



創業集團(控股)有限公司

**NEW CONCEPTS
HOLDINGS LIMITED**

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立的有限公司)

Stock Code 股份代號 : 2221



ANNUAL
REPORT
2018年報

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CORPORATE INFORMATION

公司資料

Executive Directors

Mr. Zhu Yongjun (*Chairman of the Board*)
Ms. Qin Shulan (*Chief Executive Officer*)
Mr. Cai Jianwen
Mr. Lee Tsi Fun Nicholas (appointed on 31 August 2018)

Non-executive Directors

Dr. Zhang Lihui
Mr. Chu Kingston Chun Ho (resigned on 1 December 2017)

Independent Non-executive Directors

Mr. Lo Chun Chiu, Adrian
Dr. Tong Ka Lok
Mr. Choy Wai Shek, Raymond, *MH, JP*

Audit Committee

Dr. Tong Ka Lok (*Chairman*)
Mr. Lo Chun Chiu, Adrian
Mr. Choy Wai Shek, Raymond, *MH, JP*

Nomination Committee

Mr. Lo Chun Chiu, Adrian (*Chairman*)
Dr. Tong Ka Lok
Mr. Choy Wai Shek, Raymond, *MH, JP*
Mr. Zhu Yongjun

Remuneration Committee

Mr. Choy Wai Shek, Raymond, *MH, JP* (*Chairman*)
Mr. Lo Chun Chiu, Adrian
Dr. Tong Ka Lok
Mr. Cai Jianwen

Company Secretary

Mr. Lee Tsi Fun Nicholas

Authorised Representatives

Mr. Cai Jianwen
Mr. Lee Tsi Fun Nicholas

執行董事

朱勇軍先生 (*董事會主席*)
秦妹蘭女士 (*行政總裁*)
蔡建文先生
李錫勛先生 (於2018年8月31日獲委任)

非執行董事

張立輝博士
朱俊浩先生 (於2017年12月1日辭任)

獨立非執行董事

羅俊超先生
唐嘉樂博士
蔡偉石先生, 榮譽勳章, 太平紳士

審核委員會

唐嘉樂博士 (*主席*)
羅俊超先生
蔡偉石先生, 榮譽勳章, 太平紳士

提名委員會

羅俊超先生 (*主席*)
唐嘉樂博士
蔡偉石先生, 榮譽勳章, 太平紳士
朱勇軍先生

薪酬委員會

蔡偉石先生, 榮譽勳章, 太平紳士 (*主席*)
羅俊超先生
唐嘉樂博士
蔡建文先生

公司秘書

李錫勛先生

授權代表

蔡建文先生
李錫勛先生



Registered Office

Clifton House, 75 Fort Street
P.O. Box 1350, Grand Cayman
KY1-1108
Cayman Islands

Headquarters, Head Office and Principal Place of Business in Hong Kong

Office B, 3/F, Kingston International Centre
19 Wang Chiu Road, Kowloon Bay, Hong Kong

Independent Auditor

Ernst & Young
Certified Public Accountants
22/F, CITIC Tower
1 Tim Mei Avenue
Central, Hong Kong

Legal Advisers

As to Hong Kong law
K&L Gates
44/F, Edinburgh Tower
The Landmark
15 Queen's Road Central
Central, Hong Kong

Loong & Yeung Solicitors
Room 1603, 16/F China Building
29 Queen's Road Central
Central, Hong Kong

As the Cayman Islands law
Appleby
2206-19, Jardine House
1 Connaught Place
Central, Hong Kong

註冊辦事處

Clifton House, 75 Fort Street
P.O. Box 1350, Grand Cayman
KY1-1108
Cayman Islands

總部、總辦事處及香港主要營業地點

香港九龍灣宏照道19號
金利豐國際中心3樓B室

獨立核數師

安永會計師事務所
執業會計師
香港中環
添美道1號
中信大廈22樓

法律顧問

有關香港法律
高蓋茨律師事務所
香港中環
皇后大道中15號
置地廣場
公爵大廈44樓

龍炳坤、楊永安律師行
香港中環
皇后大道中29號
華人行16樓1603室

有關開曼群島法律
毅柏律師事務所
香港中環
康樂廣場一號
怡和大廈2206-19室



CORPORATE INFORMATION

公司資料

Principal Bankers

The Hongkong and Shanghai Banking Corporation Limited
1 Queen's Road Central
Central
Hong Kong

Industrial and Commercial Bank of China (Asia) Limited
33rd Floor, ICBC Tower
3 Garden Road
Central
Hong Kong

Principal Share Registrar and Transfer Office

Estera Trust (Cayman) Limited
Clifton House, 75 Fort Street
P.O. Box 1350, Grand Cayman
KY1-1108, Cayman Islands

Hong Kong Branch Share Registrar and Transfer Office

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

Stock Code

2221

Company Website

<http://www.primeworld-china.com>

主要往來銀行

香港上海滙豐銀行有限公司
香港
皇后大道中1號

中國工商銀行(亞洲)有限公司
香港
中環
花園道3號
中國工商銀行大廈33樓

股份過戶登記總處

Estera Trust (Cayman) Limited
Clifton House, 75 Fort Street
P.O. Box 1350, Grand Cayman
KY1-1108, Cayman Islands

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心22樓

股份代號

2221

公司網址

<http://www.primeworld-china.com>



CHAIRMAN'S STATEMENT 主席報告

Dear shareholders,

On behalf of the Board of New Concepts Holdings Limited together with its subsidiaries (the "Group"), I am pleased to present the audited annual results to the shareholders and prospective investors of the Group for the year ended 31 March 2018 (the "Year").

During the Year, the Group's revenue dropped by 25.1% to approximately HK\$928.5 million (2017: HK\$1,239.8 million) and recorded loss for the Year of HK\$245.4 million compared to the profit of HK\$56.9 million in previous year. Taking out the effect of impairment on goodwill, intangible assets, loan and other receivables amounting to HK\$169.2 million, the Group would record an adjusted loss of HK\$76.2 million.

Since the commencement of operations in April 2017, Taiyuan Tianrun, one of our major subsidiaries in kitchen waste treatment, has gradually reached its phase one production capacity of 200 tons per day during the Year. The capacity is expected to expand to 500 tons per day with the completion of phase 2.

We also completed the technological upgrade of the Hefei kitchen waste treatment project and commenced formal commercial operation in March 2018.

Clear Industry, our subsidiaries focusing on the EPC of kitchen waste treatment projects, has improved its technology and system to a more mature status during past years through formal commencement of kitchen waste treatment operations. Such progress enables the Group to increase our production capacity for kitchen waste treatment as well as strengthening our technological design in processing and operating of kitchen waste treatment.

In early 2018, the Group entered into a share purchase agreement with VIMAB Holding AB, a group company focusing on industrial fluids system services in Scandinavia, and such acquisition was

各位股東：

本人謹代表創業集團(控股)有限公司連同其附屬公司(「本集團」)董事會欣然向本集團股東及有意投資者呈報本集團截至2018年3月31日止年度(「本年度」)的經審核全年業績。

本集團收入於本年度下跌25.1%至約928,500,000港元(2017年：1,239,800,000港元)，且本集團錄得本年度虧損245,400,000港元，去年則為溢利56,900,000港元。撇除商譽、無形資產、貸款及其他應收款項減值的影響169,200,000港元，本集團應錄得經調整虧損76,200,000港元。

自2017年4月投產以來，本集團旗下主要餐廚垃圾處理附屬公司之一太原天潤於本年度逐步達至每天200噸的第一期產能，而於第二期落成後，產能預計可增至每天500噸。

我們亦已完成合肥餐廚垃圾處理項目的技術升級，並於2018年3月開始正式商業運作。

我們專注於餐廚垃圾處理項目工程採購建設的附屬公司Clear Industry過去數年透過正式開展餐廚垃圾處理營運使技術體系更趨成熟。此等發展讓本集團擴大餐廚垃圾處理產能，同時加強處理及經營餐廚垃圾處理的技術設計。

於2018年初，本集團與專注於在北歐從事工業流體系統服務的公司集團VIMAB Holding AB訂立購股協議，而收購事項於本年報刊





CHAIRMAN'S STATEMENT

主席報告

completed by the time of this annual report. VIMAB is the largest independent service provider in valve and pipe maintenance in Sweden and covers other business areas, e.g. hydro-power plant maintenance, oil tank cleaning and oil sludge recycling etc. With its solid customer base and technology, VIMAB has the potential of exploring business opportunities in China and unleashing growth in the years to come.

In October 2018, the Company as issuer entered into a subscription agreement for issue of the Convertible Bonds with an aggregate principal amount of US\$5,000,000.

In November 2017, the Company as issuer also entered into a subscription agreement for 10,164,000 subscription shares at a subscription price of HK\$3.71 per subscription share. The gross proceeds from such subscription were approximately HK\$37.7 million.

The proceeds from (i) the convertible bonds; and (ii) allotment and issue of the subscription shares were intended to be used for the Company's investment in its kitchen waste and water treatment businesses and as general working capital.

During the Year, the Chinese government strengthened support for the environmental protection industry with more policies and stricter enforcement of laws and regulations. In 2017, the government publicised the "13th Five Year Plan for Standards of Environmental

發之時已完成。VIMAB為瑞典最大的閥門及管道保養獨立服務供應商，業務亦涵蓋水力發電廠保養、油罐清潔及含油污泥回收等。憑藉穩固的客戶基礎和技術，VIMAB可在中國探索商機，於未來發揮潛能。

於2018年10月，本公司(作為發行人)訂立一份認購協議，以發行本金總額5,000,000美元的可換股債券。

於2017年11月，本公司(作為發行人)亦訂立一份認購協議，以按認購價每股認購股份3.71港元認購10,164,000股認購股份。是次認購的所得款項總額約為37,700,000港元。

(i)可換股債券；及(ii)配發及發行認購股份的所得款項擬用作本公司於餐廚垃圾及廢水處理業務的投資以及一般營運資金。

本年度，中國政府政策推陳出新，並嚴厲執法，加大力度支持環保行業。2017年，政府發布《國家環境保護標準「十三五」發展規劃》及《生活垃圾分類制度實施方案》。迄今規模





Protection” and “Implementation Plan for Household Waste Segregation”. 2017 also witnessed the largest-scaled nationwide environmental protection inspection in history. With the increase in awareness of the pollution and the continuous support of favourable policies, we remain optimistic on the future of the environmental protection industry and anticipate that environmental protection business will remain one of the Group's major business sectors in the future.

China had demonstrated its commitment to environmental management by implementing various policies on ecological and environmental management and protection, for the sake of the long lasting green development of the nation. At the beginning of 2018, many new national policies on environmental protection were implemented, which further strengthened the standardization of environmental protection measures.

The Group will stay focused on the industrial waste water treatment sector and kitchen waste treatment sector as its principal environmental protection business, persist on innovation and aim for development of industrial fluids system services and maintenance, resources recycling, industrial hazardous waste treatment and other environmental businesses. In 2018, the Group will keep developing its principal business with the aid from our green technology. Also, the Group will continue to enhance its enviro-tech, equipment manufacturing and management innovation.

Finally, I would like to express my sincerest gratitude to our shareholders and all stakeholders for your support all along in our development and progress. I would also like to take this opportunity to thank all my colleagues for their ongoing efforts and contribution to the Company.

Zhu Yongjun

Chairman of the Board

Hong Kong, 14 February 2019

最大的全國性環保調查亦於2017年落實。基於對污染的關注日增，加上有利政策不斷出台，我們對環保行業的前景保持樂觀，預料環保業務仍將為本集團未來的主要業務範疇之一。

為了國家長遠綠色發展，中國推出多項生態、環保及環境管理政策，對環境管理的承擔有目共睹。於2018年初，多項新國家環保政策已實施，環保措施更為制度化。

本集團的環保業務將專注於工業廢水處理及餐廚垃圾處理行業，堅持創新，致力發展工業流體系統服務及保養、資源回收、工業有害廢料處理及其他環境業務。2018年，本集團將繼續利用其綠色科技拓展主要業務，同時不斷提升其環境技術、設備生產力及創意管理。

最後，本人衷心感謝我們的股東及所有持份者一直以來支持我們發展求進。本人亦藉此機會感謝全體同事努力不懈為本公司作出貢獻。

董事會主席

朱勇軍

香港，2019年2月14日





MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Group is principally engaged in (i) provision of foundation works, civil engineering contractual service and general building works in Hong Kong (the “Construction Business”); (ii) sales of construction materials (the “Construction-related Business”); and (iii) environmental protection projects including kitchen waste treatment, industrial water treatment and strategic investments in environmental protection related projects (the “Environmental Protection Business”).

Business Review

I Construction Business

The Group is engaged in the Construction Business as a contractor in foundation, civil engineering and general building works in Hong Kong.

During the Year, revenue generated from this segment was approximately HK\$703.7 million, maintaining its level as in FY2017 (i.e. HK\$672.1 million). This segment remained the largest revenue stream of the Group, representing approximately 75.8% of the Group’s total revenue for the Year, as compared to approximately 54.2% in FY2017. Its growing significance to the Group’s revenue was mainly attributable to the decreased contribution from the Environmental Protection Business.

Revenue from this segment is generated from both public and private sector projects with approximately 80% of the segment revenue contributed by the foundation projects in

本集團主要從事(i)於香港提供地基工程、土木工程合約服務及一般屋宇工程業務(「建築業務」); (ii)建材銷售業務(「建築相關業務」); 及(iii)環保項目業務, 包括餐廚垃圾處理、工業廢水處理及環保相關項目的策略性投資(「環保業務」)。

業務回顧

I 建築業務

本集團從事建築業務, 擔任香港地基、土木工程及一般屋宇工程的承建商。

於本年度, 此分部產生的收入約為703,700,000港元, 維持於2017財政年度的水平(即672,100,000港元)。此分部仍為本集團的最大收入來源, 佔本集團本年度總收入約75.8%, 而2017財政年度則約佔54.2%。此分部對本集團收入日益重要, 主要是由於環保業務的貢獻減少所致。

此分部的收入源自公私營項目, 當中約80%源自私營地基項目。總分部收入703,700,000港元中, 主要貢獻來自





MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

private sectors. Out of the total segment revenue of HK\$703.7 million, the key contributors were (i) an on-going superstructure building project for residential development in Shatin, which contributed approximately HK\$226.6 million for the Year; (ii) a foundation project in Tuen Mun contributing approximately HK\$79.4 million during the Year; and (iii) a foundation project in Pok Fu Lam which contributed approximately HK\$66.9 million during the Year. Despite the segment revenue maintained its level as in FY2017, the segment results were adversely affected by the gross losses of certain foundation projects. As additional costs were incurred due to unforeseen underground difficulties such as complicated soil strata and existence of substantial boulder and whether these costs would be covered by the clients were still under negotiations as at the year end date, the Group recorded a gross loss of approximately HK\$10.4 million. The segment of the Construction Business also recorded a segment loss of approximately HK\$88.6 million for the Year. The Group considers that the gross loss of the Group was specific to the unforeseen difficulties of the foundation projects, and thus is non-recurring in nature.

The Group has completed a total of 11 projects in FY2018 (FY2017: 12 projects) and secured 13 new projects (2017: 6 new projects) during the Year with similar aggregated contract value of approximately HK\$548.8 million (FY2017: approximately HK\$549.7 million). All new projects secured

(i)沙田有關住宅發展項目上層的持續建築項目，於本年度貢獻約226,600,000港元；(ii)屯門地基項目，於本年度貢獻約79,400,000港元；及(iii)薄扶林地基項目，於本年度貢獻約66,900,000港元。儘管分部收入維持於2017財政年度的水平，惟分部業績因若干地基項目錄得毛損而受到不利影響。鑑於複雜地層及出現巨石等不可預見地下問題產生額外成本，故本集團仍在與客戶磋商會否由客戶承擔該等成本，於本年度年結日，本集團錄得毛損約10,400,000港元。建築業務分部亦於本年度錄得分部虧損約88,600,000港元。本集團認為，本集團的毛損集中於地基項目的不可預見問題，屬非經常性性質。

於2018財政年度，本集團合共完成11個項目（2017財政年度：12個項目），亦於本年度取得13個（2017年：6個）新項目，合約總值相若，約為548,800,000港元（2017財政年度：約





MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

during the Year had commenced construction, and 2 out of 13 new projects had been completed within FY2018. As at 31 March 2018, 14 projects were in progress (FY2017: 12 projects in progress). Details of the completed projects and the projects in progress are set out as follows:

Completed projects

Name of project 項目名稱	Location 地點	Sector 範疇	Main category of work 工程主要類別
1. Tung Tau Estate Project 東頭邨項目	Phase 8, Tung Tau Estate, Wong Tai Sin, Kowloon 九龍黃大仙東頭邨第8期	Foundation 地基	Construction of Hoarding, Pile Cap, ELS and Driven H-Piles 圍板、樁帽、挖掘及側邊支護及工字鋼樁施工
2. East Kowloon Cultural Centre Project 東九文化中心項目	East Kowloon Cultural Centre in Kowloon Bay, Kowloon 九龍九龍灣東九文化中心	Foundation 地基	Construction of Socketed H-piles, Geotechnically Instrumentation, Hoarding modification and associated works 套接工字鋼樁、土力監察儀器安裝、圍板修整及相關工程施工
3. Kai Tak Stage 2 Project 啟德第2階段項目	Southern Part of the Former Runway, Kai Tak, Kowloon 九龍啟德前跑道南面	Foundation 地基	Construction of Rock-Socketed Steel H-Piles 嵌岩式工字鋼樁施工
4. HKSH Project 養和醫院項目	HKSH Eastern District Advanced Medical Centre at No.3 A Kung Ngam Village Road, S.I.L. 778, Shau Kei Wan, Hong Kong 香港筲箕灣筲箕灣內地段第778號亞公岩村道3號養和東區醫療中心	Foundation 地基	Dewatering Works 抽水工程
5. Tung Chung and Texaco Road Project 東涌及德士古道項目	Tung Chung Area 27 & Texaco Road 東涌第27區及德士古道	Foundation 地基	Construction of large diameter bored piles, mini-pile, pipe pile, king post, sheet pile, geotechnically instrumentation, ELS and pile cap works 大口徑鑽孔樁、微型樁、管樁、吊桿柱、鋼板樁、土力監察儀器安裝、挖掘及側邊支護以及樁帽工程施工
6. Wan Chai APA Project 灣仔演藝學院項目	Hong Kong Academy for Performing Arts, 1 Gloucester Road, Wanchai, Hong Kong 香港灣仔告士打道1號香港演藝學院	Foundation 地基	Construction of Socketed H-Piles, Earthworks and Underground Drainage 套接工字鋼樁、土石方工程及地下排水施工

549,700,000港元)。所有於本年度取得的新項目已動工；於13個項目中，2個已於2018財政年度竣工。於2018年3月31日共有14個(2017財政年度：12個)在建項目。已完成項目及在建項目的詳情載列如下：

已完成項目



MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Name of project 項目名稱	Location 地點	Sector 範疇	Main category of work 工程主要類別
7. Tuen Mun Siu Sau Project 屯門小秀項目	TMTL 435, Castle Peak Road — Tai Lam, Area 55, Siu Sau, Tuen Mun, New Territories 新界屯門小秀第55區 青山公路至大欖 屯門市地段第435號	Foundation 地基	Tree Felling, Design and Built of Site Formation, ELS, Pipe Pile, Socketed H Piles, Bored Piles and Pile Caps 伐木、地盤平整、挖掘及側邊支護、管樁、套接工字鋼樁、鑽孔樁及樁帽設計及建設
8. Pok Fu Lam Road No.45 Project 薄扶林道45號項目	No. 46–65A Pok Fu Lam Road, Hong Kong 香港薄扶林道46–65A號	Foundation 地基	Construction of large diameter bored piles, shear pile, pipe pile, geotechnically instrumentation, drainage, ELS and pile cap works 大口徑鑽孔樁、抗剪樁、管樁、土力監察儀器安裝、排水、挖掘及側邊支護以及樁帽工程施工
9. Sau Ming Road Project 秀明道項目	Sau Ming Road, Sau Mau Ping, Kwun Tong 觀塘秀茂坪秀明道	Foundation 地基	Construction of Mini-piles and associated works 微型樁及相關工程施工
10. Shrewsbury International School Project 思貝禮國際學校項目	Supply and Installation of Pump Well at Shrewsbury International School Hong Kong at Area 85, Shek Kok Road, Tseung Kwan O 為將軍澳石角路第85區的思貝禮國際學校提供及安裝泵井	Foundation 地基	Supply and Installation of Pump Well 提供及安裝泵井
11. So Kwun Wat Project 掃管笏項目	Lot No.541 at So Kwun Wat Road, Area 56, Tuen Mun, N.T. 新界屯門第56區掃管笏路第541號地段	Foundation 地基	Construction of large diameter bored piles, socketed steel H-pile, pipe pile, king post, geotechnically instrumentation, drainage, ELS and pile cap works 大口徑鑽孔樁、套接工字鋼樁、管樁、吊桿柱、土力監察儀器安裝、排水、挖掘及側邊支護以及樁帽工程施工



MANAGEMENT DISCUSSION AND ANALYSIS

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Projects in Progress

在建項目

Name of project 項目名稱	Location 地點	Sector 範疇	Main category of work 工程主要類別
1. United Christian Hospital Project 基督教聯合醫院項目	United Christian Hospital, 130 Hip Wo Street, Kwun Tong, Kowloon 九龍觀塘協和街130號 基督教聯合醫院	Foundation 地基	Construction of Mini-piles and pipe pile walls 微型樁及管樁幕牆施工
2. Pok Fu Lam Project 薄扶林項目	No.138 Pok Fu Lam Road, Hong Kong 香港薄扶林道138號	Foundation 地基	Construction of Socketed Steel H-Pile, Soldier Pile, Pipe Pile, Geotechnically Instrumentation, Drainage, ELS and Pile Cap Works 套接工字鋼樁、企樁、管樁、土力監察儀器安裝、排水、挖掘及側邊支護以及樁帽工程施工
3. Kau To Building Project 九肚屋宇項目	Area 56A, Kau To, Shatin, Sha Tin Town Lot No.578, N.T., Hong Kong 香港新界沙田市地段第578號 沙田九肚第56A區	Building 屋宇	Superstructure contract works for residential development 住宅發展項目上層承建工程
4. Shek Kip Mei Project® 石硤尾項目®	HKHA Contract No: 20150611, Shek Kip Mei Phase 3, 6 & 7 石硤尾邨第三、六及七期 香港房屋委員會合約編號： 20150611	Foundation 地基	Construction of Mini-piles and associated works 微型樁及相關工程施工
5. Happy Valley Project® 跑馬地項目®	17A & B Ventris Road, Happy Valley, Hong Kong 香港跑馬地雲地利道17A及B號	Foundation 地基	Construction of Bored Piles, Pipe Pile, Geotechnically Instrumentation, ELS and Pile Cap Works 鑽孔樁、管樁、土力監察儀器安裝、挖掘及側邊支護以及樁帽工程施工
6. Tuen Mun Siu Hong Project® 屯門兆康項目®	HKHA Contract No: 20160431, Shatin Area 16, Wo Sheung Tun Street, Fo Tan; Siu Hong Road, Tuen Mun 沙田第16區火炭禾上墩街和屯門 兆康路香港房屋委員會合約 編號：20160431	Foundation 地基	Construction of Mini-piles & Ground Investigation works 微型樁及土地勘测工程施工
7. Lam Tin Tunnel Project® 藍田隧道項目®	NE/2015/01 Tseung Kwan O — Lam Tin Tunnel Main Tunnel 將軍澳 — 藍田隧道主隧道 合約編號：NE/2015/01	Foundation 地基	Construction of Mini-piles 微型樁施工



MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Name of project 項目名稱	Location 地點	Sector 範疇	Main category of work 工程主要類別
8. Au Tau Project® 凹頭項目®	Lot No. 1066 D.D.103 Au Tau, Yuen Long 元朗凹頭丈量約份第103約地段 第1066號	Foundation 地基	Construction of Driven H-piles 工字鋼樁施工
9. Tuen Mun Hospital Project® 屯門醫院項目®	Extension of Operating Theatre Block for Tuen Mun Hospital 屯門醫院手術室大樓擴建工程	Foundation 地基	Construction of Rock Socketed Steel H-piles in Pre-bored Hole, Pipe Pile, King Post, Grout Curtain and Installation of Geotechnical Instrumentation 預鑽孔嵌岩式工字鋼樁、管樁、吊桿柱、 灌漿帷幕施工以及土力監察儀器安裝
10. TKO Area 65C2 Project® 將軍澳第65C2區 項目®	Contract No. 20160625 Subsidised Sale Flats Development at Tseung Kwan O Area 65C2 Phase 1 and 2 將軍澳第65C2區資助出售房屋 發展計劃第一及第二期 合約編號：20160625	Foundation 地基	Construction of Rock Socketed Steel H-piles in Pre-bored Hole 預鑽孔嵌岩式工字鋼樁施工
11. HKIA Project® 香港國際機場項目®	Hong Kong International Airport Contract 3501 — Antenna Farm and Sewage Pumping Station 香港國際機場合約編號第3501號 — 天線設備區及污水泵房	Foundation 地基	Construction of Pipe Pile and Pumping Test 管樁施工及泵水測試
12. Kai Tak 6567 Project® 啟德6567項目®	Foundation, Basement Excavation & Lateral Support and Hoarding Works for the Proposed Residential Development at NKIL No. 6567 Kai Tak Area 1K 啟德第1K區新九龍內地段 第6567號建議住宅發展項目 的地基、地庫挖掘及側邊支護 以及圍板工程	Foundation 地基	Construction of Bored Pile, Driven H-Pile, Sheet Pile, Geotechnical Instrumentation, ELS and Pile Cap Works 鑽孔樁、工字鋼樁、鋼板樁、土力監察 儀器安裝、挖掘及側邊支護以及樁帽 工程施工
13. Open University Project® 公開大學項目®	Open University Campus Development at Fat Kwong Street/Sheung Shing Street, Ho Man Tin, K.I.L. 11265, Kowloon, H.K. 香港九龍九龍內地段第11265號 何文田佛光街／常盛街公開 大學校舍發展項目	Foundation 地基	Construction of Bored Pile, Rock-Socketed Steel H-piles in Pre-bored Hole, Pipe Pile, Sheet Pile, Geotechnical Instrumentation, ELS, Pile Cap and Tree Works 鑽孔樁、預鑽孔嵌岩式工字鋼樁、 管樁、鋼板樁、土力監察儀器安裝、 挖掘及側邊支護、樁帽及樹木工程 施工



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Name of project 項目名稱	Location 地點	Sector 範疇	Main category of work 工程主要類別
14. Choi Yuen Road Project [⊗] 彩園路項目 [⊗]	Construction of Public Rental Housing Development at Choi Yuen Road Sites 3&4, Sheung Shui (Contract No. 20150364) 上水彩園路3號和4號地盤公屋發展計劃的建築工程(合約編號：20150364)	Foundation 地基	Construction of Rock-Socket in Pre-bored Hole 預鑽孔嵌岩式工字鋼樁施工

[⊗] These projects were new projects secured by the Group during the Year.

[⊗] 該等項目為本集團於本年度新獲的項目。

II Construction-related Business

The Construction-related Business involves sales of construction materials. During the Year, revenue from sale of construction materials to external customers amounted to approximately HK\$111.1 million (FY2017: HK\$85.9 million), representing an increase of approximately 29.3% as compared to FY2017. The segment results of the Construction-related Business declined from approximately HK\$4.9 million for FY2017 to approximately HK\$1.0 million for FY2018, which was mainly attributable to the decline in gross profit margin due to fluctuated prices of construction materials and keen competition of the market.

II 建築相關業務

建築相關業務涉及建材銷售。於本年度，來自向外部客戶銷售建材的收入約為111,100,000港元(2017財政年度：85,900,000港元)，較2017財政年度增加約29.3%。建築相關業務的分部業績由2017財政年度約4,900,000港元減少至2018財政年度約1,000,000港元，主要是由於建材價格波動及市場競爭激烈令毛利率下跌所致。

III Environmental Protection Business

The Environmental Protection Business involves:

- (i) kitchen waste treatment;
- (ii) provision of EPC (engineering, procurement and construction) services and environmental improvement solutions relating to environment projects (the "Provision of Environmental EPC Solutions");
- (iii) industrial water treatment; and
- (iv) strategic investments in environmental protection related projects.

III 環保業務

環保業務涉及：

- (i) 餐廚垃圾處理；
- (ii) 提供有關環境項目的EPC(工程、採購及建設)服務及改善解決方案(「環境EPC解決方案」)；
- (iii) 工業廢水處理；及
- (iv) 環保相關項目的策略性投資。



MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Revenue from the Environmental Protection Business during the Year was mainly generated from the business of kitchen waste treatment, which is carried out under Build-Operate-Transfer (“BOT”) model or Build-Own-Operate (“BOO”) model.

BOT is a project model whereby a government entity grants to an entity a concession to finance, construct and operate a facility according to the agreed specifications for a specified concession period. The entity does not own the facility or the project but it may receive subsidies from the government entity and/or incomes from the project’s end users. Upon expiry of the concession period, operation of the project will be transferred to the government entity at a nominal fee. As the legal title of the facility does not belong to the entity, revenue from the construction of kitchen waste treatment plants under the terms of BOT contract is recognised using the percentage-of-completion method and measured by reference to the proportion of costs incurred to date to the estimated total cost of the relevant contract.

BOO is a project model whereby an entity builds, owns and operates their facilities and assets with no obligation to transfer the facilities and assets to any specified parties at any specified time. The government does not provide direct funding but it may offer other financial incentives such as tax-exempt status to the entity. The entity owns and operates the facility. As the legal title of the facility belongs to the entity, construction in progress of the BOO projects would be recognised as fixed assets according to its stage of completion.

For both BOT and BOO model operation, after the operation of the facilities has commenced, the income generated would typically include government subsidy for waste collecting and processing (depending on the terms of the concession right agreed with the government bodies, if relevant) and sale of products generated from the waste treatment process, such as organic fertilizers, feed, grease, biogas, etc.

於本年度來自環保業務的收入主要源自餐廚垃圾處理業務，有關業務乃根據建造 — 經營 — 移交(「BOT」)模式或建造 — 擁有 — 經營(「BOO」)模式進行。

BOT是一個項目模式，據此，政府實體向實體授出特許權，以按照協定規格在指定特許權年期內撥付、興建及經營一項設施。該實體並不擁有設施或項目，惟可從政府實體收取補助及／或從項目最終用家收取收入。待特許權年期屆滿後，項目營運將以象徵式費用轉移至政府實體。由於設施的法定所有權並不屬於實體，故根據BOT合約條款興建餐廚垃圾處理項目的收入乃使用完工百分比法確認，並參照迄今所產生成本佔相關合約估計總成本的比例計量。

BOO是一個項目模式，據此，實體建造、擁有及經營其設施及資產，而無義務於任何指定時間向任何指定方轉移該等設施。政府並不向實體提供直接資金，惟可提出免稅資格等其他財務優惠。實體擁有及經營設施。由於設施的法定所有權屬於實體，故BOO項目的在建工程將按照完工階段確認為固定資產。

就BOT及BOO模式的營運而言，於設施開始營運後，所產生的收入一般包括垃圾收集及處理的政府補助(視乎與政府機構協定的特許權條款(如相關)而定)以及有機肥料、飼料、油脂、沼氣等垃圾處理過程中產生的產品的銷售額。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

For FY2018, the Group's revenue from the Environmental Protection Business dropped by approximately 76.4% to approximately HK\$113.7 million (FY2017: HK\$481.8 million), which was mainly attributable to the decrease in the construction revenue in relation to the kitchen waste treatment operation. Discussion and analysis on the business performances of kitchen waste treatment, industrial water treatment and other strategic investments are set out below.

1. Kitchen waste treatment

FY2018 saw completion in construction of the first two BOT kitchen waste treatment plants of the Group, namely the Taiyuan Plant and the Hefei Plant. The Taiyuan Plant commenced formal commercial operation in December 2017, while business operational approval of the Hefei Plant was obtained in March 2018 after a few months of trial operation.

The Group made its foray in the kitchen waste treatment industry in June 2016 when it entered into a sale and purchase agreement to acquire the 100% equity interest in Taiyuan Tianrun Bioenergy Co., Ltd. ("Taiyuan Tianrun"), which held a concession right to construct, build and operate the Taiyuan Plant under the BOT model. With completion of the acquisition of Taiyuan Tianrun, the Group embarked on the construction and development work of the Taiyuan Plant actively and trial production of the plant was launched in March 2017. The goal of the Group is to establish itself as a prominent provider of environmental protection services in kitchen waste treatment business with a competing edge in processing technology and efficiency in achieving the optimal standard of "zero liquid discharge zero contamination" by its fully-integrated treatment process to be installed in the kitchen waste plants. The illustration of the fully-integrated treatment process supported by proven technology and patented equipment is illustrated in the section headed "Outlook" below.

於2018財政年度，本集團來自環保業務的收入下跌約76.4%至約113,700,000港元(2017財政年度：481,800,000港元)，主要是由於有關餐廚垃圾處理營運的建造收入減少所致。有關餐廚垃圾處理、工業廢水處理及其他策略性投資業務表現的討論及分析載於下文。

1. 餐廚垃圾處理

於2018財政年度，本集團首兩個BOT餐廚垃圾處理項目(即太原項目及合肥項目)相繼落成。太原項目於2017年12月開始正式商業運作，而合肥項目則於試運行數個月後在2018年3月取得商業運行批准。

於2016年6月，本集團訂立一份買賣協議收購太原天潤生物能源有限公司(「太原天潤」)100%股權，首次涉足餐廚垃圾處理行業。太原天潤持有以BOT模式興建、建造及經營太原項目的特許權。收購太原天潤一事完成後，本集團積極開展太原項目的建築及發展工程，項目亦於2017年3月開始試產。本集團的目標為成為餐廚垃圾處理業務環保服務的知名供應商，在處理技術及效率方面享有競爭優勢，以於餐廚垃圾處理項目裝設的全面綜合處理過程達致「零液體排放、零污染」的理想標準。由獲證實可行的技術及專利設備支持的全方位處理過程的圖解於下文「前景」一節說明。



MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

The second kitchen waste process plant completed by the Group during the Year was the Hefei Plant. Both of the Taiyuan Plant and Hefei Plant adopts the processing solutions and systems of Clear Industry Company Limited (“Clear Industry”), a 51% subsidiary of the Group, in waste pre-treatment, anaerobic digestion and bio-gas purifications. The treatment process will be integrated with the Memsys technology of the Group in membrane distillation in the production of organic fertilizers.

The third treatment plant operated by the Group is the Shenzhen Plant which was acquired in FY2018 and is now being operated on a temporary site as will be further explained below.

In addition to the three operating plants, during the Year, the Group was also in the process of constructing a BOT kitchen waste plant in Loudi (“Loudi Plant”), which is expected to commence commercial operation in the first quarter 2019 with an aggregate capacity of 100 tons per day. The Group has also formed a joint venture with an entity of the Hanzhong municipality government for the purpose of constructing a kitchen waste plant in Hanzhong (“Hanzhong Plant”) with permitted capacity of 150 tons per day.

本集團於本年度完成的第二個餐廚垃圾處理項目為合肥項目。太原項目及合肥項目均採用Clear Industry Company Limited(「Clear Industry」，本集團擁有51%權益的附屬公司)在垃圾預處理、厭氧消化及沼氣淨化方面的處理解決方案及系統。處理過程將與本集團生產有機肥料的Memsys膜蒸餾技術結合。

本集團經營的第三個處理項目為於2018財政年度收購的深圳項目，現於一臨時場址經營，情況將於下文進一步闡述。

除三個運作中的項目外，本集團於本年度亦於婁底市興建一個BOT餐廚垃圾項目(「婁底項目」)，預期項目將於2019年第一季開始商業運作，總處理量達每天100噸。本集團亦已與漢中市市政府轄下一家實體成立合營公司，以於漢中市興建一個許可處理量為每天150噸的餐廚垃圾項目(「漢中項目」)。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Set out below are the permitted and utilised capacity, and the construction status of each of the kitchen waste plants of the Group:

下文載列本集團各個餐廚垃圾項目的許可及已用處理量以及興建狀況：

Kitchen waste plants	Operation Model	Total permitted capacity	Utilised capacity as at 31 March 2018	Construction status as at 31 March 2018
餐廚垃圾項目	營運模式	許可總處理量 (tons per day) (每天噸數)	於2018年 3月31日的已用 處理量 (tons per day) (每天噸數)	於2018年3月31日的 興建狀況
1. Taiyuan Plant 太原項目	BOT BOT	500	200	In commercial operation 已投入商業運作
2. Hefei Plant 合肥項目	BOT BOT	200	200	In commercial operation 已投入商業運作
3. Shenzhen Plant 深圳項目	BOO BOO	100	40	In commercial operation 已投入商業運作
4. Loudi Plant 婁底項目	BOT BOT	120	—	Under construction 興建中
5. Hanzhong Plant 漢中項目	To be determined 待釐定	150	—	Plan to construct 計劃興建
	Total capacity 總處理量	1,070	440	

Revenue generated from the kitchen waste treatment business comprises (i) construction revenue from BOT projects under construction; and (ii) income from operating plants including government subsidy for kitchen waste treatment and sale of by-products including but not limited to organic fertilizers, feed, grease, biogas, etc. produced during the process of the kitchen waste treatment. With the commencement of production of the Taiyuan Plant, sales of by-products becomes one of the revenue streams of the treatment plant and will be one of the core segment revenue contribution to the Environmental Protection Business.

餐廚垃圾處理業務產生的收入包括(i) 來自在建BOT項目的建築收入；及(ii) 經營餐廚項目的收入(包括處理餐廚垃圾的政府補助以及餐廚垃圾處理過程中所產生副產品(包括但不限於有機肥料、飼料、油脂、沼氣等)的銷售額)。隨着太原項目投入運作，副產品銷售額成為處理餐廚垃圾的收入來源之一，並將成為環保業務的核心分部收入貢獻來源之一。



MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

During the Year, revenue generated from kitchen waste treatment amounted to HK\$97.7 million (FY2017: HK\$394.8 million), which was mainly attributable to the construction revenue of Taiyuan Plant, Hefei Plant and Loudi Plant. Also included as revenue of the kitchen waste treatment segment was the service fees paid by the government under the respective concession agreements of approximately HK\$29.2 million (FY2017: Nil), representing approximately 25.7% of total revenue generated from the segment of Environmental Protection Business. Sales of the by-products also contributed revenue of approximately HK\$8.4 million (FY2017: Nil), representing approximately 7.4% of the segment revenue from the Environmental Protection Business.

The drop in the segment revenue during the Year was due to the fact that a significant portion of construction revenue of Taiyuan Plant of approximately HK\$315.1 million had already been recognised in FY2017.

Set out below are the developments of each of the kitchen waste plants of the Group during the Year:

(i) *Taiyuan Plant*

Taiyuan Plant is operated under BOT model. The construction of the plant is in two phases with total permitted capacity of 500 tons per day. In April 2017, phase one of Taiyuan Plant with capacity of 200 tons per day commenced trial commercial operation. As at 31 March 2018, the facility capacity was already fully utilised. The Taiyuan Plant located at 太原市循環經濟環衛產業園區 (Taiyuan Circular Economy Protection Industrial Park*), Liudu Township, Qingxu County, Taiyuan City serves an area of approximately 2,000 sq. kilometers in the vicinity of the plant. As at the date of this report, production facilities for phase two of Taiyuan plant with addition capacity of 300 tons per days have been substantially installed. However, the phase two operations performance are subject to final quality review by the government of Taiyuan and improvements may be requested by the government of Taiyuan.

於本年度，餐廚垃圾處理產生的收入為97,700,000港元(2017財政年度：394,800,000港元)，主要源自太原項目、合肥項目及婁底項目的建設收入。餐廚垃圾處理分部收入亦包括政府根據各別特許權協議支付的服務費約29,200,000港元(2017財政年度：無)，佔環保業務分部產生的總收入約25.7%。副產品銷售額亦貢獻收入約8,400,000港元(2017財政年度：無)，佔環保業務分部收入約7.4%。

由於太原項目的建設收入約315,100,000港元大部分已於2017財政年度確認，故分部收入於本年度有所下跌。

下文載列本集團各個餐廚垃圾項目於本年度的發展：

(i) *太原項目*

太原項目以BOT模式經營，建築工程共兩期，許可總處理量為每天500噸。於2017年4月，處理量為每天200噸的太原項目第一期已開始商業試運行。於2018年3月31日，太原項目已達最高處理量。太原項目位於太原市清徐縣柳杜鄉太原市循環經濟環衛產業園區，為項目方圓約2,000平方公里的地區服務。於本報告日期，太原項目新增處理量為每天300噸的第二期生產設施已大致安裝妥當。然而，第二期的運作表現仍有待太原政府進行最終質量審查，並就太原政府的要求(如有)作出改善。



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(ii) Hefei Plant

In January 2017, the Group entered into a sale and purchase agreement and a capital injection agreement (collectively, the “Hefei Agreements”) with Fu Li Biotechnology Corporation* (阜利生物科技股份有限公司) (the “Hefei Vendor”) and Chieng Hsin Machinery (Kunshan) Co., Ltd (the “Hefei Creditor”) to acquire a 80% equity interest in Hefei Feifan Bio Technology Co., Ltd* (合肥非凡生物科技股份有限公司) (“Hefei Subsidiary”) and inject US\$10 million (equivalent to approximately HK\$77.6 million) to Hefei Subsidiary.

In June 2017, the acquisition was completed. Subsequent to completion and up to 31 March 2018, the Group had injected a total of US\$6.8 million (equivalent to approximately HK\$53.0 million) into Hefei Subsidiary. In the meantime, the Hefei Creditor had also exercised its right under the Hefei Agreements to convert all the debts owed by Hefei Subsidiary to it into equity of Hefei Subsidiary. As a result, Hefei Subsidiary has become a 60%-owned subsidiary of the Group.

The Hefei Plant commenced formal commercial operation in March 2018 and is operated under the BOT model. It has permitted capacity of 200 tons per day. The Hefei Plant located at Hefei Baohe Industrial Park, Taishan Road, Hefei City serves an area of approximately 11,445 sq. kilometers in the vicinity of the plant.

Pursuant to the Hefei Agreements, the Hefei Vendor guaranteed that the revenue from the sales of the organic fertilizers shall be no less than (i) RMB6,205,000 (equivalent to approximately HK\$7,301,000) and RMB12,410,000 (equivalent to approximately HK\$14,602,000) for the first two years respectively upon commencement of commercial operations of the Hefei Plant; and (ii) RMB17,063,800 (equivalent to approximately HK\$20,077,000) per year thereafter until expiration of the concession right to operate the project on 26 June 2038 (“Guaranteed Revenue”). Should the actual revenue from sales of organic fertilizers fall short of the Guaranteed Revenue in any particular year, the Hefei Vendor and the Hefei Creditor shall make up the difference with the dividends they are entitled to receive from Hefei Subsidiary.

(ii) 合肥項目

於2017年1月，本集團與阜利生物科技股份有限公司(「合肥賣方」)及堅新紡織機械(昆山)有限公司(「合肥債權人」)訂立一份買賣協議及一份注資協議(統稱「合肥協議」)，以收購合肥非凡生物科技股份有限公司(「合肥附屬公司」)80%股權及向合肥附屬公司注資10,000,000美元(相等於約77,600,000港元)。

收購事項已於2017年6月完成。於完成後直至2018年3月31日，本集團已向合肥附屬公司注資合共6,800,000美元(相等於約53,000,000港元)。與此同時，合肥債權人亦已行使其於合肥協議下將合肥附屬公司結欠的所有債項轉換為合肥附屬公司的股權的權利，合肥附屬公司因而成為本集團擁有60%權益的附屬公司。

合肥項目於2018年3月開始正式商業運作，以BOT模式經營，許可處理量為每天200噸。合肥項目位於合肥市泰山路合肥包河工業園區，為項目方圓約11,445平方公里的地區服務。

根據合肥協議，合肥賣方保證，出售有機肥料的收入於(i)合肥項目開始商業運作後首兩年將分別不少於人民幣6,205,000元(相等於約7,301,000港元)及人民幣12,410,000元(相等於約14,602,000港元)；及(ii)其後至項目特許經營權於2038年6月26日屆滿前每年將不少於人民幣17,063,800元(相等於約20,077,000港元)(「保證收入」)。如某年出售有機肥料的實際收入少於保證收入，則合肥賣方及合肥債權人將以彼等有權收取的合肥附屬公司分紅補足差額。



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The first year that the Guaranteed Revenue becomes relevant is from March 2018. Announcement(s) will be made by the Company on the status of the Guaranteed Revenue as and when appropriate.

(iii) Shenzhen Plant

In March 2017, Prime World (Tianjin) Environment Protection Technology Limited (“Prime World”), a wholly-owned subsidiary of the Company, entered into an agreement (the “Shenzhen Agreement”) with two independent third parties (the “Shenzhen Vendors”) to acquire (i) a 85% equity interest in Shenzhen Xinbao Energy Technology Ltd* (深圳市新寶環保能源科技有限公司) (“Shenzhen Xinbao”) for a consideration of RMB15.5 million (the “Shenzhen Acquisition”) and (ii) 15% equity interest for a consideration (the “Remaining Consideration”) calculated as follows:

Remaining Consideration	=	(government subsidy – RMB200/tons) x 80 tons/days x 30 months
餘下代價	=	(政府補助 – 每噸人民幣200元) x 每天80噸 x 30個月

However, the remaining 15% equity interest in Shenzhen Xinbao was acquired by the Group for a revised consideration of RMB800,000 (equivalent to approximately HK\$913,000) under a supplemental agreement to the Shenzhen Agreement dated 3 January 2019 (the “Supplemental Shenzhen Agreement”) with a view to disposing of the entire equity interest in Shenzhen Xinbao to an independent third party (the “Shenzhen Disposal”). Further information on the Supplemental Shenzhen Agreement and the Shenzhen Disposal is set out in the section headed “Business update after the reporting period” below.

The principal assets of Shenzhen Xinbao are the exclusive concession right granted under a concession agreement (the “Shenzhen Concession Agreement”) dated 12 November 2013 entered into between Shenzhen Xinbao and the Shenzhen Guangming Urban Management Bureau (深圳市光明新區城市管理局) of Shenzhen (the “Bureau”). With the concession right, Shenzhen Xinbao shall construct and operate a kitchen waste plant at an appropriate premise to be provided by the Bureau with daily collection and processing capacity of 100 tons per day of the operator in the Guangming District for a term of 10 years to 24 August 2024 (the “Operating Concessions”) with a right of extension for additional five years in accordance with the “Measures of the

計算保證收入的首個年度由2018年3月開始。本公司將於適當時候就保證收入的狀況發表公佈。

(iii) 深圳項目

於2017年3月，本公司全資附屬公司世本(天津)環境技術有限公司(「世本」)與兩名獨立第三方(「深圳賣方」)訂立一份協議(「深圳協議」)，以(i)代價人民幣15,500,000元收購深圳市新寶環保能源科技有限公司(「深圳新寶」)85%股權(「深圳收購事項」)；及(ii)以按照下文計算的代價(「餘下代價」)收購15%股權：

然而，本集團已根據就深圳協議所訂立日期為2019年1月3日的補充協議(「補充深圳協議」)，以經修訂代價人民幣800,000元(相等於約913,000港元)收購深圳新寶餘下15%股權，藉此向一名獨立第三方出售深圳新寶全部股權(「深圳出售事項」)。有關補充深圳協議及深圳出售事項的進一步資料載於下文「報告期後業務最新資料」一節。

深圳新寶的主要資產為根據深圳新寶與深圳市光明新區城市管理局(「管理局」)所訂立日期為2013年11月12日的特許權協議(「深圳特許權協議」)，深圳新寶獲管理局授出的獨家特許權。憑藉該項特許權，深圳新寶將於光明區內由管理局提供的合適場址上興建及經營一個收集及處理量達每天100噸的餐廚垃圾處理項目，直至2024年8月24日止為期10年(「經營特許權」)，另有權按照深圳市政府於2012年頒佈的《深圳市餐廚垃圾管理辦法》



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Shenzhen Municipality on Management of Kitchen Wastes” promulgated by the Shenzhen Municipality Government in 2012. In return, the Bureau shall pay the government subsidy for kitchen waste treatment of RMB200 per ton pursuant to the Shenzhen Concession Agreement.

At the time of negotiation of the Shenzhen Acquisition with the Shenzhen Vendors, the Company was aware that the original Shenzhen Plant was required by the Guangming District municipality authority to be relocated to another premise. However, the Company was of the view that relocation would not materially or adversely impact the operation or the value of the Operating Concessions given the Bureau is obliged to provide an appropriate premise to ensure the construction and operation of a kitchen waste treatment plant with daily collection and processing capacity of 100 tons of the operator. In view of this, it was the plan of the Group to install the fully-integrated processing line of kitchen waste treatment with the Group’s technical know-how and patented equipment supported throughout the process in the Shenzhen Plant at the newly granted premise with a view to achieving operational efficiency and optimal standard of zero-liquid discharge.

The consideration for the Shenzhen Acquisition of RMB15.5 million (equivalent to approximately HK\$18.5 million) was therefore justified by the internal cash flow projection prepared on the bases and assumptions that (i) the newly granted premise will allow the construction and installation of a fully-integrated processing line that could cater for 100 tons of kitchen waste per day and the installation will be ready by 1 January 2018 with a capital expenditure of RMB29 million; (ii) daily collection amount of kitchen waste in Guangming District will be 20 tons per day up to 31 March 2018, 60 tons in 2019, 80 tons in 2020 and 100 tons since 2021; (iii) the term of the Operating Concessions will be extended to 2029; and (iv) the government subsidy paid for kitchen waste processed would remain at the existing rate of RMB280 per ton throughout the whole concession period.

In September 2017, the Shenzhen Plant operated on the original premise was demolished by the authorities and Shenzhen Xinbao was granted a new premise to operate on (the “Temporary Site”) as a transition arrangement.

