收購IAHGames Hong Kong Limited (「IAHGames」) 產生之或然應付代價	12,396	收入法	貼現率	6.6%	由於對本集團損益無重大影響，故並無披露敏感度分析。
			Revenue for the period from 1 January 2018 to 31 December 2019 二零一八年一月一日至二零一九年十二月三十一日期間之收益	HK\$188,128,000 188,128,000港元	
			Gross profit for the period from 1 January 2018 to 31 December 2019 二零一八年一月一日至二零一九年十二月三十一日期間之毛利	HK\$27,137,000 27,137,000港元	
Promissory notes payable arising from the acquisition of Soul Marketing Group Limited ("Soul Marketing")	4,760	Income approach	Discount rate	6.5% – 6.6%	No sensitivity analysis is disclosed as the impact is not significant to the Group's profit or loss.
收購凌市場策略集團有限公司 (「凌市場策略」) 產生之應付承兌票據	4,760	收入法	貼現率	6.5% – 6.6%	由於對本集團損益無重大影響，故並無披露敏感度分析。
			Profit after tax for the period from 23 December 2017 to 22 December 2019 二零一七年十二月二十三日至二零一九年十二月二十二日期間之除稅後溢利	HK\$2,831,000 2,831,000港元	
			Additional e-payment locations from 17 November 2017 to 22 December 2019 二零一七年十一月十七日至二零一九年十二月二十二日之額外電子支付地點	1,900 locations 1,900個地點	
Promissory notes payable arising from the acquisition of IAHGames	5,818	Income approach	Discount rate	6.6%	No sensitivity analysis is disclosed as the impact is not significant to the Group's profit or loss.
收購IAHGames產生之應付承兌票據	5,818	收入法	貼現率	6.6%	由於對本集團損益無重大影響，故並無披露敏感度分析。
			Earnings before interest, taxes, depreciation and amortisation for the period from 1 January 2018 to 31 December 2019 二零一八年一月一日至二零一九年十二月三十一日期間之扣除利息、稅項、折舊及攤銷前盈利	HK\$11,525,000 11,525,000港元	

4. 財務風險管理及資本披露 (續)

(d) 以公平值計量之財務資產及負債 (續)

(ii) 有關第三級公平值計量之資料 (續)

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4. FINANCIAL RISK MANAGEMENT AND CAPITAL DISCLOSURES (CONTINUED)

(d) Financial assets and liabilities measured at fair value (Continued)

(ii) Information about Level 3 fair value measurements (Continued)

The movements during the year ended 31 March 2018 in the balance of these Level 3 fair value measurements are as follows:

		Contingent consideration payables 或然應付代價 HK\$'000 千港元	Promissory notes payable 應付承兌票據 HK\$'000 千港元	Convertible bonds 可換股債券 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2017	於二零一七年四月一日	-	-	-	-
Acquisition of subsidiaries	收購附屬公司	168,255	10,131	-	178,386
Principal amount of convertible bonds issued	已發行可換股債券的本金額	-	-	265,000	265,000
Conversion of convertible bonds	轉換可換股債券	-	-	(12,254)	(12,254)
Net fair value changes included in profit or loss	計入損益之公平值變動淨額	9,264	447	57,764	67,475
At 31 March 2018	於二零一八年三月三十一日	177,519	10,578	310,510	498,607
Net fair value changes included in the profit or loss for liabilities held at the end of the reporting period	就於報告期末持有之負債計入損益之公平值變動淨額	9,264	447	57,764	67,475

4. 財務風險管理及資本披露(續)

(d) 以公平值計量之財務資產及負債(續)

(ii) 有關第三級公平值計量之資料(續)

該等第三級公平值計量之結餘於截至二零一八年三月三十一日止年度之變動如下：

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

4. FINANCIAL RISK MANAGEMENT AND CAPITAL DISCLOSURES (CONTINUED)

(d) Financial assets and liabilities measured at fair value (Continued)

(iii) Financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 31 March 2017 and 31 March 2018.

5. CRITICAL ACCOUNTING ESTIMATES 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.

(i) Useful lives of property, plant and equipment and intangible assets with finite useful lives

The Group's management determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and intangible assets with finite useful lives. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment and intangible assets of similar nature and functions. It could change significantly as a result of technical innovations and competitor actions in response to severe industry cycles. Management will increase the depreciation and amortisation charge where useful lives are less than previously estimated lives, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

4. 財務風險管理及資本披露(續)

(d) 以公平值計量之財務資產及負債(續)

(iii) 並非以公平值列值之財務資產及負債

本集團按成本或攤銷成本入賬之財務工具之賬面值與其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公平值差別不大。

5. 關鍵會計估計 估計不明朗因素的主要來源

下文載述與未來有關的主要假設及於報告期末估計不明朗因素的其他主要來源，有關來源可能存在導致資產與負債賬面值於下一個財政年度須作出重大調整的重大風險。

(i) 具有有限可使用年期物業、廠房及設備及無形資產的可使用年期

本集團管理層決定其具有有限可使用年期物業、廠房及設備及無形資產的估計可使用年期及相關折舊及攤銷開支。此估計乃根據在性質及功能相近的物業、廠房及設備及無形資產的實際可使用年期方面的以往經驗而定。技術創新及競爭對手因應嚴峻行業週期而採取的行動可能使估計有重大改變。倘可使用年期少於先前估計的年期，管理層將增加折舊及攤銷開支；管理層亦可能將已棄置或出售於技術上屬陳舊的資產或非策略資產予以撤銷或撤減。

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5. CRITICAL ACCOUNTING ESTIMATES (CONTINUED)

Key sources of estimation uncertainty (Continued)

(ii) *Impairment of property, plant and equipment*

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing its value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset, which requires significant judgement relating to level of revenue and amount of operating costs. The Group uses all readily available information in determining an amount that is a reasonable approximation of the recoverable amount, including estimates based on reasonable and supportable assumptions and projections of revenue and operating costs. Changes in these estimates could have a significant impact on the carrying amounts of the assets and could result in additional impairment charge or reversal of impairment in future periods.

(iii) *Impairment of intangible assets with finite useful lives*

The Group tests whether the intangible assets which have finite useful lives have suffered any impairment whenever there is any indication that the intangible assets have been impaired. The Group has made estimations and assumptions in relation to the potential future cash flows of identifiable intangible assets. This assessment involves estimations and assumptions relating to potential future revenues, appropriate discount rates and the useful lives of such assets. The recoverable amounts of these intangible assets have been determined based on the value-in-use calculations, which have been estimated using discounted cash flow method. The directors consider that the recoverable amount exceeded the carrying amount of the intangible assets and no impairment was recognised during the year.

(iv) *Impairment of receivables*

The Group estimates impairment losses for bad and doubtful debts resulting from the inability of the customers and other debtors to make the required payments. The Group bases the estimates on the ageing of the receivable balance, debtors' credit-worthiness, and historical write-off experience. If the financial condition of the customers and debtors were to deteriorate, actual impairment losses would be higher than estimated.

5. 關鍵會計估計(續)

估計不明朗因素的主要來源(續)

(ii) *物業、廠房及設備的減值*

資產的可收回金額為其公平值減出售成本與使用價值兩者間的較高者。於評估使用價值時，估計未來現金流量乃採用反映現時市場對貨幣時間價值的評估及該資產的特定風險的稅前貼現率，貼現至其現值，此舉要求作出與收入水平及經營成本金額相關的重大判斷。於釐定可收回金額的合理約數時，本集團會採用所有可隨時獲得的資料，包括根據合理及有支持的假設及收入及經營成本的預測作出的估計。該等估計的變動可能對資產的賬面值產生重大影響，並可能於未來期間導致額外的減值支出或減值撥回。

(iii) *具有有限使用年期之無形資產減值*

倘有任何跡象顯示無形資產已減值，本集團會測試具有有限使用年期之無形資產有否出現減值。本集團就可識別無形資產潛在未來現金流量作出估計及假設。此評估涉及就該等資產之潛在未來收益、適當貼現率及使用年期作出估計及假設。該等無形資產之可收回金額按採用貼現現金流量法估計之使用價值計算釐定。董事認為，無形資產之可收回金額高於其賬面值，故年內概無確認減值。

(iv) *應收款項的減值*

本集團因客戶或其他債務人無法作出所需付款而估計呆壞賬減值虧損。本集團基於應收款項結餘之賬齡、債務人之信譽以及過往撇銷經驗作出一定程度之估計。倘客戶及債務人之財務狀況惡化，則真正減值虧損會比估計更大。

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5. CRITICAL ACCOUNTING ESTIMATES (CONTINUED)

Key sources of estimation uncertainty (Continued)

(v) *Write down of inventories*

The management of the Group reviews its inventories at the end of each reporting period and write down the inventories to net realisable value. Management estimates the net realisable value for such items based primarily on the latest invoice prices and current market conditions. The Group carries out an inventory review on a product-by-product basis at the end of each reporting period and make allowance for obsolete items.

(vi) *Current taxation and deferred taxation*

Judgement is required in determining the amount of the provision for taxation and the timing of payment of the related taxation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the periods in which such determination are made.

Deferred taxation relating to certain temporary differences and tax losses are recognised as management considers it is probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. Where the expectation is different from the original estimate, such differences will impact the recognition of deferred taxation in the periods in which such estimate is changed.

(vii) *Provisions for goods return*

The Group makes provisions for goods return based on a percentage of sales and information on actual consumer returns of goods to estimate return percentages. The provision is calculated based on these factors and is adjusted for any fluctuations in the returns estimated by management as of the end of each reporting period. The estimate has been made on the basis of historical trends of return and may vary as a result of new product components, altered manufacturing process, other events affecting product quality or change in consumer behavior.

In evaluating the adequacy of the provision, the Group prepares an analysis to determine the reasons for unutilised provisions. If the analysis determines that some carry forward provision amounts were no longer appropriate based on actual claims experience, proper adjustments will be made to release the over-accrued portion.

5. 關鍵會計估計(續)

估計不明朗因素的主要來源(續)

(v) *存貨撇減*

本集團管理層於各報告期末檢討其存貨，並撇減存貨至可變現淨值。管理層主要根據最近期發票價格及現時市況估計有關項目的可變現淨值。本集團於各報告期末按逐個產品基準進行存貨檢討，並就陳舊項目作出撥備。

(vi) *即期稅項及遞延稅項*

於釐定稅項撥備金額及相關稅項的繳付時間時，須作出判斷。於日常業務過程中存在多項無法確定最終稅款的交易及計算。倘該等事項的最終稅務結果與最初記錄的金額不同，則該等差額將影響作出有關釐定期間的所得稅及遞延稅項撥備。

與若干暫時差額及稅項虧損有關的遞延稅項按管理層認為未來有可能出現應課稅溢利可用作抵銷該等暫時差額或稅項虧損而確認。當預期金額與原定估計有差額時，則有關差額將會於估計出現變動的期間內影響確認遞延稅項。

(vii) *退貨撥備*

本集團根據銷售比率與消費者實際退貨資料作出退貨撥備而估計退貨比率。撥備依據該等因素計算，並按管理層於各報告期末預期的任何退貨量波動予以調整。有關估計乃基於過往退貨趨勢而釐定，可能因應新產品組合、經調整生產工序、其他影響產品質素的事件或消費者喜好轉變而有所不同。

於評估撥備是否足夠時，本集團就未動用撥備作出分析以探討箇中原因。倘若有關分析根據實際申索經驗認為部分結轉撥備金額不再合適，本集團將作出適當調整回撥超額應計部分。

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5. CRITICAL ACCOUNTING ESTIMATES (CONTINUED)

Key sources of estimation uncertainty (Continued)

(viii) Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating unit (“CGU”) to which goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and a suitable discount rate in order to calculate the present value of those cash flows. Where the actual future cash flows are less than expected, impairment loss may arise.

(ix) Estimation of impairment of intangible assets with indefinite useful lives

Determining whether the intangible assets with indefinite useful lives are impaired requires an estimation of the recoverable amount of the CGU to which intangible assets with indefinite useful lives have been allocated, which is the higher of the value in use or fair value less costs of disposal. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, or changes in facts and circumstances result in a downward revision of future cash, a material impairment loss may arise.

(x) Estimation of the fair value of convertible bonds

As described in note 25 to these consolidated financial statements, the management uses their judgment in selecting an appropriate valuation technique for financial liabilities not quoted in an active market. The fair value of the convertible bonds is estimated based on Monte-Carlo simulation method with the key inputs of the discount rate, share price, risk-free rate and expected volatility. The management believes that the chosen valuation techniques and assumptions are appropriate in determining the fair value of the convertible bonds.

5. 關鍵會計估計(續)

估計不明朗因素的主要來源(續)

(viii) 商譽減值

本集團至少每年釐定商譽是否出現減值。此需要估計獲分配商譽之現金產生單位(「現金產生單位」)之使用價值。估計使用價值要求本集團估計現金產生單位之預期未來現金流量，並選擇適當貼現率以計算該等現金流量之現值。倘實際未來現金流量低於預期，則可能產生減值虧損。

(ix) 估計具無限可使用年期之無形資產之減值

釐定具無限可使用年期之無形資產是否出現減值需要估計具無限可使用年期之無形資產獲分配之現金產生單位之可收回金額(即使用價值或公平值減出售成本中的較高者)。使用價值計算要求本集團估計現金產生單位預期產生之未來現金流量，並選擇適當貼現率以計算現值。倘實際未來現金流量低於預期，或事實及情況變化導致未來現金下調，則可能產生重大減值虧損。

(x) 估計可換股債券之公平值

誠如本綜合財務報表附註25所述，管理層採用彼等之判斷就並無於活躍市場報價之財務負債選用適當之估值技術。可換股債券之公平值乃按蒙地卡羅模擬法以貼現率、股價、無風險利率及預期波幅等主要輸入數據估計。管理層相信，釐定可換股債券之公平值所選用之估值技術及假設屬恰當。

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5. CRITICAL ACCOUNTING ESTIMATES (CONTINUED)

Key sources of estimation uncertainty (Continued)

(xi) *Fair values of contingent consideration payables and promissory notes payable*

The fair value of contingent consideration payables and promissory notes payable were determined by using valuation techniques. The management uses their judgement to select a variety of methods and make assumptions, including the discount rates and estimation of future performance. Changes in assumption used could materially affect the fair value of the balances and as a result affect the Group's financial condition and results of operation. The management believes that income approach, being the valuation technique chosen, is appropriate in determining the fair value of the contingent consideration payables and promissory notes payable.

(xii) *Purchase price allocations of business combinations*

As further detailed in note 31 to these consolidated financial statements, the Group acquired a number of entities during the year ended 31 March 2018. An independent professional valuer is engaged to perform the valuation of the identifiable assets acquired and liabilities assumed of the subsidiaries acquired. The accounting for business combinations, which were accounted for using the acquisition method, relied on a significant amount of management estimation and judgements in respect of fair value measurement and allocation of the purchase price.

5. 關鍵會計估計(續)

估計不明朗因素的主要來源(續)

(xi) *或然應付代價及應付承兌票據之公平值*

或然應付代價及應付承兌票據之公平值採用估值技術釐定。管理層使用其判斷選擇多種方式並作出假設，包括貼現率及未來表現之估計。所用假設之變動可對結餘之公平值產生重大影響，因而影響本集團之財務狀況及經營業績。管理層認為，收入法(即所選用之估值方法)適合釐定或然應付代價及應付承兌票據之公平值。

(xii) *業務合併之購買價分配*

誠如本綜合財務報表附註31進一步詳述，本集團於截至二零一八年三月三十一日止年度收購若干實體。獨立專業估值師已獲委聘，以對所收購附屬公司之所收購可識別資產及所承擔負債進行估值。業務合併之會計處理方法(使用收購法入賬)就公平值計量及購買價分配而言較程度上依賴管理層的估計及判斷。

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6. REVENUE

The Group is principally engaged in the sale, marketing and distribution of health and beauty supplements and products mainly in Hong Kong, Taiwan and the PRC, provision of online advertising agency business, online payment business, e-commerce promotion business and game distribution business.

Revenue represents the income from sales of health and beauty supplements and products, provision of online advertising agency business, online payment business, e-commerce promotion business and game distribution business, net of returns, discounts, value-added tax and other sales taxes for the year. An analysis of revenue is as follows:

6. 收益

本集團主要於香港、台灣及中國從事銷售、推銷及分銷保健產品以及美容補品及產品、提供線上廣告代理業務、線上支付業務、電子商務推廣業務及遊戲發行業務。

收益指銷售保健產品以及美容補品及產品、提供線上廣告代理業務、線上支付業務、電子商務推廣業務及遊戲發行業務的收入，扣除年內退回、折扣、增值稅及其他銷售稅。收益分析如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Health and beauty supplements and products	保健產品以及美容補品及產品	250,797	220,853
Online advertising agency business	線上廣告代理業務	9,447	-
Online payment business	線上支付業務	1,751	-
Others	其他	2,456	-
		264,451	220,853

7. OTHER REVENUE AND OTHER NET LOSS

7. 其他收益及其他虧損淨額

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Other revenue	其他收益		
Bank interest income	銀行利息收入	21	43
Total interest income on financial assets not at fair value through profit or loss	並非按公平值經損益入賬的財務資產的利息收入總額	21	43
Sundry income	雜項收入	1,107	211
		1,128	254
Other net loss	其他虧損淨額		
Net loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損淨額	(169)	(230)
Exchange (loss)/gain, net	匯兌(虧損)/收益, 淨額	(394)	185
		(563)	(45)
		565	209

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8. (LOSS)/PROFIT BEFORE TAXATION

(Loss)/profit before taxation is arrived at after charging the followings:

8. 除稅前(虧損)/溢利

除稅前(虧損)/溢利乃經扣除以下各項後得出：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
(a) Staff costs:	(a) 員工成本：		
Salaries, allowances, and other benefits (including directors' emoluments (note 9))	薪金、津貼及其他福利 (包括董事酬金(附註9))	84,160	58,982
Contributions to defined contribution retirement plans	定額供款退休計劃供款	2,968	2,176
Equity-settled share-based payments	以股權結算以股份支付之開支	29,290	-
		116,418	61,158
(b) Other items:	(b) 其他項目：		
Auditors' remuneration	核數師酬金	1,431	1,239
Cost of inventories (notes (i) below and 18(b))	存貨成本 (見下文附註(i)及附註18(b))	76,155	63,732
Depreciation on property, plant and equipment	物業、廠房及設備折舊	6,950	4,633
Amortisation of intangible assets	無形資產攤銷	6,102	143
Provisions for goods returns	退貨撥備	609	932
Operating lease charges: minimum lease payments	經營租賃開支：最低租金	5,265	1,888
Research and development costs (other than amortisation costs)	研發成本 (攤銷成本除外)	3,396	3,073
Impairment loss on trade receivables	應收賬款減值虧損	-	23
Rent for special designated counters	特別指定櫃位租金	37,922	31,128
Transaction costs arising from the issuance of convertible bonds	發行可換股債券產生的交易成本	15,026	-
Legal and professional fee	法律及專業費用	14,867	4,228
(c) Finance costs:	(c) 融資成本：		
Bank overdrafts interest	銀行透支利息	-	3
Interest on bank borrowings	銀行借款利息	1,283	773
Interest on other borrowings	其他借款利息	165	-
Total interest expenses on financial liabilities not at fair value through profit or loss	並非以公平值經損益入賬的財務負債的利息開支總額	1,448	776
Interest on convertible bonds	可換股債券的利息	7,126	-
		8,574	776

Note:

- (i) For the year ended 31 March 2018, cost of inventories includes HK\$5,291,000 (2017: HK\$5,309,000) relating to staff costs, depreciation on property, plant and equipment and provisions for goods return, which amount is also included in the respective total amounts disclosed separately above for each of these types of expenses.

附註：

- (i) 截至二零一八年三月三十一日止年度，存貨成本為5,291,000港元(二零一七年：5,309,000港元)，與員工成本、物業、廠房及設備折舊及退貨撥備有關。有關金額亦計入上文分開披露此等開支種類的總額內。

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

9. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S EMOLUMENTS

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

For the year ended 31 March 2018

9. 董事及行政總裁酬金

根據香港公司條例第383(1)條及《公司(披露董事利益資料)規例》第二部分披露的董事酬金如下：

截至二零一八年三月三十一日止年度

		Fees	Salaries, allowances and benefits in kind	Equity-settled share-based payments	Retirement scheme contributions	Total
		袍金	薪金、津貼及實物福利	以股權結算以股份支付之開支	退休計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
				(note xv)		
				(附註xv)		
Chairman, chief executive officer and executive director	主席、行政總裁兼執行董事					
Mr. Chan Yan Tak	陳恩德先生	-	2,850	-	18	2,868
Executive directors	執行董事					
Mr. Wong Mau Tai (Note i)	黃茂泰先生(附註i)	-	109	-	2	111
Mr. Lim Ming Shing, Tony (Note x)	林鎔誠先生(附註x)	-	392	-	8	400
Mr. Lee Chi Hang, Sidney	李志恒先生	-	1,300	1,238	18	2,556
Mr. Wong Ping Yiu (Note ii)	黃平耀先生(附註ii)	-	890	825	18	1,733
Mr. Wang Xihua	王西華先生	-	1,270	825	18	2,113
Mr. Lai Wei Lam, William (Note xi)	賴偉林先生(附註xi)	-	860	825	19	1,704
Mr. So Kevin Hoi Chak (Note xii)	蘇凱澤先生(附註xii)	-	540	825	6	1,371
Mr. Liao Zhe (Note xiii)	廖喆先生(附註xiii)	-	1,223	4,126	2	5,351
Independent non-executive directors	獨立非執行董事					
Ms. Szeto Wai Ling, Virginia	司徒惠玲女士	240	-	413	-	653
Mr. Leung Winson Kwan Yau	梁鈞濠先生	240	-	413	-	653
Mr. Tam Kin Yip	譚健業先生	240	-	413	-	653
Mr. Leung Man Loon (Note xiv)	梁文龍先生(附註xiv)	133	-	413	-	546
		853	9,434	10,316	109	20,712

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9. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S EMOLUMENTS (CONTINUED)

For the year ended 31 March 2017

9. 董事及行政總裁酬金(續)

截至二零一七年三月三十一日止年度

		Fees	Salaries, allowances and benefits in kind	Retirement scheme contributions	Total
		袍金	薪金、津貼及實物福利	退休計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Chairman, chief executive officer and executive director	主席、行政總裁兼執行董事				
Mr. Chan Yan Tak	陳恩德先生	–	1,800	18	1,818
Executive directors	執行董事				
Mr. Wong Mau Tai (Note i)	黃茂泰先生(附註i)	–	941	18	959
Mr. Lim Ming Shing, Tony	林銘誠先生	–	941	18	959
Mr. Lee Chi Hang, Sidney	李志恒先生	–	1,200	18	1,218
Mr. Wong Ping Yiu (Note ii)	黃平耀先生(附註ii)	–	468	14	482
Mr. Wang Xihua (Note iii)	王西華先生(附註iii)	–	526	9	535
Non-executive director	非執行董事				
Madam Tsang Pui Man (Note iv)	曾佩雯女士(附註iv)	135	–	–	135
Independent non-executive directors	獨立非執行董事				
Professor Ng Ka Ming (Note v)	吳嘉名教授(附註v)	281	–	–	281
Mr. Cheng Kwok Kin, Paul (Note vi)	鄭國乾先生(附註vi)	205	–	–	205
Ms. Szeto Wai Ling, Virginia (Note vii)	司徒惠玲女士(附註vii)	283	–	–	283
Mr. Leung Winson Kwan Yau (Note viii)	梁鈞濇先生(附註viii)	126	–	–	126
Mr. Tam Kin Yip (Note ix)	譚健業先生(附註ix)	16	–	–	16
		1,046	5,876	95	7,017

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9. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S EMOLUMENTS (CONTINUED)

Notes:

- (i) Mr. Wong Mau Tai retired as the executive director of the Company on 5 April 2017.
- (ii) Mr. Wong Ping Yiu was appointed as the executive director of the Company on 20 June 2016 and resigned on 4 May 2018.
- (iii) Mr. Wang Xihua was appointed as the executive director of the Company on 24 October 2016.
- (iv) Madam Tsang Pui Man resigned as the non-executive director of the Company on 24 October 2016.
- (v) Professor Ng Ka Ming resigned as the independent non-executive director of the Company on 7 March 2017.
- (vi) Mr. Cheng Kwok Kin, Paul resigned as the independent non-executive director of the Company on 6 December 2016.
- (vii) Ms. Szeto Wai Ling, Virginia was appointed as the independent non-executive director of the Company on 15 April 2016.
- (viii) Mr. Leung Winson Kwan Yau was appointed as the independent non-executive director of the Company on 24 October 2016.
- (ix) Mr. Tam Kin Yip was appointed as the independent non-executive director of the Company on 7 March 2017.
- (x) Mr. Lim Ming Shing, Tony retired as the executive director of the Company on 31 August 2017.
- (xi) Mr. Lai Wei Lam, William was appointed as the executive director of the Company on 1 July 2017.
- (xii) Mr. So Kevin Hoi Chak was appointed as the executive director of the Company on 11 September 2017 and resigned on 13 February 2018.
- (xiii) Mr. Liao Zhe was appointed as the executive director of the Company on 10 October 2017.
- (xiv) Mr. Leung Man Loon was appointed as the independent non-executive director on 11 September 2017.
- (xv) These represent the estimated value of share options granted to the directors under the Company's share option scheme. The value of these share options is measured according to the Group's accounting policies for equity-settled share-based payment transactions as set out in note 2(q)(ii) and, in accordance with the policies, includes adjustments to reverse amounts accrued in previous years where grants of equity instruments are forfeited prior to vesting. The details of these benefits in kind, including the principal terms and number of options granted, are disclosed under the note 36.

