



ANNUAL REPORT 2018/2019 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

HONORARY CHAIRMAN

Mr. Chan Yan Tak

BOARD OF DIRECTORS

Executive Directors

Mr. Lee Chi Hang, Sidney

Mr. Wang Xihua (*Acting chairman and acting chief executive officer*)

Mr. Lai Wei Lam, William

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. Lee Chi Hang, Sidney

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

榮譽主席

陳恩德先生

董事會

執行董事

李志恒先生

王西華先生 (*代理主席兼代理行政總裁*)

賴偉林先生

獨立非執行董事

司徒惠玲女士

梁鈞濇先生

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

李志恒先生

黃鉅棠先生

審核委員會

梁鈞濇先生 (*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

梁鈞濇先生

梁文龍先生

薪酬委員會

譚健業先生 (*主席*)

司徒惠玲女士

梁鈞濇先生

梁文龍先生

CORPORATE INFORMATION

公司資料

INDEPENDENT AUDITOR

Elite Partners CPA Limited

PRINCIPAL BANKERS

Hang Seng 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

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

(which will be changed to

Level 54, Hopewell Centre,

183 Queen's Road East,

Hong Kong with effect from 11 July 2019)

STOCK CODE

932

COMPANY'S WEBSITE

www.shunten.com.hk

(the contents of which do not form part of this report)

獨立核數師

開元信德會計師事務所有限公司

主要往來銀行

恒生銀行有限公司

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

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

(自二零一九年七月十一日起將變更為

香港

皇后大道東183號

合和中心54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

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	% Change 變動
Operations	業務營運			
Revenue	收益	393,487	264,451	48.8%
Gross profit	毛利	255,611	181,148	41.1%
Profit/(loss) from operations	經營溢利/(虧損)	20,475	(133,482)	N/A不適用
Loss for the year attributable to:	以下人士應佔年內虧損：			
Owners of the Company	本公司擁有人	(4,344)	(139,217)	(96.9%)
Non-controlling interests	非控股權益	(6,367)	(5,531)	15.1%
		(10,711)	(144,748)	(92.6%)
Loss per share attributable to owners of the Company (expressed in HK cents)	本公司擁有人應佔每股虧損(以港仙列示)			
Basic	基本	(0.2)	(6.6)	(97.0%)
Diluted	攤薄	(0.2)	(6.6)	(97.0%)

As at 31 March

於三月三十一日

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	% Change 變動
Financial position	財務狀況			
Total assets	資產總額	792,430	769,778	2.9%
Shareholders' equity	股東權益	161,968	114,791	41.1%
Net assets value per share (HK\$)	每股資產淨值(港元)	0.08	0.05	60.0%

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 2019:	
• Shares outstanding	2,123,002,150 shares
• Market capitalisation	HK\$1,040,271,054
• Closing share price	HK\$0.49

KEY DATES

• Latest time for lodging transfer documents for registration in order to qualify for attending and voting at 2019 annual general meeting	4:30 pm, 13 August 2019
• Closure of register of members for 2019 annual general meeting	14 – 19 August 2019
• 2019 annual general meeting	19 August 2019

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 <i>(which will be changed to Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong with effect from 11 July 2019)</i>
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
於截至二零一九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	1,040,271,054港元
• 收市價	0.49港元

重要日期

• 符合資格出席二零一九年股東週年大會並投票，提交過戶文件之最後日期	二零一九年八月十三日 下午4時30分
• 就二零一九年股東週年大會暫停辦理股份過戶登記	二零一九年 八月十四日至十九日
• 二零一九年股東週年大會	二零一九年八月十九日

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 <i>(自二零一九年七月十一日起將變更為 香港 皇后大道東183號 合和中心54樓)</i>
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 (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 2019 (“FY2018/19”).

PERFORMANCE FOR THE YEAR

The total revenue of the Group for FY2018/19 reached HK\$393.5 million, representing an increase of 48.8% as compared to the financial year ended 31 March 2018 (“FY2017/18”). The core health and beauty supplements and products business generated revenue of HK\$312.7 million, whereas online businesses, including online advertising agent business, online payment business, e-commerce promotion business and game distribution business, generated revenue of HK\$80.8 million during the year.

After more than one year of business integration, the online business operation has exhibited rising contribution in the Group's revenue. Online businesses accounted for HK\$80.8 million or 20.5% of the total revenue of the Group in FY2018/19, indicated around four times of growth in percentage of revenue contribution. The percentage of revenue from the health and beauty supplements and products segment decreased from 94.8% in FY2017/18 to 79.5% in FY2018/19.

The net loss attributable to owners of the Company substantially decreased from HK\$139.2 million in FY2017/18 to approximately HK\$4.3 million in FY2018/19. The improvement in our results were attributed to (i) the significant increase in revenue from our core business; (ii) the decrease in one-off legal and professional fee as compared to the corresponding period of previous year; and (iii) gain on net fair value of the convertible bonds issued by the Company in 2017 and other liabilities as a result of accounting treatments, which do not have any actual impact on the results of the operations and cash flows of the Group.

The Group's overall gross profit margin for FY2018/19 was approximately 65.0% (FY2017/18: 68.5%), representing a decrease of approximately 3.5 percentage points over the corresponding period of previous year. Such decrease was mainly due to lower gross profit margins of the online business segment as compared to that of the health and beauty supplements and products segment of the Group.

各位股東：

本人謹此代表順騰國際(控股)有限公司(「本公司」, 連同其附屬公司統稱「本集團」)的董事(「董事會」)宣佈本集團截至二零一九年三月三十一日止財政年度(「二零一八/一九財政年度」)的全年業績。

年度表現

本集團於二零一八/一九財政年度的總收益達到393,500,000港元, 較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」)增加48.8%。核心保健及美容補品及產品業務產生收益312,700,000港元, 而年內線上業務(包括線上廣告代理業務、線上支付業務、電子商務推廣業務及遊戲發行業務)產生收益80,800,000港元。

經過一年多的業務整合, 線上業務營運對本集團的收益貢獻不斷增加。於二零一八/一九財政年度, 線上業務佔本集團總收益80,800,000港元或20.5%, 該收益貢獻百分比增長約四倍。保健及美容補品及產品分部收益比例則由二零一七/一八財政年度的94.8%減少至二零一八/一九財政年度的79.5%。

本公司擁有人應佔虧損淨額由二零一七/一八財政年度的139,200,000港元大幅減至二零一八/一九財政年度約4,300,000港元。我們的業績改善歸功於(i)來自核心業務的收益大幅增加; (ii)一次性法律及專業費用較去年同期有所減少; 及(iii)本公司於二零一七年發行之可換股債券之公平值淨額收益及因會計處理產生之其他負債, 對本集團之經營業績及現金流量並無任何實際影響。

本集團於二零一八/一九財政年度的整體毛利率約65.0%(二零一七/一八財政年度: 68.5%), 較去年同期下跌約3.5個百分點。下跌主要因線上業務分部相比本集團保健及美容補品及產品分部的毛利率較低所造成。

CHAIRMAN'S STATEMENT

主席報告

PROSPECTS

While facing a global market full of challenges in 2019 under the turmoil of China-US Trade War, the Group has been able to maintain our market leader position. Looking forward, the health and beauty supplements business will still continue to be our core business which contributes a stable revenue to the Group. Moreover, the newly acquired H365 Group in December 2018 is expected to generate more income from different diversified market channels. The management targets to have another year of record-breaking returns for our shareholders. Other business sectors such as the game distribution platform and online advertising agency segment as well as the online payment segment have already shown improvement in operational performance.

Regarding the game distribution segment, as we have secured more triple A grade games distributorships, the revenue generated from game distribution business is likely to grow at a higher momentum. Online payment business segment has been facing tough market environment and intensifying competition. We have made various efforts to expand our marketing team. More income stream from online payment related services and launching of mini programs are likely to raise our profit margin and secure more client acquisition. At the same time, our online advertising agency segment has attracted an increasing number of partners and business associations in launching brand campaigns after our successful brand campaign in 2018. Currently, our partner business associations and their affiliated counterparties have covered over 3,000 registered corporate members in the Greater Bay Area. Such network resources will definitely generate substantial revenue and quality clientele to the Group.

Through internal integration and synergy among different segments, the management believes that we may achieve a more balanced income portfolio with improving returns for shareholders. Meanwhile, as our honorable mission, the Group will still continue to 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

Wang Xihua
Acting Chairman
Hong Kong
26 June 2019

前景

二零一九年，在中美貿易戰的陰霾下，集團面臨充滿挑戰的全球市場環境，但本集團仍有能力在市場中保持領先地位。展望未來，保健及美容補品業務仍將是我們的核心業務，為本集團帶來穩定收益。此外，於二零一八年十二月新收購的健康365集團預計將藉著提供各種多元化的市場渠道為集團帶來更多收入。管理層冀望今年再度為股東創造空前的回報。遊戲發行平台及線上廣告代理分部等其他業務分部以及線上支付分部已顯示經營表現有所改善。

關於遊戲發行分部，由於我們已取得更多3A級遊戲的代理權，遊戲發行業務的收益可能會呈現更快速的增長勢頭。線上支付業務分部則一直面臨嚴峻的市場環境及日趨激烈的競爭。我們已採取多種措施擴充營銷團隊。線上支付方面則會以提供更多相關服務和小程序予客戶而帶來的更多收入來源及會提高利潤率，並開發更多客戶。同時，我們於二零一八年成功舉辦品牌活動後，線上廣告代理分部已吸引愈來愈多的合作夥伴及工商業協會組織，和我們合作推出多項品牌選舉頒獎活動。目前，我們的合作夥伴、商業協會及其相關機構已涵蓋在大灣區內登記的逾3,000家企業會員。該等網絡資源勢必會為本集團帶來大量收益及優質客戶。

透過不同分部之間的內部整合及協同效應，管理層相信，我們可實現更平衡的收入組合，並不斷提高股東回報。同時，作為我們的光榮使命，本集團仍將繼續積極參與慈善事業，努力承擔企業社會責任。

致謝

員工是企業成長的核心資產，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

代理主席
王西華
香港
二零一九年六月二十六日

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, sales and distribution of health and beauty supplements and products in Hong Kong and the PRC, provision of online advertising agency business, online payment business, e-commerce promotion business and game distribution business. During the year ended 31 March 2019, we have been facing a very challenging year for Hong Kong and nearby retail and fast-moving consumer goods market. The China-US trade war initiated in the second half of 2018 has posed rising threat to the global market. Market sentiment in local market has also been suppressed by both the local political and economic atmosphere. Consequently, the above stated factors have resulted in declining retail sales and negative growth. Since both our core business and E-business are retail and consumer related, the Group is consistently deploying a variety of measures to achieve higher return for our shareholders. Notwithstanding the above, the Group has successfully acquired H365 Group in December 2018 to strengthen our existing core business operations particularly in diversification and expansion of sales and distribution channels. The management believes that the acquisition will offer excellent opportunity for the Group to raise our market penetration in health and beauty supplements and products market.

For the year ended 31 March 2019, the Group recorded a revenue of approximately HK\$393.5 million (2018: HK\$264.5 million), representing an increase of approximately HK\$129.0 million or 48.8% over the corresponding period last year. Revenue from the core business, health and beauty supplements and products segment, contributed approximately HK\$312.7 million (2018: HK\$250.8 million), representing 79.5% (2018: 94.8%) of the total revenue of the Group. Meanwhile, online advertising agency business, online payment business, e-commerce promotion business and game distribution business contributed HK\$11.6 million, HK\$14.9 million, HK\$7.5 million and HK\$46.8 million respectively to the revenue of the Group for the year ended 31 March 2019. These online businesses accounted for approximately HK\$80.8 million (2018: HK\$13.7 million), representing 20.5% (2018: 5.2%) of the total revenue of the Group. The increase in revenue from online businesses was due to the Group's "Internet Plus" connectivity strategy launched last year, which exhibited successful diversification of business. Given the broader revenue base and internal synergy among different intragroup business entities, it is expected that the performance of the online businesses of the Group can be further improved in the near future.

業務及財務回顧

本集團主要於香港及中國從事配方、推廣、銷售及分銷保健及美容補品及產品、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。截至二零一九年三月三十一日止年度，香港及鄰近零售及快速消費品市場一直面臨眾多挑戰。於二零一八年下半年發起的中美貿易戰對全球市場構成的威脅日益加大。本地市場的市場情緒亦因本土政治及經濟氛圍而受到壓抑，凡此種種因素已導致零售銷售減少及錄得負增長。鑒於我們的核心業務及電子業務屬零售及消費者相關，本集團一直採取多項措施應對及爭取為股東達致更高回報。同時為增強本集團現有核心業務營運，本集團於二零一八年十二月成功收購健康365集團，冀望能多元化及擴大銷售及分銷渠道。管理層認為，收購事項將為本集團帶來提升保健及美容補品及產品市場的市場滲透率的良好機會。

截至二零一九年三月三十一日止年度，本集團錄得收益約393,500,000港元（二零一八年：264,500,000港元），較去年同期增加約129,000,000港元或48.8%。來自核心業務（保健及美容補品及產品分部）的收益貢獻約312,700,000港元（二零一八年：250,800,000港元），佔本集團總收益的79.5%（二零一八年：94.8%）。同時，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於截至二零一九年三月三十一日止年度分別為本集團貢獻收益11,600,000港元、14,900,000港元、7,500,000港元及46,800,000港元。該等線上業務約為80,800,000港元（二零一八年：13,700,000港元），佔本集團總收益的20.5%（二零一八年：5.2%）。來自線上業務的收益增加乃由於本集團於去年推出「互聯網Plus」連接策略，實現了業務多元化的成效。鑒於不同集團內部業務實體的收益基礎及內部協同效應擴大，預計本集團線上業務之表現在可見的將來能夠進一步改善。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

The gross profit margin of the Group for the year ended 31 March 2019 was approximately 65.0% (2018: 68.5%), representing a decrease of approximately 3.5 percentage points over the corresponding period of the previous year. Such decrease was mainly due to lower gross profit margins of the online business segments as compared to that of the health and beauty supplements and products segment of the Group.

Major factors which contributed to the loss of the previous financial year were under control and the impact thereof was minimised. These improved results were attributed to (i) the significant increase in revenue from our core business; (ii) the decrease in one-off legal and professional fee as compared to the corresponding period of the previous year; and (iii) net fair value gain on convertible bonds issued by the Company in 2017 and other liabilities as a result of accounting treatments, which do not have any actual impact on the results of the operations and cash flows of the Group. The Group reported a loss of approximately HK\$10.7 million for the year ended 31 March 2019 as compared to the loss of HK\$144.7 million of the corresponding period in 2018.

Health and beauty supplements and products segment

Revenue of health and beauty supplements and products segment

As at 31 March 2019, the Group sold and distributed 77 (2018: 33) health supplements and 11 (2018: 8) beauty supplements and products under its proprietary brands; 59 (2018: 53) health supplements and Nil (2018: 1) beauty supplement and product under the distribution facilitator's private label brands; and 9 (2018: 14) 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 2019:

		For the year ended 31 March			
		截至三月三十一日止年度			
		2019		2018	
		二零一九年		二零一八年	
Categories	類別	HK\$'000	% of total	HK\$'000	% of total
		千港元	估總收益 百分比	千港元	估總收益 百分比
Health supplements	保健產品	267,860	85.6%	213,658	85.2%
Beauty supplements and products	美容補品及產品	43,985	14.1%	28,371	11.3%
Others	其他	883	0.3%	8,768	3.5%
Total	總計	312,728	100.0%	250,797	100.0%

截至二零一九年三月三十一日止年度，本集團的毛利率約為65.0%（二零一八年：68.5%），較去年同期下跌約3.5個百分點。下跌主要因線上業務分部相比本集團保健及美容補品及產品分部的毛利率較低所造成。

導致上個財政年度虧損的主要因素在今年度已得以控制及其影響減至最低。該等經改善業績歸功於(i)來自核心業務的收益大幅增加；(ii)一次性法律及專業費用較去年同期有所減少；及(iii)本公司於二零一七年發行之可換股債券之公平值收益淨額及因會計處理產生之其他負債，對本集團之經營業績及現金流量並無任何實際影響。本集團於截至二零一九年三月三十一日止年度錄得虧損約10,700,000港元，而二零一八年相應期間則為虧損144,700,000港元。

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

於二零一九年三月三十一日，本集團銷售及分銷77款（二零一八年：33款）專有品牌保健產品及11款（二零一八年：8款）專有品牌美容補品及產品；59款（二零一八年：53款）分銷代理的自家品牌保健產品及零款（二零一八年：1款）分銷代理的自家品牌美容補品及產品；及9款（二零一八年：14款）商品買賣的保健產品。

下表載列截至二零一九年三月三十一日止兩個年度按產品類別劃分的收益明細：

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

The health and beauty supplements and products segment recorded a revenue of approximately HK\$312.7 million for the year ended 31 March 2019 (2018: HK\$250.8 million), representing an increase of approximately HK\$61.9 million or 24.7% over the previous year.

The overall increase in revenue was due to an increase in sales of health supplements, of which HK\$43.1 million was resulted from the expansion of the product variety of private label health supplements, which was 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\$54.2 million or 25.4% to HK\$267.9 million (2018: HK\$213.7 million).

The Group acquired H365 Group in December 2018 and H365 Group contributed HK\$4.2 million to the revenue, representing 1.3% of the segment's total revenue for the year ended 31 March 2019.

For the year ended 31 March 2019, the 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 approximately HK\$113.7 million or 36.4% of the segment's total revenue.

For the year ended 31 March 2018, the 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 approximately HK\$90.0 million or 35.9% of the segment's total revenue.

截至二零一九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61,900,000港元至約312,700,000港元（二零一八年：250,800,000港元），同比去年增幅24.7%。

整體收益增加乃由於保健產品銷售增加，其中43,100,000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54,200,000港元至267,900,000港元（二零一八年：213,700,000港元），增幅25.4%。

本集團於二零一八年十二月收購健康365集團及健康365集團於截至二零一九年三月三十一日止年度貢獻收益4,200,000港元，佔分部總收益1.3%。

截至二零一九年三月三十一日止年度，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、溶朐酵素及康寶庫兒童牛奶鈣，而四大暢銷產品合共佔分部總收益約113,700,000港元或36.4%。

截至二零一八年三月三十一日止年度，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、溶朐酵素及康寶庫兒童牛奶鈣，而四大暢銷產品合共佔分部總收益約90,000,000港元或35.9%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

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 2019:

		For the year ended 31 March 截至三月三十一日止年度			
		2019 二零一九年		2018 二零一八年	
		HK\$'000 千港元	% of total revenue 佔總收益 百分比	HK\$'000 千港元	% of total revenue 佔總收益 百分比
Shelves in distribution facilitators' stores in Hong Kong	於香港分銷代理店舖的貨架	151,150	48.4%	134,017	53.4%
Special designated counters ("SDCs") located in distribution facilitators' stores in Hong Kong	於香港分銷代理店舖的特別指定櫃位(「特別指定櫃位」)	141,047	45.1%	90,663	36.2%
Other distribution channels (Note 1)	其他分銷渠道(附註1)	1,719	0.5%	9,291	3.7%
Hong Kong Brands and Products Expo	香港工展會	18,205	5.8%	15,608	6.2%
Others (Note 2)	其他(附註2)	607	0.2%	1,218	0.5%
Total	總計	312,728	100.0%	250,797	100.0%

Note 1: "Other distribution channels" mainly 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.

As at 31 March 2019, the Group had 19 (2018: 18) Royal Medic SDCs, 44 (2018: 30) Health Proof SDCs and 28 (2018: Nil) H365 SDCs in distribution facilitators' stores in Hong Kong.

Revenue (by geographical locations)

Over 99.0% of the revenue for the two years ended 31 March 2019 was contributed by the Hong Kong market, with very limited contribution from the PRC market.

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 ended 31 March 2018.

收益(按銷售及分銷渠道劃分)

下表載列截至二零一九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明細：

		For the year ended 31 March 截至三月三十一日止年度			
		2019 二零一九年		2018 二零一八年	
		HK\$'000 千港元	% of total revenue 佔總收益 百分比	HK\$'000 千港元	% of total revenue 佔總收益 百分比
Shelves in distribution facilitators' stores in Hong Kong	於香港分銷代理店舖的貨架	151,150	48.4%	134,017	53.4%
Special designated counters ("SDCs") located in distribution facilitators' stores in Hong Kong	於香港分銷代理店舖的特別指定櫃位(「特別指定櫃位」)	141,047	45.1%	90,663	36.2%
Other distribution channels (Note 1)	其他分銷渠道(附註1)	1,719	0.5%	9,291	3.7%
Hong Kong Brands and Products Expo	香港工展會	18,205	5.8%	15,608	6.2%
Others (Note 2)	其他(附註2)	607	0.2%	1,218	0.5%
Total	總計	312,728	100.0%	250,797	100.0%

附註1：「其他分銷渠道」主要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。

於二零一九年三月三十一日，本集團於分銷代理的香港店舖內設有19個(二零一八年：18個)御藥堂特別指定櫃位、44個(二零一八年：30個)康寶庫特別指定櫃位及28個(二零一八年：無)健康365特別指定櫃位。

收益(按地理位置劃分)

截至二零一九年三月三十一日止兩個年度，逾99.0%收益乃由香港市場貢獻，而中國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截至二零一八年三月三十一日止年度決定關閉台灣業務。

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 2019:

保健及美容補品及產品分部業績

下表載列截至二零一九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明細：

		For the year ended 31 March 截至三月三十一日止年度			
		2019 二零一九年		2018 二零一八年	
		HK\$'000 千港元	% 毛利率	HK\$'000 千港元	% 毛利率
Health supplements	保健產品				
Proprietary brands	專有品牌	100,939	78.8%	80,269	75.4%
Private label brands	自家品牌	100,663	82.7%	65,529	83.3%
Trading of goods	商品買賣	12,352	68.3%	11,679	40.9%
		213,954	79.9%	157,477	73.7%
Beauty supplements and products	美容補品及產品				
Proprietary brands	專有品牌	31,447	71.5%	17,533	61.9%
Private label brands	自家品牌	–	–	26	74.3%
		31,447	71.5%	17,559	61.9%
Others	其他	675	76.5%	740	8.4%
Total	總計	246,076	78.7%	175,776	70.1%

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 2019 was approximately HK\$246.1 million (2018: HK\$175.8 million), representing an increase of approximately 40.0% over the previous year. The gross profit margin of the health and beauty supplements and products segment for the year ended 31 March 2019 increased to approximately 78.7% (2018: 70.1%). The increase in gross profit margin was mainly attributed to the change in sales composition.

由於分部營業額增加，截至二零一九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246,100,000港元（二零一八年：175,800,000港元），較去年增長約40.0%。截至二零一九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增加至約78.7%（二零一八年：70.1%）。毛利率增加主要由於銷售組合變動所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

The selling and distribution expenses of the segment increased by approximately HK\$18.0 million or 36.3% to HK\$67.6 million for the year ended 31 March 2019 (2018: HK\$49.6 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 administrative expenses of the segment increased by approximately HK\$26.9 million or 28.1% to HK\$122.5 million for the year ended 31 March 2019 (2018: HK\$95.6 million).

As a result, the segment profits increased by HK\$26.6 million to approximately HK\$57.1 million, representing a significant increase of approximately 87.2% over the previous year (2018: HK\$30.5 million).

Online advertising agency segment

Revenue of online advertising agency segment

For the year ended 31 March 2019, the online advertising agency business segment recorded revenue of approximately HK\$11.6 million (for the period from 14 April 2017 to 31 March 2018: HK\$9.4 million), representing an increase of approximately HK\$2.2 million or 23.4% over the period from 14 April 2017 to 31 March 2018.

Since the acquisition of Star Root Limited in April 2017, its subsidiary Tenfok Asia Limited (“**Tenfok Asia**”) has become the cross-border online advertising arm of the Group and it has been the only Hong Kong and overseas content partner of gd.qq.com under the name of Hong Kong Station of gd.qq.com. gd.qq.com has been the joint venture project between Tencent Group and Nanfang Daily Media Group (南方報業傳媒集團), the largest media company in the Greater Bay Area since 2011. According to unaudited figures, total number of viewers of gd.qq.com per month exceeds 200 million. Leveraging on the affiliated Apps function of Hong Kong Station of gd.qq.com, we can achieve the multi-platform function and boost our advertising content to reach over 200 million viewers per month.

According to a popular and market measurement of actual viewership, the number of followers under our WeChat official account doubled from around 2 million in March 2018 to around 4.1 million in March 2019. Tenfok Asia also uses the Facebook platform of Hong Kong Station of gd.qq.com in Hong Kong which allows our advertising clients to have exposure to the Facebook channel of Hong Kong Station of gd.qq.com.

截至二零一九年三月三十一日止年度，分部銷售及分銷開支增加約18,000,000港元或36.3%至67,600,000港元(二零一八年：49,600,000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。截至二零一九年三月三十一日止年度，分部行政開支增加約26,900,000港元或28.1%至122,500,000港元(二零一八年：95,600,000港元)。

因此，分部溢利增加26,600,000港元至約57,100,000港元(二零一八年：30,500,000港元)，較去年大幅增加約87.2%。

線上廣告代理分部

線上廣告代理分部收益

截至二零一九年三月三十一日止年度，線上廣告代理業務分部錄得收益約11,600,000港元(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：9,400,000港元)，較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增長約2,200,000港元或23.4%。

自二零一七年四月收購Star Root Limited起，其附屬公司騰福亞洲有限公司(「騰福亞洲」)已成為本集團跨境線上廣告分部，且其一直以大粵網香港站之名義作為大粵網唯一的香港及海外內容合作夥伴。大粵網自二零一一年起一直為騰訊集團與大灣區最大媒體公司南方報業傳媒集團之間的合營項目。根據未經審核數字，大粵網每月瀏覽總人數超過200,000,000。憑藉大粵網香港站的附屬應用程式功能，我們能實現跨平台功能及豐富廣告內容，以期達到每月逾200,000,000名瀏覽觀眾。

根據市場上流行的真實收視瀏覽人數計算方式，我們的微信官方賬號項下的關注人數已由二零一八年三月約2,000,000名翻一番至二零一九年三月約4,100,000名。騰福亞洲亦使用香港營運大粵網香港站的Facebook平台，可讓廣告客戶進駐大粵網香港站Facebook頻道。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Result of online advertising agency segment

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.

The management has exercised strong cost control and expanded the income stream by strengthening the brand with Tencent Group. The results are very promising as proven by the fact that online advertising agency segment recorded a loss of HK\$6.8 million for the year ended 31 March 2019 (including the amortisation for the financial year recorded HK\$5.8 million). In addition, from January to March 2019, Tenfok Asia is on an improving trend. The management is optimistic over the future income stream.

Online payment business segment

Since our acquisition of Empire Access Limited (“**Empire Access**”) in September 2017, the online payment business has been offering stable contribution in income and clientele to the Group and further diversifying the Group’s overall business.

In addition to N Dimension Limited (“**N Dimension**”), a subsidiary of Empire Access, and one of the authorised WeChat payment service providers in Hong Kong, the Group has set up another marketing arm, Junten Technology Limited (“**Junten**”), to capture the integrated payment service segment. They jointly provide peripheral software, settlement and hardware solutions support to merchants in Hong Kong for adopting the integrated cross-border electronic fund transfer system.

The monthly payment amount on e-payment processed through our system grew significantly from HK\$64.1 million in March 2018 to HK\$187.1 million in March 2019, representing a 191.9% year-on-year growth.

Revenue of online payment segment

For the year ended 31 March 2019, the online payment segment recorded revenue of approximately HK\$14.9 million (for the period from 22 September 2017 to 31 March 2018: HK\$1.8 million), representing multiple folds of strong increase.

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.

線上廣告代理分部業績

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瀏覽時間。

管理層已採取並加強成本控制措施並透過提升騰訊集團品牌影響力擴大收入來源。線上廣告代理分部錄得截至二零一九年三月三十一日止年度的虧損6,800,000港元(包括財政年度攤銷錄得5,800,000港元)。此外，由二零一九年一月至三月，騰福亞洲已在不斷改善的軌跡中。管理層對未來收入來源持樂觀態度。

線上支付業務分部

本集團於二零一七年九月收購Empire Access Limited(「**Empire Access**」)起，線上支付業務一直為本集團提供穩定的收益貢獻及客戶，進一步多元化本集團之整體業務。

除Empire Access之附屬公司及香港其中一家獲授權微信支付服務供應商千維科技有限公司(「**千維科技**」)外，本集團亦已成立另一營銷團隊俊騰科技有限公司(「**俊騰**」)以加強綜合支付服務分部。彼等共同向香港商戶提供外圍軟件、結算及硬件解決方案支援，以採用綜合跨境電子轉賬系統。

透過我們的系統處理的電子支付的單月支付金額由二零一八年三月的64,100,000港元大幅增長至二零一九年三月的187,100,000港元，同比增長191.9%。

線上支付分部收益

截至二零一九年三月三十一日止年度，線上支付分部錄得收益約14,900,000港元(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：1,800,000港元)，實現多倍強勁增長。

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。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Results of online payment segment

For the year ended 31 March 2019, the online payment segment recorded a loss of HK\$4.1 million. N Dimension started to contribute operating profit from December 2018 onwards. With proper cost control and proactive market expansion strategy, we are optimistic on the prospect of this segment.

Out of the loss for the year ended 31 March 2019 of HK\$4.1 million, of which HK\$3.3 million loss was incurred by the newly setup subsidiary, Junten. Since Junten was a newly setup entity in which the money services operators licence and other third-party payment related licences were granted in early 2019, the loss can be regarded as the cost incurred during the course of investment and is of a non-recurrent in nature. It is expected future income stream will emerge in the coming year.

Game distribution segment

The Group completed the acquisition of IAHGames Hong Kong Limited (“IAHGames”) in February 2018, which 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. The game distribution segment performed strongly during the year. The basic game publishing and distribution business grew significantly during the year with the increased number of games titles and direct reselling of blockbuster titles like Call of Duty Black Operations 4 and Overcooked.

Revenue of game distribution segment

During the year ended 31 March 2019, the game distribution segment recorded a revenue of approximately HK\$46.8 million, which accounted for 11.9% of the total revenue of the Group. During the year, the Company has started its new online e-commerce business through the direct sales of game products to the Greater China market. The game publishing and distribution business and online business unit recorded sales of HK\$41.7 million and HK\$5.1 million respectively. The revenue of this segment shall continue to improve by leveraging the establishment of direct reseller relationship with major game storage card providers to increase the margin. By virtue of the direct relationship with game distributor or studio, IAHGames has also taken up marketing execution appointed by the distributor or publisher which results in the increase revenue from marketing consulting.

IAHGames has successfully achieved the geographic diversification from Hong Kong market alone in first half of the financial year to include and capture ASEAN markets in the second half of the year ended 31 March 2019. This segment contributed the fastest growing part in the consolidated revenue of the Group, of which the revenue from Singapore accounted for approximately HK\$7.4 million or 15.8% of total revenue in the game distribution segment.

線上支付分部業績

截至二零一九年三月三十一日止年度，線上支付分部錄得虧損4,100,000港元。自二零一八年十二月起，千維科技開始錄得經營溢利。憑藉適當的成本控制及進取的市場擴張策略，我們對此分部的前景持樂觀態度。

在截至二零一九年三月三十一日止年度的虧損4,100,000港元當中，虧損3,300,000港元乃由新建附屬公司俊騰產生。由於俊騰為新建公司，其中金錢服務經營者牌照及其他第三方支付相關授權於二零一九年初才獲授，虧損可被視為投資過程中產生的成本及為非經常性項目。預期日後收入來源將於來年形成。

遊戲發行分部

本集團於二零一八年二月完成收購IAHGames Hong Kong Limited(「IAHGames」)。IAHGames為電視遊戲發行及分銷商，為電視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。年內遊戲發行分部表現突出。年內，基本遊戲出版及發行業務顯著增長，暢銷遊戲包括決勝時刻：黑色行動4及煮過頭等的遊戲名單及直接銷售數目均有增加。

遊戲發行分部的收益

截至二零一九年三月三十一日止年度，遊戲發行分部錄得收益約46,800,000港元，佔本集團總收益11.9%。年內，本公司已透過向大中華市場直接銷售遊戲產品而開始新的線上電子商務業務。遊戲出版及發行業務以及線上業務單位分別錄得銷售額41,700,000港元及5,100,000港元。分部繼續憑藉建立直接轉售商與主要遊戲存儲卡供應商的關係來提升利潤率，此分部的收益持續增加。憑藉與遊戲發行方或開發商的直接關係，IAHGames亦已承接由發行商或出版商委任的營銷執行工作，導致營銷顧問收益增加。

IAHGames已於財政年度上半年成功實現由香港單一市場地域擴展至海外市場的市場地域多元化，實現了截至二零一九年三月三十一日止年度下半年擴大至東盟市場。該分部為本集團之綜合收益貢獻增長最快的部份，其中新加坡收益約為7,400,000港元，佔遊戲發行分部總收益15.8%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Results of game distribution segment

During the year ended 31 March 2019, the game distribution segment recorded an operating loss of approximately HK\$0.8 million.

Segment reporting

The particular of segment revenue, results, assets and liabilities are set out in note 34 to the audited consolidated financial statements in this annual report.

Equity-settled share-based payments

During the year ended 31 March 2019, the Group recognised a total expense of HK\$37.0 million (2018: HK\$29.3 million) 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\$10.7 million for the year ended 31 March 2019 (2018: HK\$144.7 million). The Group's loss attributable to the owners of the Company amounted to approximately HK\$4.3 million for the year ended 31 March 2019 (2018: HK\$139.2 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.

INTANGIBLE ASSETS AND GOODWILL

As at 31 March 2019, the intangible assets and goodwill of the Group amounted to approximately HK\$211.7 million (2018: HK\$206.2 million) and approximately HK\$199.9 million (2018: 177.5 million) respectively. Intangible assets include but not limited to licensing agreements with both definite and indefinite useful lives, brand name and customer relationship. Goodwill has arisen upon the Group's acquisition.

遊戲發行分部的業績

截至二零一九年三月三十一日止年度，遊戲發行分部錄得經營虧損約800,000港元。

分部報告

分部收益、業績、資產及負債的詳情載於本年報經審核綜合財務報表附註34。

以股權結算以股份支付之開支

截至二零一九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37,000,000港元(二零一八年：29,300,000港元)。

年內虧損

基於上述因素，截至二零一九年三月三十一日止年度，本集團的虧損為約10,700,000港元(二零一八年：144,700,000港元)。截至二零一九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4,300,000港元(二零一八年：139,200,000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。

無形資產及商譽

於二零一九年三月三十一日，本集團的無形資產及商譽分別為約211,700,000港元(二零一八年：206,200,000港元)及約199,900,000港元(二零一八年：177,500,000港元)。無形資產包括但不限於具有限及無限使用年期的許可權協議、品牌名稱及客戶關係。商譽乃於本集團進行收購時產生。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

An independent professional valuer was engaged to perform impairment assessment on the goodwill. It was found that the recoverable amounts of cash generating unit exceeded their respective carrying amounts. Under this circumstance, no impairment on the goodwill is considered to be necessary.

(i) Intangible assets with indefinite life

The Board considered that the service agreement between the Group and TenPay Payment Technology Company Limited (the “**Service Agreement**”) for the provision of Wechat Pay cross-boarder solutions and integrated online payment platform to be intangible assets of the Group with indefinite life (the “**Intangible Assets**”). WeChat Payment Services is a payment feature integrated into the Wechat application which allows the end users to complete payment to a merchant with smartphones.

An annual review had been performed by the Board and management of the Company to determine whether events and circumstances continue to support the indefinite useful life assessment. In determining the useful life of the Intangible Assets, the Board and the management of the Company took into account (i) the relevant contract terms of the Service Agreement; and (ii) the characteristics of the Intangible Assets, details of which are as follows:

(a) Contract terms of the service agreement

The term of the Service Agreement was one year and it shall be deemed to be extended for one year automatically subject to no limitation. Further, no cost would be incurred for the renewal of the Service Agreement. The Board also considered that the termination events as stipulated under the Service Agreement were remote and would not occur in the foreseeable future.

(b) Characteristics of the Intangible Assets

- The WeChat Payment Services do not have limited number of usage and is able to be used substantially by all retails merchants in Hong Kong.
- After comparing the WeChat Payment Services with other service providers of similar nature such as PayPal, Alipay and Apple Pay, the Board and the management of the Group considered that the market trend of electronic payment is growing and accordingly, it has a long life cycle and there is no limitation on the product life cycle.
- The WeChat Payment Services have high stability and potential as market shares for mobile payment and retail merchant sector in Hong Kong is growing.

獨立專業估值師已獲委聘以針對商譽進行減值評估。有關評估發現現金產生單位的可收回金額超出其各自的賬面值。在此情況下，毋須就商譽作出減值。

(i) 具無限年期的無形資產

董事會認為本集團與財付通支付科技有限公司就提供微信支付境外收單解決方案及綜合線上支付平台訂立的服務協議（「**服務協議**」）屬本集團具無限年期的無形資產（「**無形資產**」）。微信支付服務為融入微信應用程式的支付功能，終端用戶可通過智能電話向商戶付款。

董事會及本公司管理層已進行年度檢討，以釐定事件及情況是否繼續支持無限使用年期的評估。於釐定無形資產的使用年期時，董事會及本公司管理層考慮到(i)服務協議的相關合約期限；及(ii)無形資產的特徵，詳情如下：

(a) 服務協議的合約期限

服務協議為期一年，並應視為可自動續期一年，以概無限制為準。此外，重續服務協議將不會產生成本。董事會亦認為，服務協議訂明的終止事件概率極低，且於可預見未來不會發生。

(b) 無形資產的特徵

- 微信支付服務的使用數量並無限制，香港所有零售商戶幾乎均可使用該服務。
- 於比較微信支付服務與其他類似性質的服務供應商（如 PayPal、支付寶及 Apple Pay）後，董事會及本集團管理層認為電子支付的市場趨勢日益發展，因此，其使用週期較長，且產品使用週期並無限制。
- 微信支付服務的穩定性高、潛力大，因香港移動支付及零售商戶的市場份額不斷擴大。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

- Mobile payment is mature and had been fully developed.
- The maintenance of the WeChat Payment Services cost is minimal.
- 移動支付經已成熟及全面發展。
- 微信支付服務的維護成本甚微。

The particulars of intangible assets and details of goodwill valuation method, key assumptions and the value of inputs used in the valuation are set out in notes 17 and 18 to the audited consolidated financial statements in this annual report respectively.

無形資產的詳情以及商譽估值方法、估值中所使用的主要假設及輸入數據價值的詳情分別載於本年報經審核綜合財務報表附註17及18。

FINANCIAL POSITION AND LIQUIDITY

As at 31 March 2019, cash and bank balances of the Group amounted to approximately HK\$65.5 million (2018: HK\$158.9 million) and the current ratio (current assets divided by current liabilities) of the Group was 0.5 times as at 31 March 2019 (2018: 2.1 times). The Group's gearing ratio, representing total borrowings divided by total equity, was approximately 158.4% as at 31 March 2019 (2018: 207.1%). The decrease in gearing ratio was primarily due to increase in equity as a result of the increase in convertible bonds reserve and share option reserve during the year ended 31 March 2019. 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 2019, the Group had unutilised general banking facilities of approximately HK\$4.2 million (2018: HK\$6.2 million). On 12 October 2017, the Group completed the issue of the convertible bonds in the aggregate principal amount of HK\$265.0 million (the "2017 Convertible Bonds"). On 13 February 2019, the Group completed the placing of the convertible bonds in the aggregate principal amount of HK\$106.0 million (the "2019 Convertible Bonds"). Approximately HK\$90.0 million out of the net proceeds amount of HK\$103.2 million from the issue of the 2019 Convertible Bonds was used in the purchase of the same principal amount of the 2017 Convertible Bonds and approximately HK\$13.2 million was used as the Company's general working capital. Meanwhile, the purchase of the 2017 Convertible Bonds was completed on 21 February 2019 and the 2017 Convertible Bonds in the aggregate principal amount of HK\$90.0 million were cancelled in accordance with the terms and conditions thereof and the outstanding principal amount of the 2017 Convertible Bonds has been reduced from HK\$255.0 million to HK\$165.0 million. Please refer to the announcements dated 22 January 2019, 13 February 2019 and 22 February 2019 and note 28 to the audited consolidated financial statements in this annual report for details.

財務狀況及流動資金

於二零一九年三月三十一日，本集團的現金及銀行結餘約65,500,000港元（二零一八年：158,900,000港元）。本集團的流動比率（即流動資產除以流動負債）於二零一九年三月三十一日為0.5倍（二零一八年：2.1倍）。於二零一九年三月三十一日，本集團之資產負債率（即借款總額除以權益總額）約為158.4%（二零一八年：207.1%）。資產負債率下跌主要是由於截至二零一九年三月三十一日止年度可換股債券儲備及購股權儲備增加。考慮到本集團現時現金及銀行結餘的水平，來自經營業務內部的資金及可動用但尚未動用的銀行融資，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。於二零一九年三月三十一日，本集團持有未動用一般銀行融資約4,200,000港元（二零一八年：6,200,000港元）。於二零一七年十月十二日，本集團完成發行本金總額為265,000,000港元之可換股債券（「二零一七年可換股債券」）。於二零一九年二月十三日，本集團完成配售本金總額為106,000,000港元之可換股債券（「二零一九年可換股債券」）。發行二零一九年可換股債券之所得款項淨額103,200,000港元中，約90,000,000港元用於購買本金等額的二零一七年可換股債券及約13,200,000港元用作本公司的一般營運資金。同時，購買二零一七年可換股債券已於二零一九年二月二十一日完成，而二零一七年可換股債券的本金總額90,000,000港元已根據其條款及條件註銷及二零一七年可換股債券的尚未行使本金額已由255,000,000港元減少至165,000,000港元。詳情請參閱日期為二零一九年一月二十二日、二零一九年二月十三日及二零一九年二月二十二日之公佈及本年報的經審核綜合財務報表附註28。

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 maximising the return to the shareholders 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 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 2019, the Group had 309 employees (2018: 260). For the year ended 31 March 2019, staff costs including directors' remuneration was approximately HK\$183.5 million (2018: HK\$116.4 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 adopted a share option scheme as an incentive to Directors and eligible participants, the particulars of which are set out in note 40 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

The proactive measures taken by the Group to recruit new generation customers and increase the market share in today's digital world show promising results after the Group allocated more resources on digital marketing. The increase in the combination of online live programs and offline events during the first half of the year ended 31 March 2019 enhanced customer loyalty and product awareness of both the existing and new product portfolios of the Group.

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贖回現有債務，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

於二零一九年三月三十一日，本集團的僱員人數為309人(二零一八年：260人)。截至二零一九年三月三十一日止年度，員工成本(包括董事薪酬)約為183,500,000港元(二零一八年：116,400,000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40。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

本集團在配置更多資源於數碼化營銷後招徠新一代客戶，此外本集團在現今數碼化世界為提升市場份額而採取的積極措施逐見成效。於截至二零一九年三月三十一日止年度上半年，我們舉辦了更多的線上直播節目及線下活動的組合，提升了本集團現有及新產品組合客戶的忠誠度及產品認知度。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

The quality management accreditation for the existing food factory including ISO22000 and HACCP obtained in March 2018 earmarked the sustainable commitment of the Group to uphold highest quality.

With the aim to expand the Group's distribution channels and grow its main business in health and beauty supplements and products, the Group completed the acquisition of H365 Group in December 2018.

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 2019, no new product under the "LEGEND" brand was launched. A new product that was originally planned to be launched in early 2018 was rescheduled to late 2019.

Online advertising agency segment

In addition to the routine content and advertising model, Tenfok Asia has successfully launched a brand campaign in 2018 with very positive market responses and sustainable income was generated from 2019 onwards.

Leveraging on the track record of event and content penetration on the largest online media platform (Hong Kong Station of gd.qq.com), Tenfok Asia has been collaborating with a number of business associations to launch several brand campaigns under the name of Hong Kong Station of gd.qq.com in the Greater Bay Area during the coming two years. Tenfok Asia has been media partner of the major events and campaigns co-organised with the Federation of Hong Kong Brands (香港品牌總商會), Greater Bay Area Medical and Health Society (大灣區醫療健康產業協會), Hong Kong Biotechnology Organisation (香港生物科技協會), Asia Art of Cuisine Society (亞洲餐飲廚藝協會) and other business associations from different industries. Over 3,000 corporates in Hong Kong and the Greater Bay Area have been registered as the members of these associations and their affiliated counterparties. The terms of collaboration contracts signed with different associations normally exceed 2 years so as to generate more revenue and build up long term business relationships. We believe the new partnership with business associations and trade fair organisers will bring in more revenue and quality clientele.

Utilising the State policy of promoting Greater Bay Area as the nation's hub for technology, brands and financing, we believe our online advertising and media platform can be well positioned to enhance our clients to benefit from building international brands and increasing cross-border businesses. Our management is very positive on the revenue stream from the segment in the coming two years.

有關現有食品製造廠的品質管理認證(包括ISO22000及HACCP)已於二零一八年三月取得，足以體現本集團秉承持續追求優質的承諾。

為擴大本集團的分銷渠道及發展其在保健及美容補品及產品方面的主營業務，本集團於二零一八年十二月完成收購健康365集團。

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。於截至二零一九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。原計劃於二零一八年初推出的一款新產品重新計劃於二零一九年末推出。

線上廣告代理分部

除常規內容及廣告模式外，騰福亞洲於二零一八年已成功推出品牌大賽活動，市場反映熱烈並自二零一九年起持續產生收入。

憑藉大型線上媒體平台(大粵網香港站)上的比賽活動及內容滲透的往績，騰福亞洲目前正在夥拍眾多行業協會合作，以期於未來兩年內在大灣區以大粵網香港站的名義合作推出多項品牌選舉頒獎活動。騰福亞洲已成為香港品牌總商會、大灣區醫療健康產業協會、香港生物科技協會、亞洲餐飲廚藝協會及其他不同行業協會活動的媒體合作夥伴。在香港及大灣區內登記的企業會員數目逾3,000家公司已登記成為該等協會與其相關組織的成員。騰福亞洲與不同協會簽訂的合作合約的年期通常超過2年，以產生更多穩定收益及建立長期的業務關係。我們相信，與行業協會及商展會主辦機構的新型合作關係將帶來更多收益及優質客戶。

利用國家目前力推大灣區作為國家技術、品牌及融資樞紐的國家政策，我們相信，我們的線上廣告及媒體平台可通過準確的市場定位，提升我們的客戶地位，使彼等受惠於打造國際品牌及增加跨境業務。我們的管理層對分部未來兩年的收益流樂觀。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Online payment business segment

Under the current China-US trade war, retail market and cross-border payment activities are under uncertainties. Besides, the growth of mobile payment among the PRC and Hong Kong local population was slower than expected. The reason was attributable to decrease in retail transactions in Hong Kong by Mainland visitors and intensified competition. From the date of our acquisition of N Dimension till now, the number of market players authorized by WeChat Pay has increased by several folds within 2 years. This has resulted in cut throat price war in the same market segments. The market rate for merchants has been decreasing. However, our marketing strategy and business partners relationship still enhance our market position and growth. The Group endeavors to continue growing this new business by way of expanding its sales efforts, collaborating with other market players that complement the Group's direction of development.

The Group is still confident in the prospect of WeChat cross-border payment business in Hong Kong. Recently, we are working closely with WeChat to offer special incentive programmes to our merchant clientele in Hong Kong. Moreover, N Dimension has started to conduct joint marketing effort to integrate our intra-Group subsidiaries business resources. Our internal synergy has shown promising results. Capitalising on the brand awareness, we will be able to enhance our competitiveness.

At the same time, we actively developed the extended online payment services and launched mini programmes to connect our users with numerous online and offline services, which include 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.

Game distribution segment

Game distribution platforms (including online and offline) shall continue to grow as the Company has built up strong pipelines for upcoming game titles. For the online e-commerce business, it is foreseen that the sales of game card business shall continue to expand due to the established relationship with local Chinese merchants and the wider variety of products such as gaming consoles and E-sports peripherals is forecasted to be one of the major growths in the gaming market. The marketing consultancy sector shall see steady growth due to the increase in the number of game releases and the increase in marketing events and activities driven from E-sports. The management is confident this business segment in the coming second half of the year ending 31 March 2020.