延期五年。作為代價，管理局將根據深圳特許權協議支付處理餐廚垃圾的政府補助每噸人民幣200元。

於與深圳賣方磋商深圳收購事項之時，本公司注意到光明區市機關要求將原有深圳項目遷往另一場址。然而，本公司認為拆遷不會對經營特許權的運作或價值構成重大或不利影響，原因為管理局有義務提供合適場址以確保經營商興建及經營一個收集及處理量達每天100噸的餐廚垃圾處理項目。有鑑於此，本集團計劃在位於新授出場址的深圳項目裝設全程均採用本集團技術知識及專利設備的全面綜合餐廚垃圾處理加工線，務求達致經營效益及零液體排放的最佳標準。

因此，深圳收購事項的代價人民幣15,500,000元（相等於約18,500,000港元）得到內部現金流預測支持，當中的編製基準及假設為(i)新授出的場址可興建及裝設全面綜合加工線，應付每天100噸餐廚垃圾，並於2018年1月1日或之前完成安裝，資本開支為人民幣29,000,000元；(ii)光明區截至2018年3月31日、2019年、2020年及2021年以後的餐廚垃圾收集量分別為每天20噸、60噸、80噸及100噸；(iii)經營特許權將延期至2029年；及(iv)於整個特許權年期內，就處理餐廚垃圾支付的政府補助將一直維持於目前費率每噸人民幣280元。

於2017年9月，相關機關已拆卸於原址經營的深圳項目，而深圳新寶則獲授新經營場址（「臨時場址」）作為過渡安排。



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In December 2017, the Shenzhen Plant commenced operation on the Temporary Site. Completion of the Shenzhen Agreement took place in January 2018. However, it was noted that the physical environment of the Temporary Site constrained the installation of a fully-integrated processing line in the Shenzhen Plant that includes all key processes contributing core revenue. In addition, from the commencement of operation on the Temporary Site in December 2017 and up to 31 March 2018, the amount of kitchen waste collected by the Shenzhen Plant from restaurants and eating outlets in the Guangming District was short of 30 tons per day, which was substantially lower than the required daily collection capacity of 100 tons per day under the Shenzhen Concession Agreement.

In view of the above, the throughput of operation is not efficient and the output is not at its optimal level, which materially affected the goodwill arising from the Shenzhen Acquisition driving to the impairment made thereon as at 31 March 2018, which is detailed below.

As at 31 March 2018, the Shenzhen authorities were yet to confirm with Shenzhen Xinbao where the permanent site for the Shenzhen Plant might be. In view of the low collection amount of the kitchen waste in Guangming District, on 17 May 2018, the Bureau issued a notice to all restaurants and eating outlets operating in the area requesting the operators to dispose of all of their kitchen waste via the Shenzhen Plant, and not to dispose of or deal with the kitchen waste otherwise. Notwithstanding this, the collection amount had remained in the range of about 30 tons per day on average until late September 2018 when it first reached a level of 40 tons per day on average.

According to the purchase price allocation report (the “PPA report”) prepared by Grant Sherman Appraisal Limited (the “Valuer”), the adjusted purchase price of Shenzhen Xinbao should be approximately RMB16.4 million (equivalent to approximately HK\$19.6 million), comprising (i) the consideration for 85% equity interest in Shenzhen Xinbao of approximately RMB15.5 million (equivalent to approximately HK\$18.5 million); and (ii) the advances attributable to 85% equity interest in Shenzhen Xinbao of the Group of approximately RMB850,000 (equivalent to approximately HK\$1.1 million) made by the Group to Shenzhen Xinbao prior to completion of the Shenzhen Acquisition for its working

於2017年12月，深圳項目開始於臨時場址運作。深圳協議於2018年1月完成。然而，臨時場址的實際環境令於深圳項目裝設全面綜合加工線存在限制，包括產生主要收入的所有關鍵程序。此外，自2017年12月開始於臨時場址運作以來直至2018年3月31日止，深圳項目向光明區餐廳及食店收集的餐廚垃圾數量每天不足30噸，遠低於深圳特許權協議規定的收集量每天100噸。

有鑑於此，經營處理量效率偏低，且產出未達最佳水平，對深圳收購事項所產生的商譽構成重大影響，導致就此於2018年3月31日作出減值，詳情如下。

於2018年3月31日，深圳機關尚未向深圳新寶確定深圳項目永久場址的地點。鑑於光明新區餐廚垃圾收集量偏低，管理局於2018年5月17日向所有於區內經營的餐廳及食店發出通知，要求經營者透過深圳項目處置而避免以其他方式處置或處理所有餐廚垃圾。儘管如此，收集量平均仍維持於每天約30噸，直至2018年9月底方首次達到平均每天40噸的水平。

按照由中證評估有限公司(「估值師」)編製的購買價分配報告(「購買價分配報告」)，深圳新寶的經調整購買價應為約人民幣16,400,000元(相等於約19,600,000港元)，包括(i)深圳新寶85%股權的代價約人民幣15,500,000元(相等於約18,500,000港元)；及(ii)本集團於深圳收購事項完成前向深圳新寶墊付作為營運資金、本集團於深圳新寶的85%股權應佔的款項約人民幣850,000元(相等於約1,100,000港元)。按照購買價分配報告，於深圳收



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capital purpose. Based on the PPA Report, the goodwill recognised on the date of the completion of the Shenzhen Acquisition amounted to approximately HK\$16.3 million. In considering the impairment assessment of the goodwill arising from the Shenzhen Acquisition as at 31 March 2018 for the purpose of the consolidated accounts of the Group for FY2018, the Company had prepared cash flow projections on the Shenzhen Plant taking into account the facts that (i) the Bureau failed to grant an appropriate premises that allows the Group to install a fully-integrated processing line which adversely affected the operation efficiency of the Shenzhen Plant and Shenzhen Xinbao would continue to suffer operating loss if the fully-integrated processing line cannot be installed at the Temporary Site; and (ii) the amount of kitchen waste collected from the restaurants and eating outlets at the Temporary Site was lower than expected (i.e. less than 30 tons per day from December 2017 to 31 March 2018).

With reference to this cash flow projection, the Company had fully impaired the goodwill arising from Shenzhen Acquisition during the Year and the impairment amounted to approximately HK\$16.3 million.

Further information on the developments subsequent to the reporting period is set out in the section headed “Business update after the reporting period” below.

(iv) Loudi Plant

During the Year, Loudi Plant was under construction by Loudi Fangsheng Environmental Technology Co. Ltd* (婁底市方盛環保科技有限公司) (“Loudi Fangsheng”), which was an indirect wholly-owned subsidiary of the Company until February 2018 when the Group effectively disposed of a 20% interest in Loudi Fangsheng (the “LF Sale Interest”) to an independent third party (the “LF Sale Interest Purchaser”). As at the time of the aforesaid disposal, the registered capital relating to the LF Sale Interest was yet to be paid up by the Group. The aforesaid 20% effective disposal of the LF Sale Interest was effected by the Group transferring to the LF Sale Interest Purchaser the right to pay up the registered capital amounting to RMB9.0 million (equivalent to approximately HK\$11.2) in respect of the LF Sale Interest, while the registered capital relating to the Group’s remaining 80% interest in Loudi Fangsheng amounts to RMB36.0 million (equivalent to approximately HK\$44.9 million). As at 31 March 2018, the Group and the LF Sale Interest Purchaser

購事項完成日期確認的商譽約為16,300,000港元。於就本集團2018財政年度的綜合賬目考慮於2018年3月31日深圳收購事項所產生商譽的減值評估時，本公司已就深圳項目編製現金流預測，當中計及(i)管理局未有授出合適場址讓本集團裝設全面綜合加工線，對深圳項目的經營效率構成不利影響，而尚未能於臨時場址裝設全面綜合加工線，則深圳新寶將繼續蒙受經營虧損；及(ii)臨時場址向餐廳及食店收集的餐廚垃圾數量較預期為少（即自2017年12月起至2018年3月31日止每天不足30噸）。

參照上述現金流預測，本公司已於本年度就深圳收購事項所產生的商譽計提全數減值，金額約為16,300,000港元。

有關報告期後發展的進一步資料載於下文「報告期後業務最新資料」一節。

(iv) 婁底項目

於本年度，婁底項目由婁底市方盛環保科技有限公司（「婁底方盛」）負責興建。婁底方盛於2018年2月本集團向一名獨立第三方（「婁底方盛待售權益買方」）實際出售其20%權益（「婁底方盛待售權益」）前為本公司的間接全資附屬公司。於進行上述出售事項之時，本集團尚未繳足有關婁底方盛待售權益的註冊資本。本集團向婁底方盛待售權益買方轉讓繳足有關婁底方盛待售權益的註冊資本人民幣9,000,000元（相等於約11,200,000港元）的權利，以實行上述實際出售20%婁底方盛待售權益一事。有關本集團於婁底方盛的其餘80%權益的註冊資本為人民幣36,000,000元（相等於約44,900,000港元）。於2018年3月31日，本集團及婁底方盛待售權益買方已分別按彼等於



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had paid up approximately RMB24.4 million (equivalent to approximately HK\$30.5 million) and RMB6.1 million (equivalent to approximately HK\$7.6 million) respectively towards the registered capital of Loudi Fangsheng, proportionate to their 80:20 equity interest in Loudi Fangsheng.

The Loudi Plant has a permitted capacity of 120 tons per day. The Loudi Plant located at Loudi Domestic Waste Landfill, Quantang Village, Shexingshan Town, Shuangfeng County, Loudi City serves an area of approximately 8,118 sq. kilometers in the vicinity of the plant. The construction of the Loudi Plant is expected to be completed in the first quarter of 2019.

(v) *Hanzhong Plant*

In June 2017, the Group set up a joint venture company, namely Hanzhong Fancy Ascent Biological Technology Co. Ltd* (漢中市宜昇生物科技有限公司) (“Hanzhong JV”) with Hanzhong Urban Construction Investment Development Co., Ltd.* (漢中市城市建設投資開發有限公司) (“Hanzhong UCID”). Hanzhong UCID was established by the Hanzhong municipality government. Hanzhong JV was set up for the purpose of constructing and operating a kitchen waste plant in Hanzhong with capacity of 150 tons per day (i.e. the Hanzhong Plant) (the “Hanzhong Proposition”). The planning and implementation of the Hanzhong Proposition is pending completion of the pre-feasibility studies by the relevant government authorities on items including but not limited to market research on the kitchen waste disposal in the Hanzhong municipality area, suitability of selected sites for the proposed Hanzhong Plant, environmental issues, available optimum for the waste treatment methods and related technology systems, formulation of related government supporting measures including, if appropriate, tariff/subsidy policies, sale of by-products and analysis on return on investment to determine the appropriate length of concession period. Further information on the Hanzhong Proposition subsequent to the reporting period is set out in the section headed “Business update after the reporting period” below.

婁底方盛的80：20股權比例，繳足婁底方盛註冊資本約人民幣24,400,000元（相等於約30,500,000港元）及人民幣6,100,000元（相等於約7,600,000港元）。

婁底項目的許可處理量為每天120噸。婁底項目位於婁底市雙峰縣蛇形山鎮泉塘村婁底市生活垃圾衛生填埋場，為項目方圓約8,118平方公里的地區服務。婁底項目預期於2019年第一季度落成。

(v) *漢中項目*

於2017年6月，本集團與漢中市城市建設投資開發有限公司（「漢中城市建設」）成立一間名為漢中市宜昇生物科技有限公司的合營公司（「漢中合營公司」）。漢中城市建設由漢中市政府成立。成立漢中合營公司旨在於漢中市興建及經營一個處理量為每天150噸的餐廚垃圾項目（即漢中項目）（「漢中提議」）。漢中提議須待相關政府機關完成預可行性研究後方可進行規劃及實行，研究項目包括但不限於漢中市地區處置餐廚垃圾的市場研究、擬建漢中項目的選址是否合適、環境議題、可實行垃圾處理方法及可提供相關技術系統的最佳狀況、制訂相關政府支援措施（包括（如適用）收費／補助政策）、出售副產品以及為釐定適當特許權年期進行的投資回報分析。有關漢中提議於報告期後的進一步資料載於下文「報告期後業務最新資料」一節。



2. Provision of Environmental Improvement Solutions

In December 2016, the Group acquired a 51% equity interest in Clear Industry from the Qingqin International Group Limited (“Qingqin”) for a consideration of RMB87,975,000 (equivalent to approximately HK\$107.5 million) to be satisfied by (i) cash of RMB43,987,500 (equivalent to approximately HK\$50.5 million); and (ii) allotment and issue of 18,982,992 Shares at the issued price of HK\$2.97 (the “Clear Industry Acquisition”). At the time of the Clear Industry Acquisition, Clear Industry held a 88.5% equity interest in Loudi Fangsheng, and two main operating wholly-owned subsidiaries namely Suzhou Clear Industry Co., Ltd and Clear Industry (Shanghai) Co., Ltd. Later in March 2017, the Group reorganised the structure to hold Loudi Fangsheng through another wholly-owned subsidiary, Fancy Ascent Limited.

Clear Industry and its main operating subsidiaries (together, “Clear EPC Group”) are principally engaged in provision of EPC services for kitchen waste treatment and water treatment projects, provision of environmental and purifying improvement solutions and systems, and of sale and trading of environmental equipment (the “Technical Know-how”). The Clear EPC Group was the EPC service provider to the Loudi Plant, Taiyuan Plant and Hefei Plant responsible for the construction and design and system integration of the plants using its proprietary intellectual design and technical know-how.

Based on the consolidated financial statements of the Group for the Year, the Clear EPC Group contributed revenue of approximately RMB9.4 million (equivalent to approximately HK\$11.1 million) to the Group for the Year, while for the period starting from the date of completion of Clear Industry Acquisition (i.e. 14 December 2016) to 31 March 2017 (“Period”), the revenue contributed by the Clear EPC Group to the Group was RMB36.1 million (equivalent to approximately HK\$41.7 million). The significant drop was mainly attributable to the fact that the construction work of the kitchen waste projects of Clear EPC Group in respect of the EPC services provided had been significantly completed in FY2018 (e.g. Hefei Plant) which resulted in contributing no or less revenue to the Group while no new EPC contracts were obtained during the Year.

2. 提供環境改善解決方案

於2016年12月，本集團向清勤國際集團有限公司（「清勤國際」）收購Clear Industry 51%股權，代價人民幣87,975,000元（相等於約107,500,000港元）將以(i)現金人民幣43,987,500元（相等於約50,500,000港元）；及(ii)按發行價2.97港元配發及發行18,982,992股股份的方式結清（「Clear Industry收購事項」）。於進行Clear Industry收購事項之時，Clear Industry持有婁底方盛88.5%股權及兩間主要經營全資附屬公司（即蘇州愷利爾環保科技有限公司及清勤水處理科技（上海）有限公司）。其後，本集團於2017年3月重組架構，以透過另一全資附屬公司宜昇有限公司持有婁底方盛。

Clear Industry及其主要經營附屬公司（統稱「Clear EPC集團」）的主要業務為提供餐廚垃圾處理及水處理項目的EPC服務，提供環境及淨化改善解決方案及系統，以及銷售及買賣環境設備（「技術知識」）。Clear EPC集團為婁底項目、太原項目及合肥項目的EPC服務供應商，負責利用專有知識設計及技術知識處理項目的建設及設計及系統整合。

基於本集團本年度的綜合財務報表，Clear EPC集團於本年度為本集團貢獻收入約人民幣9,400,000元（相等於約11,100,000港元），而於Clear Industry收購事項完成日期（即2016年12月14日）至2017年3月31日期間（「該期間」）則為人民幣36,100,000元（相等於約41,700,000港元）。收入貢獻大幅減少，主要是由於Clear EPC集團所提供有關EPC服務的餐廚垃圾項目（如合肥項目）建設工程於2018財政年度已大致完成，因而並無為本集團貢獻收入或貢獻的減少，且本年度內未有獲得新EPC合約所致。



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Certain performance commitments and profit guarantee (collectively, "Suzhou Commitments") was given by Qingqin in favor of the Group under the Clear Industry Acquisition, including a three-year profit guarantee for the Clear EPC Group and recovery by it of the account receivables incurred during the three-year profit guarantee period.

The profit guarantee requires that the audited net profits after tax of the Clear EPC Group, less downward adjustments for unrecovered outstanding account receivables calculated in accordance with the pre-agreed formula as set out in the agreement of the Clear Industry Acquisition and also excluding the profit attributable to the business contracted by the other members of the Group to the Clear EPC Group, for the year ended 31 March 2017, 31 March 2018 and 31 March 2019 shall be RMB20 million, RMB30 million and RMB40 million respectively. Details of the Suzhou Commitments were set out in the announcement of the Company relating to the Clear Industry Acquisition dated 2 November 2016.

Under the terms of the Clear Industry Acquisition, if the product of the average amount of the audited net profit after tax of the Clear EPC Group for the three years ending 31 March 2019 multiplied by the agreed price to earnings multiple of 5.75 times is less than RMB87,975,000 (equivalent to approximately HK\$101.0 million) (being the consideration for the Clear Industry Acquisition), Qingqin shall compensate the shortfall to the Group in the order of: (i) by cash; (ii) out of the consideration shares of the Company that had been allotted and issued to Qingqin; and (3) the shares of Clear Industry.

Based on the unaudited management accounts of the Clear EPC Group and excluding the profit attributable to the business contracted by the other members of the Group to the Clear EPC Group, the Clear EPC Group recorded a net profit after tax of approximately RMB9.4 million (equivalent to approximately HK\$11.1 million) for the Year and a net loss after tax of approximately RMB15.9 million (equivalent to approximately HK\$18.7 million) for the Year. The amount of shortfall (if any) can only be ascertained after the average of three-year profit of Clear EPC Group is confirmed by a special audit, it is expected that the scope of the special audit for the three full financial years ending 31 March 2019 will be determined by the parties before the end of the current year.

清勤國際根據Clear Industry收購事項以本集團為受益人作出若干履行承諾及溢利保證(統稱「蘇州承諾」)，包括Clear EPC集團的三年溢利保證及收回於三年溢利保證期內產生的應收賬項。

溢利保證要求Clear EPC集團截至2017年3月31日、2018年3月31日及2019年3月31日止年度的經審核除稅後純利(減去就按照Clear Industry收購事項協議所載預先協定公式計算的未收回未償還應收賬項作出的下調，並撇除本集團其他成員公司外判予Clear EPC集團的業務應佔的溢利)應分別為人民幣20,000,000元、人民幣30,000,000元及人民幣40,000,000元。蘇州承諾的詳情載於本公司日期為2016年11月2日、有關Clear Industry收購事項的公佈。

根據Clear Industry收購事項的條款，倘Clear EPC集團截至2019年3月31日止三個年度的經審核除稅後純利的平均金額乘以協定市盈率5.75倍的積低於人民幣87,975,000元(相等於約101,000,000港元)(即Clear Industry收購事項的代價)，則清勤國際應按以下次序向本集團補償不足之數：(1)現金；(2)已配發及發行予清勤國際的本公司代價股份；及(3) Clear Industry股份。

基於Clear EPC集團的未經審核管理賬目且撇除本集團其他成員公司外判予Clear EPC集團的業務應佔的溢利，Clear EPC集團就本年度錄得除稅後純利約人民幣9,400,000元(相等於約11,100,000港元)及就本年度錄得除稅後虧損淨額約人民幣15,900,000元(相等於約18,700,000港元)。不足之數(如有)於Clear EPC集團三年溢利的平均數經特別審核確認後方能確定，故預期截至2019年3月31日止三個完整財政年度的特別審核範圍將由訂約各方於當前年度年末前釐定。於獲得



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Once the shortfall (if any) has been ascertained after the audited results of the Clear EPC Group for the three years ending 31 March 2019 become available, the Group will enforce the compensation undertaking of Qingqin in accordance with the terms of the Clear Industry Acquisition.

In view of the significant drop in orders and thus revenue of the Clear EPC Group for FY2018, the Group had recognised impairment losses of approximately HK\$98.5 million on goodwill arising from the Clear Industry Acquisition. The intangible assets in relation to the technologies of Clear Industry had also been impaired by approximately HK\$24.4 million on the note that there was reduced new contracts obtained by Clear Industry for FY2018. On the other hand, a contingent consideration asset of approximately HK\$61.6 million was recognised as at 31 March 2018 to account for the possible compensation to be received from the Qingqin in respect of the profit guarantee.

3. Industrial water treatment

(i) Memsys Assets

During the Year, the Group owned the assets comprising the technology, intellectual rights, equipment and inventories (“Memsys Assets”), which were acquired by it in October 2016 from the liquidator of the former Memsys group of companies in Europe. The technology uses membrane distillation method based on unique vacuum multi effect membrane distillation (“V-MEMD”) modules, and is capable of delivering a highly efficient thermal separations process in modular forms. The V-MEMD modules deliver a cost-effective and corrosion resistant solution for treatment of highly saline and corrosive process waters generated during industrial activities.

After the acquisition of the Memsys Assets, the Group through a wholly-owned subsidiary in Germany had further promoted, developed and marketed the V-MEMD technology to users in industrial water treatment industry. For the FY2018, this section generated revenue of approximately HK\$4.8 million.

Clear EPC集團截至2019年3月31日止三個年度的經審核業績後，不足之數（如有）一經確定，本集團將按照Clear Industry收購事項的條款強制執行清勤國際的賠償承諾。

鑑於訂單以至Clear EPC集團2018財政年度的收入顯著減少，本集團已就Clear Industry收購事項所產生的商譽確認減值虧損約98,500,000港元。考慮到Clear Industry於2018財政年度獲得的新合約減少，有關其技術的無形資產亦已減值約24,400,000港元。另一方面，本集團於2018年3月31日確認或然代價資產約61,600,000港元，以將可能就溢利保證向清勤國際收取的賠償入賬。

3. 工業廢水處理

(i) Memsys資產

於本年度，本集團擁有由若干技術、知識產權、設備及存貨組成的資產（「Memsys資產」）。Memsys資產由本集團於2016年10月向前Memsys歐洲公司集團的清盤人收購。該技術利用基於其獨創的真空多效膜蒸餾（「V-MEMD」）模組的膜蒸餾法，能進行模塊化的高效熱法分離程序。V-MEMD模組為處理高鹽及腐蝕性工業廢水提供具成本效益及抗腐蝕的解決方案。

收購Memsys資產後，本集團已透過一間德國全資附屬公司進一步向工業廢水處理行業用家推廣、發展及營銷V-MEMD技術。此部分於2018財政年度產生約4,800,000港元的收入。



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As part of its effort to commercialise the application of the V-MEMD technology, in March 2017, the Group entered into a conditional agreement to acquire a 100% equity interests in Beijing China Science Resources & Environmental Technology Co., Ltd.* (北京中科瑞升資源環境技術有限公司) (“CSRE”). Prior to the proposed said acquisition, CSRE had successfully applied the V-MEMD technology in its water treatment operation on a commercial scale. However, the proposed acquisition of CSRE lapsed in December 2017 as certain financial milestones in respect of CSRE were found not met during the financial due diligence conducted by the Group.

Subsequent to the Year, in May 2018, the Group entered into agreement with an independent third party for disposal of the Memsys Assets. As part of the sale arrangement, the Group had also agreed to form a joint venture with the independent third party to explore the market in Asia, and to this end, the joint venture partners intend to engage with CSRE again on a business collaboration to develop the People’s Republic of China (“PRC”) market for the Memsys Assets. Further information of this post year-end development is set out in the section headed “Business update after the reporting period” below.

(ii) TDR

In April 2017, the Group entered into a framework agreement (“TDR Framework Agreement”) with Shanghai Fuji Investment Limited* (上海福激投資有限公司) (“TDR Vendor”), an independent third party, to acquire (“TDR Acquisition”) a 100% equity interest in Beijing TDR Environ-Tech Co., Ltd.* (北京天地人環保科技有限公司) (“TDR”) for a consideration of RMB650,000,000 (equivalent to approximately HK\$734.0 million). RMB26.0 million (equivalent to approximately HK\$29.4 million) (the “TDR Deposit”) was paid to the TDR Vendor upon the signing of the TDR Framework Agreement. Founded in 2002, TDR specialises in high concentration wastewater treatment and special material separation and provides integrated and tailor-made solutions to high concentration wastewater treatment for all local governments and enterprises. It has a variety of wastewater processing technologies, including membrane technology, large channel spiral-wound membrane technology, multi-effect membrane distillation.

作為使V-MEMD技術應用商業化的行動的一部分，本集團於2017年3月訂立一份有條件協議，以收購北京中科瑞升資源環境技術有限公司(「中科瑞升」)100%股權。於進行上述建議收購前，中科瑞升已成功以商業規模於廢水處理營運中應用V-MEMD技術。然而，由於本集團在對中科瑞升進行財務盡職審查時發現中科瑞升未能達致若干財務目標，故建議收購中科瑞升一事已於2017年12月終止。

於本年度後，本集團在2018年5月與一名獨立第三方訂立協議，以出售Memsys資產。作為銷售安排的一部分，本集團亦已同意與該獨立第三方成立一間合營公司，以開拓亞洲市場。就此，各合營夥伴有意再次委聘中科瑞升進行業務合作，以發展Memsys資產的中華人民共和國(「中國」)市場。有關年結日後發展的進一步資料載於下文「報告期後業務最新資料」一節。

(ii) 天地人

於2017年4月，本集團與獨立第三方上海福激投資有限公司(「天地人賣方」)訂立一份框架協議(「天地人框架協議」)，以收購北京天地人環保科技有限公司(「天地人」)100%股權，代價為人民幣650,000,000元(相等於約734,000,000港元)(「天地人收購事項」)。於簽訂天地人框架協議時，本集團已向天地人賣方支付人民幣26,000,000元(相等於約29,400,000港元)(「天地人按金」)。天地人為於2002年成立，專門從事高濃廢水處理及特別物料分離，並為所有地方政府及企業度身提供高濃廢水處理的綜合解決方案。天地人擁有多種廢水處理技術，包括膜技術、大型管螺旋捲式膜技術、多效膜蒸餾。



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However, no formal agreement in respect of the TDR Acquisition was consummated at the end. As a result, the TDR Framework Agreement lapsed on 24 October 2017. In January 2018, TDR was acquired by some other entities of a group of companies independent of the Company for a consideration of RMB650,000,000 (equivalent to approximately HK\$760.6 million). Subsequent to this, the Company has been in discussion with the new owner of TDR (the "TDR Owners") for a strategic participation by the Group in TDR. Further information on the development subsequent to the reporting period is set out in the section headed "Business update after the reporting period" below.

4. Strategic investments

(i) Hydropower projects in Indonesia

In March 2016, Stand Ascent Limited ("Stand Ascent"), an indirect wholly-owned subsidiary of the Company, entered into a conditional sale and purchase agreement (the "DSE Agreement") with Xu Peng ("Xu") as vendor and Muhamad Yamin Kahar ("Yamin") as warrantor to acquire a 49% equity interest in PT. Dempo Sumber Energi ("DSE") for a consideration of US\$7.30 million (equivalent to approximately HK\$57.3 million), of which US\$2.92 million (equivalent to approximately HK\$22.9 million) was paid by Stand Ascent upon signing of the DSE Agreement. The remaining consideration of a total of US\$4.38 million (equivalent to approximately HK\$34.4 million) is payable by stages subject to certain conditions precedent having been fulfilled or certain permits having been obtained.

DSE is the project company established for the development of two mini-hydroelectric power plants on Batang Pelangai River, Indonesia, with installed capacity of 2 x 1.8 megawatts and 2 x 4.9 megawatts.

然而，最終並無就天地人收購事項達成正式協議。因此，天地人框架協議已於2017年10月24日失效。於2018年1月，天地人獲一個獨立於本公司的公司集團旗下若干其他實體收購，代價為人民幣650,000,000元（相等於約760,600,000港元）。此後，本公司一直與天地人新擁有人（「天地人擁有人」）商討本集團策略性參與天地人。有關於報告期後的發展的進一步資料載於下文「報告期後業務最新資料」一節。

4. 策略性投資

(i) 印尼水力發電項目

於2016年3月，本公司間接全資附屬公司晉立有限公司（「晉立」）與徐鵬（「徐氏」，作為賣方）及Muhamad Yamin Kahar（「Yamin」，作為擔保人）訂立一份有條件買賣協議（「DSE協議」），以代價7,300,000美元（相等於約57,300,000港元）收購PT. Dempo Sumber Energi（「DSE」）49%股權，晉立已於簽訂DSE協議時支付其中2,920,000美元（相等於約22,900,000港元）。待若干先決條件達成或取得若干許可後，餘下代價合共4,380,000美元（相等於約34,400,000港元）應分階段支付。

DSE為一間項目公司，成立目的為開發兩座位於印尼Batang Pelangai River的微型水電站，裝機容量為2 x 1.8兆瓦及2 x 4.9兆瓦。



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As the conditions precedent to the DSE Agreement had not been satisfied prior to the long stop date of the agreement, in October 2017, the parties to the agreement entered into a deed of termination and indemnification (the “DSE Termination Deed”) to terminate the DSE Agreement and to agree on certain post termination arrangements between the parties, including but not limited to the repayment of the deposits paid and the advances then made by Stand Ascent to DSE totaling US\$4.3 million (equivalent to approximately HK\$33.7 million) (the “DSE Receivables”) as more particularly described below.

In August 2016, Stand Ascent entered into a formal conditional sale and purchase agreement (the “2016 SPM Agreement”) with Xu and Yamin (the “Dominating Indonesian Parties”), both as vendor, whereby Stand Ascent conditionally agreed to acquire an 80% equity interest in PT Sumatera Pembangkit Mandiri (“SPM”) for a consideration ranging from Indonesian Rupiah (“IDR”) 36.7 billion to IDR59.8 billion (equivalent to approximately US\$2.80 million to US\$4.56 million with reference to the exchange rate of US\$1 to IDR13,115 as at the date of the agreement (the “Exchange Rate”). The final consideration is to be determined upon the average tariff (ranging from US8.0 cents to US9.0 cents) to be agreed under the power purchase agreement (“SPM-PPA”) by PT Perusahaan Listrik Negara (Persero) (“PLN”), a stated-owned energy company in Indonesia, or the valuation of the equity of SPM to be conducted before completion of the transaction (whichever is lower). If the tariff was higher than US7.8 cents but lower than US8.0 cents, the consideration would be IDR30.4 billion (equivalent to US\$2.32 million at the Exchange Rate). If the tariff was less than US7.8 cents, the 2016 SPM Agreement would be terminated with immediate effect.

SPM is the project company established for the development of a hydropower project located on the Batang Toru River, Pahae Julu of Indonesia, with installed capacity of 2 x 9 megawatts.

The 2016 SPM Agreement is conditional on fulfilment of certain conditions precedent and has been extended twice. As at the date of this report, it is yet to complete.

由於DSE協議的先決條件未能於協議的最後截止日期前達成，故協議訂約各方於2017年10月訂立一份終止及彌償契據（「DSE終止契據」），以終止DSE協議，並協定訂約各方之間的若干終止後安排，包括但不限於償還晉立已向DSE支付的按金及墊款的款項共4,300,000美元（相等於約33,700,000港元）（「DSE應收款項」），其他詳情於下文描述。

於2016年8月，晉立與徐氏及Yamin（「主導印尼訂約方」）（均作為賣方）訂立一份正式有條件買賣協議（「2016年SPM協議」）。據此，晉立有條件同意收購PT Sumatera Pembangkit Mandiri（「SPM」）80%股權，代價介乎367億印尼盧比至598億印尼盧比（參照於協議日期的匯率1美元兌13,115印尼盧比（「該匯率」）計算相等於約2,800,000美元至4,560,000美元）。最終代價將視乎印尼國有電力公司PT Perusahaan Listrik Negara (Persero)（「PLN」）將根據購電協議（「SPM購電協議」）協定的平均電價（介乎8.0美仙至9.0美仙）或將於交易完成前就SPM權益進行的估值（以較低者為準）而定。倘電價高於7.8美仙但低於8.0美仙，則代價將為304億印尼盧比（參照該匯率計算相等於2,320,000美元）。倘電價低於7.8美仙，則2016年SPM協議將即時終止。

SPM為一間項目公司，成立目的為開發一個位於印尼Batang Toru River, Pahae Julu的水力發電項目，裝機容量為2 x 9兆瓦。

2016年SPM協議須待若干先決條件達成後方可作實，且已延期兩次，而截至本報告日期，2016年SPM協議尚未完成。



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As at 31 March 2018, Stand Ascent had paid the refundable deposits and consideration in an aggregate amount of US\$3.3 million (equivalent approximately HK\$26.0 million) and had advanced to SPM a total of US\$425,000 (equivalent to approximately HK\$3.3 million) (together, the “SPM Receivables”) as more particularly described below. Advances of approximately US\$379,000 (equivalent to approximately HK\$3.0 million) previously made to the Dominating Indonesian Parties which were fully settled in September 2018.

Subsequent to the end of the Year, with a view to disposing of the designated percentage of equity interests in SPM to a potential investor, which is a PRC state-owned enterprise (the “Potential SOE Investor”), on 26 April 2018, Stand Ascent entered into an agreement with Yamin as vendor and warrantor and Xu as warrantor to acquire an additional 5% equity interest in SPM for a consideration ranging from US\$183,500 to US\$325,000, subject to the final tariff to be agreed under the SPM-PPA (the “2018 SPM Agreement”). A refundable deposit of IDR2.5 billion (equivalent to approximately HK\$1.4 million) was paid by Stand Ascent upon signing of the 2018 SPM Agreement. The possible disposal of the equity interests in SPM to this Potential SOE Investor was not proceeded further after April. Instead, in June 2018, PML entered into a conditional sale and purchase agreement with Fujian Jiahe (as defined below), which is a third party independent of the Company, to dispose of the entire issued share capital of Stand Ascent to such party. Further information on the transaction is set out in the sub-section headed “Stand Ascent Disposal” under the section headed “Business update after reporting period” below.

Set out below are the settlement arrangements agreed between the parties during the Year, and subsequently, in respect of the DSE Receivables and the SPM Receivables.

於2018年3月31日，晉立已支付可退還按金及代價合共3,300,000美元（相等於約26,000,000港元），並向SPM墊付合共425,000美元（相等於約3,300,000港元）（統稱為「SPM應收款項」），進一步詳情闡述如下。主導印尼訂約方曾獲墊付約379,000美元（相等於約3,000,000港元），並已於2018年9月悉數清償有關墊款。

於本年度年末後，為向一名屬中國國有企業的潛在投資者（「潛在國企投資者」）出售SPM指定股權百分比，晉立與Yamin（作為賣方兼保證人）及徐氏（作為保證人）於2018年4月26日訂立一份協議，以代價介乎183,500美元至325,000美元收購SPM額外5%股權，惟須待最終電價根據SPM購電協議協定後，方可作實（「2018年SPM協議」）。晉立已於簽訂2018年SPM協議時支付可退還按金25億印尼盧比（相等於約1,400,000港元）。於4月後，向潛在國企投資者出售SPM股權的可能出售事項再無任何進展。取而代之，PML與福建佳和（定義見下文，為獨立於本公司的第三方）於2018年6月訂立一份有條件買賣協議，以向該訂約方出售晉立全部已發行股本。有關該項交易的進一步資料載於下文「報告期後業務最新資料」一節下的「晉立出售事項」分節。

下文載列訂約各方於本年度及期後就DSE應收款項及SPM應收款項協定的清償安排。



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(a) DSE Receivables

i. Background leading to the outstanding DSE Receivables

As provided in the DSE Agreement, a deposit of US\$2.92 million (equivalent to approximately HK\$22.9 million) was paid by Stand Ascent to the vendor at the time of the signing of the agreement.

Included in the DSE Agreement were, among others, two conditions precedent. The first of this was to obtain the approval from the Investment Controlling Board of Indonesia (“BKPM”) of the deed of transfer to be executed between the parties for the purpose of transferring the ownership of the sale interests from the seller to the buyer (the “BKPM Condition”). The second was the signing of power purchase agreement (the “DSE-PPA”) by DSE with PLN in form and substance to the satisfaction of Stand Ascent (the “DSE PPA Condition”).

Approval of BKPM of the transfer of the shareholding of an Indonesian company is obtained by the parties lodging a duly executed form of transfer and related documents to BKPM for registration. Approval is deemed to be granted if BKPM does not reject the application for registration. For the purpose of fulfilling the BKPM Condition and in anticipation of the fulfilment of the DSE PPA Condition shortly, on 18 May 2016, Stand Ascent and Xu executed a deed of transfer of the sale shares of DSE (the “DSE Shares”), together with a joint venture agreement with the then shareholders of DSE (the “DSE-JVA”) as provided in the DSE Agreement, such that the said deed of transfer could be lodged with BKPM for registration and the completion process could be expedited. According to the legal opinion obtained by the Company, despite the board representation granted under the DSE-JVA to Stand Ascent, Stand Ascent is merely a registered shareholder of the DSE Shares as a custodian for securing the DSE Receivables and is not entitled to the dividends of DSE. The beneficial interests of the DSE Shares remain at Xu and thus the Company accounted the DSE Receivables as receivables.

The BKPM Condition was satisfied.

(a) DSE應收款項

i. 導致產生未償還DSE應收款項的背景資料

誠如DSE協議所規定，晉立已於協議簽訂之時向賣方支付按金2,920,000美元（相等於約22,900,000港元）。

DSE協議載有（其中包括）兩項先決條件，第一項為印尼Investment Controlling Board（「BKPM」）批准訂約各方將就賣家向買家轉讓待售權益擁有權簽立的轉讓契據（「BKPM條件」），而第二項為DSE與PLN以晉立滿意的形式及內容簽訂購電協議（「DSE購電協議」）（「DSE購電協議條件」）。

如欲BKPM批准轉讓一間印尼公司的股權，訂約各方須向BKPM提交一份已妥為簽立的轉讓表格及相關文件辦理登記手續。BKPM如無拒絕受理登記申請，則被視作已授出批准。為達成BKPM條件及預期DSE購電協議條件將於短期內達成，晉立與徐氏於2016年5月18日按照DSE協議的規定簽立一份DSE待售股份（「DSE股份」）轉讓契據，連同與DSE當時股東簽立的一份合營協議（「DSE合營協議」），致使上述轉讓契據可提交予BKPM辦理登記手續，且完成過程得以加快。根據本公司所取得的法律意見，儘管晉立根據DSE合營協議獲得董事會聲明，惟晉立僅作為託管人擔任DSE股份的登記股東，作為DSE應收款項的擔保，無權享有DSE的股息。DSE股份的實益權益仍歸徐氏所有，因此，本公司將DSE應收款項入賬列為應收款項。

BKPM條件已告達成。



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However, the DSE PPA Condition could not be satisfied as the DSE-PPA was not on terms satisfactory to Stand Ascent. The tariff provided in the DSE-PPA were not in compliance with the policy stipulated under Regulation No. 19 of 2015 as issued by the Minister of Energy and Mineral Resources of Indonesia (“MEMR 19/2015”), which requires, among others, the tariff for hydropower plants in the same category as DSE shall be denominated in United States dollars, while payment shall be in IDR. Despite the requirements in MEMR 19/2015, tariff finally agreed by PLN in the DSE PPA was set in IDR, not USD, denomination, and the rate was lower than the reference price range provided in the MEMR 19/2015.

In view of the deviation which may cause great investment risk in terms of foreign currency exposure and lower internal rate of return for a foreign investor like Stand Ascent, Stand Ascent requested DSE to pursue further negotiations with PLN to improve the terms of the DSE-PPA. To allow DSE sufficient time for further negotiation with a view to revising the terms of the DSE-PPA, the long stop date of the DSE Agreement was extended twice in September 2016 and April 2017 respectively with the final long stop date on 20 October 2017.

During the extended period for negotiation between DSE and PLN, Stand Ascent continued to provide funding to DSE by way of loans for its working capital purpose in hope of revising the tariff under the DSE-PPA and proceeding with the completion of the acquisition of the DSE Shares accordingly.

However, no fruitful agreement was reached between DSE and PLN before 20 October 2017.

As a result, on 20 October 2017, the DSE Termination Deed was entered into by the parties. Contemporaneously, Stand Ascent also entered into a deed of novation with the Dominating Indonesian Parties and all other shareholders of DSE (collectively, “DSE Shareholders”) to novate its rights and obligations, if any as a shareholder, under the DSE-JVA.

然而，由於晉立不滿意DSE購電協議的條款，故DSE購電協議條件無法達成。DSE購電協議所列的電價並不符合印尼能源和礦產資源部部長頒佈的2015年第19號條例（「MEMR 19/2015」）下訂明的政策。MEMR 19/2015規定（其中包括）與DSE屬同一類別的水力發電廠電價應以美元計值，惟付款將以印尼盧比支付。儘管有MEMR 19/2015的規定，惟PLN於DSE購電協議內最終協定的電價乃以印尼盧比而非美元計值，且電價低於MEMR 19/2015所訂的參考價範圍。

鑑於有關偏離或會增加投資風險（如外幣風險及如晉立般的外國投資者所獲的內部回報率較低），晉立要求DSE與PLN進一步磋商改善DSE購電協議的條款。為給予DSE足夠時間進一步磋商修訂DSE購電協議的條款，DSE協議的最後截止日期已分別於2016年9月及2017年4月延後兩次，最終的最後截止日期為2017年10月20日。

於DSE與PLN延長磋商期間，晉立繼續以貸款形式向DSE提供資金，作為其營運資金，以期修訂DSE購電協議下的電價，同時據此落實完成收購DSE股份。

然而，DSE與PLN未能於2017年10月20日前達致具體協議。

因此，訂約各方於2017年10月20日訂立DSE終止契據。與此同時，晉立亦與主導印尼訂約方及DSE所有其他股東（統稱「DSE股東」）訂立一份更替契據，以更替其根據DSE合營協議作為股東的權利及義務（如有）。



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Notwithstanding this, Stand Ascent and Xu had agreed that Stand Ascent shall remain as a registered shareholder of DSE so that Stand Ascent would continue to hold the subject shares as collateral to secure its interests in the indebtedness owed to it by DSE and Xu given Indonesia has no public registry system that records any pledges or charges over shares in non-public companies. The DSE Termination Deed also stipulated that should all DSE Receivables be settled by Xu, the legal title of the DSE Interests will be transferred to Xu.

- ii. Subsequent settlement and impairment of the DSE Receivables
The DSE Receivables comprised (i) a deposit of US\$2.92 million (equivalent to approximately HK\$22.9 million) paid by Stand Ascent to Xu at the time of signing of the DSE Agreement; and (ii) various advances in total of US\$1.4 million (equivalent to approximately HK\$11.0 million) made to DSE subsequent to the signing of the DSE Agreement as its working capital and expensed in advancing the hydropower projects, such as carrying out feasibility studies for outbound work and EPC design of the hydropower stations.

In their effort to repay the DSE Receivables to Stand Ascent, the Dominating Indonesian Parties had been looking for alternative investors for their hydropower projects, among all was 福建佳和能源有限公司 (“Fujian Jiahe”).

On 27 March 2018, Fujian Jiahe entered into a sale and purchase agreement and a supplemental agreement of the same date (the “FJ-DSE Agreement”) to acquire a total of 90% equity interest in DSE for a total consideration of US\$4.5 million (equivalent to approximately HK\$35.3 million). Included in the aforesaid 90% interest in DSE was 49% equity interest in DSE beneficially owned by Xu but held by Stand Ascent as registered shareholder for the purpose of collateral interests for the DSE Receivables and 41% beneficially held by Yamin. A deposit of US\$1.0 million (equivalent to approximately HK\$7.8 million) was paid to Stand Ascent (“FJ-DSE Deposit”) directly upon signing of the FJ-DSE Agreement for settlement of the DSE Receivables by Xu. As a result, as at 31 March 2018, the outstanding balance of the DSE Receivables amounted to US\$3.3 million (equivalent to approximately HK\$26.0 million).

儘管如此，由於印尼並無公眾登記系統記錄任何有關非公眾公司股份的質押或押記，故晉立及徐氏同意晉立繼續作為DSE的登記股東，使晉立可繼續持有主體股份作為抵押品，以作為其於DSE及徐氏結欠其的債務的權益的擔保。DSE終止契據亦訂明，倘徐氏悉數清償DSE應收款項，則DSE權益的法定所有權將轉讓予徐氏。

- ii. DSE應收款項的期後清償狀況及減值
DSE應收款項包括(i)晉立於DSE協議簽訂之時向徐氏支付的按金2,920,000美元(相等於約22,900,000港元)；及(ii)於DSE協議簽訂後向DSE墊付的多筆款項合共1,400,000美元(相等於約11,000,000港元)，用作營運資金及用於進行水力發電項目，例如進行對外工作的可行性研究及水力發電站的EPC設計。

為向晉立償還DSE應收款項，主導印尼訂約方一直為其水力發電項目物色替代投資者，其中一名為福建佳和能源有限公司(「福建佳和」)。

福建佳和已訂立一份日期為2018年3月27日的買賣協議以及一份日期相同的補充協議(「福建—DSE協議」)，以總代價4,500,000美元(相等於約35,300,000港元)收購DSE合共90%股權。上述DSE 90%權益中包括由徐氏實益擁有但由晉立以登記股東身份持有(作為DSE應收款項的抵押權益)的DSE 49%股權，41%則由Yamin實益持有。徐氏已於簽訂福建—DSE協議時直接向晉立支付按金1,000,000美元(相等於約7,800,000港元)(「福建—DSE按金」)，以清償DSE應收款項。因此，於2018年3月31日，DSE應收款項的未償還結餘為3,300,000美元(相等於約26,000,000港元)。



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As at the date of this report, the FJ-DSE Agreement was completed and the remaining balance of the consideration (the “FJ-DSE Remaining Consideration”) for the 49% equity interest in DSE beneficially owned by Xu of US\$1.2 million (equivalent to approximately HK\$9.4 million) had been paid to Stand Ascent for the settlement of the DSE Receivables by Xu.

In furtherance to the interest of Fujian Jiahe in the energy projects in Indonesia, Fujian Jiahe and the Dominating Indonesian Parties had continued with negotiation on other hydropower projects held by the Dominating Indonesian Parties, including SPM project. Fujian Jiahe has indicated its interests in SPM project and having considered that SPM was in the process of negotiating with PLN for the SPM-PPA and the immediate registered shareholders of SPM cannot be changed before the SPM-PPA was signed, Fujian Jiahe decided to acquire the entire equity interest in Stand Ascent instead.

Consequently, on 29 June 2018, a conditional sale and purchase agreement (the “Stand Ascent Disposal Agreement”) was entered into between PML, Fujian Jiahe, the Dominating Indonesian Parties and all other shareholders of DSE and SPM for the disposal of the entire equity interest in Stand Ascent by PML to Fujian Jiahe (the “Stand Ascent Disposal”). Further information on the Stand Ascent Disposal is set out in the section headed “Business update after reporting period” below.

To further ensure the settlement of the DSE Receivables and the SPM Receivables, on 6 July 2018, the Dominating Indonesian Parties entered into a deed of undertaking (the “Repayment Deed”) pursuant to which they undertook to the Company that the proceeds received from the sale of their equity investments in the hydropower projects in Indonesia including DSE, SPM, PT. Berkah Daya Energi, PT. Dempo Mitra International and PT. Insan Mutiara Energi (the “Indo Project Proceeds”), would be first used to settle the outstanding receivables owing by the Dominating Indonesian Parties to the Group.

於本報告日期，福建—DSE協議已完成，徐氏已向晉立支付由彼實益擁有的DSE 49%股權的代價餘額（「福建—DSE餘下代價」）1,200,000美元（相等於約9,400,000港元），作為徐氏清償DSE應收款項。

為促進福建佳和於印尼能源項目的利益，福建佳和與主導印尼訂約方繼續磋商主導印尼訂約方所持有的其他水力發電項目，包括SPM項目。福建佳和已表達對SPM項目的興趣，且已考慮SPM正與PLN磋商SPM購電協議，且於SPM購電協議簽訂前，SPM的直接登記股東不可改變，福建佳和決定改為收購晉立所有股權。

因此，PML、福建佳和、主導印尼訂約方及DSE和SPM所有其他股東於2018年6月29日訂立一份有條件買賣協議（「晉立出售協議」），以由PML向福建佳和出售晉立全部股權（「晉立出售事項」）。有關晉立出售事項的進一步資料載於下文「報告期後業務最新資料」一節。

為進一步確保清償DSE應收款項及SPM應收款項，於2018年7月6日，主導印尼訂約方訂立一份承諾契據（「還款契據」），據此，彼等向本公司承諾，出售彼等於印尼水力發電項目（包括DSE、SPM、PT. Berkah Daya Energi、PT. Dempo Mitra International及PT. Insan Mutiara Energi）的股本投資的已收所得款項（「印尼項目所得款項」）將首先用於清償主導印尼訂約方結欠本集團的未償還應收款項。



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In accounting for the DSE Receivables as at 31 March 2018, the Company recognised an impairment in the DSE Receivables of approximately US\$1.6 million (equivalent to approximately HK\$12.8 million), which was the difference between (i) the carrying amount of the DSE Receivables of US\$3.3 million (equivalent to approximately HK\$26.0 million) as at 31 March 2018 (taking into account part of the DSE Receivables having been settled by the FJ-DSE Deposit on 27 March 2018) and (ii) the amount of approximately US\$1.2 million (equivalent to approximately HK\$9.4 million) repaid by Xu by way of the FJ-DSE Remaining Consideration together with the Indo Project Proceeds of approximately US\$0.5 million (equivalent to approximately HK\$3.8 million) as repaid by the Dominating Indonesian Parties under the Repayment Deed subsequent to 31 March 2018.

(b) SPM Receivables

i. Background leading to the outstanding SPM Receivables

On 22 January 2016, Progressive Merit Limited entered into a memorandum of understanding (the “SPM-MOU”) to acquire the controlling interest in SPM from the Dominating Indonesian Parties for which a refundable deposit of US\$800,000 (equivalent to approximately HK\$6.3 million) was paid upon signing of the MOU. On 26 March 2016, another 12 non-binding MOUs were entered into by PML to acquire 12 other hydropower projects in Indonesia (i.e. the “Twelve Projects”) owned by the Dominating Indonesian Parties and other vendors. Total deposits in the amount of US\$1.40 million (equivalent to approximately HK\$11.0 million) were paid by PML as refundable deposits for the Twelve Projects upon signing of these other 12 MOUs.

Subsequent to the signing of the DSE-PPA and in light of the deviation of the tariff granted by PLN from the MEMR 19/2015 as described in the section headed “Background leading to the outstanding DSE Receivables” above, the Management had decided not to pursue the Twelve Projects further, but in the meantime to continue with the negotiations on SPM.