During the year, no director of the Company has waived any emoluments and no emoluments were paid or payable by the Group to any of the directors as an inducement to join or upon joining the Group, or as compensation for loss of office.

9. 董事及行政總裁酬金(續)

附註：

- (i) 黃茂泰先生於二零一七年四月五日退任本公司執行董事。
- (ii) 黃平耀先生於二零一六年六月二十日獲委任為本公司執行董事，並於二零一八年五月四日辭任。
- (iii) 王西華先生於二零一六年十月二十四日獲委任為本公司執行董事。
- (iv) 曾佩雯女士於二零一六年十月二十四日辭任本公司非執行董事。
- (v) 吳嘉名教授於二零一七年三月七日辭任本公司獨立非執行董事。
- (vi) 鄭國乾先生於二零一六年十二月六日辭任本公司獨立非執行董事。
- (vii) 司徒惠玲女士於二零一六年四月十五日獲委任為本公司獨立非執行董事。
- (viii) 梁鈞濂先生於二零一六年十月二十四日獲委任為本公司獨立非執行董事。
- (ix) 譚健業先生於二零一七年三月七日獲委任為本公司獨立非執行董事。
- (x) 林銘誠先生於二零一七年八月三十一日退任本公司執行董事。
- (xi) 賴偉林先生於二零一七年七月一日獲委任為本公司執行董事。
- (xii) 蘇凱澤先生於二零一七年九月十一日獲委任為本公司執行董事並於二零一八年二月十三日辭任。
- (xiii) 廖喆先生於二零一七年十月十日獲委任為本公司執行董事。
- (xiv) 梁文龍先生於二零一七年九月十一日獲委任為獨立非執行董事。
- (xv) 這項是指根據本公司的購股權計劃授予董事的購股權的估算價值。該等購股權的價值是按照附註2(q)(ii)所列本集團有關以股權結算以股份支付交易的會計政策計量，包括反向調整有關於過往年度授出之權益工具於歸屬前失效的應計金額。該等實物福利的詳情，包括主要條款及授出購股權數目，載列於附註36。

本公司董事年內概無放棄任何酬金，而本集團亦無向任何董事支付或應付任何酬金，作為彼等加入本集團或加入本集團時的獎勵或離職補償。

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10. INDIVIDUALS WITH HIGHEST EMOLUMENTS

Details of the emoluments paid to the five highest paid individuals (including directors and other employees) 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 emoluments	薪金及其他酬金	7,308	8,094
Equity-settled share-based payments	以股權結算以股份支付之開支	10,525	-
Contributions to retirement benefits schemes	退休福利計劃供款	66	90
		17,899	8,184
Number of directors	董事人數	3	1
Number of employees	僱員人數	2	4
		5	5

During the year, no emolument was paid to the five highest paid individuals (including directors and other employees) as an inducement to join or upon joining the Group or as compensation of loss of office and no bonus was paid or payable by the Group to the five highest paid individuals based on the performance of the Group.

The emoluments of the 2 individuals (2017: 4 individuals) other than directors with the highest emoluments are within the individuals following bands:

		2018 二零一八年 Number of individuals 人數	2017 二零一七年 Number of individuals 人數
HK\$1,000,001 up to HK\$1,500,000	1,000,001港元至1,500,000港元	-	2
HK\$1,500,001 up to HK\$2,000,000	1,500,001港元至2,000,000港元	-	1
HK\$2,000,001 up to HK\$2,500,000	2,000,001港元至2,500,000港元	-	1
HK\$2,500,001 up to HK\$3,000,000	2,500,001港元至3,000,000港元	1	-
HK\$4,000,001 up to HK\$4,500,000	4,000,001港元至4,500,000港元	1	-

10. 最高薪人士

向五名最高薪人士(包括董事及其他僱員)所支付的酬金詳情如下:

於年內，並無向五名最高薪人士(包括董事及其他僱員)支付酬金作為加入本集團的獎勵或吸引加入本集團的獎勵或離職補償，亦無根據本集團的業績而向五名最高薪人士支付或應付任何花紅。

最高薪的2位人士(二零一七年：4位人士)(不包括董事)的酬金介乎下列組別：

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11. TAXATION

Income tax in the consolidated statement of profit or loss represents:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current tax	即期稅項		
Hong Kong Profits Tax	香港利得稅	3,743	3,281
PRC Enterprise Income Tax	中國企業所得稅	-	573
Overprovision in respect of prior years	過往年度超額撥備		
PRC Enterprise Income Tax	中國企業所得稅	(107)	-
Deferred tax (note 28(a))	遞延稅項(附註28(a))		
Reversal of temporary differences	暫時差額的撥回	(944)	(37)
		2,692	3,817

The provision for Hong Kong Profits Tax is calculated at 16.5% (2017: 16.5%) of the estimated assessable profits for the year.

For the year ended 31 March 2018, no provision for PRC Enterprise Income Tax (the "EIT") has been made in the consolidated financial statements as the Group has no assessable profits under EIT. For the year ended 31 March 2017, the provision for EIT is calculated at the standard rate of 25% on the estimated assessable profit for the year as determined in accordance with the relevant income tax rules and regulations of the PRC.

No provision for profits tax in the Cayman Islands, the British Virgin Islands ("BVI"), Malaysia, Macau and Taiwan have been made as the Group has no income or profit assessable for tax in these jurisdictions for the years ended 31 March 2017 and 2018.

11. 稅項

綜合損益表內的所得稅指：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current tax		
Hong Kong Profits Tax	3,743	3,281
PRC Enterprise Income Tax	-	573
Overprovision in respect of prior years		
PRC Enterprise Income Tax	(107)	-
Deferred tax (note 28(a))		
Reversal of temporary differences	(944)	(37)
	2,692	3,817

本年度之香港利得稅撥備乃按估計應課稅溢利的16.5%(二零一七年：16.5%)計算。

截至二零一八年三月三十一日止年度，於綜合財務報表並無作出中國企業所得稅(「企業所得稅」)撥備，原因為本集團並無企業所得稅應課稅溢利。截至二零一七年三月三十一日止年度，企業所得稅撥備乃就根據中國相關所得稅規則及條例釐定的年內估計應課稅溢利按標準稅率25%計算。

由於本集團於截至二零一七年及二零一八年三月三十一日止年度內並無在開曼群島、英屬處女群島(「英屬處女群島」)、馬來西亞、澳門及台灣錄得任何應課稅收入或溢利，故並無就此等司法權區作出利得稅撥備。

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11. TAXATION (CONTINUED)

Reconciliation between tax expenses and accounting (loss)/profit at the applicable tax rates:

		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 taxation	除稅前(虧損)/溢利	(142,056)	15,640
Notional tax on (loss)/profit before taxation, calculated at the rates applicable to profits or losses in the tax jurisdictions concerned	除稅前(虧損)/溢利的理論稅項，按溢利或虧損在被考慮的司法權區的適用稅率計算	(24,042)	2,408
Tax effect on non-taxable income	毋須課稅收入的稅務影響	(124)	(4)
Tax effect on non-deductible expenses	不可扣稅開支的稅務影響	22,964	501
Tax effect of tax losses not recognised	未確認稅項虧損的稅務影響	3,767	427
Tax effect of temporary differences recognised	已確認暫時差額的稅務影響	432	19
Special tax deduction	特殊稅務寬減	(178)	(109)
Overprovision in respect of prior year	過往年度超額撥備	(107)	-
Utilisation of tax losses not previously recognised	動用過往未確認稅項虧損	(285)	(453)
Others	其他	265	1,028
Actual tax expense	實際稅項支出	2,692	3,817

12. DIVIDENDS

The Board does not recommend the payment of any dividend for the years ended 31 March 2017 and 2018.

11. 稅項(續)

稅項開支與按適用稅率計算的會計(虧損)/溢利的對賬如下：

12. 股息

董事會不建議就截至二零一七年及二零一八年三月三十一日止年度派付任何股息。

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13. (LOSS)/EARNINGS PER SHARE

(a) Basic (loss)/earnings per share

The calculation of basic (loss)/earnings per share is based on the following data:

		2018 二零一八年	2017 二零一七年 (Restated) (經重列)
(Loss)/earnings	(虧損)/盈利		
(Loss)/profit for the year attributable to owners of the Company for the purpose of basic (loss)/earnings per share (HK\$'000)	用以計算每股基本(虧損)/盈利之本公司擁有人應佔年內(虧損)/溢利(千港元)	(139,217)	12,746
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic (loss)/earnings per share (Note)	用以計算每股基本(虧損)/盈利之普通股加權平均數(附註)	2,114,635,675	2,082,858,082

Note:

For the years ended 31 March 2017 and 2018, the weighted average number of ordinary share for the purpose of basic (loss)/earnings per share have been adjusted to reflect the share subdivision on 5 December 2017 (the "Share Subdivision"). Details of the Share Subdivision have been set out in note 29(b)(ii) to these financial statements.

(b) Diluted (loss)/earnings per share

For the year ended 31 March 2018, the calculation of diluted loss per share did not assume the conversion of the Company's outstanding convertible bonds and share options since their exercises would result in a decrease in loss per share.

For the year ended 31 March 2017, the computation of diluted earnings per share did not assume the conversion of the Company's share option because the exercise price of the Company's share options were higher than the average market price of the Company's shares during the year.

13. 每股(虧損)/盈利

(a) 每股基本(虧損)/盈利

每股基本(虧損)/盈利乃根據下列數據計算：

	2018 二零一八年	2017 二零一七年 (Restated) (經重列)
(Loss)/earnings		
(Loss)/profit for the year attributable to owners of the Company for the purpose of basic (loss)/earnings per share (HK\$'000)	(139,217)	12,746
Number of shares		
Weighted average number of ordinary shares for the purpose of basic (loss)/earnings per share (Note)	2,114,635,675	2,082,858,082

附註：

截至二零一七年及二零一八年三月三十一日止年度，用以計算每股基本(虧損)/盈利之普通股加權平均數已經調整，以反映於二零一七年十二月五日之股份拆細(「股份拆細」)。股份拆細之詳情載於該等財務報表附註29(b)(ii)。

(b) 每股攤薄(虧損)/盈利

截至二零一八年三月三十一日止年度，計算每股攤薄虧損並無假設本公司尚未行使可換股債券及購股權獲轉換，原因是轉換尚未行使可換股債券及購股權將導致每股虧損減少。

截至二零一七年三月三十一日止年度，計算每股攤薄盈利並無假設本公司購股權獲轉換，原因是本公司購股權之行使價高於本公司股份於年內的平均市價。

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14. EMPLOYEE RETIREMENT BENEFITS

Defined contribution retirement plan

The Group operates a Mandatory Provident Fund Scheme (“the MPF scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees’ relevant income, subject to a cap of monthly relevant income of HK\$30,000. Contributions to the plan vest immediately.

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

14. 僱員退休福利

定額供款退休計劃

本集團根據香港強制性公積金計劃條例為在香港僱傭條例保障下受聘的僱員設立一項強制性公積金計劃（「強積金計劃」）。強積金計劃為一項由獨立受託人管理的定額供款退休計劃。根據強積金計劃，僱主及其僱員各自須按僱員相關收入的5%向計劃供款，最高每月相關收入為30,000港元。計劃供款即時歸屬。

本公司於中國的附屬公司僱員均參與由中國政府設立的國家管理退休福利計劃。該等附屬公司須按薪金的規定百分比向該退休福利計劃供款以支付福利。本集團對該退休福利計劃的唯一責任為作出規定的供款。

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15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

		Leasehold land and buildings held for own use carried at cost 按成本列賬 持作自用的 租賃土地 及樓宇 HK\$'000 千港元	Leasehold improvements 租賃裝修 HK\$'000 千港元	Plant and machinery 廠房及機器 HK\$'000 千港元	Furniture, fixtures and equipment 傢具、裝置 及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost	成本						
At 1 April 2016	於二零一六年四月一日	48,764	7,385	1,312	4,016	4,335	65,812
Additions	添置	-	2,267	1,318	933	280	4,798
Disposals	出售	-	(752)	-	(75)	-	(827)
Exchange adjustments	匯兌調整	-	-	-	(2)	-	(2)
At 31 March 2017 and 1 April 2017	於二零一七年三月三十一日及 二零一七年四月一日	48,764	8,900	2,630	4,872	4,615	69,781
Additions through acquisition of subsidiaries	透過收購附屬公司的添置	65,834	1,452	-	2,080	12	69,378
Additions	添置	-	2,468	534	2,450	-	5,452
Disposals	出售	-	(151)	-	(81)	(683)	(915)
Exchange adjustments	匯兌調整	-	1	-	2	-	3
At 31 March 2018	於二零一八年三月三十一日	114,598	12,670	3,164	9,323	3,944	143,699
Accumulated depreciation and impairment loss	累計折舊及減值虧損						
At 1 April 2016	於二零一六年四月一日	4,125	3,493	1,011	2,178	623	11,430
Charge for the year	年內支出	1,428	1,255	372	678	900	4,633
Written back on disposals	出售時撥回	-	(548)	-	(47)	-	(595)
Exchange adjustments	匯兌調整	-	-	-	(1)	-	(1)
At 31 March 2017 and 1 April 2017	於二零一七年三月三十一日及 二零一七年四月一日	5,553	4,200	1,383	2,808	1,523	15,467
Charge for the year	年內支出	2,684	1,718	590	1,081	877	6,950
Written back on disposals	出售時撥回	-	(46)	-	(42)	(307)	(395)
Exchange adjustments	匯兌調整	-	3	-	2	-	5
At 31 March 2018	於二零一八年三月三十一日	8,237	5,875	1,973	3,849	2,093	22,027
Carrying amount	賬面值						
At 31 March 2018	於二零一八年三月三十一日	106,361	6,795	1,191	5,474	1,851	121,672
At 31 March 2017	於二零一七年三月三十一日	43,211	4,700	1,247	2,064	3,092	54,314

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15. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

As at 31 March 2018, the Group has pledged its leasehold land and buildings held for own use with carrying amount of HK\$41,785,000 (2017: HK\$43,211,000) to a bank to secure banking facilities granted to the Group (note 23).

15. 物業、廠房及設備(續)

於二零一八年三月三十一日，本集團已抵押其持作自用的租賃土地及樓宇(賬面值為41,785,000港元(二零一七年：43,211,000港元))予一家銀行，作為本集團獲授銀行融資的抵押品(附註23)。

16. INTANGIBLE ASSETS

16. 無形資產

		Club membership 俱樂部會籍 HK\$'000 千港元	Product development rights 產品開發權 HK\$'000 千港元	Licensing agreements 許可權協議 HK\$'000 千港元	Customer relationship 客戶關係 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost	成本					
At 1 April 2016	於二零一六年四月一日	–	1,000	–	–	1,000
Additions	添置	2,200	–	–	–	2,200
At 31 March 2017 and 1 April 2017	於二零一七年三月三十一日及 二零一七年四月一日	2,200	1,000	–	–	3,200
Additions through acquisition of subsidiaries (note 31)	透過收購附屬公司的添置 (附註31)	–	–	206,758	2,758	209,516
At 31 March 2018	於二零一八年三月三十一日	2,200	1,000	206,758	2,758	212,716
Accumulated amortisation	累計攤銷					
At 1 April 2016	於二零一六年四月一日	–	305	–	–	305
Charge for the year	年內支出	–	143	–	–	143
At 31 March 2017 and 1 April 2017	於二零一七年三月三十一日及 二零一七年四月一日	–	448	–	–	448
Charge for the year	年內支出	–	143	5,809	150	6,102
At 31 March 2018	於二零一八年三月三十一日	–	591	5,809	150	6,550
Carrying amount	賬面值					
At 31 March 2018	於二零一八年三月三十一日	2,200	409	200,949	2,608	206,166
At 31 March 2017	於二零一七年三月三十一日	2,200	552	–	–	2,752

Particulars of the impairment testing of the licensing agreements and customer relationship are set out in note 17.

許可權協議及客戶關係之減值測試詳情載於附註17。

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17. GOODWILL

17. 商譽

		HK\$'000 千港元
Cost and net carrying amount	成本及賬面淨值	
At 1 April 2016, 31 March 2017 and 1 April 2017	於二零一六年四月一日、二零一七年三月三十一日及二零一七年四月一日	–
Acquisition of Star Root Limited (“Star Root”)	收購Star Root Limited (「Star Root」)	31,214
Acquisition of Empire Access	收購Empire Access	113,373
Acquisition of Soul Marketing	收購凌市場策略	8,348
Acquisition of IAHGames	收購IAHGames	24,561
At 31 March 2018	於二零一八年三月三十一日	177,496

Goodwill has been allocated for impairment testing purposes to the following CGUs:

- Online advertising agency business (“Division A”)
- Online payment business (“Division B”)
- E-commerce promotion business (“Division C”)
- Game distribution business (“Division D”)

The basis of the recoverable amounts of the above CGUs and their major underlying assumptions are summarised below.

商譽已獲分配至以下現金產生單位以進行減值測試：

- 線上廣告代理業務(「分部A」)
- 線上支付業務(「分部B」)
- 電子商務推廣業務(「分部C」)
- 遊戲發行業務(「分部D」)

上述現金產生單位之可收回金額基準及其主要相關假設概述如下。

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17. GOODWILL (CONTINUED)

Division A

For the impairment testing, goodwill arising from acquisition of Star Root and licensing agreements classified as “intangible assets” are allocated to the Group’s CGU A.

The recoverable amount of the CGU of online advertising agency business was based on its value in use and was determined with the assistance of Colliers International (Hong Kong) Limited, an independent professional qualified valuer not connected with the Group. The calculation used cash flow projection based on financial budgets approved by management covering a five-year period, and at a discount rate of 17.9%. The discount rate used is pre-tax and reflect specific risks relating to the relevant CGU. Cash flows after the five-year period were extrapolated using 3% growth rate in considering the economic condition of the market. Another key assumption for the value in use calculations was the budgeted gross margin, which was determined based on CGU’s past performance and management’s expectations for the market development.

Division B

For the impairment testing, goodwill arising from acquisition of Empire Access and licensing agreements classified as “intangible assets” are allocated to the Group’s CGU B.

The recoverable amount of the CGU of online payment business was based on its value in use and was determined with the assistance of Colliers International (Hong Kong) Limited, an independent professional qualified valuer not connected with the Group. The calculation used cash flow projection based on financial budgets approved by management covering a three-year period, and at a discount rate of 16.8%. The discount rate used is pre-tax and reflect specific risks relating to the relevant CGU. Cash flows after the five-year period were extrapolated using 3% growth rate in considering the economic condition of the market. Another key assumption for the value in use calculations was the budgeted gross margin, which was determined based on CGU’s past performance and management’s expectations for the market development.

17. 商譽(續)

分部A

就減值測試而言，收購Star Root所得商譽及分類為「無形資產」之許可權協議獲分配至本集團之現金產生單位A。

線上廣告代理業務之現金產生單位之可收回金額乃基於其使用價值，並在與本集團概無關連之獨立專業估值師高力國際物業顧問(香港)有限公司之協助下釐定。有關計算採用基於管理層所批准涵蓋五年期間之財務預算及按貼現率17.9%計算之現金流量預測。所使用之貼現率為稅前貼現率，並反映與相關現金產生單位有關之特定風險。五年期間後之現金流量乃經考慮市場經濟狀況，按3%增長率推算。用於使用價值計算的另一關鍵假設為預算毛利，此乃根據現金產生單位的過往表現及管理層對市場發展的預期釐定。

分部B

就減值測試而言，收購Empire Access所得商譽及分類為「無形資產」之許可權協議獲分配至本集團之現金產生單位B。

線上支付業務之現金產生單位之可收回金額乃基於其使用價值，並在與本集團概無關連之獨立專業估值師高力國際物業顧問(香港)有限公司之協助下釐定。有關計算採用基於管理層所批准涵蓋三年期間之財務預算及按貼現率16.8%計算之現金流量預測。所使用之貼現率為稅前貼現率，並反映與相關現金產生單位有關之特定風險。五年期間後之現金流量乃經考慮市場經濟狀況，按3%增長率推算。用於使用價值計算的另一關鍵假設為預算毛利，此乃根據現金產生單位的過往表現及管理層對市場發展的預期釐定。

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17. GOODWILL (CONTINUED)

Division C

For the impairment testing, goodwill arising from acquisition of Soul Marketing and customer relationship classified as “intangible assets” are allocated to the Group’s CGU C.

The recoverable amount of the CGU of e-commerce promotion business was based on its value in use and was determined with the assistance of Colliers International (Hong Kong) Limited, an independent professional qualified valuer not connected with the Group. The calculation used cash flow projection based on financial budgets approved by management covering a five-year period, and at a discount rate of 18.5%. The discount rate used is pre-tax and reflect specific risks relating to the relevant CGU. Cash flows after the five-year period were extrapolated using 3% growth rate in considering the economic condition of the market. Another key assumption for the value in use calculations was the budgeted gross margin, which was determined based on CGU’s past performance and management’s expectations for the market development.

Division D

For the impairment testing, goodwill arising from acquisition of IAHGames is allocated to the Group’s CGU D.

The recoverable amount of the CGU of game distribution business was based on its value in use and was determined with the assistance of Colliers International (Hong Kong) Limited, an independent professional qualified valuer not connected with the Group. The calculation used cash flow projection based on financial budgets approved by management covering a three-year period, and at a discount rate of 21.2%. The discount rate used is pre-tax and reflect specific risks relating to the relevant CGU. Cash flows after the five-year period were extrapolated using 3% growth rate in considering the economic condition of the market. Another key assumption for the value in use calculations was the budgeted gross margin, which was determined based on CGU’s past performance and management’s expectations for the market development.

Based on the results of the impairment testing of goodwill, in the opinion of the directors, no impairment provision is considered necessary for the Group’s goodwill as at 31 March 2018 (2017: Nil).

17. 商譽(續)

分部C

就減值測試而言，收購凌市場策略所得商譽及分類為「無形資產」之客戶關係獲分配至本集團之現金產生單位C。

電子商務推廣業務之現金產生單位之可收回金額乃基於其使用價值，並在與本集團概無關連之獨立專業估值師高力國際物業顧問(香港)有限公司之協助下釐定。有關計算採用基於管理層所批准涵蓋五年期間之財務預算及按貼現率18.5%計算之現金流量預測。所使用之貼現率為稅前貼現率，並反映與相關現金產生單位有關之特定風險。五年期間後之現金流量乃經考慮市場經濟狀況，按3%增長率推算。用於使用價值計算的另一關鍵假設為預算毛利，此乃根據現金產生單位的過往表現及管理層對市場發展的預期釐定。

分部D

就減值測試而言，收購IAHGames所得商譽獲分配至本集團之現金產生單位D。

遊戲發行業務之現金產生單位之可收回金額乃基於其使用價值，並在與本集團概無關連之獨立專業估值師高力國際物業顧問(香港)有限公司之協助下釐定。有關計算採用基於管理層所批准涵蓋三年期間之財務預算及按貼現率21.2%計算之現金流量預測。所使用之貼現率為稅前貼現率，並反映與相關現金產生單位有關之特定風險。五年期間後之現金流量乃經考慮市場經濟狀況，按3%增長率推算。用於使用價值計算的另一關鍵假設為預算毛利，此乃根據現金產生單位的過往表現及管理層對市場發展的預期釐定。

根據商譽的減值測試結果，董事認為，無必要對本集團於二零一八年三月三十一日的商譽作出減值撥備(二零一七年：無)。

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18. INVENTORIES

- (a) Inventories in the consolidated statement of financial position comprise:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Raw materials	原材料	19,648	16,475
Finished goods	製成品	2,443	10,708
		22,091	27,183

- (b) The analysis of the amount of inventories recognised as an expense and included in the consolidated statement of profit or loss and other comprehensive income 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
Carrying amount of inventories sold	已售存貨的賬面值	70,939	60,783
Write-down of inventories	撇減存貨	9,773	4,961
Reversal of write-down of inventories (note i)	撇減存貨撥回(附註i)	(4,557)	(2,012)
		76,155	63,732

Note:

- (i) The amount was resulted from the utilisation of obsolete inventories that were written down in prior years.

18. 存貨

- (a) 綜合財務狀況表內的存貨包括：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Raw materials	原材料	19,648	16,475
Finished goods	製成品	2,443	10,708
		22,091	27,183

- (b) 已確認為開支並計入綜合損益及其他全面收益表的存貨金額分析如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Carrying amount of inventories sold	已售存貨的賬面值	70,939	60,783
Write-down of inventories	撇減存貨	9,773	4,961
Reversal of write-down of inventories (note i)	撇減存貨撥回(附註i)	(4,557)	(2,012)
		76,155	63,732

附註：

- (i) 有關金額來自動用已於過往年度撇減的陳舊存貨。

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19. TRADE AND OTHER RECEIVABLES

19. 應收賬款及其他應收款項

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Trade receivables	應收賬款	56,379	41,810
Less: Allowance for doubtful debts	減：呆賬撥備	(162)	(162)
		56,217	41,648
Other receivables	其他應收款項	3,280	4,324
Loans and receivables	貸款及應收款項	59,497	45,972
Prepayments	預付款項	7,535	5,154
Utility, trade and other deposits	水電費、貿易及其他按金	15,900	14,727
Deposits paid for potential acquisition	潛在收購已付按金	-	5,000
		23,435	24,881
		82,932	70,853

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Analysis of trade and other receivables:	應收賬款及其他應收款項分析如下：		
Non-current portion	非流動部份	2,932	707
Current portion	流動部份	80,000	70,146
		82,932	70,853

The amounts of the Group's utility, trade and other deposits and prepayments expected to be recovered or recognised as expense after more than one year are HK\$1,919,000 (2017: HK\$631,000) and HK\$1,013,000 (2017: HK\$76,000) respectively. All of the other trade and other receivables are expected to be recovered or recognised as expense within one year.