線上支付業務分部

在當前中美貿易戰背景下，零售市場及跨境支付活動充滿不確定因素。此外，中國及香港當地人口當中流動支付的增長速度低於預期。此乃歸因於內地遊客於香港進行的零售交易減少及競爭加劇。自我們收購千維科技日期起直至迄今，獲微信支付授權的市場從業者數目已於2年內增長數倍。這導致市場出現了激烈的價格戰。向商戶收取的費用率亦有所下降。然而，我們的營銷策略及業務夥伴關係仍積極提升我們的市場地位及增長。本集團透過擴大其銷售力度、與其他市場從業者進行合作，繼續努力發展該項新業務。

本集團仍對香港微信境外支付前景充滿信心。近期，我們正與微信密切合作，以向香港商戶客戶提供特定激勵計劃。此外，千維科技已開始進行聯合營銷，整合集團內附屬公司業務資源。我們的內部協同效應已產生亮麗業績。憑藉品牌效應，我們將可提升我們的競爭力。

同時，我們積極開拓線上支付延伸業務，推出小程序將我們的用戶與眾多的線上及線下服務連接，包括零售、電子商務、生活時尚服務、民生及遊戲，以鼓勵用戶分享及與他人進行日常生活的聯繫，促進與合作夥伴生態系統內的互動，開發創新「支付Plus」產品，提升商業模式延伸，增加更多收益。

遊戲發行分部

遊戲發行平台(包括線上及線下)將繼續增長，因為我們已為即將推出的知名遊戲清單作好安排。就線上電子商務業務而言，可預見的是，遊戲卡業務的銷售額將繼續擴大，原因是我們與當地中國商戶已經發展了成熟的業務關係及更廣泛多樣的產品，如預期將成為遊戲市場主要增長動力之一的遊戲控制台及E-sports電競的周邊產品。營銷諮詢分部將錄得穩定增長，此乃由於遊戲發佈數量增加及營銷活動及E-sports帶動的活動增加。管理層對截至二零二零年三月三十一日止年度即將到來的下半年的此業務分部充滿信心。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

MATERIAL ACQUISITIONS OR DISPOSALS

Save as disclosed in notes 35, 36 and 37 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 2019.

CONTINGENT LIABILITIES

Save as disclosed in note 27 to the audited consolidated financial statements in this annual report, the Group did not have material contingent liabilities as at 31 March 2019.

CAPITAL COMMITMENT

Save as disclosed in note 38 to the audited consolidated financial statements in this annual report, the Group did not have significant capital commitment as at 31 March 2019.

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 minimise 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 2019, the Group had secured bank loans of approximately HK\$39.1 million (2018: HK\$28.1 million). The banking facilities are secured by the Group’s leasehold land and buildings, having carrying amount of approximately HK\$77.2 million as at 31 March 2019 (2018: HK\$41.8 million).

重大收購或出售

除本年報經審核綜合財務報表附註35、36及37所披露外，截至二零一九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27所披露外，於二零一九年三月三十一日，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38所披露外，於二零一九年三月三十一日，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

於二零一九年三月三十一日，本集團持有有抵押銀行貸款約39,100,000港元（二零一八年：28,100,000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，其賬面值於二零一九年三月三十一日約為77,200,000港元（二零一八年：41,800,000港元）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

USE OF PROCEEDS FROM ISSUE OF CONVERTIBLE BONDS

Convertible Bonds

On 12 October 2017, the Group completed the issue of the convertible bonds in the aggregate principal amount of HK\$265.0 million (the “**2017 Convertible Bonds**”). On 13 February 2019, the Group completed the placing of the convertible bonds in the aggregate principal amount of HK\$106.0 million (the “**2019 Convertible Bonds**”). Approximately HK\$90.0 million out of the net proceeds of HK\$103.2 million from the issue of the 2019 Convertible Bonds was used in the purchase of the same principal amount of the 2017 Convertible Bonds and approximately HK\$13.2 million was used as the Company’s general working capital. Meanwhile, the purchase of the 2017 Convertible Bonds was completed on 21 February 2019 and the 2017 Convertible Bonds in the principal amount of HK\$90.0 million were cancelled in accordance with the terms and conditions thereof and the outstanding principal amount of the 2017 Convertible Bonds has been reduced from HK\$255.0 million to HK\$165.0 million. Please refer to the announcements dated 22 January 2019, 13 February 2019 and 22 February 2019 and note 28 to the audited consolidated financial statements in this annual report for details.

EVENTS AFTER REPORTING PERIOD

Save as the events as disclosed in note 45 to the audited consolidated financial statements in this annual report, there is no significant event occurring after the year ended 31 March 2019 up to the date of this annual report.

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.

發行可換股債券所得款項用途

可換股債券

於二零一七年十月十二日，本集團完成發行本金總額為265,000,000港元之可換股債券（「二零一七年可換股債券」）。於二零一九年二月十三日，本集團完成配售本金總額為106,000,000港元之可換股債券（「二零一九年可換股債券」）。發行二零一九年可換股債券之所得款項淨額103,200,000港元，其中約90,000,000港元用於購買本金等額的二零一七年可換股債券及約13,200,000港元用作本公司的一般營運資金。同時，購買二零一七年可換股債券於二零一九年二月二十一日完成，而本金額90,000,000港元的二零一七年可換股債券根據其條款及條件註銷及尚未行使的二零一七年可換股債券的本金額已由255,000,000港元減少至165,000,000港元。詳情請參閱日期為二零一九年一月二十二日、二零一九年二月十三日及二零一九年二月二十二日之公佈以及本年報經審核綜合財務報表附註28。

報告期後事項

除本年報經審核綜合財務報表附註45所披露之事項外，截至二零一九年三月三十一日止年度後直至本年報日期概無發生重大事項。

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界研究夥伴合作（如與中大中醫藥科技合作推廣及銷售其開發的「中大大藥傳承」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，如可能影響中國境內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業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. Lee Chi Hang, Sidney, aged 55, is an executive Director, compliance officer and authorised representative 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. On 1 April 2019, he was appointed as an authorised representative of the Company. 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 Company from 2010 to 2012. Mr. Lee was also a 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 the 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 also been providing voluntary services to the public on an ongoing basis and was appointed by the government as a member of various advisory boards.

執行董事

李志恒先生，55歲，為執行董事、本公司合規主任及授權代表。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。於二零一九年四月一日，彼獲委任為本公司之授權代表。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公司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。李先生自二零零零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。李先生亦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 52, is an executive Director. He joined the Group on 24 October 2016. Since 1 April 2019, the duties of the chairman of the Board and the chief executive officer of the company have been temporarily undertaken by Mr. Wang. 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 ("Elife Holdings") (Stock Code: 223), the shares of which are 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 of 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 46, is an executive Director. He joined the Company on 1 July 2017. He has solid commercial experience in international and China business development and merger 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.

王西華先生，52歲，為執行董事。彼於二零一六年十月二十四日加入本集團。自二零一九年四月一日起，本公司董事會主席及行政總裁之職務暫時由王先生擔任。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（「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，46歲，為執行董事。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。

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 56, is an independent non-executive Director, a member of audit committee, nomination committee and remuneration committee of the Company. She joined the Company on 15 April 2016. Ms. Szeto is a 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 the 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 Ming Lam Holdings Limited (formerly known as Sino Haijing Holdings Limited) (Stock Code: 1106) from 19 March 2015 to 4 July 2016. The shares of 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 33, 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 of the Company 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 eight years from October 2008. Mr. Leung obtained a Bachelor of Commerce (Accounting and Finance) degree 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，56歲，為獨立非執行董事、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。彼現擔任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）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銘霖控股有限公司（前稱中國海景控股有限公司）（股份代號：1106）之執行董事。該三間公司之股份均於聯交所主板或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。

梁鈞濤先生，33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本公司審核委員會主席。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八年。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 45, 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 16 years' experience in litigation. From 3 March 2015 to 1 March 2016, Mr. Tam served as an independent non-executive director of Zhuoxin International Holdings Limited (Stock Code: 8266) whose shares are listed on the GEM of the Stock Exchange.

Mr. Leung Man Loon, aged 41, is an independent non-executive Director, a member 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 the 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 in the United States since 2006.

SENIOR MANAGEMENT

Mr. Chan Yan Tak, aged 50, is the honorary chairman of the Company as well as a director of most subsidiaries of the health and beauty supplements and products segment of the Group. Mr. Chan joined the Group in 2003. He was the chairman of the Board, an executive director and the chief executive officer of the Company from 5 December 2011 to 31 March 2019. On 1 April 2019, he was honoured with the title of "Honorary Chairman" of the Company. Mr. Chan is currently responsible for the overall management and strategic development of the health and beauty supplements and products segment of the Group. Mr. Chan possesses over 15 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 was a director of Yan Oi Tong, from 1 April 2018 to 1 April 2019, and a founding member and executive director 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, the details of which are disclosed in the Report of the Directors under this report.

譚健業先生，45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和審核委員會成員。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，擁有超過十六年法律訴訟經驗。譚先生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(股份代號：8266，其股份於聯交所GEM上市)之獨立非執行董事。

梁文龍先生，41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

陳恩德先生，50歲，為本公司榮譽主席兼本集團大多數保健及美容補品及產品分部附屬公司董事。陳先生於二零零三年加入本集團。彼曾於二零一一年十二月五日至二零一九年三月三十一日擔任本公司董事會主席、執行董事及行政總裁。於二零一九年四月一日，彼獲授為本公司「榮譽主席」。陳先生現負責本集團保健及美容補品及產品分部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十五年經驗，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。陳先生於二零一八年四月一日至二零一九年四月一日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及執行董事，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。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷詳情

Mr. Cheng Tze Kit Larry, aged 63, is the chief investment officer of the Group. Mr. Cheng joined the Group in March 2018. Mr. Cheng has over 27 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 served as an executive director, non-executive director and chief investment officer of several Hong Kong listed companies.

Mr. Chen Man Lung, aged 53, is the chief financial officer of the Group. Mr. Chen joined the Group since April 2018. On 25 January 2019, he was appointed as the chief financial officer and he is responsible for overall financial management, tax and treasury functions of the Group. Mr. Chen has 25 years of finance and investment related work experience. Prior to joining the Group, Mr. Chen held senior management positions such as executive director, independent non-executive director, chief operation officer and chief financial officer of several Hong Kong and overseas listed companies in various industries. He holds a Bachelor of Arts in Sociology and a Master of Arts in Chinese Studies from The Hong Kong Baptist University and The Hong Kong University of Science and Technology, respectively.

Mr. Wong Kui Tong, aged 38, is the company secretary and authorised representative of the Company. Mr. Wong joined the Company in December 2016. Mr. Wong has over 16 years of experience in accounting and financial management. Mr. Wong is a fellow member of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants, The Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Chartered Secretaries. Prior to joining the Company, Mr. Wong held the positions 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.

鄭子傑先生，63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。鄭先生擁有逾二十七年的香港、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。

陳文龍先生，53歲，為本集團首席財務官。陳先生自二零一八年四月起加入本集團。於二零一九年一月二十五日，彼獲委任為首席財務官，負責本集團全面財務管理、稅務及庫務管理。陳先生擁有二十五年的財務及投資相關工作經驗。加入本集團前，陳先生曾於不同行業的若干香港及海外上市公司擔任高級管理職務（例如執行董事、獨立非執行董事、營運總監及首席財務官）。彼分別持有香港浸會大學文學士學位（社會學）及香港科技大學文學碩士學位（中華研究）。

黃鉅棠先生，38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有超過十六年的經驗。黃先生為香港會計師公會、特許公認會計師公會、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。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷詳情

Mr. Yan Tat Ming, aged 55, is the chief production officer of the health and beauty supplements and products segment of the Group. Mr. Yan joined the Group in January 2012. He is primarily responsible for the production and quality assurance functions of the health and beauty supplements and products segment of the Group. Mr. Yan has more than 17 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 under the Pharmacy and Poisons Ordinance (Chapter 138 of 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 47, is the general manager of the health and beauty supplements and products segment of the Group. Ms. Wong is responsible for sales department including the supervision of the sales promoter team of the health and beauty supplements and products segment and also acts as the person-in-charge of the customer services and member club functions. 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 13 years of working experience in the retail marketing specialising in selling and distribution of PCM health supplements and beauty supplements and products.

COMPLIANCE OFFICER

Mr. Lee Chi Hang, Sidney, aged 55, is the compliance officer of the Company. Please refer to the paragraph headed "Executive Directors" in this section for his further details.

甄達明先生，55歲，為本集團保健及美容補品及產品分部首席生產官。甄先生於二零一二年一月加入本集團，主要負責本集團保健及美容補品及產品分部的生產及質量保證職能。甄先生於製藥業積逾十七年經驗，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，47歲，為本集團保健及美容補品及產品分部總經理。王女士負責銷售部門，包括監督保健及美容補品及產品分部的促銷團隊，亦作為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十三年工作經驗，專注於銷售及分銷中成藥保健產品以及美容補品及產品。

合規主任

李志恒先生，55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 DIRECTORS

董事會報告書

The Directors present the report and the audited consolidated financial statements of the Company and its subsidiaries (collectively, the “Group”) for the year ended 31 March 2019.

PRINCIPAL ACTIVITIES

The Group is principally engaged in the formulating, marketing, sale and distribution of health and beauty supplements and products in Hong Kong and the PRC, 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 ended 31 March 2019.

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 ended 31 March 2019 as required by the Schedule 5 to the Hong Kong Companies Ordinance (Chapter 622 of the Laws of Hong Kong), 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 25, particulars of important events affecting the Company that have occurred since the end of the financial year ended 31 March 2019, 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” and “Management Discussion and Analysis” of this Annual Report, all these sections form part of this report of the Directors.

SUBSIDIARIES

Details of the Company’s principal subsidiaries as at 31 March 2019 are set out in note 42 to the audited consolidated financial statements in this annual report.

RESULTS AND APPROPRIATIONS

For the year ended 31 March 2019, 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 79 to 275.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 March 2019 (2018: Nil) in accordance with the dividend policy of the Company.

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」)截至二零一九年三月三十一日止年度的經審核綜合財務報表。

主要業務

本集團主要於香港及中國從事配方、推銷、銷售及分銷保健及美容補品及產品，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。截至二零一九年三月三十一日止年度，本集團主要業務的性質並無重大變動。

業務審視及業績

香港法例第622章香港公司條例附表5所規定有關本公司業務的中肯審視與本集團截至二零一九年三月三十一日止年度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25頁的「管理層討論與分析」中闡述。有關在截至二零一九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」及「管理層討論與分析」)討論，所有該等章節均為董事會報告書的一部分。

附屬公司

於二零一九年三月三十一日，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42。

業績及分派

截至二零一九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79至275頁。

末期股息

根據本公司的股息政策，董事會不建議派發截至二零一九年三月三十一日止年度之末期股息(二零一八年：無)。

REPORT OF THE DIRECTORS

董事會報告書

CLOSURE OF REGISTER OF MEMBERS

For the Entitlement of the Attendance of 2019 AGM

The register of members of the Company will be closed from Wednesday, 14 August 2019 to Monday, 19 August 2019 (both dates inclusive), for the purpose of determining the eligibility of shareholders of the Company (the “Shareholders”) to attend and vote at the annual general meeting of the Company to be held on Monday, 19 August 2019 (the “2019 AGM”), during which no transfer of shares of the Company will be effected. In order to qualify for attendance at the 2019 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 (which will be changed to Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong with effect from 11 July 2019), not later than 4:30 p.m. on Tuesday, 13 August 2019.

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 276 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 AND INVESTMENT PROPERTIES

Details of movements in the property, plant and equipment and investment properties of the Group during the year ended 31 March 2019 are set out in notes 15 and 16 to the audited consolidated financial statements in this annual report, respectively.

SHARE CAPITAL AND SHARE OPTIONS

Details of movements in the share capital of the Company during the year ended 31 March 2019 are set out in note 33(b) to the audited consolidated financial statements in this annual report.

Particulars of share options of the Company (the “Share Option(s)”) and details of movements in the Share Options during the year ended 31 March 2019 are set out in note 40 to the audited consolidated financial statements in this annual report.

暫停辦理股份過戶登記手續

出席二零一九年股東週年大會的資格

為釐定本公司股東(「股東」)出席本公司將於二零一九年八月十九日(星期一)舉行的股東週年大會(「二零一九年股東週年大會」)並於會上投票的資格,本公司將於二零一九年八月十四日(星期三)至二零一九年八月十九日(星期一)(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。為符合資格出席二零一九年股東週年大會,所有已填妥之過戶表格連同本公司有關股票必須於二零一九年八月十三日(星期二)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(自二零一九年七月十一日起將變更為香港皇后大道東183號合和中心54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276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、廠房及設備及投資物業

截至二零一九年三月三十一日止年度,本集團的物業、廠房及設備及投資物業變動詳情分別載於本年報經審核綜合財務報表附註15及16。

股本及購股權

截至二零一九年三月三十一日止年度,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33(b)。

截至二零一九年三月三十一日止年度,本公司購股權(「購股權」)之詳情及購股權變動詳情載於本年報經審核綜合財務報表附註40。

REPORT OF THE DIRECTORS

董事會報告書

CONVERTIBLE BONDS

2017 Convertible Bonds

The Company placed the convertible bonds in the aggregate principal amount of HK\$265 million (the “**2017 Convertible Bonds**”) on 12 October 2017 pursuant to the placing agreement dated 24 April 2017 and all supplemental placing agreements (the “**2017 Placing**”) by the placing agents to six placees, being third parties independent of the Company and its connected persons, whereby (i) on or before 11 October 2018, 2017 Convertible Bonds were convertible into 56,989,247 conversion shares at the conversion price of HK\$4.65, (ii) after 11 October 2018, the 2017 Convertible Bonds are convertible into 66,250,000 conversion shares at the conversion price of HK\$4.00. On 22 March 2018, 8,602,150 conversion shares were converted into 8,602,150 new Shares in total under the 2017 Convertible Bonds with a principal amount of HK\$10 million at a price of HK\$1.1625 (adjusted). In February 2019, the Company applied approximately HK\$90 million of the net proceeds of the 2019 Placing (as defined below) in the purchase of a principal amount of HK\$90 million of the 2017 Convertible Bonds which were then cancelled by the Company (the “**Purchase of 2017 Convertible Bonds**”). The outstanding principal amount of 2017 Convertible Bonds was then reduced from HK\$255 million to HK\$165 million on 21 February 2019.

As at 31 March 2019 and up to the date of this report, the outstanding principal amount of the 2017 Convertible Bonds was HK\$165 million which are convertible into 165,000,000 conversion shares at the conversion price of HK\$1.00 (adjusted), the 2017 Convertible Bonds will be due in October 2019.

The net proceeds from the 2017 Placing are approximately HK\$250 million and all was used by the Group in any potential acquisitions by the Company relating to (i) its principal business or (ii) any online and 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. The net price for the 2017 Placing is approximately HK\$4.36. The details of 2017 Placing are set out in the announcements 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, 12 October 2017, 4 December 2017, 22 January 2019, 13 February 2019, and 22 February 2019 and note 28 to the audited consolidated financial statements in this annual report, respectively.

可換股債券

二零一七年可換股債券

根據日期為二零一七年四月二十四日之配售協議及全部補充配售協議，本公司於二零一七年十月十二日透過配售代理向六名承配人（即獨立於本公司及其關連人士之第三方）配售本金總額為265,000,000港元之可換股債券（「二零一七年可換股債券」）（「二零一七年配售事項」），據此(i)於二零一八年十月十一日或之前，二零一七年可換股債券按換股價4.65港元可轉換為56,989,247股換股股份，(ii)於二零一八年十月十一日之後，二零一七年可換股債券按換股價4.00港元可轉換為66,250,000股換股股份。於二零一八年三月二十二日，8,602,150股換股股份按價格1.1625港元（經調整）轉換為本金額為10,000,000港元之二零一七年可換股債券項下合共8,602,150股新股份。於二零一九年二月，本公司動用二零一九年配售事項（定義見下文）所得款項淨額約90,000,000港元購買本金額為90,000,000港元之本公司當時註銷之二零一七年可換股債券（「購買二零一七年可換股債券」）。二零一七年可換股債券尚未償還本金額其後於二零一九年二月二十一日由255,000,000港元減至165,000,000港元。

於二零一九年三月三十一日及直至本報告日期，二零一七年可換股債券之尚未償還本金額165,000,000港元可按換股價1.00港元（經調整）轉換為165,000,000股換股股份，而二零一七年可換股債券將於二零一九年十月到期。

二零一七年配售事項所得款項淨額約為250,000,000港元，已全部由本集團用於本公司就(i)其主要業務或(ii)任何線上及電子商務技術業務進行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跨境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。二零一七年配售事項之淨價為約4.36港元。二零一七年配售事項之詳情載於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、二零一七年十月十二日、二零一七年十二月四日、二零一九年一月二十二日、二零一九年二月十三日及二零一九年二月二十二日之公佈及本年報之經審核綜合財務報表附註28。

REPORT OF THE DIRECTORS

董事會報告書

2019 Convertible Bonds

The Company placed the 5% unsecured redeemable convertible bonds in the aggregate principal amount of HK\$106 million (the “2019 Convertible Bonds”) on 13 February 2019 pursuant to the placing agreement dated 22 January 2019 (the “2019 Placing”) by the placing agents to six placees, being independent third parties which are not connected with the Company and its connected persons, whereby the 2019 Convertible Bonds are convertible into 365,517,237 convertible shares at the conversion price of HK\$0.29. As at 31 March 2019 and up to the date of this report, no new Share was issued under the 2019 Convertible Bonds which will be due in February 2021.

The net proceeds from the 2019 Placing are approximately HK\$90 million and was applied in redeeming the 2017 Convertible Bonds and approximately HK\$13.2 million was applied towards the Company’s general working capital as disclosed in the announcements of the Company dated 13 February 2019 and 22 February 2019 respectively. The net price for 2019 Placing is approximately HK\$0.28. The details of the 2019 Placing are set out in the announcements of the Company dated 22 January 2019, 13 February 2019 and 22 February 2019 and note 28 to the audited consolidated financial statements in this annual report.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries had purchased, redeemed or sold any of the Company’s listed securities during the year ended 31 March 2019 (2018: Nil).

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company’s articles of association (the “Articles and 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.

EQUITY-LINKED AGREEMENT

No equity-linked agreement was entered into during the year ended 31 March 2019, save for the convertible bonds as detailed in the paragraph “CONVERTIBLE BONDS” disclosed above and the Share Options (as defined below) as detailed in the section of “SHARE CAPITAL AND SHARE OPTIONS” and others, if any, disclosed in this annual report.

RESERVES

Details of movements in the reserves of the Group and the Company during the year ended 31 March 2019 are set out in the audited consolidated statement of changes in equity on page 83 and note 33(a) to the audited consolidated financial statements in this annual report, respectively.

二零一九年可換股債券

根據日期為二零一九年一月二十二日之配售協議，本公司已於二零一九年二月十三日透過配售代理向六名承配人（即與本公司及其關連人士概無關連之獨立第三方）配售本金總額為106,000,000港元之5%無抵押可贖回可換股債券（「二零一九年可換股債券」）（「二零一九年配售事項」）。據此，二零一九年可換股債券按換股價0.29港元可轉換為365,517,237股換股股份。於二零一九年三月三十一日及直至本報告日期，概無發行二零一九年可換股債券項下之新股份，而二零一九年可換股債券將於二零二一年二月到期。

二零一九年配售事項所得款項淨額約90,000,000港元並用於贖回二零一七年可換股債券及約13,200,000港元已根據本公司日期分別為二零一九年二月十三日及二零一九年二月二十二日之公佈所披露用作本公司一般營運資金。二零一九年配售事項之淨價為約0.28港元。二零一九年配售事項之詳情載於本公司日期為二零一九年一月二十二日、二零一九年二月十三日及二零一九年二月二十二日之公佈及本年報之經審核綜合財務報表附註28。

購買、贖回或出售本公司上市證券

截至二零一九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（二零一八年：無）。

優先購買權

本公司組織章程細則（「組織章程細則」）及開曼群島公司法（二零一六年修訂版）並無優先購買權條文規定本公司須按比例向現有股東發售新股份。

股票掛鈎協議

截至二零一九年三月三十一日止年度，並無訂立任何股票掛鈎協議，惟上文所披露的「可換股債券」一段同義的可換股債券及「股本及購股權」一節詳述的購股權（定義見下文）及本年報披露的其他（如有）除外。

儲備

截至二零一九年三月三十一日止年度，本集團及本公司的儲備變動詳情分別載於本年報第83頁經審核綜合權益變動表及經審核綜合財務報表附註33(a)。

REPORT OF THE DIRECTORS

董事會報告書

DISTRIBUTABLE RESERVES

As at 31 March 2019, the Company's reserves available for distribution to the Shareholders, calculated in accordance with the provisions of Cayman Islands' legislation, amounted to approximately HK\$139.7 million (2018: HK\$101.4 million).

PARTICULARS OF BANK AND OTHER BORROWINGS

Particulars of bank and other borrowings of the Group as at 31 March 2019 are set out in note 26 to the audited consolidated financial statements in this annual report.

DIRECTORS

The Directors during the year ended 31 March 2019 and up to the date of this annual report were:

Current Directors

Executive Directors

Mr. Lee Chi Hang, Sidney

Mr. Wang Xihua* (*appointed as acting chairman and chief executive officer on 1 April 2019*)

Mr. Lai Wei Lam, William

Independent Non-executive Directors

Ms. Szeto Wai Ling, Virginia

Mr. Leung Winson Kwan Yau

Mr. Tam Kin Yip

Mr. Leung Man Loon

Former Directors

Executive Directors

Mr. Chan Yan Tak* (*resigned as chairman and chief executive officer and appointed as honorary chairman on 1 April 2019*)

Mr. Wong Ping Yiu (*resigned on 4 May 2018*)

Mr. Liao Zhe (*resigned on 4 October 2018*)

* Mr. Chan Yan Tak resigned as chairman of the Board, an executive Director and the chief executive officer of the Company took effect from 1 April 2019. Mr. Wang Xihua has temporarily undertaken the duties of the chairman of the Board and the chief executive officer of the Company since 1 April 2019.

The biographical details of the current Directors are set out on pages 26 to 31 of this annual report.

可供分派儲備

於二零一九年三月三十一日，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139,700,000港元(二零一八年：101,400,000港元)。

銀行及其他借款詳情

本集團於二零一九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26。

董事

截至二零一九年三月三十一日止年度及直至本年報日期的董事會成員如下：

現任董事

執行董事

李志恒先生

王西華先生*(於二零一九年四月一日獲委任代理主席兼行政總裁)

賴偉林先生

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

前任董事

執行董事

陳恩德先生*(於二零一九年四月一日

辭任主席兼行政總裁及獲委任為榮譽主席)

黃平耀先生(於二零一八年五月四日辭任)

廖喆先生(於二零一八年十月四日辭任)

* 陳恩德先生辭任本公司董事會主席、執行董事及行政總裁，自二零一九年四月一日起生效。王西華先生暫時擔任本公司董事會主席兼行政總裁之職務，自二零一九年四月一日起生效。

現任董事履歷詳情載於本年報第26至31頁。

REPORT OF THE DIRECTORS

董事會報告書

CHANGES OF BOARD COMPOSITION

Mr. Chan Yan Tak (“**Mr. Chan**”) resigned as chairman of the Board, an executive Director, the chief executive officer and an authorised representative of the Company with effect from 1 April 2019 in order to focus on his family matters following the passing away of his spouse. Mr. Chan has remained as a director of certain subsidiaries of the health and beauty supplements and products segment of the Group. In recognition of Mr. Chan’s invaluable contribution and devotion to the Group during his tenure of service, the Board honored Mr. Chan with the title of “Honorary Chairman” of the Company with effect from 1 April 2019.

The Company is still in the course of identifying a suitable candidate with appropriate experience to fill the vacancy left by the resignation of Mr. Chan as the chairman of the Board and the chief executive officer of the Company. The duties of the chairman of the Board and the chief executive officer of the Company have temporarily been undertaken by Mr. Wang Xihua, an executive Director since 1 April 2019.

Mr. Wong Ping Yiu resigned as an executive Director with effect from 4 May 2018 due to new working arrangement in the Group.

Mr. Liao Zhe resigned as an executive Director with effect from 4 October 2018 due to new working arrangement in the Group.

DIRECTORS’ ROTATION

Messrs. Lee Chi Hang, Sidney and Lai Wei Lam, William, being executive Directors who have been the longest in the Board since their last re-elections in the annual general meeting of the Company, and Mr. Leung Winson Kwan Yau, being an independent non-executive Director, will retire by rotation from the Board at the conclusion of the 2019 AGM and then, being eligible, offer themselves for re-election as Directors by the Shareholders in the 2019 AGM in accordance with the Articles of Association and the Listing Rules.

董事會組成變更

於其配偶辭世後，為專注於家庭事務，陳恩德先生（「陳先生」）已辭任本公司董事會主席、執行董事、行政總裁及授權代表，自二零一九年四月一日起生效。陳先生仍為本集團保健及美容補品及產品分部的若干附屬公司之董事。為表彰陳先生於其任期內對本集團作出的寶貴貢獻及投入，董事會已授予陳先生為本公司「榮譽主席」之稱號，自二零一九年四月一日起生效。

本公司仍在物色具備適當經驗的合適人選，以填補陳先生辭任本公司董事會主席及行政總裁所留下之空缺。自二零一九年四月一日起，本公司董事會主席兼行政總裁之職務暫時由執行董事王西華先生擔任。

由於本集團的新工作安排，黃平耀先生已辭任執行董事，自二零一八年五月四日起生效。

由於本集團的新工作安排，廖喆先生已辭任執行董事，自二零一八年十月四日起生效。

董事輪席

執行董事李志恒先生及賴偉林先生（自上一次於本公司股東週年大會獲重選後任期最長之董事）以及獨立非執行董事梁鈞滙先生將於二零一九年股東週年大會結束時自董事會輪席退任，隨後符合資格並願意於二零一九年股東週年大會上由股東重選連任為董事。

REPORT OF THE DIRECTORS

董事會報告書

DIRECTORS' SERVICE AGREEMENTS

The Company entered into service agreements with each of the executive Director and independent non-executive Directors for a term of three years. Their term of offices 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 2019 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.

CONFIRMATION OF INDEPENDENCE

The Company 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 2019 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, which has been revised during the year ended 31 March 2019.

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.

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 notes 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.

董事服務協議

本公司與每位執行董事及獨立非執行董事訂立服務協議，為期三年。彼等之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席退任及重選連任。

本公司並無與將於二零一九年股東週年大會上建議重選之董事訂有任何服務合約，使本公司在一年內終止其合約須作賠償（法定賠償除外）。

確認獨立性

根據上市規則，本公司分別接獲全體四位獨立非執行董事司徒惠玲女士、梁鈞濤先生、譚健業先生及梁文龍先生截至二零一九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（已於截至二零一九年三月三十一日止年度經修訂），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。

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。

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。

REPORT OF THE DIRECTORS

董事會報告書

DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 March 2019, 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 (Chapter 571 of the Laws of Hong Kong) (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); (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 Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules were as follows:

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	Total 總計	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 公司權益			
Mr. Chan Yan Tak (“Mr. Chan”) ¹		733,568,000		733,568,000	34.55%
Mr. Lee Chi Hang, Sidney	1,000,000		17,000,000	18,000,000	0.85%
Mr. Wang Xihua			12,000,000	12,000,000	0.57%
Mr. Lai Wei Lam, William			12,000,000	12,000,000	0.57%
Ms. Szeto Wai Ling, Virginia			2,500,000	2,500,000	0.12%
Mr. Leung Winson Kwan Yau			2,500,000	2,500,000	0.12%
Mr. Tam Kin Yip			2,500,000	2,500,000	0.12%
Mr. Leung Man Loon			2,500,000	2,500,000	0.12%

Notes:

- This represents the shares of the Company held by Able Island Group Limited (“Able Island”), a company wholly-owned by Mr. Chan, therefore, he is deemed to be interested in 733,568,000 shares of the Company held by Able Island under the SFO. Mr. Chan resigned as chairman of the Board, an executive Director, the chief executive officer and an authorised representative of the Company with effect from 1 April 2019.
 - 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, details of which are set out in to the section under “SHARE OPTIONS” below in this annual report.
- * The percentage has been adjusted, if any, based on the total number of shares of the Company in issue as at 31 March 2019 (i.e. 2,123,002,150 shares).

董事於股份、相關股份及債權證的權益

於二零一九年三月三十一日，董事於本公司或其任何相聯法團（定義見香港法例第571章證券及期貨條例（「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）；(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：

附註：

- 指由Able Island Group Limited（「Able Island」）持有的本公司的股份，而陳先生全資擁有Able Island，因此，根據證券及期貨條例，彼被視為於Able Island所持有的733,568,000股本公司股份中擁有權益。陳先生已辭任本公司董事會主席、執行董事、行政總裁及授權代表，自二零一九年四月一日起生效。
 - 指由有關董事作為實益擁有人持有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，其詳情載於本年報下文「購股權」一節。
- * 百分比已經根據本公司於二零一九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）。

REPORT OF THE DIRECTORS

董事會報告書

Save as disclosed above and the interests as disclosed under the section headed “DIRECTORS’ RIGHTS TO ACQUIRE SHARES AND DEBENTURES” below, as at 31 March 2019, 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 2019, the number of outstanding Share Options granted by the Company under the share option scheme adopted on 24 September 2013 (the “Share Option Scheme”) for the Directors to subscribe for 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 in the sections headed “SHARE CAPITAL AND SHARE OPTIONS” and in the note 40 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 2019 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.

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 standards set out in the Model Code throughout the year ended 31 March 2019. 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.

DIRECTORS’ INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in note 39 to the audited consolidated financial statements in this annual report and under the section headed “CONNECTED TRANSACTION AND RELATED PARTY TRANSACTIONS”, 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 ended 31 March 2019.

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，於二零一九年三月三十一日，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

於二零一九年三月三十一日，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40。

除本報告所披露者外，截至二零一九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，彼等於截至二零一九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。

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39及於本報告內「關連交易及關連方交易」（如有）一節所披露外，截至二零一九年三月三十一日止年度，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 DIRECTORS

董事會報告書

SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 31 March 2019, 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*
股東姓名／名稱	身份	權益性質	股份數目	總計	估本公司已發行股本的概約權益百分比*
Able Island ¹	Beneficial owner 實益擁有人	Ordinary Shares 普通股	733,568,000	733,568,000	34.55%
Leung Lisa ²	Interested of controlled corporation 受控制法團權益	Ordinary Shares 普通股	128,408,000	128,408,000	6.05%
Prosper Rich Investments Limited ²	Beneficial owner 實益擁有人	Ordinary Shares 普通股	128,408,000	128,408,000	6.05%
Altair Asia Investments Limited 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 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		

Notes:

- The entire issued share capital of Able Island is wholly-owned by Mr. Chan.
 - Information was obtained from the website of the Stock Exchange (<http://www.hkexnews.hk/di/di.htm>).
 - The convertible instruments referred to the convertible bonds issued by the Company on 12 October 2017, the aggregate principal amount of HK\$90 million of that convertible bonds purchased by the Company have been cancelled in accordance with the terms and conditions of that convertible bonds and the outstanding aggregate principal amount of that convertible bonds has been reduced from HK\$255 million to HK\$165 million as of 21 February 2019, details of which are set out in the paragraph "CONVERTIBLE BONDS" in this directors' report and the announcements 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, 12 October 2017, 4 December 2017, 22 January 2019, 13 February 2019 and 22 February 2019.
 - The number of Shares held by the respective Shareholders have been adjusted due to the share subdivision of the Company took effect on 5 December 2017, details of which are set out in the announcements of the Company dated 27 October 2017, 3 November 2017 and 6 November 2017 and the circular of the Company on 10 November 2017.
- * The percentage has been adjusted, if any, based on the total number of shares of the Company in issue as at 31 March 2019 (i.e. 2,123,002,150 shares).

主要股東權益

於二零一九年三月三十一日，根據本公司按證券及期貨條例第336條所備存權益登記冊，以下人士（董事或本公司主要行政人員除外）於本公司股份及相關股份中擁有根據證券及期貨條例第XV部第2及3分部已知會本公司及聯交所以及根據證券及期貨條例第336條記錄於本公司所備存登記冊，或已另行知會本公司的權益如下：

附註：

- Able Island的全部已發行股本由陳先生全資擁有。
 - 有關資料乃摘錄自聯交所網站 (<http://www.hkexnews.hk/di/di.htm>)。
 - 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，根據該可換股債券之條款及條件，本公司按此購買本金總額90,000,000港元之該可換股債券已被註銷，且該可換股債券之尚未償還本金總額已於截至二零一九年二月二十一日由255,000,000港元減至165,000,000港元，其詳情載於本董事會報告書「可換股債券」段落及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、二零一七年十月十二日、二零一七年十二月四日、二零一九年一月二十二日、二零一九年二月十三日及二零一九年二月二十二日之公佈。
 - 各股東持有的股份數目已因本公司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及二零一七年十一月六日之公佈及本公司日期為二零一七年十一月十日之通函。
- * 百分比已經根據本公司於二零一九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）。

REPORT OF THE DIRECTORS

董事會報告書

Save as disclosed above, as at 31 March 2019, 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 2019, save as disclosed above, 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 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 year ended 31 March 2019. The independent non-executive Directors 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 ended 31 March 2019 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，於二零一九年三月三十一日，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

截至二零一九年三月三十一日止年度，除上文所披露者外，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。各控股股東確認，於截至二零一九年三月三十一日止年度內，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，截至二零一九年三月三十一日止年度及直至本年報日期，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 DIRECTORS

董事會報告書

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 March 2019, the aggregate sales attributable to the Group's five largest customers accounted for approximately 48.9% (2018: 54.6%) of the total sales and the aggregate sales attributable to the largest customer included therein accounted for approximately 38.2% (2018: 50.7%) of the total sales.

For the year ended 31 March 2019, the aggregate purchases attributable to the Group's five largest suppliers accounted for approximately 44.3% (2018: 60.2%) of the total purchases and the aggregate purchases attributable to the largest supplier included therein accounted for approximately 12.7% (2018: 21.7%) 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.

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 ended 31 March 2019.

DONATIONS

During the year ended 31 March 2019, the Group made charitable donations amounting to approximately HK\$151,224.

CONNECTED TRANSACTION AND RELATED PARTY TRANSACTIONS

During the year ended 31 March 2019, there was no transaction which need to be disclosed as connected transaction or continuing connected transaction in accordance with the requirements of the Listing Rules.

Details of the related party transactions of the Group are set out in note 39 to the audited consolidated financial statements in this annual report.

主要客戶及供應商

截至二零一九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48.9%（二零一八年：54.6%），當中最大客戶應佔銷售額合共佔總銷售額約38.2%（二零一八年：50.7%）。

截至二零一九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44.3%（二零一八年：60.2%），當中最大供應商應佔採購額合共佔總採購額約12.7%（二零一八年：21.7%）。

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。

管理合約

截至二零一九年三月三十一日止年度，概無訂立或存在關於管理及經營本公司全部或任何主要部分業務的合約。

捐款

截至二零一九年三月三十一日止年度，本集團作出慈善捐款約151,224港元。

關連交易及關連方交易

截至二零一九年三月三十一日止年度，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。

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39。

REPORT OF THE DIRECTORS

董事會報告書

STAFF

As at 31 March 2019, the Group had approximately 309 employees. Salaries of employees 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.

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 are set out in note 14 to the audited consolidated financial statement in this annual report.

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 2019, 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 46 to 70 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.

員工

於二零一九年三月三十一日，本集團約有309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。

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。

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。相關僱員及相關營運單位亦會不時留意適用法律、規則及法規發生的任何變動。

於截至二零一九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46至70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 DIRECTORS

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 45 to the audited consolidated financial statement in this annual report.

AUDITOR

Elite Partners CPA Limited (“Elite Partners”), being the auditor of the Company, will retire and, being eligible, offer themselves for re-appointment in the 2019 AGM. A resolution for the re-appointment of Elite Partners as auditor of the Company will be proposed at the 2019 AGM.

On behalf of the Board

Shunten International (Holdings) Limited

Wang Xihua

Acting chairman

Hong Kong, 26 June 2019

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45。

核數師

本公司核數師開元信德會計師事務所有限公司（「開元信德」）將於二零一九年股東週年大會上退任，且合資格並願意膺選連任。本公司將於二零一九年股東週年大會上提呈續聘開元信德為本公司核數師之決議案。

代表董事會

順騰國際(控股)有限公司

代理主席

王西華

香港，二零一九年六月二十六日

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 Appendix 14 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Throughout the year ended 31 March 2019, the Company has complied with the Code provisions as set out in Appendix 14 to the Listing Rules except the deviation from the Code provision A.2.1, which stipulates that the roles of chairman of the Board and chief executive officer of the Company ("CEO") should be separated. Details 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 the 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 laws 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) the training and the continuous professional development of the Directors and senior management of the Company; (iii) policies and practices on compliance with legal and regulatory requirements; (iv) the code of conduct and compliance manual (if any) applicable to employees and the Directors; and (v) 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」）。截至二零一九年三月三十一日止年度，本公司已遵守上市規則附錄十四所載守則條文，惟偏離守則條文A.2.1，該條規定董事會主席與本公司行政總裁（「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。

本公司已遵守組織章程大綱及組織章程細則、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)董事及本公司高級管理層的培訓及持續專業發展；(iii)於遵守法律及監管規定方面的政策及常規；(iv)適用於僱員及董事的操守守則及合規手冊（如有）；及(v)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

As at the date of this report, the Board comprises seven (7) Directors, all with professional backgrounds and/or extensive expertise for the direction and oversight of the Group's strategic priorities and public responsibilities. During the year ended 31 March 2019 and up to the date of this report, the composition of the Board comprises the following Directors:

Current Directors

Executive Directors

Mr. Lee Chi Hang, Sidney

Mr. Wang Xihua*

(temporarily acted as acting chairman and CEO on 1 April 2019)

Mr. Lai Wei Lam, William

Independent Non-executive Directors

Ms. Szeto Wai Ling, Virginia

Mr. Leung Winson Kwan Yau

Mr. Tam Kin Yip

Mr. Leung Man Loon

Former Directors

Executive Directors

Mr. Chan Yan Tak (the "Mr. Chan")* *(resigned as chairman and CEO and appointed as honorary chairman on 1 April 2019)*

Mr. Wong Ping Yiu *(resigned on 4 May 2018)*

Mr. Liao Zhe *(resigned on 4 October 2018)*

* Mr. Chan resigned as chairman of the Board, an executive Director, the CEO of the Company took effect from 1 April 2019. Mr. Wang Xihua has temporarily undertaken the duties of the chairman of the Board and the CEO with effect from 1 April 2019.

The composition, experience, 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 experience to the Board.

董事會

董事會組成

於本報告日期，董事會由七(7)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。截至二零一九年三月三十一日止年度及直至本報告日期，董事會由以下董事組成：

現任董事

執行董事

李志恒先生

王西華先生*

(於二零一九年四月一日暫時擔任代理

主席兼行政總裁)

賴偉林先生

獨立非執行董事

司徒惠玲女士

梁鈞濼先生

譚健業先生

梁文龍先生

前任董事

執行董事

陳恩德(「陳先生」)* *(於二零一九年四月一日辭任主席兼行政總裁及獲委任為榮譽主席)*

黃平耀先生 *(於二零一八年五月四日辭任)*

廖喆先生 *(於二零一八年十月四日辭任)*

* 陳先生辭任本公司董事會主席、執行董事及行政總裁，自二零一九年四月一日起生效。王西華先生暫時擔任董事會主席兼行政總裁之職務，自二零一九年四月一日起生效。

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。

CORPORATE GOVERNANCE REPORT

企業管治報告

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, which demonstrate a diversity of skills, expertise, experience and qualifications. 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). The names of all the Directors have been disclosed in all corporate communications of the Company.

Save as Mr. Chan, the chairman of the Board who resigned as chairman of the Board, an executive Director and the CEO with effect from 1 April 2019), is the brother-in-law of Mr. Lim Ming Shing, Tony, a former executive Director retired as a Director on 31 August 2017 and resigned as the chief financial officer of the Group on 25 January 2019, 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' Rotation 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 Articles of Association and 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 retirement and then re-election by the Shareholders at the first general meeting of the Company to be held after his/her appointment by the Board in accordance with the Listing Rules and the Articles of Association.

Messrs. Lee Chi Hang, Sidney and Lai Wei Lam, William, being executive Directors, and Mr. Leung Winson Kwan Yau, 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 conclusion of the annual general meeting of the Company to be held on Monday, 19 August 2019 (the “2019 AGM”) and then they, being eligible, offer themselves for re-election as Directors by the Shareholders in the 2019 AGM in accordance with Article 84(1) 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，當中載有多元化的技能、專業知識、經驗及資格。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。全體董事的姓名已於本公司所有企業通訊中披露。

除董事會主席陳先生(已辭任董事會主席、執行董事及行政總裁，自二零一九年四月一日起生效)為於二零一七年八月三十一日退任的前任執行董事林銘誠先生(已於二零一九年一月二十五日辭任本集團首席財務官)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。

董事輪席及重選

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，及根據組織章程細則及上市規則，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於本公司將予舉行的首個股東大會上退任並其後獲股東重新選舉。

執行董事李志恒先生及賴偉林先生以及獨立非執行董事梁鈞濂先生自彼等上次獲股東重選起在董事當中任職最久，彼等須根據組織章程細則第84(1)條及上市規則於二零一九年八月十九日(星期一)將予舉行之本公司股東週年大會(「二零一九年股東週年大會」)結束時自董事會輪席退任，其後，彼等符合資格且願意於二零一九年股東週年大會上由股東重選為董事。

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Change of Board Composition

Mr. Chan resigned as the chairman of the Board, an executive Director, the CEO and an authorised representative of the Company with effect from 1 April 2019 in order to focus on his family matters following the passing away of his spouse. Mr. Chan has remained as director of certain subsidiaries running the health and beauty supplements and products segment in the Group. In recognition of Mr. Chan's invaluable contribution and devotion to the Group during his tenure of service, the Board has honored Mr. Chan with the title of "Honorary Chairman" of the Company with effect from 1 April 2019.

As at the date of this report, the Company is still in the course of identifying a suitable candidate with appropriate experience to fill the vacancy left by the resignation of Mr. Chan as the chairman of the Board and the CEO. The duties of the chairman of the Board and the CEO have temporarily been undertaken by Mr. Wang Xihua, an executive Director, since 1 April 2019.

Mr. Wong Ping Yiu resigned as an executive Director with effect from 4 May 2018 due to new working arrangement in the Group.

Mr. Liao Zhe resigned as an executive Director with effect from 4 October 2018 due to new working arrangement in the Group.

Service Agreements with the Company

The Company 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(s) 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 to be held and then be re-appointed by the Shareholders at the same meeting in accordance with the Articles of Association and/or the Listing Rules.

For any 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. The respective appointment dates of all independent non-executive Directors (all have served the Company less than nine years) are set out below:

Ms. Szeto Wai Ling, Virginia was appointed on 15 April 2016.

Mr. Leung Winson Kwan Yau was appointed on 24 October 2016.

Mr. Tam Kin Yip was appointed on 7 March 2017.

Mr. Leung Man Loon was appointed on 11 September 2017.

董事會組成變更

於其配偶辭世後，為專注於家庭事務，陳先生已辭任董事會主席、執行董事、行政總裁及本公司授權代表，自二零一九年四月一日起生效。陳先生仍為本集團若干經營保健及美容補品及產品分部的附屬公司之董事。為表彰陳先生於其任期內對本集團作出的寶貴貢獻及投入，董事會已授予陳先生為本公司「榮譽主席」之稱號，自二零一九年四月一日起生效。

於本報告日期，本公司仍在物色具備適當經驗的合適人選，以填補陳先生辭任董事會主席及行政總裁所留下之空缺。自二零一九年四月一日起，董事會主席兼行政總裁之職務暫時由執行董事王西華先生擔任。

由於本集團的新工作安排，黃平耀先生已辭任執行董事，自二零一八年五月四日起生效。

由於本集團的新工作安排，廖喆先生已辭任執行董事，自二零一八年十月四日起生效。

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將予舉行之首屆股東大會結束為止，並可於同一大會上獲股東重新委任。

就於本公司在任超過九年的任何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。於本公司的任職年限均少於九年的所有獨立非執行董事各自獲委任的日期載列如下：

司徒惠玲女士於二零一六年四月十五日獲委任。

梁鈞濂先生於二零一六年十月二十四日獲委任。

譚健業先生於二零一七年三月七日獲委任。

梁文龍先生於二零一七年九月十一日獲委任。

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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.