將2018年3月31日的DSE應收款項入賬時，本公司已確認DSE應收款項減值約1,600,000美元（相等於約12,800,000港元），此金額乃(i)於2018年3月31日的DSE應收款項賬面金額3,300,000美元（相等於約26,000,000港元）（已計及於2018年3月27日以福建—DSE按金清償的部分DSE應收款項）；與(ii)徐氏以福建—DSE餘下代價償還的金額約1,200,000美元（相等於約9,400,000港元）連同主導印尼訂約方根據還款契據於2018年3月31日後償還的印尼項目所得款項約500,000美元（相等於約3,800,000港元）之間的差額。

(b) SPM應收款項

i. 導致產生未償還SPM應收款項的背景資料

於2016年1月22日，Progressive Merit Limited訂立一份諒解備忘錄（「SPM諒解備忘錄」），以向主導印尼訂約方收購SPM的控股權益。於諒解備忘錄簽訂時，已就此支付可退還按金800,000美元（相等於約6,300,000港元）。於2016年3月26日，PML再訂立12份不具約束力的諒解備忘錄，以收購另外12個由主導印尼訂約方及其他賣方擁有的印尼水力發電項目（即「該十二個項目」）。PML已於簽訂該另外12份諒解備忘錄時支付按金總額1,400,000美元（相等於約11,000,000港元），作為該十二個項目的可退還按金。

DSE購電協議簽訂後，鑑於PLN授出的電價偏離上文「導致產生未償還DSE應收款項的背景資料」一節所述的MEMR 19/2015，管理層決定不再進行該十二個項目，惟同時繼續就SPM進行磋商。



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In August 2016, the 2016 SPM Agreement was executed by the parties (see the section headed “Hydropower projects in Indonesia” above), whereby the parties agreed that the US\$1.40 million (equivalent to approximately HK\$11.0 million) already paid under the MOUs in respect of the Twelve Projects shall be assigned to settle part of the consideration for the 2016 SPM Agreement upon signing of the agreement. This, together with the US\$800,000 (equivalent to approximately HK\$6.3 million) refundable deposit already paid under the SPM-MOU, made the total deposit paid to the Dominating Indonesian Parties upon signing of the 2016 SPM Agreement to be US\$2.2 million (equivalent to approximately HK\$17.3 million) (the “SPM Signing Deposits”).

Similar to the terms of the DSE Agreement, included in the 2016 SPM Agreement were, among others, two conditions precedent to (i) obtain the BKPM approval for the deed of transfer to transfer the ownership of the SPM Shares (the “SPM BKPM Condition”); and (ii) to enter into a power purchase agreement with PLN (the “SPM PPA Condition”).

In regard to the SPM BKPM Condition and for the purpose of securing Stand Ascent’s interests in the deposits and consideration paid under the 2016 SPM Agreement, on 17 October 2016, Stand Ascent, Xu and Yamin executed a deed of transfer of the SPM Shares and the same was lodged with BKPM for registration. Thus, Stand Ascent had become the registered shareholder of 80% equity interest in SPM as a custodian while the beneficial interests thereof remained at Xu. The legal opinion obtained by the Company further confirmed that Stand Ascent is not entitled to the dividends of SPM. Accordingly, the Company accounted the SPM Receivable as receivables.

Subsequent to the 2016 SPM Agreement, Stand Ascent made further payment of consideration and advances of approximately US\$1.5 million (equivalent to approximately HK\$11.8 million) as detailed in the section headed “Subsequent settlement and impairment of the SPM Receivables” below.

By 31 March 2018, the SPM PPA Condition was yet to be fulfilled and Stand Ascent continues to hold the 80% equity interest in SPM as collateral to secure its interests in the SPM Receivables.

於2016年8月，訂約各方簽立2016年SPM協議（見上文「印尼水力發電項目」一節），據此，訂約各方協定，根據諒解備忘錄已就該十二個項目支付的1,400,000美元（相等於約11,000,000港元）應於2016年SPM協議簽訂時用於支付部分協議代價。此筆款項連同根據SPM諒解備忘錄已支付的800,000美元（相等於約6,300,000港元）可退還按金，使於2016年SPM協議簽訂時已向主導印尼訂約方支付的按金總額達到2,200,000美元（相等於約17,300,000港元）（「SPM訂約按金」）。

與DSE協議的條款相似，2016年SPM協議載有（其中包括）兩項先決條件，乃(i) BKPM批准轉讓SPM股份擁有權的轉讓契據（「SPM BKPM條件」）；及(ii)與PLN訂立購電協議（「SPM購電協議條件」）。

至於SPM BKPM條件及為保障晉立於根據2016年SPM協議支付的按金及代價的利益，晉立、徐氏及Yamin於2016年10月17日簽立SPM股份轉讓契據，並將之提交BKPM登記。因此，晉立（作為託管人）成為SPM 80%股權的登記股東，實益權益仍歸徐氏所有。本公司所取得的法律意見進一步確認，晉立無權享有SPM的股息。因此，本公司將SPM應收款項入賬列為應收款項。

於2016年SPM協議簽訂後，晉立已支付進一步代價及墊款約1,500,000美元（相等於約11,800,000港元），詳見下文「SPM應收款項的期後清償狀況及減值」一節。

直至2018年3月31日，SPM購電協議條件尚未達成，而晉立繼續持有SPM 80%股權作為抵押品，以作為其於SPM應收款項的權益的擔保。



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- ii. Subsequent settlement and impairment of the SPM Receivables
The SPM Receivables as at 31 March 2018 comprised:
- (i) the SPM Signing Deposits of US\$2.2 million (equivalent to approximately HK\$17.3 million);
 - (ii) part consideration of approximately US\$1.1 million (equivalent to approximately HK\$8.6 million) paid to the Dominating Indonesian Parties for the pursuance of different payment conditions provided in the 2016 SPM Agreement, including but not limited to obtaining the permits and approvals from relevant government authorities; and
 - (iii) various advances in total of US\$425,000 (equivalent to approximately HK\$3.3 million) made to SPM subsequent to the signing of the 2016 SPM Agreement, which sum had been used by SPM as its working capital and expensed in advancing the hydropower projects, such as carrying out feasibility studies for outbound work and EPC design of the hydropower stations.
- ii. SPM應收款項的期後清償狀況及減值於2018年3月31日的SPM應收款項包括：
- (i) SPM訂約按金2,200,000美元(相等於約17,300,000港元)；
 - (ii) 為履行2016年SPM協議所訂明的不同付款條件(包括但不限於取得相關政府機關的許可及批准)已付主導印尼訂約方的部分代價約1,100,000美元(相等於約8,600,000港元)；及
 - (iii) 於2016年SPM協議簽訂後已付SPM的多筆墊款合共425,000美元(相等於約3,300,000港元)。SPM已將有關款項用作營運資金及用於進行水力發電項目，例如進行對外工作的可行性研究及水力發電站的EPC設計。

As mentioned above, in April 2018, Stand Ascent entered into the 2018 SPM Agreement to acquire additional 5% equity interest in SPM with a view to facilitating the possible disposal of the designated percentage of equity interest in SPM to a potential investor. The disposal was not materialized. Rather, the Dominating Indonesian Parties and Stand Ascent entered into the Stand Ascent Disposal Agreement with Fujian Jiahe on 29 June 2018. The proceeds attributable to the 85% equity interest in SPM ranges from approximately US\$3.12 million (equivalent to approximately HK\$24.5 million) to US\$5.53 million (equivalent to approximately HK\$43.4 million) and will be used to settle the SPM Receivables.

In accounting for the SPM Receivables as at 31 March 2018, the Company recognised an impairment in the SPM Receivables of approximately US\$0.39 million (equivalent to approximately HK\$3.1 million) for FY2018, which represented the difference between (i) the carrying amount of the SPM Receivables as at 31 March 2018 of US\$3.73 million (equivalent to approximately HK\$29.3 million); and (ii) the fair value of the 85% equity interest in SPM of approximately US\$3.34 million (equivalent to approximately HK\$26.2 million)

誠如上文所述，晉立於2018年4月訂立2018年SPM協議，以增購SPM 5%股權，冀能促成可能向一名潛在投資者出售SPM指定股權百分比的事宜。出售事項並無實現。相反，主導印尼訂約方及晉立於2018年6月29日與福建佳和訂立晉立出售協議。SPM 85%股權應佔的所得款項介乎約3,120,000美元(相等於約24,500,000港元)至5,530,000美元(相等於約43,400,000港元)，並將用於清償SPM應收款項。

將2018年3月31日的SPM應收款項入賬時，本公司已就2018財政年度確認SPM應收款項減值約390,000美元(相等於約3,100,000港元)，此金額乃(i)於2018年3月31日的SPM應收款項賬面金額3,730,000美元(相等於約29,300,000港元)；與(ii)基於管理層編製的內部現金流估值(當中已參考於2017年8月至9月期間與位於北蘇門答臘(SPM項目



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based on an internal cash flow valuation prepared by the Management by reference to the average tariff of 16 PPAs executed during August and September 2017 with hydropower plants located in North Sumatera (in the vicinity of SPM's plant). No new PPAs were executed after September 2017.

Further information on the Stand Ascent Disposal is set out in the section headed "Business update after the reporting period" below.

(ii) *Limited partnership to China Environment Fund V, L.P.*

In June 2017, the Group entered into a limited partnership agreement (the "LP Agreement") with CEF V Management, L.P. (being the general partner of the partnership) and Tsing Capital (HK) Limited (being the management company of the partnership). Pursuant to the LP Agreement, the Group shall contribute US\$5 million (equivalent to approximately HK\$39,000,000) as its capital commitment to the partnership. The primary purpose of the partnership is to make venture capital investments, including investing in and holding equity and equity-oriented securities of companies with a nexus to the PRC and focus on the clean-tech-related sectors. During the year, no capital contribution was made by the Group.

Further information on the LP Agreement is set out in the section headed "Business update after the reporting period" below.

(iii) *Update on the repayment of the Tianjin Loan (as defined below)*

In January 2016, Prime World, an indirect wholly-owned subsidiary of the Company entered into a letter of intent with a Tianjin company (the "Tianjin Group") and its subsidiary (the "Tianjin Company"), to acquire 51% equity interest in Tianjin Company from Tianjin Group subject to execution of a formal sale and purchase agreement upon satisfaction of due diligence work. Prime World had paid an earnest money in the form of loan of RMB15.5 million (equivalent to approximately HK\$18.4 million) (the "Tianjin Loan") to Tianjin Company for exclusivity period granted by Tianjin Group. No formal sale and purchase agreement was entered into during FY2017 and FY2018. Up to 31 March 2017, the outstanding principal of the Tianjin Loan amounted to RMB14.5 million (equivalent to approximately HK\$16.3 million). As at 31

所在地附近)的多家水力發電廠簽立的16份購電協議的平均電價)的SPM 85%股權公平值約3,340,000美元(相等於約26,200,000港元)之間的差額。於2017年9月後並無簽立新購電協議。

有關晉立出售事項的進一步資料載於下文「報告期後業務最新資料」一節。

(ii) *加入China Environment Fund V, L.P.成為有限合夥*

於2017年6月，本集團與CEF V Management, L.P. (為合夥商行的普通合夥人)及青雲創業投資管理(香港)有限公司(為合夥商行的管理公司)訂立一份有限合夥協議(「有限合夥協議」)，據此，本集團將出資5,000,000美元(相等於約39,000,000港元)，作為對合夥商行的資本承擔。合夥商行的主要目的為作出創業投資，包括投資於及持有接連中國並專注於清潔技術相關行業的公司的股票及以股票為主的證券。本集團於年內並無出資。

有關有限合夥協議的進一步詳情載於下文「報告期後業務最新資料」一節。

(iii) *有關償還天津貸款(定義見下文)的最新資料*

於2016年1月，本公司的間接全資附屬公司世本與一間天津公司(「天津集團」)及其附屬公司(「天津公司」)訂立一份意向書，以向天津集團收購天津公司51%股權，惟須待簽立正式買賣協議及信納盡職審查後，方可作實。世本已經就天津集團授予的獨家期以貸款的形式向天津公司支付誠意金人民幣15,500,000元(相等於約18,400,000港元)(「天津貸款」)。於2017財政年度及2018財政年度，尚未訂立正式買賣協議。截至2017年3月31日為止，天津貸款的未償還本金為人民幣14,500,000元(相等於約



March 2018, the outstanding loan principal amount of the Tianjin Loan was RMB10,624,500 (equivalent to approximately HK\$13.2 million). As at the date of this report, a further RMB456,000 was repaid by the Tianjin Company.

16,300,000港 元)。於2018年3月31日，天津貸款的未償還貸款本金額為人民幣10,624,500元(相等於約13,200,000港 元)。截至本報告日期為止，天津公司已進一步償還人民幣456,000元。

Business update after the reporting period

1. Shenzhen Plant at the Temporary Site

On 3 January 2019, Prime World entered into the Supplemental Shenzhen Agreement to revise the consideration for the remaining 15% equity interest in Shenzhen Xinbao to RMB800,000 with a view to disposing of the entire equity interest in Shenzhen Xinbao to an independent third party. On 7 January 2019, Prime World entered into an agreement with such an independent third party in respect of Shenzhen Disposal for a consideration of RMB9,500,000. It is expected that completion of the Shenzhen Disposal would take place by February 2019. Upon the completion of the Shenzhen Disposal, Shenzhen Xinbao will no longer be consolidated into the financial statements of the Group.

2. Hanzhong Plant

While the government of Hanzhong City is currently in search for site for the Hanzhong Plant, it also proposed to commenced the pre-feasibility studies of the Hanzhong Proposition in October 2018 but was subsequently postponed and expected to take place in March 2019.

3. Stand Ascent Disposal

As mentioned above, the Company in conjunction with the Dominating Indonesian Parties had tried to recover the DSE Receivables and the SPM Receivables by way of disposal of the equity interests in DSE and SPM. The Potential SOE Investor had indicated interests in acquiring certain percentage of equity interest in SPM. To this end, Stand Ascent entered into the 2018 SPM Agreement to acquire additional 5% equity interest in SPM (the "Acquired SPM Shares") for a consideration ranging from US\$183,500 to US\$325,000 (equivalent to approximately HK\$1.4 million to HK\$2.6 million) on 26 April 2018 with a view to disposing of required percentage of equity interest in SPM to the Potential SOE Investor. A deposit of US\$180,000 (equivalent to approximately HK\$1.4 million) (the "2018 SPM Deposits") was paid. Despite this, negotiation with the Potential SOE Investor had fallen through at the end because the due process

報告期後業務最新資料

1. 於臨時場址的深圳項目

於2019年1月3日，世本訂立補充深圳協議，將深圳新寶餘下15%股權的代價修訂為人民幣800,000元，冀能向一名獨立第三方出售深圳新寶全部股權。於2019年1月7日，世本與該名獨立第三方訂立一份協議，內容有關以代價人民幣9,500,000元進行的深圳出售事項。預期深圳出售事項完成將於2019年2月前落實。於深圳出售事項完成後，深圳新寶將不再於本集團的財務報表中綜合計算。

2. 漢中項目

儘管漢中市政府現正物色漢中項目的場址，惟原先建議於2018年10月開展的漢中提議的預可行性研究其後延期，預期將於2019年3月進行。

3. 晉立出售事項

誠如上文所述，本公司聯同主導印尼訂約方曾嘗試以出售DSE及SPM股權的方式收回DSE應收款項及SPM應收款項。潛在國企投資者已表示有意收購SPM若干股權百分比。就此，晉立於2018年4月26日訂立2018年SPM協議，以按介乎183,500美元至325,000美元(相等於約1,400,000港 元至2,600,000港 元)的代價增購SPM 5%股權(「所收購SPM股份」)，冀能向潛在國企投資者出售所需SPM股權百分比。已付按金為180,000美元(相等於約1,400,000港 元)(「2018年SPM按金」)。儘管如此，由於潛在國企投資者為供內部審批而需進行的盡職審查歷時過長，故與潛在國企投資者的磋商最終



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needed to go through by the Potential SOE Investor for its internal approval had taken too long, and the negotiation was finally overtaken by the Stand Ascent Disposal Agreement.

On 29 June 2018, PML entered into the Stand Ascent Disposal Agreement with Fujian Jiahe, and the Dominating Indonesian Parties to dispose of its 100% equity interest in Stand Ascent. The sole assets of Stand Ascent being 49% equity interest in DSE (as collateral for the security of the DSE Receivables) and 85% equity interest in SPM (as to 80% held by it as collateral for the security of the SPM Receivables and as to 5% equity interest being the Acquired SPM Shares).

The consideration attributable for the 49% equity interest in DSE of US\$2.2 million (equivalent to approximately HK\$17.3 million) (the “DSE Attributable Consideration”) referred to the same amount of consideration for 49% equity interest in DSE under the FJ-DSE Agreement and had been paid to Stand Ascent directly by Fujian Jiahe in September 2018 for the settlement of the DSE Receivables by Xu.

The consideration attributable to 85% equity interest in SPM ranging from US\$3.12 million to US\$5.53 million (the “SPM Attributable Consideration”) is subject to the tariff to be agreed under the SPM-PPA or the valuation of SPM appraised by jointly appointed valuer (whichever was the lower). Shall the tariff is lower than US7.9 cents, Stand Ascent Disposal Agreement would be terminated. As at the date of this report, a deposit of US\$500,000 was paid to PML in respect of the 85% equity interest of SPM.

The DSE Attributable Consideration was determined by reference to the internal financial projections on DSE estimated based on the actual tariff agreed between DSE and PLN under the DSE-PPA. The SPM Attributable Consideration was determined based on (i) the expected range of tariff to be agreed under SPM-PPA with reference to the tariffs reached by other hydropower projects with similar installed capacity; and (ii) the expected internal rate of return on the investment in SPM.

On 6 July 2018, the parties entered into a supplemental agreement (the “First Supplemental Stand Ascent Disposal Agreement”) to stipulate that if the payment conditions for the SPM Attributable Consideration (including but not limited to the development permits and other permits/approvals

告吹，而磋商最後以晉立出售協議取代。

於2018年6月29日，PML與福建佳和及主導印尼訂約方訂立晉立出售協議，以出售晉立100%股權。晉立的唯一資產為DSE 49%股權（作為DSE應收款項擔保的抵押品）及SPM 85%股權（80%股權作為SPM應收款項擔保的抵押品，5%股權為所收購SPM股份）。

DSE 49%股權應佔代價2,200,000美元（相等於約17,300,000港元）（「DSE應佔代價」）指福建 — DSE協議下DSE 49%股權的代價的相同金額，已於2018年9月由福建佳和直接付予晉立，作為徐氏清償DSE應收款項。

介乎3,120,000美元至5,530,000美元的SPM 85%股權應佔代價（「SPM應佔代價」）須受限於根據SPM購電協議協定的電價或由共同委任的估值師評估的SPM估值（以較低者為準）。倘電價低於7.9美仙，則晉立出售協議將告終。於本報告日期，已就SPM 85%股權向PML支付按金500,000美元。

DSE應佔代價乃參照基於DSE與PLN根據DSE購電協議協定的實際電價估計的DSE內部財務預測釐定。SPM應佔代價乃基於(i)參照裝機容量相類的其他水力發電項目達致的電價，將根據SPM購電協議協定的電價預期範圍；及(ii) SPM投資的預期內部回報率釐定。

於2018年7月6日，訂約各方訂立一份補充協議（「第一份補充晉立出售協議」），以訂明倘SPM應佔代價的付款條件（包括但不限於取得相關政府機關發出的開發許可證及其他許可證／



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having been obtained from the relevant government authorities) have not been fulfilled before the long stop date (being 31 October 2018), Stand Ascent shall transfer to PML or its designated parties the 85% equity interest in SPM presently held by it (as to 80% equity interest as collateral for the security of the SPM Receivables and as to 5% equity interest being the Acquired SPM Shares). In short, completion of the Stand Ascent Disposal shall take place even if the payment conditions relating to SPM are not fulfilled, in which case only the DSE interests will remain with Stand Ascent and the 85% equity interests in SPM will be transferred back to PML before completion of the Stand Ascent Disposal as collaterals for security of the SPM Receivables until the SPM Receivables have been fully settled by the Dominating Indonesian Parties.

As at the date of this report, Fujian Jiahe has confirmed in writing that the payment conditions to the DSE Attributable Consideration have been fulfilled and a total of approximately US\$2.2 million (equivalent to approximately HK\$17.3 million), representing the entire DSE Attributable Consideration had been paid to Stand Ascent by Fujian Jiahe as settlement of the DSE Receivables by Xu.

However, the payment conditions regarding SPM as provided in the Stand Ascent Disposal Agreement including but not limited to the signing of the SPM-PPA, the approval of the final feasibility study by the PLN, and other relevant permits and approvals to be obtained from the relevant government authorities are yet to be fulfilled. The completion of the Stand Ascent Disposal is yet to take place.

Announcement(s) will be made by the Company on the progress of the Stand Ascent Disposal as and when appropriate.

批准)於最後截止日期(即2018年10月31日)尚未達成，則晉立應向PML或其指定方轉讓其目前持有的SPM 85%股權(80%股權作為SPM應收款項擔保的抵押品，5%股權為所收購SPM股份)。簡要而言，即使有關SPM的付款條件未能達成，晉立出售事項亦可完成；在此情況下，晉立將僅保留DSE權益，而SPM 85%股權將於晉立出售事項完成前轉回PML作為SPM應收款項擔保的抵押品，直至主導印尼訂約方悉數清償SPM應收款項為止。

於本報告日期，福建佳和已以書面確認DSE應佔代價的付款條件已告達成，而福建佳和已向晉立支付合共約2,200,000美元(相等於約17,300,000港元，相當於整筆DSE應佔代價)，作為徐氏清償DSE應收款項。

然而，晉立出售協議所訂有關SPM的付款條件(包括但不限於簽署SPM購電協議、PLN批准最終可行性研究以及取得相關政府機關的其他相關許可及批准)尚未達成。晉立出售事項尚未完成。

本公司將於適當時候就晉立出售事項的進展發表公佈。



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4. **Settlement of the DSE Receivables and the SPM Receivables**

Set out below is a summary of the recovery status of the DSE Receivables and the SPM Receivables as at the date of this report and the impairment made as at 31 March 2018:

4. **清償DSE應收款項及SPM應收款項**

下文載列於本報告日期收回DSE應收款項及SPM應收款項的狀況以及於2018年3月31日作出的減值概要：

US\$'million	As at 31 March 2018	Repayment by proceeds received under the Stand Ascent Disposal Agreement by the date of this report	Repayment by the Indo Project Proceeds by the date of this report	Outstanding amounts owed to the Group as at the date of this report without considering the impairment loss	Impairment as at 31 March 2018
百萬元	於2018年 3月31日	於本報告日期 或之前以根據 晉立出售協議 已收所得款項償還	於本報告日期 或之前以印尼項目 所得款項償還	於本報告日期 結欠本集團 的未償還金額 (未計減值 虧損)	於2018年 3月31日的 減值
DSE Receivables DSE應收款項	3.3	1.2	0.5	1.6	1.6
SPM Receivables SPM應收款項	3.7	0.5	—	3.2	0.4 (Note) (附註)
Advances to Vendors 墊付賣方的款項	0.4	—	0.4	—	—

Note: The impairment of SPM Receivables was determined based on fair value of the 85% equity interest in SPM of approximately US\$3.3 million deducted by the outstanding amount of the SPM Receivables as at 31 March 2018.

附註：SPM應收款項的減值乃基於SPM 85%股權的公平值約3,300,000美元扣除於2018年3月31日的SPM應收款項未償還金額釐定。



5. Latest developments of industrial water treatment business

Memsys Assets

In May 2018, the Group entered into an agreement (the “Transfer Agreement”) to transfer all the rights and ownership of Memsys Assets to Cevital International (Dubai) Ltd (the “Memsys Purchaser”) for the consideration of EUR3.5 million (equivalent to approximately HK\$32.0 million) (“Transfer”), resulting in a gain on disposal of approximately HK\$13.8 million. As part and parcel of the Transfer Agreement, the Group also entered into a cooperation agreement with the Memsys Purchaser to set up a Memsys JV as to 50% by the Group and as to 50% by the Memsys Purchaser for the purpose of developing the market for the Memsys technology and its technical equipment in Asia with its exclusive rights to apply the Memsys technology in the PRC granted by the Memsys Purchaser. The Group and Memsys Purchaser shall contribute HK\$11.7 million as the share capital of the Memsys JV.

The Transfer was completed on 23 July 2018 and Memsys JV was established on 18 September 2018.

TDR

Subsequent to reporting period, the Group has engaged in further negotiation with TDR Owners with a view to reviewing the possible cooperation with TDR given the synergies between the technology and know-how of the Group in membrane distillation system and the back-end system for concentrated water possessed by TDR. Having considered the possible technological cooperation between the Group and TDR, the TDR Owners has agreed in principle to allow the Group to take a participation in the equity of TDR on the basis of not more than RMB800 million (equivalent to approximately HK\$998 million) for 100% of TDR. In such case the equity participation will be in the maximum of 3.25% for a consideration of RMB26.0 million (equivalent to approximately HK\$32.4 million) which will be deemed to have been satisfied by the TDR Deposit.

5. 工業廢水處理業務的最新發展

Memsys資產

於2018年5月，本集團訂立一份協議（「轉讓協議」），以向Cevital International (Dubai) Ltd（「Memsys買方」）轉讓Memsys資產的所有權利及擁有權，代價為3,500,000歐元（相等於約32,000,000港元）（「轉讓事項」），導致產生出售收益約13,800,000港元。作為轉讓協議的一部分，本集團亦與Memsys買方訂立一份合作協議，以成立Memsys合營公司（由本集團及Memsys買方分別擁有50%權益），旨在開發Memsys技術及其技術設備的亞洲市場，並獲Memsys買方授出於中國應用Memsys技術的獨家權利。本集團及Memsys買方將出資11,700,000港元作為Memsys合營公司的股本。

轉讓事項於2018年7月23日完成，而Memsys合營公司已於2018年9月18日成立。

天地人

於報告期後，本集團繼續與天地人擁有人再作磋商，冀能因應本集團在膜蒸餾系統方面的技術及專業知識與天地人所擁有的高濃廢水後端系統的協同效益，審視與天地人的可能合作機會。考慮到本集團與天地人可能進行的技術合作，天地人擁有人已原則上同意讓本集團以天地人100%權益相當於不超過人民幣800,000,000元（相等於約998,000,000港元）的基礎參與天地人股權。在有關情況下，股權參與將為最多3.25%權益，代價人民幣26,000,000元（相等於約32,400,000港元）將被視作已以天地人按金清償。



6. The Vimab Acquisition (defined below) and settlement of the outstanding subscription monies

On 3 May 2018, First Bravo Development Limited (“FBD”), a wholly owned subsidiary of the Company, entered into a share purchase agreement (the “Vimab Agreement”) with P.H.M Holding AB (“PHM”) and Friction Invest AB (“FI”) as vendors and Henrik Melinder (“Melinder”) and Christer Larsson (“Christer”) as guarantors, to acquire the entire issued share capital of Vimab Holdings AB (“Vimab”) for a total consideration of HK\$170,524,000 (the “Vimab Acquisition”). Melinder was the ultimate beneficial owner of PHM and was guarantor of PHM while Christer acted as the guarantor of FI.

Vimab is a company incorporated in Sweden and, together with its operating subsidiaries (the “Vimab Group”), is engaged in provision of high-tech industrial service in valve services and maintenance, tank cleaning and other equipment services.

Pursuant to the Vimab Agreement, the consideration for the Vimab Acquisition was to be satisfied as to (i) approximately HK\$23.0 million in cash; and (ii) approximately HK\$147.5 million by way of the allotment and issue of 42,137,142 new Shares (the “Consideration Shares”) at the issue price of HK\$3.5 per Share. The Consideration Shares represented approximately 7.36% of the issued share capital of the Company as enlarged by them, and 19,488,428 new Shares out of the Consideration Shares are subject to a lock-up period, which will be released upon fulfilment of certain financial benchmarks by the Vimab Group for the financial year ended or ending (as the case may be) 31 December 2018 and 2019. Details of the lock-up arrangement are set out in the announcement of the Company dated 3 May 2018.

The Vimab Acquisition was completed on 31 May 2018.

One of the conditions precedent of the Vimab Agreement was that 13 key employees of the Vimab Group (the “Subscribers”) shall each have entered into a subscription agreement as subscribers with the Company to subscribe for a total of 5,380,000 Shares at the total subscription price of

6. Vimab收購事項(定義見下文)及清償未支付的認購款項

於2018年5月3日，本公司全資附屬公司First Bravo Development Limited (「FBD」) 與P.H.M Holding AB (「PHM」) 及Friction Invest AB (「FI」) (作為賣方) 以及Henrik Melinder (「Melinder」) 及Christer Larsson (「Christer」)(作為擔保人) 訂立一份購股協議(「Vimab協議」)，以收購Vimab Holdings AB (「Vimab」) 全部已發行股本，總代價為170,524,000港元(「Vimab收購事項」)。Melinder為PHM的最終實益擁有人，並為PHM的擔保人，而Christer則為FI的擔保人。

Vimab為一間於瑞典註冊成立的公司，連同其營運附屬公司(「Vimab集團」)從事提供閥門服務及保養、罐體清潔及其他設備服務的高科技工業服務。

根據Vimab協議，Vimab收購事項的代價中(i)約23,000,000港元以現金清償；及(ii)約147,500,000港元以按每股股份3.5港元的發行價配發及發行42,137,142股新股份(「代價股份」)的方式清償。代價股份數目相當於本公司經代價股份擴大的已發行股本約7.36%，而代價股份中19,488,428股新股份設有禁售期，將於Vimab集團截至2018年及2019年12月31日止財政年度的若干財務指標達成後解除。禁售安排詳情載於本公司日期為2018年5月3日的公佈。

Vimab收購事項於2018年5月31日完成。

Vimab協議的其中一項先決條件為Vimab集團13名主要僱員(作為認購人)(「認購人」)各自已與本公司訂立一份認購協議(統稱「僱員認購協議」)，以按總認購價18,830,000港元(即每股



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HK\$18,830,000 (i.e. HK\$3.5 per Share) (collectively, the “Employees Subscription Agreements”). The Employees Subscription Agreements were all entered into on 31 May 2018.

It was subsequently discovered that 12 out of 13 Subscribers had made their respective payments for their subscription shares in a total subscription amount of HK\$17,066,000 to Melinder with the understanding that Melinder would deliver the money to the Company on their behalf for the purpose of completing their respective Employees Subscription Agreements. However, Melinder had not delivered the subscription monies to the Company.

To settle the claims against Melinder for the subscription monies in the total amount of HK\$17,066,000 (the “Claims”), on 22 August 2018, the Company, FBD and the 12 Subscribers entered into a deed of settlement (the “Settlement Deed”) with Melinder and PHM, which is one of the vendors of the Vimab Agreement and is wholly and beneficially owned by Melinder. The salient terms of the Settlement Deed were:

- (i) PHM shall lodge all the Consideration Shares it received under the Vimab Agreement (i.e. 21,068,571 Shares, representing 50% of the total Consideration Shares) (the “Pledged Shares”) with the Company and/or its designated parties; and
- (ii) the Company and Melinder shall instruct, or arrange to instruct, relevant brokers to identify buyers for the Pledged Shares upon the lifting of the suspension on trading of the Shares on the Stock Exchange under the following price control mechanism:
 - 1. the sales of the Pledged Shares shall be on the open market but may also be sold in a block in an off-market transaction to independent third parties who are not connected persons of the Company;
 - 2. the selling price of the Pledged Shares shall not be discounted for greater than 30% of the open market price and subject to a price floor of HK\$2.45 per Share;

股份3.5港元)認購合共5,380,000股股份。相關訂約方已於2018年5月31日訂立全部僱員認購協議。

其後，13名認購人中有12名被發現已分別就認購股份向Melinder付款(認購金額合共17,066,000港元)，認為Melinder將代表彼等向本公司交付款項以完成彼等各自的僱員認購協議。然而，Melinder未有向本公司交付認購款項。

為清償針對Melinder提出涉及認購款項合共17,066,000港元的申索(「該等申索」)，本公司、FBD及12名認購人於2018年8月22日與Melinder及PHM(為Vimab協議的賣方之一，由Melinder全資實益擁有)訂立一份償付契據(「償付契據」)。償付契據的主要條款為：

- (i) PHM應將其根據Vimab協議收取的所有代價股份(即21,068,571股股份，佔代價股份總數50%)(「質押股份」)交予本公司及／或其指定人士；及
- (ii) 本公司及Melinder應於股份在聯交所復牌後指示或安排指示相關經紀物色質押股份的買家，價格控制機制如下：
 - 1. 質押股份須於公開市場上出售，惟亦可於場外交易中整批出售(惟限售予並非本公司關連人士的獨立第三方)；
 - 2. 質押股份的售價較公開市價的折讓不得多於30%，並須以每股股份2.45港元為價格下限；



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3. the sale of the Pledged Shares shall immediately be ceased once the proceeds from the sale of the Pledged Shares is sufficient satisfied the Claims; and
4. all cash proceeds of the sales made by the brokers shall be remitted to the Company.

As at the date of this report, PHM had lodged the Pledged Shares with the Company according to the terms of the Settlement Deed and 9,742,214 Shares out of 21,068,571 Pledged Shares are still subject to the lock-up arrangement subject to the fulfilment of certain financial benchmark for the year ending 31 December 2019. Only 11,326,357 Pledged Shares are freely transferrable. In the event that the sale proceeds from the freely transferrable Pledged Shares be not sufficient to cover the Claims, the Company and the 12 Subscribers may further negotiate with PHM and Melinder to explore alternate settlement mechanism such as (i) amend the terms of the Settlement Deed; (ii) amend the terms of the Subscription Agreements with the subscribers; or (iii) if (i) and (ii) are not feasible, take legal actions against the relevant parties.

Details of the Vimab Share Purchase Agreement and the Settlement Deed were set out in the Company's announcements dated 3 May 2018, 23 May 2018, 31 May 2018, 21 June 2018, 23 August 2018 and 2 October 2018.

Announcement(s) will be made to update the Shareholders with latest development of the settlement as and when appropriate.

3. 只要出售質押股份所得款項足以償付該等申索，質押股份將即時停止出售；及
4. 經紀進行出售的所有現金所得款項將匯款予本公司。

於本報告日期，PHM已按照償付契據的條款將質押股份交予本公司，而21,068,571股質押股份中的9,742,214股仍受禁售安排限制，有待截至2019年12月31日止年度的若干財務指標達成後解除。僅11,326,357股質押股份可自由轉讓。倘可自由轉讓的質押股份的出售所得款項不足以應付該等申索，則本公司及該12名認購人可能進一步與PHM及Melinder磋商，以尋求替代償付機制，如(i)修改償付契據條款；(ii)修改與認購人訂立的該等認購協議條款；或(iii) (如(i)及(ii)均不可行) 針對相關人士採取法律行動。

Vimab購股協議及償付契據的詳情載於本公司日期為2018年5月3日、2018年5月23日、2018年5月31日、2018年6月21日、2018年8月23日及2018年10月2日的公佈。

本公司將於適當時候發表公佈，以向股東提供償付的最新發展的資料。



7. Triggering for immediate repayment for Convertible Bonds (as defined below)

The suspension for continuous period of 30 business days on which the Stock Exchange is generally open, is considered as an event of default pursuant to the terms and conditions of the subscription agreement for convertible bonds with Forest Water Environmental Engineering Co., Ltd., a company incorporated in Taiwan and listed on the Taiwan Stock Exchange (stock code: 8473) with limited liability (“Forest Water”). As the trading of the shares of the Company have been suspended for more than the stipulated period (i.e. 30 business days) according to the terms of the convertible bonds in the principal amount of US\$5,000,000 issued to Forest Water (the “Convertible Bonds”), Forest Water may give notice in writing to the Company for immediate repayment for outstanding principal and interests.

The Company has been negotiating with Forest Water, for the settlement arrangement about the repayment for outstanding principal and interests.

Up to the date of this report, no formal agreement has been reached where Forest Water has also not served any writing notice for repayment.

8. Termination of LP Agreement

As the fund under the LP Agreement has not been launched, the parties to the LP Agreement entered into a withdrawal deed on 24 January 2019 pursuant to which the Group shall withdraw from the partnership under the LP Agreement, and the Group is not obliged to make any capital contribution to the partnership nor incurred any management fee payable.

Details of which are set out in the Company’s announcement dated 24 January 2019.

Outlook

In the coming year, the Group will continue to focus on its principal businesses including the Construction Business, the Construction-related Business and the Environmental Protection Business.

In the 19th National Congress of the Communist Party of China (the “Congress”) held in October 2017, the Chinese government affirmed its commitment to green development and ongoing efforts in building an ecological civilisation to create harmonious co-

7. 觸發可換股債券(定義見下文)即時還款

根據與山林水環境工程股份有限公司(一間於台灣註冊成立並於臺灣證券交易所上市(證券代碼:8473)的有限公司,「山林水」訂立的可換股債券認購協議的條款及條件,連續停牌30個聯交所通常開市的營業日被視為違約事件。由於本公司股份暫停買賣超過根據向山林水發行本金額為5,000,000美元的可換股債券(「可換股債券」)的條款訂明的期間(即30個營業日),因此,山林水可向本公司發出書面通知,要求即時償還未償還本金及利息。

本公司一直與山林水磋商償還未償還本金及利息的清償安排。

截至本報告日期,尚未達成任何正式協議,山林水亦未有送達任何書面還款通知。

8. 終止有限合夥協議

由於有限合夥協議項下的基金尚未成立,故有限合夥協議訂約各方於2019年1月24日訂立一份退出契據,據此,本集團將根據有限合夥協議退出合夥企業,且本集團無義務向合夥企業作出任何出資,亦無產生任何應付的管理費。

有關詳情載於本公司日期為2019年1月24日的公佈。

前景

來年,本集團將繼續專注發展主要業務,包括建築業務、建築相關業務及環保業務。

鑑於中國潔淨水源短缺及天然資源枯竭,於2017年10月舉行的中國共產黨第十九次全國代表大會(「十九大」)上,中國政府申明其對綠色發展的承諾,持續生態文明建設,堅



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existence between man, taking into account the scarcity of clean water and depleting natural resources in the PRC. Zero-liquid discharge is now a mandatory requirement for various heavy industry segments such as power plant, coal, petrochemical and pharmaceutical industry. This explained why the Group has been pursuing various business opportunities in respect of proven technology in achieving zero-liquid discharge in kitchen waste treatment and industrial water treatment, such as the Clear Industry Acquisition and the Vimab Acquisition.

The Group always has a vision to develop its business in the industrial waste water treatment business by providing a one-stop solution including design, build, service, and maintenance. Vimab Group is a Swedish high-tech industrial service group with advanced technology know-how as well as state-of-art machinery and products that can cater the needs of the heavy industry segments by providing service and maintenance on on-site valve service and repair. The next area that the Group would like to expand to through the Vimab Group is the enormous tank, pipeline, and valve maintenance market in the PRC.

It is also a goal of the Group to establish itself as a prominent provider of environmental protection services in kitchen waste treatment business with competing edges in processing technology and efficiency in achieving the optimal standard of “zero-liquid discharge, zero contamination”. The Clear EPC Group, which is a non-wholly-owned subsidiary of the Group acquired in December 2016, is principally engaged in provision of EPC services to the external clients as well as the members of the Group for the construction and design of the Group’s kitchen waste plants (i.e. Taiyuan Plant, Loudi Plant and Hefei Plant) with view to installing a fully-integrated treatment processing line that can optimize the efficiency of the operation. Notwithstanding that there were reduced new contracts in respect of its EPC services for the Year, the Company is optimistic about the prospects in particular the future demand for the fully-integrated EPC solutions of kitchen waste treatment process supported with the proven technology and patented equipment of the Group. The Group will continue its business direction to develop the Environmental Protection Business and will strengthen its sales and marketing efforts in promoting its EPC solutions and the technical know-how for the application in different environmental protection projects. Set out below is an illustration of the fully-integrated kitchen waste treatment process designed by the Group with its technical know-how and patented equipment supported throughout the process:

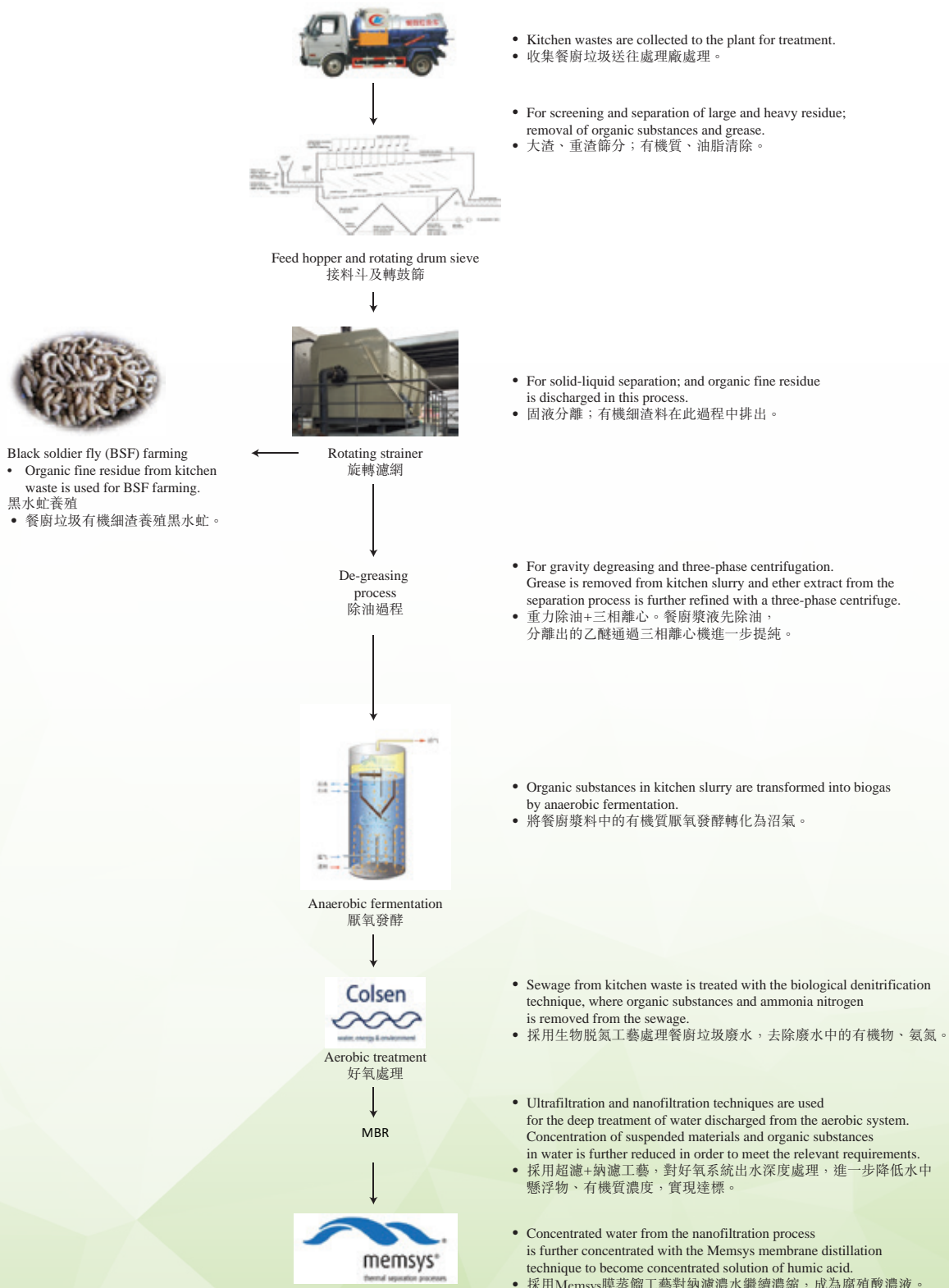
持人與自然和諧共生。目前，發電廠、煤炭、石油化工及醫藥行業等重工業行業強制規定零液體排放，正正解釋了本集團為何發掘達致餐廚垃圾處理及工業廢水處理零液體排放的確證技術方面的各個商機，如Clear Industry收購事項及Vimab收購事項。

本集團一直期望發展工業廢水處理業務，提供設計、建造、服務及保養的一站式解決方案。Vimab集團為瑞典一個高科技工業服務集團，擁有先進技術知識及頂尖機械和產品，可提供實地閥門的服務及保養服務以及修理，能應付重工業板塊的需要。本集團下一個透過Vimab集團拓展的方向為中國的大型罐體、管道及閥門保養市場。

本集團另一個目標是成為餐廚垃圾處理業務環保服務的知名供應商，在處理技術及效率方面享有競爭優勢，以達致「零液體排放、零污染」的理想標準。Clear EPC集團（於2016年12月收購的本集團非全資附屬公司）主要從事向外部客戶及本集團成員公司提供興建及設計本集團餐廚垃圾項目（即太原項目、婁底項目及合肥項目）的EPC服務，以裝設能優化營運效益的全面整合處理加工線。儘管本年度EPC服務的新合約減少，惟本公司對前景（特別是對配備本集團確證技術及專利設備的餐廚垃圾處理程序的全方位整合EPC解決方案的需求）抱持樂觀態度。本集團將堅持其發展環保業務的業務方向，加強推廣EPC解決方案及技術知識的銷售及營銷力度，以應用於不同環保項目。下文載列本集團以其技術知識及專利設備設計的全方位整合餐廚垃圾處理程序圖解：



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Set out below are the patents and techniques applied in the treatment process, which are either owned by the Group or under substantive examination process for patent application. It is expected to take two years to have the certificate issued.

下文載列於處理程序中應用的專利及技術，乃由本集團擁有或正進行專利申請的實體審查程序。預期發出證書需時兩年。

Process procedures 處理程序	Patent(s) involved (authorized or under examination) 所涉專利(已授權或審查中)
Feed hopper and rotating drum sieve 接料斗及轉鼓篩	<ol style="list-style-type: none"> 1. Hopper grille, authorized 倒料斗格柵，已授權 2. A zero-emission kitchen waste treatment technique, under examination 一種餐廚垃圾處理零排放工藝，審查中 3. Kitchen waste treatment method, authorized 餐廚垃圾的處理方法，已授權 4. Rotating drum sieve for kitchen waste washing treatment, authorised 用於餐廚垃圾水洗處理的轉鼓篩，已授權 5. A zero-emission kitchen waste treatment technique, under examination 一種餐廚垃圾處理零排放工藝，審查中 6. Kitchen waste treatment method, authorised 餐廚垃圾的處理方法，已授權
Rotating strainer 旋轉濾網	Nil 無
De-greasing system 除油系統	<ol style="list-style-type: none"> 1. Grease separation and collection system, authorized 油脂分離和收集系統，已授權 2. Kitchen waste degreasing method, under examination 餐廚垃圾除油方法，審查中 3. A zero-emission kitchen waste treatment technique, under examination 一種餐廚垃圾處理零排放工藝，審查中 4. Kitchen waste treatment method, authorised 餐廚垃圾的處理方法，已授權
Anaerobic fermentation 厭氧發酵	<ol style="list-style-type: none"> 1. Anaerobic reactor for high-efficiency mixing and separation, authorised 強效混合與分離的厭氧反應器，已授權 2. Anaerobic reactor, authorized 厭氧反應器，已授權 3. A zero-emission kitchen waste treatment technique, under examination 一種餐廚垃圾處理零排放工藝，審查中 4. Kitchen waste treatment method, authorised 餐廚垃圾的處理方法，已授權



Process procedures
處理程序

Patent(s) involved (authorized or under examination)
所涉專利(已授權或審查中)

<p>BSF farming system 黑水虻養殖系統</p>	<ol style="list-style-type: none"> 1. Cam-driven lifting and transporting device for maggot larvae farming system, authorised 用於蠅蛆幼蟲養殖系統的凸輪頂昇平移機構，已授權 2. Lifting and positioning device for maggot larvae farming system, authorised 用於蠅蛆幼蟲養殖系統的頂升定位機構，已授權 3. Maggot larvae farming system for organic solid waste treatment, authorised 用於有機固體廢棄物處理的蠅蛆幼蟲養殖系統，已授權 4. Horizontal transportation device for maggot larvae farming system, authorised 用於蠅蛆幼蟲養殖系統的平行移載機構，已授權 5. Farming device for maggot larvae farming, authorised 用於蠅蛆幼蟲養殖的養殖器，已授權 6. 3-dimensional, double pull-out device for BSF larvae farming, authorised 立體多層抽板式黑水虻幼蟲養殖裝置，已授權 7. A zero-emission kitchen waste treatment technique, under examination 一種餐廚垃圾處理零排放工藝，審查中
<p>Aerobic treatment 好氧處理</p>	<ol style="list-style-type: none"> 1. Denitrification system for kitchen waste sewage treatment, authorised 餐廚垃圾廢水處理脫氮系統，已授權 2. A zero-emission kitchen waste treatment technique, under examination 一種餐廚垃圾處理零排放工藝，審查中
<p>MBR MBR</p>	<p>Nil 無</p>
<p>Memsys membrane distillation Memsys膜蒸餾</p>	<ol style="list-style-type: none"> 1. Device for concentrating and extracting humic acid from kitchen waste sewage, authorised 用於餐廚垃圾廢水濃縮提取腐殖酸的裝置，已授權 2. A zero-emission kitchen waste treatment technique, under examination 一種餐廚垃圾處理零排放工藝，審查中



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Financial Review

Results of the Group

During the Year, revenue of the Group decreased by approximately 25.1% to approximately HK\$928.5 million (2017: HK\$1,239.8 million), in which it also incurred segment losses in the Construction Business and Environmental Protection Business. Further discussion and analysis on the financial performance of each business segment of the Group is set out in the section headed "Business Review" above.

Loss for the Year attributable to owners of the Company amounted to approximately HK\$224.8 million (2017: profit of approximately HK\$47.6 million).

Basic loss per share was HK43.61 cents (2017: Basic earnings per share of HK10.45 cent).

Other income and gains, net

Other income and gains, net, increased by approximately HK\$66.4 million from approximately HK\$11.7 million for the year ended 31 March 2017 to approximately HK\$78.1 million for the Year. The increase was mainly attributable to the recognition of derivative financial instrument in respect of contingent consideration asset arising from Suzhou Commitments.