本集團的水電費、貿易及其他按金及預付款項預期多於一年後收回或確認為開支分別為1,919,000港元(二零一七年：631,000港元)及1,013,000港元(二零一七年：76,000港元)。預期所有其他應收賬款及其他應收款項將於一年內收回或確認為開支。

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19. TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) Ageing analysis

As of the end of the reporting period, the ageing analysis of trade receivables based on the date of revenue recognition and net of allowance for doubtful debts were as follows:

		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至30日	38,957	28,758
31–60 days	31至60日	11,648	8,036
61–90 days	61至90日	4,261	4,842
Over 90 days	超過90日	1,351	12
		56,217	41,648

The normal settlement terms of trade receivables arising from online payment business are one day after trade date. Trade receivables arising from businesses other than online payment business are normally due within 0-90 days from the date of billing. Further details of the Group's credit policy are set out in note 4(b)(i).

(b) Impairment of trade receivables

Impairment losses in respect of trade receivables are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade receivables directly (see note 2(j)(i)).

Movements in the allowance for doubtful debts

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At the beginning of the year	年初	162	139
Impairment loss recognised	已確認減值虧損	–	23
At the end of the year	年末	162	162

19. 應收賬款及其他應收款項(續)

(a) 賬齡分析

於報告期末，應收賬款基於收益確認日期及扣除呆賬撥備後的賬齡分析如下：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
0–30 days	38,957	28,758
31–60 days	11,648	8,036
61–90 days	4,261	4,842
Over 90 days	1,351	12
	56,217	41,648

線上支付業務產生的應收賬款的正常結算期為交易日期後一日。產生自線上支付業務以外之業務的應收賬款一般於發票日期起計0至90日內到期。本集團信貸政策的進一步詳情載於附註4(b)(i)。

(b) 應收賬款減值

應收賬款的減值虧損乃使用備抵賬入賬，除非本集團認為收回款項的可能性不大，而在此情況下，減值虧損乃直接與應收賬款撇銷(見附註2(j)(i))。

呆賬撥備變動

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At the beginning of the year	162	139
Impairment loss recognised	–	23
At the end of the year	162	162

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19. TRADE AND OTHER RECEIVABLES (CONTINUED)

(b) Impairment of trade receivables (Continued)

As at 31 March 2018, trade receivables of the Group amounting to HK\$162,000 (2017: HK\$162,000) were individually determined to be impaired. The individually impaired receivables were outstanding for over 365 days. No specific allowance for doubtful debt (2017: specific allowances for doubtful debts of HK\$23,000) was recognised.

(c) Trade receivables that are not impaired

The ageing analysis of trade receivables that are neither individually nor collectively considered to be impaired are as follows:

19. 應收賬款及其他應收款項(續)

(b) 應收賬款減值(續)

於二零一八年三月三十一日，本集團有162,000港元(二零一七年：162,000港元)應收賬款被個別釐定為減值。個別減值應收款項已逾期超過365日。並無就呆賬確認特定撥備(二零一七年：就23,000港元的呆賬確認特定撥備)。

(c) 未減值應收賬款

並未個別或共同被視作已減值的應收賬款的賬齡分析如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Neither past due nor impaired	未逾期亦無減值	49,218	36,800
Past due but not impaired	已逾期但未減值		
Less than 1 month past due	逾期少於1個月	1,245	10
1 to 3 months past due	逾期1至3個月	4,685	4,838
Over 3 months past due	逾期超過3個月	1,069	—
		56,217	41,648

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19. TRADE AND OTHER RECEIVABLES (CONTINUED)

(c) Trade receivables that are not impaired (Continued)

Receivables that were neither past due nor impaired relate to a range of customers for whom there was no significant history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

20. CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION

(a) Cash and cash equivalents comprise:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cash at bank and on hand	銀行及手頭現金	158,913	110,218
Cash and cash equivalents in the consolidated statement of financial position and the consolidated statement of cash flows	於綜合財務狀況表及綜合現金流量表的現金及現金等價物	158,913	110,218

Cash at bank earns interest at floating rates based on daily bank deposit rates. Deposits with banks are made depending on the immediate cash requirements of the Group and earn interest at the respective deposit rates.

19. 應收賬款及其他應收款項(續)

(c) 未減值應收賬款(續)

未逾期亦無減值的應收款項與並無重大拖欠記錄的客戶有關。

已逾期但未減值的應收款項與若干獨立客戶有關，彼等於本集團有良好記錄。根據過往經驗，管理層相信，鑑於信貸質素並無重大變動，而結餘仍被視為可全數收回，故毋須就該等結餘作出減值撥備。本集團並無就該等結餘持有任何抵押品。

20. 現金及現金等價物及其他現金 流量資料

(a) 現金及現金等價物包括：

銀行現金基於每日銀行存款利率按浮息賺取利息。本集團考慮其即時現金需求向銀行存款，並按相關存款利率賺取利息。

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20. CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (CONTINUED)

(b) Reconciliation of liabilities arising from financing activities

The table below details the changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities 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.

		Bank borrowings	Other borrowings	Interest payable on other borrowings	Interest payable on convertible bonds	Contingent consideration payables	Promissory notes payable	Convertible bonds	Total
		銀行借貸	其他借款	應付其他借款利息	應付可換股債券利息	或然應付代價	應付承兌票據	可換股債券	總計
		HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		(note 23)	(note 23)	(note 21)	(note 21)	(note 24)	(note 26)	(note 25)	
		(附註23)	(附註23)	(附註21)	(附註21)	(附註24)	(附註26)	(附註25)	
At 1 April 2017	於二零一七年四月一日	30,565	-	-	-	-	-	-	30,565
Changes from financing cash flows:	融資現金流量之變動：								
Repayment of bank borrowings	償還銀行借貸	(7,813)	-	-	-	-	-	-	(7,813)
Proceeds from new bank borrowings	新銀行借貸所得款項	5,367	-	-	-	-	-	-	5,367
Proceeds from other borrowings	其他借款所得款項	-	5,500	-	-	-	-	-	5,500
Proceeds from issuance of convertible bonds, net of transaction costs	發行可換股債券所得款項，扣除交易成本	-	-	-	-	-	-	249,974	249,974
Interest paid	已付利息	(1,283)	-	-	-	-	-	-	(1,283)
Total changes from financing cash flows	融資現金流量之變動總額	(3,729)	5,500	-	-	-	-	249,974	251,745
Changes in fair value	公平值變動	-	-	-	-	9,264	447	57,764	67,475
Other changes:	其他變動：								
Acquisition of subsidiaries	收購附屬公司	-	-	-	-	168,255	10,131	-	178,386
Interest expenses	利息開支	1,283	-	165	7,126	-	-	-	8,574
Conversion of convertible bonds	轉換可換股債券	-	-	-	-	-	-	(12,254)	(12,254)
Transaction costs arising from the issuance of convertible bonds	發行可換股債券產生之交易成本	-	-	-	-	-	-	15,026	15,026
Total other changes	其他變動總額	1,283	-	165	7,126	168,255	10,131	2,772	189,732
At 31 March 2018	於二零一八年三月三十一日	28,119	5,500	165	7,126	177,519	10,578	310,510	539,517

20. 現金及現金等價物及其他現金流量資料(續)

(b) 融資活動所產生負債之對賬

下表詳述本集團融資活動所產生負債之變動，包括現金及非現金變動。融資活動所產生負債為現金流量已或未來現金流量將於本集團之綜合現金流量表內分類為融資活動之現金流量之負債。

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21. TRADE AND OTHER PAYABLES

21. 應付賬款及其他應付款項

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Trade payables	應付賬款	6,288	3,142
Salary and welfare payables	應付薪金及福利	8,728	5,671
Accrued advertising expenses	應計廣告開支	3,922	3,533
Other payables and accruals	其他應付款項及應計費用	7,189	4,286
Interest payable on other borrowings	應付其他借款利息	165	–
Interest payable on convertible bonds	應付可換股債券利息	7,126	–
Receipt in advance	預收款項	608	–
		34,026	16,632

As of the end of the reporting period, the ageing analysis of trade payables based on invoice dates were as follows:

於報告期末，應付賬款基於發票日期的賬齡分析如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
0–30 days	0至30日	5,394	2,442
31–60 days	31至60日	506	603
61–90 days	61至90日	17	26
91–180 days	91至180日	2	–
181–365 days	181至365日	154	–
Over 365 days	超過365日	215	71
		6,288	3,142

All of the trade and other payables are expected to be settled or recognised as income within one year or are repayable on demand.

預期所有應付賬款及其他應付款項將於一年內結算或確認為收入或應要求償還。

22. AMOUNTS DUE TO NON-CONTROLLING INTERESTS

The amounts due to non-controlling interests refers to (i) an outstanding balance of HK\$1,200,000 (2017: HK\$1,200,000) arising from the shareholder's loan taken up by Ms. Li Yung who acquired 40% equity interest in Apex Prospection Limited in the amount of HK\$1,200,000 during the year ended 31 March 2017 as described in note 33 and (ii) the amounts due to non-controlling interests of certain subsidiaries in the amount of HK\$42,000 as at 31 March 2018 (2017: Nil). The amounts due to non-controlling interests are unsecured, interest-free and have no fixed terms of repayment.

22. 應付非控股權益款項

應付非控股權益款項指(i)於截至二零一七年三月三十一日止年度以1,200,000港元收購於Apex Prospection Limited的40%股權的李榕女士承接的股東貸款產生的未償還結餘1,200,000港元(二零一七年：1,200,000港元)，詳述於附註33；及(ii)於二零一八年三月三十一日應付若干附屬公司的非控股權益的款項42,000港元(二零一七年：無)。應付非控股權益款項為無抵押、免息及無固定還款期限。

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23. BANK AND OTHER BORROWINGS

23. 銀行及其他借款

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Bank borrowings:	銀行借款：		
Bank loans, secured (note a)	銀行貸款，有抵押(附註a)	28,119	30,565
		28,119	30,565
Other borrowings:	其他借款：		
Unsecured notes (note b)	無抵押票據(附註b)	5,500	-
		5,500	-
Total bank and other borrowings	銀行及其他借款總額	33,619	30,565

The bank borrowings and other borrowings are repayable as follows:

須予償還之銀行借款及其他借款如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Bank borrowings:	銀行借款：		
Within 1 year or on demand	於一年內或按要求	28,119	30,565
		28,119	30,565
Other borrowings:	其他借款：		
After 2 years but within 5 years	兩年後但五年內	5,500	-
		5,500	-
Total bank and other borrowings	銀行及其他借款總額	33,619	30,565
Less: Amounts shown under current liabilities	減：流動負債所示金額	(28,119)	(30,565)
Amounts shown under non-current liabilities	非流動負債所示金額	5,500	-

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23. BANK AND OTHER BORROWINGS (CONTINUED)

Notes:

- (a) Certain banking facilities are subject to the fulfillment of covenants. If the Group were in breach of the covenants, the drawn down facilities would become repayable on demand. In addition, all of the Group's banking facility letters contain clauses which give the lender the rights at its sole discretion to demand immediate repayment at any time irrespective of whether the Group has complied with the covenants and met the scheduled repayment obligations.

The Group regularly monitors its compliance with these covenants and does not consider it probable that the bank will exercise its discretion to demand repayment so long as the Group continues to meet these requirements. Further details of the Group's management of liquidity risk are set out in note 4(b)(ii). As at 31 March 2018, none of the covenants relating to drawn down facilities had been breached (2017: Nil).

All of the bank borrowings, including amounts repayable on demand, are carried at amortised cost.

As at 31 March 2018, the bank borrowings of the Group are secured by the leasehold land and buildings with carrying amount of HK\$41,785,000 (2017: HK\$43,211,000) (note 15).

- (b) In August 2017, the Company issued unsecured notes of HK\$5,500,000. The unsecured notes carry coupon rate of 5% per annum, payable annually in arrears. The principal amount of the unsecured notes is repayable in August 2020.
- (c) The Group has un-utilised banking facilities of HK\$6,249,000 as at 31 March 2018 (2017: HK\$5,900,000).

23. 銀行及其他借款(續)

附註：

- (a) 若干銀行融資均須履行契諾。倘若本集團違反契諾，所提取融資須應要求償還。此外，本集團全部銀行授信函附帶條款，賦予貸款人權利隨時全權酌情要求即時還款，而不論本集團有否遵守契諾及是否如期履行還款責任。

本集團定期監察其是否遵守該等契諾，並認為在本集團持續遵守該等規定的情況下銀行不大可能行使酌情權要求還款。本集團管理流動資金風險的進一步詳情載於附註4(b)(ii)。於二零一八年三月三十一日，本集團並無違反有關所提取融資的契諾(二零一七年：無)。

所有銀行借貸(包括須按要求償還的款額)乃按攤銷成本入賬。

於二零一八年三月三十一日，本集團的銀行借貸以租賃土地及樓宇作抵押，其賬面值為41,785,000港元(二零一七年：43,211,000港元)(附註15)。

- (b) 於二零一七年八月，本公司發行5,500,000港元之無抵押票據。該無抵押票據之票面年息為5%，須於每年支付。無抵押票據之本金則須於二零二零年八月償還。
- (c) 於二零一八年三月三十一日，本集團之未動用銀行融資為6,249,000港元(二零一七年：5,900,000港元)。

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24. CONTINGENT CONSIDERATION PAYABLES 24. 或然應付代價

		2018 二零一八年 HK\$'000 千港元
At fair value:	按公平值：	
At the beginning of the year	於年初	–
Arising from acquisition of subsidiaries (note 31)	收購附屬公司所產生(附註31)	168,255
Fair value change	公平值變動	9,264
At the end of the year	於年末	177,519
Less: Amounts shown under current liabilities	減：流動負債所示金額	(59,169)
Amounts shown under non-current liabilities	非流動負債所示金額	118,350

The contingent consideration payables of the Group represented the following:

- (i) the contingent consideration arrangement arising from the acquisition of Empire Access (as detailed in note 31(b)) to be settled in the form of promissory notes to be issued by the Company depending on the achievement of the target revenue and/or net profit of the subsidiaries of Empire Access, N Dimension Limited (“N Dimension”) and Hoi On Technology Limited (“Hoi On”) (collectively referred to as the “ND Target Group”) for each performance year from 22 September 2017 to 21 September 2021 as defined by the supplemental sale and purchase agreement dated 15 September 2017 in relation to the acquisition of Empire Access by the Company. The formula in respect of the adjustments to the consideration from the acquisition of Empire Access are detailed in note (a) below; and
- (ii) the contingent consideration arrangement arising from the acquisition of IAHGames (as detailed in note 31(c)(ii)) to be settled in the form of promissory notes to be issued by the Company depending on the achievement of the targets as stipulated in the sale and purchase agreement and supplemental agreements in respect of the acquisition. Since the contingent consideration payables in respect of the acquisition of IAHGames is relatively immaterial to both the Group’s financial position as at 31 March 2018 and the Group’s results for the year ended 31 March 2018, details of this contingent consideration arrangement are not disclosed in these financial statements.

本集團之或然應付代價指下列各項：

- (i) 收購Empire Access (如附註31(b)所詳述) 所產生之以本公司將發行之承兌票據形式予以結付之或然代價安排，該或然代價數額基於Empire Access之附屬公司、千維科技有限公司(「千維科技」)及海安技術有限公司(「海安」)(統稱為「ND目標集團」)自二零一七年九月二十二日至二零二一年九月二十一日各表現年度(定義見有關本公司收購Empire Access日期為二零一七年九月十五日之補充買賣協議)所達致的目標收益及/或純利。有關收購Empire Access代價的調整公式詳情載於下文附註(a)；及
- (ii) 收購IAHGames (如附註31(c)(ii)所詳述) 以本公司將發行之承兌票據形式予以結付之或然代價安排，該或然代價數額視乎達致有關該收購事項之買賣協議及補充協議所訂明之目標而定。由於有關收購IAHGames之或然應付代價相對本集團於二零一八年三月三十一日之財務狀況及本集團截至二零一八年三月三十一日止年度之業績而言並不重大，故並未於該等財務報表披露該或然代價安排之詳情。

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24. CONTINGENT CONSIDERATION PAYABLES (CONTINUED)

Note:

(a) **Adjustment to the consideration arising from the acquisition of Empire Access**
Pursuant to the supplemental sale and purchase agreement dated 15 September 2017 in relation to the acquisition of Empire Access, the consideration is stated as follows:

- (i) HK\$5,000,000 as refundable cash deposit (“**First Instalment**”);
- (ii) HK\$55,000,000 cash consideration (“**Second Instalment**”);
- (iii) a maximum of HK\$60,000,000 or such adjusted amount (the “**Third Instalment**”) by the issue of the promissory notes provided that the revenue in the ND Target Group for the First Period is more than or equal to HK\$8,000,000 (the “**First Target**”);
- (iv) a maximum of HK\$60,000,000 or such adjusted amount (the “**Fourth Instalment**”) by the issue of the promissory notes provided that the revenue in ND Target Group for the Second Period is more than or equal to HK\$43,000,000 (the “**Second Target**”); and
- (v) a maximum of HK\$60,000,000 or such adjusted amount (the “**Fifth Instalment**”) by the issue of the promissory notes provided that the net profit in ND Target Group for the Third Period is more than or equal to HK\$23,000,000 (the “**Third Target**”).

The third instalment, fourth instalment and fifth instalment of the consideration to be settled in the form of promissory notes based on the performance of the ND Target Group are adjusted in the following manner:

A. Meeting the Targets for the First Three Periods

In the event that the revenue in the ND Target Group for the First Period is less than the First Target and the revenue in the ND Target Group for the Second Period is more than the Second Target:

$$\begin{aligned}
 \text{Third Instalment} &= \frac{\text{Revenue in ND Target Group for the First Period}}{\text{ND目標集團首個期間的收益}} \times \text{HK\$60,000,000} \\
 \text{第三期} &= \frac{\text{HK\$8,000,000}}{\text{8,000,000港元}} \times \text{60,000,000港元} \\
 \\
 \text{Fourth Instalment} &= \left(\frac{\text{HK\$43,000,000}}{\text{43,000,000港元}} \times \text{HK\$60,000,000} \right) + \left(\frac{\text{Revenue in the ND Target Group for the Second Period minus HK\$43,000,000}}{\text{ND目標集團第二個期間的收益減43,000,000港元}} \times \text{HK\$60,000,000} \right) \\
 \text{第四期} &= \left(\frac{\text{HK\$43,000,000}}{\text{43,000,000港元}} \times \text{60,000,000港元} \right) + \left(\frac{\text{HK\$8,000,000}}{\text{8,000,000港元}} \times \text{60,000,000港元} \right)
 \end{aligned}$$

24. 或然應付代價(續)

附註：

(a) 收購Empire Access產生之代價之調整
根據就收購Empire Access所訂立日期為二零一七年九月十五日的補充買賣協議，代價載列如下：

- (i) 5,000,000 港元為可退回之現金按金(「首期」)；
- (ii) 55,000,000 港元為現金代價(「第二期」)；
- (iii) 最多 60,000,000 港元或經調整數額(「第三期」)透過發行承兌票據支付，條件是ND目標集團就首個期間之收益多於或等於8,000,000港元(「首個目標」)；
- (iv) 最多 60,000,000 港元或經調整數額(「第四期」)透過發行承兌票據支付，條件是ND目標集團就第二個期間之收益多於或等於43,000,000港元(「第二個目標」)；及
- (v) 最多 60,000,000 港元或經調整數額(「第五期」)透過發行承兌票據支付，條件是ND目標集團就第三個期間之純利多於或等於23,000,000港元(「第三個目標」)。

基於ND目標集團表現以承兌票據結付的第三期、第四期及第五期代價款項按以下方式調整：

A. 達致首三個期間之目標

倘ND目標集團首個期間的收益少於首個目標及ND目標集團第二個期間的收益多於第二個目標：

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24. CONTINGENT CONSIDERATION PAYABLES (CONTINUED)

Note: (Continued)

(a) Adjustment to the consideration arising from the acquisition of Empire Access (Continued)

A. Meeting the Targets for the First Three Periods (Continued)

In the event that revenue in the ND Target Group for the First Period is more than the First Target and the revenue in the ND Target Group for the Second Period is less than the Second Target:

$$\begin{array}{l}
 \text{Third Instalment} \\
 \text{第三期}
 \end{array}
 = \frac{\text{HK\$8,000,000} \\ \text{8,000,000港元}}{\text{HK\$8,000,000} \\ \text{8,000,000港元}} \times \text{HK\$60,000,000} \\ \text{60,000,000港元}$$

$$\begin{array}{l}
 \text{Fourth Instalment} \\
 \text{第四期}
 \end{array}
 = \left(\frac{\text{Revenue in the ND Target Group for the Second Period} \\ \text{ND目標集團第二個期間的收益} \\ \text{HK\$43,000,000} \\ \text{43,000,000港元}}{\text{HK\$60,000,000}} \right) \times \text{HK\$60,000,000} + \left(\frac{\text{Revenue in the ND Target Group for the First Period minus} \\ \text{ND目標集團首個期間的收益減8,000,000港元} \\ \text{HK\$43,000,000} \\ \text{43,000,000港元}}{\text{HK\$60,000,000}} \right) \times \text{HK\$60,000,000}$$

In the event that the revenue in ND Target Group for the First Period is less than the First Target and the revenue in the ND Target Group for the Second Period is less than the Second Target:

$$\begin{array}{l}
 \text{Third Instalment} \\
 \text{第三期}
 \end{array}
 = \frac{\text{Revenue in the ND Target Group for the First Period} \\ \text{ND目標集團首個期間的收益} \\ \text{HK\$8,000,000} \\ \text{8,000,000港元}}{\text{HK\$8,000,000} \\ \text{8,000,000港元}} \times \text{HK\$60,000,000} \\ \text{60,000,000港元}$$

$$\begin{array}{l}
 \text{Fourth Instalment} \\
 \text{第四期}
 \end{array}
 = \frac{\text{Revenue in the ND Target Group for the Second Period} \\ \text{ND目標集團第二個期間的收益} \\ \text{HK\$43,000,000} \\ \text{43,000,000港元}}{\text{HK\$43,000,000} \\ \text{43,000,000港元}} \times \text{HK\$60,000,000} \\ \text{60,000,000港元}$$

The aggregate sum of the Third Instalment and the Fourth Instalment shall be capped at HK\$120,000,000 in any event.

於任何情況下第三期及第四期款項總額以120,000,000港元為上限。

In the event that the net profit in the ND Target Group for the Third Period is less than HK\$23,000,000:

倘ND目標集團第三個期間的純利少於23,000,000港元：

$$\begin{array}{l}
 \text{Fifth Instalment} \\
 \text{第五期}
 \end{array}
 = \frac{\text{Net profit in the ND Target Group for the Third Period} \\ \text{ND目標集團第三個期間的純利} \\ \text{HK\$23,000,000} \\ \text{23,000,000港元}}{\text{HK\$23,000,000} \\ \text{23,000,000港元}} \times \text{HK\$60,000,000} \\ \text{60,000,000港元}$$

24. 或然應付代價(續)

附註：(續)

(a) 收購Empire Access產生之代價之調整(續)

A. 達致首三個期間之目標(續)

倘ND目標集團首個期間的收益多於首個目標及ND目標集團第二個期間的收益少於第二個目標：

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24. CONTINGENT CONSIDERATION PAYABLES (CONTINUED)

Note: (Continued)

(a) Adjustment to the consideration arising from the acquisition of Empire Access (Continued)

B. Catching-up in the Fourth Period

(i) In the event that the sum of the revenue for the Third Period and the Fourth Period is more than HK\$231,000,000, the following portion of the Third Instalment and the Fourth Instalment which have been adjusted downward pursuant to point A above shall become payable in the following order:

(aa) the following portion of the Fourth Instalment which has been adjusted downward pursuant to point A above shall become payable first:

<i>Revenue in ND Target Group for the Third and Fourth Period minus HK\$231,000,000</i>	
<i>ND目標集團第三個及第四個期間</i>	
<i>的收益減231,000,000港元</i>	
<hr/>	
<i>HK\$43,000,000</i>	
<i>43,000,000港元</i>	

(bb) if the sum of the revenue for the Third Period and the Fourth Period remains in excess of HK\$231,000,000 after allocating the surplus to meet the Second Target, the following portion of the Third Instalment which has been adjusted downward pursuant to point A above shall become payable:

<i>Revenue in the ND Target Group for the Third and Fourth Period</i>	
<i>minus HK\$231,000,000 minus HK\$43,000,000</i>	
<i>ND目標集團第三個及第四個期間的收益</i>	
<i>減231,000,000港元減43,000,000港元</i>	
<hr/>	
<i>HK\$8,000,000</i>	
<i>8,000,000港元</i>	

(ii) In the event that the net profit for the Fourth Period is more than HK\$49,000,000, the following portion of the Fifth Instalment which has been adjusted downward pursuant to the point A above shall become payable:

<i>Net profit in the ND Target Group for the Fourth Period minus HK\$49,000,000</i>	
<i>ND目標集團第四個期間的純利減49,000,000港元</i>	
<hr/>	
<i>HK\$23,000,000</i>	
<i>23,000,000港元</i>	

The aggregate sum of the Third Instalment, the Fourth Instalment and the Fifth Instalment shall be capped at HK\$180,000,000 in any event.