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. During the year ended 31 March 2019, Mr. Chan Yan Tak was the Chairman and the CEO and resigned both positions with effect from 1 April 2019 (the "Resignation of Mr. Chan").

Mr. Chan provided leadership to the Board in terms of establishing policies, strategies, business directions and development and ensured that the Board discharges its responsibilities. Mr. Chan has been responsible for the overall management and strategic development of the Group since 2005. He was 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. Although Mr. Chan served as both the chairman of the Board and CEO of the Company was a deviation from A.2.1 of the code provisions, given Mr. Chan's extensive experience in the business of the Group, it was more efficient for Mr. Chan to perform both roles. It was also more favorable to the development and management of the Group's business. Moreover, all other members of the Board have the experience and expertise to ensure balance of power and authority so that the power was not concentrated in any one individual.

The duties of the chairman of the Board and the CEO have been temporarily undertaken by Mr. Wang Xihua, an executive Director, since the effective date of the Resignation of Mr. Chan, i.e. 1 April 2019. The Company is in the course of identifying a suitable candidate with appropriate experience to fill the vacancy left by the Resignation of Mr. Chan and the Company will make announcement thereon in due course in accordance with the Listing Rules.

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。

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。截至二零一九年三月三十一日止年度，陳恩德先生為主席兼行政總裁，已於二零一九年四月一日辭任該等職務（「陳先生辭任」）。

陳先生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。儘管陳先生兼任本公司董事會主席及行政總裁偏離守則條文A.2.1，鑒於陳先生於本集團業務方面擁有豐富經驗，由陳先生擔任主席兼行政總裁更為高效。此亦更有利於本集團業務的發展及管理。此外，董事會所有其他成員均具備經驗及專業知識以確保權力與授權的平衡，令致權力不會集中於單一人士。

自陳先生辭任生效日期（即二零一九年四月一日）起，董事會主席兼行政總裁之職務暫時由執行董事王西華先生擔任。本公司正在物色具備適當經驗的合適人選，以填補陳先生辭任所留下之空缺，且本公司將根據上市規則適時刊發公佈。

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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.

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 SFO, as well as the essence of corporate governance and the trends in these areas, have therefore arranged for all newly appointed Directors from the time to time.

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。

本公司不時為所有新任董事安排入職培訓，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。

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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 develop and refresh knowledge and skills of the Directors. All Directors are encouraged to attend relevant training courses provided by external bodies at the Company's expense. During the year ended 31 March 2019, the record of the trainings of the Directors, on named basis, is set out in the table below:

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以拓展及更新董事的知識及技能。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。截至二零一九年三月三十一日止年度，董事的培訓記錄按姓名基準載列於下表：

Directors	董事	Training on corporate governance, regulatory development and other relevant topics 企業管治、監管發展及其他相關主題培訓
Executive Directors		
Mr. Chan Yan Tak (“Mr. Chan”) (resigned as chairman and CEO on 1 April 2019)	陳恩德先生(「陳先生」)(於二零一九年四月一日辭任主席兼行政總裁)	✓
Mr. Lee Chi Hang, Sidney	李志恒先生	✓
Mr. Wang Xihua* (appointed as acting chairman and acting CEO on 1 April 2019)	王西華先生*(於二零一九年四月一日獲委任為代理主席兼代理行政總裁)	✓
Mr. Lai Wei Lam, William	賴偉林先生	✓
Independent Non-executive Directors		
Ms. Szeto Wai Ling, Virginia	司徒惠玲女士	✓
Mr. Leung Winson Kwan Yau	梁鈞濇先生	✓
Mr. Tam Kin Yip	譚健業先生	✓
Mr. Leung Man Loon	梁文龍先生	✓
Former Directors		
Executive Director		
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)	N/A 不適用
Mr. Liao Zhe (resigned on 4 October 2018)	廖喆先生(於二零一八年十月四日辭任)	✓

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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 2019.

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.

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.

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二零一九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。

董事會及董事會委員會會議的議程由公司秘書草擬，並經董事會主席及董事會委員會批准。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主席及董事會委員會或公司秘書。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。

CORPORATE GOVERNANCE REPORT

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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.

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 2019 is as follows:

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。

董事出席會議記錄

截至二零一九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 董事任期內出席率/會議次數	
		Annual general meeting 股東週年大會	Board 董事會
Number of Meeting(s)	會議次數	1	22
Executive Directors	執行董事		
Mr. Chan Yan Tak ¹	陳恩德先生 ¹	1/1	22/22
Mr. Lee Chi Hang, Sidney	李志恒先生	1/1	21/22
Mr. Wang Xihua ¹	王西華先生 ¹	1/1	21/22
Mr. Lai Wei Lam, William	賴偉林先生	1/1	22/22
Independent Non-executive Directors	獨立非執行董事		
Ms. Szeto Wai Ling, Virginia	司徒惠玲女士	1/1	22/22
Mr. Leung Winson Kwan Yau	梁鈞滙先生	1/1	22/22
Mr. Tam Kin Yip	譚健業先生	1/1	22/22
Mr. Leung Man Loon	梁文龍先生	1/1	22/22
Former Directors	前任董事		
Executive Directors	執行董事		
Mr. Wong Ping Yiu ²	黃平耀先生 ²	N/A不適用	3/3
Mr. Liao Zhe ³	廖喆先生 ³	1/1	10/10

CORPORATE GOVERNANCE REPORT

企業管治報告

Notes:

1. The resignation of Mr. Chan as chairman of the Board, an executive Director and the CEO with effect from 1 April 2019. Mr. Wang Xihua has temporarily undertaken the duties of the chairman of the Board and the CEO since 1 April 2019.
2. Mr. Wong Ping Yiu resigned on 4 May 2018.
3. Mr. Liao Zhe resigned on 4 October 2018.

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 2019, which was reviewed by the nomination committee of the Company in June 2019, 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 confirmations of independence from all independent non-executive Directors for the year ended 31 March 2019 in accordance with rule 3.13 of the Listing Rules, amended from time to time. 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 without the other executive Director 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.

附註：

1. 陳先生辭任董事會主席、執行董事及行政總裁，自二零一九年四月一日起生效。自二零一九年四月一日起，王西華先生暫時擔任董事會主席兼行政總裁之職務。
2. 黃平耀先生於二零一八年五月四日辭任。
3. 廖喆先生於二零一八年十月四日辭任。

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。截至二零一九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（於二零一九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（經不時修訂），本公司已接獲全部獨立非執行董事截至二零一九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，董事會主席已連同非執行董事（並無其他執行董事）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。

CORPORATE GOVERNANCE REPORT

企業管治報告

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.

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.

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。

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(經不時修訂)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。

CORPORATE GOVERNANCE REPORT

企業管治報告

Audit Committee

The audit committee of the Company (“**Audit Committee**”) has been established by the Board, it comprises 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.

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 2019, the Audit Committee held three (3) meetings. The attendance of each member at meetings is as follows:

審核委員會

董事會已成立本公司審核委員會(「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。

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

截至二零一九年三月三十一日止財政年度，審核委員會曾舉行三(3)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)	3/3
Ms. Szeto Wai Ling, Virginia	司徒惠玲女士	3/3
Mr. Tam Kin Yip	譚健業先生	3/3
Mr. Leung Man Loon	梁文龍先生	3/3

CORPORATE GOVERNANCE REPORT

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In accordance with its terms of reference, the Audit Committee performed, inter alia, the following work during the year ended 31 March 2019 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 adequacy and effectiveness and 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.
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.
4. reviewed, approved and recommended the re-appointment and remuneration of the external auditor.
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.

Remuneration Committee

The remuneration committee of the Company (“**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.

截至二零一九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；以及遵守上市規則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充分性及有效性之報告以及相關報告。
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。
4. 審閱、批准及建議外聘核數師的續聘及薪酬。
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。

薪酬委員會

董事會已成立本公司薪酬委員會(「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 2019, 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

截至二零一九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 (Chairman)	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	梁鈞濇先生	9/9
Mr. Leung Man Loon	梁文龍先生	9/9

In accordance with its terms of reference, the Remuneration Committee performed, inter alia, the following work during the year ended 31 March 2019 and up to the date of this report:

截至二零一九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. consider and approve the salary increment and bonus arrangement for certain Directors and senior management of the Group. | 5. 考慮及批准若干董事及本集團高級管理層的加薪及花紅安排。 |
| 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。 |

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Details of the Directors' remuneration for the year ended 31 March 2019 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 2019 is set out below:

截至二零一九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，截至二零一九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\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	2
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至3,000,000港元	1
HK\$4,000,001 to HK\$4,500,000	4,000,001港元至4,500,000港元	1
HK\$5,500,001 to HK\$6,000,000	5,500,001港元至6,000,000港元	1
HK\$6,000,001 to HK\$6,500,000	6,000,001港元至6,500,000港元	1
HK\$9,000,001 to HK\$9,500,000	9,000,001港元至9,500,000港元	1

Nomination Committee

The nomination committee of the Company (“**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

董事會已成立本公司提名委員會（「**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、梁鈞灝先生及梁文龍先生。

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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| <p>(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.</p> <p>(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.</p> | <p>(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。</p> <p>(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。</p> |
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Work Performed by Nomination Committee

During the year ended 31 March 2019, the Nomination Committee held two (2) meetings. The attendance of each member is as follows:

提名委員會所履行工作

截至二零一九年三月三十一日止年度，提名委員會曾舉行兩(2)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)	2/2
Ms. Szeto Wai Ling, Virginia	司徒惠玲女士	2/2
Mr. Leung Winson Kwan Yau	梁鈞滙先生	2/2
Mr. Leung Man Loon	梁文龍先生	2/2

In accordance with its terms of reference, the Nomination Committee performed the following, inter alia, work during the year ended 31 March 2019 and up to the date of this report:

截至二零一九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：

- | | |
|--|---|
| <ol style="list-style-type: none"> 1. reviewed, assessed and commented, inter alia, the policy for the nomination of Directors. 2. assessed the independence of each independent non-executive Director. 3. sourced and recommended individuals suitably qualified, if any, to become Board members. 4. approved and recommended to the changes in the Board composition, resignations and the retirements in Directors. | <ol style="list-style-type: none"> 1. 審閱、評估及評論(其中包括)提名董事的政策。 2. 評估每名獨立非執行董事的獨立性。 3. 物色及建議具備合適資格的人選(如有)成為董事會成員。 4. 批准及就董事會組成的變動、董事辭任及退任提出建議。 |
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5. 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.
6. 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.

Nomination Policy

The Company adopted below the policy for nomination of Directors (including the nomination procedures and criteria for selection and recommendation of candidates for directorship) in accordance with the new amendments to the Code, which took effect from 1 January 2019.

Selection Criteria

The factors listed below would be used as reference by the Nomination Committee in assessing the suitability of a proposed candidate:

- reputation for integrity;
- accomplishment, experiences and/or knowledge in the principal business of our group, from time to time;
- commitment in respect of available time and relevant interest; and
- diversity in all its aspects, including but not limited to gender, age (18 years or above), cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.

These factors are for reference only, and not meant to be exhaustive and decisive. The Nomination Committee has the discretion to nominate any person, as it considers appropriate.

5. 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。
6. 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。

提名政策

本公司已根據新訂守則(自二零一九年一月一日起生效)採納下列提名董事政策(包括提名程序及甄選及推薦董事候選人的標準)。

甄選標準

於評估建議候選人的合適性時，提名委員會將參考下列因素：

- 信譽；
- 不時於本集團主要業務的成就、經驗及／或知識；
- 可投入之時間及有關利益的承擔；及
- 於各方面的多元化，包括但不限於性別、年齡(18歲或以上)、文化及教育背景、種族、專業經驗、技能、知識及服務年限。

該等因素僅供參考，並非詳盡無遺，亦不具有決定性。提名委員會有權酌情提名其認為合適的任何人士。

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Nomination Procedures

1. The secretary of the Nomination Committee shall call a meeting of the Nomination Committee, and invite nominations of candidates from Board members, if any, for consideration by the Nomination Committee prior to its meeting. The Nomination Committee may also put forward candidates who are not nominated by Board members.
2. For filling a casual vacancy, the Nomination Committee shall make recommendations for the Board's consideration and approval. For proposing candidates to stand for election at a general meeting, the Nomination Committee shall make nominations to the Board for its consideration and recommendation.
3. In order to provide information of the candidates nominated by the Board to stand for election at a general meeting, a circular will be sent to the Shareholders. Pursuant to Bye-laws of the Company, if a Shareholder wish to propose a person other than a retiring Director for election as a Director at a general meeting of the Company, the Shareholder should deposit a written notice of nomination which shall be given to the head office of the Company within the 7-day period commencing the day after the dispatch of the notice of the meeting (or such other period as may be determined and announced by the Directors from time to time). The relevant procedures are posted on the Company's website (www.shunten.com.hk). The particulars of the candidates so proposed will be sent to all shareholders for information by a supplementary circular.

提名程序

1. 提名委員會秘書應召開提名委員會會議，並邀請董事會成員提名的候選人(如有)供提名委員會於其會議前審議。提名委員會亦可以提名並非董事會成員提名的候選人。
2. 為填補臨時空缺，提名委員會應提出建議供董事會審議及批准。對於提名候選人參加股東大會選舉，提名委員會應向董事會提名供其審議及推薦。
3. 為提供董事會提名以於股東大會上選舉的候選人的資料，本公司將向股東發出通函。根據本公司細則，倘股東有意建議一名人士而非退任董事於本公司股東大會上選舉董事，則股東須寄發書面提名通知，該通知應於寄發大會通告後為期七天內(或董事可不時釐定及宣佈的有關其他時期)向本公司總部發出。相關程序刊載於本公司網站(www.shunten.com.hk)。如此建議的候選人之詳情將透過補充通函形式寄發予全體股東。

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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 2019. 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 2019, and of the Group's loss and cash flow for the year then ended. In preparing the accounts for the year ended 31 March 2019, 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 2019, 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 71 to 78 of this annual report.

As at 31 March 2019, the Group had net current liabilities of approximately HK\$233.4 million. This condition indicates the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern and therefore, the Group may not be able to realise its assets and discharge its liabilities in the normal course of business, details of which may refer to the note 2 to the audited consolidated financial statements in 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 2019, 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二零一九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二零一九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。於編製截至二零一九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（截至二零一九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71至78頁。

於二零一九年三月三十一日，本集團的流動負債淨額約233,400,000港元。該狀況表明存在可能對本集團持續經營的能力構成重大疑問的重大不確定因素，因此，本集團不一定能於正常業務過程中變現其資產及履行其負債，詳情可參閱本年報經審核綜合財務報表附註2。

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。

截至二零一九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. Completion and return of the form of proxy will not prevent Shareholders from attending and voting in person at the annual general meeting if Shareholders so wish.

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。填妥及交回代表委任表格後，股東仍可依願親身出席股東週年大會並於會上投票。

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。

CORPORATE GOVERNANCE REPORT

企業管治報告

SHAREHOLDERS' RIGHTS

Dividend Policy

The distribution of any dividend by the Company is subject to the discretion of the Board, which normally did/will take into account of the following factors:

- The financial results of the Company;
- Interests of the Shareholders;
- General business conditions and strategies;
- The capital requirements of the Group;
- Contractual restrictions on the payment of dividends by the Company to the Shareholders or by the subsidiaries to the Company, if any;
- Taxation considerations;
- Possible effects on our creditworthiness;
- Statutory and regulatory restrictions; and
- Any other factors the Board may deem relevant.

There is no assurance that any particular dividend amount, or any dividend at all, will be declared and paid in the future.

股東權利

股息政策

本公司分派任何股息須由董事會酌情決定，而董事會通常考慮／將考慮以下因素：

- 本公司的財務業績；
- 股東的利益；
- 一般營業狀況及策略；
- 本集團的資本需求；
- 本公司向股東或附屬公司向本公司(如有)派付股息的合約限制；
- 稅務因素；
- 對我們信譽的潛在影響；
- 法定及監管限制；及
- 董事會可視為相關的任何其他因素。

概不保證未來將宣派及派付任何特定股息或完全不會宣派或派付任何股息。

CORPORATE GOVERNANCE REPORT

企業管治報告

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
*(which will be changed to
Level 54, Hopewell Centre,
183 Queen's Road East,
Hong Kong with effect from 11 July 2019)*

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.

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
*(自二零一九年七月十一日起將
變更為
香港皇后大道東183號
合和中心54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。

CORPORATE GOVERNANCE REPORT

企業管治報告

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。

CORPORATE GOVERNANCE REPORT

企業管治報告

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.

EXTERNAL AUDITOR

The Company engages Elite Partners CPA Limited ("Elite Partners") as its external auditor. 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 2019, audit services fees payable to auditors amounted to HK\$945,000 (2018: HK\$900,000). Non-audit services fee payable to auditors during the year amounted to HK\$422,000 (2018: HK\$64,000).

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。

外聘核數師

本公司已委任開元信德會計師事務所有限公司（「開元信德」）為其外聘核數師。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。於截至二零一九年三月三十一日止年度，應付核數師的核數服務費為數945,000港元（二零一八年：900,000港元）。年內應付核數師的非核數服務費為數422,000港元（二零一八年：64,000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 (“the Group”) set out on pages 79 to 275, which comprise the consolidated statement of financial position as at 31 March 2019, 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 2019, 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.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention in note 2(b) to the consolidated financial statements which describes that the Group had net current liabilities with the amount of approximately HK\$233,446,000. These conditions, along with other matters as set forth in note 2(b) to the consolidated financial statements, indicate the existence of a material uncertainty that may cast significant doubt on the Group’s ability to continue as a going concern. Our opinion is not modified in respect of on this matter.

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79至275頁順騰國際(控股)有限公司(以下簡稱「貴公司」)及其附屬公司(「貴集團」)的綜合財務報表,此綜合財務報表包括於二零一九年三月三十一日的綜合財務狀況表、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 貴集團於二零一九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。

有關持續經營之重大不明朗因素

我們提請垂注綜合財務報表附註2(b),顯示 貴集團的流動負債淨額為約233,446,000港元。此等狀況連同綜合財務報表附註2(b)所載列之其他事宜顯示有重大不明朗因素存在,這可能令 貴集團持續經營能力構成重大疑問。我們並未因此事項而修正意見。

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

Business combinations

業務合併

Refer to Note 2(e) "Significant Accounting Policies", Note 5(xi) "Critical Accounting Estimates" and Note 35 "Business combinations" to the consolidated financial statements.

請參閱綜合財務報表附註2(e)「主要會計政策」、附註5(xi)「關鍵會計估計」及附註35「業務合併」。

On 17 December 2018, the Group completed an acquisition of H365 Health Products Limited, CJ Pharmaceutical Limited and CV Virtue Limited (collectively known as "H365 Group"), companies incorporated in Hong Kong, together with the shareholder's loans of H365 Group, at a cash consideration of HK\$39,000,000. H365 Group are principally engaged in the sales and distribution of healthcare products.

於二零一八年十二月十七日，貴集團完成收購於香港註冊成立之公司健康365保健產品有限公司、恆諾藥業有限公司及真如有限公司（統稱「健康365集團」）連同健康365集團的股東貸款，現金代價為39,000,000港元。健康365集團主要從事保健產品的銷售及分銷。

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:

針對該關鍵審計事項，我們採取下列程序：

- Reviewed the sale and purchase agreement and evaluated the accounting treatment for the acquisition with reference to the terms set out in the sale and purchase agreement;
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 qualified valuer 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合資格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 qualified valuer's qualification, experience and expertise in the assets being valued and considered their objectivity and independence;
評估獨立合資格估值師的資歷、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)

Management has engaged an independent qualified valuer to assist them in identifying the intangible assets and to perform the valuation of the identified assets and liabilities of the acquired company at its acquisition date, based on which, management performed a purchase price allocation exercise for the acquisition, which resulted in recognition of intangible assets of approximately HK\$12,739,000, being the identified brand name and sales distribution channel, and goodwill of approximately HK\$22,383,000, being the excess of consideration paid over the fair value of identified net assets acquired.

管理層已委聘獨立合資格估值師協助彼等識別無形資產，並對所收購公司於其收購日期的已識別資產及負債進行估值，據此，管理層進行購買價格分攤，導致確認無形資產約12,739,000港元(即已識別品牌名稱及銷售分銷渠道)及商譽約22,383,000港元(即已付代價超出所收購已識別資產淨值公平值的差額)。

Significant judgements and estimates were involved in the fair value assessment of the identified brand name and sales distribution channel and the recognition of goodwill arising from the business combination. These significant judgements and estimates include the adoption of appropriate valuation methodologies and the use of key assumptions in the valuation. 對已識別品牌名稱及銷售分銷渠道進行公平值評估及確認業務合併產生的商譽涉及重大判斷及估計。該等重大判斷及估計包括在估值中採納適當估值方法及使用主要假設。

- Discussed with the independent qualified valuer 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;

與獨立合資格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 methodology adopted by the independent qualified valuer 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，評估獨立合資格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

Goodwill impairment assessment

商譽減值評估

Refer to Note 2(1)(ii) "Significant Accounting Policies", Note 5(vii) "Critical Accounting Estimates" and Note 18 "Goodwill" to the consolidated financial statements.

請參閱綜合財務報表附註2(1)(ii)「主要會計政策」、附註5(vii)「關鍵會計估計」及附註18「商譽」。

As at 31 March 2019, the Group had goodwill of approximately HK\$199,879,000, in respect of which management is required to perform annual impairment assessment. For the purpose of assessing impairment, the management reviewed business performance of each business lines, identified the cash generating units ("CGUs") or the groups of CGUs, allocated the goodwill and intangible assets with indefinite useful lives to the lowest level at which such assets is monitored for internal management purpose, and compared the recoverable amount with the carrying value of each CGUs as at 31 March 2019.

於二零一九年三月三十一日，貴集團的商譽約為199,879,000港元，管理層須就此進行年度減值評估。為評估減值，管理層檢討各業務線的業務表現，識別現金產生單位（「現金產生單位」）或現金產生單位組別，分配商譽及具無限可使用年期的無形資產至就內部管理監察該等資產的最低級別，以及比較各現金產生單位於二零一九年三月三十一日的可收回金額與賬面值。

Management has engaged independent qualified valuer to assist them in an impairment review by comparing the recoverable amounts of the goodwill, estimated based on value in use calculation, with their carrying amounts. The key assumptions and judgements adopted in the relevant discounted cash flow forecasts included discount rates and expected revenue growth rates beyond the five-year projection period. When the model of value in use was used, management made significant assumptions and judgements, including forecast revenue growth rates, forecast operating margins and discount rates of each business segment.

管理層已委聘獨立合資格估值師，通過比較商譽的可收回金額（按使用價值計算估計）與其賬面值，協助彼等進行減值檢討。於相關貼現現金流量預測中採用的主要假設及判斷包括超過五年預測期間的貼現率及預期收益增長率。當採用使用價值模型時，管理層作出重大假設及判斷，包括各業務分部的預測收益增長率、預測經營利潤及貼現率。

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:

針對該關鍵審計事項，我們採取下列程序：

- Assessed the independent qualified valuer's qualifications, experience and expertise in the impairment assessment and considered their objectivity and independence;
評估獨立合資格估值師的資歷、經驗及於減值評估方面的專業知識，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(v) "Significant Accounting Policies" and Note 28 "Convertible bonds" to the consolidated financial statements.

請參閱綜合財務報表附註2(v)「主要會計政策」及附註28「可換股債券」。

The new convertible bonds issued by the Company in February 2019 are compound financial instruments that include (a) a liability component to pay interest and principal if the convertible bonds are not converted into ordinary shares of the Company and (b) a conversion option classified as equity as the conversion would result in a fixed number of ordinary shares to be issued for a fixed amount of cash. The convertible bonds are initially measured at fair value, with the difference between the fair value of the convertible bonds and the fair value of the liability component determined based on the present value of the contractual cash flows discounted at a rate of interest of instruments with similar terms and comparable credit status but without the conversion option being allocated to the conversion option classified as equity. The liability component is subsequently measured at amortised cost using the effective interest method. The conversion option classified as equity is not subsequently remeasured.

貴公司於二零一九年二月發行的新可換股債券為複合金融工具，包括(a)倘可換股債券不可轉換為本公司普通股支付利息及本金的負債部分及(b)分類為權益的換股期權(因轉換將導致將予發行固定數目的普通股以換取固定數額現金)。可換股債券初步按公平值計量，而可換股債券的公平值與負債部分的公平值之間的差額乃根據按具有類似條款及可比較信貸狀況工具利率貼現的合約現金流量的現值釐定，惟不計及分配至被分類為權益的換股期權的換股期權。負債部分其後使用利率法按攤銷成本計量。被分類為權益的換股期權隨後並無重新計量。

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 qualified valuer's qualification, experience and expertise in the valuation of bonds and considered their objectivity and independence;
評估獨立合資格估值師的資歷、經驗及於債券估值方面的專業知識，並考慮其客觀性及獨立性；
- Obtained and reviewed the valuation assessment prepared by the independent qualified valuer and on which the assessment of the management of the fair value of the convertible bonds was based; 取得及審閱獨立合資格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 qualified valuer on the valuation methodologies adopted in assessing the fair value of the convertible bonds, on initial recognition 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; and 與獨立合資格估值師討論評估可換股債券的公平值時所採用的估值方法、初始確認及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 HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

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：

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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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
26 June 2019

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。
- 就貴集團內實體或業務活動的財務資料獲取充足適當的審計憑證，以對綜合財務報表發表意見。我們負責貴集團審計的方向、監督及執行。我們為審計意見承擔全部責任。

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
二零一九年六月二十六日

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 2019 截至二零一九年三月三十一日止年度

		2019	2018	
		二零一九年	二零一八年	
		HK\$'000	HK\$'000	
		千港元	千港元	
	Note 附註			
REVENUE	收益	6	393,487	264,451
Cost of revenue	收益成本		(137,876)	(83,303)
GROSS PROFIT	毛利		255,611	181,148
Other revenue and other net income/(loss)	其他收益及其他收入／(虧損)淨額	7	7,484	565
Selling and distribution expenses	銷售及分銷開支		(67,553)	(49,566)
Administrative expenses	行政開支		(220,036)	(168,864)
Share of profit of an associate	應佔聯營公司溢利	19	3,400	-
Equity-settled share-based payments	以股權結算以股份支付之開支		(37,007)	(29,290)
Fair value change of an investment property	投資物業公平值變動	16	752	-
Fair value change of contingent consideration payables	或然應付代價公平值變動	27	23,049	(9,264)
Fair value change of promissory notes payable	應付承兌票據公平值變動	29(a)	7,007	(447)
Fair value change of convertible bonds	可換股債券公平值變動	28(a)	47,768	(57,764)
PROFIT/(LOSS) FROM OPERATIONS	經營溢利／(虧損)		20,475	(133,482)
Finance costs	融資成本	8(c)	(20,968)	(8,574)
LOSS BEFORE TAXATION	除稅前虧損	8	(493)	(142,056)
Taxation	稅項	11	(10,218)	(2,692)
LOSS FOR THE YEAR	年內虧損		(10,711)	(144,748)
OTHER COMPREHENSIVE (LOSS)/INCOME	其他全面(虧損)／收益			
Item that may be reclassified subsequently to profit or loss:	可能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		(329)	670
Release of translation reserve upon deregistration of subsidiaries	於附屬公司撤銷注冊時解除換算儲備		(151)	-
OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR	年內其他全面(虧損)／收益		(480)	670
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	年內全面虧損總額		(11,191)	(144,078)

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 2019 截至二零一九年三月三十一日止年度

		Note 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Loss for the year attributable to:	以下人士應佔年內虧損：			
Owners of the Company	本公司擁有人		(4,344)	(139,217)
Non-controlling interests	非控股權益		(6,367)	(5,531)
			(10,711)	(144,748)
Total comprehensive loss attributable to:	以下人士應佔全面虧損總額：			
Owners of the Company	本公司擁有人		(4,804)	(138,797)
Non-controlling interests	非控股權益		(6,387)	(5,281)
			(11,191)	(144,078)
Loss 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(每股港仙)			
– basic	– 基本	13(a)	(0.2)	(6.6)
– diluted	– 攤薄	13(b)	(0.2)	(6.6)

The notes on pages 86 to 275 form an integral part of these financial statements.

第86頁至第275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 2019 於二零一九年三月三十一日

			2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
	Note 附註			
Non-current assets		非流動資產		
Property, plant and equipment	15	物業、廠房及設備	91,764	121,672
Investment property	16	投資物業	8,130	-
Interest in an associate	19	於一間聯營公司的權益	73,400	-
Intangible assets	17	無形資產	211,702	206,166
Goodwill	18	商譽	199,879	177,496
Prepayments and deposits	21	預付款項及按金	5,369	2,932
			590,244	508,266
Current assets		流動資產		
Inventories	20	存貨	29,065	22,091
Trade and other receivables	21	應收賬款及其他應收款項	107,519	80,000
Cash and cash equivalents	22(a)	現金及現金等價物	65,497	158,913
Tax recoverable		可收回稅項	105	508
			202,186	261,512
Current liabilities		流動負債		
Trade and other payables	23	應付賬款及其他應付款項	77,604	34,026
Bank borrowings	26	銀行借款	39,056	28,119
Contract liabilities	24	合約負債	1,675	-
Convertible bonds	28	可換股債券	262,001	-
Contingent consideration payables	27	或然應付代價	37,878	59,169
Promissory notes payable	29	應付承兌票據	9,966	1,491
Refund liabilities	30	退款負債	1,394	-
Provisions	31	撥備	-	1,007
Tax payable		應付稅項	6,058	327
			435,632	124,139
Net current (liabilities)/assets		淨流動(負債)/資產	(233,446)	137,373
Total assets less current liabilities		總資產減流動負債	356,798	645,639
Non-current liabilities		非流動負債		
Contingent consideration payables	27	或然應付代價	47,692	118,350
Promissory notes payable	29	應付承兌票據	37,543	9,087
Other borrowings	26	其他借款	26,500	5,500
Convertible bonds	28	可換股債券	-	310,510
Amounts due to non-controlling interests	25	應付非控股權益款項	1,227	1,242
Deferred tax liabilities	32	遞延稅項負債	36,316	34,215
			149,278	478,904
Net assets		資產淨值	207,520	166,735

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 March 2019 於二零一九年三月三十一日

		Note	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		附註		
EQUITY	權益			
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Share capital	股本	33(b)	5,308	5,308
Reserves	儲備		156,660	109,483
			161,968	114,791
Non-controlling interests	非控股權益		45,552	51,944
TOTAL EQUITY	權益總額		207,520	166,735

The consolidated financial statements on pages 86 to 275 were approved and authorised for issue by the Board of Directors on 26 June 2019 and are signed on its behalf by:

第86頁至第275頁的綜合財務報表於二零一九年六月二十六日經由董事會批准及授權刊發，並由下列董事代表簽署：

Wang Xihua

王西華

Director

董事

Lai Wei Lam, William

賴偉林

Director

董事

The notes on pages 86 to 275 form an integral part of these financial statements.

第86頁至第275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 2019 截至二零一九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	Statutory reserve	Translation reserve	Share option reserve	Convertible bonds equity reserve	Accumulated losses	Total	Non-controlling interests	Total Equity
		股本	溢價	合併儲備	法定儲備	換算儲備	購股權儲備	券權益儲備	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	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
			(note 33)	(note 33)	(note 33)	(note 33)	(note 33)	(note 33)				
			(c)(i)	(c)(iii)	(c)(iv)	(c)(v)	(c)(vi)	(c)(vii)				
			(附註33)	(附註33)	(附註33)	(附註33)	(附註33)	(附註33)				
			(c)(i)	(c)(iii)	(c)(iv)	(c)(v)	(c)(vi)	(c)(vii)				
At 1 April 2017	於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 35)	業務合併產生的非控股權益(附註35)	-	-	-	-	-	-	-	-	-	55,645	55,645
Shares issued upon conversion of convertible bonds (note 33(b)(ii))	於轉換可換股債券後發行股份(附註33(b)(ii))	22	12,232	-	-	-	-	-	-	12,254	-	12,254
At 31 March 2018 and 1 April 2018	於二零一八年三月三十一日及二零一八年四月一日	5,308	161,116	(10)	462	(272)	29,290	-	(81,103)	114,791	51,944	166,735
Impact on initial application of HKFRS 9	首次應用香港財務報告準則第9號的影響	-	-	-	-	-	-	-	(842)	(842)	-	(842)
Impact on initial application of HKFRS 15	首次應用香港財務報告準則第15號的影響	-	-	-	-	-	-	-	224	224	-	224
Adjusted balance at 1 April 2018	於二零一八年四月一日調整後結餘	5,308	161,116	(10)	462	(272)	29,290	-	(81,721)	114,173	51,944	166,117
Changes in equity for 2019:	二零一九年權益變動:											
Loss for the year	年內虧損	-	-	-	-	-	-	-	(4,344)	(4,344)	(6,367)	(10,711)
Other comprehensive loss:	其他全面虧損:											
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	-	-	-	-	(309)	-	-	-	(309)	(20)	(329)
Release of translation reserve upon deregistration of subsidiaries	於附屬公司撤銷註冊時解除換算儲備	-	-	-	-	(151)	-	-	-	(151)	-	(151)
Total comprehensive loss for the year	年內全面虧損總額	-	-	-	-	(460)	-	-	(4,344)	(4,804)	(6,387)	(11,191)
Equity-settled share-based payments	以股權結算以股份支付之開支	-	-	-	-	-	37,007	-	-	37,007	-	37,007
Share options lapsed	已失效購股權	-	-	-	-	-	(21,920)	-	21,920	-	-	-
Recognition of equity component of convertible bonds, net of related transaction costs	確認可換股債券權益部分，扣除相關交易成本	-	-	-	-	-	-	15,592	-	15,592	-	15,592
Disposal of a subsidiary (note 37(b))	出售一間附屬公司(附註37(b))	-	-	-	-	-	-	-	-	-	(5)	(5)
At 31 March 2019	於二零一九年三月三十一日	5,308	161,116	(10)	462	(732)	44,377	15,592	(64,145)	161,968	45,552	207,520

The notes on pages 86 to 275 form an integral part of these financial statements.

第86頁至第275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 2019 截至二零一九年三月三十一日止年度

			2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		Note 附註		
OPERATING ACTIVITIES	經營業務			
Loss before taxation	除稅前虧損		(493)	(142,056)
Adjustments for:	就以下各項所作調整：			
Finance costs	融資成本	8(c)	20,968	8,574
Write-down of inventories	撇減存貨	20(b)	1,950	9,773
Reversal of write-down of inventories	撇減存貨撥回	20(b)	(1,854)	(4,557)
Share of profit of an associate	應佔聯營公司溢利	19	(3,400)	-
Depreciation on property, plant and equipment	物業、廠房及設備折舊	15	8,785	6,950
Amortisation of intangible assets	無形資產攤銷	17	7,203	6,102
Impairment loss of trade receivables	應收賬款減值虧損	8(b)	1,875	-
Bank interest income	銀行利息收入	7	(20)	(21)
Net gain on disposal of subsidiaries	出售附屬公司的收益淨額	7	(4,090)	-
Net loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損淨額	7	1,256	169
Fair value change of an investment property	投資物業公平值變動	16	(752)	-
Fair value change of convertible bonds	可換股債券公平值變動	28(a)	(47,768)	57,764
Fair value change of contingent consideration payables	或然應付代價公平值變動	27	(23,049)	9,264
Fair value change of promissory notes payable	應付承兌票據公平值變動	29(a)	(7,007)	447
Equity-settled share-based payments	以股權結算以股份支付之開支	8(a)	37,007	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	28(a)	-	15,026
Provisions for goods return	退貨撥備	31	-	609
			(9,389)	(2,666)
Changes in working capital	營運資金變動			
Increase in inventories	存貨增加		(3,477)	(124)
Increase in trade and other receivables	應收賬款及其他應收款項增加		(30,650)	(12,601)
Increase/(decrease) in trade and other payables	應付賬款及其他應付款項增加/(減少)		23,366	(403)
Increase in contract liabilities	合約負債增加		1,067	-
Increase in refund liabilities	退款負債增加		387	-
(Decrease)/increase in amounts due to non-controlling interests	應付非控股權益款項(減少)/增加		(19)	42
Utilisation of provisions for goods return	退貨撥備提用	31	-	(947)
CASH USED IN OPERATIONS	用於經營業務的現金		(18,715)	(16,699)
Hong Kong Profits Tax refunded	已退香港利得稅		296	680
Hong Kong Profits Tax paid	已繳香港利得稅		(4,248)	(5,578)
The People's Republic of China (the "PRC") Enterprise Income Tax ("EIT") refunded	已退中華人民共和國(「中國」)企業所得稅(「企業所得稅」)		35	7
PRC EIT paid	已繳中國企業所得稅		(289)	(190)
Net cash used in operating activities	用於經營業務的現金淨額		(22,921)	(21,780)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

			2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		Note 附註		
INVESTING ACTIVITIES	投資活動			
Purchase of property, plant and equipment	購買物業、廠房及設備	15	(6,030)	(5,452)
Proceeds from sale of property, plant and equipment	銷售物業、廠房及設備所得款項		96	351
Partial consideration paid for investment in an associate	於聯營公司的投資之已付部份代價		(55,000)	-
Bank interest received	已收銀行利息	7	20	21
Consideration received for disposal of subsidiaries	出售附屬公司的已收代價	37	31,007	-
Transaction costs paid for disposal of subsidiaries	出售附屬公司的已付交易成本	37	(921)	-
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	35	(38,069)	(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	36	(7,465)	(61,000)
NET CASH USED IN INVESTING ACTIVITIES	用於投資活動的現金淨額		(76,362)	(181,941)
FINANCING ACTIVITIES	融資活動			
Repayment of bank borrowings	償還銀行借款		(3,102)	(7,813)
Proceeds from new bank borrowings	新銀行借款所得款項		14,000	5,367
Proceeds from other new borrowings	其他新借款所得款項		21,000	5,500
Interest paid	已付利息		(18,817)	(1,283)
Repayment of promissory notes payable	償還應付承兌票據		(20,000)	-
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		103,184	249,974
Repurchase of convertible bonds	購回可換股債券		(90,000)	-
NET CASH GENERATED FROM FINANCING ACTIVITIES	來自融資活動的現金淨額		6,265	251,745
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物(減少)/增加淨額		(93,018)	48,024
Effect of foreign exchange rate changes	匯率變動的影響		(437)	671
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	年初的現金及現金等價物		158,913	110,218
CASH AND CASH EQUIVALENTS AT END OF YEAR	年終的現金及現金等價物	22(b)	65,458	158,913

The notes on pages 86 to 275 form an integral part of these financial statements.

第86頁至第275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 2019 截至二零一九年三月三十一日止年度

1. CORPORATE INFORMATION

Shunten International (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**”).

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 and 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(「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」)。

本公司主要業務為投資控股及其附屬公司(統稱為「本集團」)主要於香港及中國從事銷售、推銷及分銷保健產品及美容補品及產品、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 2019 截至二零一九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 2019 comprise the Company and its subsidiaries and the Group’s interest in an associate.

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 investment property, contingent consideration payables, promissory notes payable designated at fair value through profit or loss (“**FVTPL**”) and convertible bonds designated at FVTPL 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

截至二零一九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及本集團於一間聯營公司的權益。

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投資物業、或然應付代價、指定按公平值計入損益（「按公平值計入損益」）的應付承兌票據及指定按公平值計入損益的可換股債券除外。

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九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.

Going concern

As at 31 March 2019, the Group had net current liabilities of HK\$233,446,000. This condition indicates the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern and therefore, the Group may not be able to realise its assets and discharge its liabilities in the normal course of business.

In view of such circumstance, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient funds to fulfill its obligations to continue as a going concern. Certain measures have been taken to improve the Group's financial position and alleviate its liquidity pressure, which include, but are not limited to, the following:

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眼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。

持續經營

於二零一九年三月三十一日，本集團的流動負債淨額233,446,000港元。該狀況表明存在可能對本集團持續經營的能力構成重大疑問的重大不確定因素，因此，本集團不一定能於正常業務過程中變現其資產及履行其負債責任。

鑒於該情況，本公司董事於評估本集團是否將有充足資金以履行其承擔從而按持續經營基準繼續經營時，已審慎考慮本集團未來流動資金及表現，以及其可用融資來源，並已採取若干措施改善本集團的財務狀況及減輕其流動資金壓力，包括但不限於下列措施：

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Going concern (Continued)

- (i) As at 31 March 2019, included in the current liabilities of the Group was the liability component of convertible bonds issued on 13 February 2019 of HK\$89,259,000. The holders of the convertible bonds have the right to convert the convertible bonds into ordinary shares of the Company up to the maturity date of the convertible bonds but the holders do not have the option to require the Company to redeem the convertible bonds except for the occurrence of any events of default in which the Directors consider that the occurrence of any events of defaults is very remote. Therefore, these convertible bonds shall not in itself result in any cash outflow for the Group in the coming twelve months;
- (ii) On 25 April 2019, the Company entered into a placing agreement (the “**Placing Agreement**”) with Kilmorey Securities Limited, the placing agent, to procure not less than six placees who are independent third parties to subscribe up to 58,000,000 placing shares at the placing price of HK\$0.4275 per placing share (the “**Placing**”). Pursuant to the Company’s announcement dated 20 May 2019, all conditions of the Placing Agreement fulfilled. The Placing was completed on 20 May 2019 and 23,391,813 placing shares were successfully placed by the placing agent to not less than six placees and the Company raised HK\$9,780,000 (net of directly attributable expenses of HK\$220,000);
- (iii) On 21 June 2019, the Company entered into a loan facility agreement with an affiliate of a financial institution (the “**Lender**”), an independent third party, pursuant to which the Lender agreed to provide an unsecured loan of HK\$180,000,000 with fixed interest rate at 11% per annum to the Company exclusively for the settlement of the convertible bonds which will mature on 12 October 2019. If the loan facility is drawn down, the loan will be repayable after twelve months from the drawdown date; and

2. 主要會計政策(續)

(b) 財務報表的編製基準(續)

持續經營(續)

- (i) 於二零一九年三月三十一日，於二零一九年二月十三日發行的可換股債券的負債部分89,259,000港元已計入本集團流動負債。可換股債券持有人有權於可換股債券到期日前將可換股債券轉換為本公司普通股，但持有人不可選擇要求本公司贖回可換股債券，惟發生任何違約事件則除外，而董事認為發生任何違約事件的可能性極微。因此，該等可換股債券本身於未來十二個月不會導致本集團任何現金外流；
- (ii) 於二零一九年四月二十五日，本公司與金力証券有限公司（配售代理）訂立配售協議（「**配售協議**」），以促使不少於六名承配人（為獨立第三方）按配售價每股配售股份0.4275港元，認購最多58,000,000股配售股份（「**配售**」）。根據本公司在二零一九年五月二十日的公佈，配售協議之所有條件已獲達成。配售已於二零一九年五月二十日完成，配售代理已成功配售23,391,813股配售股份予不少於六名承配人，及為本公司募集9,780,000港元（扣除直接應佔開支220,000港元）；
- (iii) 於二零一九年六月二十一日，本公司與一間金融機構的附屬機構（「**貸款人**」）（獨立第三方）訂立貸款融資協議，據此，貸款人同意向本公司獨家提供年息11%的定息無抵押貸款180,000,000港元，用於結算將於二零一九年十月十二日到期的可換股債券。倘貸款融資獲提取，貸款將自提取日期起十二個月後須予償還；及

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Going concern (Continued)

- (iv) The Group is actively looking for additional sources of financing to enhance its financial position and support the plans to expand its operations.

Taking into account of the measures above and the arrangements implemented to date, the Directors are of the view that the Group has sufficient cash resources to satisfy its working capital and other financial obligations for the next twelve months from 31 March 2019. Accordingly, the Directors are of the view that it is appropriate to prepare these consolidated financial statements on a going concern basis.

Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to restate the value of assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities. The effects of these potential adjustments have not been reflected in these consolidated financial statements.

(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)

持續經營(續)

- (iv) 本集團正積極尋求額外融資來源以改善其財務狀況及支援有關計劃擴大其業務。

考慮到上述措施及迄今實施的安排，董事認為本集團擁有充足現金資源以應付自二零一九年三月三十一日起未來十二個月的營運資金及其他財務承擔。因此，董事認為按持續經營基準編製本綜合財務報表實屬恰當。

倘本集團無法繼續按持續經營基準經營業務，則須作出調整以將資產價值重列至其可收回金額，為可能產生之任何進一步負債作出撥備，以及將非流動資產及非流動負債重新分類為流動資產及流動負債。此等潛在調整之影響尚未於本綜合財務報表反映。

(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。

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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(1)(ii)), 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(1)(ii))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)。

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Associate

An associate is an entity in which the Group or Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

An investment in an associate is accounted for in the consolidated financial statements under the equity method, unless it is classified as held for sale (or included in a disposal group that is classified as held for sale). Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). The cost of the investment includes purchase price, other costs directly attributable to the acquisition of the investment, and any direct investment into the associate that forms part of the Group's equity investment. Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment (see note 2(1)(ii)). Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in the consolidated statement of profit or loss, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognised in the consolidated statement of profit or loss and other comprehensive income.

When the Group's share of losses exceeds its interest in the associate, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the associate.

2. 主要會計政策(續)

(d) 聯營公司

聯營公司是指本集團或本公司可以對其發揮重大影響力但並非控制或共同控制其管理(包括參與財務及經營決策)之實體。

於聯營公司的投資，除已歸類為持作出售(或計入歸為持作出售之出售組別內)外，乃按權益法於綜合財務報表入賬。根據權益法，該項投資初步以成本入賬，並就本集團分佔該投資對象可識別資產淨值的收購日期公平值超出投資成本(如有)的差額作出調整。投資成本包括購買價、與收購該投資直接有關的其他成本，及構成本集團權益投資一部份的於該聯營公司的任何直接投資。其後該項投資因應本集團在收購後應佔該投資對象資產淨值的變動及任何投資相關的減值虧損而作出調整(見附註2(1)(ii))。於收購日超出成本的任何差額、本集團應佔該投資對象收購後的除稅後業績及年內任何減值虧損均在綜合損益表內確認，而本集團應佔該投資對象收購後的其他全面收益的除稅後項目，則在綜合損益及其他全面收益表內確認。

當本集團分佔聯營公司的虧損部分超出其於該聯營公司的權益時，本集團的權益將減至零，並且不再確認進一步虧損，惟倘本集團須承擔法律或推定責任，或代表該投資對象支付款項則除外。就此而言，本集團的權益乃按權益法計算的投資賬面值加上實質上構成本集團於該聯營公司的淨投資一部份的本集團長期權益。

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Associate (Continued)

Unrealised profits and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the investee, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

If an investment in an associate becomes an investment in a joint venture or vice versa, retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method.

In all other cases, when the Group ceases to have significant influence over an associate, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset.

2. 主要會計政策(續)

(d) 聯營公司(續)

本集團與其聯營公司間之交易所產生的未變現溢利及虧損，均按本集團於該投資對象所佔的權益比例對銷，但倘未變現虧損證明已轉讓資產出現減值跡象，則該等未變現虧損會即時在損益中確認。

倘於聯營公司的投資變成於合營企業的投資(反之亦然)，則保留權益將不予重新計量，而有關投資將繼續按權益法入賬。

於所有其他情況下，當本集團對聯營公司不再有重大影響力時，按出售於該投資對象的全部權益入賬，由此而產生的收益或虧損於損益內確認。於本集團不再有重大影響力當日於前投資對象所保留的權益按公平值確認，而此金額被視為初步確認財務資產之公平值。

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) 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)

(e) 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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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

2. 主要會計政策(續)

(e) 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(包括或然應付代價及指定按公平值計入損益的應付承兌票據)，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。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。

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) 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 or other comprehensive income, as appropriate. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income and measured under HKFRS 9/HKAS 39 would be accounted for on the same basis as would be required if the Group had disposed directly of the previously held equity interest.

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

(f) Acquisition of a subsidiary not constituting a business

When the Group acquires a group of assets and liabilities that do not constitute a business, the Group identifies and recognises the individual identifiable assets acquired and liabilities assumed by allocating the purchase price first to investment property which is subsequently measured under fair value model and the financial assets and financial liabilities at the respective fair values, the remaining balance of the purchase price is then allocated to the other 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.