Other expenses

Other expenses increased by approximately 10.4 times from approximately HK\$16.8 million to approximately HK\$192.2 million for the Year. The other expenses mainly included the impairment of (i) other receivables of approximately HK\$15.9 million for the outstanding DSE Receivables and the SPM Receivables, (ii) loan receivables of approximately HK\$14.1 million attributable to the impairment of the Tianjin Loan; (iii) goodwill of HK\$114.8 million arising from the Clear Industry Acquisition and the Shenzhen Acquisition; and (iv) the intangible assets of approximately HK\$24.4 million in respect of the Technical Know-how of Clear Industry due to disappointing financial performance of Clear Industry.

Liquidity and Financial Resources

As at 31 March 2018, the total assets of the Group increased by approximately 13.9% to approximately HK\$1,638.9 million from approximately HK\$1,438.3 million as of 31 March 2017. The Group also maintained relatively stable growth in the financial position during the Year. As at 31 March 2018, the Group had bank

財務回顧

本集團業績

於本年度，本集團的收入減少約25.1%至約928,500,000港元（2017年：1,239,800,000港元），當中建築業務及環保業務亦錄得分部虧損。有關本集團各業務分部的財務表現的進一步討論及分析載於上文「業務回顧」一節。

歸屬於本公司擁有的本年度虧損約為224,800,000港元（2017年：溢利約47,600,000港元）。

每股基本虧損為43.61港仙（2017年：每股基本盈利10.45港仙）。

其他收入及收益淨額

其他收入及收益淨額由截至2017年3月31日止年度約11,700,000港元增加約66,400,000港元至本年度約78,100,000港元，主要是由於就源自蘇州承諾的或然代價資產確認衍生金融工具。

其他開支

其他開支由約16,800,000港元增加約10.4倍至本年度約192,200,000港元，主要包括(i)未償還DSE應收款項及SPM應收款項的其他應收款項減值約15,900,000港元；(ii)天津貸款減值的應收貸款減值約14,100,000港元；(iii)Clear Industry收購事項及深圳收購事項所產生的商譽減值114,800,000港元；及(iv)因應Clear Industry財務表現欠佳而就Clear Industry的技術知識作出的無形資產減值約24,400,000港元。

流動資金及財務資源

於2018年3月31日，本集團的資產總值增加約13.9%至約1,638,900,000港元，而於2017年3月31日則約為1,438,300,000港元。本集團的財務狀況於本年度亦維持相對穩定增長。於2018年3月31日，本集團的銀行結餘



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balances and cash (including pledged bank deposits) of approximately HK\$66.7 million (as at 31 March 2017: approximately HK\$173.1 million).

The total interest-bearing loans comprising finance leases, bank and other borrowings and convertible bonds (liability component) of the Group as at 31 March 2018 was approximately HK\$294.4 million (as at 31 March 2017: approximately HK\$211.4 million), and current ratio for the Year was approximately 1.26 (as at 31 March 2017: approximately 0.94).

The Group's borrowings and bank balances are principally denominated in Hong Kong dollars and Renminbi ("RMB") and there may be significant exposure to foreign exchange rate fluctuations.

As mentioned in the section headed "Business update after the reporting period" above, the suspension of trading of Company's Shares triggered the repayment clause of the instrument of the Convertible Bonds. As at the date of this report, the Company is negotiating with Forest Water (i.e. the holder of the Convertible Bonds) in respect of the settlement arrangement.

Gearing ratio

The gearing ratio as at 31 March 2018 was approximately 72.5% (as at 31 March 2017: approximately 43.7%).

The increase in gearing ratio was mainly attributable to the increase in overall Group's borrowings and decline in equity attributable to the owner of the Company during the Year.

The gearing ratio is calculated as the payables incurred not in the ordinary course of business (excluding loan from a related companies/directors/shareholders) divided by total equity attributable to the owners of the Company as at the respective years.

Pledge of assets

As at 31 March 2018, the Group pledged certain assets including (i) bank deposits of approximately HK\$5,000,000 (31 March 2017: approximately HK\$12,438,000), and (ii) property, plant and equipment with carrying values of approximately HK\$25,884,000 (31 March 2017: approximately HK\$77,993,000), as collateral to secure the facilities granted to the Group.

及現金(包括已質押銀行存款)約為66,700,000港元(於2017年3月31日:約173,100,000港元)。

於2018年3月31日,本集團的計息貸款總額(包括融資租賃、銀行及其他借貸及可換股債券(負債部分))約為294,400,000港元(於2017年3月31日:約211,400,000港元),而本年度的流動比率約為1.26(於2017年3月31日:約0.94)。

本集團的借貸及銀行結餘主要以港元及人民幣計值,而本集團可能面對重大外幣匯率波動風險。

誠如上文「報告期後業務最新資料」一節所述,本公司股份暫停買賣觸發可換股債券文據的還款條文。於本報告日期,本公司正與山林水(即可換股債券持有人)磋商清償安排。

資本負債比率

於2018年3月31日,資本負債比率約為72.5%(於2017年3月31日:約43.7%)。

資本負債比率上升主要是由於本年度本集團整體借貸增加及歸屬於本公司擁有人的權益減少所致。

資本負債比率按非日常業務過程中產生的應付款項(不包括一間關連公司/董事/股東貸款)除以各年歸屬於本公司擁有人的權益總額計算。

資產質押

於2018年3月31日,本集團已質押若干資產,包括(i)約5,000,000港元(2017年3月31日:約12,438,000港元)的銀行存款;及(ii)賬面值約25,884,000港元(2017年3月31日:約77,993,000港元)的物業、機器及設備,作為本集團獲授融通的抵押品。



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The Group also guaranteed certain facilities through certain proceeds from the Group's service concession arrangements, equity interests in subsidiaries of the Group and the prepaid lease payments and equipments.

Foreign exchange exposure

Certain revenue-generating operations and assets and liabilities of the Group are denominated in RMB and EUR and may expose the Group to the fluctuation of Hong Kong dollars against RMB and EUR. The Group did not enter into any hedging arrangement or derivative products. However, the Board and management will continue to monitor the foreign currency exchange exposure and will consider adopting certain hedging measures against the currency risk when necessary.

Capital structure

During the Year, the Group has issued convertible bonds in the aggregate principal amount of US\$5,000,000, and allot and issue 10,164,000 new shares, details of which are set out in the Company's announcement dated 3 October 2017 with defined terms thereof and summarised below:

Issue of Convertible Bonds

The Company entered into a subscription agreement with Forest Water, pursuant to which the Company has conditionally agreed to issue, and Forest Water has conditionally agreed to subscribe for the Convertible Bonds with an aggregate principal amount of US\$5,000,000.

The Convertible Bonds bear interest at 6.5% per annum, with a yield to maturity at 12% per annum internal rate of return applied on the principal amount. The initial Conversion Price is HK\$3.50, subject to adjustment for, amongst other things, subdivisions, consolidations, reclassification of Shares or capitalisation of profits or reserves which may have a diluting effect on Forest Water.

The Conversion Price shall be subject to a full ratchet anti-dilution adjustments in the event that the Company issues additional equity securities, other than the shares reserved for employee shares as share option scheme, i.e. if the per Share price of the newly issued Shares is lower than the then Conversion Price, Conversion Price shall be downward adjusted to the same as the price of the newly issued Shares.

本集團亦以其服務特許權安排的若干所得款項、於本集團附屬公司的股權以及預付租賃付款及設備作為若干融通的擔保。

外匯風險

本集團若干賺取收入的業務及資產與負債以人民幣及歐元計值，可能令本集團面對港元兌人民幣及歐元匯率波動的風險。本集團並無訂立任何對沖安排或衍生產品。然而，董事會及管理層將持續監察外幣匯率風險，並於有需要時考慮採取若干對沖措施對沖貨幣風險。

資本架構

於本年度，本集團已發行本金總額5,000,000美元的可換股債券以及配發及發行10,164,000股新股份，詳情載於本公司日期為2017年10月3日的公佈，參照當中已界定詞彙的概要如下：

發行可換股債券

本公司與山林水訂立一份認購協議，據此，本公司有條件同意發行而山林水有條件同意認購可換股債券，本金總額為5,000,000美元。

可換股債券年利率為6.5厘，到期孳息率按本金額計算為內部回報率每年12厘。初步轉換價為3.50港元，可就(其中包括)可能對山林水產生攤薄影響的股份拆細、合併或重新分類或者溢利或儲備資本化作出調整。

倘本公司發行額外股本證券(根據購股權計劃保留作僱員股份的股份除外)，則轉換價須作出完全棘輪反攤薄調整，即倘新發行股份的每股股價低於當時的轉換價，則轉換價應向下調整至與新發行股份的價格相同。



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The gross proceeds from such subscription were US\$5,000,000 (equivalent to approximately HK\$39,008,000). The net proceeds, after deducting all relevant costs and expenses, was approximately HK\$38,000,000.

Allotment and issue of new shares

Reference is made to the Company's announcement dated 27 November 2017. The Company entered into a subscription agreement with Seasons Apparel International Inc. ("Seasons Apparel"), a company incorporated in the British Virgin Islands with limited liability, pursuant to which the Company has conditionally agreed to allot and issue, and Seasons Apparel has conditional agreed to subscribe for 10,164,000 subscription shares at a subscription price of HK\$3.71 per subscription share. The gross proceeds from such subscription were approximately HK\$37.7 million.

The proceeds from (i) the convertible bonds; and (ii) allotment and issue of the subscription shares were intended to be used for the Company's investment in its kitchen waste and water treatment businesses and as general working capital. As at 31 March 2018, the Group had utilised all the net proceeds for the development of the kitchen waste treatment business.

Capital commitments

As at 31 March 2018, the Group had capital commitment of approximately HK\$26,635,000 (as at 31 March 2017: approximately HK\$112,398,000) in relation to the projects of the Group under the ordinary course of business. At 31 March 2018, the Group also had capital commitment of US\$5,000,000 (equivalent to approximately HK\$39,241,000) in relation to capital injection to a limited partnership.

Human resources management

As at 31 March 2018, the Group had 440 employees, including Directors (as at 31 March 2017: 374 employees, including Directors). Total staff costs (including Directors' emoluments) were approximately HK\$108,912,000 for the Year as compared to approximately HK\$143,605,000 for the year ended 31 March 2017. Remuneration was determined with reference to market norms and individual employees' performance, qualification and experience.

On top of basic salaries, bonuses may be paid by reference to the Group's performance as well as individual's performance. Other staff benefits include provision of retirement benefit, injury insurance and share options.

該項認購的所得款項總額為5,000,000美元(相等於約39,008,000港元)。於扣除所有相關成本及開支後，所得款項淨額約為38,000,000港元。

配發及發行新股份

茲提述本公司日期為2017年11月27日的公佈。本公司與Seasons Apparel International Inc. (「Seasons Apparel」，一間於英屬處女群島註冊成立的有限公司)訂立一份認購協議，據此，本公司有條件同意配發及發行而Seasons Apparel有條件同意認購10,164,000股認購股份，認購價為每股認購股份3.71港元。該項認購的所得款項總額約為37,700,000港元。

來自(i)可換股債券；及(ii)配發及發行認購股份的所得款項擬用作本公司投資於餐廚垃圾及水處理業務的資金，以及一般營運資金。於2018年3月31日，本集團已動用全部所得款項淨額發展餐廚垃圾處理業務。

資本承擔

於2018年3月31日，本集團有關日常業務過程中的項目的資本承擔約為26,635,000港元(於2017年3月31日：約112,398,000港元)。於2018年3月31日，本集團亦有關於注資一間有限合夥商行的資本承擔5,000,000美元(相等於約39,241,000港元)。

人力資源管理

於2018年3月31日，本集團共有440名(於2017年3月31日：374名)僱員(包括董事)。本年度的員工成本總額(包括董事酬金)約為108,912,000港元，而截至2017年3月31日止年度則約為143,605,000港元。薪酬乃參照市場常規以及個別僱員表現、資格及經驗釐定。

除基本薪金外，本集團亦可能參照其業績及個人表現發放花紅。其他員工福利包括所提供的退休福利、傷亡保險及購股權。



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Significant investments held

As at 31 March 2018, the Group held approximately 10.33% of the total issued share capital of Josab Water Solutions AB (formerly known as "Josab International AB"), the shares of which are listed on Spotlight Stock Market (formerly AktieTorget), a stock exchange in Sweden.

Save as disclosed above and except for investment in subsidiaries, during the Year, the Group did not hold any significant investment in equity interest in any other company.

Material acquisitions and disposals of subsidiaries and affiliated companies

Save as disclosed herein, the Group did not have any material acquisitions and disposals of subsidiaries and affiliated companies during the Year.

Contingent liabilities

As at 31 March 2018, the Group had outstanding performance bond for construction contracts amounting to approximately HK\$58.4 million (as at 31 March 2017: approximately HK\$91.5 million).

The Company has agreed to provide the corporate guarantee for the due performance of the repayment obligations of the wholly-owned subsidiary of TDR up to an aggregate amount of RMB153,986,000 under principal agreements dated 14 July 2017 entered into between such TDR's subsidiary and CITIC Financial Leasing Co., Ltd.

In consideration of the corporate guarantee provided by the Company, TDR entered into the counter-guarantee agreement with the Company, pursuant to which, TDR has agreed to provide to the Company the guarantee fee and the counter-guarantee in respect of such corporate guarantee.

所持重大投資

於2018年3月31日，本集團持有Josab Water Solutions AB(前稱Josab International AB，其股份於瑞典一間證券交易所Spotlight Stock Market(前稱AktieTorget)上市)已發行股本總數約10.33%。

除上文所披露者及於附屬公司的投資外，於本年度，本集團並無持有於任何其他公司的任何重大股權投資。

重大附屬公司及聯屬公司收購及出售事項

除本報告所披露者外，於本年度，本集團並無進行任何重大附屬公司及聯屬公司收購及出售事項。

或然負債

於2018年3月31日，本集團有關建築合約的未履行履約保函金額約為58,400,000港元(於2017年3月31日：約91,500,000港元)。

本公司已同意就天地人的全資附屬公司在其與中信金融租賃有限公司所訂立日期為2017年7月14日的本金協議準時履行總額最高為人民幣153,986,000元的還款義務提供公司擔保。

作為本公司提供公司擔保的代價，天地人與本公司訂立反擔保協議，據此，天地人同意就有關公司擔保向本公司提供擔保費用及反擔保。



Differences of the unaudited management accounts

Reference is made to the unaudited management accounts announcement dated 26 July 2018 (the “Unaudited Management Accounts Announcement”). As disclosed in the Unaudited Management Accounts Announcement, the Group recorded loss before taxation of HK\$276,710,000 and net asset value was HK\$445,889,000. As disclosed in this report, the audited loss before taxation was HK\$268,336,000 and net asset value was HK\$482,071,000.

The differences were mainly resulted from the adjustments for the purchase price allocation arising from acquisition, fair value of contract revenue in respect of the construction of kitchen waste treatment plants, related effect on deferred taxation and non-controlling interest, and reduction of impairment of other receivables for DSE Receivables with reference to the subsequent settlement.

The Board wishes to emphasise that most of the aforesaid adjustments are non-cash in nature and therefore do not have any substantial adverse impact on the operating cash flows of the Group.

Extract from Independent Auditor’s Report

The following is an extract of the independent auditor’s report on the Group’s consolidated financial statements for the FY2018:

“Qualified opinion

We have audited the consolidated financial statements of New Concepts Holdings Limited (the “Company”) and its subsidiaries (the “Group”), which comprise the consolidated statement of financial position as at 31 March 2018, and the consolidated statement of profit or loss, the consolidated statement of 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, except for the possible effects of the matters described in the *Basis for qualified opinion* section of our report, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2018, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong

未經審核管理賬目的差異

茲提述日期為2018年7月26日的未經審核管理賬目公佈(「未經審核管理賬目公佈」)。誠如未經審核管理賬目公佈所披露，本集團錄得除稅前虧損276,710,000港元及資產淨值445,889,000港元。誠如本報告所披露，經審核除稅前虧損為268,336,000港元，而資產淨值為482,071,000港元。

差異主要源自調整收購產生的購買價分配、建設餐廚垃圾處理項目所涉合約收入的公平值、對遞延稅項及非控股權益的相關影響以及參照其後清償狀況就DSE應收款項扣減其他應收款項的減值。

董事會謹此重申，上述大部分調整屬非現金性質，故不會對本集團的經營現金流量造成任何重大不利影響。

獨立核數師報告摘錄

以下為有關本集團2018財政年度的綜合財務報表的獨立核數師報告摘錄：

「保留意見

我們已審計創業集團(控股)有限公司(「貴公司」)及其附屬公司(「貴集團」)的綜合財務報表，當中包括於2018年3月31日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合全面收益表、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，除我們的報告內「保留意見的基礎」一節所述事宜可能造成的影響外，綜合財務報表已按照香港會計師公會頒佈的香港財務報告準則真實而中肯地反映 貴集團於2018年3月31日的綜合財務狀況以及截至



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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 qualified opinion

As disclosed in note 21(a) to the consolidated financial statements, the Group paid deposits for the potential acquisitions of equity interests in PT. Dempo Sumber Energi (“DSE”) and PT. Sumatera Pembangkit Mandiri (“SPM”). In addition, the Group paid certain expenses and advanced loans to DSE and SPM and their beneficial shareholders. The aggregate amount of these payments of approximately HK\$66,306,000 (2017: HK\$64,745,000) was accounted for as receivables and included in prepayments, deposits and other receivables. However, we have been unable to obtain sufficient audit evidence to ascertain the nature of these payments, and thus we are unable to satisfy ourselves as to (i) the appropriateness of the accounting for these payments as receivables as at 31 March 2018 and 31 March 2017; (ii) whether the impairment of HK\$15,854,000 for the receivables during the year ended 31 March 2018 was appropriate or adequate; (iii) whether an impairment was required on the carrying amount of the receivables as at 31 March 2017; and (iv) the completeness and accuracy of the respective disclosures in the notes to the consolidated financial statements.”

Supplementary information regarding the qualified opinion

The Auditor has expressed a qualified opinion on the receivables in respect of the DSE Receivables and the SPM Receivables. Set out below are the supplementary information regarding the aforesaid qualified opinion:

1. Background of the DSE Receivables and the SPM Receivables

A detailed chronology of events for better comprehension of the circumstances leading to the alterations to the terms and nature of the DSE Acquisition and the SPM Acquisition and the resulting Management’s decisions are set out in the section headed “(i) Hydropower projects in Indonesia” in the “Management Discussion and Analysis” section of this report.

該日止年度的綜合財務表現及綜合現金流量，並已遵照香港公司條例的披露規定妥為編製。

保留意見的基礎

誠如綜合財務報表附註21(a)所披露，貴集團已就PT. Dempo Sumber Energi(「DSE」)及PT. Sumatera Pembangkit Mandiri(「SPM」)股權的潛在收購事項支付按金。此外，貴集團已向DSE及SPM以及該等公司的實益股東支付若干開支及墊付貸款。該等款項總額約66,306,000港元(2017年：64,745,000港元)已入賬列為應收款項，並計入預付款項、按金及其他應收款項。然而，我們無法取得足夠審核憑證以確定該等款項的性質，因此我們無法信納(i)將該等款項入賬列為2018年3月31日及2017年3月31日的應收款項是否適當；(ii)截至2018年3月31日止年度的應收款項減值15,854,000港元是否適當或足夠；(iii)是否須就2017年3月31日的應收款項賬面金額計提減值；及(iv)綜合財務報表各附註的相應披露事項是否完整及準確。

有關保留意見的補充資料

核數師就DSE應收款項及SPM應收款項發表有關應收款項的保留意見。下文載列有關上述保留意見的補充資料：

1. DSE應收款項及SPM應收款項的背景

為協助閣下進一步瞭解DSE收購事項及SPM收購事項修訂條款的背景、性質以及管理層相應所作的決定，詳細事件時序載於本報告「管理層討論及分析」內「(i)印尼水力發電項目」一節。



2. Management's position

The Management considers that the nature of the DSE Receivables and the SPM Receivables as at 31 March 2018 as receivables and the impairments made thereon as at 31 March 2018 were appropriate on the bases that:

- (i) the legal opinions obtained by the Management confirmed that Stand Ascent does not have beneficial interests in DSE or SPM and it holds the DSE Shares and the SPM Shares merely as a custodian for collateral purpose;
- (ii) the Repayment Deed serves as an evidence that both the Group and the Dominating Indonesian Parties acknowledged the nature of the payments as receivables to be repaid by the Dominating Indonesian Parties;
- (iii) the impairment to the DSE Receivables (i.e. US\$1.6 million) as at 31 March 2018 was determined based on the initial outstanding DSE Receivables (i.e. US\$4.3 million) deducting the subsequent repayments made by the Dominating Indonesian Parties via proceeds attributable to the DSE Shares pursuant to the Stand Ascent Disposal Agreement (i.e. US\$2.2 million) and via proceeds from other hydropower projects under the Repayment Deed (i.e. US\$0.5 million);
- (iv) the impairment on the SPM Receivables as at 31 March 2018 (i.e. US\$0.4 million) was determined based on based on the outstanding SPM Receivables (i.e. US\$3.7 million) as at 31 March 2018 deducting the fair value of 85% equity interest in SPM (i.e. US\$3.3 million) prepared internally by the Management based on the average tariff of the latest 16 PPAs signed by the hydropower plants located in the vicinity of SPM's plant as extracted from a research report issued by a reputable accounting firms.

2. 管理層的立場

管理層認為，於2018年3月31日，DSE應收款項及SPM應收款項的性質屬應收款項，且於2018年3月31日就DSE應收款項及SPM應收款項計提的減值屬適當，理由如下：

- (i) 管理層所取得的法律意見確認晉立並無DSE或SPM的實益權益，僅就抵押目的作為託管人持有DSE股份及SPM股份；
- (ii) 還款契據證明本集團與主導印尼訂約方均確認該等款項的性質為主導印尼訂約方應予償還的應收款項；
- (iii) DSE應收款項於2018年3月31日的減值(即1,600,000美元)乃基於最初未償還DSE應收款項(即4,300,000美元)扣除主導印尼訂約方其後透過晉立出售協議項下DSE股份應佔所得款項(即2,200,000美元)及透過還款契據項下其他水力發電項目所得款項(即500,000美元)作出的還款計算；
- (iv) SPM應收款項於2018年3月31日的減值(即400,000美元)乃基於未償還SPM應收款項(即3,700,000美元)扣除SPM 85%股權的公平值(即3,300,000美元，乃由管理層內部基於最近由SPM項目所在地附近多家水力發電廠簽立的16份購電協議(摘錄自一份由知名會計師行發表的研究報告)的平均電價編製)計算。



3. *Potential impact on the Company*

Since the Auditor has been unable to obtain sufficient audit evidence to ascertain the nature of the payments (i.e. the DSE Receivables and the SPM Receivables) of HK\$66,306,000 (2017: HK\$64,745,000) as at 31 March 2018 in the annual results of the Company for FY2018, and thus is unable to satisfy themselves as to (i) the appropriateness of the accounting for these payments as at 31 March 2018 and 31 March 2017; (ii) whether the impairment of approximately HK\$15.9 million for the payments during the Year was appropriate or adequate; (iii) whether an impairment was required as at 31 March 2017; and (iv) the completeness and accuracy of the respective disclosures in the notes to the consolidated financial statements, any adjustments found to be necessary in respect of the above would affect the Company's consolidated statement of financial position or profit or loss for FY2018 and the related disclosures thereof in the consolidated financial statements.

4. *View of the audit committee and Management's position*

A meeting was held on 14 February 2019 by the audit committee of the Company (the "Audit Committee") for the purpose of approving the audited consolidated financial statements of the Company for FY2018.

Having carried out independent review of and enquiries on the subject transaction, the Audit Committee concurred with the management's explanation and position on the accounting treatment of the DSE Receivables and the SPM Receivables and the impairment made for FY2018.

5. *Action plans to address the qualification of opinion, timetable for implementation and the latest progress*

The Management considers that the qualification of opinion can be addressed once the Stand Ascent Disposal is completed. As informed by PLN, the pre-approval of the SPM-PPA will be announced by the end of March 2019 and it is expected that the SPM-PPA will be entered into by PLN and SPM and thus completion of the Stand Ascent Disposal will take place prior to the publication of the annual results announcement for the year ending 31 March 2019. Once the Stand Ascent Disposal is completed, the impairment amount of the DSE Receivables and the SPM Receivables will be substantiated by the proceeds received by Progressive Merit from the Dominating Indonesian Parties. In this circumstance,

3. *對本公司的潛在影響*

由於核數師無法取得足夠審核憑證以確定本公司2018財政年度全年業績中於2018年3月31日為數66,306,000港元(2017年: 64,745,000港元)的款項(即DSE應收款項及SPM應收款項)的性質,故未能信納(i)於2018年3月31日及2017年3月31日有關該等款項之會計處理是否適當;(ii)於本年度就該等款項計提的減值約15,900,000港元是否適當或足夠;(iii)是否須就2017年3月31日計提減值;及(iv)綜合財務報表附註之相應披露事項是否完整及準確,故應就上述事項作出的任何調整均會影響本公司2018財政年度的綜合財務狀況或損益表以及綜合財務報表中的有關披露事項。

4. *審核委員會的見解及管理層的立場*

本公司的審核委員會(「審核委員會」)已於2019年2月14日舉行會議,以審批本公司2018財政年度的經審核綜合財務報表。

於獨立審核及查詢所涉交易後,審核委員會同意管理層對於DSE應收款項及SPM應收款項的會計處理方式以及就2018財政年度計提的減值的解釋及立場。

5. *應對保留意見的行動計劃、執行時間表及最新進展*

管理層認為,完成晉立出售事項可應對保留意見。誠如PLN所告知,SPM購電協議的預先批准將於2019年3月底或之前公佈,預期PLN將與SPM訂立SPM購電協議,故晉立出售事項將於截至2019年3月31日止年度的全年業績公佈登載前完成。於晉立出售事項完成後,DSE應收款項及SPM應收款項的減值金額將因Progressive Merit向主導印尼訂約方收取得所得款項而得以



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the qualification will not have impact on the statement of financial position for the year ending 31 March 2019 save for the opening.

Final Dividend

The Board does not recommend a payment of a final dividend to the shareholders for FY2018 (FY2017: nil).

Delay in publication of the annual results and despatch of annual report for FY2018

Pursuant to Rule 13.49(1) of the Listing Rules, the Company is required to publish the annual results of the Group for FY2018 (the "FY2018 Annual Results") on a date not later than three months after the end of the financial year, i.e. 30 June 2018. Pursuant to Rule 13.46(2) of the Listing Rules, the Company is required to send FY2018 Annual Report to its shareholders not less than 21 days before the date of the Company's annual general meeting and in any event not more than four months after the end of the financial year to which they relate, i.e. 31 July 2018.

As the publication of the FY2018 Annual Results and the despatch of the FY2018 Annual Report were delayed beyond the stipulated requirements mentioned above, such delay constitutes non-compliance with Rule 13.49(1) and Rule 13.46(2) of the Listing Rules.

Fulfillment of Resumption Conditions

As disclosed in the announcement of the Company dated 24 October 2018, the Stock Exchange issued a letter to the Company on 23 October 2018 setting out the following conditions for resumption of trading of the Shares (the "Resumption Conditions"):

- (i) the Company having published all outstanding financial results required by the Listing Rules and addressed audit qualifications (if any); and
- (ii) the Company having informed the market of all material information for the Company's shareholders and investors to appraise its position.

In relation to the Resumption Condition (i) above, the outstanding financial results include the annual results of the Group for the year ended 31 March 2018 (the "2018 Annual Results") and the interim results of the Group for the six months ended 30 September 2018 (the "2018 Interim Results").

確定。在此情況下，除就期初而言外，保留意見將不會對截至2019年3月31日止年度的財務狀況表構成影響。

末期股息

董事會不建議向股東派付2018財政年度的末期股息(2017財政年度：無)。

延遲就2018財政年度登載全年業績及寄發年報

根據上市規則第13.49(1)條，本公司必須在2018財政年度結束後3個月內(即2018年6月30日)刊登本集團2018財政年度的全年業績(「2018財政年度全年業績」)。根據上市規則第13.46(2)條，本公司須於本公司股東週年大會召開日期至少21天前，有關財政年度結束後(無論如何不得超過)4個月內(即2018年7月31日)將2018財政年度年報送交其股東。

由於2018財政年度全年業績及2018財政年度年報的登載及寄發分別延至遲於上述規定時限，故有關延遲已構成上市規則第13.49(1)及13.46(2)條的不合規情況。

達成復牌條件

誠如本公司日期為2018年10月24日的公佈所披露，聯交所於2018年10月23日向本公司發出函件，載列以下恢復股份買賣的條件(「復牌條件」)：

- (i) 本公司已按上市規則規定發佈所有未發佈的財務業績及處理審核保留意見(如有)；及
- (ii) 本公司已知會市場所有重要資料，以供本公司股東及投資者評核本公司狀況。

就上述復牌條件(i)而言，未發佈的財務業績包括本集團截至2018年3月31日止年度的全年業績(「2018年全年業績」)及截至2018年9月30日止六個月的中期業績(「2018年中期業績」)。



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This 2018 Annual Results is published on the website of the Stock Exchange at www.hkexnews.hk and on the website of the Company at <http://www.primeworld-china.com>.

Now that the 2018 Annual Results and the 2018 Interim Results have been published and all the material information of the Company have been properly disclosed, the Company is pleased to announce that all of the Resumption Conditions have been fulfilled as at the date of this report.

本2018年全年業績已於聯交所網站 (www.hkexnews.hk)及本公司網站 (<http://www.primeworld-china.com>)登載。

隨着2018年全年業績及2018年中期業績現已登載且本公司所有重要資料亦已妥為披露，本公司欣然宣佈，所有復牌條件於本報告日期已然達成。



BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理人員的履歷詳情

Executive Directors

Mr. Zhu Yongjun, aged 51, was appointed as the Chairman of the Board and an executive director of the Company on 24 May 2016. He is also a member of the nomination committee of the Board.

Mr. Zhu was an executive director of EverChina Int'l Holdings Company Limited (a company listed on the main board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange")) (Stock Code: 202) from May 2008 to February 2013. He was also the chairman of the board of Heilongjiang Interchina Water Treatment Company Limited (a company listed on the Shanghai Stock Exchange) (Stock Code: 600187), from January 2009 to May 2015. He is currently the chairman of the board of Josab Water Solutions AB (formerly known as "Josab International AB") ("Josab"), a company incorporated under the laws of Sweden, whose shares are listed on the Spotlight Stock Market (formerly AktieTorget), a stock exchange in Sweden. Mr. Zhu obtained his undergraduate from Hunan University in 1989, and a Master's degree of business administration in Peking University in the People's Republic of China in 2005. He started his environmental protection career in 2001.

Ms. Qin Shulan, aged 55, was appointed as an executive director of the Company on 24 May 2016 and subsequently appointed as the Chief Executive Officer on 27 February 2017. She is the senior engineer of Northern China Municipal Engineering Design and Research Institute. She was the legal representative and supervisor of water treatment new technology commercialisation centre (Tianjin Free Trade Zone Water Treatment New Technology Commercialisation Centre) under the Ministry of Housing and Urban-Rural Development of the People's Republic of China from 2006 to 2015. She was the person in charge of the commercialisation of biologically reinforced filler and its carrier and auxiliary device for municipal sewage treatment plant, which is a key water body pollution control and restoration technology project in China's 12th Five-Year Plan. She was also the general manager and vice chairperson of Capital Aihua Municipal & Environmental Engineering Co., Ltd. from 2009 to November 2015. She obtained her Master's degree in business administration from Tianjin University. She has over 30 years of experience in investment, constructions, development and operations of environmental protection-related businesses.

執行董事

朱勇軍先生，51歲，於2016年5月24日獲委任為本公司董事會主席兼執行董事。彼亦為董事會轄下提名委員會的成員。

朱先生於2008年5月至2013年2月期間曾出任潤中國際控股有限公司(於香港聯合交易所有限公司(「聯交所」)主板上市的公司，股份代號：202)執行董事。於2009年1月至2015年5月期間，彼亦為黑龍江國中水務股份有限公司(於上海證券交易所上市的公司，證券代碼：600187)的董事長。彼現為Josab Water Solutions AB(前稱「Josab International AB」)(「Josab」，根據瑞典法律註冊成立的公司，其股份於瑞典一間證券交易所 Spotlight Stock Market (前稱AktieTorget)上市)的董事會主席。朱先生於1989年於湖南大學本科畢業，其後於2005年於中華人民共和國北京大學取得工商管理碩士學位。彼於2001年開始從事環保事業。

秦姝蘭女士，55歲，於2016年5月24日獲委任為本公司執行董事，其後於2017年2月27日獲委任為行政總裁。彼為中國市政工程華北設計研究總院高級工程師。彼於2006年至2015年期間曾擔任中華人民共和國住房和城鄉建設部水處理新技術產業化基地(天津保稅區水處理新技術產業化基地)的法人代表及主任。彼亦曾擔任國家十二五水體污染控制與治理科技重大專項課題——城鎮污水處理廠生物強化填料和載體及其配套裝置產業化負責人。彼亦於2009年至2015年11月期間擔任首創愛華(天津)市政環境工程有限公司總經理及副董事長。彼於天津大學取得工商管理碩士學位，擁有超過30年環保相關業務投資、建設、發展及經營經驗。



BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員的履歷詳情

Mr. Cai Jianwen, aged 44, was appointed as an executive director of the Company on 23 September 2015 and is also a member of the remuneration committee of the Board and the authorised representative of the Company. He was a general manager of Interchina Water Treatment Hong Kong Company Limited (國中水務香港有限公司) from April 2014 to March 2016. From May 2011 to April 2014, he was also the Chief Financial Officer of Heilongjiang Interchina Water Treatment Company Limited* whose shares are listed on the Shanghai Stock Exchange (stock code: 600187).

He received a Master of Business Administration degree from China Europe International Business School (CEIBS) in March 2008. Mr. Cai was a member of China Institute of Certified Public Accountant. Since 2015, Mr. Cai is also a director of Josab.

Mr. Lee Tsi Fun Nicholas, aged 41, was appointed as an executive director of the Company on 31 August 2018. He joined the Company in November 2015 and was appointed as the Company's company secretary on 24 May 2016. Since year 2016, he is also the company secretary and director of certain subsidiaries of the Company. Mr. Lee is a member of the Hong Kong Institute of Certified Public Accountants and the American Institute of Certified Public Accountants. He graduated from the University of Oregon in the United States of America with a Bachelor of Science degree in year 1999.

Non-Executive Directors

Dr. Zhang Lihui, aged 47, was appointed as a non-executive director of the Company on 8 September 2016. Dr. Zhang is a managing partner of Tsing Capital. Dr. Zhang has been focusing on the investment related to environmental protection, clean energy, high technology and precious materials in China since joining Tsing Capital.

Dr. Zhang received a master's degree in Laws and a bachelor's degree in Technology English in PLA University of Foreign Languages, subsequently obtained his Ph.D. degree in Economics from the University of International Business and Economics. Dr. Zhang also completed the Advanced Management Program at Harvard Business School in 2009.

蔡建文先生，44歲，於2015年9月23日獲委任為本公司執行董事，並為董事會轄下薪酬委員會的成員及本公司授權代表。彼於2014年4月至2016年3月期間出任國中水務香港有限公司的總經理。彼亦於2011年5月至2014年4月期間擔任黑龍江國中水務股份有限公司(其股份於上海證券交易所上市，證券代碼：600187)的財務總監。

彼於2008年3月獲中歐國際工商學院頒發工商管理碩士學位。蔡先生曾為中國註冊會計師協會會員。蔡先生亦自2015年起出任Josab的董事。

李錫勛先生，41歲，於2018年8月31日獲委任為本公司執行董事。彼於2015年11月加入本公司，並於2016年5月24日獲委任為本公司的公司秘書。自2016年起，彼亦為本公司若干附屬公司的公司秘書兼董事。李先生為香港會計師公會及美國會計師公會會員。彼於1999年畢業於美國俄勒岡大學，獲得理學士學位。

非執行董事

張立輝博士，47歲，於2016年9月8日獲委任為本公司非執行董事。張博士為青雲創投管理合夥人，自加入青雲創投以來一直專注於中國環保、清潔能源、高端科技及半貴重材料相關的投資。

張博士於中國人民解放軍外國語學院取得法學碩士及科技英語學士學位，其後於對外經濟貿易大學取得經濟學博士學位，並於2009年完成美國哈佛商學院高級管理課程。



BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員的履歷詳情

Mr. Chu Kingston Chun Ho, aged 33, was appointed on 8 September 2016 and resigned as a non-executive director of the Company on 1 December 2017. He is an executive director of each of Kingston Financial Group Limited (a company listed on the Stock Exchange (Stock Code: 1031)), Sincere Watch (Hong Kong) Limited (a company listed on the Stock Exchange (Stock Code: 444)) ("Sincere HK") and Synergis Holdings Limited (a company listed on the Stock Exchange (Stock Code: 2340)) ("Synergis"). Mr. Chu is a licensed person under the SFO for type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities for Kingston Securities Limited and Kingston Corporate Finance Limited, respectively. Mr. Chu is also the chairman and an executive director of Synergis and a director of Sincere Watch Limited, the immediate holding company of Sincere HK. Mr. Chu is a member of Guangxi Committee of the Chinese People's Political Consultative Conference, member of General Committee of the Chamber of Hong Kong Listed Companies, vice president of Hong Kong CPPCC Youth Association, vice director of Youth Committee of HKCPPCC (Provincial) Members Association, vice president of Federation of HK Guangxi Community Organisations, honorary chairman of Hong Kong Guangxi Youth Organisations, vice chairman of Hong Kong Guangdong Youth Association, Youth Committee Chairman of Hong Kong Federation of Dongguan Associations. Mr. Chu holds a Bachelor Degree of Science in Business Administration from the University of Southern California in the United States of America.

Independent Non-Executive Directors

Mr. Lo Chun Chiu, Adrian, aged 62, was appointed as an independent non-executive director of the Company on 26 August 2014. He is the chairman of the nomination committee of the Board and a member of each of the audit committee and remuneration committee of the Board.

Mr. Lo was awarded a Bachelor of Laws degree by the University of London in August 1988. He is a member of the Law Society of Hong Kong and has been a practicing solicitor in Hong Kong since November 1991 in general legal practice. From December 1993 to the date of this annual report, Mr. Lo has been a partner of Joseph C.T. Lee & Co. and engaged in various fields of legal practice involving commercial and conveyancing litigation, acquisition and sale of business and/or companies, company liquidation, charity foundation works, formation of religious organisations, family law, immigration law and employment law.

朱俊浩先生，33歲，於2016年9月8日獲委任為本公司非執行董事，並於2017年12月1日辭任。彼為金利豐金融集團有限公司（於聯交所上市的公司，股份代號：1031）、Sincere Watch (Hong Kong) Limited（於聯交所上市的公司，股份代號：444）（「Sincere HK」）及昇捷控股有限公司（於聯交所上市的公司，股份代號：2340）（「昇捷」）各自的執行董事。朱先生分別為金利豐證券有限公司及金利豐財務顧問有限公司的持牌人士，可從事證券及期貨條例項下第1類（證券交易）及第6類（就機構融資提供意見）受規管活動。朱先生亦為昇捷的主席兼執行董事及Sincere HK直屬控股公司Sincere Watch Limited的董事。朱先生為中國人民政治協商會議廣西壯族自治區委員會委員、香港上市公司商會常務委員會委員、香港政協青年聯會副主席、港區省級政協委員聯誼會青年委員會副主任、香港廣西社團總會副會長、香港廣西青年聯會名譽主席、香港廣東青年總會副主席、香港東莞社團總會青年委員會主席。朱先生持有美國南加州大學工商管理理學士學位。

獨立非執行董事

羅俊超先生，62歲，於2014年8月26日獲委任為本公司獨立非執行董事。彼為董事會轄下提名委員會的主席以及董事會轄下審核委員會及薪酬委員會的成員。

羅先生於1988年8月獲倫敦大學頒發法學士學位。彼為香港律師會會員，自1991年11月起為香港執業律師，處理一般法律事務。於1993年12月至本年報日期，羅先生為李全德律師事務所合夥人，從事多個領域法律事務，涉及商業及物業轉易訴訟、業務及／或公司收購及出售、公司清算、慈善基金會工作、建立宗教組織、家庭法、移民法及僱傭法。



BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員的履歷詳情

Dr. Tong Ka Lok, aged 55, was appointed as an independent non-executive director of the Company on 26 August 2014. He is the chairman of the audit committee of the Board and a member of each of the nomination committee and remuneration committee of the Board.

Dr. Tong was awarded a Doctor of Public Health degree (epidemiology and biostatistics) from the Macau University of Science and Technology in August 2013. Dr. Tong is a founder and partner of Baker Tilly Macao Certified Public Accountants which was established in October 2000. He is an auditor registered at the Committee for the Registry of Auditors and Accountants in Macau in January 2006. Besides his business establishment, Dr. Tong was appointed as a member of the Nanjing Committee of CPPCC* (中國人民政治協商會議南京市委員會), and Vice President of the Macau University of Science and Technology in 2012, and a University Council Member in 2013. Dr. Tong has over 25 years of accountancy experience up to the date of this report.

Mr. Choy Wai Shek, Raymond, *MH, JP*, aged 69, was appointed as an independent non-executive director of the Company on 26 August 2014. He is the chairman of our the remuneration committee of the Board and a member of each of the nomination committee and audit committee of the Board.

Mr. Choy joined the Group in January 2013 as a director of New Concepts Foundation Limited (“NC Foundation”). Mr. Choy has been carrying out an independent non-executive role in NC Foundation, mainly responsible for advising on corporate governance of NC Foundation. Mr. Choy also acts as an independent non-executive director of Far East Hotels and Entertainment Limited (a company listed on the Stock Exchange (stock code: 37)), AB Builders Group Limited (a company listed on the Stock Exchange (stock code: 1615)) and WAC Holdings Limited (a company listed on GEM (stock code: 8619)).

Mr. Choy holds a Diploma in Chinese Law awarded from the University of East Asia (now known as the University of Macau) in October 1987 and a Diploma in Political Science from the International Affairs College, Hong Kong in July 1988.

唐嘉樂博士，55歲，於2014年8月26日獲委任為本公司獨立非執行董事。彼為董事會轄下審核委員會的主席以及董事會轄下提名委員會及薪酬委員會的成員。

唐博士於2013年8月獲澳門科技大學頒發公共衛生學(流行病學與生物統計學)博士學位。唐博士為於2000年10月成立的天職澳門會計師事務所的創始人及合夥人。彼於2006年1月於澳門核數師暨會計師註冊委員會註冊成為核數師。除其業務建樹外，唐博士於2012年獲委任為人民政協南京市委員會委員及澳門科技大學副校長，且於2013年獲委任為澳門科技大學校董會成員。直至本報告日期，唐博士擁有逾25年會計經驗。

蔡偉石先生，榮譽勳章，太平紳士，69歲，於2014年8月26日獲委任為本公司獨立非執行董事。彼為董事會轄下薪酬委員會的主席以及董事會轄下提名委員會及審核委員會的成員。

蔡先生於2013年1月加入本集團，出任創業地基有限公司(「創業地基」)董事。蔡先生於創業地基履行獨立非執行董事職務，主要負責就創業地基的企業管治提供建議。蔡先生亦為遠東酒店實業有限公司(於聯交所上市的公司，股份代號：37)、奧邦建築集團有限公司(於聯交所上市的公司，股份代號：1615)及WAC Holdings Limited(於GEM上市的公司，股份代號：8619)的獨立非執行董事。

蔡先生於1987年10月獲得由東亞大學(現稱為澳門大學)授予中國法律文憑及於1988年7月於香港國際事務書院獲得政治科學文憑。



BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員的履歷詳情

He was the Chairman of the Sham Shui Po District Board from April 1991 to September 1994, a Hong Kong affairs adviser appointed by the Hong Kong and Macao Affairs Office of the State Council and the Xinhua News Agency from 1994 to 1997, the vice-chairman of the Occupational Safety and Health Council of the Labour and Welfare Bureau from 2004 to 2010, a member of the Energy Advisory Committee of the Environment Bureau from 2006 to 2012 and a member of the Consumer Council of the Commerce and Economic Development Bureau from 2005 to 2011.

He was a member of the Guangzhou Committee of the CPPCC* (Term Ninth to Twelfth) (中國人民政治協商會議廣州市委員會). He was also appointed as a vice president of GMC Hong Kong Members Association in February 2012, and as an elected committee member. He was also the chairman of member service committee of the Chinese General Chamber of Commerce.

Senior Management

Mr. Chu Shu Cheong, aged 58, is the founder of the Group the director of the subsidiaries of the Company, namely NC Foundation and New Concepts Engineering Development Limited ("NC Engineering"). He possesses over 20 years of management experience in foundation, civil engineering and building works of various nature.

Besides his business achievement, Mr. Chu was also appointed as the honorary chairman of the China Star Light Charity Fund Association in 2000, a member of the Guangdong Province Committee of the Chinese People's Political Consultative Conference ("CPPCC") (中國人民政治協商會議廣東省從化市委員會) in October 2011 and a member of the Guangzhou Committee of the CPPCC (中國人民政治協商會議廣州市委員會) in December 2011.

彼於1991年4月至1994年9月為深水埗區議會主席，於1994年至1997年獲國務院港澳事務辦公室及新華通訊社委任為香港事務顧問，於2004年至2010年為勞工及福利局職業安全健康局副主席，於2006年至2012年為環境局能源諮詢委員會成員，以及於2005年至2011年為商務及經濟發展局消費者委員會委員。

彼為人民政協第九至第十二屆廣州市政協委員會委員。彼亦於2012年2月獲委任為廣州地區政協香港委員聯誼會副會長，以及擔任選任會董。彼亦曾任中華總商會會員服務委員會主席。

高級管理層

朱樹昌先生，58歲，為本集團創始人兼本公司附屬公司創業地基及創業工程建設有限公司（「創業工程」）的董事。彼於各類性質的地基、土木工程及屋宇工程擁有逾20年管理經驗。

除以上業務建樹外，朱先生亦於2000年獲委任為中國星火基金會名譽會長，於2011年10月獲委任為中國人民政治協商會議（「人民政協」）廣東省從化市委員會委員，並於2011年12月獲委任為人民政協廣州市委員會委員。

* For identification purpose only



BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員的履歷詳情

Mr. Kwan Man Hay, aged 63, is the director of NC Foundation and NC Engineering.

Mr. Kwan has over 33 years of experience in the engineering and construction industry. He is a member of the following professional bodies: Hong Kong Institution of Engineers (HKIE), the Chartered Institute of Building (CIOB), the Chartered Institute of Arbitrators (CI Arb). He is also a Registered Professional Engineer (RPE) recognised by the Engineers Registration Board. Mr. Kwan is the holder of Higher Diploma in Building Technology and Management and Associate Diploma in Building Technology and Management awarded by the then Hong Kong Polytechnic in November 1978 and November 1982 respectively.

In October 1997, Mr. Kwan was a director of NC Foundation and was then responsible for overseeing the tendering and execution of the Group's foundation works, civil engineering and building projects. Mr. Kwan joined Lanon Development Limited as a director and left the Group in April 2005. In April 2010, Mr. Kwan re-joined the Group as a senior management and was appointed as director of both NC Engineering and NC Foundation in 2012. Since then, Mr. Kwan has been responsible for strategic planning, and overseeing of tendering and execution of the Group's foundation works, civil engineering and building projects. Mr. Kwan is also responsible for overseeing the Group's administrative functions.

Ms. Lai Mun Yee, aged 54, is the director of NC Foundation until 3 April 2018 and NC Engineering until 16 November 2018 both are wholly-owned subsidiaries of the Company and is now responsible for overseeing the administration, accounting, taxation functions and daily operations in construction business of the Group.

Ms. Lai joined the Group in October 1999 and is the accountant of the Group. Ms. Lai is a diploma holder in accounting for executives awarded by The Chinese University of Hong Kong jointly organised by the Faculty of Business Administration and The Asia-Pacific Institute of Business in October 2001. Ms. Lai has over 27 years of accounting experience. Prior to joining the Group, Ms. Lai worked as an accountant and administration and accounts manager for different companies for more than 10 years.

關萬禧先生，63歲，為創業地基及創業工程的董事。

關先生於工程及建築行業擁有逾33年經驗。彼為以下專業團體成員：香港工程師學會(HKIE)、英國特許建造學會(CIOB)、英國特許仲裁員學會(CI Arb)。彼亦為經工程師註冊管理局認可的註冊專業工程師(RPE)。關先生分別於1978年11月及1982年11月獲當時的香港理工學院頒發建築技術與管理高級文憑以及專科證書。

於1997年10月，關先生為創業地基董事，當時負責監督招投標及實施本集團地基工程、土木工程及屋宇項目。關先生於2005年4月加入亮雅發展有限公司出任董事並離開本集團。於2010年4月，關先生再次加入本集團，出任高級管理層，並於2012年獲委任為創業工程及創業地基的董事。自此，關先生一直負責策略規劃及監督招投標以及實施本集團地基工程、土木工程及屋宇項目。關先生亦負責監督本集團行政職能。

賴敏儀女士，54歲，於2018年4月3日前為創業地基的董事及於2018年11月16日前為創業工程的董事(兩間公司均為本公司的全資附屬公司)，現時負責監督本集團建築業務的行政、會計及稅務職能以及日常營運。

賴女士於1999年10月加入本集團，為本集團會計師。賴女士持有香港中文大學於2001年10月頒發的行政人員會計學文憑，該課程由工商管理學院及亞太工商研究所共同舉辦。賴女士擁有逾27年會計經驗。於加入本集團前，賴女士曾於多間公司出任會計師以及行政及會計經理超過10年。



REPORT OF DIRECTORS 董事會報告

The Board has pleasure in presenting the annual report together with the audited consolidated financial statements of the Group for the Year (the “Consolidated Financial Statements”).

Principal Activities

The principal activity of the Company is investment holding. The principal activities of its subsidiaries comprise construction works and environmental protection. Details of the principal activities of the principal subsidiaries of the Company are set out in note 1 to the Consolidated Financial Statements. There were no significant changes in the nature of the principal activities of the Group during the Year.