24. 或然應付代價(續)

附註：(續)

(a) 收購Empire Access產生之代價之調整(續)

B. 於第四個期間追趕

(i) 倘第三個期間及第四個期間的收益數額多於231,000,000港元，已按上文A節向下調整的第三期及第四期款項的以下部分須按下列順序支付：

(aa) 已按上文A節向下調整的以下第四期款項部分須首先予以支付：

<i>HK\$60,000,000</i>	
<i>60,000,000港元</i>	

x

(bb) 倘第三個期間及第四個期間的收益數額在分配盈餘以滿足第二個目標後仍超逾231,000,000港元，則已按上文A節向下調整的第三期款項的以下部分須予以支付：

<i>HK\$60,000,000</i>	
<i>60,000,000港元</i>	

x

(ii) 倘第四個期間的純利多於49,000,000港元，已按上文A節向下調整的第五期款項的以下部分須予以支付：

<i>HK\$60,000,000</i>	
<i>60,000,000港元</i>	

x

於任何情況下第三期、第四期及第五期款項總額以180,000,000港元為上限。

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24. CONTINGENT CONSIDERATION PAYABLES (CONTINUED)

Note: (Continued)

(a) **Adjustment to the consideration arising from the acquisition of Empire Access (Continued)**

C. Early Achieving the Targets

In the event that the ND Target Group can fulfil the revenue of HK\$51,000,000 and the net profit of HK\$23,000,000 in a financial year subsequent to the acquisition date and before the end of the Third Period, any amount of the Third Instalment, the Fourth Instalment and the Fifth Instalment which has been reduced by adjustment will become payable by the Company to the vendors in proportion to their shareholding in Empire Access.

Where:

“First Period” means the period from 22 September 2017 to 21 September 2018;

“Second Period” means the period from 22 September 2018 to 21 September 2019;

“Third Period” means the period from 22 September 2019 to 21 September 2020;

“Fourth Period” means the period from 22 September 2020 to 21 September 2021;

“Revenue” means the amount of revenue (as defined under and calculated in accordance with the relevant HKFRSs) generated by the ND Target Group for the relevant period; and

“Net Profit” means the amount of net profit (as defined under and calculated in accordance with the relevant HKFRSs) generated by the ND Target Group for the relevant period.

The fair value of contingent consideration payables as at 31 March 2018 is based on the valuation performed by an independent professional valuer not connected with the Group. Details of fair value measurement are set out in note 4(d).

24. 或然應付代價(續)

附註：(續)

(a) 收購 Empire Access 產生之代價之調整(續)

C. 提早達成目標

倘ND目標集團可於收購日期後及第三個期間期末前之財政年度達成收益51,000,000港元及純利23,000,000港元，則經調整減少之第三期、第四期及第五期之任何款項將由本公司按賣方各自於 Empire Access 之持股比例支付予賣方。

其中：

「首個期間」指二零一七年九月二十二日至二零一八年九月二十一日之期間；

「第二個期間」指二零一八年九月二十二日至二零一九年九月二十一日之期間；

「第三個期間」指二零一九年九月二十二日至二零二零年九月二十一日之期間；

「第四個期間」指二零二零年九月二十二日至二零二一年九月二十一日之期間；

「收益」指ND目標集團於相關期間產生的收益之數額(定義見相關香港財務報告準則並據其計算)；及

「純利」指ND目標集團於相關期間產生的純利之數額(定義見相關香港財務報告準則並據其計算)。

於二零一八年三月三十一日之或然應付代價公平值乃基於與本集團概無關連之獨立專業估值師所進行的估值得出。有關公平值計量之詳情載於附註4(d)。

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25. CONVERTIBLE BONDS

On 12 October 2017, the Company issued 6% per annum unsecured convertible bonds with a principal amount of HK\$265,000,000 to six independent third parties (“**Bondholders**”) which will mature on their second anniversary on 12 October 2019 following the issue of convertible bonds (“**Convertible Bonds**”). The Bondholders have the right at any time during the conversion period to convert, the whole or any part of the outstanding principal amount of the Convertible Bonds into the ordinary shares of the Company at HK\$4.65 per conversion share (adjusted to HK\$1.1625 per conversion share due to Share Subdivision that took place at 5 December 2017) provided that, if the conversion price in force on the date falling on the first anniversary of the issue date of the Convertible Bonds is more than HK\$4.00 per conversion share (adjusted to HK\$1.00 per conversion share due to the abovementioned Share Subdivision), the conversion price of the Convertible Bonds shall be reset on that date so that it is equal to HK\$4.00 per conversion share (adjusted to HK\$1.00 per conversion share due to the abovementioned Share Subdivision). The conversion period commences from 45 days after the date of issue and ending on the maturity date. The Convertible Bonds bear interest from the date of issue at the rate of 6% per annum on the principal amount of the Convertible Bonds payable by the Company semi-annually in arrears on 12 April and 12 October in each year.

Unless previously redeemed or converted or purchased and cancelled as provided herein, the Company shall redeem the Convertible Bonds, which remains outstanding on the maturity date with an one-off lump sum equal to the aggregate of the outstanding principal amount of the Convertible Bonds to be redeemed plus an amount that would make up an aggregate return on the outstanding principal amount of the Bond of 8.5% per annum (for the avoidance of doubt, the aggregate return shall take into account all interest accrued and paid on the Convertible Bonds and all cash flow received by the Bondholders from the date of issue of the Convertible Bonds and up to and including the maturity date, but excluding any default interest, other expenses and indemnified amounts received or receivable by the Bondholders in respect of the Convertible Bonds), together with payment of any accrued but unpaid interest, if any.

Any Bondholder may require the Company to redeem any part of the Convertible Bonds held by the Bondholder in event of the occurrence of any Events of Default defined in the instrument of the Convertible Bonds dated 12 October 2017 (the “Instrument”), in which event the Convertible Bonds so redeemed shall become due and repayable on the date falling 21 business days after the date of such notice. Upon such redemption, the Company shall pay the Bondholders 120% of the outstanding principal amount together with any accrued but unpaid interest, if any.

25. 可換股債券

於二零一七年十月十二日，本公司向六名獨立第三方（「債券持有人」）發行本金額為265,000,000港元及年息為6%並將於發行可換股債券（「可換股債券」）後第二週年（於二零一九年十月十二日）到期的無抵押可換股債券。債券持有人有權於換股期內隨時將可換股債券的全部或任何部分尚未償還本金按每股換股股份4.65港元（因於二零一七年十二月五日進行之股份拆細而調整為每股換股股份1.1625港元）轉換為本公司普通股，惟倘於可換股債券發行日期的第一週年當日有效的換股價超過每股換股股份4.00港元（因上述股份拆細而調整為每股換股股份1.00港元），可換股債券的換股價將於該日重新設定，以致其等於每股換股股份4.00港元（因上述股份拆細而調整為每股換股股份1.00港元）。換股期由發行日期後45日起至到期日止。可換股債券由發行日期起每年按可換股債券本金額的6%計息，並須由本公司每年於四月十二日及十月十二日每半年支付一次。

除非先前贖回或轉換或按本報告規定購買及註銷，否則本公司須以一次過總金額（相等於將予贖回之可換股債券尚未償還本金額另加構成按每年8.5%計算之債券尚未償還本金之總回報之金額的總和（為免生疑，總回報應計及可換股債券之所有應計及已付利息以及債券持有人自可換股債券發行日期起直至到期日（包括該日）接獲之所有現金流量，惟不包括任何違約利息、其他開支及債券持有人就可換股債券已收或應收之彌償金額）連同任何應計但未支付利息（如有）之付款贖回於到期日尚未償還之可換股債券。

如發生日期為二零一七年十月十二日的可換股債券文據（「文據」）所界定之任何違約事件，則任何債券持有人可要求本公司贖回債券持有人持有之任何部分可換股債券，在此情況下，據此贖回之可換股債券將於發出有關通知日期後滿21個營業日當日到期及須予償還。於作出有關贖回時，本公司將向債券持有人支付尚未償還本金額之120%，連同任何應計但未支付之利息（如有）。

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25. CONVERTIBLE BONDS (CONTINUED)

Also, any Bondholder may require the Company to redeem any part of the Convertible Bonds held by the Bondholder in event of the occurrence of any change of control event defined in the Instrument and after such change of control event the closing price of the shares of the Company quoted on the Stock Exchange falls below the conversion price of 5 consecutive trading days of the Stock Exchange (provided always that the exercise of conversion rights by the Bondholders individually or collectively into conversion shares that result in 30% or more of the voting rights of the issued share capital of the Company or the reduction of the voting rights of the issued share capital of the Company held by the existing controlling shareholders to below 30% shall not constitute or be taken as a change of control event), in which event the Convertible Bonds so redeemed shall become due and repayable on the date falling 21 business days after the date of such notice. Upon such redemption, the Company shall pay the Bondholders an one-off lump sum equal to the aggregate outstanding principal amount of the Convertible Bond to be redeemed plus an amount that would make up an aggregate return on the outstanding principal amount of the Convertible Bond of 8.5% per annum (for the avoidance of doubt, the aggregate return shall take into account all interest accrued and paid on the Convertible Bonds and all cash flow received by the Bondholders from the date of issue of the Convertible Bonds and up to and including the date of redemption, but excluding any default interest, other expenses and indemnified amounts received or receivable by the Bondholders in respect of the Convertible Bonds), together with payment of any accrued but unpaid interest, if any.

The Company may redeem all the outstanding Convertible Bonds at any time on and after the first anniversary of the issue date of the Convertible Bonds and prior to the maturity date, by the Company serving a 30 days' prior written notice to the Bondholders, provided that no such redemption may be made unless the closing price of a share of the Company for any 25 consecutive dealing days on which dealings in the shares of the Company on the Stock Exchange took place, the last day of such 25-dealing day period falling within five dealing days prior to the date upon which notice of such redemption is given, is at least 130% of the then conversion price. Upon such redemption, the Company shall pay the Bondholders a lump sum equal to the aggregate outstanding principal amount of the Convertible Bond to be redeemed plus an amount that would make up an aggregate return on the outstanding principal amount of the Convertible Bonds of 8.5% per annum (for the avoidance of doubt, the aggregate return shall take into account all interest accrued and paid on the Convertible Bonds and all cash flow received by the Bondholders from the date of issue of the Convertible Bonds and up to and including the date of redemption, but excluding any default interest, other expenses and indemnified amounts received or receivable by the Bondholders in respect of the Convertible Bonds) together with payment of any accrued but unpaid interest, if any.

25. 可換股債券(續)

此外，如發生文據所界定之任何控制權變動事件且於有關控制權變動事件發生後，本公司股份在聯交所所報之收市價於聯交所連續5個交易日低於換股價（惟任何時候債券持有人個別或集體行使轉換權轉換為換股股份而導致佔本公司已發行股本投票權的30%或以上或現有控股股東所持有之本公司已發行股本投票權減少至30%以下，均不構成或被視為控制權變動事件），則任何債券持有人可要求本公司贖回債券持有人持有之任何部分可換股債券，在此情況下，據此贖回之可換股債券將於發出有關通知日期後滿21個營業日當日到期及須予償還。於作出有關贖回時，本公司將向債券持有人支付一次過金額（相等於將予贖回之可換股債券尚未償還本金額另加構成按每年8.5%計算之可換股債券尚未償還本金之總回報之金額的總和（為免生疑，總回報應計及可換股債券之所有應計及已付利息以及債券持有人自可換股債券發行日期起直至贖回日期（包括該日）接獲之所有現金流量，惟不包括任何違約利息、其他開支及債券持有人就可換股債券已收或應收之彌償金額），連同任何應計但未支付利息（如有）之付款。

本公司可於可換股債券發行日期的第一週年當日及之後及到期日前的任何時間透過向債券持有人發出30日的事先書面通知贖回所有未行使可換股債券，惟本公司股份於聯交所買賣本公司股份的任何連續25個交易日（25個交易日期間的最後一日在發出贖回通知前五個交易日之內）之收市價至少為當時換股價之130%，否則不得贖回。於作出有關贖回時，本公司將向債券持有人支付一次過金額（相等於將予贖回之可換股債券尚未償還本金額另加構成按每年8.5%計算之可換股債券尚未償還本金之總回報之金額的總和（為免生疑，總回報應計及可換股債券之所有應計及已付利息以及債券持有人自可換股債券發行日期起直至贖回日期（包括該日）接獲之所有現金流量，惟不包括任何違約利息、其他開支及債券持有人就可換股債券已收或應收之彌償金額），連同任何應計但未支付利息（如有）之付款。

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25. CONVERTIBLE BONDS (CONTINUED)

Also, the conversion price is subject to adjustments from time to time regarding certain events described in the Instrument. The Convertible Bonds include a conversion option that will or may not be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's ordinary shares and accordingly the conversion option does not meet the definition of an equity instrument. Further, as described above, the Convertible Bonds include early redemption options exercisable by the Company or the Bondholders.

With these embedded derivatives that are not considered closely related to the host debt component, management of the Company decided to designate the Convertible Bonds as a whole as at financial liabilities as at fair value through profit or loss on initial recognition.

In subsequent periods, such Convertible Bonds are measured at fair value with changes in fair value being recognised in profit or loss. Transaction costs of HK\$15,026,000 arising from the issuance of the Convertible Bonds has been charged to profit or loss for the year ended 31 March 2018.

During the year ended 31 March 2018, the Bondholders converted the Convertible Bonds with aggregate principal amount of HK\$10,000,000 at a conversion price of HK\$1.1625 per share into 8,602,150 ordinary shares of the Company. Details of which are disclosed in note 29(b)(iii) to these consolidated financial statements.

The movements of the Convertible Bonds for the year ended 31 March 2018 are set out below:

		2018 二零一八年 HK\$'000 千港元
At 1 April 2017	於二零一七年四月一日	-
Issuance of the Convertible Bonds (measured at fair value on initial recognition)	發行可換股債券(於初步確認時以公平值計量)	370,223
Conversion of the Convertible Bonds	轉換可換股債券	(12,254)
Fair value change recognised in profit or loss in respect of the Convertible Bonds converted during the year	有關年內已轉換可換股債券於損益確認 之公平值變動	(1,717)
Fair value change recognised in profit or loss in respect of the Convertible Bonds outstanding as of end of the year	有關截至年末未行使可換股債券於損益確認 之公平值變動	(45,742)
At 31 March 2018	於二零一八年三月三十一日	310,510

For the year ended 31 March 2018, the net fair value loss of the Convertible Bonds recognised in profit or loss amounting to HK\$57,764,000 comprises (i) day-one loss of HK\$105,223,000 in respect of the difference between the fair value of Convertible Bonds on initial recognition and the cash consideration of HK\$265,000,000, (ii) the fair value gain of the Convertible Bonds on the conversion date of HK\$1,717,000, and (iii) the fair value gain in respect of the Convertible Bonds outstanding as at 31 March 2018 of HK\$45,742,000.

25. 可換股債券(續)

另外，換股價須就文據所述之若干事件不時予以調整。可換股債券包括將或可能以固定金額現金或另一項財務資產交換固定數量之本公司普通股之方式結付之換股權，故有關換股權不符合股本工具之定義。此外，誠如上述，可換股債券包括本公司或債券持有人可行使之提早贖回選擇權。

透過該等被認為與主債務部分並無密切關聯的嵌入式衍生工具，本公司管理層決定於初步確認時將可換股債券整體指定為按公平值經損益入賬之財務負債。

於其後期間，有關可換股債券乃按公平值變動於損益確認之公平值計量。截至二零一八年三月三十一日止年度，發行可換股債券產生之交易成本15,026,000港元已於損益內扣除。

於截至二零一八年三月三十一日止年度，債券持有人轉換本金總額為10,000,000港元之可換股債券，按換股價每股1.1625港元轉換為本公司8,602,150股普通股。詳情披露於本綜合財務報表附註29(b)(iii)。

可換股債券於截至二零一八年三月三十一日止年度之變動載列如下：

截至二零一八年三月三十一日止年度，於損益確認的為數57,764,000港元的可換股債券的公平值虧損淨額包括(i)有關可換股債券於初步確認時的公平值與現金代價265,000,000港元之差額的首日虧損105,223,000港元，(ii)有關可換股債券於兌換日期的公平值收益1,717,000港元，及(iii)有關於二零一八年三月三十一日未行使可換股債券的公平值收益45,742,000港元。

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25. CONVERTIBLE BONDS (CONTINUED)

The Convertible Bonds are measured at fair value using Monte-Carlo simulation method at initial recognition, at the time of conversion and at the end of the reporting period based on the valuation undertaken by an independent professional valuer. The inputs into the model on initial recognition, date of conversion and as at 31 March 2018 are as follows:

25. 可換股債券(續)

可換股債券乃按由獨立專業估值師進行的估值釐定之於初步確認時、轉換時及報告期末之公平值以蒙地卡羅模擬法計量。於初步確認、轉換日期及二零一八年三月三十一日的模型輸入數據如下：

		At 22 March 2018 (the date of conversion) 於二零一八年 三月二十二日 (轉換日期)	At 12 October 2017 (the date of initial recognition) 於二零一七年 十月十二日 (初步確認日期)
Share price (HK\$)	股價(港元)	1.15 (after share subdivision) (於股份拆細後)	1.18 (after share subdivision) (於股份拆細前)
Conversion price for the first anniversary year (HK\$)	第一週年之換股價(港元)	1.16 (after share subdivision) (於股份拆細後)	1.16 (after share subdivision) (於股份拆細前)
Conversion price for the second anniversary year (HK\$)	第二週年之換股價(港元)	1.00 (after share subdivision) (於股份拆細後)	1.00 (after share subdivision) (於股份拆細前)
Expected volatility (%)	預期波幅(%)	47	47
Remaining life (years)	剩餘年期(年)	1.53	1.56
Risk-free rate (%)	無風險利率(%)	1.28	1.26
Discount rate (%)	貼現率(%)	13.0	13.5

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25. CONVERTIBLE BONDS (CONTINUED)

The fair value of the Convertible Bonds as at 31 March 2018 is categorised as Level 3 under the fair value hierarchy set out in HKFRS 13 “Fair Value Measurement”. The below is a narrative description of the sensitivity of the fair value measurement to changes in unobservable inputs to the fair value measurement:

25. 可換股債券(續)

可換股債券於二零一八年三月三十一日之公平值被分類為香港財務報告準則第13號「公平值計量」所載之公平值層級項下之第三級。下列為公平值計量對公平值計量不可觀察輸入數據變動之敏感度概述：

Significant unobservable inputs 重大不可觀察的輸入數據	Relationship of unobservable inputs to fair value 不可觀察輸入數據與公平值的關係	Sensitivity analysis 敏感度分析
Discount rate (+/-1%) 貼現率(+/-1%)	The higher the discount rate, the lower the fair value of the Convertible Bonds, and vice versa 貼現率愈高，可換股債券之公平值愈 低，反之亦然	If the discount rate increases by 1%, the fair value of the Convertible Bonds would decrease to HK\$310,333,000. If the discount rate decreases by 1%, the fair value of the Convertible Bonds would increase to HK\$311,455,000. 倘貼現率增加1%，可換股債券之公平 值將減少至310,333,000港元。倘貼現率 減少1%，可換股債券之公平值將增加至 311,455,000港元。

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25. CONVERTIBLE BONDS (CONTINUED)

25. 可換股債券(續)

		Year ended 31 March 2018 截至二零一八年 三月三十一日 止年度 HK\$'000 千港元
Cumulative change in fair value attributable to changes in credit risk recognised during the year (Note 1)	年內確認之信貸風險變動應佔之累計公平值變動(附註1)	1,335
Difference between carrying amount and contractual amount at maturity:	賬面值與到期合約金額之間之差額：	
Convertible Bonds at fair value	按公平值計量之可換股債券	310,350
Amount payable at maturity	到期應付款項	298,350
		12,000

Note:

- (1) The change in fair value attributable to change in credit risk is calculated as the difference between the change in fair value of the Convertible Bonds and the change in fair value of the Convertible Bonds due to change in benchmark interest rate curve alone. The change in fair value of the Convertible Bonds due to the change in benchmark interest rate curve was calculated based on the benchmark interest rate curve as at the end of the reporting period and holding credit spread constant. The fair value of the Convertible Bonds was estimated by discounting future cash flows using benchmark interest rate curve as at the end of the reporting period and on estimated credit spread with reference to the lender quotes for borrowings of similar maturity.

附註：

- (1) 信貸風險變動應佔之公平值變動乃按可換股債券公平值變動與僅因基準利率曲線變動導致之可換股債券公平值變動之間之差額計算。因基準利率曲線變動導致之可換股債券公平值變動乃基於報告期末之基準利率曲線計算(假設信貸息差不變)。可換股債券之公平值乃透過使用於報告期末之基準利率曲線折現未來現金流量及經參考具有相若到期日之借款之貸款人報價之估計信貸息差進行估計。

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26. PROMISSORY NOTES PAYABLE

26. 應付承兌票據

		2018 二零一八年 HK\$'000 千港元
At fair value:	按公平值：	
At beginning of the year	於年初	-
Issue of promissory notes (note 31)	發行承兌票據(附註31)	10,131
Fair value change	公平值變動	447
At end of the year	於年末	10,578
Less: Amounts shown under current liabilities	減：流動負債所示金額	(1,491)
Amounts shown under non-current liabilities	非流動負債所示金額	9,087

During the year ended 31 March 2018, the Company issued promissory notes for the settlement of the considerations arising from the following acquisitions:

- (i) on 22 December 2017, the Company issued two promissory notes of total initial principal amount of HK\$4,800,000 (subject to downward adjustments in accordance with the conditions as stipulated in the sale and purchase agreement and supplemental agreements) in respect of the acquisition of Soul Marketing (as detailed in note 31(c)(i)). The promissory notes bear interest of 10% per annum and payable annually in arrears. The promissory notes with initial principal amount of HK\$2,400,000 and HK\$2,400,000 will mature on the first and second anniversary from the date of issue of the respective promissory note; and
- (ii) on 28 February 2018, the Company issued a promissory note of initial principal amount of HK\$5,520,000 (subject to downward adjustments in accordance with the conditions as stipulated in the sale and purchase agreement and supplemental agreements) in respect of the acquisition of IAHHGames (as detailed in note 31(c)(ii)). The promissory note bears interest of 10% per annum and payable annually in arrears. The promissory note will mature on the second anniversary from the date of issue of the promissory note.

Since the promissory notes payable is relatively immaterial to both the Group's financial position as at 31 March 2018 and the Group's results for the year ended 31 March 2018, details of the achievement targets of Soul Marketing and IAHHGames which may lead to downward adjustments of the promissory notes payable are not disclosed in these financial statements.

截至二零一八年三月三十一日止年度，本公司發行承兌票據以結付下列收購事項產生之代價：

- (i) 於二零一七年十二月二十二日，本公司就收購凌市場策略(如附註31(c)(i)所詳述)發行兩批初步本金總額為4,800,000港元(可根據買賣協議及補充協議所訂明之條件予以下調)之承兌票據。承兌票據按年利率10%計息，並須於每年年末支付。初步本金額為2,400,000港元及2,400,000港元之承兌票據將於各承兌票據發行日期起計第一及第二週年到期；及
- (ii) 於二零一八年二月二十八日，本公司就收購IAHHGames(如附註31(c)(ii)所詳述)發行初步本金額為5,520,000港元(可根據買賣協議及補充協議所訂明之條件予以下調)之承兌票據。承兌票據按年利率10%計息，並須於每年年末支付。承兌票據將於承兌票據發行日期起計第二週年到期。

由於應付承兌票據相對本集團於二零一八年三月三十一日之財務狀況及本集團截至二零一八年三月三十一日止年度之業績而言並不重大，故並未於該等財務報表披露可能導致應付承兌票據下調之凌市場策略及IAHHGames之績效目標詳情。

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26. PROMISSORY NOTES PAYABLE (CONTINUED)

The fair value of promissory notes payable as at 31 March 2018 are based on the valuation performed by an independent professional valuer not connected with the Group. Details of fair value measurement are set out in note 4(d).

27. PROVISIONS

26. 應付承兌票據(續)

於二零一八年三月三十一日，應付承兌票據之公平值乃基於與本集團概無關連之獨立專業估值師進行之估值。有關公平值計量詳情載於附註4(d)。

27. 撥備

		Goods return from customers 客戶退貨 HK\$'000 千港元
At 1 April 2016	於二零一六年四月一日	1,571
Additional provisions made	增加撥備	932
Provisions utilised	已提用撥備	(1,158)
At 31 March 2017 and 1 April 2017	於二零一七年三月三十一日及二零一七年四月一日	1,345
Additional provisions made	增加撥備	609
Provisions utilised	已提用撥備	(947)
At 31 March 2018	於二零一八年三月三十一日	1,007

The Group cannot reliably estimate the amounts that may eventually be settled after more than 12 months from the end of the reporting period. Thus, the whole amount was classified as current.

Note: The provisions for goods return from customers represents the present value of the directors' best estimate of future outflow of economic benefits that will be required under the Group's obligations under the goods return policy. The estimate has been made by reference to historical goods return rate.

本集團未能確實估計最終將於報告期末起計十二個月後方結清的金額。因此，全數金額列為即期類別。

附註：客戶退貨撥備指董事根據退貨政策下的責任將需要對未來濟利益流出作出最佳估計的現值。有關估計乃參考過往的退貨率作出。

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28. DEFERRED TAX LIABILITIES

(a) The movements in deferred tax liabilities during the year are as follows:

28. 遞延稅項負債

(a) 遞延稅項負債於年內的變動如下：

		Accelerated tax depreciation	Fair value adjustment on intangible asset upon acquisition of subsidiaries 收購附屬公司後 無形資產之 公平值調整	Total
		加 速 稅 項 折 舊	公 平 值 調 整	總 計
		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	626	–	626
Credited to profit or loss (note 11)	計入損益(附註11)	(37)	–	(37)
At 31 March 2017 and 1 April 2017	於二零一七年三月三十一日及 二零一七年四月一日	589	–	589
Acquisition of subsidiaries (note 31)	收購附屬公司(附註31)	–	34,570	34,570
Credited to profit or loss (note 11)	計入損益(附註11)	(278)	(666)	(944)
At 31 March 2018	於二零一八年三月三十一日	311	33,904	34,215

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28. DEFERRED TAX LIABILITIES (CONTINUED)

- (b) Deferred tax assets in respect of the unused tax losses carried forward are to be recognised to the extent that it is probable that future taxable profits will be available against which the unused tax losses can be utilised.