(g) Property, plant and equipment

Property, plant and equipment are stated at cost less any accumulated depreciation and any accumulated impairment losses (see note 2(1)(ii)).

2. 主要會計政策(續)

(e) 業務合併(續)

倘業務合併分階段完成，本集團先前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)於損益或其他全面收益(如適用)確認。在收購日前於其他全面收益中先前已確認及根據香港財務報告準則第9號/香港會計準則第39號計量的來自被收購方權益之金額將按本集團直接出售先前所持有的股權所規定的同一基準入賬。

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)內作出追溯調整，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。

(f) 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其後根據公平值模型計量的投資物業以及財務資產及財務負債，購買價餘額繼而分配至其他可識別資產及負債，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。

(g) 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(1)(ii))。

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) 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.

2. 主要會計政策(續)

(g) 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。

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Property, plant and equipment (Continued)

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.

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.

(h) Investment properties

Investment properties are land and/or buildings which are owned or held under a leasehold interest (see note 2(k)) to earn rental income and/or for capital appreciation. These include land held for a currently undetermined future use and property that is being constructed or developed for future use as investment property.

Investment properties are stated at fair value, unless they are still in the course of construction or development at the end of the reporting period and their fair value cannot be reliably measured at that time. Any gain or loss arising from a change in fair value or from the retirement or disposal of an investment property is recognised in profit or loss. Rental income from investment properties is accounted for as described in note 2(aa).

2. 主要會計政策(續)

(g) 物業、廠房及設備(續)

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。

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。

(h) 投資物業

投資物業是指為賺取租金收入及/或為資本增值而擁有或按租賃權益(見附註2(k))持有的土地及/或建築物，其中包括現時未確定將來用途之土地及為未來用作投資物業而正在興建或發展之物業。

除非投資物業於報告期末尚在興建或發展且其公平值於當時無法可靠計量，否則其按公平值列賬。投資物業公平值的變動，或報廢或出售投資物業所產生的任何收益或虧損均於損益確認。來自投資物業之租金收入乃按附註2(aa)所述方式入賬。

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Investment properties (Continued)

When the Group holds a property interest under an operating lease to earn rental income and/or for capital appreciation, the interest is classified and accounted for as an investment property on a property-by-property basis. Any such property interest which has been classified as an investment property is accounted for as if it were held under a finance lease (see note 2(k)), and the same accounting policies are applied to that interest as are applied to other investment properties leased under finance leases. Lease payments are accounted for as described in note 2(k).

(i) 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)

(h) 投資物業(續)

當本集團以經營租賃持有物業權益以賺取租金收入及／或為資本增值，有關權益按每項物業的基準分類並入賬為投資物業。任何此等已分類為投資物業的物業權益的入賬方式猶如根據融資租賃(見附註2(k))所持有的權益，而其適用的會計政策亦與根據融資租賃所租賃的其他投資物業相同。租賃付款乃按附註2(k)所述方式入賬。

(i) 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

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) 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)

(i) 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,開發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)

(i) 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.
- *Brand name*
Brand name acquired in a business combination are recognised at fair value at the acquisition date. Brand name 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 brand name.
- *Sales distribution channel*
Sales distribution channel acquired in a business combination are recognised at fair value at the acquisition date. Sales distribution channel 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 sales distribution channel.
- *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 over the expected life of the licensing agreement.

2. 主要會計政策(續)

(i) 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*
於業務合併中獲得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期內使用五年直線法計算。
- *品牌名稱*
於業務合併中獲得的品牌名稱於收購日期按公平值確認。品牌名稱的使用年期有限及按成本減累計攤銷入賬。攤銷乃於品牌名稱的預期年期內使用五年直線法計算。
- *銷售分銷渠道*
於業務合併中獲得的銷售分銷渠道於收購日期按公平值確認。銷售分銷渠道的使用年期有限及按成本減累計攤銷入賬。攤銷乃於銷售分銷渠道的預期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使用年期內計算。

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Intangible assets acquired in business combinations (Continued)

• *Licensing agreements (Continued)*

During the year, the Group reviewed the estimated useful lives of intangible assets and changed the useful lives of the licensing agreement 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 from 6 years to 15 years following the extension of the contracted period stipulated in a supplemental agreement. The effect of such changes in accounting estimates is set out in note 17.

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. Since the licensing agreement is automatically renewed without any cost to be incurred, the management considered that the Group has control over the intangible assets with indefinite life and has no foreseeable limit to the period over which the Group can use to generate net cash flows. As a result, this licensing agreement 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)

(i) 無形資產(商譽除外)(續)

於業務合併中所收購之無形資產(續)

• *許可權協議(續)*

於年內，本集團已審閱無形資產的估計可用年期，並於延長補充協議訂明的合約期後，將有關作為香港獨家及唯一廣告代理處理騰訊·大粵網以經營線上廣告代理業務之權利之許可權協議的可用年期由6年更改為15年。該等會計估計變動的影響載於附註17。

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。由於許可權協議乃自動續期且不會產生任何費用，管理層認為，本集團對具無限可使用年期之無形資產擁有控制權，且並無本集團可用於產生淨現金流量之可見限期。因此，該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。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) 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.

(j) 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).

2. 主要會計政策(續)

(i) 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。

(j) 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。

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Goodwill (Continued)

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

(k) 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 exceptions:

- property held under operating leases that would otherwise meet the definition of an investment property is classified as an investment property on a property-by-property basis and, if classified as investment property, is accounted for as if held under a finance lease (see note 2(h)); and

2. 主要會計政策(續)

(j) 商譽(續)

出售相關現金產生單位或現金產生單位組別內的任何現金產生單位時，會於釐定出售的損益金額時計入商譽的應佔金額。當本集團出售現金產生單位(或現金產生單位組別內的一個現金產生單位)內的業務時，所出售商譽金額按所出售業務(或現金產生單位)與所保留現金單位(或現金產生單位組別)部分的相對價值計量。

(k) 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：

- 另行符合投資物業定義的持作經營租賃之物業乃按個別物業的基準分類為投資物業，且倘分類為投資物業，則按猶如根據融資租賃(見附註2(h))所持有的方式入賬；及

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Leased assets (Continued)

(i) Classification of assets leased to the Group (Continued)

- 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) Assets acquired under finance leases

Where the Group acquires the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments, of such assets are recognised as property, plant and equipment and the corresponding liabilities, net of finance charges, are recorded as obligations under finance leases. Depreciation is provided at rates which write off the cost of the assets over the term of the relevant lease or, where it is likely the Group will obtain ownership of the asset, the life of the asset, as set out in note 2(g). Impairment losses are accounted for in accordance with the accounting policy as set out in note 2(1)(ii). Finance charges implicit in the lease payments are charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

2. 主要會計政策(續)

(k) 租賃資產(續)

(i) 租予本集團的資產分類(續)

- 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) 按融資租賃收購的資產

倘本集團以融資租賃獲得資產使用權，則該資產相當於租賃資產公平值或最低租賃付款的現值(以較低者為準)的金額確認為物業、廠房及設備，而扣除融資費用後的相應負債則列為融資租賃承擔。如附註2(g)所載，折舊乃在相關租賃期或資產的年期(倘本集團有可能取得資產的所有權)內，按撇銷其成本的比率作出撥備。減值虧損按照附註2(1)(ii)所載的會計政策入賬。租賃付款內含的融資費用於租賃期在損益扣除，使每個會計期間的融資費用佔承擔餘額的比率大致相同。

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Leased assets (Continued)

(iii) 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.

The cost of acquiring land held under an operating lease is amortised on a straight-line basis over the period of the lease term except when the property is classified as an investment property (see note 2(h)).

(iv) Leasehold land and buildings

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.

2. 主要會計政策(續)

(k) 租賃資產(續)

(iii) 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。

根據經營租賃持有的土地的收購成本乃於租期內按直線法攤銷，惟物業分類為投資物業則另作別論(見附註2(h))。

(iv) 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。

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Leased assets (Continued)

(iv) Leasehold land and buildings (Continued)

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

(l) Credit losses and impairment of assets

(i) Credit losses from financial instruments

(a) Policy applicable from 1 April 2018

The Group recognises a loss allowance for expected credit loss (“ECL”) on the financial assets measured at amortised cost (including cash and cash equivalents and trade and other receivables).

Financial assets measured at fair value are not subject to the ECL assessment.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

2. 主要會計政策(續)

(k) 租賃資產(續)

(iv) 租賃土地及樓宇(續)

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，惟根據公平值模型分類及入賬列為投資物業的租賃土地除外。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。

(l) 信貸虧損及資產減值

(i) 財務工具之信貸虧損

(a) 自二零一八年四月一日起適用之政策

本集團就按攤銷成本計量之財務資產(包括現金及現金等價物及應收賬款及其他應收款項)確認預期信貸虧損(「預期信貸虧損」)之虧損撥備。

按公平值計量之財務資產毋須進行預期信貸虧損評估。

計量預期信貸虧損

預期信貸虧損為信貸虧損的概率加權估計。信貸虧損以所有預期現金不足額的現值(即根據合約應付予本集團的現金流量與本集團預計收取的現金流量之間的差額)計量。

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

(a) Policy applicable from 1 April 2018 (Continued)

Measurement of ECLs (Continued)

The expected cash shortfalls are discounted using the following discount rates where the effect of discounting is material:

- fixed-rate financial assets and trade and other receivables: effective interest rate determined at initial recognition or an approximation thereof; and
- variable-rate financial assets: current effective interest rate.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

2. 主要會計政策(續)

(I) 信貸虧損及資產減值(續)

(i) 財務工具之信貸虧損(續)

(a) 自二零一八年四月一日起適用之政策(續)

計量預期信貸虧損(續)
倘貼現的影響重大，則預期現金不足金額將使用以下貼現率貼現：

- 定息財務資產及應收賬款及其他應收款項：於初步確認時釐定的實際利率或其近似值；及
- 浮息財務資產：當前實際利率。

估計預期信貸虧損時所考慮的最長期間為本集團面對信貸風險的最長合約期間。

於計量預期信貸虧損時，本集團會考慮在無需付出過多成本及努力下即可獲得的合理可靠資料。此項包括有關過往事件、現時狀況及未來經濟狀況預測的資料。

預期信貸虧損將採用以下基準計量：

- 12個月預期信貸虧損：指報告日期後12個月內可能發生的違約事件而導致的預期虧損；及
- 全期預期信貸虧損：指預期信貸虧損模式適用項目之預期年內所有可能違約事件而導致的預期虧損。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(1) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

(a) Policy applicable from 1 April 2018 (Continued)

Measurement of ECLs (Continued)

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

For all other financial instruments, the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (ii) the financial asset is 90 days past due. The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

2. 主要會計政策(續)

(1) 信貸虧損及資產減值(續)

(i) 財務工具之信貸虧損(續)

(a) 自二零一八年四月一日起適用之政策(續)

計量預期信貸虧損(續)

應收賬款之虧損撥備於任何時候皆按等同於全期預期信貸虧損的金額計量。於報告日期，該等財務資產的預期信貸虧損乃根據本集團的過往信貸虧損經驗使用撥備矩陣進行評估，根據債務人的特定因素及對當前及預計一般經濟狀況的評估進行調整。

至於所有其他財務工具，本集團會以相等於12個月的預期信貸虧損金額確認虧損撥備，除非自初始確認後該財務工具的信貸風險大幅上升，在此情況下，虧損撥備會以相等於全期預期信貸虧損金額計量。

信貸風險大幅上升

評估財務工具的信貸風險自初步確認以來有否大幅上升時，本集團會比較於報告日期與於初始確認日期評估的財務工具發生違約的風險。進行此重新評估時，本集團於下列情況下認為已發生違約事件：(i) 借款人不大会在本集團無追索權採取行動(例如變現抵押(如持有))之情況下向本集團悉數履行其信貸責任；或(ii) 財務資產逾期90天。本集團會考慮合理可靠的定量及定性資料，包括過往經驗及在無需付出過多成本或努力下即可獲得的前瞻性資料。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

(a) Policy applicable from 1 April 2018 (Continued)

Significant increases in credit risk (Continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

2. 主要會計政策(續)

(I) 信貸虧損及資產減值(續)

(i) 財務工具之信貸虧損(續)

(a) 自二零一八年四月一日起適用之政策(續)

信貸風險大幅上升(續)

具體而言，評估信貸風險自初始確認以來有否大幅上升時會考慮以下資料：

- 未能於合約到期日支付本金或利息；
- 財務工具外部或內部信貸測評的實際或預期顯著惡化(如有)；
- 債務人經營業績的實際或預期顯著惡化；及
- 科技、市場、經濟或法律環境的目前或預期變動對債務人履行其對本集團責任的能力有重大不利影響。

取決於財務工具的性質，信貸風險大幅上升的評估乃按個別基準或共同基準進行。倘評估按共同基準進行，財務工具則按共同的信貸風險特徵(如逾期狀況及信貸風險評級)進行分組。

預期信貸虧損於各報告日期進行重新計量以反映財務工具自初步確認以來的信貸風險變動。預期信貸虧損的任何變動均於損益確認為減值收益或虧損。本集團就所有財務工具確認減值收益或虧損，並通過虧損撥備賬對彼等之賬面值作出相應調整。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

(a) Policy applicable from 1 April 2018 (Continued)

Basis of calculation of interest income

Interest income recognised in accordance with note 2(aa) is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

2. 主要會計政策(續)

(I) 信貸虧損及資產減值(續)

(i) 財務工具之信貸虧損(續)

(a) 自二零一八年四月一日起適用之政策(續)

計算利息收入之基準

根據附註2(aa)確認之利息收入按財務資產的總賬面值計算，除非該財務資產出現信貸減值，在此情況下，利息收入按財務資產的攤銷成本(即總賬面值減虧損撥備)計算。

於各報告日期，本集團會評估財務資產是否出現信貸減值。當發生一項或多項對財務資產估計未來現金流量有不利影響的事件時，財務資產出現信貸減值。

財務資產信貸減值的證據包括以下可觀察事件：

- 債務人出現嚴重財務困難；
- 違反合約，如欠繳或拖欠利息或本金付款；
- 借款人很有可能將告破產或進行其他財務重組；
- 科技、市場、經濟或法律環境出現重大變動，對債務人有不利影響；或
- 抵押品的活躍市場因發行人出現財務困難而消失。

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

(a) Policy applicable from 1 April 2018 (Continued)

Write-off policy

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(b) Policy applicable prior to 1 April 2018

Prior to 1 April 2018, an “incurred loss” model was used to measure impairment losses on financial assets not classified as at FVTPL (e.g. trade and other receivables). Under the “incurred loss” model, an impairment loss was recognised only when there was objective evidence of impairment. Objective evidence of impairment included:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;

2. 主要會計政策(續)

(I) 信貸虧損及資產減值(續)

(i) 財務工具之信貸虧損(續)

(a) 自二零一八年四月一日起適用之政策(續)

撇銷政策

若日後實際上不可收回款項，本集團則會撇銷(部分或全部)財務資產的賬面值。該情況通常出現在本集團確定債務人沒有資產或可產生足夠現金流量的收入來源以償還應撇銷的金額。

隨後收回先前撇銷之資產於收回期間在損益內確認為減值撥回。

(b) 於二零一八年四月一日前適用之政策

於二零一八年四月一日前，「已產生虧損」模式乃用於計量並無分類為按公平值經損益入賬之財務資產的減值虧損(如應收賬款及其他應收款項)。根據「已產生虧損」模式，減值虧損僅於存有減值的客觀證據時確認。減值的客觀證據包括：

- 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；

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(1) Credit losses and impairment of assets (Continued)

- (i) *Credit losses from financial instruments (Continued)*
(b) *Policy applicable prior to 1 April 2018 (Continued)*

- 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 was 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 was material. This assessment was made collectively where these financial assets share similar risk characteristics, such as similar past due status, and had not been individually assessed as impaired. Future cash flows for financial assets which were assessed for impairment collectively were 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 decreased and the decrease could be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss was reversed through profit or loss. A reversal of an impairment loss was only recognised to the extent that it did 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)

(1) 信貸虧損及資產減值(續)

- (i) *財務工具之信貸虧損(續)*
(b) *於二零一八年四月一日前適用之政策(續)*

- 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。確認減值虧損的撥回僅限於其不會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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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

(b) Policy applicable prior to 1 April 2018 (Continued)

When the recovery of a trade debtor or other financial assets carried at amortised cost was considered doubtful but not remote, associated impairment losses were recorded using an allowance account. When the Group was satisfied that recovery was remote, the amount considered irrecoverable was written off against the gross carrying amount of those assets directly. Subsequent recoveries of amounts previously charged to the allowance account were reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly were recognised in profit or loss.

(ii) Impairment of non-financial assets

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

- property, plant and equipment;
- intangible assets;
- goodwill;
- interest in an associate; 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)

(I) 信貸虧損及資產減值(續)

(i) 財務工具之信貸虧損(續)

(b) 於二零一八年四月一日前適用之政策(續)

當應收賬款或按攤銷成本計量的其他財務資產的收回性被認為存疑但並非可能性極微時，相關減值虧損使用撥備賬記錄。本集團信納收回款項的可能性甚微時，視作不可收回的金額則針對該等資產的中賬面值直接撇銷。其後收回先前自撥備賬扣除的金額，乃對撥備賬撥回。撥備賬中的其他變動及其後收回先前直接撇銷的金額在損益中確認。

(ii) 非財務資產的減值

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；
- 於一間聯營公司的權益；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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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) Credit losses and impairment of assets (Continued)

(ii) Impairment of non-financial 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)

(I) 信貸虧損及資產減值(續)

(ii) 非財務資產的減值(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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綜合財務報表附註

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Credit losses and 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(l)(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.

(m) Inventories

Inventories are assets which are held for sale in the ordinary course of business, in the process of production for such sale or in the form of materials or supplies to be consumed in the production process or in the rendering of services.

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)

(l) 信貸虧損及資產減值(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(l)(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。

(m) 存貨

存貨是指日常業務過程中持作出售、處在為該等銷售的生產過程中，或在生產過程中或提供服務耗用的材料或物料形式持有之資產。

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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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset.

Receivables are stated at amortised cost using the effective interest method less allowance for credit losses (see note 2(l)(i)).

(o) Right-of-return assets (applicable from 1 April 2018)

A right-of-return asset represents the Group's right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the goods to be returned, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. The Group updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned goods.

(p) Refund liabilities (applicable from 1 April 2018)

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

2. 主要會計政策(續)

(n) 應收賬款及其他應收款項

應收款項於本集團擁有無條件收取代價之權利時確認。倘支付該代價僅須經過時間流逝方會到期，則獲得代價之權利為無條件。倘於本集團獲得無條件收取代價之權利前確認收益，則有關款項呈列為合約資產。

應收款項採用實際利率法減去信貸虧損撥備，按攤銷成本呈列(見附註2(l)(i))。

(o) 退回資產之權利(自二零一八年四月一日起適用)

退貨權資產指本集團客戶預期將予退回之貨物的權利。該資產按將予退回貨物的前賬面值減任何收回貨物的預期成本(包括退回貨物價值的任何潛在減損)計量。本集團更新為對預期退回水平進行任何修訂而記錄的資產計量以及任何退回貨物價值之任何額外減損。

(p) 退款負債(自二零一八年四月一日起適用)

退貨負債為退回部分或所有來自客戶的已收代價(或應收代價)及按本集團最終預期其將必須退回客戶的金額計量之責任。本集團於各報告期末更新其估計退貨負債(及交易價的相應變動)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Contract liabilities

A contract liability is recognised when the customer pays consideration before the Group recognises the related revenue (see note 2(aa)). A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised (see note 2(n)).

For a single contract with the customer, a net contract liability is presented. For multiple contracts, contract liabilities of unrelated contracts are not presented on a net basis.

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see note 2(aa)).

(r) Interest-bearing borrowings

Interest-bearing borrowings are measured initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method. Interest expense is recognised in accordance with the Group's accounting policy for borrowing costs (see note 2(cc)).

(s) 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.

(t) Promissory notes payable measured at amortised costs

Promissory notes payable measured at amortised costs are initially recognised at fair value and are subsequently stated at amortised cost, using effective interest method. The related interest expense is recognised in profit or loss.

2. 主要會計政策(續)

(q) 合約負債

合約負債於客戶在本集團確認相關收益之前支付代價時確認(見附註2(aa))。倘本集團於其確認相關收益前擁有無條件權利收取代價,則亦會確認合約負債。於該等情況下,亦會確認相應的應收款項(見附註2(n))。

就與客戶的單一合約而言,應以合約負債淨額呈列。對於多份合約,不相關合約的合約負債不能以淨額呈列。

當合約包含重大融資組成部分時,合約結餘包括實際利率法項下的應計利息(見附註2(aa))。

(r) 計息借款

計息借款初步以公平值減應佔交易成本計量。在初步確認後,計息借款按攤銷成本採用實際利息法列賬。利息開支乃根據本集團有關借款成本的會計政策確認(見附註2(cc))。

(s) 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。

(t) 按攤銷成本計量的應付承兌票據

按攤銷成本計量的應付承兌票據初步按公平值確認,其後採用實際利率法按攤銷成本列賬。相關利息開支於損益確認。

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綜合財務報表附註

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) 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. Cash and cash equivalent are assessed for expected credit losses in accordance with the policy set out in note 2(l)(i).

(v) Convertible bonds

(i) *Convertible bonds designated at FVTPL*

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)

(u) 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。現金及現金等價物乃根據附註2(l)(i)載列的政策就預期信貸虧損進行評估。

(v) 可換股債券

(i) *指定按公平值計入損益的可換股債券*

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期權，故有關換股期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)

(v) Convertible bonds (Continued)

(ii) *Convertible bonds containing liability and equity components*

The component parts of the convertible bonds issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity (convertible bonds equity reserve), net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to share capital. Where the conversion option remains unexercised at the maturity date of the convertible bonds, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

2. 主要會計政策(續)

(v) 可換股債券(續)

(ii) *包含負債及權益部分的可換股債券*

本集團發行之可換股債券之組成部分乃根據合約安排之內容以及財務負債及股本工具之定義，個別分類為財務負債及權益。以定額現金或另一項財務資產交換固定數目之本公司自有股本工具之方式結算之換股期權為股本工具。

於發行日期，負債部分之公平值按類似非可換股工具之現行市場利率估算。該金額按攤銷成本基準以實際利率法作為負債入賬，直至於轉換後或該工具到期日消除為止。

分類為權益之換股期權乃透過從整體複合工具之公平值中扣減負債部分金額釐定。其將於扣除所得稅影響後在權益確認及記賬(可換股債券權益儲備)，且隨後不予重新計量。此外，分類作權益之換股期權將一直保留於權益內，直至該換股期權獲行使為止，在此情況下，權益內確認之結餘將轉入股本。倘換股期權於可換股債券到期日仍未獲行使，權益內確認之結餘將轉入保留溢利。換股期權獲兌換或到期時將不會於損益內確認任何收益或虧損。

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(v) Convertible bonds (Continued)

(ii) *Convertible bonds containing liability and equity components* (Continued)

Transaction costs that relate to the issue of the convertible bonds are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are charged directly to equity. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible bonds using the effective interest method.

(w) 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.

2. 主要會計政策(續)

(v) 可換股債券(續)

(ii) 包含負債及權益部分的可換股債券(續)

與發行可換股貸款債券有關之交易成本乃按所得款項總額之分配比例分配至負債及權益部分。與權益部分有關之交易成本會直接在權益內扣除。與負債部分有關之交易成本則計入負債部分之賬面值，並於可換股債券年期內採用實際利率法攤銷。

(w) 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。

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(w) Employee benefits (Continued)

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

Share options granted to eligible employees (Continued)

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.

(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.

2. 主要會計政策(續)

(w) 僱員福利(續)

(ii) 以股權結算以股份支付之開支(續)

授予合資格僱員之購股權(續)

於歸屬期內，需審閱預期歸屬之購股權數目。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目(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。

(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。

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(x) 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.

(y) 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)

(x) 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。

(y) 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)

(y) 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.

Where investment property is carried at their fair value in accordance with the accounting policy set out in note 2(h), the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, 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)

(y) 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期間內撥回，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。

倘投資物業根據附註2(h)所載的會計政策按其公平值列賬，所確認遞延稅項的金額乃採用在報告日期按其賬面值出售該等資產所適用的稅率計量，除非物業可予折舊，並於目的是隨時間而非透過銷售消耗物業所包含的絕大部分經濟利益的業務模式內持有。於所有其他情況下，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)

(y) 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)

(y) 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)

(z) 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(z)(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(z)(ii).

(ii) *Other provisions and contingent liabilities*

Provisions are recognised 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)

(z) 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(z)(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(z)(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，則確認撥備。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)

(aa) Revenue recognition

(a) Policy applicable from 1 April 2018

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

When the contract contains a financing component which provides the customer a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in HKFRS 15.

2. 主要會計政策(續)

(aa) 收益確認

(a) 自二零一八年四月一日起適用之政策

來自與客戶合約的收益

來自與客戶合約的收益於向客戶轉讓貨品或服務的控制權時按能反映本集團預期就該等貨品或服務而有權換取的代價金額確認。

當合約內的代價包括一個可變金額時，則代價金額按本集團就向客戶轉讓貨品或服務而將有權換取的金額估計。可變代價在訂立合約時估計並受限制，直至其後消除可變代價的相關不確定因素，使已確認累計收益金額的重大收益撥回不大可能發生為止。

當合約包含為客戶提供超過一年轉讓貨品或服務的重大融資利益之融資組成部分時，收益按應收款項的現值計量，並使用訂立合約時本集團與客戶的單獨融資交易中反映的貼現率貼現。當合約包含為本集團提供超過一年的重大融資利益之融資組成部分時，合約項下確認的收益包括按實際利率法計算的合約負債所產生的利息。就客戶付款至轉讓承諾貨品或服務的期限為一年或者更短的合約而言，交易價格採用香港財務報告準則第15號的可行權宜法，而不會對重大融資組成部分的影響作出調整。

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(aa) Revenue recognition (Continued)

(a) Policy applicable from 1 April 2018 (Continued)

Revenue from contracts with customers (Continued)

(i) Sales of health and beauty supplements and products

Revenue from the sales of health and beauty supplements and products is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is recognised after value added tax or other sales taxes and is after deduction of any trade discounts and net of sales return.

Some contracts for the sale of health and beauty supplements and products provide customers with rights of return and volume rebates. The rights of return and volume rebates give rise to variable consideration.

(a) Rights of return

For contracts which provide a customer with a right to return the goods within a specified period, the expected value method is used to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in HKFRS 15 on constraining estimates of variable consideration are applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, a refund liability is recognised. A right-of-return asset (and the corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

2. 主要會計政策(續)

(aa) 收益確認(續)

(a) 自二零一八年四月一日起適用之政策(續)

來自與客戶合約的收益(續)

(i) 銷售保健及美容補品及產品

來自銷售保健及美容補品及產品的收益於資產控制權轉讓予客戶(一般於交付貨品)時確認。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。

銷售保健及美容補品及產品的部分合約向客戶提供退貨權及批量回扣。有關退貨權及批量回扣會產生可變代價。

(a) 退貨權

對於為客戶提供於特定期間內退回貨品權利的合約，預期價值法乃用於估計將不予退回的貨品，因該方法可最佳預測本集團將有權獲得的可變代價金額。本集團應用香港財務報告準則第15號有關限制估計可變代價的規定以釐定可計入交易價格之可變代價金額。對於預期將予退回的貨品，則確認退款負債而非收益。退貨權資產(及銷售成本的相應調整)亦就自客戶收回產品的權利予以確認。

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(aa) Revenue recognition (Continued)

(a) Policy applicable from 1 April 2018 (Continued)

Revenue from contracts with customers (Continued)

- (i) Sales of health and beauty supplements and products (Continued)

(b) Volume rebates

Retrospective volume rebates may be provided to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the most likely amount method is used for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The requirements on constraining estimates of variable consideration are applied and a refund liability for the expected future rebates is recognised.

- (ii) Provision of Chinese medical consultation services
Revenue from rendering of Chinese medical consultation services is recognised when the services are delivered to the customers.
- (iii) Income from online advertising agency business
Income from online advertising agency business is recognised when the advertisements are delivered through the online platform.
- (iv) 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)

(aa) 收益確認(續)

(a) 自二零一八年四月一日起適用之政策(續)

來自與客戶合約的收益(續)

- (i) 銷售保健及美容補品及產品(續)

(b) 批量回扣

一旦期內所購買的產品數量超出合約所訂明的門檻時，本公司或會向若干客戶提供可追溯批量回扣。回扣可用以抵銷客戶應付款項。為估計預期未來回扣的可變代價，最可能金額法乃用於單一交易量門檻合約，而預期價值法則用於多於一個交易量門檻合約。所選可最佳預測可變代價金額的方法主要取決於合約所包含的交易量門檻數量。有關限制估計可變代價的規定乃予以應用，並就預期未來回扣確認退款負債。

- (ii) 提供中醫診症服務
來自提供中醫診症服務的收益於向客戶提供服務時確認。
- (iii) 線上廣告代理業務的收入
線上廣告代理業務的收入於透過線上平台交付廣告時確認。
- (iv) 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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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(aa) Revenue recognition (Continued)

(a) Policy applicable from 1 April 2018 (Continued)

Revenue from contracts with customers (Continued)

- (v) Income from e-commerce promotion business
- E-commerce income 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 taken possession and accepted the products. If the products are a partial fulfilment of a contract covering other goods and/or services, then the amount of revenue recognised is an appropriate proportion of the total transaction price under the contract, allocated between all the goods and services promised under the contract on a relative stand-alone selling price basis.

- (vi) Income from game distribution business
- Income from game distribution business is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is recognised after value added tax or other sales taxes and is after deduction of any trade discounts and net of sales return.

2. 主要會計政策(續)

(aa) 收益確認(續)

(a) 自二零一八年四月一日起適用之政策(續)

來自與客戶合約的收益(續)

- (v) 電子商務推廣業務收入
- 電子商務收入主要包括佣金收入及來自商品銷售之收益。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，則就該交易確認佣金收入。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。

佣金收入及來自商品銷售之收益於客戶擁有及接納產品時確認。倘產品為部分履行涵蓋其他貨品及／或服務的合約，則所確認的收益金額為合約項下總交易價格的適當比例，於合約項下所有承諾貨品及服務之間按相對獨立售價基準分配。

- (vi) 遊戲發行業務收入
- 遊戲發行業務收入於資產控制權轉讓予客戶(一般於交付貨品)時確認。收益於扣除增埤稅或其他銷售稅及任何貿易折扣及扣除銷售退貨後確認。

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(aa) Revenue recognition (Continued)

(a) Policy applicable from 1 April 2018 (Continued)

Other revenue

(i) Interest income

Interest income is recognised as it accrues using the effective interest method. For financial assets measured at amortised cost that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit-impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset (see note 2(1)(i)).

(ii) Rental income from operating leases

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable.

2. 主要會計政策(續)

(aa) 收益確認(續)

(a) 自二零一八年四月一日起適用之政策(續)

其他收益

(i) 利息收入

利息收入利用實際利率法於產生時確認。就按攤銷成本計量且並無出現信貸減值之財務資產而言，實際利率用於該資產之賬面總值。就出現信貸減值之財務資產而言，實際利率用於資產之攤銷成本(即賬面總值扣除虧損撥備)(見附註2(1)(i))。

(ii) 經營租賃之租金收入

經營租賃項下之應收租金收入乃於租賃期涵蓋之期間內以等額分期方式於損益確認，惟倘有其他基準更能代表使用租賃資產所得利益之模式則除外。授出之租賃優惠於損益確認為應收淨租賃付款總額之組成部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(aa) Revenue recognition (Continued)

(b) Policy applicable prior to 1 April 2018

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)

(aa) 收益確認(續)

(b) 於二零一八年四月一日前適用之政策

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的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 2019 截至二零一九年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(aa) Revenue recognition (Continued)

(b) Policy applicable prior to 1 April 2018 (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)

(aa) 收益確認(續)

(b) 於二零一八年四月一日前適用之政策(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商品銷售之收益。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，則就該交易確認佣金收入。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。

佣金收入及來自商品銷售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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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(bb) 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. The transaction date is the date on which the Company initially recognises such non-monetary assets or liabilities. 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, or 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)

(bb) 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。交易日為本公司初步確認有關非貨幣資產或負債的日期。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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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(cc) 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.

(dd) 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)

(cc) 借款成本

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款成本予以資本化，作為該資產的部分成本。其他借款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款成本在資產產生開支、借款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，借款成本便會暫停或停止資本化。

(dd) 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)

(dd) 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)

(dd) 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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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(ee) 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

(a) Overview

The HKICPA has issued a number of new HKFRSs and amendments to HKFRSs that are first effective for the current accounting period of the Group. Of these, the following developments are relevant to the Group's financial statements:

- HKFRS 9, Financial Instruments
- HKFRS 15, Revenue from Contracts with Customers and the related Amendments
- HK(IFRIC)-Int 22, Foreign Currency Transactions and Advance Consideration
- Amendments to HKFRS 2, Classification and Measurement of Share-based Payment Transactions
- Amendments to HKFRS 4, Applying HKFRS 9 "Financial Instruments" with HKFRS 4 "Insurance Contracts"
- Amendments to HKAS 28, As part of the Annual Improvements to HKFRSs 2014–2016 Cycle
- Amendments to HKAS 40, Transfers of Investment Property

2. 主要會計政策(續)

(ee) 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

(a) 概述

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新訂香港財務報告準則及香港財務報告準則之修訂本。其中包括以下與本集團財務報表有關的發展：

- 香港財務報告準則第9號財務工具
- 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本
- 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
- 香港財務報告準則第2號修訂本以股份支付交易的分類及計量
- 香港財務報告準則第4號修訂本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」
- 香港會計準則第28號修訂本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
- 香港會計準則第40號修訂本投資物業轉讓

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3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

(a) Overview (Continued)

Except as disclosed in note 3(b) and 3(c) below, the application of the new and revised HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these financial statements.

Under the transition methods chosen, the Group recognises cumulative effect of the initial application of HKFRS 9 and HKFRS 15 as an adjustment to the opening balance of equity at 1 April 2018. Comparative information is not restated.

The following table gives a summary of the opening balance adjustments recognised for each line item in the consolidated statement of financial position that has been impacted by HKFRS 9 and HKFRS 15:

		At 31 March 2018	Impact on initial application of HKFRS 9 首次應用香港財務報告準則第9號的影響 HK\$'000 千港元 (Note 3(b)) (附註3(b))	Impact on initial application of HKFRS 15 首次應用香港財務報告準則第15號的影響 HK\$'000 千港元 (Note 3(c)) (附註3(c))	At 1 April 2018
		於二零一八年三月三十一日 HK\$'000 千港元			於二零一八年四月一日 HK\$'000 千港元
Trade and other receivables	應收賬款及其他應收款項	80,000	(842)	224	79,382
Total current assets	流動資產總值	261,512	(842)	224	260,894
Trade and other payables	應付賬款及其他應付款項	34,026	-	(608)	33,418
Contract liabilities	合約負債	-	-	608	608
Refund liabilities	退款負債	-	-	1,007	1,007
Provisions	撥備	1,007	-	(1,007)	-
Total current liabilities	流動負債總額	124,139	-	-	124,139
Net assets	資產淨值	166,735	(842)	224	166,117
Reserves	儲備	109,483	(842)	224	108,865
Total equity	權益總額	166,735	(842)	224	166,117

3. 應用新訂及經修訂香港財務報告準則(續)

(a) 概述(續)

除下文附註3(b)及3(c)所披露者外，於本年度應用新訂及經修訂香港財務報告準則並無對本集團本年度及過往年度的財務表現及狀況及／或該等財務報表載列的披露資料產生重大影響。

根據所選擇的過渡方法，本集團確認首次應用香港財務報告準則第9號及香港財務報告準則第15號之累計影響作為於二零一八年四月一日權益之期初結餘之調整。並無重列比較資料。

下表提供為於綜合財務狀況表上受香港財務報告準則第9號及香港財務報告準則第15號影響的各項目已確認期初結餘調整的概要：

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3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

(b) HKFRS 9, Financial Instruments

HKFRS 9 replaces HKAS 39, *Financial Instruments: Recognition and Measurement*. It sets out the requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items.

The Group has applied HKFRS 9 retrospectively to items that existed at 1 April 2018 in accordance with the transition requirements. The Group has recognised the cumulative effect of initial application as an adjustment to the opening equity at 1 April 2018. Therefore, comparative information continues to be reported under HKAS 39.

The following table summarises the impact of transition to HKFRS 9 on accumulated losses at 1 April 2018:

		HK\$'000 千港元
Accumulated losses	累計虧損	
Loss allowance	虧損撥備	842
Net increase in accumulated losses at 1 April 2018	於二零一八年四月一日累計虧損的 增加淨額	842

Further details of the nature and effect of the changes to previous accounting policies and the transition approach are set out below:

(i) *Classification of financial assets and financial liabilities*

HKFRS 9 categorises financial assets into three principal classification categories: measured at amortised cost, at fair value through other comprehensive income and at fair value through profit or loss. These supersede HKAS 39's categories of held-to-maturity investments, loans and receivables, available-for-sale financial assets and financial assets measured at FVTPL. The classification of financial assets under HKFRS 9 is based on the business model under which the financial asset is managed and its contractual cash flow characteristics.

3. 應用新訂及經修訂香港財務報告準則(續)

(b) 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號替代香港會計準則第39號，*財務工具：確認及計量*。其載有關於確認及計量財務資產、財務負債及買賣非財務項目若干合約的規定。

本集團已根據過渡規定對於二零一八年四月一日存在的項目追溯應用香港財務報告準則第9號。本集團已將首次應用的累計影響確認為於二零一八年四月一日的年初權益調整。因此，比較資料繼續根據香港會計準則第39號予以呈報。

下表概述過渡至香港財務報告準則第9號對二零一八年四月一日的累計虧損的影響：

HK\$'000
千港元

先前會計政策變動的性質及影響以及過渡方法的進一步詳情載列如下：

(i) *財務資產及財務負債的分類*

香港財務報告準則第9號將財務資產分為三大類別：按攤銷成本、按公平值計入其他全面收益及按公平值計入損益計量。該等分類取代香港會計準則第39號的類別，分別為持有至到期投資、貸款及應收款項、可供出售財務資產及按公平值計入損益計量的財務資產。香港財務報告準則第9號項下財務資產分類乃基於管理財務資產的業務模式及其合約現金流量特徵。

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3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

(b) HKFRS 9, Financial Instruments (Continued)

(i) Classification of financial assets and financial liabilities (Continued)

The following table shows the original measurement categories for each class of the Group's financial assets under HKAS 39 and reconciles the carrying amounts of those financial assets determined in accordance with HKAS 39 to those determined in accordance with HKFRS 9:

	HKAS 39 carrying amount at 31 March 2018 於二零一八年 三月三十一日 香港會計準則 第39號項下賬面值 HK\$'000 千港元	Remeasurement 重新計量 HK\$'000 千港元	HKFRS 9 carrying amount at 1 April 2018 於二零一八年 四月一日 香港財務報告準則 第9號項下賬面值 HK\$'000 千港元
Financial assets carried at amortised cost			
Financial assets included in "trade and other receivables"			
Cash and cash equivalents			
	59,497	(842)	58,655
	158,913	-	158,913
	218,410	(842)	217,568

The measurement categories for all financial liabilities remain the same.

The Group did not designate or de-designate any financial asset or financial liability at FVTPL at 1 April 2018.

3. 應用新訂及經修訂香港財務報告準則(續)

(b) 香港財務報告準則第9號，財務工具(續)

(i) 財務資產及財務負債的分類(續)

下表列示根據香港會計準則第39號本集團各類財務資產的原計量類別，及根據香港會計準則第39號釐定之該等財務資產賬面值與根據香港財務報告準則第9號釐定者進行的對賬：

全部財務負債之計量類別維持不變。

本集團並未指定或終止指定任何於二零一八年四月一日按公平值計入損益的財務資產或財務負債。

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3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

(b) HKFRS 9, Financial Instruments (Continued)

(ii) Credit losses

HKFRS 9 replaces the “incurred loss” model in HKAS 39 with the expected credit losses (“ECLs”) model. The ECL model requires an ongoing measurement of credit risk associated with a financial asset and therefore recognises ECLs earlier than under the “incurred loss” accounting model in HKAS 39.

The Group applies the new ECLs model to the following items:

- financial assets measured at amortised cost (including financial assets included in trade and other receivables and cash and cash equivalents).

The following table reconciles the closing loss allowance determined in accordance with HKAS 39 as at 31 March 2018 with the opening loss allowance determined in accordance with HKFRS 9 as at 1 April 2018:

	HK\$'000 千港元
Loss allowance at 31 March 2018 under HKAS 39	162
Additional credit loss recognised at 1 April 2018 on:	
– Trade receivables	842
Loss allowance at 1 April 2018 under HKFRS 9	1,004

3. 應用新訂及經修訂香港財務報告準則(續)

(b) 香港財務報告準則第9號，財務工具(續)

(ii) 信貸虧損

香港財務報告準則第9號使用預期信貸虧損(「預期信貸虧損」)模式取代香港會計準則第39號的「已產生虧損」模式。預期信貸虧損模式要求持續計量與財務資產相關的信貸風險，故確認預期信貸虧損的時間較根據香港會計準則第39號的「已產生虧損」會計模式確認的時間為早。

本集團於下列項目應用新預期信貸虧損模式：

- 按攤銷成本計量的財務資產(包括計入應收賬款及其他應收款項的財務資產以及現金及現金等價物)。

於二零一八年三月三十一日根據香港會計準則第39號釐定的年末虧損撥備與於二零一八年四月一日根據香港財務報告準則第9號釐定的年初虧損撥備對賬如下：

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3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

(b) HKFRS 9, Financial Instruments (Continued)

(iii) Transition

Changes in accounting policies resulting from the adoption of HKFRS 9 have been applied retrospectively, except as described below:

- Information relating to comparative periods has not been restated. Differences in the carrying amounts of financial assets resulting from the adoption of HKFRS 9 are recognised in accumulated losses and reserves as at 1 April 2018. Accordingly, the information presented for the year ended 31 March 2018 continues to be reported under HKAS 39 and thus may not be comparable with the current period.
- The following assessments have been made on the basis of the facts and circumstances that existed at 1 April 2018 (the date of initial application of HKFRS 9 by the Group):
 - the determination of the business model within which a financial asset is held.
- If, at the date of initial application, the assessment of whether there has been a significant increase in credit risk since initial recognition would have involved undue cost or effort, a lifetime ECLs has been recognised for that financial instrument.

(c) HKFRS 15, Revenue from Contracts with Customers

HKFRS 15 establishes a comprehensive framework for recognising revenue and some costs from contracts with customers. HKFRS 15 replaces HKAS 18, *Revenue*, which covered revenue arising from sale of goods and rendering of services, and HKAS 11, *Construction contracts*, which specified the accounting for construction contracts.

3. 應用新訂及經修訂香港財務報告準則(續)

(b) 香港財務報告準則第9號，財務工具(續)

(iii) 過渡

採納香港財務報告準則第9號導致的會計政策變動已追溯應用，惟下述者除外：

- 有關比較期間之資料並無重列。採用香港財務報告準則第9號導致的財務資產賬面值差額於二零一八年四月一日的累計虧損及儲備確認。因此，就截至二零一八年三月三十一日止年度呈列的資料繼續根據香港會計準則第39號呈報，因而可能無法與本期間進行比較。
- 以下評估乃根據於二零一八年四月一日(本集團首次應用香港財務報告準則第9號之日期)存在之事實及情況作出：
 - 釐定持有財務資產的業務模式。
- 倘於首次應用日期，評估信貸風險自初始確認以來有否大幅上升將涉及過多成本或努力，則就該項財務工具確認全期預期信貸虧損。

(c) 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號建立一個確認來自與客戶合約的收益及若干成本之全面架構。香港財務報告準則第15號取代香港會計準則第18號，*收益*(涵蓋銷售商品及提供服務所產生之收益)及香港會計準則第11號，*建築合約*(訂明建築合約之會計處理方法)。

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3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

(c) HKFRS 15, Revenue from Contracts with Customers (Continued)

HKFRS 15 also introduces additional qualitative and quantitative disclosure requirements which aim to enable users of the financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

The Group has elected to use the cumulative effect transition method and has recognised the cumulative effect of initial application as an adjustment to the opening balance of equity at 1 April 2018. Therefore, comparative information has not been restated and continues to be reported under HKAS 11 and HKAS 18. As allowed by HKFRS 15, the Group has applied the new requirements only to contracts that were not completed before 1 April 2018.

The following table summarises the impact of transition to HKFRS 15 on accumulated losses at 1 April 2018:

		HK\$'000 千港元
Accumulated losses	累計虧損	
Impact on right-of-return assets	對退貨權資產的影響	224
Net decrease in accumulated losses at 1 April 2018	於二零一八年四月一日累計虧損的 減少淨額	224

The Group is principally engaged in the sale, marketing and distribution of health and beauty supplements and products in Hong Kong and the PRC, provision of online advertising agency business, online payment business, e-commerce promotion business and game distribution business. The products are sold and the services are rendered on their own in separately identified contracts with customers.

3. 應用新訂及經修訂香港財務報告準則(續)

(c) 香港財務報告準則第15號，來自與客戶合約的收益(續)

香港財務報告準則第15號亦引入額外的定性及定量披露規定，旨在讓財務報表使用者了解客戶合約所產生的收益及現金流量的性質、數額、時間及不確定性。

本集團選擇使用累計影響過渡方法，並將首次應用的累計影響確認為二零一八年四月一日權益期初結餘的一項調整。因此，比較資料不予重列並繼續按香港會計準則第11號及香港會計準則第18號呈報。如香港財務報告準則第15號所允許，本集團僅將新要求應用於二零一八年四月一日之前尚未完成的合約。

下表概述過渡至香港財務報告準則第15號對二零一八年四月一日的累計虧損的影響：

本集團主要於香港及中國從事銷售、推銷及分銷保健及美容補品及產品、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。產品及服務乃按與客戶訂定的獨立合約單獨出售及提供。

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3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

(c) HKFRS 15, Revenue from Contracts with Customers (Continued)

The adoption of HKFRS 15 does not have a significant impact on the Group's revenue recognition policy, except for sales of health and beauty supplements and products as detailed below:

— *Sale of health and beauty supplements and products*

The Group's contracts with customers for the sale of health and beauty supplements and products generally include one performance obligation. The Group has concluded that revenue from the sale of products should be recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the products. Therefore, the adoption of HKFRS 15 did not have an impact on the timing of revenue recognition. However, the new classification and measurement are summarised as below.

Some contracts for the sale of health and beauty supplements and products provide customers with a right of return. Prior to the adoption of HKFRS 15, the Group recognised revenue from the sale of goods measured at the fair value of the consideration received or receivable, net of returns. If revenue could not be reliably measured, the Group deferred revenue recognition until the uncertainty was resolved.

Under HKFRS 15, rights of return give rise to variable consideration. The variable consideration is estimated at contract inception and constrained until the associated uncertainty is subsequently resolved.

When a contract provides a customer with a right to return the goods within a specified period, the Group previously estimated expected returns using an approach similar to the expected value method under HKFRS 15. Prior to the adoption of HKFRS 15, the amount of revenue related to the expected returns was deferred and recognised in the statement of financial position within provisions with a corresponding adjustment to cost of sales. The initial carrying amount of goods expected to be returned was included in "provisions".