Business Review

The revenue of the Group is wholly derived from the construction works conducted in Hong Kong and environmental protection in the PRC. An analysis of the Group’s performance for the Year is set out in note 4 to the Consolidated Financial Statements.

A fair review of the business of the Group for the Year, including the important events affecting the Group that have occurred since the end of the Year and the likely future business development is set out in the section headed “Management Discussion and Analysis” on pages 8 to 64 of this annual report. This discussion form part of the report of directors.

Environmental Policies and Performance

For the sake of minimisation of the impact of our construction activities to the environment, the Group has adopted and implemented environmental protection policies and procedures to enable it to commit to the long term sustainability of the environment and communities in which it operates. During the Year, the Group has complied with all relevant environmental laws and regulations that have a significant impact on the Group’s business where the Group is operating.

董事會欣然提呈本年度的年報連同本集團經審核綜合財務報表（「綜合財務報表」）。

主要業務

本公司的主要業務為投資控股，而其主要附屬公司的主要業務包括建築工程及環保。本公司主要附屬公司的主要業務詳情載於綜合財務報表附註1。本集團主要業務的性質於本年度內並無重大變動。

業務審視

本集團收益全部源自於香港進行的建築工程及於中國的環保業務。本集團本年度表現的分析載於綜合財務報表附註4。

本集團本年度業務的中肯審視（包括在本年度終結後發生的、對本集團有影響的重大事件及相當可能有的未來業務發展）載於本年報第8至64頁「管理層討論及分析」一節。此討論構成董事會報告的一部分。

環境政策及表現

為將建築活動對環境造成的影響減至最低，本集團採納並實施了多項環境保護政策及程序，奉行其對環境及所在社區長遠可持續發展的承諾。於本年度內，本集團已符合其經營所在地對本集團業務有重大影響的所有相關環保法律及規例。



REPORT OF DIRECTORS 董事會報告

Details of the key laws and regulations that have a significant impact on the Group's business, their key scope and our compliance measures are outlined as the following table:

下表概列對本集團業務有重大影響的主要法律及規例、相關主要範圍及本集團合規措施的詳情：

Laws and Regulations 法律及規例	Key scope 主要範圍	Compliance measures 合規措施
Air Pollution Control (Non-road Mobile Machinery) (Emission) Regulation (Chapter 311Z of the Laws of Hong Kong) 《空氣污染管制(非道路移動機械)(排放)規例》(香港法例第311Z章)	Contractor must not sell or lease, or cause to be sold or leased, a regulated machine for use in Hong Kong unless the machine is approved or exempted 除非某受規管機械獲核准或獲豁免，否則承辦商不得出售或出租該機械以供在香港使用 Contractor must not use or cause to be used a regulated machine in any specified activity unless the machine is approved or exempted 除非某受規管機械獲核准或獲豁免，否則承辦商不得在指明活動中使用或安排使用該機械	Applications for lease and use of regulated machine have been made and approval certificates for emission compliance were obtained 本集團已作出有關出租及使用受規管機械的申請，並已取得符合排放標準的審批證書 The relevant approval label has been painted or securely fixed on the machine and is displayed at a conspicuous position, which is also properly maintained 相關核准標籤已髹於或穩妥地固定於機械上，並於機械的顯眼位置展示及妥為保存
Air Pollution Control (Construction Dust) Regulation (Chapter 311R of the Laws of Hong Kong) 《空氣污染管制(建造工程塵埃)規例》(香港法例第311R章)	Contractor is required to take dust reduction measures when construction work is being carried out 承建商在施工時採取措施，減少塵埃散發	Compliance manual is in place for operational staff 已設有操作人員適用的合規手冊 Regular briefing and training are conducted to enhance their awareness on the legislation 定期舉行簡介及培訓，提高操作人員對法例的認知
Noise Control Ordinance (Chapter 400 of the Laws of Hong Kong) 《噪音管制條例》(香港法例第400章)	Controls construction noise ranges from: 管制建築噪音，包括： (a) the use of powered mechanical equipment (a) 使用機動設備作業者 (b) the carrying out of certain noisy works in designated areas (b) 在指定範圍內進行某些高噪音工程	Compliance manual is in place for operational staff 已設有操作人員適用的合規手冊 Site supervisor is presented at the construction site 派駐地盤監督人員至建築地盤 Construction noise permit has been obtained 已取得建築噪音許可證



Laws and Regulations 法律及規例	Key scope 主要範圍	Compliance measures 合規措施
The Environmental Protection Law of the People's Republic of China 中華人民共和國環境保護法	This law defines the environment as the total body of all natural elements and artificially transformed natural elements affecting human existence and development (including the atmosphere, water, seas, land, minerals, forests, grasslands, wetlands, wildlife, natural and human remains, nature reserves, historic sites and scenic spots, and urban and rural areas). 此法規所稱環境，是指影響人類生存和發展的各種天然的和經過人工改造的自然因素的總體，包括大氣、水、海洋、土地、礦藏、森林、草原、濕地、野生生物、自然遺跡、人文遺跡、自然保護區、風景名勝區、城市和鄉村等。	The project companies of the Group prevent pollution in accordance with the requirements of the Environmental Protection Law. 本集團下屬專案公司按照環保法的要求，避免出現破壞環境的情況。
The Law of the People's Republic of China on Environmental Impact Assessment 中華人民共和國環境影響評價法	This law defines environmental impact assessment as the analysis, estimation and evaluation of possible environmental impacts resulting from the implementation of a planning and construction project and the introduction of strategies and measures to prevent and alleviate adverse environmental impacts as well as tracking and monitoring processes and systems. 此法規所稱環境影響評價，是指對規劃和建設項目實施後可能造成的環境影響進行分析、預測和評估，提出預防或者減輕不良環境影響的對策和措施，進行跟蹤監測的方法與制度。	The project companies of the Group engage independent third parties to prepare environmental impact assessment reports/competent government authorities to issue environmental impact approvals. 本集團下屬專案公司委託獨立第三方編製環境影響評價報告／政府主管部門出具環境影響批覆。



REPORT OF DIRECTORS
董事會報告

Laws and Regulations 法律及規例	Key scope 主要範圍	Compliance measures 合規措施
<p>The Water Pollution Prevention Law of the People's Republic of China</p> <p>中華人民共和國水污染防治法</p>	<p>This law applies to the prevention and control of pollution of rivers, lakes, canals, drainage, reservoirs and other surface water bodies and groundwater within the People's Republic of China.</p> <p>此法規適用於中華人民共和國領域內的江河、湖泊、運河、管道、水庫等地表水體以及地下水體的污染防治。</p> <p>The prevention and control of water pollution shall focus on prevention while combining prevention, control and comprehensive management. Priority shall be given to the protection of the sources of drinking water. Industrial and urban pollution shall be strictly controlled. Pollution of agricultural bases shall be prevented and controlled. The construction of ecological management projects shall be encouraged. Pollution of water bodies and damages to the ecosystem shall be prevented, controlled and alleviated.</p> <p>水污染防治應當堅持預防為主、防治結合、綜合治理的原則，優先保護飲用水水源，嚴格控制工業污染、城鎮生活污染，防治農業面源污染，積極推進生態治理工程建設，預防、控制和減少水環境污染和生態破壞。</p>	<p>The project companies of the Group prevent water pollution in accordance with the requirements of the Water Pollution Prevention Law.</p> <p>本集團下屬專案公司按照水污染防治法的要求，避免出現水污染的情況。</p>
<p>Administrative Measures for Pollutant Discharge Licensing (for Trial Implementation)</p> <p>排污許可管理辦法(試行)</p>	<p>This law applies to the application, approval and enforcement of pollutant discharge licenses as well as the governance and punishments in relation thereto.</p> <p>排污許可證的申請、核發、執行以及與排污許可相關的監管和處罰等行為，適用本辦法。</p>	<p>The project company of the Group in Taiyuan has applied for a pollutant discharge license in accordance with the requirements of the measures.</p> <p>本集團下屬太原專案公司已按照辦法要求，辦理排污許可證。</p>



Laws and Regulations
法律及規例

Key scope
主要範圍

Compliance measures
合規措施

The Ministry of Environmental Protection develops and releases a category-based administration catalogue of pollutant discharge licensing for stationary pollution sources stipulating the scope of the pollutant discharge licensing system and prescribed application time limit pursuant to the law.

環境保護部依法制定並公佈固定污染源排污許可分類管理名錄，明確納入排污許可管理的範圍和申領時限。

Enterprises and public institutions as well as other producers and operators (hereinafter referred to as "pollutant discharging entities") that are included in the category-based administration catalogue of pollutant discharge licensing for stationary pollution sources shall apply for and obtain a pollutant discharge license within the prescribed time limit. Pollutant discharging entities not included in the category-based administration catalogue of pollutant discharge licensing for stationary pollution sources currently do not need to apply for a pollutant discharge license.

納入固定污染源排污許可分類管理名錄的企業事業單位和其他生產經營者(以下簡稱「排污單位」)應當按照規定的時限申請並取得排污許可證；未納入固定污染源排污許可分類管理名錄的排污單位，暫不需申請排污許可證。

The Opinion on the Strengthening of the Overhaul of Gutter Oil and Management of Cooking Wastes issued by the General Office of the State Council

國務院辦公廳關於加強地溝油整治和餐廚廢棄物管理的意見

To effectively eliminate the use of gutter oil in the food industry and strengthen food safety and public health, 5 opinions on the strengthening of the overhaul of gutter oil and management of cooking wastes have been issued with the consent of the State Council.

為有效解決「地溝油」回流餐桌問題，切實保障食品安全和人民群眾身體健康，經國務院同意，現就加強「地溝油」整治和餐廚廢棄物管理提出5項意見。

The project companies of the Group have implemented the tasks required by the opinion in collaboration with the competent authorities (i.e. municipal environmental hygiene departments).

本集團下屬專案公司配合主管部門(市容環衛部門)落實意見中要求的各項工作。



Compliance with Laws and Regulations

The principal activities of the Group comprise construction works and environmental protection. Sufficient resources have been allocated to ensure the on-going compliance with applicable laws and regulations. Save as disclosed under the headed "Environmental Policies and Performance" above, during the Year, the Board is not aware of any incidence of non-compliance with the relevant laws and regulations that have a significant impact on the Group's business where the Group is operating.

Principal Risks and Uncertainties

The business operations and results may be affected by various factors, some of which are external causes and some are inherent to the business. The principal risks and uncertainties are summarised below:

1. Macro-economic environment

The global economy and business environment have been dominated by the uncertainty in recent months. The global economy faces many challenges such as the possible increase in interest rate and slow recovery of the economy of the United States. Such challenges affect the property price in Hong Kong which may result in reduction of number of construction projects available for our tendering. Thus, it is vital for the Group to closely monitor the changes of the macroeconomic environment and diversify our business portfolio to secure value of our shareholders.

2. Keen competition

Due to the slowdown in the Hong Kong economy, the competition of construction industry has become more intense as there will be a foreseeable reduction of number of construction projects available for our tendering. To increase the chance of success in winning the tender bidding, the Group will lower its profit margin, which will affect its profit for the coming year.

3. Cost of construction materials

The increase in cost of construction materials will lower the profit margin of the Group. Failure to accurately estimate and control the costs of the Group's project may adversely affect the Group's financial performance.

遵守法律及規例的情況

本集團的主要業務包括建築工程及環保。本集團已調撥足夠資源，確保一直符合適用法律及規例。除上文「環境政策及表現」所披露者外，於本年度內，董事會並未得悉有任何不符本集團經營所在地對本集團業務有重大影響的有關法律及規例的情況。

主要風險及不明朗因素

業務營運及業績可能受到不同因素影響，當中有一部分屬外在因素，部分為業務固有因素。主要風險及不明朗因素現概述如下：

1. 宏觀經濟環境

近月，全球經濟及營商環境一直受不明朗因素籠罩。全球經濟面對重重挑戰，例如可能加息及美國經濟復甦步伐放慢。該等挑戰影響香港物業價格，從而可能減少可供我們投標的建築項目數量。因此，本集團有必要密切監察宏觀經濟環境變化，分散業務組合，保障股東價值。

2. 競爭激烈

由於香港經濟放緩，故預期可供我們投標的建築項目數量將會減少，建造業的競爭已越趨激烈。為提高中標機會，本集團將降低其利潤率，來年的溢利將會受到影響。

3. 建材成本

建材成本上漲將降低本集團的利潤率。本集團未能準確估計及控制項目成本可對其財務表現造成不利影響。



4. Regulatory environment

Our business is subject to the environmental regulations issued by the Hong Kong Government. Such regulations may be revised from time to time and any changes to such regulations may increase our cost and burden in complying with them. The Group is also required to maintain certain registration. In order to renew and maintain these registrations, the Group is required to comply with certain criteria set by the relevant governmental departments and authorities. Any suspension of or a failure to maintain or renew the Group's registrations could adversely affect the Group's business.

The Hong Kong Government is now reviewing the disposal charges under Construction Waste Disposal Charging Scheme on the basis that various construction waste disposal charges relating to public fill reception facilities, landfills and sorting facilities will increase in line with the established fees and charges policy. Upon implementation of the legislation, the profit of the Group will be adversely affected due to the increase in waste disposal charges.

The Group is also required to maintain certain registration. In order to renew and maintain these registrations, the Group is required to comply with certain criteria set by the relevant governmental departments and authorities. Any suspension of or a failure to maintain or renew the Group's registrations could adversely affect the Group's business.

4. 監管環境

我們的業務受香港政府頒佈的環境規例監管。該等規例可能不時修改，而規例的任何變動或會增加本集團的合規成本及負擔。本集團亦須維持若干註冊登記。為更新並維持該等註冊登記，本集團須遵守若干由相關政府部門及機關制定的條件。本集團的註冊登記如遭中止或者未能維持或更新，可對本集團的業務構成不利影響。

香港政府現正檢討建築廢物處置收費計劃的處置收費，與公眾填料接收設施、堆填區及篩選分類設施有關的多項建築廢物處置收費，將會配合既定費用及收費政策上調。法例一經實施，廢物處置收費的升幅將會對本集團的溢利構成不利影響。

本集團亦須保有多項登記。為重續及保有該等登記，本集團須遵守相關政府部門及機關制訂的多項條件。暫停或未能保有或重續本集團的登記可對本集團的業務造成不利影響。



The principal risks and uncertainties related to our environmental business are as follows:

1. *Policy change*

China's "Environmental Protection Law" has come into force in January 2015. The Law significantly increases companies' costs of pollution by imposing penalties ranging from fines to restriction or even suspension of production (articles 59 to 62). Personnel from environmental protection administrative departments of the government shall also be faced with demotion, dismiss or forced resignation from their current position for failure to enforce pollution-related regulations (article 68). Article 69 stipulates that violation of the Law may constitute a criminal offence. Legal convictions for pollution-related criminal acts are becoming increasingly commonly seen in the media.

Spurred by China's "supply-side reform" and the severity of air and water pollution, the central government has been sending inspection teams to polluted provinces and holding local officials accountable for failure to prevent and control pollution. Thousands of small enterprises have been closed for the lack of environmental protection facilities.

Echoing the effectuation of "Environmental Protection Law", many Chinese municipal governments have publicised regulations and guidelines on kitchen waste treatment and specified criteria on the collection, transportation and treatment etc. of kitchen waste.

Under the backdrop of tightening environmental protection policies, we see a rising demand for third-party operators, or companies that provide professional services to factories who are now urged by the government to "move out of the city and into industrial parks". This trend creates demand for equipment and services from third-party operators.

However, we cannot guarantee that the favourable policies will continue into the future and that we will benefit from the policies as much as we did in the past. With its rich experience in the environmental industry, the management team is able to sense and capture the adverse changes in laws, regulations and government policies and will adjust the corporate strategy accordingly.

與我們環境業務有關的主要風險及不明朗因素如下：

1. *政策變動*

中國的《環境保護法》自2015年1月起實施。該法罰則包括罰款、限制以至停產(見第59至62條)，大大增加公司污染成本。未有強制執行污染相關法規的政府環境保護監督管理部門人員將被降級、撤職或強制辭職(第68條)。第69條規定違反該法規定或會構成刑事罪行。傳媒近年亦爭相報導污染相關刑事行為的判決。

中國「供給側改革」以及嚴重大氣及水污染促使中央政府派出巡邏隊至污染省份，懲治防治污染不力的地方官員，數以千計小企業因欠缺環保設施而遭關閉。

為響應《環境保護法》的施行，中國各地市政府發布餐廚垃圾處理法規及指引，訂明餐廚垃圾收集、運輸及處理等標準。

隨着環保政策日漸收緊，政府敦促工廠從市區遷至產業園，我們預料對第三方營運商或專業服務公司的需求將會與日俱增，帶動對於第三方營運商設備及服務的需求。

然而，我們未能保證有利政策日後將能持續，或我們將一如以往受惠於有關政策。憑藉豐富的环境行業經驗，管理層團隊可感知並掌握不利的法律、法規及政府政策變動，相應調整企業策略。



2. Tightening interest rate environment

A typical heavy-asset business, the environmental industry is reliant on capital to expand its business. For instance, common business models, e.g. BOT, require the operator to build the whole set of infrastructure upfront and collect cash back during an ensuing period of up to 30 years. Although some of our BOT projects have entered commercial operation and started to contribute cash flow, other projects are still in the building phase and remain cash-demanding, making fund-raising a regular task for the listed company.

However, as the Federal Reserve of the United States tightens its monetary policy, the interest rates in the Hong Kong capital or money market are on the rise. The prospect of the interest rate in the Chinese market is also turning negative prospect. In addition, since the People's Bank of China is deleveraging the Chinese economy to prevent systemic financial risks, all Chinese banks are becoming more cautious in granting loan facilities to Chinese companies, esp. private companies. In such circumstances, the Group will seek to utilise its capital and asset in a more efficient manner and adjust our corporate strategy to adapt to the changing macroeconomic and microeconomic environment.

3. Technological obsolescence

Our competitive advantage in the environmental industry relies on our technological capabilities to ensure safety, maintain efficiency of production and keep operating costs at a relatively low level. However, as laws, regulations, government policies and industry standards may impose more stringent requirements on our existing or future projects, we may fail to improve our technology to adapt to such changes. Moreover, the production techniques of our competitors may improve at such a faster pace that their costs may be reduced to a level significantly lower or that their productivity may become significantly higher than ours. We will continuously enhance our innovation, existing technologies, and equipment to maintain momentum in the future expansion of our business.

2. 利率環境收緊

環境行業乃典型重資產行業，依賴資本拓展業務。舉例而言，BOT等常見業務模型要求營運商首先興建全套基礎設施，其後於最長30年間收回現金。儘管我們部分BOT項目已進入商業運作階段，開始帶來現金流，惟其他項目仍處於施工期，仍需現金支持，上市公司經常須要集資。

然而，隨着美國聯邦儲備局收緊貨幣政策，香港資本或貨幣市場利率正在上升。中國市場利率前景亦出現陰霾。再者，由於中國人民銀行為中國經濟去槓桿，預防系統性金融風險，故所有國內銀行於向中國公司（尤其是民營公司）放貸時更為審慎。有鑑於此，本集團將力求善用其資本及資產，調整企業策略，適應宏觀及微觀經濟環境變化。

3. 技術過時

我們在環境行業中的競爭優勢仰賴保障安全、維持生產效率及壓低營運成本的技術能力。然而，法律、法規、政府政策及行業標準或會收緊對我們現有或未來項目的要求，我們可能無法提升技術，迎合有關轉變。此外，競爭對手可能加快提升生產技術，令其成本遠較我們劃算，或者生產力遠高於我們。我們將不斷提升創新、現有技術及設備，維持未來業務的增長動力。



Relationship with key parties

The success of the Group also depends on the support from key parties which comprise customers, suppliers, employees and shareholders.

Customers

The Group's principal customers comprises the government, NGOs and private developers. The Group has well established operational and industry experience in foundation, civil engineering and general building work, which enables the Group to complete all our projects on schedule. Recognition from our sound track records, the Group has secured various sizeable new projects from public and private sectors. Our reputation and high standard of quality work enable the Group and the customers to achieve their profitability and sustainable growth.

Suppliers

Good relationship with suppliers constitutes one of the essential elements of the Group's success. To achieve positive business growth, the Group maintains close relationship with its suppliers in order to create a win-win situation so that suppliers and the Group can have a vertical cooperation for reaching both of the business goals.

Employees

The Group focuses on the talents of our employees as our most valuable asset and provides a harmonious and professional working environment with a variety of training programmes to our employees for career advancement. The key objective of our human resource management is to recognise and reward performing staff by providing competitive remuneration packages and implementing an effective performance appraisal system with appropriate incentives, namely equal promotion opportunity.

Shareholders

The principal goal of the Group is to maximize the return to the shareholders of the Company. The Group will focus on our core business and explore attractive investment opportunities for achieving sustainable profit growth and rewarding the shareholders with stable dividend payouts taking into account the business development needs and financial health of the Group.

與主要有關方的關係

本集團的成功亦有賴各主要有關方的支持，包括客戶、供應商、僱員及股東。

客戶

本集團的主要客戶包括政府、非政府組織及私人發展商。本集團在地基、土木工程及一般屋宇工程具備豐富營運及業內經驗，讓本集團準時完成所有手頭項目。本集團的良好往績紀錄廣受肯定，使本集團取得多項公私營範疇的新大型項目。我們的聲譽及高標準的優質工程，使本集團及客戶均能提高盈利能力，實現可持續增長。

供應商

與供應商的良好關係乃本集團的成功要素之一。為使業務循正面增長，本集團與供應商維持密切關係，攜手以垂直合作方式一同達成業務目標，締造雙贏局面。

僱員

本集團視僱員的才幹為最寶貴的資產。本集團向僱員提供和諧專業的工作環境，設有不同培訓計劃，協助彼等發展事業。我們人力資源管理的主要目標為透過提供具競爭力的薪酬待遇，推行有效的表現評核制度，論功行賞，為員工提供平等晉升機會，給予彼等肯定及回報。

股東

本集團主要目標乃為本公司股東創造最大回報。本集團將專注於核心業務之餘，同時發掘具吸引力的投資機會，實現可持續溢利增長，並於考慮本集團的業務發展需要及財務狀況後，提供穩定的派息率回饋股東。



Major Customers and Suppliers

Sales to the Group's five largest customers accounted for approximately 57.86% (31 March 2017: 36.44%) of the total sales for the Year and sales to the largest customer included therein amounted to approximately 24.4% (31 March 2017: 9.98%). Purchases from the Group's five largest suppliers accounted for approximately 28.3% (31 March 2017: 22.59%) of the total purchases for the Year and purchases from the largest supplier included therein amounted to approximately 7.12% (31 March 2017: 9.37%).

To the best knowledge of the Directors, neither the Directors, their close associates, nor any shareholders, who owned more than 5% of the Company's issued voting shares, had any interests in any of the Group's five largest customers or suppliers during the Year.

Issue of Convertible Bonds under the General Mandate

On 3 October 2017, the Company entered into the subscription agreement (the "Subscription Agreement") with Forest Water Environmental Engineering Co., Ltd. (the "Subscriber"). Pursuant to the Subscription Agreement, the Company has conditionally agreed to issue and, the Subscriber has conditionally agreed to subscribe for the convertible bonds with an aggregate principal amount of US\$5,000,000.

The convertible bonds bear interest at 6.5% per annum, with a yield to maturity at 12% per annum internal rate of return applied on the principal amount. The initial conversion price is HK\$3.50, subject to adjustment for, amongst other things, subdivisions, consolidations, reclassification of Shares or capitalisation of profits or reserves which may have a diluting effect on the Subscriber.

The conversion price shall be subject to a full ratchet anti-dilution adjustment in the event that the Company issues additional equity securities, other than the shares reserved for employee shares as share option scheme, i.e. if the per Share price of the newly issued Shares is lower than the then conversion price, conversion price shall be downward adjusted to the same as the price of the newly issues Shares.

The gross proceeds from such subscription were US\$5,000,000 (approximately HK\$39,057,000). The net proceeds, after deducting all relevant costs and expenses, will be approximately HK\$38,000,000.

主要客戶及供應商

對本集團五大客戶進行的銷售約佔本年度總銷售額的57.86% (2017年3月31日: 36.44%)，而當中對最大客戶進行的銷售則約佔24.4% (2017年3月31日: 9.98%)。向本集團五大供應商進行的採購約佔本年度總採購額的28.3% (2017年3月31日: 22.59%)，而當中向最大供應商進行的採購則約佔7.12% (2017年3月31日: 9.37%)。

據董事所深知，概無董事、彼等的緊密聯繫人或擁有本公司逾5%已發行具表決權股份的任何股東本年度於本集團五大客戶或供應商中擁有任何權益。

根據一般授權發行可換股債券

於2017年10月3日，本公司與山林水環境工程股份有限公司(「認購人」)訂立認購協議(「認購協議」)，據此，本公司有條件同意發行而認購人有條件同意認購本金總額為5,000,000美元的可換股債券。

可換股債券按年利率6.5厘計息，到期孳息率按本金額計算，內部回報率每年12厘。初步轉換價為3.50港元，可就(其中包括)可能對認購人產生攤薄影響的股份拆細、合併或重新分類或者溢利或儲備資本化作出調整。

倘本公司進一步發行股本證券(根據購股權計劃保留作僱員股份的股份除外)，則轉換價須作出完全棘輪反攤薄調整，即倘新發行股份的每股股價低於當時的轉換價，則轉換價應向下調整至與新發行股份的價格相同。

認購事項的所得款項總額為5,000,000美元(約39,057,000港元)。於扣除所有相關成本及開支後，所得款項淨額將約為38,000,000港元。



For further details, please refer to the announcement of the Company dated 3 October 2017.

Issue of Subscription Shares under the Subscription Agreement

On 27 November 2017, the Company entered into the subscription agreement with Seasons Apparel International Inc. (the "Seasons"). Pursuant to the subscription agreement, the Company has conditionally agreed to allot and issue, and Seasons has conditionally agreed to subscribe for an aggregate of 10,164,000 ordinary shares of the Company at the subscription price of HK\$3.71 per subscription share (the "Subscription Shares"). The subscription was completed and the Subscription Shares were allotted and issued by the Company on 6 December 2017.

For further details, please refer to the announcements of the Company dated 27 November 2017 and 6 December 2017.

Results and Appropriations

The results of the Group for the Year are set out in the consolidated statement of profit or loss on page 164 and accompanying notes to the Consolidated Financial Statements.

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

Charitable Donations

Charitable and other donations made by the Group during the Year amounted to HK\$5,000 (2017: HK\$8,000).

Share Capital

The Company completed the allotment and issued 10,164,000 shares to Seasons on 6 December 2017.

Details of movements in share capital of the Company during the Year are set out in note 33 to the Consolidated Financial Statements.

Equity-linked Agreements

On 3 October 2017, the Company and Forest Water Environmental Engineering Co., Ltd. ("Forest Water"), a company incorporated in Taiwan with limited liability and listed on the Taiwan Stock Exchange (Stock Code: 8473), entered into a subscription agreement pursuant to which the Company issued to Forest Water the Convertible Bonds with an aggregate principal amount of US\$5,000,000.

進一步詳情請參閱本公司日期為2017年10月3日的公佈。

根據認購協議發行認購股份

於2017年11月27日，本公司與Seasons Apparel International Inc.（「Seasons」）訂立認購協議，據此，本公司有條件同意配發及發行而Seasons有條件同意認購合共10,164,000股本公司普通股，認購價為每股認購股份（「認購股份」）3.71港元。認購事項已完成，而本公司已於2017年12月6日配發及發行認購股份。

進一步詳情請參閱本公司日期為2017年11月27日及2017年12月6日的公佈。

業績及分派

本集團本年度的業績載於第164頁的綜合損益表及隨附的綜合財務報表附註。

董事會不建議向股東派付截至2018年3月31日止年度的末期股息（2017年：無）。

慈善捐款

本集團於本年度作出的慈善及其他捐款為5,000港元（2017年：8,000港元）。

股本

本公司於2017年12月6日完成向Seasons配發及發行10,164,000股股份。

本公司股本於本年度的變動詳情載於綜合財務報表附註33。

股票掛鈎協議

於2017年10月3日，本公司與山林水環境工程股份有限公司（「山林水」，一間於台灣註冊成立並於臺灣證券交易所上市（證券代碼：8473）的有限公司）訂立一份認購協議，據此，本公司向山林水發行本金總額為5,000,000美元的可換股債券。



The Convertible Bonds bear interest at 6.5% per annum with a yield to maturity of 12% per annum internal rate of return applied on the principal amount. Assuming all the Convertible Bonds are exercised in full at the initial conversion price of HK\$3.5 per conversion share (subject to adjustments), 11,590,000 new ordinary shares of the Company will be allotted and issued to Forest Water.

For further details, please refer to the announcement of the Company dated 3 October 2017.

Save as disclosed above and in this annual report relating to the share option scheme of the Company and issuance of the consideration shares for the acquisition as disclosed above, no equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares were entered into by the Company during the Year or subsisted at the end of the Year.

Reserves

Details of movements in reserves of the Group during the Year are set out in the consolidated statement of changes in equity.

Distributable Reserves

As at 31 March 2018, the Company's reserves available for distribution, subject to the compliance with the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and Company's articles of association (the "Articles of Association"), amounted to approximately HK\$352.81 million (31 March 2017: HK\$433.9 million).

Purchase, Sale or Redemption of the Company's Listed Securities

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Year.

Pre-Emptive Rights

There is no provision for the pre-emptive rights under the Articles of Association, or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

可換股債券按年利率6.5厘計息，到期孳息率按本金額計算為內部回報率每年12厘。假設可換股債券按每股轉換股份3.5港元的初步轉換價(可予調整)獲悉數行使，將向山林水配發及發行本公司的11,590,000股新普通股。

進一步詳情請參閱本公司日期為2017年10月3日的公佈。

除上文及本年報所披露的本公司購股權計劃及上文所披露就收購發行代價股份外，本公司於本年度內並無訂立且本年度年末並無存續任何將會或可能導致本公司發行股份或規定本公司訂立任何將會或可能導致本公司發行股份的協議的股票掛鈎協議。

儲備

本集團儲備於本年度的變動詳情載於綜合權益變動表。

可供分派儲備

於2018年3月31日，本公司在遵照開曼群島法例第22章公司法(1961年第3項法例，經綜合及修訂)及本公司組織章程細則(「組織章程細則」)規限下的可供分派儲備約為352,810,000港元(2017年3月31日：433,900,000港元)。

購買、出售或贖回本公司的上市證券

於本年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

優先購買權

組織章程細則或開曼群島法例概無優先購買權的條文，規定本公司須按比例向現有股東提呈發售新股。



Directors' Interests in Contracts

No director or any entity connected with a Director was materially interested, either directly or indirectly, in any transaction, arrangement or contract of significance to the business of the Group to which the Company, or any of its subsidiaries was a party during the Year or the end of the Year.

Contract of Significance

No contract of significance to which the Company or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

Tax Relief and Exemption

The Company is not aware of any tax relief and exemption available to shareholders by reason of their holding of the Company's securities.

Directors and Directors' Service Contracts

The directors who held office during the Year and up to the date of this report are:

Executive Directors:

Mr. Zhu Yongjun (*Chairman of the Board*)
Ms. Qin Shulan (*Chief Executive Officer*)
Mr. Cai Jianwen
Mr. Lee Tsi Fun Nicholas (appointed on 31 August 2018)

Non-executive Directors:

Dr. Zhang Lihui
Mr. Chu Kingston Chun Ho (resigned on 1 December 2017)

Independent Non-executive Directors:

Mr. Lo Chun Chiu, Adrian
Dr. Tong Ka Lok
Mr. Choy Wai Shek, Raymond, *MH, JP*

董事的合約權益

於本年度內及本年度年末時，董事或與董事有關連的任何實體概無於本公司或其任何附屬公司所訂立對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。

重大合約

本公司或其任何附屬公司概無訂立本公司董事於當中直接或間接擁有重大權益，且於本年度年末或本年度內任何時間仍然存續的重大合約。

稅務寬免及豁免

本公司並不知悉股東可因持有本公司證券而享有的任何稅項寬免及豁免。

董事及董事服務合約

於本年度及截至本報告日期止在任的董事如下：

執行董事：

朱勇軍先生 (*董事會主席*)
秦姝蘭女士 (*行政總裁*)
蔡建文先生
李錫勛先生 (於2018年8月31日獲委任)

非執行董事：

張立輝博士
朱俊浩先生 (於2017年12月1日辭任)

獨立非執行董事：

羅俊超先生
唐嘉樂博士
蔡偉石先生，榮譽勳章，太平紳士



Other than Mr. Lee Tsi Fun Nicholas, each of the executive Directors and the non-executive Directors has entered into a service contract with the Company or a subsidiary of the Company for an initial term of three years. Mr. Zhu Yongjun subsequently entered into a service contract with the Group for a term of three years on 23 August 2016. Each of the independent non-executive Directors has also entered into a service contract with the Company for an initial term of two years. The aforesaid service contracts may be terminated by not less than three months' notice in writing served by either party on the other. All Directors shall be subject to retirement by rotation and re-election at an annual general meeting at least once every three years.

In accordance with Article 108(a) of the Articles of Association, at each annual general meeting one-third of the Directors for the time being shall retire from office by rotation. In accordance with Article 112 of the Articles of Association, any director appointed by the Board to fill a casual vacancy during the Year shall hold office until the first general meeting of the Company after his/her appointment and be subject to re-election at such meeting.

Mr. Lee Tsi Fun Nicholas, who was appointed by the Board, shall retire from office at the annual general meeting ("AGM") in accordance with Article 112 of the Articles of Association of the Company. All the retiring Directors shall be eligible and offer themselves for re-election at the AGM of the Company.

In addition, Mr. Zhu Yongjun, Ms. Qin Shulan and Mr. Cai Jianwen shall retire from office by rotation at the AGM to be held on 28 March 2019 in accordance with Article 108(a) of the Articles of Association.

Save as disclosed above, no Director proposed for re-election at the AGM has a service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than statutory compensation.

Confirmation of Independence of Independent Non-executive Directors

Each of the independent non-executive Directors has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules which have been received by the Company. The Company is of the view that all independent non-executive Directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines during the Year.

除李錫勳先生外，各執行董事及非執行董事均已與本公司或本公司附屬公司訂立服務合約，初步為期三年。朱勇軍先生其後於2016年8月23日與本集團訂立一份服務合約，為期三年。各獨立非執行董事亦已與本公司訂立服務合約，初步為期兩年。上述服務合約可由任何一方向另一方送達不少於三個月的書面通知終止。全體董事均須最少每三年於股東週年大會上輪流退任及接受重選一次。

按照組織章程細則第108(a)條，於每屆股東週年大會上，當時為數三分之一的董事須輪流退任。按照組織章程細則第112條，任何於本年度內獲董事會委任以填補臨時空缺的董事的任期僅直至其獲委任後的本公司首個股東大會為止，而彼等將在該大會上接受重選。

按照本公司組織章程細則第112條，獲董事會委任的李錫勳先生將於股東週年大會（「股東週年大會」）上退任。所有退任董事均符合資格並願意於本公司股東週年大會上接受重選。

此外，按照組織章程細則第108(a)條，朱勇軍先生、秦姝蘭女士及蔡建文先生將於2019年3月28日舉行的股東週年大會上輪流退任。

除上文所披露者外，擬於股東週年大會上接受重選的董事概無訂有本公司或其任何附屬公司不可於一年內免付賠償（法定賠償除外）而終止的服務合約。

獨立非執行董事的獨立性確認

本公司已接獲各獨立非執行董事根據上市規則第3.13條發出的年度獨立性確認。本公司認為，全體獨立非執行董事於本年度內均符合上市規則第3.13條所載的獨立性指引，按照指引條款均屬獨立人士。



Biographical Details of Directors and Senior Management

The biographical details of the Directors and senior management of the Group as at the date of this report are disclosed in the section headed “Biographical Details of the Directors and Senior Management on pages 65 to 70 of this annual report. Save as disclosed in the aforesaid section, the Directors (a) have not held other directorships in public companies, the securities of which are listed on any securities market in Hong Kong or overseas, in the last 3 years; (b) do not hold any other positions in the Group; and (c) do not have any other relationships with any Directors, senior management or substantial or controlling shareholders of the Company.

Update on Directors’ Information

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes of directors’ information of the Company are as follows:

Mr. Chu Kingston Chun Ho has resigned as a non-executive director of the Company with effect from 1 December 2017.

Mr. Lee Tsi Fun Nicholas was appointed as an executive director of the Company with effect from 31 August 2018.

Save for the information disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Directors’ Emoluments and Five Highest Paid Individuals

The Directors’ emoluments are determined by the Board with reference to the duties, responsibilities and performance of the Directors and the results of the Group.

Details of the directors’ emoluments and the five highest paid individuals are set out in notes 8 and 9 to the Consolidated Financial Statements.

Emolument Policy

A remuneration committee was set up by the Board to develop the Group’s emolument policy and structure for remuneration of the directors and senior management of the Group, having regard to the Group’s operating results, individual performance of the directors and senior management and comparable market practices.

董事及高級管理人員的履歷詳情

於本報告日期的董事及本集團高級管理人員的履歷詳情於本年報第65至70頁「董事及高級管理人員的履歷詳情」一節披露。除上節所披露者外，董事(a)於過去三年並無在證券在香港或海外任何證券市場上市的公眾公司擔任其他董事職務；(b)並無於本集團擔任任何其他職務；及(c)與本公司任何董事、高級管理層或主要或控股股東概無任何其他關係。

更新董事資料

根據上市規則第13.51B(1)條，本公司董事資料的變動如下：

朱俊浩先生已辭任本公司非執行董事，由2017年12月1日起生效。

李錫勛先生已獲委任為本公司執行董事，由2018年8月31日起生效。

除上文所披露的資料外，概無根據上市規則第13.51B(1)條須披露的其他資料。

董事酬金及五名最高薪酬人士

董事酬金由董事會參照董事的職務、職責及表現以及本集團的業績釐定。

董事酬金及五名最高薪酬人士的詳情載於綜合財務報表附註8及9。

酬金政策

董事會已成立薪酬委員會，以於考慮本集團經營業績、董事及高級管理人員個人表現以及可資比較市場常規後，制定本集團的酬金政策以及本集團董事及高級管理人員的薪酬架構。



Continuing Connected Transactions

On 13 December 2016, New Style Limited as landlord, entered into the tenancy agreements with NC Foundation and New Concepts Trading Limited, the wholly-owned subsidiaries of the Company respectively, in respect of the lease of the 2 premises, each for a term of three years commencing from 1 December 2016 to 30 November 2019.

New Style Limited is directly owned as to 75% by Mr. Chu Shu Cheong, and as to 25% by Mr. Kwan Man Hay. Both Mr. Chu and Mr. Kwan are directors of subsidiaries of the Company namely NC Foundation and NC Engineering. As such, New Style Limited is a connected person of the Company and the tenancy agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. For further details, please refer to the announcements of the Company dated 13 December 2016 and 22 December 2016.

During the Year, an amount of approximately HK\$3,746,000 was paid by the Group under the tenancy agreements for the office rental in relation to the lease of the 2 premises in Hong Kong.

Confirmation of auditor

The Directors of the Company engaged the auditors of the Company to perform certain agreed upon procedures in respect of continuing connected transactions of the Group. The procedures were performed solely to assist the Directors of the Company to evaluate in accordance with Rule 14A.56 of the Listing Rules, whether the continuing connected transactions entered into by the Group for the year ended 31 March 2018:

- (a) have been approved by the board of the Directors of the Company;
- (b) are in accordance with the pricing policies of the listed issuer's group if the transactions involve the provision of goods or services by the listed issuer's group;
- (c) have been entered into in accordance with the terms of the relevant agreement governing such transactions; and
- (d) have not exceeded the relevant cap amount for the financial year ended 31 March 2018 disclosed in previous announcement.

持續關連交易

於2016年12月13日，新式有限公司（作為業主）分別與本公司的全資附屬公司創業地基及創業建材有限公司就租用2項物業訂立租賃協議，各由2016年12月1日起至2019年11月30日止為期三年。

新式有限公司由朱樹昌先生及關萬禧先生分別直接擁有75%及25%權益。朱先生及關先生均為本公司附屬公司創業地基及創業工程的董事。因此，根據上市規則第十四A章，新式有限公司為本公司的關連人士，而該等租賃協議構成本公司的持續關連交易。進一步詳情請參閱本公司日期為2016年12月13日及2016年12月22日的公佈。

於本年度，本集團已根據若干租賃協議就租賃2項香港物業支付約3,746,000港元作為辦公室租金。

核數師的確認

本公司董事已委聘本公司的核數師就本集團的持續關連交易進行若干協定程序。進行該等程序的唯一目的是協助本公司董事按照上市規則第14A.56條評估本集團於截至2018年3月31日止年度訂立的持續關連交易是否：

- (a) 已獲本公司董事會批准；
- (b) （若交易涉及由上市發行人集團提供貨品或服務）按照上市發行人集團的定價政策進行；
- (c) 根據規管有關交易的相關協議條款進行；及
- (d) 超逾過往公佈所披露的截至2018年3月31日止財政年度相關上限金額。



REPORT OF DIRECTORS

董事會報告

Confirmation of Independent Non-executive Directors

Pursuant to Rule 14A.55 of the Listing Rules, the audit committee comprising 3 independent non-executive directors, under the authority delegated by the Board, reviewed the aforesaid continuing connected transaction under the tenancy agreements.

All of the independent non-executive directors confirmed that:

The continuing connected transaction was entered into in the ordinary and usual course of business of the Group, and on normal commercial terms or better and which are no less favourable than those terms available from independent third parties, and the terms of the continuing connected transactions under the tenancy agreements are fair and reasonable and in the interest of the Company and the shareholders as a whole.

During the Year, the amounts of the continuing connected transaction under the tenancy agreements did not exceed the corresponding aggregate annual cap of HK\$3,746,000 as previously disclosed.

Directors' Rights to Acquire Shares or Debentures

Save as disclosed under the paragraphs headed "Directors' and Chief Executives' Interests or Short Positions in Shares, Underlying Shares and Debentures" and in this annual report relating to the share option scheme adopted by the Company, at no time during the Year was the Company, its parent company, any of its subsidiaries or fellow subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of an acquisition of shares in, or underlying shares in, or debentures of, the Company or any other body corporate.

Management Contracts

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

獨立非執行董事的確認

根據上市規則第14A.55條，由3名獨立非執行董事組成的審核委員會已在董事會授權下審核上述該等租賃協議下的持續關連交易。

全體獨立非執行董事確認：

該等持續關連交易乃在本集團的日常及一般業務過程中訂立，按照一般商務條款或更佳且不遜於獨立第三方所提供者的條款進行，而租賃協議下的持續關連交易條款公平合理，並符合本公司及股東的整體利益。

於本年度，租賃協議項下持續關連交易金額並無超逾先前所披露的相應年度上限總額3,746,000港元。

董事購入股份或債券的權利

除「董事及最高行政人員於股份、相關股份及債券的權益或淡倉」等段所披露者及本年報所披露本公司採納的購股權計劃外，於本年度內任何時間，本公司、其母公司、其任何附屬公司或同系附屬公司概無訂立任何安排，致使董事可藉購入本公司或任何其他法人團體的股份、相關股份或債券而獲益。

管理合約

於本年度內概無訂立或存在任何有關本公司全部或任何重大部分業務管理及行政的合約。



Permitted Indemnity Provision

Pursuant to Article 191 of the Articles of Association, the Directors, Managing Directors, alternate Directors, auditors, secretary and other officers for the time being of the Company acting in relation to any of the affairs of the Company shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty in their respective offices. Such provision was in force during the Year and remained in force as of the date of this report. In addition, the Company has also maintained Directors and officers liability insurance during the Year.

Competition and Conflict of Interests

Saved and except of interests in the Group, none of the Directors, the management shareholders or substantial shareholders of the Company or any of their respective associates has engaged in any business that competes or may compete with the business of the Group or has any other conflict of interests with the Group during the Year.

Five Years Financial Summary

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 332. This summary does not form part of the Consolidated Financial Statements.

Pledge of Assets

The Group pledged certain of the kitchen waste treatment concession rights (comprising operating concessions and receivables under service concession arrangements) in an aggregate carrying amount of HK\$642,866,000 (2017: HK\$330,079,000) as at 31 March 2018.

As at 31 March 2018, the Group pledged bank deposits of approximately HK\$5 million (31 March 2017: HK\$12.44 million) as collateral to secure banking facilities granted to the Group.

Share Option Scheme

Pursuant to the written resolutions passed by the sole shareholder of the Company on 26 August 2014, the Company has conditionally adopted a share option scheme (the "Share Option Scheme").

獲准許彌償條文

根據組織章程細則第191條，就本公司任何事務行事的本公司當時董事、董事總經理、替任董事、核數師、秘書及其他高級人員履行職責或履行應履行的職責時，因所作出、發生或不進行的任何行為而將會或可能招致或蒙受的所有訴訟、費用、收費、損失、損害及開支，均可自本公司的資產獲得彌償，確保不會就此受損。該條文於本年度內一直有效，且於本報告日期仍然有效。此外，本公司於本年度內亦已投購董事及高級人員的責任保險。

競爭及利益衝突

於本年度內，除於本集團的權益外，本公司董事、管理層股東或主要股東或彼等各自的任何聯繫人概無從事與本集團業務競爭或可能競爭的任何業務，亦無與本集團存在任何其他利益衝突。

五年財務概要

本集團過去五個財政年度的業績及資產與負債概要載於第332頁。此概要並不構成綜合財務報表的一部分。

資產質押

本集團已質押於2018年3月31日賬面總額為642,866,000港元(2017年：330,079,000港元)的若干餐廚垃圾處理特許權(包括經營特許權及服務特許權安排應收款項)。

於2018年3月31日，本集團已質押約5,000,000港元的銀行存款(2017年3月31日：12,440,000港元)，作為本集團獲授銀行融通的抵押品。

購股權計劃

根據本公司唯一股東於2014年8月26日通過的書面決議案，本公司已有條件採納一項購股權計劃(「購股權計劃」)。



Purpose of the Share Option Scheme

The purpose of the Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to employees (full-time and part-time), directors, consultants, advisors, distributors, contractors, suppliers, agents, customers, business partners or service providers of the Group and to promote the success of the business of the Group.

Participants under the Share Option Scheme and basis of eligibility

The Board may, at its absolute discretion and on such terms as it may think fit, grant any employee (full-time or part-time), director, consultant or advisor of the Group, or any substantial shareholder of the Group, or any distributor, contractor, supplier, agent, customer, business partner or service provider of the Group, options to subscribe at a price calculated in accordance with paragraph (iii) below for such number of Shares as it may determine in accordance with the terms of the Share Option Scheme.

The basis of eligibility of any participant to the grant of any option shall be determined by the Board (or as the case may be, the independent non-executive Directors) from time to time on the basis of his contribution or potential contribution to the development and growth of the Group.

Principal terms of the Share Option Scheme

The principal terms of the Share Option Scheme are summarised as follows:

The Share Option Scheme was adopted for a period of 10 years commencing from 26 August 2014 and will remain in force until 25 August 2024 unless terminated earlier by the shareholders of the Company in general meeting. The Company may by resolution in general meeting or the Board may at any time terminate the operation of the Share Option Scheme and in such event no further options will be offered but options granted prior to such termination shall continue to be valid and exercisable in accordance with the provisions of the Share Option Scheme.

購股權計劃的目的

購股權計劃旨在吸納及挽留最合適人員，向本集團僱員(全職及兼職)、董事、諮詢人、顧問、分銷商、承包商、供應商、代理、客戶、商業夥伴或服務供應商提供額外獎勵以及推動本集團業務邁向成功。

購股權計劃的參與者及合資格基準

董事會可絕對酌情按其認為合適的條款，向本集團任何僱員(全職或兼職)、董事、諮詢人或顧問、或本集團的任何主要股東、或本集團的任何分銷商、承包商、供應商、代理、客戶、商業夥伴或服務供應商授出購股權，藉以根據購股權計劃的條款，按下文第(iii)段計算得出的價格認購董事會可能釐定的股份數目。

董事會(或獨立非執行董事(視乎情況而定))可不時根據任何參與者對本集團發展及增長所作出或可能作出的貢獻釐定其獲授購股權的合資格基準。

購股權計劃的主要條款

購股權計劃的主要條款概述如下：

所採納的購股權計劃由2014年8月26日起為期10年，一直有效至2024年8月25日止，除非本公司股東於股東大會上提早終止則作別論。本公司可於股東大會上透過決議案或董事會可隨時終止購股權計劃的運作，在此情況下，將不會進一步發出購股權要約，惟於終止前已授出的購股權將繼續根據購股權計劃的條文屬有效及可予行使。



The subscription price of a share in respect of any particular option granted under the Share Option Scheme shall be a price solely determined by the Board and notified to a participant and shall be at least the higher of:

- (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option, which must be a business day;
- (ii) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant of the option; and
- (iii) the nominal value of a share on the date of grant of the option.

An offer for the grant of options must be accepted within seven days inclusive of the day on which such offer was made. The amount payable by the grantee of an option to our Company on acceptance of the offer for the grant of an option is HK\$1.

The maximum number of Shares issuable upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company must not in aggregate exceed 10% of all the Shares. On 24 October 2016, the Company granted share options to certain Directors, employees and consultant to subscribe for a total of 40,000,000 ordinary shares of HK\$0.10 each in the share capital of the Company under the Share Option Scheme. The exercise price of each option is HK\$2.58 per share with a validity period of 3 years from 24 October 2016, being the date of grant, to 23 October 2019 (both days inclusive) and exercisable upon acceptance of the grant. The maximum number of Shares issuable to be granted under the Share Option Scheme were utilised. The closing price of the shares immediately before the date on which the options were granted was HK\$2.57 per share.

The 10% limit as mentioned above was refreshed at the annual general meeting of the Company dated 25 September 2017 and the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company is 51,132,699.