The Group has not recognised deferred tax assets in respect of the tax losses of HK\$69,625,000 (2017: HK\$16,010,000) for the year ended 31 March 2018 due to the unpredictability of future profit streams. The unrecognised tax losses can be carried forward indefinitely.

At the end of the reporting period, the Group has deductible temporary differences of HK\$4,927,000 (2017: HK\$3,220,000). No deferred tax assets has been recognised in relation to such deductible temporary difference as it is not probable that taxable profit will be available against which the deductible temporary difference can be utilised.

(c) Deferred tax liabilities not recognised

Under the EIT Law of the PRC, withholding tax is imposed on dividends declared in respect of profits earned by the PRC subsidiaries from 1 January 2008 onwards.

At 31 March 2018, temporary differences relating to the undistributed profits of subsidiaries amounted to HK\$453,000 (2017: HK\$4,219,000). Deferred tax liabilities of HK\$45,000 (2017: HK\$422,000) have not been recognised in respect of the tax that would be payable on the distribution of these retained profits as the Company controls the dividend policy of these subsidiaries and it has been determined that it is probable that these profits will not be distributed in the foreseeable future.

28. 遞延稅項負債(續)

- (b) 有關結轉未動用稅務虧損的遞延稅項資產將於日後有足夠應課稅溢利用作抵銷未動用稅務虧損時確認。

截至二零一八年三月三十一日止年度，本集團尚未就69,625,000港元(二零一七年：16,010,000港元)的稅務虧損確認遞延稅項資產，原因為無法預測未來溢利來源。未確認稅務虧損可無限期結轉。

於報告期末，本集團的可扣減暫時差額為4,927,000港元(二零一七年：3,220,000港元)。由於不大可能有應課稅溢利可用以抵銷可扣減暫時差額，故並無就該等可扣減暫時差額確認遞延稅項資產。

(c) 未確認遞延稅項負債

根據中國企業所得稅法，中國附屬公司由二零零八年一月一日起須就賺取溢利而宣派的股息繳納預扣稅。

於二零一八年三月三十一日，有關附屬公司未分派溢利所產生的暫時差額為453,000港元(二零一七年：4,219,000港元)。遞延稅項負債45,000港元(二零一七年：422,000港元)尚未就分派該等保留溢利時將應付的稅項予以確認，因為本公司能夠控制有關附屬公司的派息政策，且已確定該等溢利不大可能於可見將來分派。

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29. SHARE CAPITAL AND RESERVES

(a) Reserves

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

The Company

29. 股本及儲備

(a) 儲備

本集團綜合權益各個部分的年初及年末結餘對賬載於綜合權益變動表。本公司權益的各個部分於年初及年末的變動詳情載列如下：

本公司

		Share premium 股份溢價 HK\$'000 千港元 (note 29(c)(i)) (附註 29(c)(i))	Contributed surplus 繳入盈餘 HK\$'000 千港元 (note 29(c)(ii)) (附註 29(c)(ii))	Share option reserve 購股權儲備 HK\$'000 千港元 (note 29(c)(vi)) (附註 29(c)(vi))	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2016	於二零一六年四月一日	125,416	38,541	6,864	(10,626)	160,195
Change in equity for 2017:	二零一七年權益變動：					
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	-	-	-	(177)	(177)
Share options lapsed	購股權失效	-	-	(3,445)	3,445	-
Shares issued under share option scheme (note 29(b)(i))	根據購股權計劃發行股份 (附註 29(b)(i))	23,468	-	(3,419)	-	20,049
At 31 March 2017 and 1 April 2017	於二零一七年三月三十一日及 二零一七年四月一日	148,884	38,541	-	(7,358)	180,067
Change in equity for 2018:	二零一八年權益變動：					
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	-	-	-	(120,171)	(120,171)
Equity-settled share-based payments	以股權結算以股份支付之開支	-	-	29,290	-	29,290
Shares issued upon conversion of convertible bonds (note 29(b)(iii))	於轉換可換股債券後發行股份 (附註 29(b)(iii))	12,232	-	-	-	12,232
At 31 March 2018	於二零一八年三月三十一日	161,116	38,541	29,290	(127,529)	101,418

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29. SHARE CAPITAL AND RESERVES (CONTINUED)

(b) Share capital

		Nominal value per share 每股面值	Number of shares 股份數目	Share capital 股本 HK\$'000 千港元
Authorised:	法定：			
At 1 April 2016, 31 March 2017 and 1 April 2017	於二零一六年四月一日、 二零一七年三月三十一日 及二零一七年四月一日	0.01	1,000,000,000	10,000
Share Subdivision (note ii)	股份拆細(附註ii)		3,000,000,000	–
At 31 March 2018	於二零一八年三月三十一日	0.0025	4,000,000,000	10,000
Issued and fully paid:	已發行及繳足：			
At 1 April 2016	於二零一六年四月一日	0.01	516,300,000	5,163
Shares issued under share option scheme (note i)	根據購股權計劃發行股份 (附註i)	0.01	12,300,000	123
At 31 March 2017 and 1 April 2017	於二零一七年三月三十一日 及二零一七年四月一日	0.01	528,600,000	5,286
Share Subdivision (note ii)	股份拆細(附註ii)		1,585,800,000	–
Shares issued upon conversion of convertible bonds (note iii)	於轉換可換股債券後 發行股份(附註iii)	0.0025	8,602,150	22
At 31 March 2018	於二零一八年三月三十一日	0.0025	2,123,002,150	5,308

The owners of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

Notes:

- (i) On 21 November 2016, share options were exercised to subscribe for 12,300,000 ordinary shares in the Company at a consideration of HK\$20,172,000, of which HK\$123,000 was credited to share capital and the balance of HK\$20,049,000 was credited to the share premium account. HK\$3,419,000 has been transferred from the share option reserve to the share premium account in accordance with policy set out in note 2(q)(ii).

普通股擁有人有權不時收取所宣派之股息及有權於本公司大會上以一股一票進行表決。所有普通股就本公司之餘下資產而言均享有同等權利。

附註：

- (i) 於二零一六年十一月二十一日，因行使購股權而認購本公司12,300,000股普通股，代價為20,172,000港元，當中123,000港元入賬為股本，餘下20,049,000港元計入股份溢價賬。根據載於附註2(q)(ii)的政策，有3,419,000港元由購股權儲備轉往股份溢價賬。

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29. SHARE CAPITAL AND RESERVES (CONTINUED)

(b) Share capital (Continued)

Notes: (Continued)

- (ii) Pursuant to an ordinary resolution passed by shareholders at the extraordinary general meeting held on 4 December 2017, the Share Subdivision of every issued and unissued shares of HK\$0.01 each subdivided into four shares of HK\$0.0025 each became effective on 5 December 2017. Details of the Share Subdivision were set out in the Company's announcements dated 27 October 2017, 3 November 2017, 6 November 2017, 8 November 2017 and 4 December 2017.
- (iii) On 22 March 2018, the convertible bonds with principal amount of HK\$10,000,000 were converted into 8,602,150 ordinary shares at conversion price of HK\$1.1625 per share, of which HK\$22,000 was credited to share capital and the balance of HK\$12,232,000 was credited to the share premium account.

(c) Nature and purpose of reserves

- (i) The share premium represents the difference between the nominal value of the shares of the Company and proceeds received from the issuance of shares of the Company. Under the Companies Law of the Cayman Islands, the share premium account of the Company is distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company would be in a position to pay off its debts as they fall due in the ordinary course of business.
- (ii) Contributed surplus represents the difference between the nominal value of the ordinary shares issued by the Company and the net asset value of subsidiaries acquired through an exchange of shares pursuant to the group reorganisation prior to the listing of the Company's shares on the GEM of the Stock Exchange.
- (iii) Merger reserve represents the difference between the nominal values of the ordinary shares issued by the Company and the share capital of subsidiaries acquired through an exchange of shares pursuant to the group reorganisation prior to the listing of the Company's shares on the GEM of the Stock Exchange.
- (iv) Pursuant to the Articles of Association of the Group's PRC subsidiaries and relevant statutory regulations, appropriations to the statutory reserve fund were made at a 10% of profit after taxation determined in accordance with the accounting rules and regulations of the PRC. When the balance of statutory reserve fund reaches 50% of registered capital of each relevant PRC subsidiary, any further appropriation is at the discretion of the shareholders of this subsidiary. This reserve fund can be utilised in setting off accumulated losses or increasing capital of the subsidiaries provided that the balance after such conversion is not less than 25% of their registered capital, and is non-distributable other than in liquidation.
- (v) Translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policy set out in note 2(v).
- (vi) The share option reserve represents the fair value of the actual or estimated number of unexercised share options granted to directors of the Company, employees of a subsidiary and all other eligible participants recognised in accordance with the accounting policy adopted for equity-settled share-based payments set out in notes 2(q)(ii) and 2(r).

29. 股本及儲備(續)

(b) 股本(續)

附註:(續)

- (ii) 根據股東於二零一七年十二月四日舉行之股東特別大會上通過之普通決議案,有關將每股面值0.01港元之已發行及未發行股份拆細為四股每股面值0.0025港元之股份之股份拆細於二零一七年十二月五日生效。股份拆細詳情載於本公司日期為二零一七年十月二十七日、二零一七年十一月三日、二零一七年十一月六日、二零一七年十一月八日及二零一七年十二月四日之公佈。
- (iii) 於二零一八年三月二十二日,本金額為10,000,000港元之可換股債券按換股價每股1.1625港元轉換為8,602,150股普通股,其中22,000港元計入股本及結餘12,232,000港元計入股份溢價賬。

(c) 儲備之性質及用途

- (i) 股份溢價指本公司股份面值與發行本公司股份收取的所得款項之間的差額。根據開曼群島公司法,本公司股份溢價賬可分派予本公司股東,惟於緊隨建議分派股息日期後,本公司須仍能償清日常業務過程中的到期債務。
- (ii) 繳入盈餘指本公司已發行普通股之面值與透過根據本公司股份於聯交所GEM上市前之集團重組交換股份收購附屬公司之資產淨值之差額。
- (iii) 合併儲備指本公司已發行普通股之面值與透過根據本公司股份於聯交所GEM上市前之集團重組交換股份收購附屬公司之股本之差額。
- (iv) 根據本集團中國附屬公司的組織章程細則及相關法定規例,向法定儲備金撥款乃根據中國會計規則及規例釐定的除稅後溢利的10%作出。當法定儲備金結餘達到各相關中國附屬公司的50%註冊資本,將由該附屬公司之股東決定是否作任何進一步撥款。該儲備金可用於抵銷附屬公司的累計虧損或增加資本,惟相關轉換後的結餘不得低於其註冊資本的25%,且除清盤外,不可用於分派。
- (v) 換算儲備包括所有換算海外經營之財務報表而產生之匯兌差額。該儲備乃根據附註2(v)所載之會計政策處理。
- (vi) 購股權儲備乃指根據附註2(q)(ii)及2(r)所載就以股權結算以股份支付之開支採納之會計政策,確認授予本公司董事、附屬公司僱員及所有其他合資格參與者的實際或估計數目之尚未行使購股權之公平值。

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30. SEGMENT REPORTING

The Group manages its businesses by divisions, which are organised by business lines (products and services). In a manner consistent with the way in which information is reported internally to the board of directors of the Company, being the Group's chief operating decision maker ("CODM") for the purposes of resources allocation and performance assessment, the Group has presented the following reportable segments.

- Development, manufacturing and sales of health and beauty supplements and products
- Online advertising agency business
- Online payment business
- Other businesses include small operating segments namely the e-commerce promotion business and the game distribution business where the revenue, results and assets from these segments are below the quantitative thresholds under HKFRS 8 for determining a reportable segment.

During the year ended 31 March 2018, in view of the significance of the newly acquired businesses, the CODM revised the organisation of segments based on revenue contribution from its products and service lines so as to enhance operational efficiency, and considered to group the reportable and operating segments in prior years, namely (i) proprietary brands comprising the development, manufacturing and sales of self-developed health supplements; (ii) proprietary brands comprising the development, manufacturing and sales of self-developed beauty supplements and products; (iii) private label brands comprising the development, manufacturing and sales of health supplements; (iv) private label brands comprising the development, manufacturing and sales of beauty supplements and products; (v) trading of goods comprising the trading and sales of health supplements; (vi) trading of goods comprising the trading and sales of beauty supplements and products and (vii) other items relating to the provision of Chinese medical consultation services and provision of health food processing services, into a single operating segment. The comparatives have been restated.

30. 分部報告

本集團按分部管理其業務，而分部則以業務線（產品及服務）分類。呈報方式與向本公司董事會，即本集團主要營運決策者（「主要營運決策者」）作內部呈報資料之方式一致，用以分配資源及評估表現，本集團已按下列須予呈報分類。

- 開發、製造及銷售保健及美容補品及產品
- 線上廣告代理業務
- 線上支付業務
- 其他業務包括小型經營分部，即電子商務推廣業務及遊戲發行業務，而該等分部之收益、業績及資產均低於香港財務報告準則第8號項下釐定可呈報分部之定量下限。

於截至二零一八年三月三十一日止年度，鑒於新收購業務的重要性，主要營運決策者為了增加營運效益，根據其產品及服務業務的收益貢獻修訂分部架構，並考慮將過往年度可呈報及經營分部，即(i)包括開發、製造及銷售自行開發之保健產品在內之專有品牌；(ii)包括開發、製造及銷售自行開發之美容補品及產品在內之專有品牌；(iii)包括開發、製造及銷售保健產品在內之自家品牌；(iv)包括開發、製造及銷售美容補品及產品在內之自家品牌；(v)買賣商品（包括買賣及銷售保健產品）；(vi)買賣商品（包括買賣及銷售美容補品及產品）；及(vii)與提供中醫診症服務及提供保健食品加工服務有關之其他項目，組合為單一經營分部。比較數據經已重列。

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

30. SEGMENT REPORTING (CONTINUED)

During the year ended 31 March 2018, the Group introduced three new reportable segments, the online advertising agency business, online payment business and other businesses, as a result of the business combinations through acquisition of subsidiaries as detailed in note 31 of the financial statements.

(a) Segment revenue, results, assets and liabilities

Before the introduction of the three new reportable segments, no segment assets and liabilities information is presented as such information is not a key indicator for the purposes of allocating resources to segments and assessing their performance by the Group's CODM. After the introduction of the three new reportable segments, the CODM also reviews assets and liabilities of each of the operating segment. As a result, the comparative figures of segment assets and liabilities have been restated for reviewing purpose of the CODM.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on operating segment profit/(loss). The segment (loss)/profit before tax is measured consistently with the Group's (loss)/profit before tax except for unallocated other revenue and other net loss, fair value change of contingent consideration payables, fair value change of promissory notes payable, fair value change of convertible bonds, equity-settled share-based payments, finance costs and unallocated corporate expenses.

Segment assets exclude tax recoverable, unallocated intangible assets, unallocated cash and cash equivalents and other unallocated corporate assets as these assets are managed on a group basis.

Segment liabilities exclude deferred tax liabilities, tax payable, bank borrowings, other borrowings, contingent consideration payables, promissory notes payable, convertible bonds, amounts due to non-controlling interests and unallocated corporate liabilities as these liabilities are managed on a group basis.

30. 分部報告(續)

於截至二零一八年三月三十一日止年度，因透過收購附屬公司(於財務報表附註31詳述)進行業務合併，本集團引入了三個新的可呈報分部：線上廣告代理業務、線上支付業務及其他業務。

(a) 分部收益、業績、資產及負債

於引入三個新的可呈報分部前，由於分部資產及負債之資料就分配資源予分部及評估其表現而言並非關鍵指標，故本集團主要營運決策者並無呈列該資料。於引入三個新的可呈報分部後，主要營運決策者亦檢討各經營分部之資產及負債。因此，分部資產及負債之比較數字經已重列，以供主要營運決策者審閱。

管理層單獨監控本集團各經營分部之業績，以就分配資源及評估表現作出決策。分部表現乃根據經營分部溢利／(虧損)作評估。分部除稅前(虧損)／溢利之計量方式與本集團之除稅前(虧損)／溢利之計量方式一致(除未分配其他收益及其他淨虧損、或然應付代價公平值變動、應付承兌票據公平值變動、可換股債券公平值變動、以股權結算以股份支付之開支、融資成本及未分配企業開支外)。

由於可收回稅項、未分配無形資產、未分配現金及現金等價物及其他未分配企業資產是以集團基準管理，故分部資產不包括該等資產。

由於遞延稅項負債、應付稅項、銀行借貸、其他借款、或然應付代價、應付承兌票據、可換股債券、應付非控股權益款項及未分配企業負債是以集團基準管理，故分部負債不包括該等負債。

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30. SEGMENT REPORTING (CONTINUED)

(a) Segment revenue, results, assets and liabilities (Continued)

Information regarding the Group's reportable segments as provided to the Group's CODM for the purposes of resources allocation and assessment of segment performance for the year ended 31 March 2018 and 2017 is set out below:

(i) Segment revenue and results

30. 分部報告(續)

(a) 分部收益、業績、資產及負債 (續)

截至二零一八年及二零一七年三月三十一日止年度，就分配資源及評估分部表現而提供予本集團主要營運決策者之本集團可呈報分部之資料載列如下：

(i) 分部收益及業績

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

		Development, manufacturing and sales of health and beauty supplements and products 開發、製造 及銷售保健 及美容補品 及產品	Online advertising agency business 線上廣告 代理業務	Online payment business 線上 支付業務	Other businesses 其他業務	Elimination 撇減	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Segment revenue:	分部收益：						
Revenue from external customers	來自外部客戶的收益	250,797	9,447	1,751	2,456	-	264,451
Inter-segment revenue	分部間收益	-	600	-	-	(600)	-
		250,797	10,047	1,751	2,456	(600)	264,451
Segment results	分部業績	30,522	(7,732)	(3,870)	(2,061)	-	16,859
Unallocated other revenue and other net loss	未分配其他收益及其他淨虧損						208
Fair value change of contingent consideration payables	或然應付代價公平值變動						(9,264)
Fair value change of promissory notes payable	應付承兌票據公平值變動						(447)
Fair value change of convertible bonds	可換股債券公平值變動						(57,764)
Equity-settled share-based payments	以股權結算以股份支付之開支						(29,290)
Finance costs	融資成本						(8,574)
Unallocated corporate expenses	未分配企業開支						(53,784)
Loss before taxation	除稅前虧損						(142,056)

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

30. SEGMENT REPORTING (CONTINUED)

(a) Segment revenue, results, assets and liabilities (Continued)

(i) Segment revenue and results (Continued)

30. 分部報告(續)

(a) 分部收益、業績、資產及負債 (續)

(i) 分部收益及業績(續)

For the year ended 31 March 2017 (restated)
截至二零一七年三月三十一日止年度 (經重列)

	Development, manufacturing and sales of health and beauty supplements and products 開發、製造 及銷售保健 及美容補品 及產品	Online advertising agency business 線上廣告 代理業務	Online payment business 線上 支付業務	Other businesses 其他業務	Total 總計
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Segment revenue:	分部收益：				
Revenue from external customers	來自外部客戶的收益	220,853	-	-	220,853
Segment results	分部業績	30,583	-	-	30,583
Unallocated other revenue and other net loss	未分配其他收益及其他淨虧損				209
Finance costs	融資成本				(776)
Unallocated corporate expenses	未分配企業開支				(14,376)
Profit before taxation	除稅前溢利				15,640

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30. SEGMENT REPORTING (CONTINUED)

(a) Segment revenue, results, assets and liabilities (Continued)

(ii) Segment assets and liabilities

30. 分部報告(續)

(a) 分部收益、業績、資產及負債 (續)

(ii) 分部資產及負債

As at 31 March 2018

於二零一八年三月三十一日

		Development, manufacturing and sales of health and beauty supplements and products 開發、製造 及銷售保健 及美容補品 及產品	Online advertising agency business 線上廣告 代理業務	Online payment business 線上 支付業務	Other businesses 其他業務	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Assets	資產					
Segment assets	分部資產	178,386	66,648	294,260	50,360	589,654
Tax recoverable	可收回稅項					508
Unallocated intangible assets	未分配無形資產					2,200
Unallocated cash and cash equivalents	未分配現金及現金等價物					102,460
Unallocated corporate assets	未分配企業資產					74,956
Total consolidated assets	總綜合資產					769,778
Liabilities	負債					
Segment liabilities	分部負債	15,345	431	4,322	1,956	22,054
Deferred tax liabilities	遞延稅項負債					34,215
Tax payable	應付稅項					327
Bank borrowings	銀行借貸					28,119
Other borrowings	其他借款					5,500
Contingent consideration payables	或然應付代價					177,519
Promissory notes payable	應付承兌票據					10,578
Convertible bonds	可換股債券					310,510
Amounts due to non-controlling interests	應付非控股權益款項					1,242
Unallocated corporate liabilities	未分配企業負債					12,979
Total consolidated liabilities	總綜合負債					603,043

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

30. SEGMENT REPORTING (CONTINUED)

(a) Segment revenue, results, assets and liabilities (Continued)

(ii) Segment assets and liabilities (Continued)

30. 分部報告(續)

(a) 分部收益、業績、資產及負債 (續)

(ii) 分部資產及負債(續)

As at 31 March 2017 (restated)

於二零一七年三月三十一日 (經重列)

	Development, manufacturing and sales of health and beauty supplements and products 開發、製造 及銷售保健 及美容補品 及產品	Online advertising agency business 線上廣告 代理業務	Online payment business 線上 支付業務	Other businesses 其他業務	Total
	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
Assets	資產				
Segment assets	分部資產	142,443	-	-	142,443
Tax recoverable	可收回稅項				764
Unallocated intangible assets	未分配無形資產				2,200
Unallocated cash and cash equivalents	未分配現金及現金等價物				81,736
Unallocated corporate assets	未分配企業資產				38,941
Total consolidated assets	總綜合資產				266,084
Liabilities	負債				
Segment liabilities	分部負債	14,422	-	-	14,422
Deferred tax liabilities	遞延稅項負債				589
Tax payable	應付稅項				2,129
Bank borrowings	銀行借貸				30,565
Amounts due to non-controlling interests	應付非控股權益款項				1,200
Unallocated corporate liabilities	未分配企業負債				3,555
Total consolidated liabilities	總綜合負債				52,460

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30. SEGMENT REPORTING (CONTINUED)

(a) Segment revenue, results, assets and liabilities (Continued)

(iii) Other segment information

		Development, manufacturing and sales of health and beauty supplements and products 開發、製造 及銷售保健 及美容補品 及產品 HK\$'000 千港元	Online advertising agency business 線上廣告 代理業務 HK\$'000 千港元	Online payment business 線上 支付業務 HK\$'000 千港元	Other businesses 其他業務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Other information	其他資料					
Additions of property, plant and equipment other than through acquisition of subsidiaries	除透過收購附屬公司以外的方式添置物業、廠房及設備	957	1,217	611	2	2,787
Additions of unallocated property, plant and equipment other than through acquisition of subsidiaries	除透過收購附屬公司以外的方式添置未分配物業、廠房及設備					2,665
Total additions of property, plant and equipment other than through acquisition of subsidiaries	除透過收購附屬公司以外的方式添置物業、廠房及設備總額					5,452
Additions of property, plant and equipment through acquisition of subsidiaries	透過收購附屬公司添置物業、廠房及設備	26,834	196	3,280	68	30,378
Additions of unallocated property, plant and equipment through acquisition of subsidiaries	透過收購附屬公司添置未分配物業、廠房及設備					39,000
Total additions of property, plant and equipment through acquisition of subsidiaries*	透過收購附屬公司添置物業、廠房及設備總額*					69,378
Additions of intangible assets through acquisition of subsidiaries	透過收購附屬公司添置無形資產	-	34,445	172,313	2,758	209,516
Additions of goodwill through acquisitions of subsidiaries	透過收購附屬公司添置商譽	-	31,214	113,373	32,909	177,496
Depreciation of property, plant and equipment	物業、廠房及設備折舊	3,955	145	546	18	4,664
Unallocated depreciation of property, plant and equipment	未分配物業、廠房及設備折舊					2,286
Total depreciation of property, plant and equipment	物業、廠房及設備折舊總額					6,950
Amortisation of intangible assets	無形資產攤銷	143	5,809	-	150	6,102

* Including the business combinations and acquisition of assets through acquisition of subsidiaries as detailed in notes 31 and 32 of these financial statements respectively.