3. 應用新訂及經修訂香港財務報告準則(續)

(c) 香港財務報告準則第15號，來自與客戶合約的收益(續)

除下文詳述之銷售保健及美容補品及產品外，採納香港財務報告準則第15號並無對本集團之收益確認政策構成重大影響：

— *銷售保健及美容補品及產品*

本集團就銷售保健及美容補品及產品與客戶訂立的合約一般包括一項履行責任。本集團已確定，來自銷售產品的收益應在資產控制權轉移至客戶時確認，一般於交付產品時。因此，採納香港財務報告準則第15號並無對收益確認的時間構成影響。然而，新的分類及計量方法概述如下。

部分銷售保健及美容補品及產品合約賦予客戶退貨權利。於採納香港財務報告準則第15號前，本集團確認來自銷售貨品的收益，該收益按已收或應收代價的公平值(扣除退貨)計量。倘收益無法可靠地計量，本集團將延遲收益確認直至不確定因素得以解決為止。

根據香港財務報告準則第15號，退貨的權利引發可變代價。可變代價於合約開始時估計並加以限制，直至相關不確定因素其後得以解決為止。

當合約提供客戶於特定期內的退貨權利，本集團先前採用與香港財務報告準則第15號項下預期價值法相類似之方法估計預期退貨。於採納香港財務報告準則第15號之前，於財務狀況表內遞延及確認有關預期退貨的收益金額，並就銷售成本作出相應調整。預期將退回貨品的初始賬面值計入「撥備」內。

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3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

(c) HKFRS 15, Revenue from Contracts with Customers (Continued)

— Sale of health and beauty supplements and products (Continued)

Under HKFRS 15, the consideration received from the customer is variable because the contract allows the customer to return the products. The Group uses the expected value method to estimate the goods that will be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The Group applies the requirements in HKFRS 15 on constraining estimates of variable consideration to determine the amount of variable consideration that can be included in the transaction price. The Group presents a refund liability and an asset for the right to recover products from a customer separately in the consolidated statement of financial position. Upon adoption of HKFRS 15, the Group reclassified the provision for the right of return from “provisions” to “refund liabilities” and recognised the related return asset as “right-of-return assets”.

The Group recognised “right-of-return assets” (being included in “trade and other receivables”) and “refund liabilities” amounting to HK\$217,000 and HK\$1,394,000 respectively in the consolidated statement of financial position as at 31 March 2019.

The Group received short-term advances from customers. Prior to the adoption of HKFRS 15, the Group represented these advances as “receipt in advance” in “trade and other payables” in the consolidated statement of financial position. Upon the adoption of HKFRS 15, the Group reclassified the advances to “contract liabilities”. As at 1 April 2018, the Group had short-term advances from customers amounting to HK\$608,000, which were reclassified to “contract liabilities” at the initial application of HKFRS 15.

3. 應用新訂及經修訂香港財務報告準則(續)

(c) 香港財務報告準則第15號，來自與客戶合約的收益(續)

— 銷售保健及美容補品及產品(續)

根據香港財務報告準則第15號，已收客戶代價為可變，原因為合約允許客戶退回產品。本集團採用預期價值法估計將予退回的貨品，因該方法可更好地預測本集團將有權獲得的可變代價金額。本集團應用香港財務報告準則第15號有關限制估計可變代價的規定以釐定可計入交易價格之可變代價金額。本集團將於綜合財務狀況表中單獨呈列退款負債及自客戶收回產品的權利資產。採納香港財務報告準則第15號後，本集團將退貨權利之撥備由「撥備」重新分類至「退款負債」，並將相關退回資產確認為「退貨權資產」。

於二零一九年三月三十一日，本集團於綜合財務狀況表內確認「退貨權資產」(即計入「應收賬款及其他應收款項」)及「退款負債」的金額分別為217,000港元及1,394,000港元。

本集團向客戶收取短期預付款項。於應用香港財務報告準則第15號前，本集團將該預付款項在綜合財務狀況表中列作「應付賬款及其他應付款項」內的「預收款項」。應用香港財務報告準則第15號後，本集團將預付款項重新分類為「合約負債」。於二零一八年四月一日，本集團錄得來自客戶的短期預付款項為608,000港元，該等款項於首次應用香港財務報告準則第15號時重新分類為「合約負債」。

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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 2019

Financial assets

		Financial assets at amortised costs 按攤銷成本 入賬的財務資產 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	78,992	78,992
Cash and cash equivalents	現金及現金等價物	65,497	65,497
		144,489	144,489

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	–	77,604	77,604
Contingent consideration payables	或然應付代價	85,570	–	85,570
Promissory notes payable	應付承兌票據	9,966	37,543	47,509
Bank borrowings	銀行借款	–	39,056	39,056
Other borrowings	其他借款	–	26,500	26,500
Convertible bonds	可換股債券	172,742	89,259	262,001
Amounts due to non-controlling interests	應付非控股權益款項	–	1,227	1,227
		268,278	271,189	539,467

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：

於二零一九年三月三十一日

財務資產

	Financial assets at amortised costs 按攤銷成本 入賬的財務資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial assets included in “trade and other receivables”	78,992	78,992
Cash and cash equivalents	65,497	65,497
	144,489	144,489

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”	–	77,604	77,604
Contingent consideration payables	85,570	–	85,570
Promissory notes payable	9,966	37,543	47,509
Bank borrowings	–	39,056	39,056
Other borrowings	–	26,500	26,500
Convertible bonds	172,742	89,259	262,001
Amounts due to non-controlling interests	–	1,227	1,227
	268,278	271,189	539,467

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4. FINANCIAL RISK MANAGEMENT AND CAPITAL DISCLOSURES (CONTINUED)

(a) Financial instruments by categories (Continued)

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	銀行借款	–	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

(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's credit risk is primarily attributable to trade receivables. The Group's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks with high credit rating assigned by international credit-rating agencies.

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At the end of the reporting period, 50% (2018: 59%) and 53% (2018: 60%) of the total trade receivables was due from the Group's largest customer and the five largest customers respectively.

Individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. 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. The Group does not obtain collateral from customers.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

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。

本集團的信貸風險主要歸因於應收賬款。本集團來自現金及現金等價物信貸風險有限，因為交易對手方乃獲國際信貸評級機構列為信貸評級優良的銀行。

應收賬款

本集團之信貸風險主要受各客戶個別特點所影響，而非受客戶經營所在行業或國家所影響。因此，重大集中信貸風險主要來自本集團對個別客戶承擔之重大風險。於報告期末，50% (二零一八年：59%) 及53% (二零一八年：60%) 之應收賬款總額分別來自本集團最大客戶及五大客戶。

所有要求特定信貸金額的客戶均須接受個別信貸評估。該等評估著重客戶過去到期還款記錄以及當前的還款能力，並會考慮關於客戶以及客戶經營業務所在經濟環境的特定資料。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。本集團並無自客戶取得抵押品。

本集團按照相當於全期預期信貸虧損（採用撥備矩陣計算）的金額計量應收賬款的虧損撥備。因為本集團的歷史信貸虧損經驗並不表示不同細分客戶群體的顯著不同的虧損模式，因此在根據過往逾期狀態計算虧損準備時並未進一步區分本集團不同的客戶群體。

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For the year ended 31 March 2019 截至二零一九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)

(i) Credit risk (Continued)

Trade receivables (Continued)

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables as at 31 March 2019:

		Expected loss rate 預期虧損率	Gross carrying amount 總賬面值 HK\$'000 千港元	Loss allowance 虧損撥備 HK\$'000 千港元
Current (not past due)	即期(未逾期)	0.00%	58,479	–
1-30 days past due	逾期1到30天	1.82%	9,432	172
31-60 days past due	逾期31到60天	8.12%	1,909	155
61-90 days past due	逾期61到90天	8.18%	2,494	204
More than 90 days past due	逾期超過90天	40.76%	5,761	2,348
			78,075	2,879

Expected loss rates are based on actual loss experience over the prior year. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Comparative information under HKAS 39

Prior to 1 April 2018, an impairment loss was recognised only when there was objective evidence of impairment (see note 2(1)(i)(b)). As at 31 March 2018, trade receivables of 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 was recognised for the year ended 31 March 2018.

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(續)

應收賬款(續)

下表提供於二零一九年三月三十一日有關本集團信貸風險敞口以及應收賬款的預期信貸虧損的資料：

預期虧損率基於去年的實際虧損經驗計算。該等比率已調整以反映歷史數據收集期間的經濟狀況、當前狀況及本集團所認為的預計應收款項存續期內的經濟狀況三者之間的差異。

根據香港會計準則第39號之比較資料

於二零一八年四月一日前，減值虧損僅在有客觀減值證據時確認(見附註2(1)(i)(b))。於二零一八年三月三十一日，應收賬款162,000港元被個別釐定為減值。個別減值應收款項已逾期365日以上。截至二零一八年三月三十一日止年度，並無就呆賬確認特定撥備。

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4. FINANCIAL RISK MANAGEMENT AND CAPITAL DISCLOSURES (CONTINUED)

(b) Financial risk management and policies (Continued)

(i) Credit risk (Continued)

Comparative information under HKAS 39 (Continued)

The ageing analysis of trade receivables that are neither individually nor collectively considered to be impaired are as follows:

		2018 二零一八年 HK\$'000 千港元
Neither past due nor impaired	未逾期亦無減值	49,218
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
1 to 3 months past due	逾期1至3個月	4,685
Over 3 months past due	逾期超過3個月	1,069
		56,217

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.

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(續)

根據香港會計準則第39號的比較資料(續)

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：

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。

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4. FINANCIAL RISK MANAGEMENT AND CAPITAL DISCLOSURES (CONTINUED)

(b) Financial risk management and policies (Continued)

(i) Credit risk (Continued)

Comparative information under HKAS 39 (Continued)

Movement in the loss allowance account in respect of trade receivables during the year is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Balance at 31 March 2018 under HKAS 39	根據香港會計準則第39號於二零一八年三月三十一日之結餘	162	-
Impact on initial application of HKFRS 9 (note 3(b))	初步應用香港財務報告準則第9號之影響(附註3(b))	842	-
Balance at the beginning of the year	年初結餘	1,004	162
Impairment losses recognised during the year	年內確認之減值虧損	1,875	-
Balance at the end of the year	年末結餘	2,879	162

Further quantitative disclosures in respect of the Group's exposure of credit risk arising from trade and other receivables are set out in note 21.

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(續)

根據香港會計準則第39號的比較資料(續)

年內有關應收賬款的虧損撥備賬的變動如下:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Balance at 31 March 2018 under HKAS 39	根據香港會計準則第39號於二零一八年三月三十一日之結餘	162	-
Impact on initial application of HKFRS 9 (note 3(b))	初步應用香港財務報告準則第9號之影響(附註3(b))	842	-
Balance at the beginning of the year	年初結餘	1,004	162
Impairment losses recognised during the year	年內確認之減值虧損	1,875	-
Balance at the end of the year	年末結餘	2,879	162

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21。

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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 approval of the board of directors (the “Board”). The Group’s primary cash requirements have been for the payments for purchases and operating expenses. The Group finances its working capital requirements mainly through funds generated from operations, and external bank and other borrowings. As at 31 March 2019, the Group had net current liabilities of HK\$233,446,000. The directors of the Company have taken certain measures to mitigate the liquidity pressure as detailed in note 2(b). Management will also closely monitor the situation to ensure that appropriate alternative actions are taken.

The following tables set out the remaining contractual maturities at the end of the reporting period of the Group’s non-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(「董事會」)批准。本集團的主要現金需求為購買付款及營運開支。本集團主要透過營運產生的資金及外部銀行及其他借款為其營運資金需求撥資。於二零一九年三月三十一日，本集團流動負債淨額為233,446,000港元。本公司董事已採取若干措施減輕流動資金壓力(如附註2(b)所詳述)。管理層亦將密切監察有關情況以確保採取適當的替代行動。

下列表格載列本集團的非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期為基準。

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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 2019

	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 HK\$'000 千港元	一年內 HK\$'000 千港元	超過一年 但少於兩年 HK\$'000 千港元	超過兩年 但少於五年 HK\$'000 千港元	合約未貼現 現金流量 總額 HK\$'000 千港元	賬面值 HK\$'000 千港元
Financial liabilities included in "trade and other payables"	-	77,604	-	-	77,604	77,604
Contingent consideration payables	-	37,878	47,692	-	85,570	85,570
Promissory notes payable measured at amortised cost	-	-	-	49,974	49,974	37,543
Promissory notes payable designated at FVTPL	-	10,116	-	-	10,116	9,966
Bank borrowings	39,095	-	-	-	39,095	39,095
Other borrowings	-	752	28,875	-	29,627	26,500
Liability component of convertible bonds measured at amortised cost	-	5,300	111,300	-	116,600	89,259
Convertible bonds designated at FVTPL	-	170,262	-	-	170,262	172,742
Amounts due to non-controlling interests	-	-	1,227	-	1,227	1,227
	39,095	301,912	189,094	49,974	580,075	539,506

As at 31 March 2018

於二零一八年三月三十一日

	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 HK\$'000 千港元	一年內 HK\$'000 千港元	超過一年 但少於兩年 HK\$'000 千港元	超過兩年 但少於五年 HK\$'000 千港元	合約未貼現 現金流量 總額 HK\$'000 千港元	賬面值 HK\$'000 千港元
Financial liabilities included in "trade and other payables"	-	33,418	-	-	33,418	33,418
Contingent consideration payables	-	59,169	118,350	-	177,519	177,519
Promissory notes payable designated at FVTPL	-	1,664	10,960	-	12,624	10,578
Bank borrowings	28,119	-	-	-	28,119	28,119
Other borrowings	-	110	275	5,775	6,160	5,500
Convertible bonds designated at FVTPL	-	8,174	270,300	-	278,474	310,510
Amounts due to a non-controlling interest	-	-	1,242	-	1,242	1,242
	28,119	102,535	401,127	5,775	537,556	566,886

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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

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to fair value interest rate risk in relation to fixed rate other borrowings (note 26), convertible bonds (note 28) and promissory notes payable (note 29). The management considered that the interest rate risk arising from fixed-rate financial instruments are insignificant.

The Group is also exposed to cash flow interest rate risk in relation to variable rate cash at bank (note 22) and variable rate bank borrowings (note 26). 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:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Variable interest rates:	浮息：		
Financial assets	財務資產		
Cash at bank	銀行現金	65,406	158,820
		65,406	158,820
Financial liabilities	財務負債		
Bank borrowings	銀行借款	39,056	28,119
		39,056	28,119
Net	淨值	26,350	130,701

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

利率風險為一項金融工具的公平值或未來現金流量將因市場利率改變而波動所帶來的風險。本集團就定息其他借款(附註26)、可換股債券(附註28)及應付承兌票據(附註29)面臨公平值利率風險。管理層認為定息金融工具所產生的利率風險並不重大。

本集團亦就浮息銀行現金(附註22)及浮息銀行借款(附註26)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：

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4. FINANCIAL RISK MANAGEMENT AND CAPITAL DISCLOSURES (CONTINUED)

(b) Financial risk management and policies (Continued)

(iii) Interest rate risk (Continued)

(ii) Sensitivity analysis

At 31 March 2019, 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\$225,000 (2018: HK\$1,099,000).

At 31 March 2019, 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\$225,000 (2018: HK\$1,099,000).

The decrease/increase in the loss after tax for the years ended 31 March 2018 and 2019 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.

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

於二零一九年三月三十一日，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225,000港元(二零一八年：1,099,000港元)。

於二零一九年三月三十一日，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225,000港元(二零一八年：1,099,000港元)。

截至二零一八年及二零一九年三月三十一日止年度除稅後虧損減少／增加主要由於銀行現金的利息收入增加／減少以及銀行借款的利息開支減少／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。

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4. FINANCIAL RISK MANAGEMENT AND CAPITAL DISCLOSURES (CONTINUED)

(b) Financial risk management and policies (Continued)

(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, 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.

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

(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幣計值)的應收款項、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。

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。

下表詳列本集團於報告期末就以實體相關功能貨幣以外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)					
		2019 二零一九年			2018 二零一八年		
		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	1,344	373	2,186	633	419	1,515
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	5,913	5,496	-	-	16	-
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	(6,115)	(1,338)	-	(987)	(346)	-
Net exposure arising from recognised assets and liabilities	已確認資產及負債產生的風險淨額	1,142	4,531	2,186	(354)	89	1,515

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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 for the years ended 31 March 2018 and 2019 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 dollars 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

下表指出本集團截至二零一八年及二零一九年三月三十一日止年度除稅後虧損及累計虧損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,假設港元與美元之間之掛鈎匯率不會因美元兌其他貨幣之價值變動之任何變化而受到重大影響。

		2019 二零一九年		2018 二零一八年	
		Increase/(decrease) in foreign exchange rates	Decrease/(increase) in loss after tax and accumulated losses	Increase/(decrease) in foreign exchange rates	Decrease/(increase) in loss after tax and accumulated losses
		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)	除稅後虧損 及累計虧損 減少/(增加)
			HK\$'000 千港元		HK\$'000 千港元
RMB	人民幣	5%	226	5%	4
		(5%)	(226)	(5%)	(4)
HKS	港元	5%	109	5%	76
		(5%)	(109)	(5%)	(76)

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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 2018.

(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 is calculated as total borrowings (including amounts due to non-controlling interests, bank and other borrowings, promissory notes payable and convertible bonds (as detailed in notes 25, 26, 29 and 28 respectively)) less cash and cash equivalents (note 22). 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。該分析與二零一八年的分析基準一致。

(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、應付承兌票據及可換股債券(詳情分別載於附註25、26、29及28))減現金及現金等價物(附註22)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 2018 and 2019 are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Debts	債務	376,293	345,371
Less: Cash and cash equivalents (note 22)	減：現金及現金等價物(附註22)	(65,497)	(158,913)
Net debt	債務淨額	310,796	186,458
Total capital	資本總額	207,520	166,735
Net gearing ratio	淨資產負債比率	1.50	1.12

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

4. 財務風險管理及資本披露(續)

(c) 資本管理(續)

於二零一八年及二零一九年三月三十一日，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) 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.

(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 independent professionally qualified 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。財務部與獨立專業合資格估值師緊密合作，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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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 2019

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)

於二零一九年三月三十一日

		Fair value measurements as at 31 March 2019 categorised into 於二零一九年三月三十一日 按以下分類之公平值計量			Fair value as at 31 March 2019 於二零一九年 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	–	–	85,570	85,570
– Promissory notes payable designated at FVTPL	– 指定按公平值計入損 益的應付承兌票據	–	–	9,966	9,966
– Convertible bonds designated at FVTPL	– 指定按公平值計入 損益的可換股債券	–	–	172,742	172,742
		–	–	268,278	268,278

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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)*
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
	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	之公平值 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			
– Promissory notes payable designated at FVTPL	– 指定按公平值計入 損益的應付承兌票據			
– Convertible bonds designated at FVTPL	– 指定按公平值計入損益 的可換股債券			
	–	–	177,519	177,519
	–	–	10,578	10,578
	–	–	310,510	310,510
	–	–	498,607	498,607

During the years ended 31 March 2018 and 2019, 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.

於截至二零一八年及二零一九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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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 designated at FVTPL which are disclosed in note 28(a) 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 2019 於二零一九年三月三十一日之 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")	85,570 (2018: 165,123)	Income approach	Discount rate	6.7% (2018: 7.5%)	As at 31 March 2019, 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\$1,174,000 and HK\$1,195,000 respectively.
收購Empire Access Limited ("Empire Access")產生之或然應付代價	85,570 (二零一八年: 165,123)	收入法	貼現率	6.7% (二零一八年: 7.5%)	於二零一九年三月三十一日, 預計所使用之貼現率增加或減少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減少約1,174,000港元或增加1,195,000港元。
					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. 於二零一八年三月三十一日, 預計所使用之貼現率增加或減少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減少3,479,000港元或增加3,122,000港元。
					As at 31 March 2019, the revenue for the period from 22 September 2017 to 21 September 2018 is determined by reference to the auditor's certificate issued in respect of the achievement of the First Target of the ND Target Group as defined in note 27 to the consolidated financial statements. Since the Revenue for the First Period was audited and concluded, no sensitivity analysis for the year ended 31 March 2019 was disclosed for the respective impact of change. 於二零一九年三月三十一日, 自二零一七年九月二十二日至二零一八年九月二十一日止期間的收益乃參考核數師就達致綜合財務報表附註27所界定的ND目標集團首個目標發出的證書後釐定。由於首個期間的收益已經審核及落實, 故並未披露各變動影響截至二零一九年三月三十一日止年度的敏感度分析。
			Revenue for the period from 22 September 2017 to 21 September 2018 ("Revenue for First Period")	HK\$7,501,000 (2018: HK\$10,666,000)	As at 31 March 2019, it is estimated that a 5% increase or decrease in 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\$4,278,000.
			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」)	7,501,000港元 (二零一八年: 10,666,000港元)	於二零一九年三月三十一日, 預計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或減少4,278,000港元。
			Revenue for the period from 22 September 2018 to 21 September 2019 ("Revenue for Second Period")	HK\$26,342,000 (2018: 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」)	26,342,000港元 (二零一八年: 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。

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28(a)所披露指定按公平值計入損益的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 2019 於二零一九年三月三十一日之 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
			Net profit for the period from 22 September 2019 to 21 September 2020 ("NP for Third Period") 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」)	HK\$20,863,000 (2018: HK\$22,766,000)	
Contingent consideration payables arising from the acquisition of IAHGames Hong Kong Limited ("IAHGames") 收購IAHGames Hong Kong Limited(「IAHGames」)產生之或然應付代價	N/A (2018: 12,396)	Income approach 收入法	Discount rate 貼現率	N/A (2018: 6.6%) 不適用 (二零一八年: 6.6%)	As at 31 March 2018, no sensitivity analysis is disclosed as the impact is not significant to the Group's profit or loss. 於二零一八年三月三十一日,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	N/A (2018: HK\$188,128,000)	
			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	N/A (2018: HK\$27,137,000)	
Promissory notes payable arising from the acquisition of Soul Marketing Group Limited ("Soul Marketing") 收購凌凌市場策略集團有限公司(「凌凌市場策略」)產生之應付承兌票據	1,673 (2018: 4,760)	Income approach 收入法	Discount rate 貼現率	7.7% (2018: 6.5% - 6.6%) 7.7% (二零一八年: 6.5% - 6.6%)	As at 31 March 2018 and 2019, no sensitivity analysis is disclosed as the impact is not significant to the Group's profit or loss. 於二零一八年及二零一九年三月三十一日,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	Loss of HK\$2,735,000 (2018: profit of HK\$2,831,000)	
			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	3,732 locations (2018: 1,900 locations)	

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)

Description	Fair value as at 31 March 2019 於二零一九年三月三十一日之 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
Promissory notes payable arising from the acquisition of IAHGames	8,293 (2018: 5,818)	Income approach	Discount rate	6.7% (2018: 6.6%)	As at 31 March 2018 and 2019, 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	8,293 (二零一八年： 5,818)	收入法	貼現率	6.7% (二零一八年： 6.6%)	於二零一八年及二零一九年三月三十一日，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\$154,229,000 (2018: N/A) 154,229,000港元 (二零一八年： 不適用)	
			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\$10,195,000 (2018: N/A) 10,195,000港元 (二零一八年： 不適用)	
			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\$5,229,000 (2018: HK\$11,525,000) 5,229,000港元 (二零一八年： 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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For the year ended 31 March 2019 截至二零一九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 (Continued)

The movements during the years ended 31 March 2018 and 2019 in the balance of these Level 3 fair value measurements are as follows:

For the year ended 31 March 2019

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及二零一九年三月三十一日止年度之變動如下：

截至二零一九年三月三十一日止年度

		Contingent consideration payables	Promissory notes payable designated at FVTPL 指定按公平值計入損益的應付承兌票據	Convertible bonds designated at FVTPL 指定按公平值計入損益的可換股債券	Total
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 April 2018	於二零一八年四月一日	177,519	10,578	310,510	498,607
Transferred to promissory notes payable	撥入應付承兌票據	(68,900)	-	-	(68,900)
Transferred from contingent consideration payables	轉撥自或然應付代價	-	12,395	-	12,395
Transferred to other payables	撥入其他應付款項	-	(6,000)	-	(6,000)
Repurchase of convertible bonds	購回可換股債券	-	-	(90,000)	(90,000)
Net fair value changes included in profit or loss	計入損益之公平值變動淨額	(23,049)	(7,007)	(47,768)	(77,824)
At 31 March 2019	於二零一九年三月三十一日	85,570	9,966	172,742	268,278
Net fair value gain 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收益淨額	23,049	7,007	47,768	77,824

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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)

For the year ended 31 March 2018

		Contingent consideration payables 或然應付代價 HK\$'000 千港元	Promissory notes payable designated at FVTPL 指定按公平值 計入損益的 應付承兌票據 HK\$'000 千港元	Convertible bonds designated at FVTPL 指定按公平值 計入損益的 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 loss 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 公平值虧損淨額	(9,264)	(447)	(57,764)	(67,475)

(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 2018 and 2019.

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)

截至二零一八年三月三十一日止年度

(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二零一八年及二零一九年三月三十一日之公平值差別不大。

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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. The useful lives of property, plant and equipment and intangible assets are disclosed in notes 2(g) and 2(i) respectively.

(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. As at 31 March 2019, the carrying amount of property, plant and equipment amounted to HK\$91,764,000 (2018: HK\$121,672,000).

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。物業、廠房及設備及無形資產的可使用年期分別於附註2(g)及2(i)中披露。

(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。於二零一九年三月三十一日，物業、廠房及設備的賬面值為91,764,000港元(二零一八年：121,672,000港元)。

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5. CRITICAL ACCOUNTING ESTIMATES (CONTINUED)

Key sources of estimation uncertainty (Continued)

(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. As at 31 March 2019, the carrying amount of intangible assets with finite useful lives amounted to HK\$37,189,000 (2018: HK\$31,653,000).

(iv) *Impairment of financial assets*

The loss allowance for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in the tables in note 4(b)(i).

(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. As at 31 March 2019, the carrying amount of inventories amounted to HK\$29,065,000 (2018: HK\$22,091,000).

5. 關鍵會計估計(續)

估計不明朗因素的主要來源(續)

(iii) *具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。於二零一九年三月三十一日，具有限使用年期之無形資產的賬面值為37,189,000港元(二零一八年：31,653,000港元)。

(iv) *財務資產之減值*

財務資產的虧損撥備乃根據有關違約風險及預期損失率的假設作出。基於本集團過往記錄、當前市場情況及於各報告期末的前瞻性估計，本集團運用判斷作出該等假設及選擇減值計算的輸入值。所使用的關鍵假設及輸入數據的詳情在附註4(b)(i)的表中披露。

(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每個產品基準進行存貨檢討，並就陳舊項目作出撥備。於二零一九年三月三十一日，存貨的賬面值為29,065,000港元(二零一八年：22,091,000港元)。

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5. CRITICAL ACCOUNTING ESTIMATES (CONTINUED)

Key sources of estimation uncertainty (Continued)

(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.

As at 31 March 2019, the carrying amounts of tax recoverable, tax payable and deferred tax liabilities amounted to HK\$105,000 (2018: HK\$508,000), HK\$6,058,000 (2018: HK\$327,000) and HK\$36,316,000 (2018: HK\$34,215,000) respectively.

(vii) *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. As at 31 March 2019, the carrying amount of goodwill amounted to HK\$199,879,000 (2018: HK\$177,496,000).

5. 關鍵會計估計(續)

估計不明朗因素的主要來源(續)

(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。

於二零一九年三月三十一日，可收回稅項、應付稅項及遞延稅項負債的賬面值分別為105,000港元(二零一八年：508,000港元)、6,058,000港元(二零一八年：327,000港元)及36,316,000港元(二零一八年：34,215,000港元)。

(vii) *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。於二零一九年三月三十一日，商譽的賬面值為199,879,000港元(二零一八年：177,496,000港元)。

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5. CRITICAL ACCOUNTING ESTIMATES (CONTINUED)

Key sources of estimation uncertainty (Continued)

(viii) *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. As at 31 March 2019, the carrying amount of intangible assets with indefinite useful lives amounted to HK\$174,513,000 (2018: HK\$174,513,000).

(ix) *Estimation of the fair value of convertible bonds designated at FVTPL*

As described in note 28(a) 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 designated at FVTPL 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. As at 31 March 2019, the carrying amount of convertible bonds designated at FVTPL amounted to HK\$172,742,000 (2018: HK\$310,510,000).

5. 關鍵會計估計(續)

估計不明朗因素的主要來源(續)

(viii) *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。於二零一九年三月三十一日，具無限可使用年期之無形資產的賬面值為174,513,000港元(二零一八年：174,513,000港元)。

(ix) *估計指定按公平值計入損益的可換股債券之公平值*

誠如本綜合財務報表附註28(a)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。指定按公平值計入損益的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。於二零一九年三月三十一日，指定按公平值計入損益的可換股債券的賬面值為172,742,000港元(二零一八年：310,510,000港元)。

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5. CRITICAL ACCOUNTING ESTIMATES (CONTINUED)

Key sources of estimation uncertainty (Continued)

(x) *Fair values of contingent consideration payables and promissory notes payable designated at FVTPL*

The fair value of contingent consideration payables and promissory notes payable designated at FVTPL 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 designated at FVTPL. As at 31 March 2019, the carrying amounts of contingent consideration payables and promissory notes payable designated at FVTPL amounted to HK\$85,570,000 (2018: HK\$177,519,000) and HK\$9,966,000 (2018: HK\$10,578,000) respectively.

(xi) *Purchase price allocations of business combinations*

As further detailed in note 35 to these consolidated financial statements, the Group acquired a number of entities during the years ended 31 March 2018 and 2019. An independent professionally qualified 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.

(xii) *Assessment of the indefinite useful lives of the intangible asset arising from the licensing agreement for operation of online payment business*

Management estimates the useful lives of the licensing agreement with indefinite life for operation of online payment business based on the expected lifespan of the licensing agreement. The licensing agreement is considered by the management of the Group as having indefinite useful lives because they are expected to contribute net cash inflows indefinitely taking into account the automatically renewal clause of the licensing agreement. The directors of the Company are of the opinion that the licensing agreement for operation of online payment business are expected to generate net cash inflows to the Group with no foreseeable limit.

5. 關鍵會計估計(續)

估計不明朗因素的主要來源(續)

(x) *或然應付代價及指定按公平值計入損益的應付承兌票據之公平值*

或然應付代價及指定按公平值計入損益的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指定按公平值計入損益的應付承兌票據之公平值。於二零一九年三月三十一日，或然應付代價及指定按公平值計入損益的應付承兌票據的賬面值分別為85,570,000港元(二零一八年：177,519,000港元)及9,966,000港元(二零一八年：10,578,000港元)。

(xi) *業務合併之購買價分配*

誠如本綜合財務報表附註35進一步詳述，本集團於截至二零一八年及二零一九年三月三十一日止年度收購若干實體。獨立專業合資格估值師已獲委聘，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大程度上依賴管理層的估計及判斷。

(xii) *評估經營線上支付業務之許可權協議產生的無形資產之無限可使用年期*

管理層根據許可權協議之預期年限估計經營線上支付業務之具有無限使用年期之許可權協議之可使用年期。本集團管理層認為許可權協議具有無限可使用年期，原因是經計及許可權協議之自動續期條款，許可權協議預期無限期貢獻現金流入淨額。本公司董事認為，經營線上支付業務之許可權協議預期為本集團產生並無可見限度之現金流入淨額。

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5. CRITICAL ACCOUNTING ESTIMATES (CONTINUED)

Key sources of estimation uncertainty (Continued)

(xii) *Assessment of the indefinite useful lives of the intangible asset arising from the licensing agreement for operation of online payment business (Continued)*

The useful lives of the licensing agreement could change significantly as a result of changes in commercial and technological environment. When the actual useful lives of the licensing agreement are different from their estimated useful lives due to change in commercial and technological environment, such difference will impact the amortisation charges and the amounts of assets written down for future periods.

As at 31 March 2019, the carrying amount of intangible asset arising from the licensing agreement for operation of online payment business amounted to HK\$172,313,000 (2018: HK\$172,313,000).

(xiii) *Estimated valuation of investment property*

In determining the fair value, the valuer has based on property valuation techniques which involve, inter alia, certain estimates including comparable sales in the relevant market, appropriate discount rates and expected future market rents. In relying on the valuation report, management has exercised their judgement and is satisfied that the method of valuation is reflective of the current market condition. As at 31 March 2019, the carrying amount of investment property amounted to HK\$8,130,000 (2018: Nil).

(xiv) *Impairment of interest in an associate*

Determining whether interest in an associate of HK\$73,400,000 (2018: Nil) is impaired requires an estimation of the recoverable amount of the associate. Recoverable amount is the higher of fair value less costs to sell and value in use. The recoverable amount of the associate is determined based on the estimated value in use of the associate. Management has evaluated the recovery of the investment based on such estimates and is confident that the allowance for impairment, where necessary, is adequate. No impairment loss was recognised in respect of interest in an associate during the year ended 31 March 2019.

5. 關鍵會計估計(續)

估計不明朗因素的主要來源(續)

(xii) *評估經營線上支付業務之許可權協議產生的無形資產之無限可使用年期(續)*

許可權協議之可使用年期可因商業及技術環境變化發生重大變動。倘許可權協議之實際可使用年期因商業及技術環境有別於其估計可使用年期，該差別將影響未來期間之攤銷開支及撇減資產數額。

於二零一九年三月三十一日，經營線上支付業務之許可權協議產生的無形資產的賬面值為172,313,000港元(二零一八年：172,313,000港元)。

(xiii) *投資物業估值*

於釐定公平值時，估值師乃基於物業估值方法，當中涉及(其中包括)若干估計，包括於相關市場之可資比較銷售、合適的貼現率及預期未來市場租金。在依賴估值報告時，管理層已運用其判斷並信納有關估值方法能反映現時市況。於二零一九年三月三十一日，投資物業的賬面值為8,130,000港元(二零一八年：無)。

(xiv) *於一間聯營公司的權益減值*

釐定於一間聯營公司的權益73,400,000港元(二零一八年：無)是否減值需估計該聯營公司的可收回金額。可收回金額為公平值減出售成本與使用價值兩者間的較高者。該聯營公司的可收回金額乃根據其估計使用價值釐定。管理層已根據有關估計評估是否可收回投資，並深信減值撥備(如需要)屬充足。於截至二零一九年三月三十一日止年度並無就於一間聯營公司的權益確認減值虧損。

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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 and the PRC, provision of online advertising agency business, online payment business, e-commerce promotion business and game distribution business. Further details regarding the Group's principal activities are disclosed in note 42.

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.

Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines, geographical locations of customers and timing of revenue recognition are detailed as follows:

6. 收益

本集團主要於香港及中國從事銷售、推銷及分銷保健產品及美容補品及產品、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。有關本集團主要活動之進一步詳情披露於附註42。

收益指銷售保健產品及美容補品及產品、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。

收益分拆

按主要產品或服務類別、客戶地理位置及收益確認時間劃分的來自與客戶合約之收益分拆詳情如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Revenue from contracts with customers within the scope of HKFRS 15:	於香港財務報告準則第15號範疇內來自與客戶合約的收益：		
Health and beauty supplements and products	保健及美容補品及產品	312,728	250,797
Online advertising agency business	線上廣告代理業務	11,535	9,447
Online payment business	線上支付業務	14,922	1,751
E-commerce promotion business	電子商務推廣業務	7,487	1,724
Game distribution business	遊戲發行業務	46,815	732
		393,487	264,451
Disaggregated by geographical locations of customers:	按客戶所在地理位置劃分：		
Hong Kong (place of domicile)	香港(註冊地點)	379,460	263,730
The PRC	中國	6,328	606
Singapore	新加坡	7,366	-
Taiwan	台灣	29	115
Others	其他	304	-
		393,487	264,451
Timing of revenue recognition:	收益確認時間：		
Point in time	按時間點	384,349	262,492
Over time	隨時間逐步	9,138	1,959
		393,487	264,451

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6. REVENUE (CONTINUED)

The Group has initially applied HKFRS 15 using the cumulative effect method. Under this method, the comparative information is not restated and was prepared in accordance with HKAS 18.

6. 收益(續)

本集團使用累計影響法初步應用香港財務報告準則第15號。根據該方法，比較資料未予重列，而根據香港會計準則第18號予以編製。

7. OTHER REVENUE AND OTHER NET INCOME/(LOSS)

7. 其他收益及其他收入／(虧損)淨額

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Other revenue	其他收益		
Bank interest income	銀行利息收入	20	21
Total interest income on financial assets measured at amortised cost	按攤銷成本計量的 財務資產的利息收入總額	20	21
Marketing service income	推廣服務收入	2,892	176
Sundry income	雜項收入	1,678	931
		4,590	1,128
Other net income/(loss)	其他收入／(虧損)淨額		
Net gain on disposal of subsidiaries	出售附屬公司的收益淨額	4,090	-
Net loss on disposal of property, plant and equipment	出售物業、廠房及設備的 虧損淨額	(1,256)	(169)
Net exchange gain/(loss)	匯兌收益／(虧損)淨額	60	(394)
		2,894	(563)
		7,484	565

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8. LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging/(crediting) the followings:

8. 除稅前虧損

除稅前虧損乃經扣除/(計入)以下各項後得出：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 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))	142,440	84,160
Contributions to defined contribution retirement plans	定額供款退休計劃供款	4,076	2,968
Equity-settled share-based payments	以股權結算以股份支付之開支	37,007	29,290
		183,523	116,418
(b) Other items:	(b) 其他項目：		
Auditors' remuneration	核數師酬金	1,645	1,431
Cost of inventories (note 20(b))	存貨成本(附註20(b))	116,636	76,155
Depreciation on property, plant and equipment	物業、廠房及設備折舊	8,785	6,950
Amortisation of intangible assets	無形資產攤銷	7,203	6,102
Operating lease charges: minimum lease payments	經營租賃開支：最低租金	8,361	5,265
Research and development costs (other than amortisation costs)	研發成本 (攤銷成本除外)	4,543	3,396
Rent for special designated counters	特別指定櫃位租金	52,860	37,922
Rental income from an investment property less direct outgoings of HK\$8,000 (2018: Nil)	來自一項投資物業的租金收 入減直接開支8,000港元 (二零一八年：無)	(72)	-
Impairment loss on trade receivables	應收賬款減值虧損	1,875	-
Legal and professional fee	法律及專業費用	8,978	14,867
(c) Finance costs:	(c) 融資成本：		
Interest on bank borrowings	銀行借款利息	846	1,283
Interest on other borrowings	其他借款利息	1,482	165
Interest on liability component of convertible bonds measured at amortised cost	按攤銷成本計量的可換股 債券負債部分的利息	1,667	-
Interest on promissory notes payable measured at amortised cost	按攤銷成本計量的應付 承兌票據的利息	1,520	-
Total interest expenses on financial liabilities not at FVTPL	並非按公平值計入損益的 財務負債的利息開支總額	5,515	1,448
Interest on convertible bonds designated at FVTPL	指定按公平值計入損益的 可換股債券的利息	15,240	7,126
Interest on promissory notes payable designated at FVTPL	指定按公平值計入損益的 應付承兌票據的利息	213	-
		20,968	8,574

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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 2019

	Fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Equity-settled share-based payments	Retirement scheme contributions	Total
	袍金	薪金、津貼及實物福利	酌情花紅	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	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元
				(note ix) (附註ix)		
Chairman, chief executive officer and executive director						
Mr. Chan Yan Tak (Note i)	-	3,600	5,450	-	18	9,068
Executive directors						
Mr. Lee Chi Hang, Sidney	-	1,380	1,110	2,291	18	4,799
Mr. Wong Ping Yiu (Note ii)	-	77	-	-	2	79
Mr. Wang Xihua	-	1,308	3,700	1,561	18	6,587
Mr. Lai Wei Lam, William	-	965	690	1,561	18	3,234
Mr. Liao Zhe (Note vii)	-	1,262	-	5,783	6	7,051
Independent non-executive directors						
Ms. Szeto Wai Ling, Virginia	240	-	-	603	-	843
Mr. Leung Winson Kwan Yau	240	-	-	603	-	843
Mr. Tam Kin Yip	240	-	-	603	-	843
Mr. Leung Man Loon	240	-	-	603	-	843
	960	8,592	10,950	13,608	80	34,190

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：

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9. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S EMOLUMENTS (CONTINUED)

For the year ended 31 March 2018

9. 董事及行政總裁酬金(續)

截至二零一八年三月三十一日止年度

		Salaries, allowances and benefits in kind 薪金、津貼及 實物福利	Equity-settled share-based payments 以股權結算以 股份支付之開支 (note ix) (附註ix)	Retirement scheme contributions 退休計劃 供款	Total 總計
	Fees 袍金	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<i>Chairman, chief executive officer and executive director</i>	<i>主席、行政總裁兼執行董事</i>				
Mr. Chan Yan Tak	陳恩德先生	-	2,850	18	2,868
<i>Executive directors</i>	<i>執行董事</i>				
Mr. Wong Mau Tai (Note iii)	黃茂泰先生(附註iii)	-	109	2	111
Mr. Lim Ming Shing, Tony (Note iv)	林銘誠先生(附註iv)	-	392	8	400
Mr. Lee Chi Hang, Sidney	李志恒先生	-	1,300	1,238	2,556
Mr. Wong Ping Yiu (Note ii)	黃平耀先生(附註ii)	-	890	825	1,733
Mr. Wang Xihua	王西華先生	-	1,270	825	2,113
Mr. Lai Wei Lam, William (Note v)	賴偉林先生(附註v)	-	860	825	1,704
Mr. So Kevin Hoi Chak (Note vi)	蘇凱澤先生(附註vi)	-	540	825	1,371
Mr. Liao Zhe (Note vii)	廖喆先生(附註vii)	-	1,223	4,126	5,351
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>				
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 viii)	梁文龍先生(附註viii)	133	-	413	546
		853	9,434	10,316	20,712

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9. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S EMOLUMENTS (CONTINUED)

Notes:

- (i) Mr. Chan Yan Tak resigned as the chairman of the Board, an executive director and the chief executive officer with effect from 1 April 2019. Mr. Chan is honored with the title of Honorary Chairman of the Company with effect from 1 April 2019.
- (ii) Mr. Wong Ping Yiu resigned as executive director of the Company on 4 May 2018.
- (iii) Mr. Wong Mau Tai retired as the executive director of the Company on 5 April 2017.
- (iv) Mr. Lim Ming Shing, Tony retired as the executive director of the Company on 31 August 2017.
- (v) Mr. Lai Wei Lam, William was appointed as the executive director of the Company on 1 July 2017.
- (vi) Mr. So Kevin Hoi Chak was appointed as the executive director of the Company on 11 September 2017 and resigned on 13 February 2018.
- (vii) Mr. Liao Zhe was appointed as the executive director of the Company on 10 October 2017 and resigned on 4 October 2018.
- (viii) Mr. Leung Man Loon was appointed as the independent non-executive director on 11 September 2017.
- (ix) 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(w)(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 40.

During the years ended 31 March 2018 and 2019, 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) 陳恩德先生辭任董事會主席、執行董事兼行政總裁，自二零一九年四月一日起生效。陳先生獲頒授本公司「榮譽主席」之職銜，自二零一九年四月一日起生效。
- (ii) 黃平耀先生於二零一八年五月四日辭任本公司執行董事。
- (iii) 黃茂泰先生於二零一七年四月五日退任本公司執行董事。
- (iv) 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。
- (v) 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。
- (vi) 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。
- (vii) 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並於二零一八年十月四日辭任。
- (viii) 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。
- (ix) 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(w)(ii)所列本集團有關於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40。

截至二零一八年及二零一九年三月三十一日止年度，本公司董事概無放棄任何酬金，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

Of the five individuals with the highest emoluments, two (2018: three) are the directors whose emoluments are disclosed in note 9, one (2018: Nil) is an ex-director whose emoluments for the time being the director of the Company are disclosed in note 9. The aggregate of the emoluments in respect of the ex-director, Mr. Liao Zhe, after 4 October 2018 and other two (2018: two) individuals are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Salaries and other emoluments	薪金及其他酬金	5,732	1,935
Discretionary bonuses	酌情花紅	4,560	–
Equity-settled share-based payments	以股權結算以股份支付之開支	6,322	5,161
Contributions to retirement benefits schemes	退休福利計劃供款	43	28
		16,657	7,124

The emoluments of individuals other than directors (including an ex-director of the Company) with the highest emoluments are within the following bands:

		2019 二零一九年 Number of individuals 人數	2018 二零一八年 Number of individuals 人數
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
HK\$6,000,001 up to HK\$6,500,000	6,000,001港元至6,500,000港元	1	–
HK\$8,000,001 up to HK\$8,500,000	8,000,001港元至8,500,000港元	1	–
HK\$9,000,001 up to HK\$9,500,000	9,000,001港元至9,500,000港元	1	–

During the years ended 31 March 2018 and 2019, 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.

10. 最高薪人士

於五名最高薪人士中，兩名(二零一八年：三名)為董事，其酬金於附註9披露，一名(二零一八年：無)為前任董事，其當時擔任本公司董事的酬金於附註9披露。有關前任董事廖喆先生(於二零一八年十月四日後)及其他兩名(二零一八年：兩名)人士的酬金總額如下：

最高薪人士(不包括董事(包括本公司前任董事))的酬金介乎下列組別：

截至二零一八年及二零一九年三月三十一日止年度，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。

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11. TAXATION

Income tax in the consolidated statement of profit or loss represents:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Current tax	即期稅項		
Hong Kong Profits Tax	香港利得稅	9,873	3,743
Underprovision/(overprovision) in respect of prior years	過往年度撥備不足/(超額撥備)		
Hong Kong Profits Tax	香港利得稅	57	-
PRC EIT	中國企業所得稅	289	(107)
Deferred tax (note 32(a))	遞延稅項(附註32(a))		
Reversal of temporary differences	暫時差額的撥回	(1)	(944)
		10,218	2,692

The Group is subjected to Hong Kong Profits Tax at a rate of 16.5% (2018: 16.5%) for the year ended 31 March 2019.

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of assessable profits of qualifying corporations will be taxed at 8.25%, and the assessable profits above HK\$2,000,000 will be taxed at 16.5%.

For the years ended 31 March 2018 and 2019, no provision for PRC EIT has been made in the consolidated financial statements as the Group has no assessable profits under EIT.

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 2018 and 2019.

11. 稅項

綜合損益表內的所得稅指：

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Current tax		
Hong Kong Profits Tax	9,873	3,743
Underprovision/(overprovision) in respect of prior years		
Hong Kong Profits Tax	57	-
PRC EIT	289	(107)
Deferred tax (note 32(a))		
Reversal of temporary differences	(1)	(944)
	10,218	2,692

截至二零一九年三月三十一日止年度，本集團須按16.5%（二零一八年：16.5%）的稅率繳納香港利得稅。

於二零一八年三月二十一日，香港立法會通過《二零一七年稅務（修訂）（第7號）條例草案》（「條例草案」），引入利得稅兩級制。條例草案於二零一八年三月二十八日簽署成為法律，並於次日刊登憲報。根據利得稅兩級制，合資格企業的首2,000,000港元應課稅溢利將按8.25%繳稅，而超過2,000,000港元的應課稅溢利將按16.5%繳稅。

截至二零一八年及二零一九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撥備，原因為本集團並無企業所得稅應課稅溢利。

由於本集團於截至二零一八年及二零一九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 at the applicable tax rates:

11. 稅項(續)

稅項開支與按適用稅率計算的會計虧損的對賬如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Loss before taxation	除稅前虧損	(493)	(142,056)
Notional tax on loss before taxation, calculated at the rates applicable to profits or losses in the tax jurisdictions concerned	除稅前虧損的理論稅項，按溢利或虧損在被考慮的司法權區的適用稅率計算	(753)	(24,042)
Tax effect on non-taxable income	毋須課稅收入的稅務影響	(704)	(124)
Tax effect on non-deductible expenses	不可扣稅開支的稅務影響	5,646	22,964
Tax effect on share of profit of an associate	應佔聯營公司溢利的稅務影響	(561)	-
Tax effect of tax losses not recognised	未確認稅項虧損的稅務影響	6,867	3,767
Tax effect of temporary differences recognised	已確認暫時差額的稅務影響	195	432
Special tax deduction	特殊稅務寬減	(184)	(178)
Underprovision/(overprovision) in respect of prior years	過往年度撥備不足／(超額撥備)	346	(107)
Utilisation of tax losses not previously recognised	動用過往未確認稅項虧損	(495)	(285)
Others	其他	(139)	265
Actual tax expense	實際稅項支出	10,218	2,692

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12. DIVIDENDS

The Board does not recommend the payment of any dividend for the years ended 31 March 2018 and 2019.

13. LOSS PER SHARE

(a) Basic loss per share

Basic loss per share is calculated by dividing the loss for the year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Loss	虧損		
Loss for the year attributable to owners of the Company	本公司擁有人應佔年內虧損	(4,344)	(139,217)
		2019 二零一九年	2018 二零一八年
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic loss per share (Note)	用以計算每股基本虧損之普通股加權平均數(附註)	2,123,002,150	2,114,635,675

Note: For the year ended 31 March 2018, the weighted average number of ordinary shares for the purpose of basic loss per share have been adjusted to reflect the share subdivision on 5 December 2017 (the "Share Subdivision").