根據購股權計劃已授出的任何指定購股權所涉及的股份認購價，將為完全由董事會釐定並通知參與者的價格，並將至少為下列各項中的較高者：

- (i) 聯交所每日報價表所報股份於授出購股權當日(須為營業日)的收市價；
- (ii) 聯交所每日報價表所報股份於緊接授出購股權當日前五個營業日的平均收市價；及
- (iii) 授出購股權當日的股份面值。

授出購股權的要約須於由提出有關要約日期(包括該日)起計七天內接納。購股權承授人須於接納授出購股權要約時就每份購股權向本公司支付1港元。

因將根據購股權計劃及本公司任何其他購股權計劃授出的所有購股權獲行使而可予發行的股份數目上限，合共不得超出全部股份的10%。於2016年10月24日，本公司根據購股權計劃向若干董事、僱員及諮詢人授出購股權，以認購本公司股本中合共40,000,000股每股面值0.10港元的普通股。每份購股權的行使價為每股2.58港元，有效期由2016年10月24日(即授出日期)起至2019年10月23日止(包括首尾兩天)，為期3年，有關購股權於接納授出後即可行使。將根據購股權計劃授出的可發行股份最高數目已動用。緊接購股權授出日期前的股份收市價為每股2.57港元。

上文所述的10%上限已於本公司在2017年9月25日舉行的股東週年大會上更新，而因將根據購股權計劃及本公司任何其他購股權計劃授出的全部購股權獲行使而可予發行的股份總數為51,132,699股。



REPORT OF DIRECTORS 董事會報告

The total number of Shares issued and to be issued upon exercise of options granted to any participant (including both exercised and outstanding options) under the Share Option Scheme, in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue. Any further grant of options in excess of such limit must be separately approved by Shareholders in general meeting with such grantee and his associates abstaining from voting.

Any grant of an option to a Director, chief executive or substantial shareholder of our Company (or any of their respective associates) must be approved by the independent non-executive Directors (excluding any independent non-executive Director) who is the grantee of the option).

Where any grant of options to a substantial shareholder or an independent non-executive Director (or any of their respective associates) will result in the total number of Shares issued and to be issued upon exercise of all options already granted and to be granted to such person under the Share Option Scheme and any other share option schemes of our Company (including options exercised, cancelled and outstanding) in any 12-month period up to and including the date of grant:

- (i) representing in aggregate over 0.1% of the Shares in issue; and
- (ii) having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK\$5 million,

such further grant of options is required to be approved by shareholders at a general meeting of the Company, with voting to be taken by way of poll.

On 24 October 2016, the Company granted share options to certain Directors, employees and consultant to subscribe for a total of 40,000,000 ordinary shares of HK\$0.10 each in the share capital of the Company under the Share Option Scheme. The exercise price of each option is HK\$2.58 per share with validity period of 3 years from 24 October 2016, being the date of grant, to 23 October 2019 (both days inclusive) and exercisable upon acceptance of the grant.

截至授出日期止的任何12個月期間內，任何參與者因其根據購股權計劃獲授的購股權（包括已行使及尚未行使的購股權）獲行使而獲發行及將獲發行的股份總數，不得超過已發行股份的1%。如額外授出超逾該上限的購股權，則須經股東於股東大會上另行批准，而該承授人及其聯繫人必須於股東大會上放棄表決權。

向本公司董事、最高行政人員或主要股東（或任何彼等各自的聯繫人）授出任何購股權，均須經獨立非執行董事（不包括身為購股權承授人的獨立非執行董事）批准。

倘向主要股東或獨立非執行董事（或任何彼等各自的聯繫人）授出任何購股權導致在截至授出日期（包括該日）止任何12個月期間內，上述人士因根據購股權計劃及本公司任何其他購股權計劃已獲授及將獲授的所有購股權（包括已行使、已註銷及尚未行使的購股權）獲行使而獲發行及將獲發行的股份總數：

- (i) 合共超過已發行股份0.1%；及
- (ii) 根據股份於各授出日期的收市價計算的總值超過5百萬港元，

則額外授出購股權須經股東在本公司股東大會上批准，而表決將以投票方式進行。

於2016年10月24日，本公司根據購股權計劃向若干董事、僱員及顧問授出購股權，以認購本公司股本中合共40,000,000股每股面值0.10港元的普通股。每份購股權之行使價為每股2.58港元，有效期由2016年10月24日（即授出日期）起至2019年10月23日止（包括首尾兩天），為期3年，有關購股權於接納授出後即可行使。



REPORT OF DIRECTORS
董事會報告

Details of movement of the share options granted under the Share Option Scheme during the Year are set out as follows:

根據購股權計劃授出的購股權於本年度的變動詳情載列如下：

Participants 參與者	Date of grant 授出日期	Exercisable period 行使期	Exercise price 行使價 HK\$ 港元	Outstanding at 1.4.2017 於2017年 4月1日 尚未行使	Number of options 購股權數目	
					Exercised during the period 期內行使	Outstanding at 31.3.2018 於2018年 3月31日 尚未行使
Directors 董事						
Mr. Zhu Yongjun 朱勇軍先生	24.10.2016	24.10.2016– 23.10.2019	2.58	480,000	—	480,000
Ms. Qin Shulan 秦妹蘭女士	24.10.2016	24.10.2016– 23.10.2019	2.58	10,170,000	(4,084,000)	6,086,000
Mr. Cai Jianwen 蔡建文先生	24.10.2016	24.10.2016– 23.10.2019	2.58	6,780,000	(4,680,000)	2,100,000
Mr. Chu Kingston Chun Ho (resigned on 1 December 2017) 朱俊浩先生(於2017年12月1日辭任)	24.10.2016	24.10.2016– 23.10.2019	2.58	480,000	(480,000)	—
Mr. Lo Chun Chiu, Adrian 羅俊超先生	24.10.2016	24.10.2016– 23.10.2019	2.58	480,000	—	480,000
Dr. Tong Ka Lok 唐嘉樂博士	24.10.2016	24.10.2016– 23.10.2019	2.58	480,000	(480,000)	—
Mr. Choy Wai Shek, Raymond, MH, JP 蔡偉石先生·榮譽勳章·太平紳士	24.10.2016	24.10.2016– 23.10.2019	2.58	480,000	(480,000)	—
Other employees and consultant 其他僱員及諮詢人	24.10.2016	24.10.2016– 23.10.2019	2.58	20,650,000	(10,912,000)	9,738,000
				40,000,000	(21,116,000)	18,884,000

No options were granted, cancelled or lapsed during the Year.

並無購股權於本年度授出、註銷或失效。



REPORT OF DIRECTORS 董事會報告

Apart from the aforesaid Share Option Scheme, at no time during the Year and up to the date of this report the Company or any associated corporation was a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors, or their spouses or children under the age 18, had any right to subscribe for the shares in, or debentures of, the Company, or had exercised any such rights.

Directors' and Chief Executives' Interests or Short Positions in Shares, Underlying Shares and Debentures

As at 31 March 2018, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meanings of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (the "SFO")) which were 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 any such director or chief executive is taken or deemed to have under such provision of the SFO) or which were required pursuant to Section 352 of the SFO, to be entered in the register of members of the Company, or which were required, pursuant to standard of dealings by Directors as referred to the Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

(i) Interests in the Company

Name of directors 董事姓名		Interests in ordinary shares 於普通股的權益			Total interests in ordinary shares	Total interests in underlying shares	Aggregate interests	% of the Company's issued voting shares 佔本公司 已發具 表決權股份 的百分比
		Personal interests	Family interests	Corporate interests	於普通股的 權益總額	於相關股份的 權益總額		
Mr. Zhu Yongjun (Note 1)	朱勇軍先生(附註1)	124,000	—	77,000,000	77,124,000	480,000	77,604,000	14.63%
Mr. Lo Chun Chiu Adrian	羅俊超先生	—	—	—	—	480,000	480,000	0.09%
Ms. Qin Shulan	秦姝蘭女士	4,084,000	—	—	4,084,000	6,086,000	10,170,000	1.91%
Mr. Cai Jianwen	蔡建文先生	480,000	—	—	480,000	2,100,000	2,580,000	0.48%
Dr. Zhang Lihui	張立輝博士	48,000	—	—	48,000	—	48,000	0%
Dr. Tong Ka Lok	唐嘉樂博士	480,000	—	—	480,000	—	480,000	0.09%
Mr. Choy Wai Shek, Raymond. MH, JP	蔡偉石先生 榮譽勳章 太平紳士	480,000	—	—	480,000	—	480,000	0.09%

除上述購股權計劃外，於本年度內任何時間及截至本報告日期，本公司或任何相聯法團概無訂立任何安排，致使董事可藉收購本公司或任何其他法人團體的股份或債券而獲益，而董事、彼等的配偶或未滿18歲的子女並無擁有任何權利認購本公司股份或債券，亦無行使任何有關權利。

董事及最高行政人員於股份、相關股份及債券的權益或淡倉

於2018年3月31日，本公司董事及最高行政人員於本公司或其任何相聯法團(定義見香港法例第571章證券及期貨條例第XV部)的股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及8分部已知會本公司及聯交所的權益及淡倉(包括根據證券及期貨條例有關條文任何有關董事或最高行政人員被當作或被視為擁有的權益或淡倉)，或根據證券及期貨條例第352條須記入本公司股東登記冊內的權益及淡倉，或根據上市規則所述董事交易準則須知會本公司及聯交所的權益及淡倉如下：

(i) 於本公司的權益



Note:

- The 77,000,000 shares are beneficially held by Jumbo Grand Enterprise Development Limited ("Jumbo Grand"). Mr. Zhu Yongjun owns 100% of the issued voting shares of Jumbo Grand. Mr. Zhu Yongjun is deemed or taken to be interested in all the shares which are beneficially owned by Jumbo Grand for the purpose of the SFO. Mr. Zhu Yongjun is the Chairman of the Board and an executive Director of the Company and is the brother-in-law of Mr. Allan Warburg, an ultimate beneficial owner of Simple Gain International Limited, a shareholder of the Company.

附註：

- 該77,000,000股股份由Jumbo Grand Enterprise Development Limited (「Jumbo Grand」)實益持有。朱勇軍先生擁有Jumbo Grand的100%已發行具投票權股份。就證券及期貨條例而言，朱勇軍先生被視為或被當作於Jumbo Grand實益擁有的所有股份中擁有權益。朱勇軍先生為本公司董事會主席兼執行董事，並為王沛德先生(本公司股東Simple Gain International Limited的最終實益擁有人)的內兄。

(ii) *Interests in the associated corporation*

(ii) 於相聯法團的權益

Name of directors/ chief executive	Name of associated corporation	Capacity/Nature	No. of shares held	% of the issued voting shares of associate corporation 佔相聯法團 已發行具表決權 股份的百分比
董事／最高行政人員 姓名	相聯法團名稱	身份／性質	持有 股份數目	
Zhu Yongjun	Jumbo Grand	Interest in controlled corporation	10,000	100%
朱勇軍	Jumbo Grand	受控制法團權益		
Chu Shu Cheong	Prosper Power	Interest In controlled corporation	75	75%
朱樹昌	昌威	受控制法團權益		

Save as disclosed above, as at 31 March 2018 none of the Directors and chief executives of the Company had any other interests or short positions in any shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were 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 were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Listing Rules relating to the required standard of dealings by the directors to be notified to the Company and the Stock Exchange.

除上文所披露者外，於2018年3月31日，本公司董事及最高行政人員概無於本公司或其相聯法團(定義見證券及期貨條例第XV部)的任何股份、相關股份或債券中擁有根據證券及期貨條例第XV部第7及8分部已知會本公司及聯交所的任何其他權益或淡倉(包括根據證券及期貨條例有關條文彼等被當作或被視為擁有的權益或淡倉)，或根據證券及期貨條例第352條須記入該條所指登記冊內的任何其他權益或淡倉，或根據有關董事交易規定準則的上市規則須知會本公司及聯交所的任何其他權益或淡倉。



REPORT OF DIRECTORS 董事會報告

Substantial Shareholder's Interests and/or Short Position in Shares and Underlying Shares of the Company

So far as is known to the Directors, as at 31 March 2018, the following person (not being a Director or 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 provision 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, or who is directly or indirectly interested in 5% or more of any class of issued shares carrying rights to vote in all circumstances at general meetings of any member of the Group:

Long positions in the shares of the Company

主要股東於本公司股份及相關股份的權益及／或淡倉

據董事所知，於2018年3月31日，下列人士（並非本公司董事或最高行政人員）於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部的條文須向本公司披露的權益或淡倉，或記入根據證券及期貨條例第336條本公司須存置的登記冊內的權益或淡倉，或直接或間接擁有附帶權利可於任何情況下在本集團任何成員公司的股東大會上投票的任何類別已發行股份5%或以上的權益：

於本公司股份的好倉

Name of shareholders	Capacity	Number of shares held	Approximate percentage of shareholdings in the Company 佔本公司股權的概約百分比
股東名稱	身份	持有股份數目	
Jumbo Grand (Note 1) Jumbo Grand (附註1)	Beneficial owner 實益擁有人	77,000,000	14.52%
Prosper Power Group Ltd ("Prosper Power") (Note 2) 昌威集團有限公司(「昌威」)(附註2)	Beneficial owner 實益擁有人	76,500,000	14.42%
Mr. Chu Shu Cheong (Note 2) 朱樹昌先生(附註2)	Interest in a controlled corporation 受控制法團權益	76,500,000	14.42%
Simple Gain International Limited (Note 3) Simple Gain International Limited (附註3)	Beneficial owner 實益擁有人	40,000,000	7.54%
Allan Warburg Holdings Limited (Note 3) Allan Warburg Holdings Limited (附註3)	Interest in a controlled corporation 受控制法團權益	40,000,000	7.54%
Mr. Warburg Allan (Note 3) 王沛德先生(附註3)	Interest in a controlled corporation 受控制法團權益	40,000,000	7.54%



REPORT OF DIRECTORS
董事會報告

Name of shareholders 股東名稱	Capacity 身份	Number of shares held 持有股份數目	Approximate percentage of shareholdings in the Company 佔本公司股權的概約百分比
Kingston Finance Limited (Notes 2 and 4) 金利豐財務有限公司(附註2及4)	Person having a security interest in shares 擁有股份抵押權益的人士	76,500,000	14.42%
Ample Cheer Limited (Notes 2 and 4) Ample Cheer Limited (附註2及4)	Interest in a controlled corporation 受控制法團權益	76,500,000	14.42%
Best Forth Limited (Notes 2 and 4) Best Forth Limited (附註2及4)	Interest in a controlled corporation 受控制法團權益	76,500,000	14.42%
Chu Yuet Wah (Notes 2 and 4) 李月華 (附註2及4)	Interest in a controlled corporation 受控制法團權益	76,500,000	14.42%
CEF Concept Holdings Limited (Note 5) CEF Concept Holdings Limited (附註5)	Beneficial owner 實益擁有人	55,400,000	10.44%
CEF IV Holdings Limited (Note 5) CEF IV Holdings Limited (附註5)	Interest in a controlled corporation 受控制法團權益	55,400,000	10.44%
China Environment Fund IV, L.P. (Note 5) China Environment Fund IV, L.P. (附註5)	Interest in a controlled corporation 受控制法團權益	55,400,000	10.44%
CEF IV Management, L.P. (Note 5) CEF IV Management, L.P. (附註5)	Interest in a controlled corporation 受控制法團權益	55,400,000	10.44%
CEF IV Management, Ltd. (Note 5) CEF IV Management, Ltd. (附註5)	Interest in a controlled corporation 受控制法團權益	55,400,000	10.44%
Wu Yeyang (Note 5) 吳業揚 (附註5)	Interest in a controlled corporation 受控制法團權益	55,400,000	10.44%



REPORT OF DIRECTORS 董事會報告

Notes:

1. Jumbo Grand is wholly-owned by Mr. Zhu Yongjun who is the Chairman of the Board and an executive Director of the Company. Accordingly, Mr. Zhu Yongjun is deemed to be interested in the 77,000,000 shares held by Jumbo Grand for the purpose of the SFO.
2. The 76,500,000 shares are beneficially owned by Prosper Power Group Ltd ("Prosper Power") which is owned as to 75% by Mr. Chu Shu Cheong (who has resigned as an executive director on 29 November 2016). Mr. Chu Shu Cheong is deemed or taken to be interested in all the shares which are beneficially owned by Prosper Power. Mr. Chu Shu Cheong is also a director of Prosper Power.
3. Simple Gain International Limited is wholly-owned by Allan Warburg Holdings Limited, which is in turn wholly-owned by Mr. Warburg Allan. Accordingly, Allan Warburg Holdings Limited and Mr. Warburg Allan are deemed to be interested in the 40,000,000 shares held by Simple Gain International Limited for the purpose of the SFO. Mr. Warburg Allan is the brother-in-law of Mr. Zhu Yongjun, the Chairman of the Board and an executive Director of the Company.
4. The 76,500,000 shares are beneficially owned by Prosper Power and had been pledged to Kingston Finance Limited as pledgee to secure a loan granted to Prosper Power. Kingston Finance Limited is wholly-owned by Ample Cheer Limited, which is in turn owned as to 80% by Best Forth Limited, which is wholly-owned by Ms. Chu Yuet Wah. Accordingly, Ample Cheer Limited, Best Forth Limited and Ms. Chu Yuet Wah are deemed to be interested in all shares held by Kingston Finance Limited.
5. CEF Concept Holdings Limited is wholly-owned by CEF IV Holdings Limited, which is in turn owned as to 92.55% by China Environment Fund IV, L.P., an investment fund incorporated in the Cayman Islands. CEF IV Management, L.P. is the general partner of China Environment Fund IV, L.P., and CEF IV Management, Ltd. is the general partner of CEF IV Holdings Limited, China Environment Fund IV, L.P., CEF IV Management, L.P. and CEF IV Management, Ltd. are all deemed to be interested in the 55,400,000 shares of the Company held by CEF Concept Holdings Limited, CEF IV Management, Ltd. is wholly-owned by Wu Yeyang. Accordingly, Wu Yeyang is also deemed to be interested in the 55,400,000 shares of the Company held by CEF Concept Holdings Limited for the purpose of the SFO.

附註：

1. Jumbo Grand由朱勇軍先生(為本公司董事會主席兼執行董事)全資擁有。因此，就證券及期貨條例而言，朱勇軍先生被視為於Jumbo Grand持有的77,000,000股股份中擁有權益。
2. 該76,500,000股股份由昌威集團有限公司(「昌威」)實益擁有，而昌威由朱樹昌先生(於2016年11月29日辭任執行董事)擁有75%權益。朱樹昌先生被視為或當作於昌威實益擁有的所有股份中擁有權益。朱樹昌先生亦為昌威的董事。
3. Simple Gain International Limited由Allan Warburg Holdings Limited全資擁有，而Allan Warburg Holdings Limited則由王沛德先生全資擁有。因此，就證券及期貨條例而言，Allan Warburg Holdings Limited及王沛德先生被視為於Simple Gain International Limited持有的40,000,000股股份中擁有權益。王沛德先生為本公司董事會主席兼執行董事朱勇軍先生的妹夫。
4. 該76,500,000股股份由昌威實益擁有，並已質押予金利豐財務有限公司(作為承押人)，以取得昌威獲授的一筆貸款。金利豐財務有限公司由Ample Cheer Limited全資擁有，而Ample Cheer Limited則由李月華女士全資擁有的Best Forth Limited擁有80%權益。因此，Ample Cheer Limited、Best Forth Limited及李月華女士均被視為於金利豐財務有限公司持有的所有股份中擁有權益。
5. CEF Concept Holdings Limited由CEF IV Holdings Limited全資擁有，而CEF IV Holdings Limited由China Environment Fund IV, L.P.(於開曼群島註冊成立的投資基金)擁有92.55%權益。CEF IV Management, L.P.為China Environment Fund IV, L.P.的普通合夥人，而CEF IV Management, Ltd.則為CEF IV Management, L.P.的普通合夥人。因此，就證券及期貨條例第XV部而言，CEF IV Holdings Limited、China Environment Fund IV, L.P.、CEF IV Management, L.P.及CEF IV Management, Ltd.均被視為於CEF Concept Holdings Limited持有的55,400,000股本公司股份中擁有權益。吳業揚全資擁有CEF IV Management, Ltd.。因此，就證券及期貨條例而言，吳業揚亦被視為於CEF Concept Holdings Limited持有的55,400,000股本公司股份中擁有權益。



Save as disclosed under the sections headed “Directors’ and Chief Executives’ Interests or Short Positions in Shares, Underlying Shares and Debentures” and “Substantial Shareholder’s Interests and/or Short Position in Shares and Underlying Shares of the Company” above, as at 31 March 2018, no other person was individually and/or collectively entitled to exercise or control the exercise of 5% or more of the voting power at general meeting of the Company and was able, as a practical matter, to direct or influence the management of the Company.

Sufficiency of Public Float

Based on information that is publicly available to the Company and within the knowledge of the Directors, as at the date of the report, the Company has maintained the prescribed public float under the Listing Rules during the Year.

Closure of the Register of Members

The register of members of the Company will be closed from 25 March 2019 to 28 March 2019 (both days inclusive), during which period no transfers of shares will be registered. To determine the entitlement to attend and vote at the AGM of the Company, all transfer document, accompanied by the relevant share certificates, must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration not later than 4:30 p.m. on 22 March 2019.

Events After the Reporting Period

Save as disclosed under the sections headed “Management Discussion and Analysis” above, there is no other significant event after the Reporting Period of the Group.

除上文「董事及最高行政人員於股份、相關股份及債券的權益或淡倉」及「主要股東於本公司股份及相關股份的權益及／或淡倉」兩節所披露者外，於2018年3月31日，概無其他人士個別及／或共同有權行使或控制行使本公司股東大會5%或以上的表決權，且能實質上指示或影響本公司管理層。

公眾持股量的充足程度

基於本公司可公開取得的資料及據董事所知，於本報告日期，本公司於本年度內一直維持上市規則所規定的公眾持股量。

暫停辦理股份過戶登記手續

本公司將於2019年3月25日至2019年3月28日(包括首尾兩天)暫停辦理股份過戶登記手續，期間將不會辦理股份過戶登記。為釐定出席本公司股東週年大會並於會上表決的權利，所有過戶文件連同相關股票必須最遲於2019年3月22日下午4時30分交回本公司的香港股份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)，以便辦理股份過戶登記。

報告期後事項

除上文「管理層討論及分析」一節所披露者外，本集團於報告期後並無發生任何其他重大事項。



REPORT OF DIRECTORS

董事會報告

Auditor

During the Year, Wellink CPA Limited (“Wellink”) resigned as auditor of the Company with effect from 13 February 2018 and Ernst & Young (“EY”) were appointed by the Directors with effect from 13 February 2018 to hold office until the conclusion of the next annual general meeting of the Company. A resolution for the re-appointment of EY as auditor of the Company will be proposed at the forthcoming annual general meeting.

By order of the Board

New Concepts Holdings Limited

Zhu Yongjun

Chairman and Executive Director

Hong Kong, 14 February 2019

核數師

於本年度，匯聯會計師事務所有限公司（「匯聯」）辭任本公司核數師，自2018年2月13日起生效，而安永會計師事務所（「安永」）獲董事委任，自2018年2月13日起生效，任期直至本公司下屆股東週年大會結束時為止。本公司將於應屆股東週年大會上提呈一項決議案，以續聘安永為本公司核數師。

承董事會命

創業集團(控股)有限公司

朱勇軍

主席兼執行董事

香港，2019年2月14日



CORPORATE GOVERNANCE REPORT

企業管治報告

Corporate Governance Practices

The Board believes that good corporate governance is one of the areas leading to the success of the Company and balancing the interests of shareholders, customers and employees, and the Board is devoted to ongoing enhancement of the efficiency and effectiveness of such principles and practices.

The Company has adopted the compliance manual which sets out the minimum standard of good practices concerning the general management responsibilities of the Board with which the Company and the Directors shall comply and which contains, among other things, the code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix 14 to the Listing Rules as its own code of corporate governance.

The Board considers that the Company has complied with the code provisions set out in the CG Code during the Year.

The Board of Directors

Composition and Responsibilities

As at 31 March 2018, the Board comprises seven directors ("Directors"), comprising three executive Directors, one non-executive Director and three independent non-executive Directors. The composition of the Board throughout the Year is as follows:

Executive Directors:

Mr. Zhu Yongjun (*Chairman of the Board*)
Ms. Qin Shulan (*Chief Executive Officer*)
Mr. Cai Jianwen
Mr. Lee Tsi Fun Nicholas (appointed on 31 August 2018)

Non-executive Director:

Dr. Zhang Lihui
Mr. Chu Kingston Chun Ho (resigned on 1 December 2017)

Independent Non-executive Directors:

Mr. Lo Chun Chiu, Adrian
Dr. Tong Ka Lok
Mr. Choy Wai Shek, Raymond, *MH, JP*

企業管治常規

董事會相信，良好的企業管治乃引領本公司邁向成功並平衡股東、客戶及僱員各方利益的範疇之一，而董事會致力持續提升該等原則及慣例的效率及效益。

本公司已採納一份合規手冊，載列有關董事會整體管理責任的良好常規最低標準，並已收納(其中包括)上市規則附錄十四所載的企業管治守則(「企管守則」)的守則條文作為其本身的企業管治守則，本公司與董事均須予以遵守。

董事會認為，本公司於本年度已遵守企業管治守則所載的守則條文。

董事會

成員組合及職責

於2018年3月31日，董事會由七名董事組成，當中包括三名執行董事、一名非執行董事及三名獨立非執行董事。於本年度，董事會成員組合如下：

執行董事：

朱勇軍先生(*董事會主席*)
秦妹蘭女士(*行政總裁*)
蔡建文先生
李錫勛先生(於2018年8月31日獲委任)

非執行董事：

張立輝博士
朱俊浩先生(於2017年12月1日辭任)

獨立非執行董事：

羅俊超先生
唐嘉樂博士
蔡偉石先生，*榮譽勳章，太平紳士*



CORPORATE GOVERNANCE REPORT 企業管治報告

On 1 December 2017, Mr. Chu Kingston Chun Ho has resigned as a non-executive director of the Company.

於2017年12月1日，朱俊浩先生辭任本公司的非執行董事。

On 31 August 2018, Mr Lee Tsi Fun Nicholas was appointed as an executive director of the Company

於2018年8月31日，李錫勳先生獲委任為本公司的執行董事。

Save as disclosed above, there was no change in the composition of the Board during the Year.

除上文所披露者外，董事會成員組合於本年度內並無變動。

The biographical details and responsibilities of the Directors as well as the senior management as at 31 March 2018 are set out in the section “Biographical Details of the Directors and Senior Management” on pages 65 to 70.

董事及高級管理人員於2018年3月31日的履歷詳情及職責載於第65至70頁「董事及高級管理人員的履歷詳情」一節。

Save as disclosed in the section headed “Biographical Details of the Directors and Senior Management” to this annual report, the Directors have no other financial, business, family or other material/relevant relationships with each other.

除本年報「董事及高級管理人員的履歷詳情」一節所披露者外，董事彼此之間概無其他財務、業務、親屬或其他重大／關連關係。

The Board is accountable to shareholders for the Company's performance and activities. While the Board is primarily overseeing and managing the Company's affairs, the Chairman of the Board provides leadership to the Board in carrying out its duties. The executive Directors constituting Chief Executive Officer and the senior management of the Company are delegated with responsibilities in the day-to-day management of the Company and make operational and business decisions within the control of and delegation framework of the Company. The independent non-executive Directors contribute valuable views and proposals for the Board's deliberation and decisions.

董事會就本公司的表現及活動向股東負責。董事會主要監察並管理本公司事務，董事會主席則帶領董事會履行其職務。執行董事包括本公司行政總裁及高級管理人員，於本公司的監控及授權框架下獲轉授本公司日常管理及作出營運及業務決策的責任。獨立非執行董事則為董事會討論及決策貢獻寶貴見解及建議。

The Company has throughout the Year met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors with at least one of them possessing appropriate professional qualifications, accounting or related financial management expertise.

本公司於本年度一直符合上市規則有關委任最少三名獨立非執行董事，以及其中最少一名須具備適當專業資格、會計或相關財務管理專業知識的規定。

At all times during the Year, the independent non-executive Directors represent at least one-third of the Board.

於本年度，獨立非執行董事一直最少佔董事會人數的三分之一。



Each of the independent non-executive Directors has submitted a written statement to the Stock Exchange confirming their independence and has undertaken to inform the Stock Exchange as soon as practicable if there is any subsequent change of circumstances which may affect their independence prior to their respective appointment. The Company has also received a written confirmation from each of the independent non-executive Directors in respect of their independence for the Year. The Board considers that all independent non-executive Directors are being considered to be independent with reference to the factors stated in the Listing Rules during the Year.

Throughout the Year, the roles of the Chairman and the Chief Executive Officer of the Company are separated, with a clear division of responsibilities. Mr. Zhu Yongjun is the Chairman of the Board and his primary role is to provide leadership for the Board and to ensure that it works effectively in discharging its responsibilities.

Ms. Qin Shulan is the Chief Executive Officer and her primary role is responsible for the strategic planning and overseeing business operations of the Group, including environmental protection business.

Other matters reserved for the Board include consideration of dividend policy, approval of major investments, maintenance of an adequate system of internal controls and review of the corporate governance practices of the Group. Daily operations and administration are delegated to management teams.

於獲委任前，各獨立非執行董事已分別向聯交所提交書面聲明，確認彼等的獨立性，並已承諾於日後出現任何可能影響其獨立性的情況變化時，於實際可行情況下盡快知會聯交所。本公司亦已接獲各獨立非執行董事有關其於本年度內的獨立性的書面確認。董事會認為，參照上市規則所列因素，全體獨立非執行董事於本年度內均被視為獨立人士。

於本年度，本公司主席及行政總裁的角色已作區分，職責分工清晰。朱勇軍先生為董事會主席，其主要角色是為董事會提供領導，確保董事會在履行職務時有效運作。

秦妹蘭女士則為行政總裁，其主要角色是負責本集團(包括環保業務)的策略規劃及業務營運監督工作。

留待董事會考慮的其他事宜包括股息政策、批准重大投資、維持充足的內部監控制度及檢討本集團的企業管治常規。日常營運及行政職能乃轉授予管理團隊。



Procedure for Seeking Independent Professional Advice by Directors

The Company has agreed to provide separate independent professional advice and sufficient resources to Directors and all Board Committees to assist them to discharge their duties. The Company will consider to develop a written procedure to enable Directors, and members of all Board Committees upon reasonable request, to seek and be provided with independent professional advice in appropriate circumstances, at the Company's expense.

The Company has subscribed an insurance policy with an aim to indemnify its Directors from any losses, damages, liabilities and expenses arising from, including but not limited to, any proceedings brought against them during the performance of their duties pursuant to their respective services agreements entered into with the Company.

Board Meetings

The Board is scheduled to meet regularly at least four times a year at approximately quarterly intervals, to discuss the overall strategy as well as the operational and financial performance of the Company. Other Board meetings have been held during the Year for approving the acquisitions of business, grant of share options, subscription and issue of shares and change of Directors of the Company, etc. Such Board meetings involve the active participation, either in person or through other electronic means of communication, of a majority of Directors. The Directors make every effort to contribute to the formulation of policy, decision-making and the development of the Group's business.

During the Year, a total of 12 Board meetings were held. Various meetings of the remuneration committee, nomination committee and audit committee have also been held. The Chairman has met with independent non-executive Directors without the presence of the executive directors.

董事尋求獨立專業意見的程序

本公司同意向董事及所有董事委員會另行提供獨立專業意見及足夠資源，以協助彼等履行其職責。本公司將考慮制定書面程序，讓董事及所有董事委員會的成員提出合理要求，在適當情況下尋求及獲取獨立專業意見，費用由本公司承擔。

本公司已購買保險，以就(包括但不限於)董事因根據彼等各自與本公司訂立的服務協議履行職責而面臨的法律程序所產生的損失、損害、負債及開支向董事作出彌償。

董事會會議

董事會約定每年舉行最少四次定期會議，大約每季一次，以討論本公司的整體策略以及營運及財務表現。本年度亦曾舉行其他董事會會議，以批准業務收購、授出購股權、認購及發行股份以及更換本公司董事等事宜。大部分董事透過親身出席或其他電子通訊方式積極參與有關董事會會議。董事為制定政策、作出決定及發展本集團業務作出貢獻，不遺餘力。

於本年度，董事會曾舉行合共12次會議。本公司亦曾舉行多次薪酬委員會、提名委員會及審核委員會會議。主席已經與獨立非執行董事舉行並無執行董事出席的會議。



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Directors' Attendance at the Board/Board Committee/General Meetings

Below are details of all Directors' attendance at the board and board committee meetings, and general meetings held during the Year:

董事於董事會會議／董事委員會會議／股東大會上的出席率

於本年度舉行的董事會會議、董事委員會會議及股東大會的全體董事出席率如下：

Name of Director 董事姓名	Board Meeting 董事會會議	Number of Meetings Attended/Held 出席／舉行會議次數			Annual General Meeting 股東週年大會
		Audit Committee Meeting 審核委員會會議	Nomination Committee Meeting 提名委員會會議	Remuneration Committee Meeting 薪酬委員會會議	
<i>Executive Directors:</i> 執行董事：					
Mr. Zhu Yongjun 朱勇軍先生	12/12	N/A 不適用	2/2	N/A 不適用	1/1
Ms. Qin Shulan 秦姝蘭女士	10/12	N/A 不適用	N/A 不適用	N/A 不適用	0/1
Mr. Cai Jianwen 蔡建文先生	11/12	N/A 不適用	N/A 不適用	1/1	1/1
Mr. Lee Tsi Fun Nicholas (note 1) 李錫勳先生(附註1)	0/12	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
<i>Non-executive Directors:</i> 非執行董事：					
Dr. Zhang Lihui 張立輝博士	10/12	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Mr. Chu Kingston Chun Ho (note 2) 朱俊浩先生(附註2)	3/12	N/A 不適用	N/A 不適用	N/A 不適用	0/1
<i>Independent Non-executive Directors:</i> 獨立非執行董事：					
Mr. Lo Chun Chiu, Adrian 羅俊超先生	12/12	4/4	2/2	1/1	1/1
Dr. Tong Ka Lok 唐嘉樂博士	11/12	4/4	2/2	1/1	0/1
Mr. Choy Wai Shek, Raymond, MH, JP 蔡偉石先生，榮譽勳章， 太平紳士	11/12	4/4	2/2	1/1	1/1

Notes:

- Mr. Lee Tsi Fun Nicholas was appointed on 31 August 2018.
- Mr. Chu Kingston Chun Ho resigned on 1 December 2017.

附註：

- 李錫勳先生於2018年8月31日獲委任。
- 朱俊浩先生於2017年12月1日辭任。

Appropriate notices are given to all Directors in advance for attending regular and other board or board committee meetings. Meeting agendas and other relevant information are provided to the Directors in advance of board or board committee meetings. All Directors are consulted to include additional matters in the agenda for such meetings.

全體董事已於出席定期及其他董事會或董事委員會會議前獲發適當事先通知。會議議程及其他相關資料已於董事會或董事委員會會議前送交董事。全體董事已獲諮詢，以提出額外事項列入有關會議議程。

Directors have access to the advice and services of the Company Secretary with a view to ensuring that board procedures, and all applicable rules and regulations, are followed.

董事均可取得公司秘書的意見及享用其服務，以確保董事會程序以及所有適用規則及規例獲得遵守。



Both draft and final versions of the minutes will be sent to all Directors for their comment and records. Minutes of board and board committee meetings are kept by the Company Secretary and such minutes are open for inspection at any reasonable time on reasonable prior notice by any Director.

All directors are also entitled to have access to board papers and related materials. These papers and related materials are in a form and quality sufficient to enable the board to make informed decisions on matters placed before it. Queries raised by directors shall receive a prompt and full response by the management.

Appointment, Re-election and Removal

The aforesaid service contracts may be terminated by not less than three month's notice in writing served by either party on the other.

In accordance with the articles of association of the Company, at each annual general meeting of the Company, one-third of the Directors for the time being shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement at an annual general meeting of the Company, at least once every three years. Such retiring Directors shall be eligible for re-election at the annual general meeting.

The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an additional Director but so that the number of Directors so appointed shall not exceed the maximum number determined from time to time by the shareholders of the Company in general meeting. Any Director appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of the Company after his appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

Confirmation of Independence

Each of the independent non-executive Directors has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that all independent non-executive Directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines during the Year.

會議記錄的初稿及最終定稿將發送至全體董事，供董事表達意見及記錄之用。董事會及董事委員會會議記錄由公司秘書備存，倘有任何董事發出合理事先通知，則會公開有關會議記錄供其在任何合理的時段查閱。

所有董事亦有權索閱董事會文件及相關材料，而有關文件及材料的形式及質量足以讓董事會就向其提呈的事宜作出知情決定。管理層將適時全面回應由董事提出的查詢。

委任、重選及罷免

上述服務合約可由任何一方向另一方送達不少於三個月的書面通知終止。

根據本公司的組織章程細則，於每屆本公司股東週年大會上，當時為數三分之一的董事須輪流退任，惟每一名董事（包括有指定任期者）須最少每三年於本公司股東週年大會上退任一次。退任董事合資格於股東週年大會上接受重選。

董事會有權不時及隨時委任任何人士為董事，以填補臨時空缺或出任新增董事，但據此獲委任的董事人數不得超過本公司股東不時在股東大會上確定的上限。任何獲董事會委任以填補臨時空缺的董事任期僅直至其獲委任後的本公司首個股東大會為止，而彼等屆時將在該大會上接受重選。任何獲董事會委任出任新增董事的董事任期僅直至舉行本公司下屆股東週年大會為止，而彼等屆時將合資格接受重選。

獨立性確認

各獨立非執行董事已根據上市規則第3.13條作出年度獨立性確認。本公司認為，於本年度，全體獨立非執行董事均符合上市規則第3.13條所載的獨立性指引，且按照指引條款均屬獨立人士。



Code of Conduct for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) contained in Appendix 10 to the Listing Rules as its own code of conduct for dealing in securities of the Company by the Directors.

Specific enquiries have been made with all Directors, and all Directors confirmed in writing that they have complied with the required standard set out in the Model Code regarding their securities transactions for the Year.

Induction and Continuous Professional Trainings of Directors

Each of the appointed Directors, has received formal, comprehensive and tailored induction and continuous professional training to ensure appropriate understanding of the business and operations of the Company and full awareness of director’s responsibilities and obligations under the requirements of the Listing Rules and relevant statutory obligations.

The Directors have also been informed of the requirement under Code Provision A.6.5 of the CG Code regarding continuous professional development.

During the Year, there was one in-house training conducted covering the topics of connected transactions, directors’ duties and responsibilities, corporate governance practices, independence of independent non-executive directors, disclosure requirements under the Listing Rules and SFO.

董事進行證券交易的行為守則

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」)，作為其本身董事進行本公司證券交易的行為守則。

本公司已向全體董事進行具體查詢，而全體董事已以書面確認，彼等於本年度已就其證券交易遵守標準守則所載的規定準則。

董事入職及持續專業培訓

各獲委任董事均已接受正式、全面而適切的入職介紹及持續專業培訓，以確保其對本公司的業務及營運有適當認識，並全面了解上市規則規定及相關法定責任下的董事責任與義務。

董事亦已獲悉企管守則的守則條文A.6.5有關持續專業發展的規定。

於本年度，本公司曾進行一次內部培訓，內容涵蓋關連交易、董事職務及職責、企業管治常規、獨立非執行董事的獨立性以及上市規則及證券及期貨條例的披露規定。



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All Directors have attended the continuous professional development training and below are details of all Directors' attendance on training during the Year and up to the date of this report.

於本年度及截至本報告日期，全體董事已出席持續專業發展培訓，下文載列全體董事的出席詳情。

Attendance/Numbers of in-house seminars 出席／舉行內部座談會次數

<i>Executive Directors:</i>		
Mr. Zhu Yongjun	執行董事： 朱勇軍先生	1
Ms. Qin Shulan	秦姝蘭女士	1
Mr. Cai Jianwen	蔡建文先生	1
Mr. Lee Tsi Fun Nicholas (appointed on 31 August 2018)	李錫勳先生 (於2018年8月31日獲委任)	0
<i>Non-executive Directors:</i>		
Dr. Zhang Lihui	非執行董事： 張立輝博士	1
Mr. Chu Kingston Chun Ho (resigned on 1 December 2017)	朱俊浩先生 (於2017年12月1日辭任)	0
<i>Independent Non-executive Directors:</i>		
Mr. Lo Chun Chiu, Adrian	獨立非執行董事： 羅俊超先生	1
Dr. Tong Ka Lok	唐嘉樂博士	1
Mr. Choy Wai Shek, Raymond, MH, JP	蔡偉石先生，榮譽勳章，太平紳士	1

Board Committees

Audit Committee

The audit committee of the Company was established in compliance with Rules 3.21 and 3.22 of the Listing Rules and with its written terms of reference. The latest terms of reference of the audit committee are available on the websites of the Company and the Stock Exchange.

The responsibility of the audit committee is to assist the Board in fulfilling its audit duties through the review and supervision of the Company's financial reporting, risk management and internal control principles and procedures, and to provide advice and comments to the Board. The members meet regularly with the external auditor and/or the Company's senior management for the review, supervision and discussion of the Company's financial reporting, risk management and internal control procedures and ensure that the management has discharged its duties to have an effective risk management and internal control systems.

董事委員會

審核委員會

本公司的審核委員會乃遵照上市規則第3.21及3.22條成立，並具備書面職權範圍。最新的審核委員會書面職權範圍可於本公司及聯交所網站查閱。

審核委員會的責任乃協助董事會審閱及監督本公司的財務申報、風險管理及內部監控原則及程序，履行其審核職務，以及向董事會提供意見及評價。成員定期與外部核數師及／或本公司的高級管理人員會面，以審閱、監督及討論本公司的財務申報、風險管理及內部監控程序，以及確保管理層已履行設立有效風險管理及內部監控制度的職務。



The composition of the audit committee throughout the Year is as follows:

Dr. Tong Ka Lok (*Chairman*)
Mr. Lo Chun Chiu, Adrian
Mr. Choy Wai Shek, Raymond, *MH, JP*

None of the members of the audit committee is a former partner of the Company's existing auditing firm. Dr. Tong Ka Lok, who has appropriate professional qualifications and experience in accounting matters, was appointed as the chairman of the audit committee.

During the Year, the audit committee held 4 meetings. Details of the attendance of the members of the audit committee in the said meeting are set out under the sub-heading "Directors' Attendance at Board/Board Committee/General Meetings" above.

The summary of work of the audit committee during the Year is as follows:

- met with the external auditors, reviewed and made recommendations for the Board's approval on the annual and interim reports of the Company;
- reviewed and examined the calculations of the discounted future estimated cash flows in respect of the disclosure transactions for acquisitions and capital injection;
- reviewed and approved audit fee;
- reviewed the resignation of Wellink CPA Limited and considered any questions of resignation;
- recommended the appointment of Ernst & Young as auditor, and approval the remuneration and terms of engagement;
- reviewed the effectiveness of the Company's risk management and internal control systems including the internal audit function; and
- reviewed the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programmes and budget.

於本年度，審核委員會成員組合如下：

唐嘉樂博士(主席)
羅俊超先生
蔡偉石先生，榮譽勳章，太平紳士

審核委員會成員均非本公司現時核數公司的前任合夥人。唐嘉樂博士具備合適專業資格及會計事務經驗，已獲委任為審核委員會主席。

於本年度，審核委員會曾舉行4次會議。審核委員會成員於上述會議上的出席率詳情載於上文「董事於董事會會議／董事委員會會議／股東大會上的出席率」分節。

審核委員會於本年度的工作概要如下：

- 會見外部核數師、審閱本公司年報及中期報告並建議董事會批准；
- 檢討及審查與收購及注資交易披露有關的貼現未來估計現金流量的計算方法；
- 檢討及批准核數費用；
- 審視匯聯會計師事務所有限公司的辭任，並考慮任何與辭任有關的問題；
- 建議委聘安永會計師事務所為核數師，並批准委聘薪酬及條款；
- 檢討本公司風險管理及內部監控制度(包括內部審核職能)的成效；及
- 檢討本公司會計及財務申報職能員工資源、資歷及經驗以及彼等的培訓計劃及預算是否足夠。



Remuneration Committee

The Board established the remuneration committee on 26 August 2014 with written terms of reference in compliance with the relevant CG Code. The latest written terms of reference of the remuneration committee are available on the websites of the Company and the Stock Exchange.

The remuneration committee is responsible for, inter alia, formulating and making recommendations to the Board on the Company's emolument policy and on the establishment of a formal and transparent procedure for developing such policy. The Board expects the remuneration committee to exercise independent judgment and ensures that executive Directors do not participate in the determination of their own remuneration.

The composition of the remuneration committee throughout the Year is as follows:

Mr. Choy Wai Shek, Raymond, *MH, JP (Chairman)*
Dr. Tong Ka Lok
Mr. Lo Chun Chiu, Adrian
Mr. Cai Jianwen

During the Year, the remuneration committee held 1 meetings. Details of the attendance of the members of the remuneration committee in the said meeting are set out under the sub-heading "Directors' Attendance at Board/Board Committee/General Meetings" above.

The summary of work of the remuneration committee during the Year is as follows:

- reviewed and recommended to the Board on the Group's remuneration policy and strategy;
- reviewed and recommended to the Board on the remuneration packages of the executive Directors, non-executive Directors, independent non-executive Directors and senior management during the Year; and
- assessed performance of executive directors and approving the terms of executive directors' service contract.

薪酬委員會

董事會於2014年8月26日成立薪酬委員會，並具備符合相關企管守則的書面職權範圍。最新的薪酬委員會書面職權範圍可於本公司及聯交所網站查閱。

薪酬委員會的責任乃(其中包括)就本公司的酬金政策及為制定有關政策設立正規和具透明度的程序達致並向董事會提出建議。董事會預期，薪酬委員會將行使獨立判斷，確保執行董事不得參與釐定自己的薪酬。

於本年度，薪酬委員會成員組合如下：

蔡偉石先生，榮譽勳章，太平紳士(主席)
唐嘉樂博士
羅俊超先生
蔡建文先生

於本年度，薪酬委員會曾舉行1次會議。薪酬委員會成員於上述會議上的出席率詳情載於上文「董事於董事會會議／董事委員會會議／股東大會上的出席率」分節。

薪酬委員會於本年度的工作概要如下：

- 檢討本集團的薪酬政策及策略，並就此向董事會提出建議；
- 檢討執行董事、非執行董事、獨立非執行董事及高級管理人員於本年度的薪酬待遇，並向董事會提出建議；及
- 評核執行董事的表現及審批執行董事服務合約的條款。



Nomination Committee

The Board established the nomination committee on 26 August 2014 with written terms of reference in compliance with the relevant CG Code. The latest written terms of reference of the nomination committee are available on the websites of the Company and the Stock Exchange.

The primary duties of the nomination committee include reviewing the structure, size and composition of the Board, identifying individuals suitably qualified to become Directors, assessing the independence of independent non-executive Directors and making recommendations to the Board on appointment and re-appointment of Directors.

The composition of the nomination committee throughout the Year is as follows:

Mr. Lo Chun Chiu, Adrian (*Chairman*)
Mr. Choy Wai Shek, Raymond, *MH, JP*
Dr. Tong Ka Lok
Mr. Zhu Yongjun

During the Year, the nomination committee held 2 meetings. Details of the attendance of the members of the nomination committee in the said meeting are set out under the sub-heading "Directors' Attendance at Board/Board Committee/General Meetings" above.

The summary of work of the nomination committee during the Year is as follows:

- reviewed the existing Board's structure, size and composition;
- reviewed and made recommendation on the appointment on non-executive Directors;
- reviewed and assessed the independence of the independent non-executive Directors; and
- made recommendation on the retiring Directors at the 2017 AGM of the Company.

提名委員會

董事會於2014年8月26日成立提名委員會，並具備符合相關企管守則的書面職權範圍。最新的提名委員會書面職權範圍可於本公司及聯交所網站查閱。

提名委員會的主要責任包括檢討董事會的架構、人數及成員組合、物色具備合適資格可擔任董事的人士、評核獨立非執行董事的獨立性以及就委任及重新委任董事向董事會提出建議。

於本年度，提名委員會成員組合如下：

羅俊超先生(主席)
蔡偉石先生，榮譽勳章，太平紳士
唐嘉樂博士
朱勇軍先生

於本年度，提名委員會曾舉行2次會議。提名委員會成員於上述會議上的出席率詳情載於上文「董事於董事會會議／董事委員會會議／股東大會上的出席率」分節。

提名委員會於本年度的工作概要如下：

- 檢討現時董事會的架構、人數及成員組合；
- 檢討非執行董事的任命，並就此提出建議；
- 檢討及評估獨立非執行董事的獨立性；及
- 就於本公司2017年股東週年大會上退任的董事提出建議。



Board diversity policy

The Company recognises the benefits of having diversity in the composition of the Board and adopted its own board diversity policy on 26 August 2014.

The Company noted that people from different backgrounds and with different professional and life experience are likely to approach problems in different ways and accordingly, members of the Board with diverse backgrounds will bring different concerns and questions to the table, and allow the Board to consider a wider range of options and solutions when deciding on corporate issues and formulating policies for the Group. In determining the Board's composition and selection of candidates to the Board, factors including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, industry knowledge and length of service will be considered. All Board appointments will be based on meritocracy, and candidates will be considered against the selection criteria, having regard for the benefits of diversity on the Board, the business model and specific needs of the Group. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

The nomination committee has monitored the implementation of the board diversity policy since its adoption, and also reviewed it to ensure its effectiveness and concluded that no revision to the policy is required at the last nomination committee meeting held.