* 包括業務合併及透過收購附屬公司收購資產(分別於該等財務報表附註31及32詳述)。

30. 分部報告(續)

(a) 分部收益、業績、資產及負債 (續)

(iii) 其他分部資料

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

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30. SEGMENT REPORTING (CONTINUED)

(a) Segment revenue, results, assets and liabilities (Continued)

(iii) Other segment information (Continued)

30. 分部報告(續)

(a) 分部收益、業績、資產及負債 (續)

(iii) 其他分部資料(續)

For the year ended 31 March 2017 (restated)
截至二零一七年三月三十一日止年度(經重列)

	Development, manufacturing and sales of health and beauty supplements and products 開發、製造 及銷售保健 及美容補品 及產品	Online			Other businesses	Total
		advertising agency business	payment business			
		線上廣告 代理業務	線上 支付業務	其他業務		總計
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元		HK\$'000 千港元
Other information	其他資料					
Additions of property, plant and equipment	添置物業、廠房及設備	3,287	-	-	-	3,287
Additions of unallocated property, plant and equipment	添置未分配物業、廠房及設備					1,511
Total additions of property, plant and equipment	添置物業、廠房及設備總額					4,798
Depreciation of property, plant and equipment	物業、廠房及設備折舊	3,465	-	-	-	3,465
Unallocated depreciation of property, plant and equipment	未分配物業、廠房及設備折舊					1,168
Total depreciation of property, plant and equipment	物業、廠房及設備折舊總額					4,633
Amortisation of intangible assets	無形資產攤銷	143	-	-	-	143

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

30. SEGMENT REPORTING (CONTINUED)

(b) Geographical information

The Company is domiciled in Hong Kong. The Group's operations are mainly located in Hong Kong, the PRC and Taiwan.

The revenue information below is based on the location of the operations.

		2018 二零一八年	
		Revenue 收益 HK\$'000 千港元	Non-current assets 非流動資產 HK\$'000 千港元
Hong Kong (place of domicile)	香港(註冊地點)	263,730	507,585
The PRC	中國	606	681
Taiwan	台灣	115	–
		264,451	508,266
		2017 二零一七年	
		Revenue 收益 HK\$'000 千港元	Non-current assets 非流動資產 HK\$'000 千港元
Hong Kong (place of domicile)	香港(註冊地點)	220,620	57,635
The PRC	中國	–	121
Taiwan	台灣	233	17
		220,853	57,773

(c) Information about major customer

Revenues from external customer contributing 10% or more of the total revenue of the Group 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
Customer A*	客戶甲*	134,017	125,419

* The revenues were derived from the development, manufacturing and sales of health and beauty supplements and products.

30. 分部報告(續)

(b) 地區資料

本公司位於香港。本集團之業務主要位於香港、中國及台灣。

以下收益資料乃以經營所在地為基準。

(c) 主要客戶的資料

佔本集團總營業額10%或以上的來自外部客戶收益的分析如下：

* 有關收益乃源自開發、製造及銷售保健及美容補品及產品。

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31. BUSINESS COMBINATIONS

The fair values of the identifiable assets and liabilities of the subsidiaries acquired during the year ended 31 March 2018 as at their respective dates of acquisition are set out below:

31. 業務合併

於截至二零一八年三月三十一日止年度所收購附屬公司的可識別資產及負債於彼等各自的收購日期的公平值載列如下：

	Note 附註	Star Root HK\$'000 千港元 (note (a)) (附註(a))	Empire Access HK\$'000 千港元 (note (b)) (附註(b))	Others 其他 HK\$'000 千港元 (note (c)) (附註(c))	Total 總計 HK\$'000 千港元
Non-current assets					
Plant and equipment		196	3,280	68	3,544
Intangible assets	16	34,445	172,313	2,758	209,516
Current assets					
Trade and other receivables		274	169	3,869	4,312
Cash and cash equivalents		70	915	2,074	3,059
Tax recoverable		-	-	100	100
Current liabilities					
Trade and other payables		(400)	(1,363)	(3,743)	(5,506)
Non-current liabilities					
Deferred tax liabilities	28	(5,683)	(28,432)	(455)	(34,570)
Total identifiable net assets at fair value					
Goodwill arising on acquisitions	17	31,214	113,373	32,909	177,496
Non-controlling interests		(10,116)	(44,075)	(1,454)	(55,645)
Total consideration		50,000	216,180	36,126	302,306
Consideration satisfied by:					
Cash consideration paid		50,000	5,000	13,920	68,920
Cash consideration payable		-	55,000	-	55,000
Fair value of contingent consideration payables	24	-	156,180	12,075	168,255
Fair value of promissory notes payable	26	-	-	10,131	10,131
		50,000	216,180	36,126	302,306
Net cash outflow arising from the acquisitions during the year ended 31 March 2018:					
Cash consideration paid		(50,000)	(60,000)	(13,920)	(123,920)
Deposits paid in previous year		5,000	-	-	5,000
Cash and cash equivalents acquired		70	915	2,074	3,059
		(44,930)	(59,085)	(11,846)	(115,861)

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

31. BUSINESS COMBINATIONS (CONTINUED)

Notes:

(a) Acquisition of Star Root

On 9 January 2017, the Company entered into a sale and purchase agreement with an independent third party vendor to acquire the entire equity interest of Star Root, a company incorporated in the BVI, at a cash consideration of HK\$50,000,000. Star Root and its subsidiary (65% equity interest held by Star Root) are principally engaged in the online advertising agency business. The management considers that such acquisition will enable the Group to partner with and access to an online information platform in Hong Kong and PRC to expand the sales and advertising channels for the Group's products, provide an additional income and cash flow stream for the Group and further diversify the Group's overall business. The acquisition was completed on 13 April 2017.

The purchase price allocation of the acquisition of Star Root at 13 April 2017 was completed in March 2018. The Group revised the provisional amounts recognised at the acquisition date to reflect new information obtained about the facts and circumstances that existed as of the acquisition date. This resulted in an adjustment to certain assets and liabilities due to the completion of the valuation of the fair values as at the date of acquisition, along with a corresponding decline in goodwill in the consolidated statement of financial position.

The non-controlling interests in the subsidiary of Star Root recognised at the acquisition date was measured with reference to the non-controlling interests' proportionate share of the fair value of net assets of the subsidiary of Star Root at that date.

The transaction costs of approximately HK\$66,000 have been excluded from the consideration transferred and included in "administrative expenses" in the consolidated statement of profit or loss and other comprehensive income.

The goodwill arising from the acquisition of Star Root is attributable to the future growth and profitability in relation to the online advertising agency business. None of the goodwill recognised is expected to be deductible for income tax purpose.

(b) Acquisition of Empire Access

On 30 June 2017, the Company entered into a sale and purchase agreement with four independent third party vendors to acquire the entire equity interest of Empire Access, a company incorporated in the BVI, for a total cash consideration of HK\$270,000,000. On 15 September 2017, the Company entered into a supplemental agreement with the vendors pursuant to which the total consideration was revised and adjusted downward to not more than HK\$240,000,000, which comprises fixed cash consideration of HK\$60,000,000 and contingent consideration to be settled in the form of promissory note issued by the Company. Empire Access and its subsidiary (70% equity interest held by Empire Access) are principally engaged in the business of provision of WeChat Pay cross border solutions to Tenpay Payment Technology Company Limited, an integrated online payment platform, and the retail merchants in Hong Kong. The management considers that such acquisition will enable the Group to enter into the mobile payment industry which will provide an additional income and cash flow stream to the Group and further diversify the Group's overall business. The acquisition was completed on 21 September 2017.

31. 業務合併(續)

附註：

(a) 收購Star Root

於二零一七年一月九日，本公司與獨立第三方賣方訂立買賣協議，收購於英屬處女群島註冊成立之公司Star Root的全部股本權益，現金代價為50,000,000港元。Star Root及其附屬公司(由Star Root持有65%股權)主要從事線上廣告代理業務。管理層認為該收購事項將能使本集團可與香港及中國線上資訊平台合作及接洽，以拓展本集團產品之銷售及推廣渠道，可為本集團提供額外的收入及現金流來源，並進一步多元化本集團之整體業務。該收購事項已於二零一七年四月十三日完成。

於二零一七年四月十三日收購Star Root之購買價分配於二零一八年三月完成。本集團修訂於收購日期確認之暫定金額，以反映截至收購日期取得已存在的有關事實及情況之新資料，該情況導致因於收購日期完成公平價值估值而對若干資產及負債進行調整，連同於綜合財務狀況表對商譽作出相應下調。

於收購日期確認的Star Root附屬公司非控股權益乃按照非控股權益應佔Star Root附屬公司於該日的資產淨值之公平值的比例計量。

所轉讓代價不包括計入綜合損益及其他全面收益表中「行政開支」的交易成本約66,000港元。

收購Star Root所產生的商譽歸因於與線上廣告代理業務有關之未來增長及盈利能力。概無已確認之商譽預期可用作扣除所得稅。

(b) 收購Empire Access

於二零一七年六月三十日，本集團與四名獨立第三方賣方訂立買賣協議，以總現金代價270,000,000港元收購Empire Access(一間於英屬處女群島註冊成立之公司)全部股本權益。於二零一七年九月十五日，本公司與賣方訂立補充協議，據此，對總代價進行修訂並下調至不多於240,000,000港元，其中包括固定現金代價60,000,000港元，而或然代價將以本公司發行承兌票據之形式結清。Empire Access及其附屬公司(由Empire Access持有70%股權)主要從事向財付通支付科技有限公司(綜合線上支付平台)及香港的零售商戶提供微信支付境外收單解決方案服務。管理層認為該收購事項令本集團進軍流動支付行業，為本集團提供額外收入及現金流來源，進一步多元化本集團之整體業務。該收購事項已於二零一七年九月二十一日完成。

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31. BUSINESS COMBINATIONS (CONTINUED)

Notes: (Continued)

(b) Acquisition of Empire Access (Continued)

In accordance with the cooperation agreements in relation to the option granted to the subsidiary of Empire Access, N Dimension, by the existing shareholders of Hoi On, it allows N Dimension to exercise a call option to acquire 100% equity interest in Hoi On at a fixed exercise price of HK\$10,526. As a result, for accounting purpose, it has been determined that the existence of the option has given the Group full access to the economic benefits and risks associated with the actual ownership of the non-controlling interests. Therefore, Hoi On has been accounted for as a wholly-owned subsidiary without non-controlling interests as at 21 September 2017. On 5 March 2018, the Group exercised the call option and the acquisition of Hoi On was completed.

The non-controlling interests in the subsidiaries of Empire Access recognised at the acquisition date was measured with reference to the non-controlling interests' proportionate share of the fair value of net assets of the subsidiaries of Empire Access at that date.

The potential undiscounted amount of all future payments that the Group shall pay under this arrangement is between Nil and HK\$180,000,000. As at 31 March 2018, there was fair value change of contingent consideration payable of HK\$8,943,000 recognised in the consolidated statement of profit or loss and other comprehensive income for the contingent consideration payable due to the change in discount rate applied.

The fair value of the contingent consideration payable of HK\$156,180,000 as at 21 September 2017 was estimated by applying the income approach. The fair value estimates are based on the discount rate of 7.8% and revenue of HK\$8,395,000 for the year from 22 September 2017 to 21 September 2018, revenue of HK\$43,281,000 for the year from 22 September 2018 to 21 September 2019 and net profit of HK\$25,687,000 for the year from 22 September 2019 to 21 September 2020. This is a level 3 fair value measurement.

The transaction costs of approximately HK\$3,225,000 have been excluded from the consideration transferred and included in "administrative expenses" in the consolidated statement of profit or loss and other comprehensive income.

The goodwill arising from the acquisition of Empire Access is attributable to the future growth and profitability in relation to the online payment business. None of the goodwill recognised is expected to be deductible for income tax purpose.

31. 業務合併(續)

附註：(續)

(b) 收購Empire Access(續)

根據與海安現有股東授予Empire Access附屬公司千維科技購股權有關的合作協議，千維科技可以固定行使價10,526港元行使認購期權，以收購海安全部股權。故就會計目的而言，購股權將令本集團充份獲取與非控股權益實際擁有權有關的經濟利益及相關風險。因此，於二零一七年九月二十一日海安已入賬列作並無非控股權益的全資附屬公司。於二零一八年三月五日，本集團行使認購期權及完成收購海安。

於收購日期確認的Empire Access附屬公司非控股權益乃按照非控股權益應佔Empire Access附屬公司於該日的資產淨值之公平值的比例計量。

本集團於此安排項下須支付的全部未來付款的潛在未折現之金額介乎零至180,000,000港元。於二零一八年三月三十一日，由於所使用的折現率出現變動而於綜合損益及其他全面收益表就或然應付代價確認或然應付代價公平值變動8,943,000港元。

於二零一七年九月二十一日之或然應付代價公平值156,180,000港元乃使用收入法估計。公平值估計乃基於折現率7.8%及二零一七年九月二十二日至二零一八年九月二十一日年度之收益8,395,000港元、二零一八年九月二十二日至二零一九年九月二十一日年度之收益43,281,000港元及二零一九年九月二十二日至二零二零年九月二十一日年度之純利25,687,000港元得出。此屬於第三級公平值計量。

所轉讓代價不包括計入綜合損益及其他全面收益表中「行政開支」的交易成本約3,225,000港元。

收購Empire Access所產生的商譽為與線上支付業務有關之未來增長及盈利能力。概無已確認之商譽預期可用作扣除所得稅。

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31. BUSINESS COMBINATIONS (CONTINUED)

Notes: (Continued)

(c) Others refer to the aggregate information of two subsidiaries acquired by the Group during the year ended 31 March 2018 that are not individually material. Details of these two acquisitions are as follows:

(i) *Acquisition of Soul Marketing*

On 11 December 2017, Empire Access, a wholly owned subsidiary of the Company, entered into a sale and purchase agreement with two independent third party vendors to acquire 68.5% equity interest of Soul Marketing, a company incorporated in Hong Kong, for consideration of HK\$12,000,000 (subject to downward adjustment in respect of the guaranteed profit as described in the sale and purchase agreement). On 19 December 2017, Empire Access entered into a supplemental agreement with the vendors pursuant to which the total consideration of not more than HK\$12,000,000 would be settled by a fixed cash consideration of HK\$7,200,000 and contingent consideration to be settled in the form of promissory notes issued by the Company. Soul Marketing and its subsidiaries are principally engaged in the e-commerce promotion business. The management considers that such acquisition will enable the Group to enter into the e-commerce promotion business which will provide an additional income and cash flow stream to the Group and enhance and integrate the online business. The acquisition was completed on 22 December 2017.

The non-controlling interests in the subsidiaries of Soul Marketing recognised at the acquisition date was measured with reference to the non-controlling interests' proportionate share of the fair value of net assets of the subsidiaries of Soul Marketing at that date.

The potential undiscounted amount of all future payments that the Group shall pay under the promissory notes payable arrangement is between Nil and HK\$4,800,000.

The transaction costs of approximately HK\$538,000 have been excluded from the consideration transferred and included in "administrative expenses" in the consolidated statement of profit or loss and other comprehensive income.

The goodwill arising from the acquisition of Soul Marketing is attributable to the future growth and profitability in relation to the e-commerce promotion business. None of the goodwill recognised is expected to be deductible for income tax purpose.

31. 業務合併(續)

附註：(續)

(c) 其他指本集團於截至二零一八年三月三十一日止年度內所收購並非個別重大之兩間附屬公司之匯總資料。該等兩項收購事項之詳情如下：

(i) *收購凌市場策略*

於二零一七年十二月十一日，本公司全資附屬公司Empire Access與兩名獨立第三方賣方訂立買賣協議，以代價12,000,000港元(可因應買賣協議所述保證溢利予以下調)收購凌市場策略(一間於香港註冊成立之公司)68.5%股本權益。於二零一七年十二月十九日，Empire Access與賣方訂立補充協議，據此，總代價不超過12,000,000港元將以固定現金代價7,200,000港元及以本公司發行之承兌票據形式予以結付之或然代價償付。凌市場策略及其附屬公司主要從事電子商務推廣業務。管理層認為，有關收購事項將讓本集團進行電子商務推廣業務，從而為本集團提供額外收入及現金流，以及提升及整合線上業務。該收購事項已於二零一七年十二月二十二日完成。

於收購日期確認的凌市場策略附屬公司之非控股權益乃按照非控股權益應佔凌市場策略附屬公司於該日的資產淨值之公平值的比例計量。

本集團於應付承兌票據安排項下須支付的全部未來付款的潛在未折現之金額介乎零至4,800,000港元。

所轉讓代價不包括計入綜合損益及其他全面收益表中「行政開支」的交易成本約538,000港元。

收購凌市場策略所產生的商譽為與電子商務推廣業務有關之未來增長及盈利能力。概無已確認之商譽預期可用作扣除所得稅。

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31. BUSINESS COMBINATIONS (CONTINUED)

Notes: (Continued)

- (c) Others refer to the aggregate information of two subsidiaries acquired by the Group during the year ended 31 March 2018 that are not individually material. Details of these two acquisitions are as follows: (Continued)

(ii) *Acquisition of IAHGames*

On 5 January 2018, Ultra Land Group Limited, a wholly owned subsidiary of the Company, entered into a sale and purchase agreement with an independent third party vendor to acquire 62.07% equity interest of IAHGames, a company incorporated in Hong Kong, for consideration of not more than HK\$22,000,000 (subject to downward adjustment in respect of the guaranteed profit as described in the sale and purchase agreement), which comprises fixed cash consideration of HK\$11,000,000 and contingent consideration to be settled in the form of promissory notes issued by the Company. On 28 February 2018 and 4 May 2018, the Company entered into the second supplemental agreement and third supplemental agreement respectively with the vendor pursuant to which the composition of the consideration was revised to a fixed cash consideration of HK\$1,220,000 and contingent consideration to be settled in the form of promissory notes issued by the Company. To reflect new information as stated in the third supplemental agreement which was signed subsequent to the reporting period about facts and circumstances that existed at the acquisition date, the fair value of the consideration was adjusted in accordance with the terms in the third supplemental agreement dated 4 May 2018. IAHGames is principally engaged in the game distribution business in Hong Kong. The management considers that such acquisition will enable the Group to enter into the game distribution industry which will provide an additional income and cash flow stream to the Group and enhance and integrate the online business. The acquisition was completed on 28 February 2018.

31. 業務合併(續)

附註：(續)

- (c) 其他指本集團於截至二零一八年三月三十一日止年度內所收購並非個別重大之兩間附屬公司之匯總資料。該等兩項收購事項之詳情如下：(續)

(ii) *收購IAHGames*

於二零一八年一月五日，本公司全資附屬公司Ultra Land Group Limited與獨立第三方賣方訂立買賣協議，以代價不超過22,000,000港元(可因應買賣協議所述保證溢利予以下調)收購IAHGames(一間於香港註冊成立之公司)62.07%股本權益，該代價包括固定現金代價11,000,000港元及以本公司發行之承兌票據形式予以結付之或然代價。於二零一八年二月二十八日及二零一八年五月四日，本公司與賣方分別訂立第二份補充協議及第三份補充協議，據此，代價的組成部分修改為固定現金代價1,220,000港元及以本公司發行之承兌票據形式予以結付之或然代價。為反映於報告期後簽訂之第三份補充協議所述關於收購日期已存在事實情況的新增資料，代價之公平價乃根據日期為二零一八年五月四日之第三份補充協議之條款作出調整。IAHGames主要於香港從事遊戲發行業務。管理層認為，有關收購事項將讓本集團進軍遊戲發行行業，從而為本集團提供額外收入及現金流，以及提升及整合線上業務。該收購事項已於二零一八年二月二十八日完成。

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31. BUSINESS COMBINATIONS (CONTINUED)

Notes: (Continued)

(c) Others refer to the aggregate information of two subsidiaries acquired by the Group during the year ended 31 March 2018 that are not individually material. Details of these two acquisitions are as follows: (Continued)

(ii) *Acquisition of IAHGames (Continued)*

The non-controlling interests in IAHGames recognised at the acquisition date was measured with reference to the non-controlling interests' proportionate share of the fair value of net assets of IAHGames at that date.

The potential undiscounted amount of all future payments that the Group shall pay under the contingent consideration payables and promissory notes payable arrangements are HK\$2 to HK\$11,760,000 and Nil to HK\$5,520,000 respectively.

The transaction costs of approximately HK\$236,000 have been excluded from the consideration transferred and included in "administrative expenses" in the consolidated statement of profit or loss and other comprehensive income.

The goodwill arising from the acquisition of IAHGames is attributable to the future growth and profitability in relation to the game distribution business. None of the goodwill recognised is expected to be deductible for income tax purpose.

Since the acquisition, these acquired entities contributed HK\$13,654,000 to the Group's revenue and HK\$13,548,000 to the Group's loss after tax for the year ended 31 March 2018.

Had the above business combinations taken place at the beginning of the year, the Group's revenue and loss after tax for the year would have been HK\$281,013,000 and HK\$149,276,000 respectively. The proforma information is for illustrative purposes only and is not necessarily an indication of the total revenue and loss after tax of the Group that actually would have been achieved had the acquisition been completed on 1 April 2017, nor is intended to be a projection of future results.

31. 業務合併(續)

附註：(續)

(c) 其他指本集團於截至二零一八年三月三十一日止年度內所收購並非個別重大之兩間附屬公司之匯總資料。該等兩項收購事項之詳情如下：(續)

(ii) *收購IAHGames(續)*

於收購日期確認的IAHGames非控股權益乃按照非控股權益應佔IAHGames於該日的資產淨值之公平值的比例計量。

本集團於或然應付代價及應付承兌票據安排項下須支付的全部未來付款的潛在未折現之金額分別介乎2港元至11,760,000港元及零至5,520,000港元。

所轉讓代價不包括計入綜合損益及其他全面收益表中「行政開支」的交易成本約236,000港元。

收購IAHGames所產生的商譽為與遊戲發行業務有關之未來增長及盈利能力。概無已確認之商譽預期可用作扣除所得稅。

自收購事項起，該等被收購實體於截至二零一八年三月三十一日止年度分別向本集團收益及本集團除稅後虧損貢獻13,654,000港元及13,548,000港元。

倘上述業務合併於年初進行，本集團於年內之收益及除稅後虧損將分別為281,013,000港元及149,276,000港元。備考資料僅供說明用途，不可作為倘收購事項已於二零一七年四月一日完成本集團實際將達到的收益總額及除稅後虧損，亦不可作為未來業績的預測。

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32. ACQUISITION OF ASSETS THROUGH ACQUISITION OF SUBSIDIARIES

(a) Acquisition of Giant Bloom Holdings Limited

On 7 September 2017, the Group entered into a sale and purchase agreement with an independent third party vendor to acquire 100% equity interest in Giant Bloom Holdings Limited, a company incorporated in Hong Kong, for a total cash consideration of HK\$39,000,000. Giant Bloom Holdings Limited is principally engaged in property investment. The transaction was completed on 13 September 2017. This acquisition has been accounted for as an acquisition of assets through acquisition of a subsidiary.

32. 透過收購附屬公司收購資產

(a) 收購鉅成集團有限公司

於二零一七年九月七日，本集團與一名獨立第三方訂立買賣協議，收購鉅成集團有限公司（一間於香港註冊成立之公司）的100%權益，總現金代價為39,000,000港元。鉅成集團有限公司主要從事物業投資。此交易已於二零一七年九月十三日完成。該收購已入賬列為透過收購附屬公司收購資產。

		HK\$'000
		千港元
Total consideration:		
– Cash consideration paid	總代價：	
– Cash consideration payable	– 已付現金代價	34,000
	– 應付現金代價	5,000
		39,000
Assets acquired at the date of acquisition are as follows:		
於收購日期所收購之資產如下：		
		HK\$'000
		千港元
Leasehold land and buildings held for own use	持作自用的租賃土地及樓宇	39,000
Net cash outflow arising from the acquisition:		
Cash consideration paid	收購所產生的現金淨流出：	
	已付現金代價	(34,000)
		(34,000)

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32. ACQUISITION OF ASSETS THROUGH ACQUISITION OF SUBSIDIARIES (CONTINUED)

(b) Acquisition of Super Value Sporting Goods Company Limited

On 7 September 2017, the Group entered into a sale and purchase agreement with three independent third party vendors to acquire 100% equity interest in Super Value Sporting Goods Company Limited, for a total cash consideration of HK\$27,000,000. Super Value Sporting Goods Company Limited is principally engaged in property investment. The transaction was completed on 13 September 2017. This acquisition has been accounted for as an acquisition of assets through acquisition of a subsidiary.

32. 透過收購附屬公司收購資產 (續)

(b) 收購Super Value Sporting Goods Company Limited

於二零一七年九月七日，本集團與三名獨立第三方賣方訂立買賣協議，收購 Super Value Sporting Goods Company Limited 的 100% 權益，總現金代價為 27,000,000 港元。Super Value Sporting Goods Company Limited 主要從事物業投資。此交易已於二零一七年九月十三日完成。該收購已入賬列為透過收購附屬公司收購資產。

		HK\$'000 千港元
Total consideration:	總代價：	
– Cash consideration paid	– 已付現金代價	27,000
Assets acquired at the date of acquisition are as follows:	於收購日期所收購之資產如下：	
		HK\$'000 千港元
Leasehold land and buildings held for own use	持作自用的租賃土地及樓宇	26,834
Deposits and prepayments	按金及預付款項	166
		27,000
Net cash outflow arising from the acquisition:	收購所產生的現金淨流出：	
Cash consideration paid	已付現金代價	(27,000)
		(27,000)

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33. PARTIAL DISPOSAL OF A SUBSIDIARY

On 22 November 2016, Wisdom Come Medical Group Limited (“WCMG”), a subsidiary of the Company, disposed of: (1) an aggregate of 40% equity interest in Apex Prospection Limited (“Apex Prospection”) in the amount of HK\$3,300,000 and (2) 40% of the interest-free shareholder’s loan amounting to HK\$1,200,000 owing by a wholly owned subsidiary of the Apex Prospection to WCMG for an aggregate cash consideration of HK\$4,500,000 to an independent third party, Ms. Li Yung. Apex Prospection and its subsidiaries are principally engaged in the distribution of health and beauty supplements in the PRC. The Group retains 60% of the equity interest in Apex Prospection after the partial disposal. The total transaction cost of the partial disposal of Apex Prospection amounted to HK\$547,000.