附註：截至二零一八年三月三十一日止年度，用以計算每股基本虧損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」）。

(b) Diluted loss per share

For the year ended 31 March 2019, the diluted loss per share is the same as the basic loss per share because the effect of deemed issue of shares of certain outstanding share options and convertible bonds of the Company would result in a decrease in loss per share for the year.

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.

12. 股息

董事會不建議就截至二零一八年及二零一九年三月三十一日止年度派付任何股息。

13. 每股虧損

(a) 每股基本虧損

每股基本虧損乃按本公司擁有人應佔年內虧損除以年內已發行普通股加權平均數計算。

(b) 每股攤薄虧損

截至二零一九年三月三十一日止年度，每股攤薄虧損與每股基本虧損相同，原因是本公司若干尚未行使購股權及可換股債券被視為發行股份的影響將導致年內每股虧損減少。

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，原因是其行使將導致每股虧損減少。

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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 2017	於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 and 1 April 2018	於二零一八年三月三十一日及 二零一八年四月一日	114,598	12,670	3,164	9,323	3,944	143,699
Additions through acquisition of subsidiaries	透過收購附屬公司的添置	-	187	-	81	-	268
Additions	添置	-	411	385	4,157	1,077	6,030
Disposals	出售	-	(1,552)	-	(484)	-	(2,036)
Disposal of a subsidiary (note 37(a))	出售一間附屬公司(附註37(a))	(26,834)	-	-	-	-	(26,834)
Exchange adjustments	匯兌調整	-	(44)	-	(7)	-	(51)
At 31 March 2019	於二零一九年三月三十一日	87,764	11,672	3,549	13,070	5,021	121,076
Accumulated depreciation and impairment loss	累計折舊及減值虧損						
At 1 April 2017	於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 and 1 April 2018	於二零一八年三月三十一日及 二零一八年四月一日	8,237	5,875	1,973	3,849	2,093	22,027
Charge for the year	年內支出	3,088	2,065	654	2,094	884	8,785
Written back on disposals	出售時撥回	-	(543)	-	(141)	-	(684)
Written back on disposal of a subsidiary (note 37(a))	出售一間附屬公司時撥回 (附註37(a))	(808)	-	-	-	-	(808)
Exchange adjustments	匯兌調整	-	(6)	-	(2)	-	(8)
At 31 March 2019	於二零一九年三月三十一日	10,517	7,391	2,627	5,800	2,977	29,312
Carrying amount	賬面值						
At 31 March 2019	於二零一九年三月三十一日	77,247	4,281	922	7,270	2,044	91,764
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

As at 31 March 2019, the Group has pledged its leasehold land and buildings held for own use with carrying amount of HK\$77,247,000 (2018: HK\$41,785,000) to a bank to secure banking facilities granted to the Group (note 26).

於二零一九年三月三十一日，本集團已抵押其持作自用的租賃土地及樓宇(賬面值為77,247,000港元(二零一八年：41,785,000港元))予一家銀行，作為本集團獲授銀行融資的抵押品(附註26)。

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16. INVESTMENT PROPERTY

16. 投資物業

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At fair value	按公平值列賬		
At the beginning of the year	於年初	-	-
Additions through acquisition of a subsidiary during the year (note 36)	年內透過收購一間附屬公司的添置(附註36)	7,378	-
Fair value change	公平值變動	752	-
At the end of the year	於年末	8,130	-

Fair value measurement of investment property

(a) Fair value hierarchy

The following table presents the fair value of the Group's investment property 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.

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.

投資物業公平值計量

(a) 公平值層級

下表呈列本集團投資物業之公平值，該等投資物業於報告期末按經常性基準計量，並分類為香港財務報告準則第13號公平值計量所界定之三級公平值架構。將公平值計量分類之層級乃經參考如下估值方法所用數據之可觀察性及重要性後釐定：

第一級估值：僅使用第一級輸入數據(即於計量日同等資產或負債於活躍市場之未經調整報價)計量之公平值。

第二級估值：使用第二級輸入數據(即未能達到第一級之可觀察輸入數據)且並未使用重大不可觀察輸入數據計量之公平值。不可觀察輸入數據為無市場數據之輸入數據。

第三級估值：使用重大不可觀察輸入數據計量之公平值。

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16. INVESTMENT PROPERTY (CONTINUED)

Fair value measurement of investment property (Continued)

(a) Fair value hierarchy (Continued)

		Fair value at 31 March 2019 於二零一九年 三月三十一日 的公平值 HK\$'000 千港元	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
Recurring fair value measurement	經常性公平值計量				
Investment property:	投資物業：				
- Shop premise - Hong Kong	- 商舖 - 香港	8,130	-	-	8,130

During the year ended 31 March 2019, there were no transfers between Level 1 and Level 2, or transfer into or out of Level 3 (2018: Not applicable). 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.

The investment property of the Group was revalued as at 31 March 2019. The valuation was carried out by an independent firm of surveyors who have amongst their staff members of the Hong Kong Institute of Surveyors with recent experience in the location and category of properties being valued. The management of the Group has discussions with the surveyors on the valuation assumptions and valuation results when the valuation is performed at each interim and annual reporting date.

16. 投資物業(續)

投資物業公平值計量(續)

(a) 公平值層級(續)

Fair value measurements at
31 March 2019 categorised into
於二零一九年三月三十一日按以下分類
的公平值計量

於截至二零一九年三月三十一日止年度，第一級與第二級之間並無轉移，亦無第三級轉入或轉出之情況(二零一八年：不適用)。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之轉移。

本集團投資物業於二零一九年三月三十一日進行重估。估值乃由獨立測量師行進行，該公司部分員工為香港測量師學會會員，對所估物業的所在地和所屬類別具有近期估值經驗。於各中期及年度報告當日進行估值時，本集團管理層已與測量師討論估值假設及估值結果。

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16. INVESTMENT PROPERTY (CONTINUED)

Fair value measurement of investment property (Continued)

(b) Information about Level 3 fair value measurements

16. 投資物業(續)

投資物業公平值計量(續)

(b) 有關第三級公平值計量之資料

	Valuation technique and key inputs	Significant unobservable inputs	Relationship of unobservable inputs to fair value
	估值方法及主要輸入數據	重大不可觀察輸入數據	不可觀察輸入數據與公平值之關係
Investment property in Hong Kong 於香港之投資物業			
- Shop premise	Direct comparison method assuming sale in its existing state and by making reference of similar nature properties as available in the relevant market.	Price per square foot, using market direct comparables and taking into account location and other individual factors such as location, time, frontage, building age, size, floor levels and layout, etc., which is ranging from HK\$111,000 to HK\$165,000.	A significant increase in the market transaction prices used would result in a significant increase in fair value, and vice versa.
- 商舖	The key input is: Price per square foot. 直接比較法，假設以其現況出售並參考相關市場上可獲得之類似性質物業。 主要輸入數據為： 每平方呎價格。	每平方呎價格介乎111,000港元至165,000港元，採用市場直接可資比較數據，並計及位置及其他個別因素，如位置、時間、臨街地界、樓齡、大小、樓層及佈局等。	市場交易價格大幅增加將導致公平值大幅增加，反之亦然。

The movements during the year in the balance of these Level 3 fair value measurements are as follows:

年內第三級公平值計量結餘的變動如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Investment property – shop premise – Hong Kong	投資物業 – 商舖 – 香港		
At the beginning of the year	於年初	–	–
Additions through acquisition of a subsidiary during the year (note 36)	年內透過收購一間附屬公司的添置(附註36)	7,378	–
Fair value change	公平值變動	752	–
At the end of the year	於年末	8,130	–

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17. INTANGIBLE ASSETS

17. 無形資產

		Product			Sales			Total
		Club membership	development rights	Licensing agreements	Brand name	distribution channel	Customer relationship	
		俱樂部會籍	產品開發權	許可權協議	品牌名稱	銷售分銷渠道	客戶關係	總計
		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
				(Notes i, ii)				
				(附註i、ii)				
Cost	成本							
At 1 April 2017	於二零一七年四月一日	2,200	1,000	-	-	-	-	3,200
Additions through acquisition of subsidiaries (note 35)	透過收購附屬公司的添置 (附註35)	-	-	206,758	-	-	2,758	209,516
At 31 March 2018 and 1 April 2018	於二零一八年三月三十一日及 二零一八年四月一日	2,200	1,000	206,758	-	-	2,758	212,716
Additions through acquisition of subsidiaries (note 35)	透過收購附屬公司的添置 (附註35)	-	-	-	6,560	6,179	-	12,739
At 31 March 2019	於二零一九年三月三十一日	2,200	1,000	206,758	6,560	6,179	2,758	225,455
Accumulated amortisation	累計攤銷							
At 1 April 2017	於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 and 1 April 2018	於二零一八年三月三十一日及 二零一八年四月一日	-	591	5,809	-	-	150	6,550
Charge for the year	年內支出	-	143	5,781	374	352	553	7,203
At 31 March 2019	於二零一九年三月三十一日	-	734	11,590	374	352	703	13,753
Carrying amount	賬面值							
At 31 March 2019	於二零一九年三月三十一日	2,200	266	195,168	6,186	5,827	2,055	211,702
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

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17. INTANGIBLE ASSETS (CONTINUED)

Notes:

- (i) Licensing agreement for acting as exclusive and sole advertising agent

On 11 March 2019, the contracted period of the licensing agreement 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 was extended from 6 years to 15 years. As a result, the Group changed the estimated useful lives of such licensing agreement from 6 years to 15 years, which could more accurately and appropriately reflect the changes in the Group's expected consumption pattern of economic benefits embodied in this asset.

The change in accounting estimates are implemented with effect from 11 March 2019. Effect of changes in useful lives is estimated to decrease amortisation expense by HK\$244,000 for the year ended 31 March 2019. The effect of such changes in useful lives represents a temporary difference, therefore it does not have any effect on the total amortisation expenses of the asset during the asset's life.

- (ii) Licensing agreement for operation of online payment business

The management of the Group have assessed the probability of termination or non-renewal of the licensing agreement due to the occurrence of any non-performance events and considered that the probability of occurrence of such events is remote and the licensing agreement is expected to generate net cash inflows for the Group with no foreseeable limit. As a result, the licensing agreement is considered by the management of the Group as having an indefinite useful life because they are expected to contribute net cash inflows to the Group indefinitely. The licensing agreement has been tested for impairment annually and whenever there is an indication that they may be impaired.

Particulars of the impairment testing of the licensing agreements, brand name, sales distribution channel and customer relationship are set out in note 18.

17. 無形資產(續)

附註：

- (i) 擔任獨家及唯一廣告代理之許可權協議

於二零一九年三月十一日，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許可權協議的合約期由6年延長至15年。因此本集團將該許可權協議的估計可用年期由6年變更為15年，此舉可更準確及適當地反映本集團於該資產所包含之經濟利益預期消耗模式之變動。

會計估計變動自二零一九年三月十一日開始執行。因可用年期變動，截至二零一九年三月三十一日止年度的攤銷開支評估減少244,000港元。由於可用年期的變動屬時間性差異，因此其不會影響該資產在其可用年期內的攤銷開支總額。

- (ii) 經營線上支付業務之許可權協議

本集團管理層已評估因發生任何不履約時間而終止或不重續許可權協議之可能性，並認為發生有關事件之可能性甚微及許可權協議預期為本集團並無可見限度之產生現金流量淨額。因此，本集團管理層認為許可權協議具有無限可使用年期，原因是許可權協議預期無限期為本集團貢獻現金流入淨額。每年及於出現可能減值跡象時對許可權協議進行減值測試。

許可權協議、品牌名稱、銷售分銷渠道及客戶關係之減值測試詳情載於附註18。

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18. GOODWILL

18. 商譽

		HK\$'000 千港元
Cost and net carrying amount	成本及賬面淨值	
At 1 April 2017	於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 and 1 April 2018	於二零一八年三月三十一日 及二零一八年四月一日	177,496
Acquisition of H365 Health Products Limited, CJ Pharmaceutical Limited and CV Virtue Limited (collectively known as “ H365 Group ”)	收購健康365保健產品有限公司、 恆諾藥業有限公司及真如有限公司 (統稱「 健康365集團 」)	22,383
At 31 March 2019	於二零一九年三月三十一日	199,879

Goodwill has been allocated for impairment testing purposes to the following CGUs:

商譽已獲分配至以下現金產生單位以進行減值測試：

— Online advertising agency business (“ Division A ”)	— 線上廣告代理業務(「 分部A 」)
— Online payment business (“ Division B ”)	— 線上支付業務(「 分部B 」)
— E-commerce promotion business (“ Division C ”)	— 電子商務推廣業務(「 分部C 」)
— Game distribution business (“ Division D ”)	— 遊戲發行業務(「 分部D 」)
— Sales of healthcare products under H365 Group (“ Division E ”)	— 銷售健康365集團的保健產品(「 分部E 」)

The basis of the recoverable amounts of the above CGUs and their major underlying assumptions are summarised below.

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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18. GOODWILL (CONTINUED)

Division A

For the impairment testing, goodwill arising from acquisition of Star Root and licensing agreement for acting as exclusive and sole advertising agent classified as “intangible assets” are allocated to the Group’s CGU A.

The recoverable amount of the CGU of online advertising agency business has been determined by reference to business valuation performed by an independent professionally qualified valuer on a value in use calculation using cash flow projections which are based on financial forecast approved by the senior management covering a period of five years, and at a pre-tax discount rate of 17.8% (2018: 17.9%). Cash flows after the five-year period were extrapolated using 3% (2018: 3%) growth rate in considering the economic condition of the market. As at 31 March 2019, if the pre-tax discount rate had been increased/decreased by 1% and all other variables were held constant, the recoverable amount of CGU A would decrease by HK\$3,748,000 or increase by HK\$4,300,000. Neither the increase nor decrease in the pre-tax discount rate would cause the carrying amount exceed the recoverable amount of CGU A.

The following describes each key assumption on which the management has based its cash flow projections to undertake impairment testing of goodwill:

- (i) **Budgeted turnover**
The budgeted turnover is based on the projected revenue generated from the online advertising agency business.
- (ii) **Budgeted gross margin**
The basis used to determine the value assigned to the budgeted gross margins is the average gross margins achieved in the year immediately before the budget year, having adjusted for expected market development.
- (iii) **Discount rate**
The discount rates used are before tax and reflect specific risks relating to the online advertising agency business.
- (iv) **Business environment**
There have been no major changes in the existing political, legal and economic conditions in Hong Kong.

Based on the results of the impairment testing performed by comparing the aforesaid aggregate carrying amount with the value in use of CGU, the management determined that the recoverable amount of the CGU is estimated to be more than the aggregate carrying amounts of net assets directly attributable to the CGU, goodwill and licensing agreement for acting as exclusive and sole advertising agent. No impairment losses in respect of goodwill and intangible assets of CGU A (2018: Nil) are recognised in profit or loss during the year ended 31 March 2019.

18. 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」之擔任獨家及唯一廣告代理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經參照獨立合資格專業估值師進行之業務估值後，使用現金流量預測並按使用價值計算釐定，而現金流量預測乃根據高級管理層批准覆蓋五年期間之財政預算，且按稅前貼現率17.8%（二零一八年：17.9%）計算。五年期間後之現金流量乃經考慮市場經濟狀況，按3%（二零一八年：3%）增長率推算。於二零一九年三月三十一日，倘稅前貼現率上升／下跌1%且所有其他變數維持不變，現金產生單位A之可收回金額將減少3,748,000港元或增加4,300,000港元。稅前貼現率增加或減少均不會導致賬面值超過現金產生單位A的可收回金額。

管理層為進行商譽減值測試而預測現金流量所依據之各項主要假設如下：

- (i) **預計營業額**
預計營業額乃基於線上廣告代理業務產生之預計收益計算。
- (ii) **預計毛利率**
用以釐定預計毛利率價值之基準為緊接預算年度之前一年所取得的平均毛利率，因預期市場發展而有所調整。
- (iii) **貼現率**
所用貼現率為稅前貼現率，並反映有關線上廣告代理業務之特定風險。
- (iv) **商業環境**
香港現有政治、法律及經濟狀況並無重大變動。

根據比較現金產生單位之上述總賬面值與使用價值進行減值測試之結果，管理層釐定現金產生單位之可收回金額估計高於直接歸屬於現金產生單位、商譽及擔任獨家及唯一廣告代理之許可權協議的資產淨值之總賬面值。於截至二零一九年三月三十一日止年度概無於損益內確認現金產生單位A之商譽及無形資產之減值虧損（二零一八年：無）。

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18. GOODWILL (CONTINUED)

Division B

For the impairment testing, goodwill arising from acquisition of Empire Access and licensing agreement for operation of online payment business classified as “intangible assets” are allocated to the Group’s CGU B.

The recoverable amount of the CGU of online payment business has been determined by reference to business valuation performed by an independent professionally qualified valuer on a value in use calculation using cash flow projections which are based on financial forecast approved by the senior management covering a period of five years, and at a pre-tax discount rate of 17.5% (2018: 16.8%). Cash flows after the five-year period were extrapolated using 3% (2018: 3%) growth rate in considering the economic condition of the market. As at 31 March 2019, if the pre-tax discount rate had been increased/decreased by 1% and all other variables were held constant, the recoverable amount of CGU B would decrease by HK\$18,774,000 or increase by HK\$21,624,000. Neither the increase nor decrease in the pre-tax discount rate would cause the carrying amount exceed the recoverable amount of CGU B.

The following describes each key assumption on which the management has based its cash flow projections to undertake impairment testing of goodwill:

(i) **Budgeted turnover**

The budgeted turnover is based on the projected revenue generated from the online payment business.

(ii) **Budgeted gross margin**

The basis used to determine the value assigned to the budgeted gross margins is the average gross margins achieved in the year immediately before the budget year, having adjusted for expected market development.

(iii) **Discount rate**

The discount rates used are before tax and reflect specific risks relating to the online payment business.

(iv) **Business environment**

There have been no major changes in the existing political, legal and economic conditions in Hong Kong.

Based on the results of the impairment testing performed by comparing the aforesaid aggregate carrying amount with the value in use of the CGU, the management determined that the recoverable amount of the CGU is estimated to be more than the aggregate carrying amounts of net assets directly attributable to the CGU, goodwill and licensing agreement for operation of online payment business. No impairment losses in respect of goodwill and intangible assets of CGU B (2018: Nil) are recognised in profit or loss during the year ended 31 March 2019.

18. 商譽(續)

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」之經營線上支付業務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經參照獨立合資格專業估值師進行之業務估值後，使用現金流量預測並按使用價值計算釐定，而現金流量預測乃根據高級管理層批准覆蓋五年期間之財政預算，且按稅前貼現率17.5%（二零一八年：16.8%）計算。五年期間後之現金流量乃經考慮市場經濟狀況，按3%（二零一八年：3%）增長率推算。於二零一九年三月三十一日，倘稅前貼現率上升／下跌1%且所有其他變數維持不變，現金產生單位B之可收回金額將減少18,774,000港元或增加21,624,000港元。稅前貼現率增加或減少均不會導致賬面值超過現金產生單位B之可收回金額。

管理層為進行商譽減值測試而預測現金流量所依據之各項主要假設如下：

(i) **預計營業額**

預計營業額乃基於線上支付業務產生之預計收益計算。

(ii) **預計毛利率**

用以釐定預計毛利率價值之基準為緊接預算年度之前一年所取得的平均毛利率，因預期市場發展而有所調整。

(iii) **貼現率**

所用貼現率為稅前貼現率，並反映有關線上支付業務之特定風險。

(iv) **商業環境**

香港現有政治、法律及經濟狀況並無重大變動。

根據比較現金產生單位之上述總賬面值與使用價值進行減值測試之結果，管理層釐定現金產生單位之可收回金額估計高於直接歸屬於現金產生單位、商譽及許可權協議之資產淨值之總賬面值。於截至二零一九年三月三十一日止年度概無於損益內確認現金產生單位B之商譽及無形資產之減值虧損（二零一八年：無）。

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18. 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 has been determined by reference to business valuation performed by an independent professionally qualified valuer on a value in use calculation using cash flow projections which are based on financial forecast approved by the senior management covering a period of five years, and at a pre-tax discount rate of 18.2% (2018: 18.5%). Cash flows after the five-year period were extrapolated using 3% (2018: 3%) growth rate in considering the economic condition of the market. As at 31 March 2019, if the pre-tax discount rate had been increased/decreased by 1% and all other variables were held constant, the recoverable amount of CGU C would decrease by HK\$1,321,000 or increase by HK\$1,510,000. Neither the increase nor decrease in the pre-tax discount rate would cause the carrying amount exceed the recoverable amount of CGU C.

The following describes each key assumption on which the management has based its cash flow projections to undertake impairment testing of goodwill:

- (i) **Budgeted turnover**
The budgeted turnover is based on the projected revenue generated from the e-commerce promotion business.
- (ii) **Budgeted gross margin**
The basis used to determine the value assigned to the budgeted gross margins is the average gross margins achieved in the year immediately before the budget year, having adjusted for expected market development.
- (iii) **Discount rate**
The discount rates used are before tax and reflect specific risks relating to the e-commerce promotion business.
- (iv) **Business environment**
There have been no major changes in the existing political, legal and economic conditions in Hong Kong.

Based on the results of the impairment testing performed by comparing the aforesaid aggregate carrying amount with the value in use of the CGU, the management determined that the recoverable amount of the CGU is estimated to be more than the aggregate carrying amounts of net assets directly attributable to the CGU, goodwill and customer relationship. No impairment losses in respect of goodwill and intangible assets of CGU C (2018: Nil) are recognised in profit or loss during the year ended 31 March 2019.

18. 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經參照獨立合資格專業估值師進行之業務估值後，使用現金流量預測並按使用價值計算釐定，而現金流量預測乃根據高級管理層批准覆蓋五年期間之財政預算，且按稅前貼現率18.2%（二零一八年：18.5%）計算。五年期間後之現金流量乃經考慮市場經濟狀況，按3%（二零一八年：3%）增長率推算。於二零一九年三月三十一日，倘稅前貼現率上升／下跌1%且所有其他變數維持不變，現金產生單位C之可收回金額將減少1,321,000港元或增加1,510,000港元。稅前貼現率增加或減少均不會導致賬面值超過現金產生單位C的可收回金額。

管理層為進行商譽減值測試而預測現金流量所依據之各項主要假設如下：

- (i) **預計營業額**
預計營業額乃基於電子商務推廣業務產生之預計收益計算。
- (ii) **預計毛利率**
用以釐定預計毛利率價值之基準為緊接預算年度之前一年所取得的平均毛利率，因預期市場發展而有所調整。
- (iii) **貼現率**
所用貼現率為稅前貼現率，並反映有關電子商務推廣業務之特定風險。
- (iv) **商業環境**
香港現有政治、法律及經濟狀況並無重大變動。

根據比較現金產生單位之上述總賬面值與使用價值進行減值測試之結果，管理層釐定現金產生單位之可收回金額估計高於直接歸屬於現金產生單位、商譽及客戶關係的資產淨值之總賬面值。於截至二零一九年三月三十一日止年度概無於損益內確認現金產生單位C之商譽及無形資產之減值虧損（二零一八年：無）。

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18. GOODWILL (CONTINUED)

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 has been determined by reference to business valuation performed by an independent professionally qualified valuer on a value in use calculation using cash flow projections which are based on financial forecast approved by the senior management covering a period of three years, and at a pre-tax discount rate of 20.4% (2018: 21.2%). Cash flows after the three-year period were extrapolated using 3% (2018: 3%) growth rate in considering the economic condition of the market. As at 31 March 2019, if the pre-tax discount rate had been increased/decreased by 1% and all other variables were held constant, the recoverable amount of CGU D would decrease by HK\$2,171,000 nor increase by HK\$2,437,000. Neither the increase or decrease in the pre-tax discount rate would cause the carrying amount exceed the recoverable amount of CGU D.

The following describes each key assumption on which the management has based its cash flow projections to undertake impairment testing of goodwill:

(i) **Budgeted turnover**

The budgeted turnover is based on the projected revenue generated from the game distribution business.

(ii) **Budgeted gross margin**

The basis used to determine the value assigned to the budgeted gross margins is the average gross margins achieved in the year immediately before the budget year, having adjusted for expected market development.

(iii) **Discount rate**

The discount rates used are before tax and reflect specific risks relating to the game distribution business.

(iv) **Business environment**

There have been no major changes in the existing political, legal and economic conditions in Hong Kong.

Based on the results of the impairment testing performed by comparing the aforesaid aggregate carrying amount with the value in use of the CGU, the management determined that the recoverable amount of the CGU is estimated to be more than the aggregate carrying amounts of net assets directly attributable to the CGU and goodwill. No impairment losses in respect of goodwill of CGU D (2018: Nil) is recognised in profit or loss during the year ended 31 March 2019.

18. 商譽(續)

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經參照獨立合資格專業估值師進行之業務估值後，使用現金流量預測並按使用價值計算釐定，而現金流量預測乃根據高級管理層批准覆蓋三年期間之財政預算，且按稅前貼現率20.4%（二零一八年：21.2%）計算。三年期間後之現金流量乃經考慮市場經濟狀況，按3%（二零一八年：3%）增長率推算。於二零一九年三月三十一日，倘稅前貼現率上升/下跌1%且所有其他變數維持不變，現金產生單位D之可收回金額將減少2,171,000港元或增加2,437,000港元。稅前貼現率增加或減少均不會導致賬面值超過現金產生單位D的可收回金額。

管理層為進行商譽減值測試而預測現金流量所依據之各項主要假設如下：

(i) **預計營業額**

預計營業額乃基於遊戲發行業務產生之預計收益計算。

(ii) **預計毛利率**

用以釐定預計毛利率價值之基準為緊接預算年度之前一年所取得的平均毛利率，因預期市場發展而有所調整。

(iii) **貼現率**

所用貼現率為稅前貼現率，並反映有關遊戲發行業務之特定風險。

(iv) **商業環境**

香港現有政治、法律及經濟狀況並無重大變動。

根據比較現金產生單位之上述總賬面值與使用價值進行減值測試之結果，管理層釐定現金產生單位之可收回金額估計高於直接歸屬於現金產生單位及商譽的資產淨值之總賬面值。於截至二零一九年三月三十一日止年度概無於損益內確認現金產生單位D之商譽之減值虧損（二零一八年：無）。

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18. GOODWILL (CONTINUED)

Division E

For the impairment testing, goodwill arising from acquisition of H365 Group and the brand name and the sales distribution channel classified as “intangible assets” are allocated to the Group’s CGU E.

The recoverable amount of the CGU of the sales of healthcare products under H365 Group has been determined by reference to business valuation performed by an independent professionally qualified valuer on a value in use calculation using cash flow projections which are based on financial forecast approved by the senior management covering a period of five years, and at a pre-tax discount rate of 13.0%. Cash flows after the five-year period were extrapolated using 3% growth rate in considering the economic condition of the market. As at 31 March 2019, if the pre-tax discount rate had been increased/decreased by 1% and all other variables were held constant, the recoverable amount of CGU E would decrease by HK\$4,249,000 or increase by HK\$5,205,000. Neither the increase nor decrease in the pre-tax discount rate would cause the carrying amount exceed the recoverable amount of CGU E.

The following describes each key assumption on which the management has based its cash flow projections to undertake impairment testing of goodwill:

- (i) **Budgeted turnover**
The budgeted turnover is based on the projected revenue generated from the sales of healthcare products under H365 Group.
- (ii) **Budgeted gross margin**
The basis used to determine the value assigned to the budgeted gross margins is the average gross margins achieved in the year immediately before the budget year, having adjusted for expected market development.
- (iii) **Discount rate**
The discount rates used are before tax and reflect specific risks relating to the sales of healthcare products under H365 Group.
- (iv) **Business environment**
There have been no major changes in the existing political, legal and economic conditions in Hong Kong.

Based on the results of the impairment testing performed by comparing the aforesaid aggregate carrying amount with the value in use of the CGU, the management determined that the recoverable amount of the CGU is estimated to be more than the aggregate carrying amounts of net assets directly attributable to the CGU, goodwill, brand name and sales distribution channel. No impairment losses in respect of goodwill and intangible assets of CGU E are recognised in profit or loss during the year ended 31 March 2019.

18. 商譽(續)

分部 E

就減值測試而言，收購健康365集團所得商譽以及分類為「無形資產」之品牌名稱及銷售分銷渠道獲分配至本集團之現金產生單位E。

銷售健康365集團的保健產品之現金產生單位之可收回金額乃經參照獨立合資格專業估值師進行之業務估值後，使用現金流量預測並按使用價值計算釐定，而現金流量預測乃根據高級管理層批准覆蓋五年期間之財政預算，且按稅前貼現率13.0%計算。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。於二零一九年三月三十一日，倘稅前貼現率上升/下跌1%且所有其他變數維持不變，現金產生單位E之可收回金額將減少4,249,000港元或增加5,205,000港元。稅前貼現率增加或減少均不會導致賬面值超過現金產生單位E的可收回金額。

管理層為進行商譽減值測試而預測現金流量所依據之各項主要假設如下：

- (i) **預計營業額**
預計營業額乃基於銷售健康365集團的保健產品產生之預計收益計算。
- (ii) **預計毛利率**
用以釐定預計毛利率價值之基準為緊接預算年度之前一年所取得的平均毛利率，因預期市場發展而有所調整。
- (iii) **貼現率**
所用貼現率為稅前貼現率，並反映有關銷售健康365集團的保健產品之特定風險。
- (iv) **商業環境**
香港現有政治、法律及經濟狀況並無重大變動。

根據比較現金產生單位之上述總賬面值與使用價值進行減值測試之結果，管理層釐定現金產生單位之可收回金額估計高於直接歸屬於現金產生單位、商譽、品牌名稱及銷售分銷渠道的資產淨值之總賬面值。於截至二零一九年三月三十一日止年度概無於損益內確認現金產生單位E之商譽及無形資產之減值虧損。

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19. INTEREST IN AN ASSOCIATE

19. 於一間聯營公司的權益

		2019	2018
		二零一九年	二零一八年
		HK\$'000	HK\$'000
		千港元	千港元
Cost of investment in an associate, unlisted	投資於聯營公司的成本，非上市	70,000	—
Share of post-acquisition profit	應佔收購後溢利	3,400	—
		73,400	—

On 10 May 2018, Shunten Entertainment (Asia) Limited, a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement with an independent third party vendor, pursuant to which the Group acquired 45% equity interest in Leader Shine International Limited (“**Leader Shine**”), a company incorporated in BVI with limited liability, at a cash consideration of HK\$70,000,000. Leader Shine and its wholly-owned subsidiary incorporated in Hong Kong, Royal Kaiser International Limited (collectively referred to as the “**Leader Shine Group**”) are principally engaged in the consignment sales of jewellery and precious metal ornaments. The transaction was completed on 23 May 2018.

於二零一八年五月十日，本公司之全資附屬公司Shunten Entertainment (Asia) Limited與一名獨立第三方賣方訂立買賣協議，根據該協議，本集團收購一間於英屬處女群島註冊成立之有限公司Leader Shine International Limited(「**Leader Shine**」)45%之權益，現金代價為70,000,000港元。Leader Shine及其於香港註冊成立之全資附屬公司皇家凱旋國際有限公司(統稱為「**Leader Shine集團**」)主要從事寄售珠寶及貴金屬首飾。此交易已於二零一八年五月二十三日完成。

Details of the Group’s associate at the end of the reporting period is as follows:

於報告期末，本集團之聯營公司詳情如下：

Name of entity	Place of incorporation	Principal place of business	Percentage of ownership interest	Principal activity
			attributable to the Group	
實體名稱	註冊成立地點	主要營業地點	本集團應佔所有者權益百分比	主要業務
Leader Shine	BVI	Hong Kong	45%	Investment holding
(「 Leader Shine 」)	英屬處女群島	香港	45%	投資控股

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19. INTEREST IN AN ASSOCIATE (CONTINUED)

Summarised financial information of the associate

Summarised financial information of the Leader Shine Group, adjusted for any differences in accounting policies, and reconciled to the carrying amounts in the consolidated financial statements, are disclosed below:

Leader Shine Group

19. 於一間聯營公司的權益(續)

聯營公司之財務資料概要

就會計政策上的任何差異作出調整，並已就綜合財務報表中的賬面值進行調節的Leader Shine集團財務資料概要披露如下：

Leader Shine 集團

		2019 二零一九年 HK\$'000 千港元
Gross amounts of the associate's	聯營公司總額	
Non-current assets	非流動資產	4,011
Current assets	流動資產	37,499
Current liabilities	流動負債	(22,662)
Revenue	收益	35,991
Profit for the period from acquisition date to 31 March 2019	自收購日期至二零一九年三月三十一日期間溢利	7,556
Other comprehensive income for the period from acquisition date to 31 March 2019	自收購日期至二零一九年三月三十一日期間其他全面收益	-
Total comprehensive income for the period from acquisition date to 31 March 2019	自收購日期至二零一九年三月三十一日期間全面收益總額	7,556
Group's share of profit of an associate for the year from the acquisition date	自收購日期起本集團年內應佔聯營公司溢利	3,400

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19. INTEREST IN AN ASSOCIATE (CONTINUED)

Summarised financial information of the associate (Continued)

Leader Shine Group (Continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in an associate recognised in the consolidated financial statements:

		2019 二零一九年 HK\$'000 千港元
Net assets of Leader Shine Group	Leader Shine集團之資產淨值	18,848
Proportion of the Group's ownership interest in Leader Shine Group	本集團於Leader Shine集團之所有者權益比例	45%
		8,482
Goodwill	商譽	64,918
		73,400
Impairment loss	減值虧損	-
Carrying amount of the Group's interest in Leader Shine Group	本集團於Leader Shine集團之權益之賬面值	73,400

The associate is accounted for using the equity method in the consolidated financial statements.

Profit guarantee

According to the sale and purchase agreement dated 10 May 2018, the vendor has provided a profit guarantee (the "Profit Guarantee") that the audited consolidated net profit before taxation of Leader Shine Group for each of the years ending 31 March 2019 and 31 March 2020 (each a "Guaranteed Period") shall not be less than HK\$10,000,000 (each a "Guaranteed Amount").

If the audited consolidated net profit before taxation of Leader Shine Group of each Guaranteed Period is less than the amount of HK\$10,000,000, the vendor is required to pay 45% of the shortfall between the relevant Guaranteed Amount and the actual audited consolidated net profit before taxation of Leader Shine Group of each of the Guaranteed Period to Shunten Entertainment (Asia) Limited.

Based on the projection of the financial performance performed by the management of Leader Shine, the directors of the Company assessed that the Profit Guarantee will unlikely to be exercised and the fair value of the Profit Guarantee is considered to be insignificant.

19. 於一間聯營公司的權益(續)

聯營公司之財務資料概要(續)

Leader Shine集團(續)

上文概述之財務資料與於綜合財務報表確認的於聯營公司權益之賬面值的對賬：

		2019 二零一九年 HK\$'000 千港元
Net assets of Leader Shine Group	Leader Shine集團之資產淨值	18,848
Proportion of the Group's ownership interest in Leader Shine Group	本集團於Leader Shine集團之所有者權益比例	45%
		8,482
Goodwill	商譽	64,918
		73,400
Impairment loss	減值虧損	-
Carrying amount of the Group's interest in Leader Shine Group	本集團於Leader Shine集團之權益之賬面值	73,400

於綜合財務報表內，聯營公司以權益法列賬。

溢利保證

根據日期為二零一八年五月十日的買賣協議，賣方已作出溢利保證(「溢利保證」)，即Leader Shine集團於截至二零一九年三月三十一日及二零二零年三月三十一日止各年度(各為「保證期間」)的經審核綜合除稅前純利不低於10,000,000港元(各為「保證金額」)。

倘Leader Shine集團於各保證期間的經審核綜合除稅前純利低於10,000,000港元，則賣方須支付各保證期間Leader Shine集團相關保證金額與實際經審核綜合除稅前純利之間差額的45%予Shunten Entertainment (Asia) Limited。

基於Leader Shine管理層作出的財務表現的預測，經本公司董事評估後，認為行使溢利保證的機會不大，而溢利保證之公平值被視為並不重大。

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

20. INVENTORIES

- (a) Inventories in the consolidated statement of financial position comprise:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Raw materials	原材料	22,005	19,648
Finished goods	製成品	7,060	2,443
		29,065	22,091

- (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:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Carrying amount of inventories sold	已售存貨的賬面值	116,540	70,939
Write-down of inventories	撇減存貨	1,950	9,773
Reversal of write-down of inventories (note i)	撇減存貨撥回(附註i)	(1,854)	(4,557)
		116,636	76,155

Note:

- (i) The amount was resulted from the utilisation of obsolete inventories that were written down in prior years.

20. 存貨

- (a) 綜合財務狀況表內的存貨包括：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Raw materials	原材料	22,005	19,648
Finished goods	製成品	7,060	2,443
		29,065	22,091

- (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：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Carrying amount of inventories sold	已售存貨的賬面值	116,540	70,939
Write-down of inventories	撇減存貨	1,950	9,773
Reversal of write-down of inventories (note i)	撇減存貨撥回(附註i)	(1,854)	(4,557)
		116,636	76,155

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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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

21. TRADE AND OTHER RECEIVABLES

21. 應收賬款及其他應收款項

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Trade receivables	應收賬款	78,075	56,379
Less: Allowance for doubtful debts	減：呆賬撥備	(2,879)	(162)
		75,196	56,217
Other receivables	其他應收款項	3,796	3,280
Financial assets measured at amortised cost	按攤銷成本計量的財務資產	78,992	59,497
Prepayments	預付款項	8,334	7,535
Utility, trade and other deposits	水電費、貿易及其他按金	25,345	15,900
Right-of-return assets	退貨權資產	217	-
		33,896	23,435
		112,888	82,932

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 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	5,369	2,932
Current portion	流動部份	107,519	80,000
		112,888	82,932

The amounts of the Group's utility, trade and other deposits and prepayments expected to be recovered or recognised as expense after one year are HK\$4,860,000 (2018: HK\$1,919,000) and HK\$509,000 (2018: HK\$1,013,000) 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一年後收回或確認為開支分別為4,860,000港元(二零一八年：1,919,000港元)及509,000港元(二零一八年：1,013,000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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綜合財務報表附註

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21. TRADE AND OTHER RECEIVABLES (CONTINUED)

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:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
0–30 days	0至30日	40,697	38,957
31–60 days	31至60日	21,836	11,648
61–90 days	61至90日	7,892	4,261
91–180 days	91至180日	3,347	1,351
181–365 days	181至365日	1,388	–
Over 365 days	超過365日	36	–
		75,196	56,217

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 and impairment assessment of trade and other receivables are set out in note 4(b)(i).

21. 應收賬款及其他應收款項(續)

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：

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。本集團信貸政策以及應收賬款及其他應收款項之減值評估的進一步詳情載於附註4(b)(i)。

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22. CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION

(a) Cash and cash equivalents comprise:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Cash at bank and on hand	銀行及手頭現金	65,497	158,913
Cash and cash equivalents in the consolidated statement of financial position	於綜合財務狀況表的現金及現金等價物	65,497	158,913

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.

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。

(b) Reconciliation of the consolidated statement of cash flows

The above figures reconcile to the amount of cash shown in the consolidated statement of cash flows at the end of the reporting period as follows:

(b) 綜合現金流量表對賬

上述數字與綜合現金流量表於報告期末所示現金金額的對賬如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Balance as above	上述結餘	65,497	158,913
Bank overdrafts (note 26)	銀行透支(附註26)	(39)	-
Cash and cash equivalents in the consolidated statement of cash flows	於綜合現金流量表的現金及現金等價物	65,458	158,913

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22. CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (CONTINUED)

(c) 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.

For the year ended 31 March 2019

	Bank borrowings*	Other borrowings	Interest payable on other borrowings	Interest payable on convertible bonds designated at FVTPL	Contingent consideration payables	Promissory notes payable designated at FVTPL	Promissory notes payable measured at amortised cost	Convertible bonds designated at FVTPL	Liability component of convertible bonds measured at amortised cost	Total
	銀行借款*	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	指定按公平值計入損益的應付承兌票據	按攤銷成本計量的應付承兌票據	指定按公平值計入損益的可換股債券	按攤銷成本計量的可換股債券負部分	總計
	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 26)	(note 26)	(note 23)	(note 23)	(note 27)	(note 29(a))	(note 29(b))	(note 28(a))	(note 28(b))	(note 28(b))
	(附註26)	(附註26)	(附註23)	(附註23)	(附註27)	(附註29(a))	(附註29(b))	(附註28(a))	(附註28(b))	(附註28(b))
At 1 April 2018 於二零一八年四月一日	28,119	5,500	165	7,126	177,519	10,578	-	310,510	-	539,517
Changes from financing cash flows: 融資現金流量之變動:										
Repayment of bank borrowings 償還銀行借款	(3,102)	-	-	-	-	-	-	-	-	(3,102)
Proceeds from new bank borrowings 新銀行借款所得款項	14,000	-	-	-	-	-	-	-	-	14,000
Proceeds from other new borrowings 其他新借款所得款項	-	21,000	-	-	-	-	-	-	-	21,000
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	-	-	-	-	-	-	-	-	103,184	103,184
Repayment of promissory notes payable 償還應付承兌票據	-	-	-	-	-	-	(20,000)	-	-	(20,000)
Interest paid 已付利息	(846)	-	(237)	(17,252)	-	-	(482)	-	-	(18,817)
Repurchase of convertible bonds 購回可換股債券	-	-	-	-	-	-	-	(90,000)	-	(90,000)
Total changes from financing cash flows 融資現金流量之變動總額	10,052	21,000	(237)	(17,252)	-	-	(20,482)	(90,000)	103,184	6,265
Changes in fair value 公平值變動	-	-	-	-	(23,049)	(7,007)	-	(47,768)	-	(77,824)
Other changes: 其他變動:										
Transferred to promissory notes payable 撥入應付承兌票據	-	-	-	-	(68,900)	-	-	-	-	(68,900)
Transferred from contingent consideration payables 轉撥自或然應付代價	-	-	-	-	-	12,395	56,505	-	-	68,900
Transfer to other payables 撥入其他應付款項	-	-	-	-	-	(6,000)	-	-	-	(6,000)
Interest expenses 利息開支	846	-	1,695	15,240	-	-	1,520	-	1,667	20,968
Allocated to convertible bonds equity reserve 分配至可換股債券權益儲備	-	-	-	-	-	-	-	-	(15,592)	(15,592)
Total other changes 其他變動總額	846	-	1,695	15,240	(68,900)	6,395	58,025	-	(13,925)	(624)
At 31 March 2019 於二零一九年三月三十一日	39,017	26,500	1,623	5,114	85,570	9,966	37,543	172,742	89,259	467,334

* Changes in the Group's bank overdrafts are excluded as they are not classified as financing activities in the Group's consolidated statement of cash flows.

* 未計入本集團銀行透支之變動，原因是該等變動並無於本集團綜合現金流量表分類為融資活動。

22. 現金及現金等價物及其他現金流量資料(續)

(c) 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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22. CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (CONTINUED)

(c) Reconciliation of liabilities arising from financing activities (Continued) For the year ended 31 March 2018

22. 現金及現金等價物及其他現金流量資料(續)

(c) 融資活動所產生負債之對賬 (續) 截至二零一八年三月三十一日止年度

		Bank borrowings	Other borrowings	Interest payable on other borrowings	Interest payable on convertible bonds designated at FVTPL	Contingent consideration payables	Promissory notes payable designated at FVTPL	Convertible bonds designated at FVTPL	Total
		銀行借款	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	指定按公平值計入損益的應付承兌票據	指定按公平值計入損益的可換股債券	總計
		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
		(note 26)	(note 26)	(note 23)	(note 23)	(note 27)	(note 29(a))	(note 28(a))	
		(附註26)	(附註26)	(附註23)	(附註23)	(附註27)	(附註29(a))	(附註28(a))	
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	償還銀行借款	(7,813)	-	-	-	-	-	-	(7,813)
Proceeds from new bank borrowings	新銀行借款所得款項	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

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23. TRADE AND OTHER PAYABLES

23. 應付賬款及其他應付款項

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Trade payables	應付賬款	16,251	6,288
Salary and welfare payables	應付薪金及福利	23,388	8,728
Accrued advertising expenses	應計廣告開支	5,187	3,922
Other payables and accruals	其他應付款項及應計費用	26,041	7,189
Interest payable on other borrowings	應付其他借款利息	1,623	165
Interest payable on convertible bonds designated at FVTPL	指定按公平值計入損益的可換股債券的利息	5,114	7,126
Receipt in advance (note)	預收款項(附註)	-	608
		77,604	34,026

Note: Receipt in advance from customers are reclassified to contract liabilities in note 24 under HKFRS 15 on 1 April 2018.

附註：於二零一八年四月一日，來自客戶的預收款項已根據香港財務報告準則第15號重新分類至附註24的合約負債。

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：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
0-30 days	0至30日	8,304	5,394
31-60 days	31至60日	2,226	506
61-90 days	61至90日	721	17
91-180 days	91至180日	4,627	2
181-365 days	181至365日	4	154
Over 365 days	超過365日	369	215
		16,251	6,288

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。

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24. CONTRACT LIABILITIES

24. 合約負債

	As at 31 March 2019 於二零一九年 三月三十一日 HK\$'000 千港元	As at 1 April 2018* 於二零一八年 四月一日* HK\$'000 千港元
<i>Short-term advances received from customers:</i> 向客戶收取短期預付款項：		
Sale of health and beauty supplements and products 銷售保健及美容補品及產品	96	—
Online advertising agency business 線上廣告代理業務	880	—
Online payment business 線上支付業務	558	451
E-commerce promotion business 電子商務推廣業務	99	157
Game distribution business 遊戲發行業務	42	—
	1,675	608

* The amounts in this column are after the adjustments from the application of HKFRS 15, details as disclosed in note 3(c). The contracted liabilities in the amount of HK\$608,000 are reclassified from receipt in advance in note 23 under HKFRS 15 on 1 April 2018.

Contract liabilities include short-term advances received to sale of goods and rendering of services. The increase in contract liabilities in 2019 was mainly due to the increase in short-term advances received from customers in relation to the provision of services from the online advertising agency business.

* 本欄內金額乃經就應用香港財務報告準則第15號作出調整，詳情於附註3(c)內披露。於二零一八年四月一日，合約負債608,000港元已根據香港財務報告準則第15號自附註23的預收款項重新分類。

合約負債包括就銷售貨品及提供服務而收取的短期預付款項。合約負債於二零一九年增加乃主要由於就提供線上廣告代理業務服務向客戶收取的短期預付款項增加。

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25. AMOUNTS DUE TO NON-CONTROLLING INTERESTS

The amounts due to non-controlling interests are unsecured, interest-free and have no fixed terms of repayment.

25. 應付非控股權益款項

應付非控股權益款項為無抵押、免息及無固定還款期限。

26. BANK AND OTHER BORROWINGS

26. 銀行及其他借款

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Bank borrowings:	銀行借款：		
Bank overdrafts (note 22(b))	銀行透支(附註22(b))	39	–
Bank loans, secured (note a)	銀行貸款，有抵押(附註a)	39,017	28,119
		39,056	28,119
Other borrowings:	其他借款：		
Unsecured notes (note b)	無抵押票據(附註b)	26,500	5,500
		26,500	5,500
Total bank and other borrowings	銀行及其他借款總額	65,556	33,619

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26. BANK AND OTHER BORROWINGS (CONTINUED)

The bank borrowings and other borrowings are repayable as follows:

26. 銀行及其他借款(續)

須予償還之銀行借款及其他借款如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 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	39,056	28,119
		39,056	28,119
Other borrowings:	其他借款：		
After 1 year but within 2 years	一年後但兩年內	26,500	–
After 2 years but within 5 years	兩年後但五年內	–	5,500
		26,500	5,500
Total bank and other borrowings	銀行及其他借款總額	65,556	33,619
Less: Amounts shown under current liabilities	減：流動負債所示金額	(39,056)	(28,119)
Amounts shown under non-current liabilities	非流動負債所示金額	26,500	5,500

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 2019, none of the covenants relating to drawn down facilities had been breached (2018: Nil).