Corporate Governance Function

During the Year, the Board has reviewed the corporate governance practices of the Company with reference to Appendix 14 to the Listing Rules. The summary of their work during the Year is as follows:

- developed and reviewed the Company's policies and practices on corporate governance and make recommendations;
- reviewed and monitored the training and continuous professional development of Directors and senior management of the Group;
- reviewed and monitored the Company's policies and practices on compliance with legal and regulatory requirements;

董事會成員多元化政策

本公司肯定董事會成員多元化的裨益，並於2014年8月26日採納本身的董事會成員多元化政策。

本公司明白，具有不同背景及不同專業及人生經驗的人士，對問題或有不同處理方法，故董事會成員背景多元化將可引入不同觀點及考量，讓董事會於決定本集團的企業事宜和制訂政策時參考更多選擇及解決方案。於釐定董事會成員組合和甄選董事人選時，所考慮的因素包括(但不限於)性別、年齡、文化及教育背景、種族、專業經驗、技能、行業知識及服務年資。所有董事會任命均量才而用，按照甄選標準考慮人選，並計及為董事會成員多元化帶來的貢獻以及本集團的業務模式及具體需要。最終決定將按甄選對象的才幹及將為董事會帶來的貢獻而作出。

自採納董事會成員多元化政策以來，提名委員會一直監督其施行，並檢討政策，以確保其效用，並於最近舉行的提名委員會會議上決定，毋須對政策作出任何修訂。

企業管治職能

於本年度，董事會已參照上市規則附錄十四檢討本公司的企業管治常規。董事會於本年度的工作概要如下：

- 制訂及檢討本公司的企業管治政策及常規，並提出建議；
- 檢討及監察董事及本集團高級管理人員的培訓及持續專業發展；
- 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；



- developed, reviewed and monitored the code of conduct and compliance manual applicable to employees of the Group and the Directors; and
- reviewed the Company's compliance with CG Code and disclosure in the corporate governance report.
- 制訂、檢討及監察適用於本集團僱員及董事的操守準則及合規手冊；及
- 檢討本公司遵守企管守則的情況及在企業管治報告內的披露。

Remuneration of Directors and Senior Management

Emolument Policy

The remuneration policy of the Group is to ensure the fairness and competitiveness of total remuneration. The emoluments of executive Directors are determined based on the skills, knowledge, individual performance as well as contributions, the scope of responsibility and accountability of such Directors, taking into consideration the Company's performance and prevailing market conditions. The remuneration policy of non-executive Director and independent non-executive Directors is to ensure that they are adequately compensated for their efforts and time dedicated to the Company's affairs including their participation in respective Board committees. Their emoluments are determined with reference to their skills, experience, knowledge, duties and market trends.

Accountability and Audit Financial Reporting

The Board acknowledges its responsibility for the preparation of the Financial Statements for the Year which give a true and fair view of the state of affairs of the Group in accordance with the statutory requirements and accounting standards and other financial disclosure requirement under the Listing Rules. The interim financial results of the Group are announced in a timely manner in accordance with statutory and/or regulatory requirements.

The Company was not able to timely comply with the financial reporting provisions under the Listing Rules in (i) announcing the annual results for the financial year ended 31 March 2018; and (ii) publishing the annual report for the year ended 31 March 2018. Such delay has constituted non-compliance with Rules 13.46(2)(a) and 13.49 of the Listing Rules.

The Company failed to hold its annual general meeting for the year ended 31 March 2018 within the times stipulated under the Listing Rules and the articles of association of the Company (the "Articles").

董事及高級管理人員薪酬

酬金政策

本集團的薪酬政策旨在確保整體薪酬公平及具競爭力。執行董事酬金乃於考慮本公司的表現及當時市況後，根據有關董事的技能、知識、個人表現及貢獻、責任及問責範圍釐定。非執行董事及獨立非執行董事的薪酬政策旨在確保彼等就本公司事務貢獻的努力及時間(包括加入各董事委員會)獲得足夠補償。酬金乃參照彼等的技能、經驗、知識及職責以及市場趨勢釐定。

問責及核數

財務申報

董事會確認其對於根據法定要求、會計準則及上市規則下的其他財務披露規定編製本年度的財務報表，以真實而公平地呈列本集團事務狀況的責任。本集團的中期財務業績已按照法定及／或監管規定適時公佈。

本公司未能就以下事項適時遵守上市規則項下的財務申報條文：(i)公佈截至2018年3月31日止財政年度的全年業績；及(ii)登載截至2018年3月31日止年度的年報。有關延遲已構成上市規則第13.46(2)(a)及13.49條的不合規情況。

本公司未能於上市規則及本公司的組織章程細則(「細則」)規定的時限內舉行其截至2018年3月31日止年度的股東週年大會。



CORPORATE GOVERNANCE REPORT 企業管治報告

The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The statement by auditor about their reporting responsibilities is set out in the independent auditor's report on pages 164 and 331.

External Auditor's Remuneration

During the Year, the Group engaged Ernst & Young as external auditor of the Company. The fee in respect of audit services and non-audit services provided by Ernst & Young for the Year were as follows:

Nature of services 服務性質	Amount 金額 HK\$'000 千港元
Audit services in relation to annual results	3,100
Review of interim results	—
Non-audit services	—

The audit committee has expressed its views to the Board that the level of fees paid/payable to the Company to the Company's external auditor for annual audit services is reasonable. There has been no major disagreement between the auditor and the management of the Company during the Year.

Risk Management and Internal Control Systems

The Board has overall responsibility for the effective risk management and internal control systems of the Group and committed to the maintenance of good corporate governance, practices and procedures of the Group. The Board also admitted the effectiveness of the existing risk management and internal control systems during the Year. However, such systems are designed to manage rather than eliminate risk of failure to achieve business objective, and can only provide reasonable and not absolute assurance against material misstatement or loss. Nevertheless, the management is authorized to engage an external professional service provider to conduct review on the Group's policies and make recommendations for the improvement and strengthening of the risk management and internal control systems during the Year.

董事並不知悉任何有關事件或情況的重大不確定因素，可能對本公司持續經營的能力構成重大疑問。

核數師有關其申報責任的聲明，已載於第164及331頁的獨立核數師報告內。

外部核數師薪酬

於本年度，本集團委聘安永會計師事務所為本公司外部核數師。安永會計師事務所於本年度提供審核服務及非審核服務的費用如下：

審核委員會向董事會表示，其認為本公司就年度核數服務已付／應付外部核數師的費用水平屬合理。於本年度，核數師與本公司管理層之間並無重大意見分歧。

風險管理及內部監控制度

董事會對本集團的風險管理及內部監控制度的效能承擔整體責任，並致力為本集團維護良好的企業管治、常規及程序。董事會亦確認，本年度的現有風險管理及內部監控制度行之有效。然而，有關制度旨在管理而非消除未能達致業務目標的風險，且只能針對重大失實陳述或損失提供合理而非絕對的保證。儘管如此，管理層已於本年度獲授權委聘外部專業服務供應商檢討本集團的政策，並就改善及加強風險管理及內部監控制度提出建議。



Effectiveness

The Board has overall responsibility for evaluating, determining, establishing and maintaining an effective risk management and internal control systems of the Group and for reviewing its effectiveness to safeguard the Company's assets and the shareholders' interests. During the Year, the Board and the audit committee of the Company have conducted a review on the effectiveness of Group's risk management and internal control systems.

The Board has overseen the management in the design, implementation and monitoring of the risk management and internal control systems, and has reviewed the effectiveness on the Group's certain policies during the Year.

The Board identified and evaluated the risks and analysed the core risks within the Group to mitigate related risks arising from the existing operations after evaluating its risk management and internal controls systems.

The key risk management and internal control procedures of the Company are as follows:

1. determine the scope, identify the risks and compile a list of such risks;
2. evaluate and prioritise the risks based on the possible financial loss and impact on operating efficiency, sustainability and reputation;
3. identify the risk control measures against major risks, conduct internal control assessments of the design and implementation of such measures, and formulate measures to improve any defect;
4. review and evaluate the risk management and internal control systems on an ongoing basis and ensure the constant improvement of the risk management system; and
5. report the findings to the audit committee and the board of directors.

Based on the review report from external professional consultant, the Board confirmed that the Group's risk management and internal controls systems were acceptable and there was no material non-compliance or failures issues located but various areas for

效能

董事會對於為本集團評估、釐定、建立及維持有效的風險管理及內部監控制度，以及檢討其效能以保障本公司資產及股東利益承擔整體責任。於本年度，董事會及本公司的審核委員會已檢討本集團風險管理及內部監控制度的效能。

董事會於本年度監督管理層設計、實施及監察風險管理及內部監控制度的工作，並檢討本集團若干政策的成效。

董事會透過評估其風險管理及內部監控制度，辨識並評估風險，分析本集團源自現有業務營運的核心風險，從而規避有關風險。

本公司的關鍵風險管理及內部監控程序如下：

1. 釐定風險範圍、辨識風險及編撰風險清單；
2. 按照可能財務損失及對營運效率、可持續性及聲譽的影響，評估並排列風險；
3. 辨識針對主要風險的風險監控措施，對該等措施的設計及實施進行內部監控評估，並制定措施糾正任何缺陷；
4. 持續檢討及評估風險管理及內部監控制度，確保風險管理制度不斷改進；及
5. 向審核委員會及董事會匯報發現。

依照外部專業顧問的檢討報告，董事會確認，本集團本年度的風險管理及內部監控制度可以接受，並無發現重大違規或失效率事宜，惟存在若干改善空間。本集團已經並將



improvement have been identified during the Year. Certain remedial measures have been and will be taken to strengthen the risk management and internal control systems of the Group.

The Group reviewed the effectiveness of its risk management and internal control systems at least annually. The Board and the audit committee also considered that the key areas of the Group's risk management and internal control systems, including the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting are reasonably conducted and implemented.

Inside Information

The Group has adopted and implemented its own disclosure policy aiming to provide a general guide to the directors and senior management of the Company in handling of confidential information and/or monitoring of information disclosure pursuant to applicable laws and regulations in compliance with the Securities and Futures Ordinance (the "SFO").

The disclosure policy provides the procedures and internal controls for the handling and dissemination of inside information by publication of the announcement to the websites of the Stock Exchange and the Company on a timely basis to enable the public, namely shareholders, institutional investors, potential investors and other stakeholders of the Company to access the latest information of the Group, unless such information fall within the safe harbours under the SFO.

Briefing and training on the implementation of the disclosure policy have been provided to Directors and senior management of the Group.

Delegation by the Board

While at all times the Board retains full responsibility for guiding and monitoring the Company in discharging its duties, certain responsibilities are delegated to various board committees which have been established by the Board to deal with different aspects of the Company's affairs. Unless otherwise specified in their respective written terms of reference as approved by the Board, these board committees are governed by the Company's articles of association as well as the Board's policies and practices (in so far as the same are not in conflict with the provisions contained in the articles of association).

會採取若干糾正措施，以加強其風險管理及內部監控制度。

本集團最少每年檢討其風險管理及內部監控制度的效能。董事會及審核委員會亦認為，本集團風險管理及內部監控制度的主要範疇(包括本公司會計職能的資源、員工資格及經驗、培訓計劃以及預算是否足夠)均已合理施行及執行。

內幕消息

本集團已採納並實施自身的披露政策，旨在遵照證券及期貨條例，根據適用法律及法規為本公司董事及高級管理人員處理機密資料及／或監察資料披露提供一般指引。

該項披露政策為透過於聯交所及本公司網站登載公佈，及時處理和發佈內幕消息提供程序及內部監控，讓公眾(如本公司股東、機構投資者、潛在投資者及其他持份者)獲得有關本集團的最新資料，除非有關資料屬證券及期貨條例下的安全港範圍內，則屬例外。

董事及本集團高級管理人員已獲提供有關執行披露政策的簡介及培訓。

董事會權力的轉授

於履行其職責時，董事會一直保留督導及監察本公司的全責，而若干責任則轉授予多個董事委員會。該等董事委員會均由董事會成立，以處理本公司不同範疇的事務。除非經董事會批准的相應職權範圍另有規定，否則該等董事委員會受本公司的組織章程細則以及董事會的政策及常規(前提為並無與組織章程細則所載規定相抵觸)規管。



With the establishment of the audit committee, remuneration committee and nomination committee, the independent non-executive Directors will be able to effectively devote their time to perform the duties required by the respective board committees.

The Board has also delegated the responsibility of implementing its strategies and the day-to-day operation to the management of the Company under the leadership of the chief executive officer and executive Directors. Clear guidance has been made as to the matters that should be reserved to the Board for its decision which include matters on, inter alia, capital, finance and financial reporting, internal controls, communication with shareholders, Board membership, delegation of authority and corporate governance.

Company Secretary

During the Year, Mr. Lee Tsi Fun Nicholas undertook over 15 hours' professional training to update his skill and knowledge in compliance with the CG Code.

Changes in Constitutional Documents

During the Year, there has been no changes in the constitutional documents of the Company.

Shareholders' Rights

The Way by Which Shareholders Can Convene Extraordinary General Meeting ("EGM")/Put Forward Proposal

According to Article 64 of the Articles of Association of the Company, extraordinary general meetings shall also be convened on the requisition of one or more shareholders of the Company holding, at the date of deposit of the requisition, not less than one-tenth of the paid up capital of the Company having the right of voting at general meetings. Such requisition shall be made in writing to the Board or the company secretary for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within 2 months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

透過成立審核委員會、薪酬委員會及提名委員會，獨立非執行董事將可有效地投放時間於履行各董事委員會所規定的職責。

董事會亦將實施其策略及日常營運的責任轉授予在行政總裁及執行董事帶領下的本公司管理層，並已給予清晰的指引，特別是在保留予董事會決定的事宜，其中包括資本、融資、財務申報、內部監控、與股東的溝通、董事會成員、權力的轉授以及企業管治。

公司秘書

於本年度，李錫勳先生已根據企管守則參與逾15小時的專業培訓，以更新其技能及知識。

修改憲章文件

於本年度，本公司的憲章文件概無作出任何修改。

股東權利

股東召開股東特別大會／提出議案的途徑

根據本公司組織章程細則第64條，任何於提請要求當日持有不少於本公司繳足股本（賦有權利在本公司股東大會投票）十分之一的一名或多名股東，可向本公司董事會或公司秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求所指明的事項。該會議須於提請該要求後兩個月內舉行。倘提請後21日內董事會未有召開有關大會，則提請要求的人士可自行按相同方式召開，且本公司須償還提請要求的人士因董事會未有召開大會而引致的所有合理開支。



Article 113 of the Articles of Association provides that no person, other than a retiring Director shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been lodged at the head office or at the registration office. The period for lodgment of the notices required under this Article will commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than 7 days prior to the date of such general meeting and the minimum length of the period during which such notices to the Company may be given will be at least 7 days.

Accordingly, if a shareholder of the Company wishes to propose a person other than a retiring Director for election as a Director at the Company's general meeting, he/she should attend the following:

- Prepare a notice in writing of his/her intention to propose a person for election as a Director.
- The person proposed for election as a Director shall also prepare a notice in writing of his/her willingness to be elected.
- Such notices shall be lodged at the head office of the Company at Office B, 3/F, Kingston International Centre, 19 Wang Chiu Road, Kowloon Bay, Hong Kong or at the address of Tricor Investor Services Limited, the Hong Kong branch share registrar and transfer office of the Company at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- The period for lodgment of such notices will commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than 7 days prior to the date of such general meeting and the minimum length of the period during which such notices to the Company may be given will be at least 7 days.

The relevant procedures are set out in the circular to the shareholders which is sent together with this annual report and the Company's website at <http://www.primeworld-china.com>.

組織章程細則第113條規定，除會上退任董事外，概無任何人士有資格於任何股東大會上參選董事，除非獲董事推薦參選，且已發出書面通知表明建議提名相關人士參選董事，亦附上獲提名人士簽署的通知表明願意參選，並交予總辦事處或過戶登記處。發出本細則所規定通知之限期，為寄發有關推選董事之股東大會通告翌日起至不遲於該股東大會舉行日期前7日，惟可向公司發出通知的期限不得少於7天。

因此，倘本公司股東有意提名退任董事以外任何人士於本公司的股東大會上參選董事，彼應：

- 編製表明建議提名任何人士參選董事的書面通知。
- 獲提名參選董事的人士亦應編製表明願意參選的書面通知。
- 有關通知應送交本公司總辦事處（地址為香港九龍灣宏照道19號金利豐國際中心3樓B室）或本公司香港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）。
- 發出有關通知的限期，為不早於寄發有關推選董事的股東大會通告翌日起至不遲於該股東大會舉行日期前7日，惟可向本公司發出有關通知的期限不得少於7天。

相關程序已載於連同本年報寄發予股東的通函以及本公司網站 (<http://www.primeworld-china.com>)。



The Procedures for Sending Enquiries to the Board

Shareholders may send their enquiries and concerns in writing to the Board by addressing them to the Company at our head office in Hong Kong at Office B, 3/F, Kingston International Centre, 19 Wang Chiu Road, Kowloon Bay, Hong Kong or by email through the Company's website at <http://www.primeworld-china.com>.

Communication with Shareholders and Investors

The Company endeavors to maintain effective communications with the shareholders and potential investors of the Company.

Save as mentioned under the sub-heading "The Procedures for Sending Enquiries to the Board" above, in order to provide more relevant information to our shareholders, the Company has published all corporate information about the Group on its website at <http://www.primeworld-china.com>. It is a channel of the Company to communicate with the shareholders and potential investors with our latest corporate development. All our corporate communications, such as statutory announcement, circular, financial reports are available on the website for easy access by the shareholders and potential investors. In addition, the Company meets its shareholders at the annual general meeting so as to promote the development of the Company through mutual and efficient communications.

The forthcoming AGM of the Company is scheduled to be held on 28 March 2019. At the AGM, the chairman of the Board as well as chairmen of the nomination committee, remuneration committee and audit committee or, in their absence, other members of the respective committees shall attend to answer questions from shareholders at the annual general meeting. The representatives of the external auditor shall also present and available to answer questions at the meeting.

The notice of AGM and the necessary information on issues to be considered in the AGM will be set out in the circular to be dispatched to the shareholders of the Company in due course.

Hong Kong, 14 February 2019

向董事會提出查詢的程序

股東可以書面向董事會提出查詢及疑問，方式為向本公司總辦事處香港九龍灣宏照道19號金利豐國際中心3樓B室或以電郵方式透過本公司網站(<http://www.primeworld-china.com>)發出，收件人請註明為本公司。

與股東及投資者溝通

本公司致力與本公司股東及潛在投資者維持有效溝通。

除上文「向董事會提出查詢的程序」分節所述者外，為了向股東提供更多相關資料，本公司已於其網站(<http://www.primeworld-china.com>)登載有關本集團的所有公司資料。本公司利用此渠道提供最新公司發展，與股東及潛在投資者溝通。本公司所有公司通訊(如法定公佈、通函、財務報告)均登載於網站，方便股東及潛在投資者瀏覽。此外，本公司亦於股東週年大會上與股東會面，藉此透過相互有效溝通促進本公司發展。

本公司應屆股東週年大會將於2019年3月28日舉行。於股東週年大會上，董事會主席以及提名委員會、薪酬委員會及審核委員會各自的主席(如彼等未克出席，則為相關委員會其他成員)將出席股東週年大會，以回應股東提問。外部核數師的代表亦會出席大會及回應提問。

股東週年大會通告及有關於股東週年大會上考慮的事宜的必要資料載於將於適當時候寄發予本公司股東的通函內。

香港，2019年2月14日



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

I. Preamble

Being one of the prominent foundation contractors in Hong Kong, and a pioneer in the kitchen waste business in the People's Republic of China (the "PRC"), New Concepts Holdings Limited (hereinafter referred to as "We", "New Concepts", the "Company") and its subsidiaries (collectively, the "Group") stringently adhere to their environmental and social responsibilities.

The Group has developed its sustainability strategy with aims to continue to lower the Group's impact on the environment. To carry out the sustainability strategy from top to bottom, the Group has established dedicated teams to manage environmental, social, and governance ("ESG") related issues, and the Board of Directors ("Board") of the Company has ultimate responsibility for ensuring the effectiveness of its environmental, social and governance policies. The Group is committed to constantly reviewing and adjusting its sustainability policies to satisfy the ever-changing needs of its stakeholders. Details of the management approach of the Group in both the environmental and social aspects can be found throughout this ESG Report (the "Report"). The Group believes that a sustainable, resilient and reliable stewardship and development is essential to the Group's long-term success.

The Group is pleased to present its second ESG Report to demonstrate the Group's approach and performance in terms of sustainable development for the year ended on 31 March 2018 ("FY2018"). This ESG report is prepared in compliance with the ESG Reporting Guide as set out in Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

II. Reporting Period and Scope of the Report

This Report covers the environmental and social performance within defined operational boundaries of the Group that includes (i) the Group's offices in Hong Kong, (ii) the construction business in Hong Kong, and (iii) the kitchen waste business in the PRC. The reporting period is the Group's financial year dating from 1 April 2017 to 31 March 2018.

I. 前言

創業集團(控股)有限公司(下文稱為「我們」、「創業」、「本公司」)及其附屬公司(統稱「本集團」)乃香港主要地基承建商之一，亦為中華人民共和國(「中國」)餐廚垃圾業務的先驅，克盡環境及社會責任。

本集團已制訂可持續發展策略，宗旨為持續減低本集團對環境的影響。為於集團上下落實可持續發展策略，本集團已成立專責團隊管理環境、社會及管治(「ESG」)相關事宜，而本公司董事會(「董事會」)肩負確保本集團的環境、社會及管治政策行之有效的最終責任。本集團致力定期檢討及調整其可持續發展政策，滿足其持份者不斷轉變的需求。本ESG報告(「本報告」)載有本集團的環境及社會管理方針詳情。本集團相信靈活可靠的可持續管理及發展乃本集團長期成功的要素。

本集團欣然提呈其第二份ESG報告，呈列本集團於截至2018年3月31日止年度(「2018財政年度」)的可持續發展方針及績效。本ESG報告乃遵照香港聯合交易所有限公司證券上市規則附錄二十七所載的ESG報告指引編製。

II. 報告期及報告範圍

本報告涵蓋本集團既定營運範疇的環境及社會績效，包括(i)本集團位於香港的辦公室、(ii)於香港的建築業務及(iii)於中國的餐廚垃圾業務。報告期乃本集團由2017年4月1日起至2018年3月31日止的財政年度。



III. Stakeholder Engagement

With the goal to strengthen its sustainability approach and performance, the Group has put tremendous efforts into listening to both its internal and external stakeholders. The Group highly values the feedback from its stakeholders and takes initiative to build a trustful and supportive relationship with them through their preferred communication channels listed in the table below.

Table 1 Communication with Stakeholders

Stakeholders 持份者	Expectations and concerns 預期及關注	Communication Channels 溝通渠道
Government and regulatory authorities 政府及監管機關	<ul style="list-style-type: none"> — Compliance with laws and regulations — Business Sustainability — 遵守法律及規例 — 企業可持續發展 	<ul style="list-style-type: none"> — Supervision on the compliance with local laws and regulations — Routine reports — 監督遵守當地法律及規例的情況 — 例行報告
Shareholders 股東	<ul style="list-style-type: none"> — Return on investments — Corporate governance — Business compliance — 投資回報 — 企業管治 — 業務遵例 	<ul style="list-style-type: none"> — Regular reports and announcements — Regular general meetings — Official company's website — 常規報告及公佈 — 定期股東大會 — 公司官方網站
Employees 僱員	<ul style="list-style-type: none"> — Employees' compensation and benefits — Career development — Health and safety in the working environment — 僱員補償及福利 — 事業發展 — 工作環境的健康與安全 	<ul style="list-style-type: none"> — Performance reviews — Regular meetings and trainings — Emails, notice boards, hotline — 表現檢討 — 定期會議及培訓 — 電郵、告示板、熱線

III. 持份者參與

本集團以加強其可持續發展方針及績效為目標，竭盡所能聆聽內部及外部持份者的意見。本集團高度重視持份者的反饋，並利用彼等所屬意的溝通渠道（見下表），採取措施與彼等建立互信互助的關係。

表1：與持份者溝通



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Stakeholders 持份者	Expectations and concerns 預期及關注	Communication Channels 溝通渠道
Customers 客戶	<ul style="list-style-type: none"> — High quality products and services — Protection of customers' rights 	<ul style="list-style-type: none"> — Customer satisfaction survey — Face-to-face meetings and on-site visits — Customer service hotline and email
Suppliers 供應商	<ul style="list-style-type: none"> — Fair and open procurement — Win-win cooperation 	<ul style="list-style-type: none"> — Open tendering — Suppliers' satisfactory assessment — Face-to-face meetings and on-site visits
General public 公眾人士	<ul style="list-style-type: none"> — Involvement in communities — Business compliance — Environmental protection awareness 	<ul style="list-style-type: none"> — Media conferences and responses to enquiries — Public welfare activities — Official company's website

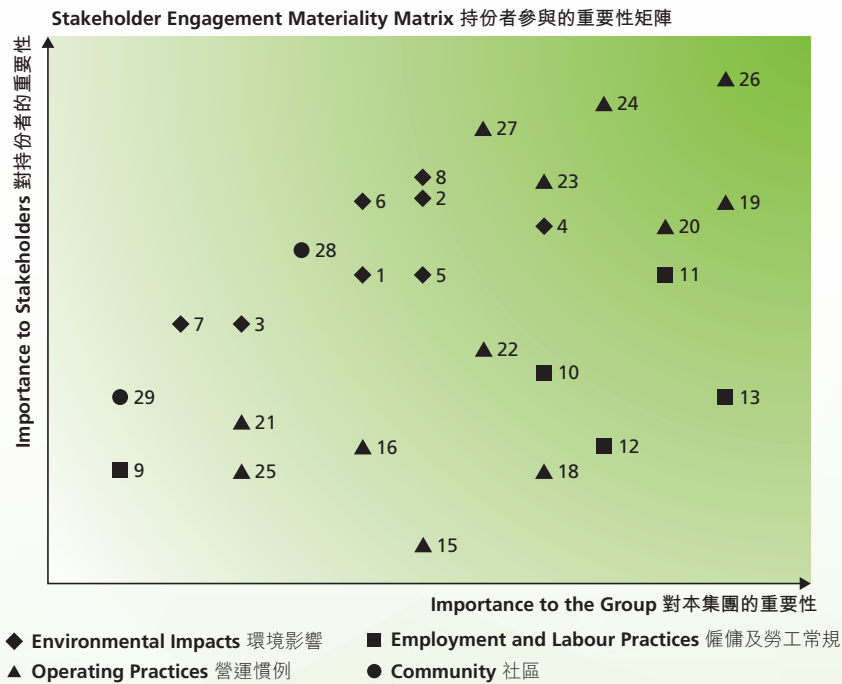


Materiality Assessment

The Group undertakes annual review in identifying and understanding its stakeholders' main concerns and material interests for the ESG Report. In FY2018, the Group engaged its stakeholders to conduct a materiality assessment survey. Specifically, internal and external stakeholders were selected based on their influence and dependence on the Group. Stakeholders with high level of influence and dependence on the Group were selected by the management of the Group, and invited to express their views and concerns on a list of sustainability issues via an online survey. The Group then prioritised the issues for discussion. The result from the materiality assessment survey was mapped and presented below.

重要性評估

本集團每年為ESG報告識別及了解持份者的主要關注事項及重大權益，並進行檢討。於2018財政年度，本集團邀請其持份者參與重要性評估問卷調查。具體而言，本集團會因應持份者對本集團的影響力及依賴程度篩選內部及外部持份者。本集團管理層篩選對本集團有高度影響力及依賴的持份者，邀請彼等填寫網上問卷，就一系列可持續發展事宜發表意見及關注事項。本集團對相關事宜排序並進行討論。重要性評估問卷調查的結果呈列如下。





ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

1	Air and greenhouse gas emissions 廢氣及溫室氣體排放	11	Occupational health and safety 職業健康與安全	21	Marketing and promotion 市場推廣及宣傳
2	Sewage treatment 污水處理	12	Employee development and training 僱員發展及培訓	22	Observing and protecting intellectual property rights 遵守及保護知識產權
3	Land use, pollution and restoration 土地用途、污染物及修復	13	Preventing child and forced labour 防止童工及強制勞工	23	Product quality control and management 產品質量監控及管理
4	Solid waste treatment 固體廢棄物處理	14	Suppliers by geographical region 按地區劃分供應商	24	Protection of consumer information and privacy 保障消費者資料及私隱
5	Energy use 能源使用	15	Selection of suppliers and assessment of their product/services 甄選供應商及評核其產品／服務	25	Labelling relating to products/services 產品／服務標籤
6	Water use 用水	16	Environmental protection assessment of the suppliers 供應商環境保護評核	26	Preventing bribery, extortion, fraud and money laundering 防止賄賂、勒索、欺詐及洗黑錢
7	Use of other raw/packaging materials 其他原材料／包裝材料使用	17	Social risks assessment of the suppliers 供應商社會風險評核	27	Anti-corruption policies and whistle-blowing procedure 反貪污政策及舉報程序
8	Mitigation measures to protect natural resources 保護天然資源的緩解措施	18	Procurement practices 採購慣例	28	Understanding local communities' need 了解當地社區需要
9	Composition of employees 僱員組合	19	Health and safety relating to products/services 產品／服務健康與安全	29	Public welfare and charity 公共福利及慈善
10	Employee remuneration and benefits 僱員薪酬及福利	20	Customer satisfaction 客戶滿意度		

* According to the assessment, issue 14 and 17 ranked relatively low in terms of their importance to both stakeholders and the Group. Thus, they were omitted from the matrix to ensure a clear presentation of other issues.

* 按照評估，第14及17項事宜對持份者及本集團的重要性相對較低。因此，該等事宜未有列入矩陣，以清楚列出其他事宜。



The Group built a materiality analysis matrix and prioritised the 29 sustainability issues accordingly. With respect to this ESG Report, the Group has identified issue 26-“preventing bribery, extortion, fraud and money laundering”, issue 24-“protection of consumer information and privacy”, issue 19-“health and safety relating to products/services”, issue 20-“customer satisfaction”, issue 23-“product quality control and management”, and issue 27-“anti-corruption policies and whistle-blowing procedure” as issues of high importance to both the Group and its stakeholders. This review has helped the Group in prioritising its sustainability issues and highlighting the material and relevant aspects, so as to align them with stakeholders’ expectations.

Stakeholders Feedback

As the Group strives for excellence, stakeholders’ feedback is always welcomed, especially on issues listed as high importance in the materiality assessment. Readers are also welcome to share their views with the Group at <http://www.primeworld-china.com/>.

IV. Environmental Sustainability

The Group is committed to the long-term sustainability of the environment and the community where it operates. The Group stringently controls its emissions and consumption of resources, and complies with all relevant environmental laws and regulations in Hong Kong and the PRC during its daily operations. All offices, construction sites and kitchen waste treatment plants of the Group have implemented effective energy conservation measures to reduce emissions and resource consumption.

This section primarily discloses the Group’s policies, practices, and quantitative data on emissions, use of resources, the environment and natural resources in FY2018.

本集團已建立重要性分析矩陣，並將29項可持續發展事宜排序。就本ESG報告而言，本集團已識別第26項事宜「防止賄賂、勒索、欺詐及洗黑錢」、第24項事宜「保障消費者資料及私隱」、第19項事宜「產品／服務健康與安全」、第20項事宜「客戶滿意度」、第23項事宜「產品質量監控及管理」及第27項事宜「反貪污政策及舉報程序」，乃對本集團及其持份者有高重要性的事宜。是項檢討有助本集團將可持續發展事宜排序，聚焦於重要及相關範疇，並使之符合持份者的預期。

持份者反饋

本集團精益求精，力臻完善，歡迎各持份者提供反饋，尤其是對於重要性評估內的高重要性事宜。此外，本集團亦歡迎讀者於<http://www.primeworld-china.com/>網站，與本集團分享見解。

IV. 環境可持續發展

本集團在推動經營所在環境及社區的長遠可持續發展一直不遺餘力。本集團嚴格控制其排放及資源耗用，並在日常營運過程中遵守香港及中國的一切相關環境法律及規例。本集團的所有辦公室、建築地盤及餐廚垃圾處理廠均已實施有效的節能措施，減低排放及資源耗用。

本節主要披露本集團於2018財政年度有關排放物、資源使用、環境及天然資源的政策、慣例及量化數據。



A.1. Emissions

The Group has complied with all relevant local environmental laws, including but not limited to Air Pollution Control Ordinance (Cap. 311 of the Laws of Hong Kong), Water Pollution Control Ordinance (Cap. 358 of the Laws of Hong Kong), Waste Disposal Ordinance (Cap. 354 of the Laws of Hong Kong), Noise Control Ordinance (Cap. 400 of the Laws of Hong Kong), Environmental Impact Assessment Ordinance (Cap. 499 of the Laws of Hong Kong), in terms of emission as set out in Hong Kong and the PRC. In FY2018, the Group found no disregard to influential laws relevant to air and greenhouse gas (“GHG”) emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. It has been included in the Group’s environmental policy to reduce the impacts of emissions on the environment through measures such as control of the Group’s energy consumption.

In FY2018, the Group emitted 24,209 kilograms of nitrogen oxides (“NOx”), 33 kilograms of sulfur oxides (“SOx”) and 2,766 kilograms particulate matters (“PM”). Furthermore, the Group’s GHG emissions under Scope 1 (Direct Emissions), Scope 2 (Energy Indirect Emission), and Scope 3 (Other Indirect Emissions) were 5,608 tonnes carbon dioxide equivalent (“CO₂e”), 3,364 tonnes CO₂e, and 2 tonnes CO₂e respectively. The Group’s total GHG emissions amounted to 8,974 tonnes CO₂e, and the GHG intensity for the Group was 9.7 tonnes CO₂e/HKD Million. Other than air and GHG emissions, the Group also generated 21,803 tonnes of non-hazardous solid wastes (with an intensity of 23.5 tonnes/HKD Million), and 52,100 cubic metre of non-hazardous wastewater (with an intensity of 56.1 cubic metre/HKD Million) in its operation. The Group did not generate any hazardous waste in FY2018, and the Group’s total emissions are summarised in Table 2 below.

A.1. 排放物

本集團一直遵守香港及中國有關排放物的所有相關當地環境法律，包括但不限於空氣污染管制條例(香港法例第311章)、水污染管制條例(香港法例第358章)、廢物處置條例(香港法例第354章)、噪音管制條例(香港法例第400章)、環境影響評估條例(香港法例第499章)。於2018財政年度，本集團並無忽略與廢氣及溫室氣體排放、向水及土地排放以及有害無害廢棄物產生有關的重要法律。透過措施減低排放物對環境的影響已納入本集團的環境政策內，例如控制本集團的耗能。

於2018財政年度，本集團排放24,209千克氮氧化物(「NOx」)、33千克硫氧化物(「SOx」)及2,766千克顆粒物(「PM」)。另外，本集團在範圍1(直接排放)、範圍2(能源間接排放)及範圍3(其他間接排放)的溫室氣體排放分別為5,608噸二氧化碳當量(「CO₂e」)、3,364噸CO₂e及2噸CO₂e。本集團的溫室氣體總排放量為8,974噸CO₂e，而本集團的溫室氣體密度為9.7噸CO₂e／百萬港元。除廢氣及溫室氣體排放外，本集團的營運亦產生21,803噸無害固體廢棄物(密度為23.5噸／百萬港元)及52,100立方米無害廢水(密度為56.1立方米／百萬港元)。本集團於2018財政年度並無產生任何有害廢棄物，而本集團的總排放量於下文表2概述。



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Table 2 The Group's Total Emissions by Category in FY2018

表2：本集團於2018財政年度按類別劃分的總排放量

Emissions 排放物	Key Performance Indicator (KPI) 關鍵績效指標(KPI)	Unit 單位	Amount 數額	Intensity* 密度* (Unit/HK\$ million) (單位/百萬港元)
Air Emissions 廢氣排放	Nitrogen Oxides (NO _x) 氮氧化物(NO _x)	kilograms 千克	24,209	—
	Sulfur Oxides (SO _x) 硫氧化物(SO _x)	kilograms 千克	33	—
	Particulate Matters (PM) 顆粒物(PM)	kilograms 千克	2,766	—
GHG Emissions 溫室氣體排放	Scope 1 (Direct Emission) 範圍1(直接排放)	tonnes CO ₂ e 噸CO ₂ e	5,608	—
	Scope 2 (Energy Indirect Emission) 範圍2(能源間接排放)	tonnes CO ₂ e 噸CO ₂ e	3,364	—
	**Scope 3 (Other Indirect Emission) **範圍3(其他間接排放)	tonnes CO ₂ e 噸CO ₂ e	2	—
	Total (Scope 1, 2 and 3) 總量(範圍1、2及3)	tonnes CO ₂ e 噸CO ₂ e	8,974	9.7
Non-hazardous Waste 無害廢棄物	Solid Wastes 固體廢棄物	tonnes 噸	21,803	23.5
	Wastewater 廢水	cubic metre 立方米	52,100	56.1

* Intensity was calculated by dividing the amount by the Group's FY2018 revenue of approximately HK\$928 million

* 密度乃以該數額除以本集團於2018財政年度的收入約928,000,000港元計算

** The Group's Scope 3 (Other Indirect Emissions) includes only paper waste disposed of at landfills

** 本集團的範圍3(其他間接排放)僅包括於堆填區處置的廢紙



Hong Kong Offices

The main source of GHG emissions by the Group's Hong Kong Offices was the use of purchased electricity. The Group has taken specific measures to reduce electricity consumption at its offices, and thus the GHG emissions generated by the Group, which are further described in **A.2. Use of Resources** in this report.

The Group is committed to environmental protection in its offices. In order to reduce the amount of municipal solid waste generated every day, the Group has implemented the following practices:

- Source, separate and recycle as much solid waste as possible;
- Encourage all employees to reduce the use of disposable items, such as plastic tableware; and
- Advocate the reuse of office stationery.

Any non-recyclable municipal solid wastes were normally collected and disposed of by the property management.

Since the amount of wastewater generated by the Group highly depends on the amount of water used by its employees at its offices, the Group has adopted specific measures to reduce water consumption, which are further described in **A.2. Use of Resources** in this report. Municipal wastewater was directly discharged into the property's wastewater system.

Construction Business

In the operation of the Group's construction business, the Group was very prudent in controlling all discharges. Emissions generated during the construction process include air & GHG, wastewater, solid waste, and noise. The Group has established the "Environmental Policy Statement" to control and manage air & GHG, wastewater, solid waste and noise emissions during the course of operations.

香港辦公室

本集團香港辦公室的溫室氣體主要來源乃使用購買的電力。本集團已採取特定措施，減少辦公室的耗電，從而減少本集團產生的溫室氣體排放。進一步詳情於本報告「**A.2.資源使用**」論述。

本集團致力於辦公室的環境保護工作。為減少每日產生的都市固體廢棄物數量，本集團已實施以下慣例：

- 盡可能收集、分類及回收固體廢棄物；
- 鼓勵全體僱員減少使用即棄物品，包括塑膠餐具；及
- 提倡重用辦公室文具。

任何不可回收的都市固體廢棄物通常由物業管理收集及處置。

由於本集團產生的廢水量很大程度取決於辦公室僱員的用水量，故本集團已採納特定措施減少耗水。進一步詳情於本報告「**A.2.資源使用**」論述。都市廢水會直接排入物業的廢水系統。

建築業務

本集團在經營建築業務時，會小心謹慎控制所有排放。建築過程中產生的排放物包括廢氣及溫室氣體、廢水、固體廢棄物及噪音。本集團已制訂「環境政策聲明」，藉以控制及管理經營過程中的廢氣及溫室氣體、廢水、固體廢棄物及噪音排放。



Air & GHG Emissions

Air and GHG emissions generated by the Group's construction business mainly came from the use of gasoline, diesel fuel and electricity to power machineries and heavy vehicles. The Group has set up internal policies, as further described in the next subsection under **Electricity** and **Energy**, to reduce the air and GHG emissions.

Wastewater

The Group's construction business generated construction wastewater, which was treated by deploying wastewater treatment facilities on site to meet the conditions of Water Pollution Control Ordinance (WPCO) license prior to discharge. Specifically, a sedimentation tank for wastewater treatment would be set up to treat the muddy water. The Group has been licensed for the discharge of wastewater from construction sites to the natural water bodies. All discharges have been strictly monitored and controlled in order to comply with the terms and conditions of a valid WPCO licence.

Solid Wastes

The Group's construction business generated excess mud at the construction sites during FY2018. The Group has complied with the Waste Disposal Ordinance when disposing excess mud and other construction wastes. Certified waste collector would transport the mud and other construction wastes (e.g. gravels) to specific landfills for disposal or other construction sites for reuse. Certain land excavation waste was directly transported to backfill where in need. The recyclable wastes were normally collected altogether and then transferred to recycling station for reuse.

Noise

Noise generated by the Group at the construction sites mainly came from the operation of machineries and equipment. In FY2018, the Group was in strict compliance with the Noise Control Ordinance and only used certain equipment within the permitted time period. The Group has installed noise reducing facilities to mitigate the effect of noise to the surroundings. For instance, construction noise barrier was widely adopted

廢氣及溫室氣體排放

本集團建築業務產生的廢氣及溫室氣體排放主要源自使用汽油、柴油燃料及電力驅動機器及重型車輛。本集團已制訂內部政策，減少廢氣及溫室氣體排放。進一步詳情於下文「**電力**」及「**能源**」分節論述。

廢水

本集團建築業務產生的建築廢水會經過設於地盤的廢水處理設施處理，達到符合水污染管制條例牌照的條件後，方會排走。具體而言，本集團會組建廢水處理用的沉積水缸，處理泥水。本集團已獲發許可將建築地盤的廢水排入天然水體。所有排放均受到嚴格監察及控制，以遵守有效水污染管制條例牌照的條款及條件。

固體廢棄物

於2018財政年度，本集團建築業務的建築地盤產生多餘泥頭。本集團於處置多餘泥頭及其他建築廢物時已遵守廢物處置條例。認可廢物收集商會將泥頭及其他建築廢物(如礫石)運送至指定堆填區處置，或運送至其他建築地盤以供重用。若干土地開挖廢物必要時會直接送往回填。可回收廢物通常一併收集，並轉往回收站以供重用。

噪音

本集團建築地盤產生的噪音主要來自機器及設備操作。於2018財政年度，本集團嚴格遵守噪音管制條例，僅於許可期間內方使用部分設備。本集團已安裝降噪設施，以減低噪音對週邊環境的影響。舉例而言，建築地盤已廣泛採用建築噪音



at the construction sites to reduce noise in an effective way. What is more, to further control the source of noise, the Group purchased equipment with QPME Label (which benchmarks construction equipment items that are new, notably quieter, and more environmentally friendly), reduced the number of concurrently running equipment and shut down any idle equipment.

Kitchen Waste Business

Emissions generated by the Group's kitchen waste business include air & GHG emissions, wastewater and solid wastes.

Air & GHG Emissions

During FY2018, the air and GHG emissions by the Group's kitchen waste business mainly came from the use of gasoline, natural gas and electricity in the treatment plant and vehicles of the Group. The Group has set up internal policies, as further described in **A.2. Use of Resources**, to reduce energy use and thus the Group's air and GHG emissions. Additionally, the Group planted trees within the kitchen waste treatment plant area for greening and carbon offsetting.

Wastewater

The wastewater produced by the Group's kitchen waste business includes domestic wastewater and industrial wastewater. Wastewater was treated up to the discharged standard using different methods, such as bio-chemical treatment with reverse osmosis, membrane bioreactor (MBR), before final discharge to the local municipal sewerage network or used as landscape water. The Group is committed to reducing domestic wastewater produced by controlling the usage of fresh water and recycling industrial wastewater for reuse or other purposes, such as plants watering or floor cleaning.

屏障，有效降低噪音。此外，為進一步控制噪音來源，本集團已採購附有優質機動設備標籤的設備（認定為新型、明顯較靜及更環保的建築設備），減少同時運作的設備數目，並關閉任何閒置設備。

餐廚垃圾業務

本集團餐廚垃圾業務產生的排放物包括廢氣及溫室氣體排放、廢水及固體廢棄物。

廢氣及溫室氣體排放

於2018財政年度，本集團餐廚垃圾業務排放的廢氣及溫室氣體主要來自本集團處理廠及汽車使用汽油、天然氣及電力。本集團已制訂內部政策，減少能源使用，從而減少本集團產生的廢氣及溫室氣體排放。進一步詳情於「**A.2.資源使用**」論述。此外，本集團於餐廚垃圾處理廠的範圍內植樹，達到綠化環境及碳抵銷的效果。

廢水

本集團餐廚垃圾業務產生的廢水包括生活廢水及工業廢水。廢水會經過不同處理方法達至排放標準，例如以薄膜生物反應器利用逆滲透進行生化處理，方會最終排入當地都市污水網絡或用作景觀水體。本集團致力控制淡水使用，以減少生活廢水，以及收集工業廢水作重用或用於其他用途（如灌溉植物或清潔地板）。



Solid Wastes

The solid wastes generated by the Group's kitchen waste business include domestic solid wastes and industrial solid wastes, such as biogas residue and crude fat from the production process. Domestic and industrial solid waste were recycled, reused, before disposal at landfill or incinerator. The Group has established policies to reduce solid wastes by converting organic solid wastes into fertilizer and insects feed.

固體廢棄物

本集團餐廚垃圾業務所產生的固體廢棄物包括生活固體廢棄物及工業固體廢棄物，例如生產過程中產生的生物氣體殘餘及粗脂肪。生活及工業固體廢棄物於送往堆填或焚化爐處置前，會先循環再用。本集團已制定政策將有機固體廢棄物轉化為肥料及昆蟲飼料，從而減少固體廢棄物。

A.2. Use of Resources

The Group has complied with the relevant laws and regulations in relation to the Group's use of resources during the year under review. In FY2018, resources consumed by the Group were electricity, gasoline, diesel fuel, water, and paper. The Group did not consume any packaging materials. Table 3 illustrates the amount of resources used by the Group in FY2018.

A.2. 資源使用

本集團已於回顧年度內就其資源使用遵守相關法律及規例。於2018財政年度，本集團所耗用之資源為電力、汽油、柴油燃料、水及紙。本集團並無消耗任何包裝材料。表3顯示2018財政年度本集團的資源使用量：

Table 3 The Group's Total Use of Resources by Category in FY2018

表3：2018財政年度本集團按類型劃分的資源使用總量

Use of Resources 資源使用	Key Performance Indicator (KPI) 關鍵績效指標(KPI)	Unit 單位	Amount 數額	Intensity* 密度* (Unit/HK\$ million) (單位/百萬港元)
Energy 能源	Electricity 電力	kWh'000 千個千瓦時	4,302	4.6
	Gasoline 汽油	litres 公升	637,482	686.9
	Diesel Fuel 柴油燃料	litres 公升	1,413,800	1,523.5
	Natural Gas 天然氣	cubic metre 立方米	101,575	109.5
Water 水	Water 水	cubic metre 立方米	214,103	230.7
Paper 紙	Paper 紙	tonnes 噸	0.5	5.4x10 ⁻⁴

* Intensity was calculated by dividing the amount by the Group's FY2018 revenue of approximately HK\$928 million

* 密度乃按有關數額除以本集團於2018財政年度的收入約928,000,000港元計算



Electricity

The Group's electricity consumption came from regular operation of the offices, construction sites, and kitchen waste treatment plants. In FY2018, the total electricity consumption of the Group was 4,302 kWh'000 (with an intensity of 4.6 kWh'000/HK\$ Million). All subsidiaries of the Group stringently complied with the Group's policy of saving energy. To ensure effective use of electricity, the Group has conducted the following practices:

- Turn off all lights, electronics and other power consumption equipment at the end of the day;
- Maximise the use of natural light as far as practical;
- Switch off all idle lights, air conditioners and equipment;
- Replace high electricity consumption lamps with electricity saving lamps;
- Modify the set temperature of air conditioners in the offices based on the season;
- Adopt equipment and machineries with 'Energy-Efficiency' labels;
- Avoid performing highly electricity intensive procedures during peak hours of electricity usage; and
- Educate workers regularly on the importance of energy conservation.

電力

本集團的耗電量來自辦公室日常運作、建築地盤及餐廚垃圾處理廠。於2018財政年度，本集團的總耗電量為4,302千個千瓦時(密度為4.6千個千瓦時/百萬港元)。本集團所有附屬公司嚴格遵守本集團的節能政策。為確保有效使用電力，本集團已採取以下措施：

- 於營業時間結束時關掉所有照明、電子及其他耗電設備；
- 盡量增加使用自然光；
- 關掉所有閑置照明、空調及設備；
- 以節能燈具替換高耗電量燈具；
- 按照季節調節辦公室空調溫度；
- 採用擁有「能源效益」標籤的設備及機器；
- 避免於用電高峰時段進行高耗電量程序；及
- 定期教育工人節能的重要性。



Energy

The Group consumed gasoline and diesel fuel in its vehicles and natural gas at its kitchen waste treatment plant during the year under review. In FY2018, the amount of gasoline, diesel fuel and natural gas consumed by the Group were 637,482 litres (with an intensity of 686.9 litres/HKD Million), 1,413,800 litres (with an intensity of 1,523.5 litres/HKD Million), and 101,575 cubic metre (with an intensity of 109.5 cubic metre/HKD Million) respectively. The Group is committed to reducing the use of fossil fuel for transportation purpose in different ways. For example, the Group encourages its employees to commute to work by public transport, and to utilise telephone and the electronic device for telephone conference and e-meetings instead of physical meetings to avoid unnecessary traveling.

Water

The Group pays great attention to water conservation in its daily operation. In FY2018, the Group did not face any problem in sourcing water, and the Group's total water consumption was 214,103 cubic metre (with an intensity of 230.7 cubic metre/HKD Million). Specifically, the Group often organises formal meetings delving into more advanced and effective ways of saving water in all areas of operation. Moreover, all operational sites are incentivised to reuse the wastewater as much as possible. To further improve the utilisation efficiency of water resources, the Group has adopted the following practices:

- Fix dripping taps immediately and avoid further leakage of the water supply system;
- Shut off the water supply system at night and during holidays;
- Strengthen the inspection and maintenance on water tap, water pipelines and water storage; and
- Advocate the importance of saving water among employees.