34. COMMITMENTS

(a) Capital commitments

As at 31 March 2017 and 2018, the Group had capital commitments contracted but not provided for in the financial statements as follows:

33. 部分出售一間附屬公司

於二零一六年十一月二十二日，仍志醫藥集團有限公司（「仍志醫藥集團」，本公司一間附屬公司）向一名獨立第三方李榕女士出售：(1) Apex Prospection Limited（「Apex Prospection」）合共40%股權，代價為3,300,000港元；及(2) Apex Prospection的一間全資附屬公司結欠仍志醫藥集團的免息股東貸款之40%為1,200,000港元，總現金代價為4,500,000港元。Apex Prospection及其附屬公司主要於中國從事保健及美容補品分銷。本集團於部分出售後保留Apex Prospection之60%股權。部分出售Apex Prospection的總交易成本為547,000港元。

34. 承擔

(a) 資本承擔

於二零一七年及二零一八年三月三十一日，本集團有以下已訂約但未於財務報表計提撥備的資本承擔：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Contracted for	已訂約		
— Property, plant and equipment	— 物業、廠房及設備	3,298	125

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34. COMMITMENTS (CONTINUED)

(b) Operating lease commitments

As lessee

At 31 March 2017 and 2018, the Group had outstanding commitments under non-cancellable operating leases falling 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	8,112	2,197
After one year but within five years	一年後但五年內	8,422	1,474
		16,534	3,671

The Group leases warehouses, office premises, shop premises and carparks under non-cancellable operating lease arrangements with lease terms of one to five years, with an option to renew the lease when all terms are renegotiated. None of the lease includes contingent rentals.

34. 承擔(續)

(b) 經營租賃承擔

作為承租人

於二零一七年及二零一八年三月三十一日，本集團於不可撤銷經營租約項下有於以下期間屆滿之未償付承擔：

	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	8,112	2,197
After one year but within five years	8,422	1,474
	16,534	3,671

本集團根據不可撤銷經營租約安排租賃之倉庫、辦公室、商舖及停車場租期為一至五年，當所有條款再協商後可選擇更新租約。概無租約包含或然租金。

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35. MATERIAL RELATED PARTY TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in these financial statements, the Group had the following transactions and balances with its related parties during the year:

(a) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in note 9, highest paid employees as disclosed in note 10 and other senior management of the Group 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
Short-term employee benefits	短期僱員福利	15,919	14,136
Post-employment benefits	離職後福利	173	188
Equity-settled share-based payments	以股權結算以股份支付之開支	11,507	–
		27,599	14,324

Total remuneration is included in “Staff costs” (see note 8(a)).

總薪酬已包括在「員工成本」內(見附註8(a))。

35. 重大關連方交易

除於該等財務報表其他部分披露的交易及結餘外，本集團與關連方於年內的交易及結餘如下：

(a) 主要管理人員薪酬

本集團主要管理人員薪酬包括附註9所披露已付本公司董事的款項及附註10所披露已付本集團最高薪僱員及其他高級管理層的款項，載列如下：

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35. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Transactions with related parties

35. 重大關連方交易(續)

(b) 與關連方交易

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Rental expenses paid to a related party (note i)	租金支出付予關連方(附註i)	-	82
Rental expenses paid to Great Victor Limited (note ii)	租金支出付予柏盛有限公司(附註ii)	174	174
Rental expenses paid to Sunex Limited (note iii)	租金支出付予昌輝有限公司(附註iii)	203	203
Legal and professional fee paid to Sidney Lee & Co. (note iv)	法律及專業費支付予李志恒律師事務所(附註iv)	307	700
Rental expenses paid to Power Trendy Limited (note v)	租金支出付予豐宏有限公司(附註v)	44	-
Rental expenses paid to Mega Linker Limited (note vi)	租金支出付予豪倡有限公司(附註vi)	44	-
Rental expenses paid to City Scene Limited (note vii)	租金支出付予焯城有限公司(附註vii)	44	-
Rental expenses paid to Sunny Viewer Limited (note viii)	租金支出付予豐璋有限公司(附註viii)	44	-

As at 31 March 2017 and 31 March 2018, the Group had total future minimum lease payables to related parties under non-cancellable operating lease falling due as follows:

於二零一七年三月三十一日及二零一八年三月三十一日，本集團於不可撤銷經營租約項下有於以下期間屆滿之未來應付關聯方之最低租金：

		As at 31 March 2018 於 二零一八年 三月三十一日 HK\$'000 千港元	As at 31 March 2017 於 二零一七年 三月三十一日 HK\$'000 千港元
Within one year	一年內	665	346
After one year but within five years	一年後但五年內	546	118
		1,211	464

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35. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Transactions with related parties (Continued)

Notes:

- (i) The rental expenses were paid to Mr. Cheng Jonathan Chung Shing, a close family member of an independent non-executive director, Mr. Cheng Kwok Kin, Paul. Mr. Cheng Kwok Kin, Paul ceased to be a related party of the Group following his resignation as the independent non-executive director of the Company on 6 December 2016.
- (ii) The rental expenses were paid to Great Victor Limited, a company wholly-owned by Mr. Chan Yan Tak, an executive director of the Company.
- (iii) The rental expenses were paid to Sunex Limited, a company wholly-owned by Ms. Wong Chui Lan, senior management of the Group.
- (iv) The legal and professional fees represents legal service fees charged by a barrister via Sidney Lee & Co., a registered solicitors' firm in Hong Kong controlled by Mr. Lee Chi Hang, Sidney, an executive director of the Company. Sidney Lee & Co. provided such service to the Company on a complimentary basis.
- (v) The rental expenses were paid to Power Trendy Limited, a company wholly-owned by Mr. Chan Yan Tak, an executive director of the Company.
- (vi) The rental expenses were paid to Mega Linker Limited, a company wholly-owned by Mr. Chan Yan Tak, an executive director of the Company.
- (vii) The rental expenses were paid to City Scene Limited, a company wholly-owned by Mr. Chan Yan Tak, an executive director of the Company.
- (viii) The rental expenses were paid to Sunny Viewer Limited, a company wholly-owned by Mr. Chan Yan Tak, an executive director of the Company.

35. 重大關連方交易(續)

(b) 與關連方交易(續)

附註：

- (i) 租金支出付予獨立非執行董事鄭國乾先生的近親鄭中誠先生。鄭國乾先生自其於二零一六年十二月六日辭任本公司獨立非執行董事後不再為本集團關連方。
- (ii) 租金支出付予柏盛有限公司，其為一間由本公司執行董事陳恩德先生全資擁有的公司。
- (iii) 租金支出付予昌輝有限公司，其為一間由本集團高級管理層王翠蘭女士全資擁有的公司。
- (iv) 法律及專業費用指一名大律師透過本公司執行董事李志恒先生控制的香港註冊律師事務所李志恒律師事務所收取的法律服務費用。李志恒律師事務所免費向本公司提供該服務。
- (v) 租金支出付予豐宏有限公司，其為一間由本公司執行董事陳恩德先生全資擁有的公司。
- (vi) 租金支出付予豪倡有限公司，其為一間由本公司執行董事陳恩德先生全資擁有的公司。
- (vii) 租金支出付予焯城有限公司，其為一間由本公司執行董事陳恩德先生全資擁有的公司。
- (viii) 租金支出付予豐瑋有限公司，其為一間由本公司執行董事陳恩德先生全資擁有的公司。

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35. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(c) Balances with related parties

The Group leases office premises from related parties as detailed in note 35(b) under operating lease arrangements with lease terms of one to three years. The terms of the leases require the Group to pay rental deposits to the lessors. The balances of the rental deposits as at 31 March 2017 and 31 March 2018 are detailed as follows:

		As at 31 March 2018 於 二零一八年 三月三十一日 HK\$'000 千港元	As at 31 March 2017 於 二零一七年 三月三十一日 HK\$'000 千港元
Great Victor Limited	柏盛有限公司	29	29
Sunex Limited	昌輝有限公司	34	34

(d) On 1 November 2017, the Group entered into sales and purchase agreement with Union Park Development Limited, a company wholly-owned by Mr. Chan Yan Tak, an executive director of the Company, to dispose a motor vehicle for a consideration of HK\$330,000. The Group incurred a loss on disposal of HK\$45,000.

35. 重大關連方交易(續)

(c) 關連方結餘

本集團根據詳載於附註35(b)與關連方的經營租約安排租賃之辦公室租期為一至三年。租約條款要求本集團繳付租賃按金予出租人。於二零一七年三月三十一日及二零一八年三月三十一日的租賃按金結餘詳情載列如下：

(d) 於二零一七年十一月一日，本集團與本公司執行董事陳恩德先生全資擁有的公司滙栢發展有限公司訂立買賣協議，以代價330,000港元出售一輛汽車。本集團產生出售虧損45,000港元。

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36. EQUITY-SETTLED SHARE-BASED PAYMENTS

Pursuant to a written resolution of the Company passed on 24 September 2013, the Company has conditionally adopted a share option scheme, which has been taken effect on 11 October 2013 (the “Share Option Scheme”). The Share Option Scheme remains effective following the Transfer of Listing subject to certain immaterial amendments to the share option scheme and implemented in full compliance with the requirements of Chapter 17 of the Listing Rules.

A summary of the Share Option Scheme of the Company is as follows:

Purpose

The purpose of the Share Option Scheme is to motivate the eligible participants to optimise their performance and efficiency for the benefit of the Group and attract and retain ongoing business relationship with the eligible participants whose contributions are or will be beneficial to the Group.

Eligible Participants

Eligible participants of the Share Option Scheme include:

- (a) any director, employee or officer of any company in the Group (whether full time or part time) (“Employee”), consultant, professional, customer, supplier, agent, partner or adviser of or contractor to the Group or a company in which the Group holds an interest or a subsidiary of such company (“Affiliate”); or
- (b) the trustee of any trust the beneficiary of which or any discretionary trust the discretionary objects of which include any director, Employee, consultant, professional, customer, supplier, agent, partner or adviser of or contractor to the Group or an Affiliate; or
- (c) a company beneficially owned by any director, Employee, consultant, professional, customer, supplier, agent, partner, adviser of or contractor to the Group or an Affiliate.

36. 以股權結算以股份支付之開支

根據本公司於二零一三年九月二十四日通過的書面決議案，本公司有條件採納自二零一三年十月十一日起生效的購股權計劃（「購股權計劃」）。購股權計劃於轉板上市後繼續有效（惟須對購股權計劃作出若干非重大修訂），並完全遵照上市規則第17章的規定實施。

本公司購股權計劃概要如下：

目的

購股權計劃之目標在於鼓勵合資格參與者為本集團的利益提升其表現及效率；及吸引及留聘正為、將為或預期將為本集團的利益作出貢獻的合資格參與者，或與彼等建立持續業務關係。

合資格參與者

購股權計劃之合資格參與者包括：

- (a) 本集團旗下任何公司的任何董事、僱員或高級職員（不論屬全職或兼職）（「僱員」），或為本集團或本集團於其中持有權益的公司或該等公司的附屬公司（「聯屬公司」）的諮詢人、專業人士、客戶、供應商、代理人、合夥人、顧問或承包商；或
- (b) 任何信託或任何全權信託的受託人，而有關信託的受益人或有關全權信託的全權信託人包括本集團或聯屬公司的任何董事、僱員、諮詢人、專業人士、客戶、供應商、代理人、合夥人、顧問或承包商；或
- (c) 本集團或聯屬公司的任何董事、僱員、諮詢人、專業人士、客戶、供應商、代理人、合夥人、顧問或承包商實益擁有的公司。

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36. EQUITY-SETTLED SHARE-BASED PAYMENTS (CONTINUED)

Maximum entitlement of each participant under the Share Option Scheme

The maximum entitlement of each participant under the Share Option Scheme shall not exceed 1% of the shares in issue of the Company in any 12-month period.

Any grant of further share options above this limit shall be subject to the approval of the Company's shareholders at general meeting.

Period within which the Shares must be taken up under a Share Option

A period to be determined by the Board and notified to the grantee, which shall not exceed 10 years from the date of grant of such share option.

Minimum period for which a Share Option must be held before it can be exercised

Unless otherwise determined by the Board and notified to the grantee, there is no minimum period for which a share option must be held before it can be exercised.

Amount payable on acceptance

HK\$1.00 for each lot of share options granted.

Period within which payments/calls/loans must be made/repaid

Not applicable.

Basis of determining the exercise price

The exercise price for any share under the Share Option Scheme shall be determined by the Board and notified to the grantee and shall not be less than the highest of:

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

36. 以股權結算以股份支付之開支 (續)

購股權計劃各參與者的最高配額

購股權計劃各參與者的最高配額不得超過本公司於任何十二個月期間已發行股份的1%。

進一步授出超過該限額的購股權須待於股東大會獲本公司股東批准。

根據購股權須承購股份的期限

期限由董事會決定並通知承授人，由購股權授出日期起不得超過十年。

購股權可行使前須持有的最短期限

除由董事會另行決定並通知承授人外，購股權可行使前不須持有最短期限。

接納時須繳付的款項

每批已授出購股權1.00港元。

付款／催繳股款／作出／償還貸款的期限

不適用。

釐定行使價的基準

購股權計劃項下任何股份的行使價由董事會釐定及通知承授人，惟不得低於下列各項的最高者：

- (a) 於購股權授出日期股份在聯交所每日報價表的收市價，而該日必須為營業日；
- (b) 緊接授出購股權日期前五個營業日股份在聯交所每日報價表的平均收市價；及
- (c) 授出購股權日期股份的面值。

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36. EQUITY-SETTLED SHARE-BASED PAYMENTS (CONTINUED)

The remaining life of the scheme

The Share Option Scheme will be valid and effective until 23 September 2023, after which no further share options will be granted but the provisions of the Share Option Scheme shall remain in full force and effect in all other respects. Options complying with the provisions of the Listing Rules which are granted during the duration of the scheme and remain unexercised immediately prior to 23 September 2023 shall continue to be exercisable in accordance with their terms of grant within the option period for which such share options are granted, notwithstanding the expiry of the scheme.

Movements of the share options during the years ended 31 March 2017 and 2018 are listed below in accordance with Chapter 17 of the Listing Rules:

For the year ended 31 March 2018

Category	Outstanding as at 1 April 2017	Granted on 30 October 2017	Adjustment due to Share Subdivision on 5 December 2017	Granted on 14 February 2018	Lapsed on 3 March 2018	Outstanding as at 31 March 2018
Directors						
Mr. Lee Chi Hang, Sidney		李志恒先生				
Mr. Wong Ping Yiu		黃平耀先生				
Mr. Wang Xihua		王西華先生				
Mr. Lai Wei Lam, William		賴偉林先生				
Mr. So Kevin Hoi Chak		蘇凱澤先生				
Mr. Liao Zhe		廖喆先生				
Ms. Szeto Wai Ling, Virginia		司徒惠玲女士				
Mr. Leung Winson Kwan Yau		梁鈞濬先生				
Mr. Tam Kin Yip		譚健業先生				
Mr. Leung Man Loon		梁文龍先生				
Subtotal		小計				
Continuous Contracts						
Employees		僱員				
Total		總計				

36. 以股權結算以股份支付之開支 (續)

計劃的剩餘有效期

購股權計劃直至二零二三年九月二十三日有效及生效，其後不會進一步授出任何購股權，惟購股權計劃條文在所有其他方面將仍然具有十足效力及作用。即使計劃屆滿，但於計劃有效期間內授出而於緊接二零二三年九月二十三日前仍未行使且符合上市規則規定的購股權，將可於該等購股權獲授的購股權期間內依據其授出條款繼續行使。

截至二零一七年及二零一八年三月三十一日止年度，根據上市規則第17章購股權計劃項下所授出購股權的變動如下：

截至二零一八年三月三十一日止年度

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

36. EQUITY-SETTLED SHARE-BASED PAYMENTS (CONTINUED)

For the year ended 31 March 2017

36. 以股權結算以股份支付之開支 (續)

截至二零一七年三月三十一日止年度

Category	Outstanding as at 1 April 2016 於二零一六年四月一日 (note 1) (附註1)	Lapsed on 30 April 2016 於二零一六年四月三十日 失效 (note 2) (附註2)	Reclassification of categories of grantee 承授人類別重新分類 (note 3) (附註3)	Exercised on 21 November 2016 於二零一六年十一月二十一日 行使 (note 4) (附註4)	Lapsed on 22 November 2016 於二零一六年十一月二十二日 失效 (note 1) (附註1)	Outstanding as at 31 March 2017 於二零一七年三月三十一日 未行使
Directors						
Mr. Chan Yan Tak	500,000	-	-	-	(500,000)	-
Mr. Wong Mau Tai	5,000,000	-	-	(5,000,000)	-	-
Professor Ng Ka Ming	500,000	-	-	-	(500,000)	-
Mr. Cheng Kwok Kin, Paul	500,000	-	-	(500,000)	-	-
Subtotal	6,500,000	-	-	(5,500,000)	(1,000,000)	-
Continuous Contracts						
Employees	12,700,000	-	(4,000,000)	(5,400,000)	(3,300,000)	-
All other eligible participants	5,500,000	(5,000,000)	4,000,000	(1,400,000)	(3,100,000)	-
Total	24,700,000	(5,000,000)	-	(12,300,000)	(7,400,000)	-

Notes:

- The share options are exercisable at any time during the period from 22 November 2013 until 21 November 2016 (both days inclusive). The exercise price of the share option is HK\$1.64. The closing price of the shares immediately before the date on which the share options were granted was HK\$1.68. The options were lapsed on 22 November 2016.
- 5,000,000 share options held by Mr. Foo Chi Ming has been reclassified under the category of "all other eligible participants" following his resignation as an executive director with effect from 1 January 2016. The options were lapsed on 30 April 2016.
- 4,000,000 share options held by an employee has been reclassified under the category of "all other eligible participants" following the resignation of an employee with effect from 1 June 2016. The options were lapsed on 22 November 2016.

附註：

- 購股權自二零一三年十一月二十二日起至二零一六年十一月二十一日(包括首尾兩天)期間內的任何時間可予行使。購股權行使價為1.64港元。股份緊接購股權授出日期前的收市價為每股1.68港元。購股權已於二零一六年十一月二十二日失效。
- 傅志明先生所持有之5,000,000份購股權由其於二零一六年一月一日辭任執行董事後重新分類為「所有其他合資格參與者」。該購股權已於二零一六年四月三十日失效。
- 一名僱員所持有之4,000,000份購股權自該僱員於二零一六年六月一日辭職後已重新分類為「所有其他合資格參與者」。該購股權已於二零一六年十一月二十二日失效。

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36. EQUITY-SETTLED SHARE-BASED PAYMENTS (CONTINUED)

Notes: (continued)

4. 5,500,000 share options, 5,400,000 share options and 1,400,000 share options granted to directors, continuous contract employees and all other eligible participants were exercised on 21 November 2016, respectively. The weighted average share price at the date of exercise was HK\$2.45.
5. The validity period of the share options is from 30 October 2017 to 29 October 2019 (both days inclusive). All of the share options will be vested on 30 October 2018. The exercise price of the share options and the closing price of the shares of the Company immediately before the date on which these share options were granted was HK\$6.80 and HK\$6.80 respectively (before adjustment of Share Subdivision). The exercise price per share has been adjusted to HK\$1.70 on 5 December 2017 with the effect of Share Subdivision. Further details of the Share Subdivision are set out in note 29(b)(ii) to these financial statements.
6. The number of share options have been adjusted on 5 December 2017 with the effect of Share Subdivision. Further details of the Share Subdivision are set out in note 29(b)(ii) to these financial statements.
7. The validity period of the share options is from 14 February 2018 to 13 February 2020 (both days inclusive). All of the share options will be vested on 14 February 2019. The exercise price of the share options and the closing price of the shares of the Company immediately before the date on which these share options were granted was HK\$1.16 and HK\$1.12 respectively.
8. 2,000,000 share options were lapsed on 3 March 2018 following the resignation of an employee on 1 February 2018.
9. The exercise price of the Share Options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.

36. 以股權結算以股份支付之開支 (續)

附註：(續)

4. 分別授予董事、持續合約僱員及所有其他合資格參與者之5,500,000份、5,400,000份及1,400,000份購股權於二零一六年十一月二十一日已獲行使。行使當日之加權平均股價為2.45港元。
5. 購股權之有效期由二零一七年十月三十日至二零一九年十月二十九日(包括首尾兩天)。所有購股權將於二零一八年十月三十日歸屬。購股權之行使價及緊接授出該等購股權當日前本公司股份之收市價分別為6.80港元及6.80港元(就股份拆細調整前)。於股份拆細生效後，每股行使價已於二零一七年十二月五日予以調整至1.70港元。股份拆細進一步詳情載於該等財務報表附註29(b)(ii)。
6. 於股份拆細生效後，購股權數目已於二零一七年十二月五日予以調整。股份拆細進一步詳情載於該等財務報表附註29(b)(ii)。
7. 購股權之有效期由二零一八年二月十四日至二零二零年二月十三日(包括首尾兩天)。所有購股權將於二零一九年二月十四日歸屬。購股權之行使價及緊接授出該等購股權當日前本公司股份之收市價分別為1.16港元及1.12港元。
8. 於一名僱員於二零一八年二月一日辭任後，2,000,000份購股權於二零一八年三月三日失效。
9. 購股權行使價須就有關供股或發行紅股或本公司股本出現的其他類似變動而作出調整。

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36. EQUITY-SETTLED SHARE-BASED PAYMENTS (CONTINUED)

Movements in the number of share options outstanding and their weighted average exercise prices for the years ended 31 March 2017 and 2018 are as follows:

		Weighted average exercise price per share 每股加 權平均 行使價 HK\$ 港元	Number of shares issuable under options granted 根據所授出 購股權可發行 之股份數目
At 1 April 2016	於二零一六年四月一日	1.64	24,700,000
Exercised during the year	年內行使	1.64	(12,300,000)
Lapsed during the year	年內失效	1.64	(12,400,000)
At 31 March 2017 and 1 April 2017	於二零一七年三月三十一日及 二零一七年四月一日	-	-
Granted on 30 October 2017	於二零一七年十月三十日授出	6.80	36,800,000
Adjustments arising from Share Subdivision	因股份拆細而調整	-	110,400,000
Granted on 14 February 2018	於二零一八年二月十四日授出	1.16	2,100,000
Lapsed during the year	年內失效	1.70	(2,000,000)
At 31 March 2018	於二零一八年三月三十一日	1.69	147,300,000

No share options outstanding were exercisable as at 31 March 2018 (2017: not applicable).

The options outstanding as at 31 March 2018 had an exercise price of HK\$1.70 or HK\$1.16 (2017: not applicable) and a weighted average remaining contractual life of 1.59 years as at 31 March 2018 (2017: not applicable).

36. 以股權結算以股份支付之開支 (續)

於截至二零一七年及二零一八年三月三十一日止年度，未行使購股權數目及其加權平均行使價之變動如下：

於二零一八年三月三十一日，並無可行使之未行使購股權(二零一七年：不適用)。

於二零一八年三月三十一日尚未行使的購股權的行使價為1.70港元或1.16港元(二零一七年：不適用)及於二零一八年三月三十一日的加權平均剩餘合約期限為1.59年(二零一七年：不適用)。

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

36. EQUITY-SETTLED SHARE-BASED PAYMENTS (CONTINUED)

Fair value of share options and assumptions

The fair value of the share options granted were estimated by an independent firm of professionally qualified valuers using the binomial lattice model taking into account the terms and conditions upon which the options were granted. The following tables listed the inputs to the model used:

Grant date	授出日期	30 October 2017 二零一七年 十月三十日	14 February 2018 二零一八年 二月十四日
Share price on date of grant (HK\$)	於授出日期之股價(港元)	6.80*	1.12
Exercise price (HK\$)	行使價(港元)	6.80*	1.16
Expected life of share options (years)	預期購股權期限(年)	2	2
Expected volatility	預期波幅	51.73%	52.77%
Dividend yield	派息率	N/A不適用	N/A不適用
Risk-free interest rate	無風險利率	1.03%	1.14%
Fair value per share options granted to (HK\$)	授予下列人士每份購股權之公平值 (港元)		
— directors	— 董事	1.98*	N/A不適用
— employees	— 僱員	1.91*	0.31

* Before adjustment of Share Subdivision

The expected volatility is based on the historical volatility (calculated based on the weighted average remaining life of the share options), adjusted for any expected changes to future volatility based on publicly available information. Changes in the subjective input assumptions could materially affect the fair value estimate.

37. ULTIMATE HOLDING COMPANY AND CONTROLLING SHAREHOLDERS

At 31 March 2018, the directors of the Company consider the ultimate holding company of the companies comprising the Group is Able Island Group Limited (“Able Island”), a company incorporated in the BVI. The controlling shareholders of the Group are Mr. Chan Yan Tak and Able Island. The ultimate holding company does not produce financial statements for public use.