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)。於二零一九年三月三十一日，本集團並無違反有關所提取融資的契諾(二零一八年：無)。

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26. BANK AND OTHER BORROWINGS (CONTINUED)

Notes: (Continued)

(a) (Continued)

All of the bank borrowings, including amounts repayable on demand, are carried at amortised cost.

As at 31 March 2019, the bank borrowings of the Group are secured by the leasehold land and buildings with carrying amount of HK\$77,247,000 (2018: HK\$41,785,000) (note 15).

(b) During the years ended 31 March 2018 and 2019, the Company had issued the following unsecured notes:

(i) 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 unsecured notes is repayable in August 2020.

(ii) In August 2018, the Company issued unsecured notes of HK\$11,000,000. The unsecured notes carry coupon rate of 10% per annum, payable annually in arrears. The principal amount of the unsecured notes is repayable in August 2020.

(iii) In September 2018, the Company issued unsecured notes of HK\$10,000,000. The unsecured notes carry coupon rate of 10% per annum, payable annually in arrears. The principal amount of the unsecured notes is repayable in September 2020.

(c) The Group has un-utilised banking facilities of HK\$4,167,000 as at 31 March 2019 (2018: HK\$6,249,000).

26. 銀行及其他借款(續)

附註：(續)

(a) (續)

所有銀行借款(包括須按要求償還的款額)乃按攤銷成本入賬。

於二零一九年三月三十一日，本集團的銀行借款以租賃土地及樓宇作抵押，其賬面值為77,247,000港元(二零一八年：41,785,000港元)(附註15)。

(b) 截至二零一八年及二零一九年三月三十一日止年度，本公司已發行以下無抵押票據：

(i) 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%，須每年支付。無抵押票據之本金須於二零二零年八月償還。

(ii) 於二零一八年八月，本公司發行11,000,000港元之無抵押票據。該無抵押票據之票面年息為10%，須每年支付。無抵押票據之本金須於二零二零年八月償還。

(iii) 於二零一八年九月，本公司發行10,000,000港元之無抵押票據。該無抵押票據之票面年息為10%，須每年支付。無抵押票據之本金須於二零二零年九月償還。

(c) 於二零一九年三月三十一日，本集團之未動用銀行融資為4,167,000港元(二零一八年：6,249,000港元)。

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27. CONTINGENT CONSIDERATION PAYABLES 27. 或然應付代價

		2019	2018
		二零一九年	二零一八年
		HK\$'000	HK\$'000
		千港元	千港元
At fair value:	按公平值：		
At the beginning of the year	於年初	177,519	–
Arising from acquisition of subsidiaries (note 35)	收購附屬公司所產生(附註35)	–	168,255
Transferred to promissory notes payable (note 29)	撥入應付承兌票據(附註29)	(68,900)	–
Fair value change	公平值變動	(23,049)	9,264
<hr/>			
At the end of the year	於年末	85,570	177,519
Less: Amounts shown under current liabilities	減：流動負債所示金額	(37,878)	(59,169)
<hr/>			
Amounts shown under non-current liabilities	非流動負債所示金額	47,692	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 35(c)) 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.

During the year ended 31 March 2019, based on the auditor’s certificate issued in respect of the achievement of the First Target of the ND Target Group, the Third Instalment of the consideration for the acquisition of Empire Access as detailed in note (a) below was concluded to be HK\$56,258,000. The respective promissory notes in total principal amount of HK\$56,258,000 was issued on 5 October 2018. The fair value of the contingent consideration payable was HK\$56,505,000 as at 5 October 2018 based on the valuation carried out by an independent professionally qualified valuer and the balance was transferred from “contingent consideration payables” to “promissory notes payable” in the consolidated statement of financial position.

The formula in respect of the adjustments to the consideration from the acquisition of Empire Access are detailed in note (a) below; and

本集團之或然應付代價指下列各項：

- (i) 收購Empire Access(如附註35(c)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。

截至二零一九年三月三十一日止年度，根據核數師就ND目標集團達致首個目標所發出的證書，收購Empire Access的第三期代價(詳情見下文附註(a))最終定為56,258,000港元。本金總額為56,258,000港元的相關承兌票據已於二零一八年十月五日發行。於二零一八年十月五日，根據獨立專業合資格估值師進行的估值，或然應付代價的公平值為56,505,000港元，結餘由綜合財務狀況表的「或然應付代價」轉撥至「應付承兌票據」。

有關收購Empire Access代價的調整公式詳情載於下文附註(a)；及

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27. CONTINGENT CONSIDERATION PAYABLES (CONTINUED)

- (ii) The contingent consideration arrangement arising from the acquisition of IAHGames (as detailed in note 35(d)(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 2019 and the Group's results for the years ended 31 March 2018 and 2019, details of this contingent consideration arrangement are not disclosed in these financial statements.

On 4 May 2018, the contingent consideration payables in respect of the acquisition of IAHGames at the fair value of HK\$12,395,000 was transferred to "promissory notes payable" following the issuance of promissory notes as detailed in note 29(a).

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:

27. 或然應付代價(續)

- (ii) 收購IAHGames (如附註35(d)(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及二零一九年三月三十一日之財務狀況及本集團截至二零一八年及二零一九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。

於二零一八年五月四日，於發行承兌票據後，有關收購IAHGames公平值為12,395,000港元的或然應付代價轉撥至「應付承兌票據」，詳情載於附註29(a)。

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：

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27. 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

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:

$$\begin{array}{l} \text{Third Instalment} \\ \text{第三期} \end{array} = \frac{\text{Revenue in ND Target Group for the First Period}}{\text{ND目標集團首個期間的收益}} \times \text{HK\$60,000,000} \\ \text{HK\$8,000,000} \\ \text{8,000,000港元}$$

$$\begin{array}{l} \text{Fourth Instalment} \\ \text{第四期} \end{array} = \left(\frac{\text{HK\$43,000,000}}{\text{43,000,000港元}} \times \text{HK\$60,000,000} \right) + \left(\frac{\text{Revenue in the ND Target Group for the Second Period minus HK\$43,000,000}}{\text{ND目標集團第二個期間的收益減43,000,000港元}} \times \text{HK\$60,000,000} \right) \\ \text{HK\$43,000,000} \\ \text{43,000,000港元} \qquad \qquad \qquad \text{HK\$8,000,000} \\ \text{8,000,000港元}$$

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:

$$\begin{array}{l} \text{Third Instalment} \\ \text{第三期} \end{array} = \frac{\text{HK\$8,000,000}}{\text{8,000,000港元}} \times \text{HK\$60,000,000} \\ \text{8,000,000港元}$$

$$\begin{array}{l} \text{Fourth Instalment} \\ \text{第四期} \end{array} = \left(\frac{\text{Revenue in the ND Target Group for the Second Period}}{\text{ND目標集團第二個期間的收益}} \times \text{HK\$60,000,000} \right) + \left(\frac{\text{Revenue in the ND Target Group for the First Period minus HK\$8,000,000}}{\text{ND目標集團首個期間的收益減8,000,000港元}} \times \text{HK\$60,000,000} \right) \\ \text{HK\$43,000,000} \\ \text{43,000,000港元} \qquad \qquad \qquad \text{HK\$8,000,000} \\ \text{8,000,000港元}$$

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:

$$\begin{array}{l} \text{Third Instalment} \\ \text{第三期} \end{array} = \frac{\text{Revenue in the ND Target Group for the First Period}}{\text{ND目標集團首個期間的收益}} \times \text{HK\$60,000,000} \\ \text{HK\$8,000,000} \\ \text{8,000,000港元}$$

$$\begin{array}{l} \text{Fourth Instalment} \\ \text{第四期} \end{array} = \frac{\text{Revenue in the ND Target Group for the Second Period}}{\text{ND目標集團第二個期間的收益}} \times \text{HK\$60,000,000} \\ \text{HK\$43,000,000} \\ \text{43,000,000港元}$$

27. 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

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：

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：

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少於第二個目標：

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27. 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)

The aggregate sum of the Third Instalment and the Fourth Instalment shall be capped at HK\$120,000,000 in any event.

In the event that the net profit in the ND Target Group for the Third Period is less than HK\$23,000,000:

$$\begin{array}{r} \text{Fifth Instalment} \\ \text{第五期} \end{array} = \frac{\text{Net profit in the ND Target Group for the Third Period}}{\text{ND目標集團第三個期間的純利}} \times \begin{array}{r} \text{HK\$60,000,000} \\ \text{60,000,000港元} \end{array}$$

$$\begin{array}{r} \text{HK\$23,000,000} \\ \text{23,000,000港元} \end{array}$$

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:

$$\frac{\text{Revenue in ND Target Group for the Third and Fourth Period minus HK\$231,000,000}}{\text{ND目標集團第三個及第四個期間的收減231,000,000港元}} \times \begin{array}{r} \text{HK\$60,000,000} \\ \text{60,000,000港元} \end{array}$$

$$\begin{array}{r} \text{HK\$43,000,000} \\ \text{43,000,000港元} \end{array}$$

(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:

$$\frac{\text{Revenue in the ND Target Group for the Third and Fourth Period minus HK\$231,000,000 minus HK\$43,000,000}}{\text{ND目標集團第三個及第四個期間的收減231,000,000港元減43,000,000港元}} \times \begin{array}{r} \text{HK\$60,000,000} \\ \text{60,000,000港元} \end{array}$$

$$\begin{array}{r} \text{HK\$8,000,000} \\ \text{8,000,000港元} \end{array}$$

(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:

$$\frac{\text{Net profit in the ND Target Group for the Fourth Period minus HK\$49,000,000}}{\text{ND目標集團第四個期間的純利減49,000,000港元}} \times \begin{array}{r} \text{HK\$60,000,000} \\ \text{60,000,000港元} \end{array}$$

$$\begin{array}{r} \text{HK\$23,000,000} \\ \text{23,000,000港元} \end{array}$$

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.

27. 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)

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。

倘ND目標集團第三個期間的純利少於23,000,000港元：

$$\begin{array}{r} \text{HK\$60,000,000} \\ \text{60,000,000港元} \end{array}$$

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：

$$\begin{array}{r} \text{HK\$60,000,000} \\ \text{60,000,000港元} \end{array}$$

(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：

$$\begin{array}{r} \text{HK\$60,000,000} \\ \text{60,000,000港元} \end{array}$$

(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：

$$\begin{array}{r} \text{HK\$60,000,000} \\ \text{60,000,000港元} \end{array}$$

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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27. 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 values of contingent consideration payables as at 31 March 2018 and 2019 are based on the valuation performed by an independent professionally qualified valuer not connected with the Group. Details of fair value measurement are set out in note 4(d).

27. 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)。

於二零一八年及二零一九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合資格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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28. CONVERTIBLE BONDS

28. 可換股債券

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Liability component	負債部分		
Convertible bonds issued on 12 October 2017 designated at FVTPL (Note a)	於二零一七年十月十二日發行指定按公平值計入損益的可換股債券(附註a)	172,742	310,510
Liability component of convertible bonds issued on 13 February 2019 measured at amortised costs (Note b)	於二零一九年二月十三日發行按攤銷成本計量的可換股債券負債部分(附註b)	89,259	-
Total liability component of convertible bonds	可換股債券負債部分總額	262,001	310,510
Less: Amounts shown under current liabilities	減：流動負債所示金額	(262,001)	-
Amounts shown under non-current liabilities	非流動負債所示金額	-	310,510
Equity component	權益部分		
Equity component of convertible bonds issued on 13 February 2019 (Note b)	於二零一九年二月十三日發行的可換股債券權益部分(附註b)	15,592	-

Notes:

(a) **Convertible bonds issued on 12 October 2017 designated at FVTPL ("CB 2017")**

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 which will mature on their second anniversary on 12 October 2019 following the issue of CB 2017. 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 CB 2017 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 CB 2017 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 CB 2017 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 CB 2017 bear interest from the date of issue at the rate of 6% per annum on the principal amount of the CB 2017 payable by the Company semi-annually in arrears on 12 April and 12 October in each year.

附註：

(a) 於二零一七年十月十二日發行指定按公平值計入損益的可換股債券(「二零一七年可換股債券」)

於二零一七年十月十二日，本公司向六名獨立第三方發行本金額為265,000,000港元及年息為6%並將於發行二零一七年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二零一七年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，惟倘於二零一七年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)，二零一七年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。二零一七年可換股債券由發行日期起每年按二零一七年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。

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28. CONVERTIBLE BONDS (CONTINUED)

Notes: (Continued)

(a) **Convertible bonds issued on 12 October 2017 designated at FVTPL (“CB 2017”)**
(Continued)

Unless previously redeemed or converted or purchased and cancelled as provided herein, the Company shall redeem the CB 2017, which remains outstanding on the maturity date with an one-off lump sum equal to the aggregate of the outstanding principal amount of the CB 2017 to be redeemed plus an amount that would make up an aggregate return on the outstanding principal amount of the CB 2017 of 8.5% per annum (for the avoidance of doubt, the aggregate return shall take into account all interest accrued and paid on the CB 2017 and all cash flow received by the bondholders from the date of issue of the CB 2017 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 CB 2017), together with payment of any accrued but unpaid interest, if any.

Any bondholder may require the Company to redeem any part of the CB 2017 held by the bondholder in event of the occurrence of any events of default defined in the instrument of the CB 2017 dated 12 October 2017 (the “Instrument”), in which event the CB 2017 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.

Also, any bondholder may require the Company to redeem any part of the CB 2017 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 CB 2017 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 CB 2017 to be redeemed plus an amount that would make up an aggregate return on the outstanding principal amount of the CB 2017 of 8.5% per annum (for the avoidance of doubt, the aggregate return shall take into account all interest accrued and paid on the CB 2017 and all cash flow received by the bondholders from the date of issue of the CB 2017 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 CB 2017), together with payment of any accrued but unpaid interest, if any.

28. 可換股債券(續)

附註：(續)

(a) 於二零一七年十月十二日發行指定按公平值計入損益的可換股債券(「二零一七年可換股債券」)(續)

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(相等於將予贖回之二零一七年可換股債券尚未償還本金額另加構成按每年8.5%計算之二零一七年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，總回報應計及二零一七年可換股債券之所有應計及已付利息以及債券持有人自二零一七年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二零一七年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二零一七年可換股債券。

如發生日期為二零一七年十月十二日的二零一七年可換股債券文據(「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二零一七年可換股債券，在此情況下，據此贖回之二零一七年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)。

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二零一七年可換股債券，在此情況下，據此贖回之二零一七年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總金額(相等於將予贖回之二零一七年可換股債券尚未償還本金額另加構成按每年8.5%計算之二零一七年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二零一七年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二零一七年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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28. CONVERTIBLE BONDS (CONTINUED)

Notes: (Continued)

(a) **Convertible bonds issued on 12 October 2017 designated at FVTPL (“CB 2017”)**
(Continued)

The Company may redeem all the outstanding CB 2017 at any time on and after the first anniversary of the issue date of the CB 2017 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 CB 2017 to be redeemed plus an amount that would make up an aggregate return on the outstanding principal amount of the CB 2017 of 8.5% per annum (for the avoidance of doubt, the aggregate return shall take into account all interest accrued and paid on the CB 2017 and all cash flow received by the bondholders from the date of issue of the CB 2017 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 CB 2017) together with payment of any accrued but unpaid interest, if any.

Also, the conversion price is subject to adjustments from time to time regarding certain events described in the Instrument. The CB 2017 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 CB 2017 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 CB 2017 as a whole as at financial liabilities as at fair value through profit or loss on initial recognition.

In subsequent periods, such CB 2017 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 CB 2017 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 CB 2017 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 33(b)(ii) to these consolidated financial statements.

28. 可換股債券(續)

附註：(續)

(a) 於二零一七年十月十二日發行指定按公平值計入損益的可換股債券(「二零一七年可換股債券」)(續)

本公司可於二零一七年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二零一七年可換股債券，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(相等於將予贖回之二零一七年可換股債券尚未償還本金額另加構成按每年8.5%計算之二零一七年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，總回報應計及二零一七年可換股債券之所有應計及已付利息以及債券持有人自二零一七年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二零一七年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。

另外，換股價須就文據所述之若干事件不時予以調整。二零一七年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期權，故有關換股期權不符合股本工具之定義。此外，誠如上述，二零一七年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二零一七年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，有關二零一七年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，發行二零一七年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港元之二零一七年可換股債券，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33(b)(ii)。

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28. CONVERTIBLE BONDS (CONTINUED)

Notes: (Continued)

(a) **Convertible bonds issued on 12 October 2017 designated at FVTPL (“CB 2017”)**
(Continued)

During the year ended 31 March 2019, the Company repurchased part of CB 2017 with a principal amount of HK\$90,000,000 (2018: Nil) at a consideration of HK\$90,000,000 (2018: Nil). The repurchase was completed on 21 February 2019.

The movements of the CB 2017 for the years ended 31 March 2018 and 2019 are set out below:

		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	就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 the end of the year	就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)
<hr/>		
At 31 March 2018 and 1 April 2018	於二零一八年三月三十一日及二零一八年四月一日	310,510
Repurchase of the convertible bonds during the year (measured at fair value)	年內購回可換股債券(按公平值計量)	(90,000)
Fair value change recognised in profit or loss in respect of the convertible bonds repurchased during the year	就年內已購回可換股債券於損益確認之公平值變動	(2,774)
Fair value change recognised in profit or loss in respect of the convertible bonds outstanding as of the end of the year	就截至年末未行使可換股債券 於損益確認之公平值變動	(44,994)
<hr/>		
At 31 March 2019	於二零一九年三月三十一日	172,742

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.

For the year ended 31 March 2019, the net fair value gain of the convertible bonds recognised in profit or loss amounting to HK\$47,768,000 comprises (i) the fair value gain of the convertible bonds on the repurchase date of HK\$2,774,000 and (ii) the fair value gain in respect of the convertible bonds outstanding as at 31 March 2019 of HK\$44,994,000.

28. 可換股債券(續)

附註：(續)

(a) 於二零一七年十月十二日發行指定按公平值計入損益的可換股債券(「二零一七年可換股債券」)(續)

截至二零一九年三月三十一日止年度，本公司購回金額為90,000,000港元(二零一八年：無)之部分二零一七年可換股債券，代價為90,000,000港元(二零一八年：無)。購回已於二零一九年二月二十一日完成。

二零一七年可換股債券於截至二零一八年及二零一九年三月三十一日止年度之變動載列如下：

		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	就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 the end of the year	就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)
<hr/>		
At 31 March 2018 and 1 April 2018	於二零一八年三月三十一日及二零一八年四月一日	310,510
Repurchase of the convertible bonds during the year (measured at fair value)	年內購回可換股債券(按公平值計量)	(90,000)
Fair value change recognised in profit or loss in respect of the convertible bonds repurchased during the year	就年內已購回可換股債券於損益確認之公平值變動	(2,774)
Fair value change recognised in profit or loss in respect of the convertible bonds outstanding as of the end of the year	就截至年末未行使可換股債券 於損益確認之公平值變動	(44,994)
<hr/>		
At 31 March 2019	於二零一九年三月三十一日	172,742

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)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。

截至二零一九年三月三十一日止年度，於損益確認的為數47,768,000港元的可換股債券的公平值收益淨額包括(i)可換股債券於購回日期的公平值收益2,774,000港元及(ii)有關於二零一九年三月三十一日未行使可換股債券的公平值收益44,994,000港元。

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28. CONVERTIBLE BONDS (CONTINUED)

Notes: (Continued)

(a) **Convertible bonds issued on 12 October 2017 designated at FVTPL (“CB 2017”)**
(Continued)

CB 2017 are measured at fair value using Monte-Carlo simulation method at initial recognition, at the time of conversion, at the time of repurchase by the Company and at the end of the reporting period based on the valuation undertaken by an independent professionally qualified valuer. The inputs into the model on initial recognition, date of conversion, date of repurchase and as at 31 March 2018 and 2019 are as follows:

		At 21 February 2019 (the date of repurchase by the Company)		At 31 March 2018	At 22 March 2018 (the date of conversion)	At 12 October 2017 (the date of initial recognition)
		At 31 March 2019 於二零一九年 三月三十一日	於二零一九年 二月二十一日 (本公司購回日期)	於二零一八年 三月三十一日	於二零一八年 三月二十二日 (轉換日期)	於二零一七年 十月十二日 (初步確認日期)
Share price (HK\$)	股價(港元)	0.49	0.49	1.15*	1.18*	7.00 [#]
Conversion price for the first anniversary year (HK\$)	第一週年之 換股價(港元)	1.16	1.16	1.16*	1.16*	4.65 [#]
Conversion price for the second anniversary year (HK\$)	第二週年之 換股價(港元)	1.00	1.00	1.00*	1.00*	4.00 [#]
Expected volatility (%)	預期波幅(%)	61	61	47	47	52
Remaining life (years)	剩餘年期(年)	0.53	0.64	1.53	1.56	2.00
Risk-free rate (%)	無風險利率(%)	1.41	1.27	1.28	1.26	0.89
Discount rate (%)	貼現率(%)	12.5	13.5	13.0	13.5	12.0

* After adjustments of the effect of the Share Subdivision

Before adjustments of the effect of the Share Subdivision

28. 可換股債券(續)

附註：(續)

(a) 於二零一七年十月十二日發行指定按公平值計入損益的可換股債券(「二零一七年可換股債券」)(續)

二零一七年可換股債券乃按由獨立專業合資格估值師進行的估值釐定之於初步確認時、轉換時、本公司購回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、購回日期及二零一八年及二零一九年三月三十一日的模型輸入數據如下：

* 於調整股份拆細影響後

於調整股份拆細影響前

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28. CONVERTIBLE BONDS (CONTINUED)

Notes: (Continued)

(a) **Convertible bonds issued on 12 October 2017 designated at FVTPL (“CB 2017”)**
(Continued)

The fair value of the CB 2017 as at 31 March 2018 and 2019 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:

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 CB 2017, and vice versa 貼現率愈高，二零一七年可換股債券之公平值愈低，反之亦然	If the discount rate increases by 1% (2018: 1%), the fair value of the CB 2017 would decrease to HK\$171,890,000 (2018: HK\$310,333,000). If the discount rate decreases by 1% (2018: 1%), the fair value of the CB 2017 would increase to HK\$173,495,000 (2018: HK\$311,455,000). 倘貼現率增加1% (二零一八年：1%)，二零一七年可換股債券之公平值將減少至171,890,000港元 (二零一八年：310,333,000港元)。倘貼現率減少1% (二零一八年：1%)，二零一七年可換股債券之公平值將增加至173,495,000港元 (二零一八年：311,455,000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)	2019 二零一九年 HK\$'000 千港元
Difference between carrying amount and contractual amount at maturity: CB 2017 at fair value	賬面值與到期合約金額之間之差額： 按公平值計量之二零一七年可換股債券	2018 二零一八年 HK\$'000 千港元
Amount payable at maturity	到期應付款項	
		(10,408) 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 CB 2017 and the change in fair value of the CB 2017 due to change in benchmark interest rate curve alone. The change in fair value of the CB 2017 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 CB 2017 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.

28. 可換股債券 (續)

附註：(續)

(a) 於二零一七年十月十二日發行指定按公平值計入損益的可換股債券 (「二零一七年可換股債券」) (續)

二零一七年可換股債券於二零一八年及二零一九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：

2019
二零一九年
HK\$'000
千港元

2018
二零一八年
HK\$'000
千港元

876 1,335

172,742 310,350

183,150 298,350

(10,408) 12,000

附註：

- (1) 信貸風險變動應佔之公平值變動乃按二零一七年可換股債券公平值變動與僅因基準利率曲線變動導致之二零一七年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二零一七年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)。二零一七年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貼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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28. CONVERTIBLE BONDS (CONTINUED)

Notes: (Continued)

(b) **Convertible bonds issued on 13 February 2019 containing liability and equity component (“CB 2019”)**

On 13 February 2019, the Company issued CB 2019 with an aggregate principal amount of HK\$106,000,000. CB 2019 bears interest from the date of issue at the rate of 5% per annum on the principal amount and payable by the Company semi-annually in arrears. During the year ended 31 March 2019, the Company incurred transaction costs of HK\$2,816,000 for the issue of CB 2019.

The major terms of CB 2019 are as follows:

- (i) The bondholders of CB 2019 have the right to convert all or any portion of CB 2019 into shares of the Company at the conversion price of HK\$0.29 (subject to anti-dilutive adjustments). The conversion rights can be exercised at any time on or after 90 days from 13 February 2019 up to on the second anniversary of the date of issue.
- (ii) The bondholders of CB 2019 have the option to require the Company to redeem any part of the convertible bonds held by the bondholders in event of the occurrence of any events of default by the bondholders serving written notice to the Company, in which event the 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 bondholder 115% of the outstanding principal amount together with any accrued but unpaid interest, if any (“**Holder’s Redemption Option**”).
- (iii) The Company may at any time purchase the convertible bonds on the open market or otherwise and at any price. All bonds so purchased shall be cancelled and may not be reissued or resold (“**Issuer’s Redemption Option**”).

28. 可換股債券(續)

附註：(續)

(b) 於二零一九年二月十三日發行包括負債及權益部分的可換股債券(「二零一九年可換股債券」)

於二零一九年二月十三日，本公司發行本金總額為106,000,000港元之二零一九年可換股債券。二零一九年可換股債券由發行日期起每年按本金額的5%計息，並須由本公司每半年支付一次。於截至二零一九年三月三十一日止年度，本公司就發行二零一九年可換股債券產生交易成本2,816,000港元。

二零一九年可換股債券之主要條款如下：

- (i) 二零一九年可換股債券之債券持有人有權按換股價0.29港元(可進行反攤薄調整)將全部或任何部分二零一九年可換股債券轉換為本公司股份。換股權可於二零一九年二月十三日起90日至發行日期的第二週年當日或之後任何時間行使。
- (ii) 如發生任何違約事件，則二零一九年可換股債券之債券持有人可選擇通過債券持有人向本公司發出書面通知，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115%，連同任何應計但未支付之利息(如有)(「持有人贖回權」)。
- (iii) 本公司可隨時於公開市場或循其他途徑按任何價格購買可換股債券。所有購買的債券將被註銷且不得重新發行或轉售(「發行人贖回權」)。

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28. CONVERTIBLE BONDS (CONTINUED)

Notes: (Continued)

(b) **Convertible bonds issued on 13 February 2019 containing liability and equity component (“CB 2019”)** (Continued)

The CB 2019 contain two components, the liability and equity components. The initial fair value of the two components was determined based on gross proceeds at issuance. The initial fair value less allocated transaction costs of the liability component was estimated to be HK\$87,592,000 as at 13 February 2019 (date of issue) using the Monte-Carlo simulation method, taking into account the terms and conditions of the CB 2019, based on the valuation undertaken by an independent professionally qualified valuer. The fair value of the Issuer’s Redemption Option and the Holder’s Redemption Option on the date of initial recognition are considered insignificant based on the valuation results. In subsequent periods, the liability component is measured at amortised cost using effective interest rate method. The effective interest rate of the liability component of the CB 2019 is 15.89% per annum. The residual amount less allocated transaction costs representing the value of the equity component of HK\$15,592,000, was presented in equity under the heading “convertible bonds equity reserve”.

As at 31 March 2019, the outstanding principal amount of CB 2019 was HK\$106,000,000.

The movement of liability component and equity component of CB 2019 for the year ended 31 March 2019 is set out below:

		Liability Component (At amortised cost) 負債部分 (按攤銷成本)	Equity Component (Residual Amount) 權益部分 (剩餘金額)
At 13 February 2019 (date of issue)	於二零一九年二月十三日(發行日期)	87,592	15,592
Interest accrued	應計利息	1,667	-
At 31 March 2019	於二零一九年三月三十一日	89,259	15,592

28. 可換股債券(續)

附註：(續)

(b) 於二零一九年二月十三日發行包括負債及權益部分的可換股債券(「二零一九年可換股債券」)(續)

二零一九年可換股債券包含兩個部分，即負債及權益部分。兩個部分之初始公平值乃根據發行時所得款項總額釐定。於二零一九年二月十三日(發行日期)，按照由獨立專業合資格估值師進行的估值，採用蒙地卡羅模擬法計算並考慮二零一九年可換股債券之條款及條件，負債部分之初始公平值減獲分配之交易成本估計為87,592,000港元。根據估值結果，發行人贖回權及持有人贖回權於初步確認日期的公平值並不重大。於其後期間，負債部分乃採用實際利率法按攤銷成本計量。二零一九年可換股債券負債部分之實際年利率為15.89%。剩餘金額減獲分配之交易成本指權益部分之價值15,592,000港元，乃於權益內「可換股債券權益儲備」下呈列。

於二零一九年三月三十一日，二零一九年可換股債券尚未償還本金額為106,000,000港元。

截至二零一九年三月三十一日止年度，二零一九年可換股債券的負債部分及權益部分的變動載列如下：

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29. PROMISSORY NOTES PAYABLE

29. 應付承兌票據

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Promissory notes payable designated at FVTPL (note (a))	指定按公平值計入損益的 應付承兌票據(附註(a))	9,966	10,578
Promissory notes payable measured at amortised cost (note (b))	按攤銷成本計量的應付承兌票據 (附註(b))	37,543	-
Balance at the end of the year	年末結餘	47,509	10,578
Less: Amounts shown under current liabilities	減：流動負債所示金額	(9,966)	(1,491)
Amounts shown under non-current liabilities	非流動負債所示金額	37,543	9,087

Notes:

附註：

(a) Promissory notes payable designated at FVTPL

(a) 指定按公平值計入損益的應付承兌票據

		2019 二零一九年 HK\$'000 千港元	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	10,578	-
Fair value of initial principal amount of promissory notes on issue date	於發行日承兌票據初始本金金額之 公平值	12,395	10,131
Transferred to other payable	撥入其他應付款項	(6,000)	-
Fair value change	公平值變動	(7,007)	447
At the end of the year	於年末	9,966	10,578

During the years ended 31 March 2018 and 2019, the Company issued promissory notes for the settlement of the considerations arising from the following acquisitions:

截至二零一八年及二零一九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) 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 35(d)(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

- (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35(d)(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

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29. PROMISSORY NOTES PAYABLE (CONTINUED)

Notes: (continued)

- (a) **Promissory notes payable designated at FVTPL (continued)**
- (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 IAHGames (as detailed in note 35(d)(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.

On 4 May 2018, the Company issued two promissory notes of total initial principal amount of HK\$11,760,000 (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 IAHGames. The promissory notes bear interest of 10% per annum and payable annually in arrears. These two promissory notes will mature on 28 February 2020.

Pursuant to the supplemental sale and purchase agreement dated 25 January 2019, the maturity dates of the promissory note issued on 28 February 2018 with initial principal amount of HK\$5,520,000 and the portion of promissory note issued on 4 May 2018 with initial principal amount of HK\$6,000,000 was further amended as follows:

- (i) Portion of HK\$1,200,000 of promissory note issued on 4 May 2018 will mature on 25 January 2019 or the 5th banking day after the performance target is proved to be achieved, whichever is earlier;
- (ii) Portion of HK\$4,800,000 of promissory note issued on 4 May 2018 will mature on 30 April 2019 or the 5th banking day after the performance target is proved to be achieved, whichever is earlier; and
- (iii) Promissory note issued on 28 February 2018 with initial principal amount of HK\$5,520,000 will mature on 27 February 2020 or the 5th banking day after the performance target is proved to be achieved, whichever is earlier.

On 25 January 2019, the noteholder requested for early repayment of a promissory note issued on 4 May 2018 with initial principal amount of HK\$6,000,000 due to the early achievement of performance target. Based on the auditor's certificate issued on 22 February 2019 in respect of the achievement of the performance targets stipulated in the sale and purchase agreement and supplemental agreements in respect of the acquisition of IAHGames, the performance target was concluded as achieved and the promissory notes with principal amount of HK\$6,000,000 was transferred from "promissory notes payable" to "trade and other payables" in the consolidated statement of financial position on the same day.

On 29 May 2019, the Company and the noteholder mutually agreed to waive the interest of 10% per annum for the all promissory notes issued in relation to the acquisition of IAHGames.

29. 應付承兌票據(續)

附註：(續)

- (a) **指定按公平值計入損益的應付承兌票據(續)**
- (ii) 於二零一八年二月二十八日，本公司就收購IAHGames(如附註35(d)(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。

於二零一八年五月四日，本公司就收購IAHGames發行兩批初步本金總額為11,760,000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。該兩批承兌票據將於二零二零年二月二十八日到期。

根據日期為二零一九年一月二十五日的補充買賣協議，於二零一八年二月二十八日發行初步本金額5,520,000港元的承兌票據及於二零一八年五月四日發行初步本金額6,000,000港元的承兌票據部分的到期日進一步修訂如下：

- (i) 於二零一八年五月四日發行的承兌票據的1,200,000港元部分將於二零一九年一月二十五日或達致表現目標後第5個銀行工作日(以較早者為準)到期；
- (ii) 於二零一八年五月四日發行的承兌票據的4,800,000港元部分將於二零一九年四月三十日或達致表現目標後第5個銀行工作日(以較早者為準)到期；
- (iii) 於二零一八年二月二十八日發行初步本金額5,520,000港元的承兌票據將於二零二零年二月二十七日或達致表現目標後第5個銀行工作日(以較早者為準)到期。

於二零一九年一月二十五日，由於提前達致表現目標，票據持有人要求提前償還於二零一八年五月四日發行初步本金額6,000,000港元的承兌票據。根據核數師於二零一九年二月二十二日就收購IAHGames所簽發有關達致買賣協議及補充協議所訂明的表現目標的證書，表現目標已獲達致及本金額6,000,000港元的承兌票據已於同日在綜合財務狀況表由「應付承兌票據」轉撥至「應付賬款及其他應付款項」。

於二零一九年五月二十九日，本公司及票據持有人共同同意豁免有關收購IAHGames的所有已發行承兌票據按年利率10%計算的利息。

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29. PROMISSORY NOTES PAYABLE (CONTINUED)

Notes: (continued)

(a) **Promissory notes payable designated at FVTPL (continued)**

Since the promissory notes payable is relatively immaterial to the Group's financial position as at 31 March 2018 and 2019 and the Group's results for the years ended 31 March 2018 and 2019, details of the achievement targets of Soul Marketing and IAHGAMES which may lead to downward adjustments of the promissory notes payable are not disclosed in these financial statements.

The fair values of promissory notes payable as at 31 March 2018 and 2019 are based on the valuations performed by an independent professionally qualified valuer not connected with the Group. Details of fair value measurement are set out in note 4(d).

(b) **Promissory notes payable measured at amortised cost**

On 5 October 2018, the Company issued promissory notes with an aggregate principal amount of HK\$56,258,000 for settlement of the Third Instalment of the consideration for the acquisition of Empire Access as disclosed in note 35(c). The promissory notes are unsecured and denominated in HK\$. The promissory note is bearing interest at fixed rate of 8% per annum and is payable in 5 years from the date of issue. The Company may at its option early repay the promissory notes at 100% of its face value together with outstanding interest accrued on the principal amount of the promissory notes by giving the noteholders not less than three days' prior written notice.

On initial recognition, the fair value of the promissory notes is determined based on the present value of the contractual stream of future cash flows discounted at 7.89% per annum based on the valuation carried out by an independent professionally qualified valuer not connected with the Group.

The promissory notes recognised in the consolidated statement of financial position at initial recognition are as follows:

Fair value of promissory notes at 5 October 2018 (Note 27)

承兌票據於二零一八年十月五日的
公平值(附註27)

56,505

The fair value of promissory notes was transferred from "contingent consideration payables" to "promissory notes payables" following the issuance of promissory notes on 5 October 2018.

29. 應付承兌票據(續)

附註：(續)

(a) 指定按公平值計入損益的應付承兌票據(續)

由於應付承兌票據相對本集團於二零一八年及二零一九年三月三十一日之財務狀況及本集團截至二零一八年及二零一九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淺市場策略及IAHGAMES之績效目標詳情。

於二零一八年及二零一九年三月三十一日，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合資格估值師進行之估值。有關公平值計量詳情載於附註4(d)。

(b) 按攤銷成本計量的應付承兌票據

於二零一八年十月五日，本公司發行本金總額56,258,000港元的承兌票據，以結付收購Empire Access的第三期代價(如附註35(c)所披露)。承兌票據為無抵押，並以港元計值。承兌票據按固定年利率8%計息並須自發行日期起五年內償還。本公司可選擇透過向票據持有人發出不少於三天的事先書面通知，提前按承兌票據的全部面值連同其本金額的未償還應計利息予以償還。

於初始確認時，承兌票據的公平值按未來現金流量的合約流現值釐定，並根據與本集團並無關連的獨立專業合資格估值師進行的估值以年利率7.89%貼現。

於初步確認時，於綜合財務狀況表確認的承兌票據如下：

As at 5 October 2018
於二零一八年
十月五日
HK\$'000
千港元

於二零一八年十月五日發行承兌票據後，承兌票據的公平值由「或然應付代價」轉撥至「應付承兌票據」。

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29. PROMISSORY NOTES PAYABLE (CONTINUED)

Notes: (continued)

- (b) **Promissory notes payable measured at amortised cost (continued)**
The movements of the promissory notes for the year ended 31 March 2019 are set out below:

		2019 二零一九年 HK\$'000 千港元
At the beginning of the year	於年初	-
Promissory notes issued on 5 October 2018	於二零一八年十月五日發行的承兌票據	56,505
Interest accrued at effective interest rate	按實際利率的應計利息	1,520
Interest paid	已付利息	(482)
Repayment	還款	(20,000)
At the end of the year	於年末	37,543

During the year ended 31 March 2019, the Company early repaid part of the promissory notes with principal amount of HK\$20,000,000. As at 31 March 2019, the outstanding principal amount of the promissory notes measured at amortised cost was HK\$36,258,000.

29. 應付承兌票據(續)

附註：(續)

- (b) 按攤銷成本計量的應付承兌票據(續)
截至二零一九年三月三十一日止年度之承兌票據的變動載列如下：

截至二零一九年三月三十一日止年度，本公司提前償還本金額為20,000,000港元的部分承兌票據。於二零一九年三月三十一日，按攤銷成本計量的承兌票據尚未償還本金額為36,258,000港元。

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30. REFUND LIABILITIES

30. 退款負債

		2019 二零一九年 HK\$'000 千港元
Refund liabilities	退款負債	
Arising from right of return	因退款權產生	1,394

As at 31 March 2019, refund liabilities represented the present value of the director's 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.

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.

The refund liabilities in the amount of HK\$1,007,000 was reclassified from provisions in note 31 under HKFRS 15 on 1 April 2018.

於二零一九年三月三十一日，退款負債指董事對根據本集團於退貨政策下的責任將需要的未來經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。

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。

於二零一八年四月一日，退款負債1,007,000港元已根據香港財務報告準則第15號自附註31的撥備重新分類。

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31. PROVISIONS

31. 撥備

		Goods return from customers 客戶退貨 HK\$'000 千港元
At 1 April 2017	於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.

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。

Notes:

附註：

- (a) 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.
- (b) Provisions are reclassified to refund liabilities in the amount of HK\$1,007,000 in note 30 under HKFRS 15 on 1 April 2018.

- (a) 客戶退貨撥備指董事對根據本集團於退貨政策下的責任將需要的未來經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。
- (b) 於二零一八年四月一日，撥備根據香港財務報告準則第15號重新分類至附註30的退款負債1,007,000港元。

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32. DEFERRED TAX LIABILITIES

- (a) The movements in deferred tax liabilities during the years ended 31 March 2018 and 2019 are as follows:

32. 遞延稅項負債

- (a) 遞延稅項負債於截至二零一八年及二零一九年三月三十一日止年度的變動如下：

		Accelerated tax depreciation	Fair value adjustment on intangible assets upon acquisition of subsidiaries	Total
		加速稅項折舊	收購附屬公司後 無形資產之 公平值調整	總計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
At 1 April 2017	於二零一七年四月一日	589	–	589
Acquisition of subsidiaries (note 35)	收購附屬公司(附註35)	–	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 and 1 April 2018	於二零一八年三月三十一日及 二零一八年四月一日	311	33,904	34,215
Acquisition of subsidiaries (note 35)	收購附屬公司(附註35)	–	2,102	2,102
Credited to profit or loss (note 11)	計入損益(附註11)	1,481	(1,482)	(1)
At 31 March 2019	於二零一九年三月三十一日	1,792	34,524	36,316

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32. 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.

At 31 March 2019, the Group has not recognised deferred tax assets in respect of accumulated tax losses of HK\$72,778,000 (2018: HK\$69,625,000) as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entity. The tax losses do not expire under current tax legislation except for the balances of HK\$1,558,000 (2018: Nil) which can only be carried forward for five years under the laws of the relevant jurisdiction.

(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 2019, temporary differences relating to the undistributed profits of subsidiaries amounted to HK\$254,000 (2018: HK\$453,000). Deferred tax liabilities of HK\$25,000 (2018: HK\$45,000) 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.

32. 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。

由於未來應課稅溢利不大可能用作抵銷其於相關稅務司法權區及實體內的虧損，故本集團並無於二零一九年三月三十一日就累計稅項虧損 72,778,000 港元(二零一八年：69,625,000 港元) 確認遞延稅項資產。根據現行稅法，稅項虧損並未到期，惟根據相關司法權區法律僅可供結轉五年之結餘 1,558,000 港元(二零一八年：無)除外。

(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。

於二零一九年三月三十一日，有關附屬公司未分派溢利所產生的暫時差額為 254,000 港元(二零一八年：453,000 港元)。遞延稅項負債 25,000 港元(二零一八年：45,000 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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33. 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

33. 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	Contributed surplus	Share option reserve	Convertible bonds equity reserve	Accumulated losses	Total
		股份溢價	繳入盈餘	購股權儲備	可換股債券權益儲備	累計虧損	總計
		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
		(note 33(c)(i))	(note 33(c)(ii))	(note 33(c)(vi))	(note 33(c)(vii))		
		(附註33(c)(i))	(附註33(c)(ii))	(附註33(c)(vi))	(附註33(c)(vii))		
At 1 April 2017	於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 33(b)(ii))	於轉換可換股債券後發行股份 (附註33(b)(ii))	12,232	-	-	-	-	12,232
At 31 March 2018 and 1 April 2018	於二零一八年三月三十一日及二零一八年四月一日	161,116	38,541	29,290	-	(127,529)	101,418
Change in equity for 2019:	二零一九年權益變動：						
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	-	-	-	-	(14,296)	(14,296)
Equity-settled share-based payments	以股權結算以股份支付之開支	-	-	37,007	-	-	37,007
Share options lapsed	已失效購股權	-	-	(21,920)	-	21,920	-
Recognition of equity component of convertible bonds, net of related transaction costs	確認可換股債券權益部分，扣除相關交易成本	-	-	-	15,592	-	15,592
At 31 March 2019	於二零一九年三月三十一日	161,116	38,541	44,377	15,592	(119,905)	139,721

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33. SHARE CAPITAL AND RESERVES (CONTINUED)

(b) Share capital

33. 股本及儲備(續)

(b) 股本

		Nominal value per share 每股面值 HK\$ 港元	Number of shares 股份數目	Share capital 股本 HK\$'000 千港元
Authorised:	法定：			
At 1 April 2017	於二零一七年四月一日	0.01	1,000,000,000	10,000
Share Subdivision (note i)	股份拆細(附註i)		3,000,000,000	—
At 31 March 2018, 1 April 2018 and 31 March 2019	於二零一八年三月 三十一日、二零一八年 四月一日及二零一九年 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 2017	於二零一七年四月一日	0.01	528,600,000	5,286
Share Subdivision (note i)	股份拆細(附註i)		1,585,800,000	—
Shares issued upon conversion of convertible bonds (note ii)	於轉換可換股債券後 發行股份(附註ii)	0.0025	8,602,150	22
At 31 March 2018, 1 April 2018 and 31 March 2019	於二零一八年三月三十一日、 二零一八年四月一日 及二零一九年三月三十一日	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.

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。

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33. SHARE CAPITAL AND RESERVES (CONTINUED)

(b) Share capital (Continued)

Notes:

- (i) 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.
- (ii) On 22 March 2018, the convertible bonds issued on 12 October 2017 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.

33. 股本及儲備(續)

(b) 股本(續)

附註：

- (i) 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。
- (ii) 於二零一八年三月二十二日，於二零一七年十月十二日發行本金額為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。

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33. SHARE CAPITAL AND RESERVES (CONTINUED)

(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(bb).

33. 股本及儲備(續)

(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，本公司須仍能夠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(bb)所載之會計政策處理。

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

33. SHARE CAPITAL AND RESERVES (CONTINUED)

(c) Nature and purpose of reserves (Continued)

- (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(w)(ii) and 2(x).

- (vii) The convertible bonds equity reserve represents the equity component (conversion rights) of convertible bonds issued by the Company on 13 February 2019. If the convertible bonds are not converted by the convertible bondholder or redeemed by the Company at the maturity date, the convertible bonds equity reserve will be reclassified to accumulated losses.

34. 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
- E-commerce promotion business
- Game distribution business

During the year ended 31 March 2019, in consideration of the expansion of e-commerce promotion business and game distribution business, which were classified as one reportable operating segment under "other businesses" during the year ended 31 March 2018, the CODM considered that it would be more appropriate to present the e-commerce promotion business and game distribution business separately as two reportable operating segments. Accordingly, the comparative figures of last year have been reclassified.

33. 股本及儲備(續)

(c) 儲備之性質及用途(續)

- (vi) 購股權儲備乃指根據附註2(w)(ii)及2(x)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。

- (vii) 可換股債券權益儲備指本公司於二零一九年二月十三日發行之可換股債券之權益部分(換股權)。倘可換股債券於到期日尚未由可換股債券持有人轉換或由本公司贖回，可換股債券權益儲備則會重新分類至累計虧損。

34. 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
- 電子商務推廣業務
- 遊戲發行業務

截至二零一九年三月三十一日止年度，鑒於電子商業推廣業務及遊戲發行業務的擴展(截至二零一八年三月三十一日止年度分類為「其他業務」下的一個可呈報經營分部)，主要經營決策者認為將電子商務推廣業務及遊戲發行業務分別呈列為兩個可呈報經營分部更為合適。因此，去年的比較數字經重新分類。

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

34. SEGMENT REPORTING (CONTINUED)

(a) Segment revenue, results, assets and liabilities

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 profit/(loss) before tax is measured consistently with the Group's loss before tax except for unallocated other revenue and other net income/(loss), share of profit of an associate, fair value change of contingent consideration payables, fair value change of promissory notes payable, fair value change of convertible bonds, fair value change of an investment property, equity-settled share-based payments, finance costs and unallocated corporate expenses.

Segment assets exclude tax recoverable, investment property, interest in an associate, 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 other unallocated corporate liabilities as these liabilities are managed on a group basis.