36. 以股權結算以股份支付之開支 (續)

購股權之公平值及假設

已授出購股權公平值乃由獨立專業合資格估值師行經考慮授出購股權所依據之條款及條件後採用二項式點陣模型估計。下表列明所使用模型的輸入數據：

	30 October 2017 二零一七年 十月三十日	14 February 2018 二零一八年 二月十四日
Share price on date of grant (HK\$)	6.80*	1.12
Exercise price (HK\$)	6.80*	1.16
Expected life of share options (years)	2	2
Expected volatility	51.73%	52.77%
Dividend yield	N/A不適用	N/A不適用
Risk-free interest rate	1.03%	1.14%
Fair value per share options granted to (HK\$)		
— directors	1.98*	N/A不適用
— employees	1.91*	0.31

* 就股份拆細調整前

預期波幅乃基於歷史波幅(按購股權之加權平均剩餘年期計算)，按公開可得資料就未來波幅之任何預期變動作出調整。主觀輸入數據假設之變化可能對公平值估計構成重大影響。

37. 最終控股公司及控股股東

於二零一八年三月三十一日，本公司董事認為，本集團各公司的最終控股公司為於英屬處女群島註冊成立的Able Island Group Limited (「Able Island」)。本集團的控股股東為陳恩德先生及Able Island。最終控股公司並沒有提供財務報表作公開用途。

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38. PRINCIPAL SUBSIDIARIES

Particulars of the principal subsidiaries at the end of reporting period are as follows:

Name 名稱	Place of incorporation/ establishment and operation 註冊成立／創立 及營運地點	Class of shares held 持有股份 類別	Particulars of issued and paid-up capital 已發行及繳足 股本詳情	Percentage of equity attributable to the Company 本公司應佔 權益百分比		Principal activities 主要業務
				Direct 直接 %	Indirect 間接 %	
RM Group Holdings Limited (formerly known as "Noble State Holdings Limited") 御藥堂集團控股有限公司 (前稱「御國控股有限公司」)	BVI 英屬處女群島	Ordinary 普通	US\$11 11美元	100	–	Investment holding 投資控股
Best Billion Limited 億顯有限公司	Hong Kong 香港	Ordinary 普通	10,000 ordinary shares 10,000股普通股	–	100	Provision of general administrative services 提供一般行政服務
Creation Chance Limited 天凱有限公司	Hong Kong 香港	Ordinary 普通	1 ordinary share 1股普通股	–	100	Sale of health and beauty supplements and products and provision of general administrative services 銷售保健及美容補品及產品及 提供一般行政服務
CULegend Company Limited 仍志中大中藥傳承有限公司	Hong Kong 香港	Ordinary 普通	1 ordinary share 1股普通股	–	100	Trading of products under the proprietary brand of "LEGEND" 買賣「中大中藥傳承」專有品牌產品
Eastern Bright (Asia) Limited 東耀(亞洲)有限公司	Hong Kong 香港	Ordinary 普通	1 ordinary share 1股普通股	–	100	Provision of management services to other Group companies 向其他集團成員公司提供管理服務
Empire Access Limited	BVI 英屬處女群島	Ordinary 普通	US\$50,000 50,000美元	100	–	Investment holding 投資控股
Giant Bloom Holdings Limited 鉅成集團有限公司	Hong Kong 香港	Ordinary 普通	1 ordinary share 1股普通股	–	100	Property holding 物業持有
Good Wealth Trading Limited 益財貿易有限公司	Hong Kong 香港	Ordinary 普通	10,000 ordinary shares 10,000股普通股	–	100	Trading of health supplements 買賣保健補品
Health Proof International Company Limited 康寶庫國際有限公司	Hong Kong 香港	Ordinary 普通	1 ordinary share 1股普通股	–	100	License holding 持有牌照
Hong Kong Ever Spring Medicine Factory Limited 香港四時春製藥廠有限公司	Hong Kong 香港	Ordinary 普通	1 ordinary share 1股普通股	–	100	Manufacturing and sale of health and beauty supplements and products 生產及銷售保健及美容補品及產品

38. 主要附屬公司

於報告期末，主要附屬公司之詳情如下：

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38. PRINCIPAL SUBSIDIARIES (CONTINUED)

38. 主要附屬公司(續)

Name 名稱	Place of incorporation/ establishment and operation 註冊成立／創立 及營運地點	Class of shares held 持有股份 類別	Particulars of issued and paid-up capital 已發行及繳足 股本詳情	Percentage of equity attributable to the Company 本公司應佔 權益百分比		Principal activities 主要業務
				Direct 直接 %	Indirect 間接 %	
IAHGames Hong Kong Limited	Hong Kong 香港	Ordinary 普通	1,799,905 ordinary shares 1,799,905股 普通股	-	62	Game distribution 遊戲發行
Kiwi Lab International Company Limited 奇異立寶國際有限公司	Hong Kong 香港	Ordinary 普通	1 ordinary share 1股普通股	-	100	License holding 持有牌照
Medalist Limited	BVI 英屬處女群島	Ordinary 普通	US\$1 1美元	-	100	Trademark holding 持有商標
N Dimension Limited 千維科技有限公司	Hong Kong 香港	Ordinary 普通	23,333 ordinary shares 23,333股普通股	-	70	Provision of online payment services 提供線上支付服務
Power Regal International Limited 力宏國際有限公司	Hong Kong 香港	Ordinary 普通	1 ordinary share 1股普通股	-	100	Property investment 物業投資
Rich Sunny Investment Limited 富樺投資有限公司	Hong Kong 香港	Ordinary 普通	1 ordinary share 1股普通股	-	100	Property investment and investment holding 物業投資及投資控股
Royal Medic Chinese Medicine Clinic Limited 御藥堂中醫中藥坊有限公司	Hong Kong 香港	Ordinary 普通	3 ordinary shares 3股普通股	-	100	Provision of Chinese medical consultation services and trading of health products 提供中醫診症服務及保健產品貿易
Royal Medic (Holdings) Limited 御藥堂(控股)有限公司	Hong Kong 香港	Ordinary 普通	100 ordinary shares 100股普通股	-	100	License holding 持有牌照
Royal Richly (Hong Kong) Limited 御財(香港)有限公司	Hong Kong 香港	Ordinary 普通	1 ordinary share 1股普通股	-	100	Property investment 物業投資
Star Root Limited	BVI 英屬處女群島	Ordinary 普通	US\$1 1美元	100	-	Investment holding 投資控股

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38. PRINCIPAL SUBSIDIARIES (CONTINUED)

38. 主要附屬公司(續)

Name 名稱	Place of incorporation/ establishment and operation 註冊成立/創立 及營運地點	Class of shares held 持有股份 類別	Particulars of issued and paid-up capital 已發行及繳足 股本詳情	Percentage of equity attributable to the Company 本公司應佔 權益百分比		Principal activities 主要業務
				Direct 直接 %	Indirect 間接 %	
Soul Marketing Group Limited 凌市場策略集團有限公司	Hong Kong 香港	Ordinary 普通	15,708 ordinary shares 15,708股普通股	–	80	e-commerce promotion 電子商務推廣
Super Pioneer Holdings Limited 創鋒集團有限公司	Hong Kong 香港	Ordinary 普通	1 ordinary share 1股普通股	–	100	Provision of management services to other Group companies 向其他集團成員公司提供管理服務
Super Value Sporting Goods Company Limited	Hong Kong 香港	Ordinary 普通	1,000 ordinary shares 1,000股普通股	–	100	Property holding 物業持有
Tenfok Asia Limited 騰福亞洲有限公司	Hong Kong 香港	Ordinary 普通	10,000 ordinary shares 10,000股普通股	–	65	Online advertising agency 線上廣告代理
Wisdom Come Medical Group Limited 仍志醫藥集團有限公司	Hong Kong 香港	Ordinary 普通	101 ordinary shares 101股普通股	–	100	Investment holding 投資控股
Wisdom Healthcare Co., Limited 盈智健康事業有限公司	Taiwan 台灣	Registered 已註冊	NT10,000,000 10,000,000元 新台幣	–	100	Trading of health and beauty supplements and products 保健及美容補品及產品貿易
Wisdom Health Products Company Limited 盈智健康產品有限公司	Hong Kong 香港	Ordinary 普通	2 ordinary shares 2股普通股	–	100	Trading of health and beauty supplements and products, provision of health food processing services and investment holding 保健及美容補品及產品貿易、提供 保健食品加工服務及投資控股
御藥堂保健品(上海) 有限公司*	The PRC 中國	Registered 已註冊	HK\$1,000,000 1,000,000港元	–	60	Sales of health and beauty supplements and products 銷售保健及美容補品及產品
珠海御藥堂保健品 有限公司*	The PRC 中國	Registered 已註冊	HK\$1,000,000 1,000,000港元	–	60	Sales of health and beauty supplements and products 銷售保健及美容補品及產品

* Registered under the laws of the PRC as a wholly foreign-owned enterprise.

* 根據中國法律註冊為全外資擁有企業。

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39. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2018

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments, new standards and interpretations which are not yet effective for the year ended 31 March 2018 and which have not been adopted in these financial statements. These include the following which may be relevant to the Group.

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
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 28	As part of the Annual Improvements to HKFRSs 2014-2016 Cycle ¹
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures ²
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

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

39. 截至二零一八年三月三十一日止年度已頒佈但尚未生效之修訂、新準則及詮釋之可能性影響

截至該等財務報表刊發日期，香港會計師公會已頒佈於截至二零一八年三月三十一日止年度尚未生效且並無於該等財務報表中採納之若干修訂、新準則及詮釋。其中包括以下可能與本集團有關者。

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	來自與客戶合約的收益及相關修訂 ¹
香港財務報告準則第16號	租賃 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)–詮釋第22號	外幣交易及預付代價 ¹
香港(國際財務報告詮釋委員會)–詮釋第23號	所得稅處理的不確定性 ²
香港財務報告準則第2號修訂	以股份支付交易的分類及計量 ¹
香港財務報告準則第4號修訂	應用香港財務報告準則第9號「財務工具」及香港財務報告準則第4號「保險合約」 ¹
香港財務報告準則第9號修訂	提早還款特性及負補償 ²
香港財務報告準則第10號及香港會計準則第28號修訂	投資者與其聯營公司或合營企業之間的資產出售或投入 ³
香港會計準則第28號修訂	作為香港財務報告準則二零一四年至二零一六年週期的年度改進的一部分 ¹
香港會計準則第28號修訂	於聯營公司及合營企業之長期權益 ²
香港會計準則第40號修訂	投資物業轉讓 ¹
香港財務報告準則修訂	香港財務報告準則二零一五年至二零一七年週期的年度改進 ²

¹ 於二零一八年一月一日或之後開始的年度期間生效

² 於二零一九年一月一日或之後開始的年度期間生效

³ 於待釐定日期或之後開始的年度期間生效

⁴ 於二零二一年一月一日或之後開始的年度期間生效

除下文所述新訂香港財務報告準則及其修訂以及詮釋外，董事預期應用所有其他新訂香港財務報告準則及其修訂將不會於可見未來對綜合財務報表造成重大影響。

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39. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2018 (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 which 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.
- with regard to the measurement of financial liabilities designated as at fair value through profit or loss (“FVTPL”), HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability’s credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability’s credit risk are not subsequently reclassified to profit or loss. Under HKAS 39 Financial Instruments: Recognition and Measurement, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss is presented in profit or loss.

39. 截至二零一八年三月三十一日止年度已頒佈但尚未生效之修訂、新準則及詮釋之可能性影響(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號引入有關財務資產、財務負債之分類及計量之新規定、一般對沖會計處理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號的主要規定載述如下：

- 所有屬香港財務報告準則第9號範圍內之已確認財務資產其後均須按攤銷成本或公平值計量。具體而言，於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為支付本金及尚未償還本金利息的合約現金流量的債務投資，一般於其後會計期末按攤銷成本計量。於目的為同時收回合約現金流量及出售財務資產的業務模式下持有的債務工具，以及合約條款令於特定日期產生的現金流量純粹為支付本金及尚未償還本金利息的債務工具，一般以按公平值經其他全面收益入賬（「按公平值經其他全面收益入賬」）方式計量。所有其他財務資產均於其後會計期間按公平值計量。此外，根據香港財務報告準則第9號，實體可作出不可撤回選擇，於其他全面收益呈列並非持作買賣的股權投資公平值的其後變動，僅股息收入一般於損益中確認。
- 就指定為按公平值經損益入賬（「按公平值經損益入賬」）之財務負債之計量而言，香港財務報告準則第9號規定，因財務負債信貸風險有變而導致該負債之公平值變動之款額乃於其他全面收益呈列，除非於其他全面收益確認該負債信貸風險變動之影響會產生或增加損益之會計錯配，則作別論。因財務負債之信貸風險而導致之公平值變動其後不會重新分類至損益。根據香港會計準則第39號財務工具：確認及計量，指定為按公平值經損益入賬之財務負債之全部公平值變動款額均於損益中呈列。

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39. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2018 (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. 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:

(a) Classification and measurement:

- Trade and other receivables carried at amortised cost as disclosed in note 19: 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.
- Convertible bonds issued by the Group designated as at fair value through profit or loss ("FVTPL") as disclosed in note 25: these financial liabilities qualified for designation as measured at FVTPL under HKFRS 9, however, the amount of change in the fair value of these financial liabilities that is attributable to changes in the credit risk of those liabilities will be recognised in other comprehensive income with the remaining fair value change recognised in profit or loss. This is different from the current accounting treatment under which the entire change in fair value of the financial liabilities is recognised in profit or loss.
- All other financial assets and financial liabilities will continue to be measured on the same bases as are currently measured under HKAS 39.

39. 截至二零一八年三月三十一日止年度已頒佈但尚未生效之修訂、新準則及詮釋之可能性影響(續)

香港財務報告準則第9號財務工具(續)

- 就財務資產之減值而言，與香港會計準則第39號項下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須於各報告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，本公司董事預期於初步應用香港財務報告準則第9號時具有以下潛在影響：

(a) 分類及計量：

- 附註19所披露按攤銷成本列賬之應收賬款及其他應收款項：該等賬款乃於目的為收取合約現金流量純粹為支付本金及尚未償還本金利息的業務模式下持有。因此，該等財務資產其後將於應用香港財務報告準則第9號後繼續按攤銷成本計量。
- 附註25披露之本集團所發行指定為按公平值經損益入賬(「按公平值經損益入賬」)之可換股債券：根據香港財務報告準則第9號，該等財務負債合資格指定為以按公平值經損益入賬方式計量，然而，因該等財務負債之信貸風險出現變動而導致該等負債之公平值變動之金額將於其他全面收益確認，而餘下公平值變動於損益確認。此有別於當前之會計處理方式，在該方式下，財務負債之全部公平值變動乃於損益確認。
- 所有其他財務資產及財務負債將繼續按與當前根據香港會計準則第39號計量之相同基準計量。

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39. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2018 (CONTINUED)

HKFRS 9, Financial instruments (Continued)

(b) 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 cost and other items that are 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 the 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. Such further impairment recognised under expected credit loss model would reduce the opening retained earnings and likely increase the deferred tax assets at 1 April 2018. So far it has concluded that there would be no material impact for the application of the new impairment requirement.

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

39. 截至二零一八年三月三十一日止年度已頒佈但尚未生效之修訂、新準則及詮釋之可能性影響(續)

香港財務報告準則第9號財務工具(續)

(b) 減值

一般而言，本公司董事預期應用香港財務報告準則第9號的預期信貸虧損模式將導致本集團於應用香港財務報告準則第9號後，就本集團按攤銷成本計量之財務資產以及其他須作出減值撥備的項目之尚未產生的信貸虧損提前撥備。

根據本公司董事的評估，倘若本集團須應用預期信貸虧損模式，則本集團於二零一八年四月一日將予確認的累計減值虧損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，主要是由於應收賬款及其他應收款項之預期信貸虧損撥備。按預期信貸虧損模式確認的進一步減值將減少於二零一八年四月一日的期初保留溢利及可能增加遞延稅項資產。其目前認為應用新減值規定將不會產生重大影響。

香港財務報告準則第15號來自與客戶合約的收益

香港財務報告準則第15號已予頒佈，其制定一項單一全面模式供實體用於將與客戶合約產生的收益入賬。香港財務報告準則第15號於生效後將取代現時之收益確認指引，包括香港會計準則第18號收益、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號之核心原則為，實體應確認收益以說明向客戶轉讓承諾貨品或服務，而有關收益金額能反映該實體預期就交換該等貨品或服務有權獲得之代價。具體而言，該準則引入確認收益之五個步驟：

- 第1步：識別與客戶的合約
- 第2步：識別合約的履約責任
- 第3步：釐定交易價
- 第4步：就履行合約責任分配交易價
- 第5步：當(或倘)實體達成履約責任時確認收益

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39. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2018 (CONTINUED)

HKFRS 15, Revenue from contracts with customers (Continued)

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.

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.

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

Currently the Group classifies leases into finance leases and operating leases and accounts for the lease arrangements differently, depending on the classification of the lease. The Group only enters into the leases as the lessee.

HKFRS 16 is not expected to impact significantly on the way that lessors account for their rights and obligations under a lease. However, once HKFRS 16 is adopted, lessees will no longer distinguish between finance leases and operating leases. Instead, subject to practical expedients, lessees will account for all leases in a similar way to current finance lease accounting, i.e. at the commencement date of the lease the lessee will recognise and measure a lease liability at the present value of the minimum future lease payments and will recognise a corresponding “right-of-use” asset. After initial recognition of this asset and liability, the lessee will recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the current policy of recognising rental expenses incurred under operating leases on a systematic basis over the lease term. As a practical expedient, the lessee can elect not to apply this accounting model to short-term leases (i.e. where the lease term is 12 months or less) and to leases of low-value assets, in which case the rental expenses would continue to be recognised on a systematic basis over the lease term.

39. 截至二零一八年三月三十一日止年度已頒佈但尚未生效之修訂、新準則及詮釋之可能性影響(續)

香港財務報告準則第15號來自與客戶合約的收益(續)

根據香港財務報告準則第15號，當(或倘)履約責任獲達成時(即與特定履約責任相關的商品或服務的「控制權」轉移至客戶之時)，實體會確認收益。更多規定性指引已加入香港財務報告準則第15號以處理特定情況。此外，香港財務報告準則第15號規定須作出廣泛的披露。

香港會計師公會頒佈有關識別履約責任、委託人與代理的考量及許可證申請指引之香港財務報告準則第15號之澄清。

本公司董事預期，於日後應用香港財務報告準則第15號或會導致作出更多披露，然而，本公司董事預期應用香港財務報告準則第15號將不會對於各報告期間確認收益之時間及金額造成重大影響。

香港財務報告準則第16號租賃

當前，本集團將租賃分類為融資租賃及經營租賃，並視乎租賃分類就租賃安排進行不同之會計處理。本集團僅以承租人身份訂立租約。

預期香港財務報告準則第16號將不會大幅影響出租人根據租賃將彼等權利及義務入賬的方式。然而，一旦採納香港財務報告準則第16號，承租人將不再區分融資租賃及經營租賃。相反，受可行權宜方法的規限，承租人將以類似於現有融資租賃會計處理的方式將所有租賃入賬，即於該租賃開始日期，承租人將按最低未來租賃款項的現值確認及計量租賃負債，及將確認相應的「使用權」資產。於初步確認該資產及負債後，承租人將確認租賃負債未償還結餘所產生的利息開支及使用權資產折舊，而非按現有政策於租期內按系統基準確認根據經營租賃所產生的租賃開支。作為可行權宜方法，承租人可選擇不將此會計模式應用於短期租賃(即租期為12個月或以下)及低價值資產的租賃，於該等情況下，租金開支將繼續於租期內按系統基準確認。

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39. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2018 (CONTINUED)

HKFRS 16, Leases (Continued)

HKFRS 16 will primarily affect the Group's accounting as a lessee of leases for properties, plant and equipment which are currently classified as operating leases. The application of the new accounting models expected to lead to an increase in both assets and liabilities and to impact on the timing of the expense recognition in the statement of profit or loss over the period of the lease. At 31 March 2018, the Group's future minimum lease payments under non-cancellable operating leases amount to HK\$16,534,000 for properties, the majority of which is payable either within one year or after one year but within five years after the reporting date. Some of these amounts may therefore need to be recognised as lease liabilities, with corresponding right-of-use assets, once HKFRS 16 is adopted. The Group will need to perform a more detailed analysis to determine the amounts of new assets and liabilities arising from operating lease commitments on adoption of HKFRS 16, after taking into account the applicability of the practical expedient and adjusting for any leases entered into or terminated between now and the adoption of HKFRS 16 and the effects of discounting.

HKFRS 16 is effective for annual periods beginning on or after 1 January 2019. The standard offers different transition options and practical expedients, including the practical expedient to grandfather the previous assessment of which existing arrangements are, or contain, leases. If this practical expedient is chosen, the Group will apply the new definition of a lease in HKFRS 16 only to contracts that are entered into on or after the date of initial application. If the practical expedient is not chosen, the Group will need to reassess all of its decisions about which existing contracts are, or contain, leases, using the new definition. Depending on whether the Group elects to adopt the standard retrospectively or follow a modified retrospective method of recognising a cumulative-effect adjustment to the opening balance of equity at the date of initial application, the Group may or may not need to restate comparative information for any changes in accounting resulting from the reassessment.

39. 截至二零一八年三月三十一日止年度已頒佈但尚未生效之修訂、新準則及詮釋之可能性影響(續)

香港財務報告準則第16號租賃(續)

香港財務報告準則第16號將主要影響本集團作為租賃承租人就物業、廠房及設備(現時分類為經營租賃)的會計處理方法。預期應用新會計模式將導致資產及負債均有所增加，及影響租賃期間於損益表確認開支的時間。於二零一八年三月三十一日，本集團於不可撤銷經營租賃項下就物業的未來最低租賃款項為16,534,000港元，大部分須於報告日期後一年內或一年後但五年內支付。因此，一旦採納香港財務報告準則第16號，若干該等款項可能須按照相應使用權資產確認為租賃負債。經考慮可行權宜方法的適用性及調整現時與採納香港財務報告準則第16號之間已訂立或終止的任何租賃及折讓影響後，本集團將須進行更為詳細的分析以釐定於採納香港財務報告準則第16號時經營租賃承擔所產生的新資產及負債金額。

香港財務報告準則第16號將於二零一九年一月一日或之後開始的年度期間生效。該準則提供不同的過渡選擇及可行權宜方法，包括寬免先前評估之可行權宜方法，當中現有安排為或包含租賃。如選擇此可行權宜方法，本集團僅將香港財務報告準則第16號中的新租賃定義應用於首次應用日期或之後訂立的合約。如並無選擇可行權宜方法，本集團將須使用新定義重新評估其現有合約為或包含租賃而作出之所有決定。視乎本集團是否選擇追溯應用該準則或按照經修訂的追溯方法確認對首次應用當日權益期初結餘之累計影響調整，本集團未必需要重列因重新評估而引致任何會計變動之比較資料。

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

40. COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION

40. 公司層面的財務狀況表

	Note	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
	附註		
Non-current assets			
Investments in subsidiaries		304,751	38,561
Prepayments		16	48
		304,767	38,609
Current assets			
Prepayments and deposits		802	5,408
Amounts due from subsidiaries		298,143	64,049
Cash and cash equivalents		18,343	80,868
Tax recoverable		48	–
		317,336	150,325
Current liabilities			
Accruals		10,950	3,284
Contingent consideration payables		59,169	–
Promissory notes payable		1,491	–
Amount due to a subsidiary		320	10
Tax payable		–	287
		71,930	3,581
Non-current liabilities			
Contingent consideration payables		118,350	–
Promissory notes payable		9,087	–
Other borrowings		5,500	–
Convertible bonds		310,510	–
		443,447	–
Net assets		106,726	185,353
EQUITY			
Equity attributable to owners of the Company			
Share capital	29(b)	5,308	5,286
Reserves	29(a)	101,418	180,067
TOTAL EQUITY		106,726	185,353

Approved and authorised for issue by the board of directors on 27 June 2018.

經董事會於二零一八年六月二十七日批准及授權發佈。

Chan Yan Tak
陳恩德
Director
董事

Lai Wei Lam, William
賴偉林
Director
董事

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

41. NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

Grant of share options

On 20 April 2018 and 26 April 2018, the Company announced to grant 13,000,000 options and 37,000,000 options to certain eligible participants respectively. The share options granted subsequent to the reporting period will entitle the eligible participants to subscribe for up to a total of 50,000,000 new shares of HK\$1.15 each in the share capital of the Company, representing approximately 2.36% of all the shares in issue of the Company as at the date of issue of these financial statements.

42. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to current year's presentation.

41. 於報告期末後未經調整之事項

授出購股權

於二零一八年四月二十日及二零一八年四月二十六日，本公司宣佈向若干合資格參與者分別授出13,000,000份購股權及37,000,000份購股權。於報告期後授出之購股權將賦予合資格參與者權利認購本公司股本中合共最多50,000,000股每股面值1.15港元之新股份，相當於本公司於該等財務報表刊發日期全部已發行股份之約2.36%。

42. 比較數據

若干比較數據經已重列以符合本年度之呈列。

FINANCIAL SUMMARY

財務概要

RESULTS

業績

		2014	2015	2016	2017	2018
		二零一四年	二零一五年	二零一六年	二零一七年	二零一八年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Revenue	收益	169,684	227,677	189,958	220,853	264,451
Profit/(loss) before taxation	除稅前溢利／(虧損)	447	39,915	14,735	15,640	(142,056)
Taxation	稅項	(6,180)	(8,394)	(4,314)	(3,817)	(2,692)
(Loss)/profit for the year	年內(虧損)／溢利	(5,733)	31,521	10,421	11,823	(144,748)
Profit/(loss) for the year attributable to owners of the Company	本公司擁有人應佔 年內溢利／(虧損)	(5,733)	31,521	10,421	12,746	(139,217)

ASSETS AND LIABILITIES

資產及負債

		2014	2015	2016	2017	2018
		二零一四年	二零一五年	二零一六年	二零一七年	二零一八年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Total assets	總資產	186,589	209,743	234,460	266,084	769,778
Total liabilities	總負債	(18,458)	(28,830)	(55,080)	(52,460)	(603,043)
Total equity	權益總額	168,131	180,913	179,380	213,624	166,735
Equity attributable to owners of the Company	本公司擁有人 應佔權益	168,131	180,913	179,380	212,044	114,791



順騰國際(控股)有限公司
Shunten International (Holdings) Limited