34. 分部報告(續)

(a) 分部收益、業績、資產及負債

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。分部除稅前溢利／(虧損)之計量方式與本集團之除稅前虧損之計量方式一致(除未分配其他收益及其他收入／(虧損)淨額、應佔一間聯營公司溢利、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、投資物業公平值變動、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、投資物業、於一間聯營公司的權益、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、銀行借款、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其他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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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

34. 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 years ended 31 March 2018 and 2019 are set out below:

(i) Segment revenue and results

		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	E-commerce promotion business 電子商務 推廣業務 HK\$'000 千港元	Game distribution business 遊戲 發行業務 HK\$'000 千港元	Elimination	Total
							撤減 HK\$'000 千港元	總計 HK\$'000 千港元
Segment revenue:	分部收益：							
Revenue from external customers	來自外部客戶的收益	312,728	11,535	14,922	7,487	46,815	-	393,487
Inter-segment revenue	分部間收益	-	-	-	-	-	-	-
		312,728	11,535	14,922	7,487	46,815	-	393,487
Segment results	分部業績	57,134	(6,841)	(4,096)	(3,732)	(798)	-	41,667
Unallocated other revenue and other net income	未分配其他收益及其他淨收入							4,586
Share of profit of an associate	應佔聯營公司溢利							3,400
Fair value change of contingent consideration payables	或然應付代價公平值變動							23,049
Fair value change of promissory notes payable	應付承兌票據公平值變動							7,007
Fair value change of convertible bonds	可換股債券公平值變動							47,768
Fair value change of an investment property	投資物業公平值變動							752
Equity-settled share-based payments	以股權結算以股份支付之開支							(37,007)
Finance costs	融資成本							(20,968)
Unallocated corporate expenses	未分配企業開支							(70,747)
Loss before taxation	除稅前虧損							(493)

34. 分部報告(續)

(a) 分部收益、業績、資產及負債 (續)

截至二零一八年及二零一九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 2019
截至二零一九年三月三十一日止年度

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綜合財務報表附註

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34. SEGMENT REPORTING (CONTINUED)

(a) Segment revenue, results, assets and liabilities (Continued)

(i) Segment revenue and results (Continued)

34. 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 2018 (restated)
截至二零一八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	E-commerce promotion business 電子商務 推廣業務	Game distribution business 遊戲 發行業務	Elimination	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	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	1,724	732	-	264,451
Inter-segment revenue	分部間收益	-	600	-	-	-	(600)	-
		250,797	10,047	1,751	1,724	732	(600)	264,451
Segment results	分部業績	30,522	(7,732)	(3,870)	(1,680)	(381)	-	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 2019 截至二零一九年三月三十一日止年度

34. SEGMENT REPORTING (CONTINUED)

(a) Segment revenue, results, assets and liabilities

(Continued)

(ii) Segment assets and liabilities

34. 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 2019
於二零一九年三月三十一日

		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 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	E-commerce promotion business 電子商務 推廣業務 HK\$'000 千港元	Game distribution business 遊戲 發行業務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Assets	資產						
Segment assets	分部資產	160,287	60,557	297,683	14,116	43,327	575,970
Tax recoverable	可收回稅項						105
Investment property	投資物業						8,130
Interest in an associate	於一間聯營公司的權益						73,400
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						59,036
Unallocated corporate assets	未分配企業資產						73,589
Total consolidated assets	總綜合資產						792,430
Liabilities	負債						
Segment liabilities	分部負債	24,177	1,063	3,257	1,223	8,366	38,086
Deferred tax liabilities	遞延稅項負債						36,316
Tax payable	應付稅項						6,058
Bank borrowings	銀行借款						39,056
Other borrowings	其他借款						26,500
Contingent consideration payables	或然應付代價						85,570
Promissory notes payable	應付承兌票據						47,509
Convertible bonds	可換股債券						262,001
Amounts due to non-controlling interests	應付非控股權益款項						1,227
Unallocated corporate liabilities	未分配企業負債						42,587
Total consolidated liabilities	總綜合負債						584,910

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34. SEGMENT REPORTING (CONTINUED)

(a) Segment revenue, results, assets and liabilities

(Continued)

(ii) Segment assets and liabilities (Continued)

34. 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 2018 (restated)
於二零一八年三月三十一日(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	E-commerce promotion business 電子商務 推廣業務	Game distribution business 遊戲 發行業務	Total	
	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	
Assets	資產						
Segment assets	分部資產	178,386	66,648	294,260	22,195	28,165	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	612	1,344	22,054
Deferred tax liabilities	遞延稅項負債						34,215
Tax payable	應付稅項						327
Bank borrowings	銀行借款						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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34. 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	E-commerce promotion business 電子商務 推廣業務 HK\$'000 千港元	Game distribution business 遊戲 發行業務 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	939	46	4,101	90	63	5,239
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						791
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						6,030
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	147	-	-	-	-	147
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						121
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*						268
Additions of intangible assets through acquisition of subsidiaries	透過收購附屬公司添置無形資產	12,739	-	-	-	-	12,739
Additions of goodwill through acquisition of subsidiaries	透過收購附屬公司添置商譽	22,383	-	-	-	-	22,383
Depreciation of property, plant and equipment	物業、廠房及設備折舊	3,249	266	1,373	42	9	4,939
Unallocated depreciation of property, plant and equipment	未分配物業、廠房及設備折舊						3,846
Total depreciation of property, plant and equipment	物業、廠房及設備折舊總額						8,785
Amortisation of intangible assets	無形資產攤銷	869	5,781	-	553	-	7,203

* Including the business combinations and acquisition of assets and liabilities through acquisition of subsidiaries as detailed in notes 35 and 36 of these financial statements respectively.

* 包括業務合併及透過收購附屬公司收購資產及負債(分別於該等財務報表附註35及36詳述)。

34. 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

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34. SEGMENT REPORTING (CONTINUED)

(a) Segment revenue, results, assets and liabilities (Continued)

(iii) Other segment information (Continued)

34. 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 2018 (restated)
截至二零一八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 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	E-commerce promotion business 電子商務 推廣業務 HK\$'000 千港元	Game distribution business 遊戲 發行業務 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	-
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	-
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	-
Additions of goodwill through acquisition of subsidiaries	透過收購附屬公司添置商譽	-	31,214	113,373	8,348	24,561
Depreciation of property, plant and equipment	物業、廠房及設備折舊	3,955	145	546	18	-
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	-

* Including the business combinations and acquisition of assets and liabilities through acquisition of subsidiaries as detailed in notes 35 and 36 of these financial statements respectively.

* 包括業務合併及透過收購附屬公司收購資產及負債(分別於該等財務報表附註35及36詳述)。

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

34. 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.

		2019 二零一九年		2018 二零一八年	
		Revenue	Non-current assets	Revenue	Non-current assets
		收益	非流動資產	收益	非流動資產
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Hong Kong (place of domicile)	香港(註冊地點)	393,455	589,580	263,730	507,585
The PRC	中國	19	664	606	681
Taiwan	台灣	13	-	115	-
		393,487	590,244	264,451	508,266

(c) Information about major customer

Revenues from external customer contributing 10% or more of the total revenue of the Group is as follows:

		2019 二零一九年	2018 二零一八年
		HK\$'000	HK\$'000
		千港元	千港元
Customer A*	客戶甲*	150,137	134,017

* The revenues were derived from the development, manufacturing and sales of health and beauty supplements and products.

34. 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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35. BUSINESS COMBINATIONS

The fair values of the identifiable assets and liabilities of the subsidiaries acquired during the years ended 31 March 2018 and 2019 as at their respective dates of acquisition are set out below:

35. 業務合併

於截至二零一八年及二零一九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	2019	2018			Total 總計 HK\$'000 千港元
			二零一九年 H365 Group 健康365集團 HK\$'000 千港元 (note (a)) (附註(a))	Star Root HK\$'000 千港元 (note (b)) (附註(b))	Empire Access HK\$'000 千港元 (note (c)) (附註(c))	Others 其他 HK\$'000 千港元 (note (d)) (附註(d))	
Non-current assets	非流動資產						
Plant and equipment	廠房及設備		147	196	3,280	68	3,544
Intangible assets	無形資產	17	12,739	34,445	172,313	2,758	209,516
Current assets	流動資產						
Trade and other receivables	應收賬款及其他應收款項		1,793	274	169	3,869	4,312
Cash and cash equivalents	現金及現金等價物		931	70	915	2,074	3,059
Inventories	存貨		3,593	-	-	-	-
Tax recoverable	可收回稅項		-	-	-	100	100
Current liabilities	流動負債						
Trade and other payables	應付賬款及其他應付款項		(363)	(400)	(1,363)	(3,743)	(5,506)
Shareholder's loans	股東貸款		(3,912)	-	-	-	-
Tax payable	應付稅項		(121)	-	-	-	-
Non-current liabilities	非流動負債						
Deferred tax liabilities	遞延稅項負債	32(a)	(2,102)	(5,683)	(28,432)	(455)	(34,570)
Total identifiable net assets at fair value	按公平值計值的可識別資產淨值總額		12,705	28,902	146,882	4,671	180,455
Goodwill arising on acquisitions	自收購產生的商譽	18	22,383	31,214	113,373	32,909	177,496
Non-controlling interests	非控股權益		-	(10,116)	(44,075)	(1,454)	(55,645)
Assignment of shareholder's loans to the Group	將股東貸款轉讓予本集團		3,912	-	-	-	-
Total consideration	代價總額		39,000	50,000	216,180	36,126	302,306
Consideration satisfied by:	代價以下列方式支付：						
Cash consideration paid	已付現金代價		39,000	50,000	5,000	13,920	68,920
Cash consideration payable	應付現金代價		-	-	55,000	-	55,000
Fair value of contingent consideration payables	或然應付代價公平值	27	-	-	156,180	12,075	168,255
Fair value of promissory notes payable	應付承兌票據公平值	29(a)	-	-	-	10,131	10,131
			39,000	50,000	216,180	36,126	302,306
Net cash outflow arising from the acquisitions:	收購所產生的現金淨流出：						
Cash consideration paid	已付現金代價		(39,000)	(50,000)	(60,000)	(13,920)	(123,920)
Deposits paid in previous year	上年已付按金		-	5,000	-	-	5,000
Cash and cash equivalents acquired	所收購的現金及現金等價物		931	70	915	2,074	3,059
			(38,069)	(44,930)	(59,085)	(11,846)	(115,861)

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

35. BUSINESS COMBINATIONS (CONTINUED)

Notes:

(a) Acquisition of H365 Group

On 28 November 2018, Golden Challenge Limited, a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement with an independent third party vendor to acquire the entire equity interest of H365 Group, companies incorporated in Hong Kong, together with the shareholder's loans of H365 Group, at a cash consideration of HK\$39,000,000. H365 Group are principally engaged in the sales and distribution of healthcare products. The management considers that such acquisition will provide an excellent opportunity for the Group to expand and grow its main business in health and beauty supplements and products. The acquisition was completed on 17 December 2018.

The transaction costs of HK\$517,000 have been excluded from the consideration transferred and included in "administrative expenses" in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 March 2019.

The goodwill arising from the acquisition of H365 Group is attributable to the future growth and profitability in relation to the sales of healthcare products under H365 Group. None of the goodwill recognised is expected to be deductible for income tax purpose.

(b) 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 the 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 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 for the year ended 31 March 2018.

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.

35. 業務合併(續)

附註：

(a) 收購健康365集團

於二零一八年十一月二十八日，本公司之全資附屬公司Golden Challenge Limited與獨立第三方賣方訂立買賣協議，收購於香港註冊成立之公司健康365集團的全部股本權益連同健康365集團的股東貸款，現金代價為39,000,000港元。健康365集團主要從事保健產品的銷售及分銷。管理層認為該收購事項將為本集團提供於保健及美容補品及產品擴充及增長其主要業務之良機。該收購事項已於二零一八年十二月十七日完成。

所轉讓代價不包括計入截至二零一九年三月三十一日止年度的綜合損益及其他全面收益表中「行政開支」的交易成本517,000港元。

收購健康365集團所產生的商譽歸因於與銷售健康365集團的保健產品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截至二零一八年三月三十一日止年度的綜合損益及其他全面收益表中「行政開支」的交易成本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。

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35. BUSINESS COMBINATIONS (CONTINUED)

Notes: (Continued)

(c) 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.

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.

As at 21 September 2017 (the acquisition 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.

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 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 for the year ended 31 March 2018.

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.

35. 業務合併(續)

附註：(續)

(c) 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。

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。

於二零一七年九月二十一日（收購日期），本集團於此安排項下須支付的全部未來付款的潛在未貼現之金額介乎零至180,000,000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。公平值估計乃基於貼現率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截至二零一八年三月三十一日止年度的綜合損益及其他全面收益表中「行政開支」的交易成本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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35. BUSINESS COMBINATIONS (CONTINUED)

Notes: (Continued)

(d) 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.

As at 22 December 2017 (the acquisition 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 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 for the year ended 31 March 2018.

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.

35. 業務合併(續)

附註：(續)

(d) 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。

於二零一七年十二月二十二日(收購日期)，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貼現之金額介乎零至 4,800,000 港元。

所轉讓代價不包括計入截至二零一八年三月三十一日止年度的綜合損益及其他全面收益表中「行政開支」的交易成本 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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35. BUSINESS COMBINATIONS (CONTINUED)

Notes: (Continued)

(d) 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 year ended 31 March 2018 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.

35. 業務合併(續)

附註：(續)

(d) 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。為反映於截至二零一八年三月三十一日止年度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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35. BUSINESS COMBINATIONS (CONTINUED)

Notes: (Continued)

(d) 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.

As at 28 February 2018 (the acquisition 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 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 for the year ended 31 March 2018.

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\$4,177,000 (2018: HK\$13,654,000) to the Group's revenue and HK\$1,905,000 (2018: HK\$13,548,000) to the Group's loss after tax for the year ended 31 March 2019.

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\$402,844,000 (2018: HK\$281,013,000) and HK\$11,688,000 (2018: 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 taken place at the beginning of the year, nor is intended to be a projection of future results.

35. 業務合併(續)

附註：(續)

(d) 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。

於二零一八年二月二十八日(收購日期)，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貼現之金額分別介乎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截至二零一八年三月三十一日止年度的綜合損益及其他全面收益表中「行政開支」的交易成本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二零一九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4,177,000港元(二零一八年：13,654,000港元)及1,905,000港元(二零一八年：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402,844,000港元(二零一八年：281,013,000港元)及11,688,000港元(二零一八年：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年初發生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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36. ACQUISITION OF ASSETS AND LIABILITIES THROUGH ACQUISITION OF SUBSIDIARIES

The fair values of the assets and liabilities acquired through acquisition of subsidiaries during the years ended 31 March 2018 and 2019 as at their respective dates of acquisition are set out below:

36. 透過收購附屬公司收購資產及負債

於截至二零一八年及二零一九年三月三十一日止年度透過收購附屬公司的資產及負債於彼等各自的收購日期的公平值載列如下：

			2019 二零一九年	2018 二零一八年		
			Able One Limited ("Able One") 首能有限公司 (「首能」)	Giant Bloom Holdings Limited ("Giant Bloom") 鉅成集團有限公司 (「鉅成」)	Super Value Sporting Goods Company Limited ("Super Value") (「Super Value」)	Total 總計
		Note 附註	HK\$'000 千港元 (note (a)) (附註(a))	HK\$'000 千港元 (note (b)) (附註(b))	HK\$'000 千港元 (note (c)) (附註(c))	HK\$'000 千港元
Non-current assets	非流動資產					
Investment property	投資物業	16	7,378	-	-	-
Property, plant and equipment	物業、廠房及設備		121	39,000	26,834	65,834
Current assets	流動資產					
Deposits and prepayments	按金及預付款項		6	-	166	166
Cash and cash equivalents	現金及現金等價物		36	-	-	-
Current liabilities	流動負債					
Shareholder's loan	股東貸款		(461)	-	-	-
Deposits received	已收按金		(40)	-	-	-
Bank overdrafts	銀行透支		(1)	-	-	-
Total identifiable net assets at fair value	按公平值計值的可識別資產淨值總額		7,039	39,000	27,000	66,000
Assignment of shareholder's loan to the Group	將股東貸款轉讓予本集團		461	-	-	-
Total consideration	代價總額		7,500	39,000	27,000	66,000
Consideration satisfied by:	代價以下列方式支付：					
Cash consideration paid	已付現金代價		7,500	34,000	27,000	61,000
Consideration payable	應付代價		-	5,000	-	5,000
			7,500	39,000	27,000	66,000
Net cash outflow arising from the acquisitions:	收購所產生的現金淨流出：					
Cash consideration paid	已付現金代價		(7,500)	(34,000)	(27,000)	(61,000)
Cash and cash equivalents acquired	所收購的現金及現金等價物		36	-	-	-
Bank overdrafts	銀行透支		(1)	-	-	-
			(7,465)	(34,000)	(27,000)	(61,000)

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36. ACQUISITION OF ASSETS AND LIABILITIES THROUGH ACQUISITION OF SUBSIDIARIES (CONTINUED)

Notes:

- (a) On 4 May 2018, the Group entered into a sale and purchase agreement with an independent third party vendor to acquire the entire equity interest in and the shareholder's loan of Able One for a total cash consideration of HK\$7,500,000. Able One is principally engaged in property investment. The transaction was completed on 10 May 2018. This acquisition has been accounted for as an acquisition of assets and liabilities through acquisition of a subsidiary.
- (b) On 7 September 2017, the Group entered into a sale and purchase agreement with an independent third party vendor to acquire the entire equity interest in Giant Bloom for a total cash consideration of HK\$39,000,000. Giant Bloom 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.
- (c) On 7 September 2017, the Group entered into a sale and purchase agreement with three independent third party vendors to acquire the entire equity interest in Super Value, for a total cash consideration of HK\$27,000,000. Super Value 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.

36. 透過收購附屬公司收購資產及負債(續)

附註：

- (a) 於二零一八年五月四日，本集團與一名獨立第三方賣方訂立買賣協議，收購首能的全部權益及股東貸款，總現金代價為7,500,000港元。首能主要從事物業投資。此交易已於二零一八年五月十日完成。該收購已入賬列為透過收購附屬公司收購資產及負債。
- (b) 於二零一七年九月七日，本集團與一名獨立第三方賣方訂立買賣協議，收購鉅成的全部權益，總現金代價為39,000,000港元。鉅成主要從事物業投資。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。
- (c) 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的全部權益，總現金代價為27,000,000港元。Super Value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。

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37. DISPOSAL OF SUBSIDIARIES

For the year ended 31 March 2019

(a) Disposal of the entire equity interest and the shareholders' loan in Super Value

On 25 July 2018 and 18 December 2018, the Group entered into a provisional sale and purchase agreement and sale and purchase agreement respectively with an independent third party whereby the Group agreed to dispose of its entire equity interest and the shareholder's loan in Super Value for a consideration of HK\$31,000,000. Super Value is principally engaged in property investment. The transaction was completed on 18 December 2018.

37. 出售附屬公司

截至二零一九年三月三十一日止年度

(a) 出售Super Value之全部股本權益及股東貸款

於二零一八年七月二十五日及二零一八年十二月十八日，本集團與一名獨立第三方分別訂立臨時買賣協議及買賣協議，據此本集團同意按以31,000,000港元之代價出售其於Super Value的全部股本權益及股東貸款。Super Value主要從事物業投資。該交易於二零一八年十二月十八日完成。

		HK\$'000 千港元
Net assets disposed of:	出售資產淨值：	
Property, plant and equipment	物業、廠房及設備	26,026
Accruals	應計費用	(27)
Shareholder's loans	股東貸款	(25,635)
Net assets disposed of attributable to owners of the Company	本公司擁有人應佔出售資產淨值	364
Gain on disposal of a subsidiary:	出售一間附屬公司收益：	
Consideration received in cash	以現金收取之代價	31,000
Expenses incurred on disposal	出售產生之開支	(921)
Net assets disposed of attributable to owners of the Company	本公司擁有人應佔出售資產淨值	(364)
Sale of shareholder's loans	出售股東貸款	(25,635)
		4,080
Net cash inflow on disposal of a subsidiary:	出售一間附屬公司之現金流入淨額：	
Cash consideration received	已收現金代價	31,000

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37. DISPOSAL OF SUBSIDIARIES (CONTINUED)

For the year ended 31 March 2019 (Continued)

(b) Disposal of 65% equity interest in Max Excel Corporation Limited (“Max Excel”)

On 22 November 2018, the Group disposed of 65% equity interest in Max Excel to its non-controlling shareholder for a consideration of HK\$6,500. The transaction was completed on 22 November 2018.

37. 出售附屬公司(續)

截至二零一九年三月三十一日止年度
(續)

(b) 出售卓豐興業有限公司(「卓豐」)之65%股本權益

於二零一八年十一月二十二日，本集團以代價6,500港元向其非控股股東出售於卓豐之65%股本權益。該交易於二零一八年十一月二十二日完成。

		HK\$'000 千港元
Net assets/(liabilities) disposed of:	出售資產／(負債)淨值：	
Amount due from a non-controlling interest	應收非控股權益款項	4
Accruals	應計費用	(2)
		2
Net assets disposed of attributable to non-controlling interests	非控股權益應佔出售資產淨值	(5)
		(3)
Net liabilities disposed of attributable to owners of the Company	本公司擁有人應佔出售負債淨額	(3)
Gain on disposal of a subsidiary:	出售一間附屬公司收益：	
Consideration received in cash	以現金收取之代價	7
Net liabilities disposed of attributable to owners of the Company	本公司擁有人應佔出售負債淨額	3
		10
Net cash inflow on disposal of a subsidiary:	出售一間附屬公司之現金流入淨額：	
Cash consideration received	已收現金代價	7

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38. COMMITMENTS

(a) Capital commitments

As at 31 March 2018 and 2019, the Group had capital commitments contracted but not provided for in the financial statements as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Contracted for	已訂約		
— Property, plant and equipment	— 物業、廠房及設備	188	3,298

(b) Operating lease commitments

As lessee

At 31 March 2018 and 2019, the Group had outstanding commitments under non-cancellable operating leases falling due as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Within one year	一年內	8,546	8,112
After one year but within five years	一年後但五年內	4,843	8,422
		13,389	16,534

The Group leases warehouses, office 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.

38. 承擔

(a) 資本承擔

於二零一八年及二零一九年三月三十一日，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：

(b) 經營租賃承擔

作為承租人

於二零一八年及二零一九年三月三十一日，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：

本集團根據不可撤銷經營租約安排租賃之倉庫、辦公室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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39. 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:

39. 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：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Short-term employee benefits	短期僱員福利	43,027	15,919
Post-employment benefits	離職後福利	185	173
Equity-settled share-based payments	以股權結算以股份支付之開支	22,896	11,507
		66,108	27,599

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))。

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39. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Transactions with related parties

39. 重大關連方交易(續)

(b) 與關連方交易

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Rental expenses paid to Great Victor Limited (note i)	租金支出付予柏盛有限公司 (附註i)	-	174
Rental expenses paid to Sunex Limited (note ii)	租金支出付予昌輝有限公司 (附註ii)	208	203
Legal and professional fee paid to Sidney Lee & Co. (note iii)	法律及專業費支付予李志恒律師事務所(附註iii)	307	307
Rental expenses paid to Power Trendy Limited (note iv)	租金支出付予豐宏有限公司 (附註iv)	9	44
Rental expenses paid to Mega Linker Limited (note v)	租金支出付予豪倡有限公司 (附註v)	9	44
Rental expenses paid to City Scene Limited (note vi)	租金支出付予焯城有限公司 (附註vi)	9	44
Rental expenses paid to Sunny Viewer Limited (note vii)	租金支出付予豐璋有限公司 (附註vii)	9	44

As at 31 March 2018 and 31 March 2019, the Group had total future minimum lease payables to related parties under non-cancellable operating lease falling due as follows:

於二零一八年三月三十一日及二零一九年三月三十一日，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 2019 於 二零一九年 三月三十一日 HK\$'000 千港元	As at 31 March 2018 於 二零一八年 三月三十一日 HK\$'000 千港元
Within one year	一年內	197	665
After one year but within five years	一年後但五年內	125	546
		322	1,211

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39. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Transactions with related parties (Continued)

Notes:

- (i) The rental expenses were paid to Great Victor Limited, a company wholly-owned by Mr. Chan Yan Tak, an executive director of the Company.
- (ii) The rental expenses were paid to Sunex Limited, a company wholly-owned by Ms. Wong Chui Lan, senior management of the Group.
- (iii) 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.
- (iv) The rental expenses were paid to Power Trendy Limited, a company wholly-owned by Mr. Chan Yan Tak, an executive director of the Company.
- (v) The rental expenses were paid to Mega Linker Limited, a company wholly-owned by Mr. Chan Yan Tak, an executive director of the Company.
- (vi) The rental expenses were paid to City Scene Limited, a company wholly-owned by Mr. Chan Yan Tak, an executive director of the Company.
- (vii) The rental expenses were paid to Sunny Viewer Limited, a company wholly-owned by Mr. Chan Yan Tak, an executive director of the Company.

39. 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。
- (ii) 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。
- (iii) 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。
- (iv) 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。
- (v) 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。
- (vi) 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。
- (vii) 租金支出付予豐璋有限公司，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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39. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(c) Balances with related parties

The Group leases office premises from related parties as detailed in note 38(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 2018 and 31 March 2019 are detailed as follows:

		As at 31 March 2019 於 二零一九年 三月三十一日 HK\$'000 千港元	As at 31 March 2018 於 二零一八年 三月三十一日 HK\$'000 千港元
Great Victor Limited	柏盛有限公司	-	29
Sunex Limited	昌輝有限公司	36	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.

39. 重大關連方交易(續)

(c) 關連方結餘

本集團根據詳載於附註38(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。於二零一八年三月三十一日及二零一九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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40. 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.

40. 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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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

40. 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.

40. 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。

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

40. EQUITY-SETTLED SHARE-BASED PAYMENTS (CONTINUED)

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.

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.

40. 以股權結算以股份支付之開支 (續)

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。

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。

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

40. EQUITY-SETTLED SHARE-BASED PAYMENTS (CONTINUED)

The remaining life of the scheme (Continued)

Movements of the share options during the years ended 31 March 2018 and 2019 are listed below in accordance with Chapter 17 of the Listing Rules:

For the year ended 31 March 2019

40. 以股權結算以股份支付之開支 (續)

計劃的剩餘有效期 (續)

截至二零一八年及二零一九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：

截至二零一九年三月三十一日止年度

Category	Outstanding as at 1 April 2018 於二零一八年四月一日	Reclassification of categories of grantee 重新分類承授人類別 (Notes 5, 6 and 9) (附註5、6及9)	Number of share options 購股權數目				Lapsed during the year 年內失效 (Note 11) (附註11)	Outstanding as at 31 March 2019 於二零一九年三月三十一日
			Granted on 20 April 2018 於二零一八年四月二十日	Granted on 26 April 2018 於二零一八年四月二十六日	Granted on 3 December 2018 於二零一八年十二月三日	Granted on		
類別	未行使		授出 (Note 7) (附註7)	授出 (Note 8) (附註8)	授出 (Note 10) (附註10)		未行使	
Directors	董事							
Mr. Lee Chi Hang, Sidney	李志恒先生	-	-	-	11,000,000	-	17,000,000	
Mr. Wong Ping Yiu	黃平耀先生	(4,000,000)	-	-	-	-	-	
Mr. Wang Xihua	王西華先生	-	-	-	8,000,000	-	12,000,000	
Mr. Lai Wei Lam, William	賴偉林先生	-	-	-	8,000,000	-	12,000,000	
Mr. So Kevin Hoi Chak	蘇凱澤先生	(4,000,000)	-	-	-	-	-	
Mr. Liao Zhe	廖喆先生	(20,000,000)	-	-	-	-	-	
Ms. Szeto Wai Ling, Virginia	司徒惠玲女士	-	-	-	500,000	-	2,500,000	
Mr. Leung Winson Kwan Yau	梁鈞濬先生	-	-	-	500,000	-	2,500,000	
Mr. Tam Kin Yip	譚健業先生	-	-	-	500,000	-	2,500,000	
Mr. Leung Man Loon	梁文龍先生	-	-	-	500,000	-	2,500,000	
Subtotal	小計	(28,000,000)	-	-	29,000,000	-	51,000,000	
Continuous Contract Employees	持續合約僱員							
			13,000,000	37,000,000	134,000,000	(115,800,000)	193,500,000	
Total	總計	-	13,000,000	37,000,000	163,000,000	(115,800,000)	244,500,000	

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

40. EQUITY-SETTLED SHARE-BASED PAYMENTS (CONTINUED)

For the year ended 31 March 2018

40. 以股權結算以股份支付之開支 (續)

截至二零一八年三月三十一日止年度

Category	Number of share options 購股權數目						
	Outstanding as at 1 April 2017 於二零一七年 四月一日 未行使	Granted on 30 October 2017 於二零一七年 十月三十日 授出 (note 1) (附註1)	Adjustment due to Share Subdivision on 5 December 2017 於二零一七年 十二月五日 因股份拆細 作出調整 (note 2) (附註2)	Granted on 14 February 2018 於二零一八年 二月十四日 授出 (note 3) (附註3)	Lapsed during the year 年內失效 (note 4) (附註4)	Outstanding as at 31 March 2018 於二零一八年 三月三十一日 未行使	
Directors	董事						
Mr. Lee Chi Hang, Sidney	李志恒先生	-	1,500,000	4,500,000	-	6,000,000	
Mr. Wong Ping Yiu	黃平耀先生	-	1,000,000	3,000,000	-	4,000,000	
Mr. Wang Xihua	王西華先生	-	1,000,000	3,000,000	-	4,000,000	
Mr. Lai Wei Lam, William	賴偉林先生	-	1,000,000	3,000,000	-	4,000,000	
Mr. So Kevin Hoi Chak	蘇凱澤先生	-	1,000,000	3,000,000	-	4,000,000	
Mr. Liao Zhe	廖喆先生	-	5,000,000	15,000,000	-	20,000,000	
Ms. Szeto Wai Ling, Virginia	司徒惠玲女士	-	500,000	1,500,000	-	2,000,000	
Mr. Leung Winson Kwan Yau	梁鈞濇先生	-	500,000	1,500,000	-	2,000,000	
Mr. Tam Kin Yip	譚健業先生	-	500,000	1,500,000	-	2,000,000	
Mr. Leung Man Loon	梁文龍先生	-	500,000	1,500,000	-	2,000,000	
Subtotal	小計	-	12,500,000	37,500,000	-	50,000,000	
Continuous Contract Employees	持續合約 僱員	-	24,300,000	72,900,000	2,100,000	(2,000,000)	97,300,000
Total	總計	-	36,800,000	110,400,000	2,100,000	(2,000,000)	147,300,000

Notes:

- 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 33(b)(i) to these financial statements.
- 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 33(b)(i) to these financial statements.

附註：

- 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33(b)(i)。
- 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33(b)(i)。

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40. EQUITY-SETTLED SHARE-BASED PAYMENTS (CONTINUED)

Notes: (continued)

3. 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.
4. 2,000,000 share options were lapsed following the resignation of an employee during the year ended 31 March 2018.
5. 4,000,000 share options held by Mr. Wong Ping Yiu has been reclassified under the category of “continuous contract employees” following his resignation as an executive director of the Company with effect from 4 May 2018.
6. 4,000,000 share options held by Mr. So Kevin Hoi Chak, former director of the Company, has been reclassified to the category of “continuous contract employees” following his resignation on 13 February 2018.
7. The validity period of the share options is from 20 April 2018 to 19 April 2020 (both days inclusive). All of the share options will be vested on 20 April 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\$1.15 and HK\$1.15 respectively.
8. The validity period of the share options is from 26 April 2018 to 25 April 2023 (both days inclusive). All of the share options were immediately vested. 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\$1.15 and HK\$1.12 respectively.
9. 20,000,000 share options held by Mr. Liao Zhe, has been reclassified under category of “continuous contract employees” following his resignation on 4 October 2018.
10. The validity period of the share options is from 3 December 2018 to 2 December 2020 (both days inclusive), in which 81,500,000 share options and 81,500,000 share options will be vested on 3 June 2019 and 3 December 2019 respectively. 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\$0.27 and HK\$0.265 respectively.
11. 115,800,000 share options were lapsed following the resignation of certain directors and employees during the year ended 31 March 2019.
12. 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.

40. 以股權結算以股份支付之開支 (續)

附註：(續)

3. 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。
4. 於一名僱員於截至二零一八年三月三十一日止年度辭任後，2,000,000份購股權失效。
5. 黃平耀先生所持有之4,000,000份購股權由其於二零一八年五月四日辭任本公司執行董事後重新分類至「持續合約僱員」類別。
6. 本公司前任董事蘇凱澤先生所持有之4,000,000份購股權由其於二零一八年二月十三日辭任後重新分類至「持續合約僱員」類別。
7. 購股權之有效期由二零一八年四月二十日至二零二零年四月十九日(包括首尾兩天)。所有購股權將於二零一九年四月二十日歸屬。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1.15港元及1.15港元。
8. 購股權之有效期由二零一八年四月二十六日至二零二三年四月二十五日(包括首尾兩天)。所有購股權乃立即歸屬。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1.15港元及1.12港元。
9. 廖喆先生所持有之20,000,000份購股權由其於二零一八年十月四日辭任後重新分類至「持續合約僱員」類別。
10. 購股權之有效期由二零一八年十二月三日至二零二零年十二月二日(包括首尾兩天)，其中81,500,000份購股權及81,500,000份購股權將分別於二零一九年六月三日及二零一九年十二月三日歸屬。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0.27港元及0.265港元。
11. 於若干董事及僱員於截至二零一九年三月三十一日止年度辭任後，115,800,000份購股權失效。
12. 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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40. 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 2018 and 2019 are as follows:

40. 以股權結算以股份支付之開支 (續)

於截至二零一八年及二零一九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：

		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 2017	於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 and 1 April 2018	於二零一八年三月三十一日及 二零一八年四月一日	1.69	147,300,000
Granted on 20 April 2018	於二零一八年四月二十日授出	1.15	13,000,000
Granted on 26 April 2018	於二零一八年四月二十六日授出	1.15	37,000,000
Granted on 3 December 2018	於二零一八年十二月三日授出	0.27	163,000,000
Lapsed during the year	年內失效	1.54	(115,800,000)
At 31 March 2019	於二零一九年三月三十一日	0.71	244,500,000

As at 31 March 2019, there were 77,300,000 share options that were outstanding and exercisable (2018: no share options outstanding were exercisable).

The options outstanding as at 31 March 2019 had an exercise price of HK\$1.70, HK\$1.16, HK\$1.15 or HK\$0.27 (2018: HK\$1.70 or HK\$1.16) and a weighted average remaining contractual life of 1.61 years as at 31 March 2019 (2018: 1.59 years).

於二零一九年三月三十一日，未行使及可行使之購股權為77,300,000份（二零一八年：並無可行使之未行使購股權）。

於二零一九年三月三十一日尚未行使的購股權的行使價為1.70港元、1.16港元、1.15港元或0.27港元（二零一八年：1.70港元或1.16港元）及於二零一九年三月三十一日的加權平均剩餘合約期限為1.61年（二零一八年：1.59年）。

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40. EQUITY-SETTLED SHARE-BASED PAYMENTS (CONTINUED)

Fair value of share options and assumptions

The fair value of the share options granted during the years ended 31 March 2018 and 2019 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	3 December	26 April	20 April	14 February	30 October
		2018	2018	2018	2018	2017
		二零一八年	二零一八年	二零一八年	二零一八年	二零一七年
		十二月三日	四月二十六日	四月二十日	二月十四日	十月三十日
Share price on date of grant (HK\$)	於授出日期之股價(港元)	0.265	1.12	1.15	1.12	6.80*
Exercise price (HK\$)	行使價(港元)	0.270	1.15	1.15	1.16	6.80*
Expected life of share options (years)	預期購股權期限(年)	2	5	2	2	2
Expected volatility	預期波幅	73.52%	55.24%	50.27%	52.77%	51.73%
Dividend yield	派息率	N/A不適用	N/A不適用	N/A不適用	N/A不適用	N/A不適用
Risk-free interest rate	無風險利率	2.10%	2.06%	1.67%	1.14%	1.03%
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	0.102 or 0.104 [^]	N/A不適用	N/A不適用	N/A不適用	1.98*
— employees	— 僱員	0.085 or 0.096 [#]	0.36	0.32	0.31	1.91*

* Before adjustment of Share Subdivision

[^] The fair value of HK\$0.102 per share option granted and HK\$0.104 per share option granted will be vested on 3 June 2019 and 3 December 2019 respectively

[#] The fair value of HK\$0.085 per share option granted and HK\$0.096 per share option granted will be vested on 3 June 2019 and 3 December 2019 respectively

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.

41. ULTIMATE HOLDING COMPANY AND CONTROLLING SHAREHOLDERS

At 31 March 2019, 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.

40. 以股權結算以股份支付之開支 (續)

購股權之公平值及假設

於截至二零一八年及二零一九年三月三十一日止年度，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：

Grant date	授出日期	3 December	26 April	20 April	14 February	30 October
		2018	2018	2018	2018	2017
		二零一八年	二零一八年	二零一八年	二零一八年	二零一七年
		十二月三日	四月二十六日	四月二十日	二月十四日	十月三十日
Share price on date of grant (HK\$)	於授出日期之股價(港元)	0.265	1.12	1.15	1.12	6.80*
Exercise price (HK\$)	行使價(港元)	0.270	1.15	1.15	1.16	6.80*
Expected life of share options (years)	預期購股權期限(年)	2	5	2	2	2
Expected volatility	預期波幅	73.52%	55.24%	50.27%	52.77%	51.73%
Dividend yield	派息率	N/A不適用	N/A不適用	N/A不適用	N/A不適用	N/A不適用
Risk-free interest rate	無風險利率	2.10%	2.06%	1.67%	1.14%	1.03%
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	0.102 or 0.104 [^]	N/A不適用	N/A不適用	N/A不適用	1.98*
— employees	— 僱員	0.085 or 0.096 [#]	0.36	0.32	0.31	1.91*

* 就股份拆細調整前

[^] 每份已授出購股權公平值0.102港元及每份已授出購股權公平值0.104港元將分別於二零一九年六月三日及二零一九年十二月三日歸屬

[#] 每份已授出購股權公平值0.085港元及每份已授出購股權公平值0.096港元將分別於二零一九年六月三日及二零一九年十二月三日歸屬

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。

41. 最終控股公司及控股股東

於二零一九年三月三十一日，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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42. PRINCIPAL SUBSIDIARIES

Particulars of the principal subsidiaries as at 31 March 2019 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 %	
Able One Limited 首能有限公司	Hong Kong 香港	Ordinary 普通	1 ordinary share 1股普通股	–	100	Property holding 物業持有
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
CJ Pharmaceutical Limited 恆諾藥業有限公司	Hong Kong 香港	Ordinary 普通	1 ordinary share 1股普通股	–	100	Sales and distribution of healthcare products 銷售及分銷保健產品
CV Virtue Limited 真如有限公司	Hong Kong 香港	Ordinary 普通	1 ordinary share 1股普通股	–	100	Provision of administrative support to the H365 Group 為健康365集團提供行政支持
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
Golden Challenge Limited	BVI 英屬處女群島	Ordinary 普通	US\$1 1美元	–	100	Investment holding 投資控股
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
H365 Health Products Limited 健康365保健產品有限公司	Hong Kong 香港	Ordinary 普通	1 ordinary share 1股普通股	–	100	Sales and distribution of healthcare products 銷售及分銷保健產品

42. 主要附屬公司

於二零一九年三月三十一日，主要附屬公司之詳情如下：

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42. PRINCIPAL SUBSIDIARIES (CONTINUED)

42. 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 %	
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
IAHGames Hong Kong Limited	Hong Kong 香港	Ordinary 普通	2,536,357 ordinary shares 2,536,357股 普通股	-	69.75	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
RM Group Holdings Limited 御藥堂集團控股有限公司	BVI 英屬處女群島	Ordinary 普通	US\$11 11美元	100	-	Investment holding 投資控股
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

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42. PRINCIPAL SUBSIDIARIES (CONTINUED)

42. 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 %	
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
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
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 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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43. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2019

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 2019 and which have not been adopted in these financial statements. These include the following which may be relevant to the Group.

HKFRS 16	Leases ¹
HKFRS 17	Insurance Contracts ³
HK (IFRIC) – Int 23	Uncertainty over Income Tax Treatments ¹
Amendments to HKFRS 3	Definition of a Business ²
Amendments to HKFRS 9	Prepayment Features with Negative Compensation ¹
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴
Amendments to HKAS 1 and HKAS 8	Definition of Material ²
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement ¹
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures ¹
Annual Improvement 2015-2017 Cycle	Amendments to HKFRS 3, HKFRS 11, HKAS 12 and HKAS 23 ¹

¹ Effective for annual periods beginning on or after 1 January 2019

² Effective for annual periods beginning on or after 1 January 2020

³ Effective for annual periods beginning on or after 1 January 2021

⁴ Effective for annual periods beginning on or after a date to be determined

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.

43. 截至二零一九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二零一九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16號	租賃 ¹
香港財務報告準則第17號	保險合約 ³
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 ¹
香港財務報告準則第3號修訂	業務的定義 ²
香港財務報告準則第9號修訂	提早還款特性及負補償 ¹
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 ⁴
香港會計準則第1號及香港會計準則第8號修訂	重大性的定義 ²
香港會計準則第19號修訂	計劃修正、縮減或清償 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 ¹
二零一五年至二零一七年度週期的年度改進	香港財務報告準則第3號、香港財務報告準則第11號、香港會計準則第12號及香港會計準則第23號修訂 ¹

¹ 於二零一九年一月一日或之後開始的年度期間生效

² 於二零二零年一月一日或之後開始的年度期間生效

³ 於二零二一年一月一日或之後開始的年度期間生效

⁴ 於待釐定日期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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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

43. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

HKFRS 16, Leases

As disclosed in note 2(k), 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.

43. 截至二零一九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

誠如附註2(k)所披露，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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43. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

HKFRS 16, Leases (Continued)

HKFRS 16 will primarily affect the Group's accounting as a lessee of leases for property, 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.

HKFRS 16 is effective for annual periods beginning on or after 1 January 2019. As allowed by HKFRS 16, the Group plans to use the practical expedient to grandfather the previous assessment of which existing arrangements are, or contain, leases. The Group will therefore 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. In addition, the Group plans to elect the practical expedient for not applying the new accounting model to short-term leases and leases of low-value assets.

The Group plans to elect to use the modified retrospective approach for the adoption of HKFRS 16 and will recognise the cumulative effect of initial application as an adjustment to the opening balance of equity at 1 April 2019 and will not restate the comparative information. As at 31 March 2019, the Group has non-cancellable operating lease commitments of HK\$13,389,000 as disclosed in note 38(b), the majority of which is payable within one year or after one year but within five years after the reporting date.

The Group expects that the transition adjustments to be made upon the initial adoption of HKFRS 16 will not be material. However, the expected changes in accounting policies as described above could have a material impact on the Group's financial statement from the year ending 31 March 2020 onwards.

43. 截至二零一九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。

香港財務報告準則第16號自二零一九年一月一日或之後開始之年度期間生效。如香港財務報告準則第16號所允許，本集團計劃使用可行權益方法豁免先前評估，當中現有安排為(或包含)租賃。因此，本集團僅將香港財務報告準則第16號對租賃的新定義應用於首次應用日期或之後訂立的合約。此外，本集團計劃選擇不採用新會計模式至短期租賃及低價值資產租賃之過渡權宜方法。

本集團計劃於採納香港財務報告準則第16號時應用經修訂追溯方式，將確認首次應用之累計影響作為對二零一九年四月一日權益期初結餘之調整，而比較資料將不予重列。誠如附註38(b)所披露，於二零一九年三月三十一日，本集團擁有不可撤銷經營租賃承擔13,389,000港元，大部分須於報告日期後一年內或一年後五年內支付。

本集團預期於初始採納香港財務報告準則第16號後須作出的過渡調整將不屬重大。然而，上述會計政策之預期變動可能對本集團自截至二零二零年三月三十一日止年度起之財務報表產生重大影響。

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

44. COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION

44. 公司層面的財務狀況表

	Note 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Non-current assets	非流動資產		
Investments in subsidiaries	於附屬公司投資	304,751	304,751
Prepayments	預付款項	-	16
		304,751	304,767
Current assets	流動資產		
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	830	802
Amounts due from subsidiaries	應收附屬公司款項	292,257	298,143
Cash and cash equivalents	現金及現金等價物	8,194	18,343
Tax recoverable	可收回稅項	-	48
		301,281	317,336
Current liabilities	流動負債		
Accruals and other payables	應計費用及其他應付款項	21,948	10,950
Bank borrowings	銀行借款	14,000	-
Contingent consideration payables	或然應付代價	37,878	59,169
Convertible bonds	可換股債券	262,001	-
Promissory notes payable	應付承兌票據	9,966	1,491
Amount due to subsidiaries	應付附屬公司款項	3,475	320
		349,268	71,930
Net current (liabilities)/ assets	淨流動(負債)/資產	(47,987)	245,406
Total assets less current liabilities	總資產減流動負債	256,764	550,173
Non-current liabilities	非流動負債		
Contingent consideration payables	或然應付代價	47,692	118,350
Promissory notes payable	應付承兌票據	37,543	9,087
Other borrowings	其他借款	26,500	5,500
Convertible bonds	可換股債券	-	310,510
		111,735	443,447
Net assets	資產淨值	145,029	106,726
EQUITY	權益		
Equity attributable to owners of the Company	本公司擁有人應佔權益		
Share capital	股本	33(b) 5,308	5,308
Reserves	儲備	33(a) 139,721	101,418
TOTAL EQUITY	權益總額	145,029	106,726

Approved and authorised for issue by the board of directors on 26 June 2019.

經董事會於二零一九年六月二十六日批准及授權發佈。

Wang Xihua
王西華
Director
董事

Lai Wei Lam, William
賴偉林
Director
董事

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45. NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

(a) Completion of placing

On 25 April 2019, the Company entered into a Placing Agreement with Kilmorey Securities Limited, the placing agent, to procure not less than six placees who are independent third parties to subscribe up to 58,000,000 placing shares at the placing price of HK\$0.4275 per placing share.

Pursuant to the Company's announcement dated 20 May 2019, all conditions of the Placing Agreement fulfilled. The Placing was completed on 20 May 2019 and 23,391,813 placing shares were successfully placed by the placing agent to not less than six placees at the placing price of HK\$0.4275 per placing shares.

(b) Memorandum of understanding in respect of the formation of joint venture and cooperation on homing pigeon products supply chain business in the PRC

On 20 May 2019, the Company entered into a non-legally binding memorandum of understanding with potential cooperation parties to leverage on their respective background and expertise and cooperate to jointly develop the homing pigeon products supply chain business in the PRC through the joint venture company, with focus on supply of animal feed, supplements and medicine and animal logistics businesses. The Company and the potential vendors shall negotiate with one another on the amount and payment terms of the consideration of the acquisition in the formal agreement. Up to the date of approval of these consolidated financial statements, there is no formal agreement signed and the transaction is not yet completed.

Further details are set out in the Company's announcement dated 20 May 2019.

46. COMPARATIVE FIGURES

The Group has initially applied HKFRS 15 and HKFRS 9 at 1 April 2018. Under the transition methods chosen, comparative information is not restated. Further details of the changes in accounting policies are disclosed in note 3.

45. 於報告期後未經調整之事項

(a) 完成配售

於二零一九年四月二十五日，本公司與金力証券有限公司（配售代理）訂立配售協議，以促使不少於六名承配人（均為獨立第三方）按配售價每股配售股份0.4275港元認購最多58,000,000股配售股份。

根據本公司日期為二零一九年五月二十日之公佈，配售協議之所有條件均已達成。配售事項於二零一九年五月二十日完成及配售代理按配售價每股配售股份0.4275港元向不少於六名承配人成功配售23,391,813股配售股份。

(b) 有關成立合資公司及就中國信鴿產品供應鏈業務進行合作之諒解備忘錄

於二零一九年五月二十日，本公司與潛在合作方訂立不具法律約束力的諒解備忘錄，以利用彼等各自的背景及專業知識，透過合資公司共同合作開發中國的信鴿產品供應鏈業務，並將著重於供應動物食品、動物保健品及藥品以及動物物流業務。本公司與潛在賣方須於正式協議中就收購事項之代價金額及付款條款與另一方磋商。截至本綜合財務報表批准日期，並無簽訂正式協議及交易尚未完成。

進一步詳情載於本公司日期為二零一九年五月二十日之公佈。

46. 比較數據

本集團已於二零一八年四月一日初步應用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇的過渡方法，並無重列比較資料。有關會計政策變動之進一步詳情披露於附註3。

FINANCIAL SUMMARY

財務概要

RESULTS

業績

		2015	2016	2017	2018	2019
		二零一五年	二零一六年	二零一七年	二零一八年	二零一九年
		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	227,677	189,958	220,853	264,451	393,487
Profit/(loss) before taxation	除稅前溢利／(虧損)	39,915	14,735	15,640	(142,056)	(493)
Taxation	稅項	(8,394)	(4,314)	(3,817)	(2,692)	(10,218)
Profit/(loss) for the year	年內溢利／(虧損)	31,521	10,421	11,823	(144,748)	(10,711)
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)	31,521	10,421	12,746	(139,217)	(4,344)

ASSETS AND LIABILITIES

資產及負債

		2015	2016	2017	2018	2019
		二零一五年	二零一六年	二零一七年	二零一八年	二零一九年
		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	209,743	234,460	266,084	769,778	792,430
Total liabilities	總負債	(28,830)	(55,080)	(52,460)	(603,043)	(584,910)
Total equity	權益總額	180,913	179,380	213,624	166,735	207,520
Equity attributable to owners of the Company	本公司擁有人應佔權益	180,913	179,380	212,044	114,791	161,968



順騰國際(控股)有限公司
Shunten International (Holdings) Limited