能源

於回顧年度內，本集團的汽車使用汽油及柴油作為燃料，其餐廚垃圾處理廠則使用天然氣。於2018財政年度，本集團的汽油、柴油燃料及天然氣耗量分別為637,482公升(密度為686.9公升／百萬港元)、1,413,800公升(密度為1,523.5公升／百萬港元)及101,575立方米(密度為109.5立方米／百萬港元)。本集團致力在運輸方面減少化石燃料用量，例如本集團鼓勵僱員乘搭公共交通工具上班，並以電話及電子設備舉行電話會議及電子會議代替親身見面，避免不必要的舟車勞頓。

水

本集團的日常運作非常關注節水。於2018財政年度，本集團在求取適用水源上並無任何問題，總耗水量為214,103立方米(密度為230.7立方米／百萬港元)。具體而言，本集團經常舉行正式會議深入討論在各業務範疇採用更先進有效的節水方法。此外，本集團鼓勵所有工作場所盡可能再用廢水。為進一步提升水資源耗用效率，本集團已採用以下常規：

- 立即修理滴水的水龍頭，防止供水系統進一步漏水；
- 於晚間及假期關閉供水系統；
- 加強檢修水龍頭、水管及水箱；及
- 向僱員提倡節水的重要性。



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Paper

One of the main natural resources consumed by the Group was paper from its office printing machines. In FY2018, the total amount of paper consumption in the Group was 0.5 tonnes. To minimise the use of paper, the Group has put great efforts into the implementation of the following policies:

- Choose suppliers with more environmentally-friendly paper source, so as to indirectly reduce the amount of tree losses while consuming the same amount of paper;
- Promote paperless office, and disseminate information by electronic means (i.e. via email or e-bulletin boards) as much as possible;
- Set duplex printing as the default mode for most network printers when printouts are needed; and
- Use the back of old single-sided documents for printing or as draft paper when photocopying internal documentation.

A.3. The Environment and Natural Resources

In FY2018, the impact the Group exerted on the environment was minimised due to its unremitting efforts to create a resource-saving and environmentally-friendly corporation. The emissions of air and GHG, solid waste, wastewater and noise were all in conformity with environmental laws and regulations. To further eliminate its possible impact on the environment, the Group has implemented more innovative and effective policies in daily operations. The Group encourages employees to adopt a more environmentally friendly construction method, so to diminish construction waste and contribute to the sustainable development. The Group has invested in the research and development to pursue a more efficient kitchen waste treatment process. The education of environmental protection is also a significant aspect to which the Group pays great attention. The Group is committed to cultivating the good habits of diligence and frugality in terms of the use of natural resources among its employees.

紙

本集團所耗用的主要天然資源之一是辦公室列印用紙。於2018財政年度，本集團的總耗紙量為0.5噸。本集團竭盡全力推行以下政策，盡量減少用紙：

- 選擇紙張來源更為環保的供應商，在消耗相同紙量的同時，間接減少伐木；
- 提倡無紙化辦公室，盡可能以電子方式分發資料（即透過電子郵件或電子告示板）；
- 將大部分網絡打印機預設為雙面打印，應付必要的打印需求；及
- 複印內部文件時，使用單面舊文件打印或作草稿紙。

A.3. 環境及天然資源

於2018財政年度，本集團克盡己任建立珍惜資源的環保企業，對環境的影響已減至最低。廢氣及溫室氣體、固體廢棄物、污水及噪音排放全部符合環境法律及規例。為進一步減輕對環境的潛在影響，本集團於日常運作中推行更多創新而有效的政策，鼓勵僱員採用更環保的建築方法，減少建築廢料並締造可持續發展。本集團投資於研究及開發，尋求效率更高的餐廚垃圾處理程序。環保教育亦為本集團極為關注的重要層面之一。在天然資源使用方面，本集團不遺餘力地培養僱員勤奮節儉的習慣。



Among all the emissions mentioned above, the Group's major impact on the environment was GHG emissions from the use of purchased electricity and consumption of fossil fuel for industrial operations. To minimise its GHG emissions, which are always connected with the precursor of global climate change, the Group strictly monitors, manages and improves its business model and relies on the efficient usage and control of natural resources to ultimately implement its sustainability strategy and values. Through a series of measures on saving electricity, water, diesel fuel and paper that have been introduced above, the Group has made a significant change towards the building of a reliable, resilient and sustainable corporation.

在上述排放物中，本集團對環境構成最大影響的是來自為工業用途購買電力及消耗化石燃料的溫室氣體排放。溫室氣體排放乃全球氣候變化的元兇，故為將溫室氣體排放減至最少，本集團嚴格監察、管理並改善業務模式，倚重有效使用和監控天然資源，藉此實現可持續發展戰略和信念。透過上述各種節電、節水、節省柴油燃料及紙張的措施，本集團已經為成為一家可靠、有韌勁和可持續的企業做出了很大的改變。

V. Social Sustainability

Employment and Labour Practices

B.1. Employment

The Group treasures employee's talent, and sees it as the key in driving the success and maintaining the sustainable development of the Group. The Group strives to provide its employees with a safe and suitable platform for developing their career, professionalism and advancement.

Law compliance

The human resources policies of the Group strictly adhere to the applicable employment laws and regulations in Hong Kong and the PRC, including but not limited to the Employment Ordinance (Cap. 57 of the Laws of Hong Kong), Employees' Compensation Ordinance (Cap. 282 of the Laws of Hong Kong), and Labour Law of the People's Republic of China (中華人民共和國勞動法). The Group has also complied with the laws and regulations in respect to the employees' social security schemes that are enforced by the local governments in the PRC in relation to employee benefits. The human resources department of the Group and its subsidiaries are responsible for reviewing and updating the relevant company policies on a regular basis in accordance with the latest laws and regulations.

V. 社會可持續發展

僱傭及勞工常規

B.1. 僱傭

本集團重視僱員才能，視之為本集團成功及可持續發展之關鍵，竭力為僱員提供安全合適的事業發展、進修及晉升平台。

法律合規

本集團的人力資源政策恪守中港兩地的適用僱傭法律及規例，包括但不限於僱傭條例(香港法例第57章)、僱員補償條例(香港法例第282章)及中華人民共和國勞動法。本集團亦遵守中國當地政府就僱員福利執行的僱員社會保險計劃法律及規例。本集團及其附屬公司的人力資源部門負責定期按照最新法律及規例審查並更新相關公司政策。



Recruitment and promotion

The Group adopts a set of transparent, clear procedures to conduct its annual recruitment plan, aiming to live up to “Openness, Fairness, Transparency, Standardisation” (公開、公平、透明、規範) in every detail. To attract high-calibre candidates, the Group offers fair, competitive remuneration and benefits based on the individuals’ past performance, personal attributes, job experiences and career aspirations. The Group also references market benchmarks in determining its remuneration and benefit policies. As talent retention is vital to the sustainable business development, the Group constantly reviews its compensation packages and performs probationary and regular evaluations on the employee’s capability and performance in the past. This ensures that all employees are recognised by the Group appropriately with respect to their efforts and contributions.

Compensation and dismissal

Any appointment, promotion or termination of recruitment contract would be based on reasonable, lawful grounds and internal policies, such as staff handbooks. The Group strictly prohibits any kind of unfair or illegitimate dismissals.

Working hours and rest periods, benefits and welfare

The Group has formulated its policy based on local employment laws for determining enough working hours and rest time for employees. The Group arranges reasonable working hours and rest periods for its employees. In addition to basic paid annual leave and statutory holidays stipulated by the employment laws of the local governments, employees are also entitled to additional leave benefits such as maternity leave and compassionate leave.

招聘及晉升

本集團採用一套透明、清晰的程序實行年度招聘計劃，冀能在每個細節展現「公開、公平、透明、規範」。為吸引優秀人才，本集團按照個人以往表現、品格、工作經驗和志向提供公平、具競爭力的薪酬福利。本集團亦參考市場標準制定薪酬福利政策。由於挽留人才對業務可持續發展至關重要，故本集團不斷檢討其薪酬待遇，並在試用期及以後定期評估僱員能力及表現，確保本集團對所有僱員的努力和貢獻給予適當的肯定。

薪酬及解僱

所有任命、晉升或終止僱傭合約均基於合理合法的理由及員工手冊等內部政策。本集團嚴格禁止任何不公平或不合法的解僱。

工作時數、假期、待遇及福利

本集團已按照當地僱傭法律制定政策，為僱員釐定充足作息時數，為僱員安排合理工作時間和假期。除基本有薪年假及當地政府僱傭法律規定的法定假期外，僱員亦享有產假和恩恤假等額外休假福利。



Equal opportunity and anti-discrimination

As an equal opportunity employer, the Group is committed to creating a fair, respectful and diverse working environment by promoting anti-discrimination and equal opportunity in all its human resources and employment decisions. In other words, training and promotion opportunities, dismissals and retirement policies are based on factors irrespective of the employees' age, sex, marital status, pregnancy, family status, disability, race, colour, descent, national or ethnic origins, nationality, religion or any other non-job related elements in all business units of the Group. Meanwhile, the equal opportunity policy allows zero tolerance in relation to any workplace discrimination, harassment or vilification in accordance with local ordinances and regulations, such as Disability Discrimination Ordinance (Cap. 487 of the Laws of Hong Kong) and Sex Discrimination Ordinance (Cap. 480 of the Laws of Hong Kong). Employees are highly encouraged to report any incidents involving discrimination to their relevant department by the Group. The Group will then take responsibility for assessing, dealing with, recording and taking any necessary disciplinary actions on such incidents.

During the year under review, the Group was in compliance with relevant laws and regulations in relation to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, welfare and other benefits that have a significant impact on the Group.

B.2. Health and Safety

The Group believes that health and safety at work involves both the prevention of harm and the promotion of employees' well-being. To provide and maintain a safe, clean and environmentally-friendly working condition for employees, the Group has established strict safety and health policies that are in line with relevant laws and regulations in Hong Kong, including but not limited to Occupational Safety and Health Ordinance (Cap 509 of the Laws of Hong Kong), and the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases (中華人民共和國職業病防治法).

平等機會及反歧視

作為平等機會僱主，本集團在所有人力資源及僱傭決策範疇全力提倡反歧視及平等機會，締造公平、互相尊重且多元化的工作環境。換言之，本集團所有業務單位的培訓及晉升、解僱及退休政策的考慮因素均不論僱員年齡、性別、婚姻狀況、懷孕、家庭狀況、殘疾、種族、膚色、家族、國家或族裔背景、國籍、宗教或任何與工作無關的因素。與此同時，按照殘疾歧視條例(香港法例第487章)及性別歧視條例(香港法例第480章)等當地條例及規例，平等機會政策對任何工作場所發生的歧視、騷擾或詆毀採取零容忍態度。本集團積極鼓勵僱員向其相關部門舉報任何涉及歧視的事件，然後本集團將負責評估、處理及記錄有關事件並採取任何必要紀律處分。

於回顧年度內，本集團已遵守有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利且對本集團有重大影響的相關法律及規例。

B.2. 健康與安全

本集團相信，工作健康與安全牽涉避免僱員受傷及維持僱員健康。為向僱員提供並維持安全、清潔及環境友好的工作環境，本集團已制定嚴格的安全及健康政策，有關政策符合香港相關法例及規例，包括但不限於職業安全及健康條例(香港法例第509章)及中華人民共和國職業病防治法。



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

What is more, the Group rigorously sticks to the instructions of the Quality Management Systems Standard (ISO 9001) and Occupational Health and Safety Management (OHSAS 18001), and follows the Site Safety Handbook published by Hong Kong Housing Authority during its construction operations, striving for zero accidents of all persons involved in construction works. Specifically, the Group posts relevant warning labels and public announcements regarding onsite health and safety in the construction site. Also, the Group prohibits smoking and liquor drinking at the work place. To maintain a secure working environment for employees, the Group provides suitable Personal Protective Equipment (“PPE”, such as helmets, safety ropes, gloves, etc.) to its workers on site. An inspection tour for health and safety at the construction sites is carried out by qualified safety officer on a regular basis and relevant safety training courses are provided for workers and subcontractors as well. To guarantee that all workers and subcontractors attend compulsory safety trainings, the Group has assigned project managers to check the attendance. Since the Labour Department strictly regulates that only persons who have been trained in basic safety and hold valid certificates (commonly known as “Green Card”) are allowed to be employed for the Group’s construction operations, project managers are also responsible to make sure that all workers and skilled operators hold legal licenses, which the Group believes is a fundamental step to minimise risks and prevent accidents in the workplace.

The Group formulated a full set of monitoring and management policies regarding health and safety according OHSAS 18001. Specifically, project manager, design manager and quality safety health and environmental (QSHE) manager are responsible for conducting relevant risk assessment before construction, and implementing necessary measures during construction process. In FY2018, the Group had found no work-related fatalities.

During the year under review, the Group was not in violation of any of the relevant laws and regulations in relation to providing a safe working environment and protecting the employees from occupational hazards that have a significant impact on the Group,

再者，本集團於施工作業期間，恪守質量管理體系(ISO 9001)及職業健康安全體系(OHSAS 18001)的指示，並依循香港房屋委員會的工地安全手冊，力求建築工程所涉人士全部免生意外。具體而言，本集團於建築地盤內張貼有關工地健康與安全的相關警告標識及公告。此外，本集團嚴禁於工作場所吸煙及飲酒。為了給僱員維持一個安全的工作環境，本集團於工地為其工人提供合適個人防護裝備，如頭盔、安全帶、手套等。合資格安全主任會定期於建築地盤進行健康及安全巡查，本集團亦會向工人及分包商提供相關安全培訓課程。為保證所有工人及分包商出席強制性的安全培訓，本集團已指派項目經理檢查出席率。由於勞工處嚴格規定，只有接受過基本安全培訓並持有有效證件(通稱「綠卡」)的人士方能受僱為本集團進行建築作業，因此，項目經理亦負責確保所有工人及技術操作員持有合法牌照，本集團相信此舉為盡量降低風險及防止工作場所意外的基本步驟。

本集團已按OHSAS 18001制定一整套有關健康與安全的監察及管理政策。具體而言，項目經理、設計經理及質量安全健康及環境(QSHE)經理負責於施工前進行相關風險評估，以及於施工期間實行必要措施。於2018財政年度，本集團並無因工死亡事故。

於回顧年度內，本集團並無違反任何有關提供安全工作環境及保障僱員避免職業性危害而對本集團有重大影響的相關法律及規例。



B.3. Development and Training

The Group has formulated a set of internal regulations and policies for strengthening the working skills and knowledge of its employees, who are expected to achieve better working performance after receiving work-related trainings. The Group also offers a complete training package to all new employees, such as Group's corporate culture, business processes, health and safety, first aid treatment and other specific topics. Notably, the syllabus provided to new hires is comprehensive, which covers general duties of employees, personal safety, personal protective equipment, incident and accident report, and so on. As for the existing employees, non-scheduled profession-oriented courses are offered according to the corporate needs. Through the offering of different types of trainings, the Group tries to make sure that all its employees possess the necessary professional knowledge to complete their daily tasks, and help them fulfil the continuous training hour requirement for annual professional qualifications as well.

To further enhance the professional skills of its employees and meet the needs of the Group's development goal, signing up for professional qualifications examinations and external trainings is highly encouraged and promoted. Employees who take the professional qualification examinations and obtain vocational qualification certificates could receive a reimbursement from the Group. Meanwhile, the Group expects its employees to attend external trainings such as Continuous Professional Development (CPD) trainings held by the Hong Kong Institution of Engineers and BEAM Professionals and BEAM Affiliates trainings by the Hong Kong Green Building Council.

B.3. 發展及培訓

本集團已制定一套內部規例及政策，提升其僱員的工作技能及增進其知識，期望彼等於接受工作相關培訓後有更佳工作表現。本集團亦向所有新僱員提供完整培訓課程，包括本集團的企業文化、業務流程、安全與健康、急救處理及其他特定題材。向新入職僱員提供的培訓範圍全面，涵蓋僱員一般職責、個人安全、個人防護裝備、事故及意外報告等。對於現有僱員，本集團會按企業需要提供不定期專業導向課程。透過提供不同類型的培訓，本集團盡力確保全體僱員擁有必要專業知識，完成每日工作，同時協助彼等達成每年專業資格的持續培訓時數要求。

為進一步提升僱員的專業技能及符合本集團發展目標需要，本集團大力鼓勵及推動僱員報名參加專業資格考試及外部培訓。僱員參加專業資格考試及取得職業資格證書，可獲本集團付還費用。同時，本集團期望僱員參加外部培訓，如香港工程師學會舉辦的持續進修培訓，以及香港綠色建築議會舉辦的綠建專才及綠建通才培訓。



B.4. Labour Standards

The Group strictly abides by local and national labour standards, including but not limited to the Employment Ordinance (Cap. 57 of the Laws of Hong Kong) and Labour Law of the People's Republic of China (中華人民共和國勞動法), to prohibit any child and/or forced labour employment.

To combat against illegal employment on child labour, underage workers and forced labour, the Group's human resources department requires job applicants to provide valid identity documents before confirmation of employment to ensure that the applicants are lawfully employable. Furthermore, the human resources department of the Group is also responsible to monitor and guarantee the compliance by the Group with the relevant laws and regulations that prohibit child labour and forced labour employment.

In FY2018, the Group was not in violation of any relevant laws and regulations, in relation to the prevention of child and forced labour that have a significant impact on the Group.

Operating Practices

B.5. Supply Chain Management

As an enterprise that bases its basic principle on sustainable development while fulfilling social responsibilities, it is critical for the Group to maintain and manage a reliable supply chain that takes environmental and societal impact into consideration, which requires an efficient and strict monitoring regime on supply chain practices. The Group has established the general management system manual to manage the behaviour of suppliers/subcontractors.

B.4. 勞工準則

本集團恪守地方及國家勞工準則(包括但不限於香港法例第57章僱傭條例及中華人民共和國勞動法), 禁止僱用童工及/或強制勞工。

為遏止非法僱用童工、未成年勞工及強制勞工, 本集團人力資源部門規定求職者於確認僱傭關係前須提供有效身份證明文件, 以確保求職者可合法受僱。此外, 本集團人力資源部門亦負責監察及保證本集團符合禁止僱用童工及強制勞工的相關法律及規例。

於2018財政年度, 本集團並無違反任何有關防止童工及強制勞工而對本集團有重大影響的相關法律及規例。

營運慣例

B.5. 供應鏈管理

作為遵守可持續發展基本原則並履行社會責任的企業, 以環境及社會影響為考量的同時, 維持並管理可靠的供應鏈, 對本集團至關重要。此舉亦需要就供應鏈慣例實行高效而嚴格的監控機制。本集團已制定一般管理系統手冊, 以管理供應商/分包商的行為。



The Group chooses its subcontractors/suppliers mainly based on their financial background, product/service quality, price, customer service quality, reputation, past cooperation experience, delivery time, and results from annual evaluation. Specifically, the Group strictly controls the procurement process. Normally, by synthesising various factors and opinions, the supplier/subcontractor selected by the Group should not only meet the Group's internal standards, but also be a legally compliant enterprise. The Group has its own internal list of approved qualified suppliers and will reassess them annually. To ensure that there is no colluding and the tendering process is fair and legitimate, the Group invites multiple subcontractors to submit their procurement proposals. To guarantee that each project can be completed successfully, the Group also has backup suppliers for the entire supply chain in case of any possible situations.

The Group strives to reduce its environmental impacts and lower the associated risk during the sourcing activities when cooperating with suppliers/subcontractors. In FY2018, the Group only cooperated with local suppliers/subcontractors, thereby effectively reducing the carbon emissions due to transportation of materials. The Group has its own specific requirements on environmental protection clearly stated in the commercial agreement that all qualified suppliers/subcontractor must strictly follow. Any violation of rules or breach of laws by the subcontractor would incur monetary penalties.

本集團選擇分包商／供應商時，主要視乎其財政背景、產品／服務質量、價格、客戶服務質量、聲譽、過往合作經驗、交付時間及年度評價而定。具體而言，本集團嚴格管控採購程序。一般而言，通過綜合各種因素及意見，本集團選擇的供應商／分包商不僅應符合本集團內部標準，亦須為奉公守法的企業。本集團自設內部認可合資格供應商名單，並會每年重新評估。為確保不存在合謀營私，招標程序公平合法，本集團邀請不同分包商提交採購建議書。為保證各個項目得以成功完成，本集團亦會為整條供應鏈安排備選供應商以應付一切可能情況。

本集團與供應商／分包商合作時，致力減輕其對環境的影響，並降低採購活動中的相關風險。於2018財政年度，本集團僅與當地供應商／分包商合作，藉以有效減少因材料運輸而產生的碳排放。本集團自設特定環保要求，於商業協議中訂明，所有合資格供應商／分包商必須嚴格遵守。分包商如有任何違反規則或法律的行為，將會被罰款。



The Group maintains close liaison with its suppliers to ensure that all suppliers comply with local laws and regulations in their country of operation and adhere to their corporate ethics. Subcontractors are required to submit their relevant certificates to the Group's project management team for registration, and only registered workers are allowed to enter the working sites as the Group strives to eliminate any child labour or forced labour. The procurement department is responsible for checking the quality of delivered products/works by the supplier/subcontractor, and making sure that all the products/works are in compliance with relevant construction laws as well as the Group's internal requirements. Given the firm and stable relationship between the Group and its suppliers, the Group can be updated of the suppliers' situation effectively through the internet, phone calls, and other communication means.

B.6. Product Responsibility

The Group pays great attention to quality control as quality works should meet not only customer's requirement, but also the safety requirement as required by the Hong Kong Housing Authority. The Group believes that providing high-quality work is crucial to its sustainable business development. Therefore, the Group has established an internal quality management system according to the standards of ISO 9001:2008, OHSAS 18001:2007, ISO14001:2004 and ISO 50001:2011, which act as the guidelines to support continual improvement in project quality and safety of the Group. To ensure construction works performed by the Group and associate subcontractors meet the quality standard, the Group assigns a foreman and a project manager to each site to monitor the quality and progress of construction works. The project manager reports regularly to the executive officer who oversees all aspects of the project from quality management to progress management and ensures their compliance with all rules and regulation.

本集團與其供應商維持緊密聯繫，確保所有供應商遵守其業務所在國家當地的法律及規例以及符合企業道德。由於本集團致力杜絕童工或強制勞工，故分包商須向本集團項目管理團隊提交相關證書以作登記，只有註冊工人可進入工地。按照本集團內部規定，採購部門負責檢查供應商／分包商所交付產品／工程的品質，確保所有產品／工程符合相關建築法律。基於本集團與其供應商穩固的關係，本集團可透過互聯網、電話及其他溝通途徑有效得悉供應商的最新狀況。

B.6. 產品責任

由於優質工程不僅應符合客戶要求，亦須符合香港房屋委員會規定的安全要求，故本集團極為重視品質監控工作。本集團相信，提供優質工程對其可持續業務發展至關重要。因此，本集團以ISO 9001:2008、OHSAS 18001:2007、ISO 14001:2004及ISO50001:2011等準則為指引，建立內部品質管理系統，協助本集團持續提高其工程品質及安全。為確保本集團及相關分包商進行的建築工程符合品質標準，本集團於每個地盤指派一名地盤管工及一名項目經理，負責監察建築工程品質及進度。項目經理需要定期向負責監督項目在品質管理以至進度管理各方面的執行主任進行匯報，確保符合所有規則及規例。



To ensure the materials used for construction are up to safety standards, the Group normally purchases materials from its own list of approved suppliers except the situation when the clients appoint specific suppliers. The Group would always engage independent expert for a quality inspection of the purchased materials.

The Group puts great efforts in health and safety affairs in the construction sites by implementing relevant corporate policies. Specifically, apart from a full set of personal protective equipment (PPE) provided to every worker, the Group has a sound reporting mechanism to deal with various emergencies and equipment malfunction. Safety officers will make an inspection tour every week in order to make sure that the operation in the construction sites is fully compliant with relevant standards, policies and laws.

The Group has established internal guidelines to ensure the sales and marketing departments of the Group provide precise product descriptions and information that comply with the relevant local laws and regulations to the customers. Any misrepresentation in marketing materials or exaggeration of offerings is strictly prohibited.

The Group places great emphasis on the privacy protection of its customers and ensures that the customers' rights are strictly protected in accordance with the Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong) and other local regulations in terms of consumer data policy. It is included in the Group's policy that all information collected would only be used for the purpose authorised by customers. The Group prohibits the provision of consumer information to a third party without authorisation from the customers. All collected personal data is treated confidentially and kept securely, accessible by designated personnel only. Moreover, the IT department has set obstruction between office and commercial net to prevent unauthorized data use, exportation and copy. Through the internal training and confidential agreements with employees, the Group emphasises confidentiality obligations and the legal consequences of the breaches of obligations.

為確保建築材料符合安全標準，除非遇有客戶指明特定供應商，否則本集團一般會從自設認可名單上的供應商採購材料。本集團一直聘有獨立專才負責查驗採購所得材料的品質。

本集團在建築地盤的健康與安全事務方面不遺餘力，推行相關公司政策。具體而言，除向每名工人提供整套個人防護裝備外，本集團亦設有完善通報機制，處理不同緊急情況及設備故障問題。安全主任每週巡視一次，以確保建築地盤運作完全符合相關準則、政策及法律。

本集團訂有內部指引，確保本集團銷售及市場推廣部門向客戶提供準確無誤的產品說明及資料，並符合相關地方法律及規例。任何於市場推廣材料中作出失實陳述或於要約中誇大其詞均在嚴禁之列。

本集團極為重視保護客戶私隱，確保客戶權利按照香港法例第486章個人資料(私隱)條例及有關消費者資料政策的其他地方規例受到嚴密保障。本集團政策中列明，收集所得一切資料僅用作經客戶授權的用途。本集團禁止在未經消費者授權情況下向第三方提供客戶資料。收集所得個人資料均會保密並妥善儲存，只有指定人員可以取用。此外，資訊科技部門已分隔辦公室及商業網絡，防止資料在未經授權情況下被使用、挪用或複製。透過內部培訓及與僱員訂立保密協議，本集團特別強調保密義務及違反該義務的法律後果。



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In FY2018, the Group was not in violation of any relevant laws and regulations regarding health and safety, advertising, labelling and privacy matters of its products and services that have a significant impact on the Group.

B.7. Anti-corruption

To maintain a fair, ethical and efficient business and working environment, the Group strictly abides by the local laws and regulations relating to anti-corruption and bribery, irrespective of the area or country where the Group conducts its business, including but not limited to the Prevention of Bribery Ordinance (Cap. 201 of the Laws of Hong Kong).

The Group prohibits all forms of bribery and corruption, and requires all employees to strictly abide by professional ethics and eliminate any corruption and bribery. All employees are expected to discharge their duties with integrity, to act fairly and professionally, and to abstain from engaging in bribery activities or any activities which might exploit their positions against the Group's interests. The Group provides anti-bribery and anti-corruption training course to its employees regularly. During the year under review, no concluded legal cases regarding corrupt practices were brought against the Group or its employees.

Whistle-blowers can report verbally or in writing to the senior management of the Group for any suspected misconducts (including bribery, extortion, fraud and money laundering) with full details and supporting evidence. The management will conduct investigations against any suspicious or illegal behaviour to protect the Group's interests. The Group advocates a confidentiality mechanism to protect the whistle-blowers against unfair dismissal or victimisation. When criminality is suspected, a report will be made to the relevant regulators or law enforcement authorities when the management considers it necessary.

During the year under review, the Group was not in violation of any of the relevant laws and regulations in relation to bribery, extortion, fraud and money laundering that have a significant impact on the Group.

於2018財政年度，本集團並無違反任何有關其產品及服務的健康與安全、廣告、標籤及私隱並對本集團有重大影響的相關法律及規例。

B.7. 反貪污

為維持一個公平公正、符合道德並高效的業務及工作環境，本集團嚴格遵守經營業務地區或國家當地有關反貪污及賄賂的法律及規例，包括但不限於香港法例第201章防止賄賂條例。

本集團禁止各種形式的賄賂及貪污，要求全體僱員嚴格遵守職業道德，杜絕貪污及賄賂。全體僱員應誠實履行職責，公平專業地行事，拒絕從事賄賂活動或有損本集團利益的瀆職行為。本集團定期為其僱員提供防止賄賂及反貪污培訓課程。於回顧年度內，本集團或其僱員並無涉及已審結的貪污訴訟。

舉報人可以口頭或書面方式向本集團高級管理層舉報任何懷疑失當行為(包括賄賂、勒索、欺詐及洗黑錢)，並提供全部詳情及佐證證據。管理層將對任何可疑或不法行為進行調查，以保障本集團利益。本集團設有保密機制，保護舉報人免遭無理解僱或傷害。如若發現任何犯罪行為，管理層會於認為必要時向相關監管機構或執法部門舉報。

於回顧年度內，本集團並無違反任何有關賄賂、勒索、欺詐及洗黑錢而對本集團有重大影響的相關法律及規例。



Community

B.8. Community Investment

As a corporate citizen, the Group deeply realises the importance of making a positive contribution to the communities where the Group operates, and sees the interests of the communities as one of its social responsibilities. The Group is committed to making donations to a great variety of charitable organisations and insisting on promoting environmental protection within the community. The Group encourages its own employees to volunteer to participate in these activities and support these projects by all means. During the year, the Group hosted an event called “Coastline Cleaning and Barbeque Family Day” for its employees. The event promoted the idea of Green Living through diverse group activities such as games, beach cleaning and barbeque, in which employees and their family members could strengthen their family bonds while contributing to the environmental protection.

The Group participated in the “Hong Kong Green Awards 2017 Presentation Ceremony” hosted by Green Council. After several rounds of screening and scoring, the Group won multiple awards, including the “Corporate Green Governance Award — Environmental Monitoring and Reporting” award, at the event. Furthermore, the Group also donated to Caritas — Hong Kong in sponsoring the charity golf event held by ICBC. The Group believes that enterprise and the communities, where the Group operates, are inseparable. To better fulfil its social responsibilities, the Group will never stop its footsteps to pursue the harmonious and symbiotic prosperity with communities.

社區

B.8. 社區投資

身為企業公民，本集團深明貢獻其業務所在社區的重要性，亦視社區利益為其社會責任一部分。本集團悉力捐助各類慈善組織，同時堅持走進社群宣揚環保。本集團鼓勵旗下僱員義務參與有關活動，全力支持有關項目。於本年度，本集團為其僱員舉辦「海岸清潔暨燒烤親子日」活動。該活動透過遊戲、海灘清潔及燒烤等不同小組活動宣揚綠色生活，僱員及其家庭成員亦可藉此加強彼此連繫，同時為環保出一分力。

本集團參與環保促進會舉辦的「香港綠色企業大獎2017頒獎典禮」。經多番遴選及評分，本集團於活動中贏得多個獎項，包括「企業綠色管治獎 — 環境監察及報告」。此外，本集團亦捐款予香港明愛，贊助由工銀亞洲舉辦的慈善高爾夫球日活動。本集團相信，企業與其業務所在社區密不可分。為更好地履行社會責任，本集團將鏗而不捨地追求社會和諧、與社區共享繁榮。



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Prospect

While we have been committed to creating a sustainable corporate stewardship and fulfilling our environmental and social responsibility, we never stop our footstep to improve what we do at New Concepts Holdings Limited. We will continue to put great efforts in our ESG performance and particularly focus more on the following three main domains in daily operations.

First, we commit to seize every opportunity to innovate, design and utilise eco-efficient technologies for our kitchen waste treatment process in terms of their energy consumption, air and GHG emissions, and most importantly, the compliance with relevant environmental regulations. As a leading enterprise in providing solutions and services in kitchen waste treatment, we will remain steadfast in our determination to keep improving.

Second, an expanding boundary of business scope for ESG performance disclosure has been meticulously discussed and will be gradually revealed in our following ESG report. We believe that an increasingly comprehensive ESG report that covers our business footprint and patterns in all units, locations and value chains can provide our stakeholders with a clearer and complete panorama of what we are doing and how we perform in ESG management.

Third, to align with the international standard in preserving energy resources and protecting the planet, we will meliorate our current sustainability management system and embed the concept of sustainability into our whole supply chain management, which we believe is important for us to advance our sustainable development objectives and create shared value for all. By identifying the underlying risks throughout the value chain, prioritizing the material issues, confirming the objective, executing the plan, and reviewing the steps for the enhancement of the implementation effectiveness, we envision a better enterprise that is more environmentally friendly, socially responsible and excels in corporate governance as compared to its peers.

展望

我們一直致力創造可持續發展的企業管理，履行環境及社會責任，同時從未停下提升創業集團(控股)有限公司工作的步伐。我們將繼續着力於ESG的績效，尤其重點關注以下日常運營的三大範疇。

第一，我們矢志抓緊每個機遇，在能源消耗、廢氣及溫室氣體排放，最重要的是於相關環境法規合規方面，為我們的餐廚垃圾處理程序創新、設計及運用具生態效益的技術。作為在提供餐廚垃圾處理解決方案及服務領先的企業，我們將堅定不移，果敢向前。

第二，我們已仔細討論擴大ESG績效披露業務範圍，並將於往後的ESG報告內逐步反映。我們相信，更趨全面的ESG報告將涵蓋各個單位、地點及價值鏈的業務版圖及模式，能為我們的持份者了解我們的ESG管理工作及表現，提供更清晰完備的總覽。

第三，為配合節約能源及保護地球的國際標準，我們將改善現行的可持續發展管理系統，並將可持續發展概念融入整條供應鏈管理。我們視之為推進可持續發展目標，為各方締造共享價值的關鍵要素。我們通過識別價值鏈內的各種相關風險，制定各大事項的緩急優次，確立目標，執行計劃，並審視改善實施成效的各個步驟，冀能引領企業更上層樓，更為綠色，肩負社會責任，在企業管治領導同儕。



VI. Report Disclosure Index

VI. 報告披露索引

Aspects 層面	ESG Indicators ESG指標	Description 說明	Page 頁次
A. Environmental 環境			
A1: Emissions 排放物	General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	126
	KPI A1.1 關鍵績效指標 A1.1	The types of emissions and respective emissions data. 排放物種類及相關排放數據。	127
	KPI A1.2 關鍵績效指標 A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 溫室氣體總排放量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	127
	KPI A1.3 關鍵績效指標 A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生有害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	127



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	KPI A1.4 關鍵績效指標 A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生無害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	127
	KPI A1.5 關鍵績效指標 A1.5	Description of measures to mitigate emissions and results achieved. 描述減低排放量的措施及所得成果。	128
	KPI A1.6 關鍵績效指標 A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved. 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果。	128
A2: Use of Resources 資源使用	General Disclosure 一般披露	Policies on the efficient use of resources, including energy, water and other raw materials. 有效使用資源(包括能源、水及其他原材料)的政策。	131
	KPI A2.1 關鍵績效指標 A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility). 按類型劃分的直接及/或間接能源(如電、氣或油)總耗量(以千個千瓦時計算)及密度(如以每產量單位、每項設施計算)。	131
	KPI A2.2 關鍵績效指標 A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility). 總耗水量及密度(如以每產量單位、每項設施計算)。	131



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	KPI A2.4 關鍵績效指標 A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved. 描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果。	133
	KPI A2.5 關鍵績效指標 A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced. 製成品所用包裝材料的總量(以噸計算)及(如適用)每生產單位估量。	131
A3: The Environment and Natural Resources 環境及天然資源	General Disclosure 一般披露	Policies on minimising the issuer's significant impact on the environment and natural resources. 減低發行人對環境及天然資源造成重大影響的政策。	134
	KPI A3.1 關鍵績效指標 A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。	134
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B1: Employment 僱傭	General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	135
B2: Health and Safety 健康與安全	General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. 有關提供安全工作環境及保障僱員避免職業性危害的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	137



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B3: Development and Training 發展及培訓	General Disclosure 一般披露	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。	139
B4: Labour Standards 勞工準則	General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour. 有關防止童工或強制勞工的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	140
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B6: Product Responsibility 產品責任	General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	142



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Aspects 層面	ESG Indicators ESG指標	Description 說明	Page 頁次
B7: Anti-corruption 反貪污	General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	144
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B8: Community Investment 社區投資	General Disclosure 一般披露	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 有關以社區參與來了解營運所在社區需要和確保其業務活動會考慮社區利益的政策。	145



INDEPENDENT AUDITOR'S REPORT 獨立核數師報告



TO THE SHAREHOLDERS OF NEW CONCEPTS HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Qualified opinion

We have audited the consolidated financial statements of New Concepts Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages 164 to 331, which comprise the consolidated statement of financial position as at 31 March 2018, and the consolidated statement of profit or loss, the consolidated statement of 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, except for the possible effects of the matters described in the *Basis for qualified opinion* section of our report, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2018, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

致創業集團(控股)有限公司

(於開曼群島註冊成立的有限公司)

列位股東

保留意見

我們已審計第164頁至第331頁所載創業集團(控股)有限公司(「貴公司」)及其附屬公司(「貴集團」)的綜合財務報表，當中包括於2018年3月31日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合全面收益表、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，除我們的報告內「保留意見的基礎」一節所述事宜可能造成的影響外，綜合財務報表已按照香港會計師公會頒佈的香港財務報告準則真實而中肯地反映 貴集團於2018年3月31日的綜合財務狀況以及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港公司條例的披露規定妥為編製。



INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

Basis for qualified opinion

As disclosed in note 21(a) to the consolidated financial statements, the Group paid deposits for the potential acquisitions of equity interests in PT. Dempo Sumber Energi (“DSE”) and PT. Sumatera Pembangkit Mandiri (“SPM”). In addition, the Group paid certain expenses and advanced loans to DSE and SPM and their beneficial shareholders. The aggregate amount of these payments of approximately HK\$66,306,000 (2017: HK\$64,745,000) was accounted for as receivables and included in prepayments, deposits and other receivables. However, we have been unable to obtain sufficient audit evidence to ascertain the nature of these payments, and thus we are unable to satisfy ourselves as to (i) the appropriateness of the accounting for these payments as receivables as at 31 March 2018 and 31 March 2017; (ii) whether the impairment of HK\$15,854,000 for the receivables during the year ended 31 March 2018 was appropriate or adequate; (iii) whether an impairment was required on the carrying amount of the receivables as at 31 March 2017; and (iv) the completeness and accuracy of the respective disclosures in the notes to the consolidated financial statements.

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKASs”) 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 qualified opinion.

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. In addition to the matters described in the *Basis for qualified opinion* section, we have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context.

保留意見的基礎

誠如綜合財務報表附註21(a)所披露，貴集團已就PT. Dempo Sumber Energi(「DSE」)及PT. Sumatera Pembangkit Mandiri(「SPM」)股權的潛在收購事項支付按金。此外，貴集團已向DSE及SPM以及該等公司的實益股東支付若干開支及墊付貸款。該等款項總額約66,306,000港元(2017年：64,745,000港元)已入賬列為應收款項，並計入預付款項、按金及其他應收款項。然而，我們無法取得足夠審核憑證以確定該等款項的性質，因此我們無法信納(i)將該等款項入賬列為2018年3月31日及2017年3月31日的應收款項是否適當；(ii)截至2018年3月31日止年度的應收款項減值15,854,000港元是否適當或足夠；(iii)是否須就2017年3月31日的應收款項賬面金額計提減值；及(iv)綜合財務報表各附註的披露事項是否完整及準確。

我們已根據香港會計師公會頒佈的《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」一節作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(以下簡稱「守則」)，我們獨立於貴集團，並已履行守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的保留意見提供基礎。

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。這些事項是在對綜合財務報表整體進行審計並形成意見的背景下來進行處理的，而我們不對這些事項提供單獨的意見。除「保留意見的基礎」一節所述的事項外，我們釐定下述事項為將於我們的報告內溝通的關鍵審計事項。就下列各事項而言，我們乃就該文義提供我們對該事項在審計中是如何應對的描述。



INDEPENDENT AUDITOR'S REPORT
獨立核數師報告

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

我們已經履行了本報告「核數師就審計綜合財務報表承擔的責任」一節闡述的責任，包括與這些事項相關的責任。相應地，我們的審計工作包括執行為應對評估的綜合財務報表重大錯誤陳述風險而設計的審計程序。我們執行審計程序的結果，包括應對下述事項所執行的程序，為隨附的綜合財務報表整體發表審計意見提供了基礎。

Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 我們的審計如何處理關鍵審計事項
<p><i>Impairment assessment of trade and retention receivables, deposits and other receivables and receivables under service concession arrangements</i> 貿易應收款項及應收保留金、按金及其他應收款項以及服務特許權安排應收款項的減值評估</p>	
<p>As at 31 March 2018, the aggregate carrying amount of trade and retention receivables, deposits and other receivables and receivables under service concession arrangements was HK\$765.0 million which represented 47% of the Group's total assets. An impairment assessment is performed by management when there are indicators of impairment by considering factors such as the probability of insolvency or significant financial difficulties of debtors and default or significant delay in payments. 於2018年3月31日，貿易應收款項及應收保留金、按金及其他應收款項以及服務特許權安排應收款項的賬面總額為765,000,000港元，佔貴集團總資產47%。當出現減值跡象時，管理層會透過考慮債務人無力償債或出現重大財務困難以及拖欠付款或付款出現重大延誤的概率等因素進行減值評估。</p>	<p>We assessed management's impairment assessment by (i) sample checking the ageing of the deposit and receivable balances, past repayment history and historical write-off experience; and assessing customers' and debtors' creditworthiness by reference to their financial information, where available; (ii) considering whether any debtor or group of debtors was experiencing significant financial difficulty, default or delinquency in interest or principal payments; and (iii) reviewing subsequent settlements of the trade and retention receivables, deposits and other receivables and receivables under service concession arrangements. 我們已透過(i)抽樣查核按金及應收款項結餘的賬齡、過往還款紀錄及歷史撇銷經驗，以及參照客戶及債務人的財務資料(如能獲得)評估彼等的信譽；(ii)考慮是否有任何一名或一組債務人正面對重大財務困難、違約或未能償還利息或本金；及(iii)審閱貿易應收款項及應收保留金、按金及其他應收款項以及服務特許權安排應收款項的其後清償情況，評估管理層的減值評估。</p>



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<p>Key audit matter 關鍵審計事項</p>	<p>How our audit addressed the key audit matter 我們的審計如何處理關鍵審計事項</p>
<p><i>Impairment assessment of trade and retention receivables, deposits and other receivables and receivables under service concession arrangements</i> 貿易應收款項及應收保留金、按金及其他應收款項以及服務特許權安排應收款項的減值評估</p>	
<p>The impairment assessment is significant to our audit due to (i) the significance of the carrying amounts; and (ii) significant estimates involved in determining the future cash flows from such deposits and receivables based on, among others, the ageing of these deposit and receivable balances, customers' and debtors' creditworthiness, past repayment history and historical write-off experience.</p> <p>由於(i)賬面金額的重要性；及(ii)基於(其中包括)該等按金及應收款項結餘的賬齡、客戶及債務人的信譽、過往還款紀錄及歷史撇銷經驗釐定該等按金及應收款項的未來現金流時涉及的重大估計，故減值評估對我們的審計意義重大。</p> <p>The Group's accounting policies and disclosures of accounting estimates on the impairment assessment of loans and receivables and impairment of trade retention receivables and deposits and other receivables are included in notes 2.4, 3, 20 and 21 to the consolidated financial statements, respectively.</p> <p>貴集團有關貸款及應收款項減值評估以及貿易應收款項及應收保留金及按金及其他應收款項減值的會計政策及會計估計披露事項分別載於綜合財務報表附註2.4、3、20及21。</p>	



Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 我們的審計如何處理關鍵審計事項
<i>Impairment assessment of goodwill, operating concessions and other intangible assets</i> 商譽、經營特許權及其他無形資產的減值評估	
<p>As at 31 March 2018, the aggregate carrying amount of goodwill, operating concessions and other intangible assets after impairment was HK\$399.8 million which represented 24% of the Group's total assets. During the year, an impairment of HK\$138.4 million was made against goodwill and other intangible assets.</p> <p>於2018年3月31日，商譽、經營特許權及其他無形資產的減值後賬面總額為399,800,000港元，佔 貴集團總資產24%。年內，已就商譽及其他無形資產計提減值138,400,000港元</p> <p>An impairment assessment is performed by management annually or when there are indicators of impairment by comparing the carrying amount and the recoverable amount of the asset or the cash-generating unit to which the asset relates.</p> <p>管理層每年或於減值跡象出現時透過比較資產或資產所屬現金產生單位的賬面金額與可收回金額進行減值評估。</p> <p>The impairment assessment is significant to our audit due to (i) the significance of the carrying amounts; and (ii) the significant judgements and estimates involved in determining the recoverable amounts of the cash-generating units to which the goodwill and intangible assets are allocated, including, amongst others, expected future cash flows and discount rates.</p> <p>由於(i)賬面金額的重要性；及(ii)釐定商譽及無形資產所屬現金產生單位的可收回金額時涉及的重大判斷及估計(包括(其中包括)預期未來現金流及貼現率)，故減值評估對我們的審計意義重大。</p> <p>The Group's accounting policies and disclosures of accounting estimates on the impairment assessment of goodwill and other non-financial assets and impairment of goodwill and other intangible assets are included in notes 2.4, 3, 13 and 15 to the consolidated financial statements, respectively.</p> <p>貴集團有關商譽及其他非金融資產減值評估以及商譽及其他無形資產減值的會計政策及會計估計披露事項分別載於綜合財務報表附註2.4、3、13及15。</p>	<p>We discussed with management about the technological, market, economic and legal environment and economic performance of each cash-generating unit to assess management's identification of impairment indicators.</p> <p>我們已與管理層討論各現金產生單位的技術、市場、經濟及法律環境以及經濟表現，以評估管理層所識別的減值跡象。</p> <p>We assessed the key assumptions used in management's cash flow projections for impairment assessment of goodwill and other intangible assets, including, amongst others, expected future cash flows and discount rates.</p> <p>我們已評估管理層有關商譽及其他無形資產減值評估的現金流預測所用的主要假設，包括(其中包括)預期未來現金流及貼現率。</p> <p>In addition, we involved our internal valuation specialists to assist us in evaluating the discount rates adopted in the value in use calculations using cash flow projections. We also assessed the adequacy of disclosures in connection with the impairment assessment of goodwill and other intangible assets.</p> <p>此外，我們已安排內部估值專家，協助我們利用現金流預測評價使用價值計算法中採用的貼現率。我們亦已評估有關商譽及其他無形資產減值評估的披露事項是否足夠。</p>



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Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 我們的審計如何處理關鍵審計事項
<i>Purchase price allocation of business combinations</i> 業務合併的購買價分配	
<p>On 23 June 2017, the Group acquired a 60% equity interest in 合肥非凡生物科技有限公司 (“Hefei Feifan”) from an independent third party for a consideration of US\$12 million (equivalent to HK\$93.6 million). As at the date of acquisition, the aggregate fair value of the identifiable net assets of Hefei Feifan amounted to HK\$153.7 million, with goodwill of HK\$1.4 million recognised arising from the acquisition.</p> <p>於2017年6月23日，貴集團向一名獨立第三方收購合肥非凡生物科技有限公司(「合肥非凡」)60%股權，代價為12,000,000美元(相等於93,600,000港元)。於收購日期，合肥非凡可識別淨資產的公平總值為153,700,000港元，所確認收購產生的商譽為1,400,000港元。</p> <p>On 10 January 2018, the Group acquired an 85% equity interest in 深圳市新寶環保能源科技有限公司 (“Shenzhen Xinbao”) from third parties for a consideration of RMB15.5 million (equivalent to HK\$18.5 million). As at the date of acquisition, the aggregate fair value of the identifiable net assets of Shenzhen Xinbao amounted to HK\$2.7 million, with goodwill of HK\$16.3 million recognised arising from the acquisition.</p> <p>於2018年1月10日，貴集團向獨立第三方收購深圳市新寶環保能源科技有限公司(「深圳新寶」)85%股權，代價為人民幣15,500,000元(相等於18,500,000港元)。於收購日期，深圳新寶可識別淨資產的公平總值為2,700,000港元，所確認收購產生的商譽為16,300,000港元。</p>	<p>With the assistance from our internal valuation specialists, we evaluated the valuation methodologies and assumptions used in the purchase price allocations by (i) examining the terms of the sale and purchase agreements; (ii) assessing the valuation methodologies adopted for the purpose of determining the fair values of the identifiable assets acquired and liabilities assumed; and (iii) benchmarking the key parameters, such as discount rates and interest rates, against market data.</p> <p>在內部估值專家的協助下，我們已透過(i)審視買賣協議的條款；(ii)評估為釐定所收購可識別資產及所承擔負債的公平值採用的估值方法；及(iii)比對主要參數(如貼現率及利率)與市場數據，評價購買價分配時使用的估值方法及假設。</p> <p>In addition, we considered the independence, objectivity and competence of the external valuer engaged by management. We also assessed the adequacy of the disclosures in connection with the business combinations.</p> <p>此外，我們已考慮管理層所委聘外部估值師的獨立性、客觀性及能力，亦已評估有關業務合併的披露事項是否足夠。</p>



Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 我們的審計如何處理關鍵審計事項
<i>Purchase price allocation of business combinations</i> 業務合併的購買價分配	
<p>The Group engaged an independent external valuer to perform the purchase price allocations on the fair values of the identifiable assets acquired and liabilities assumed in the business combinations. The purchase price allocations are significant to our audit due to (i) the significant judgement involved in the identification of assets acquired and liabilities assumed; and (ii) the determination of the fair values of the identifiable assets acquired and liabilities assumed is dependent on a range of estimates, including discount rates and interest rates.</p> <p>貴集團已委聘獨立外部估值師就於業務合併中收購的可識別資產及承擔的負債的公平值進行購買價分配。由於(i)識別所收購資產及所承擔負債時涉及重大判斷；及(ii)釐定所收購可識別資產及所承擔負債的公平值取決於一連串估計(包括貼現率及利率)，故購買價分配對我們的審計意義重大。</p> <p>Details of the business combinations are disclosed in note 37 to the consolidated financial statements. 業務合併的詳情於綜合財務報表附註37披露。</p>	

Other information included in the Annual Report

The directors of the Company are responsible for the other information. The other information comprises 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.

刊載於年度報告內的其他信息

貴公司董事需對其他信息負責。其他信息包括刊載於年度報告內的信息，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瞭解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。



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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. As described in the *Basis for qualified opinion* section above, we were unable to obtain sufficient appropriate evidence to ascertain the nature of those payments, and thus we are unable to satisfy ourselves as to (i) the appropriateness of the accounting; (ii) whether the impairment was appropriate or adequate; (iii) whether an impairment was required; and (iv) the completeness and accuracy of the respective disclosures. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to these matters.

Responsibilities of the directors for the consolidated financial statements

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

In preparing the consolidated financial statements, the directors of the Company 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 of the Company either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

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

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。誠如上文「保留意見的基礎」一節所述，我們無法取得足夠適當憑證以確定該等款項的性質，因此我們無法信納(i)入賬方式是否適當；(ii)減值是否適當或足夠；(iii)是否須計提減值；及(iv)各披露事項是否完整及準確。故此，我們無法對其他信息在該等事項方面是否出現重大錯誤陳述作出結論。

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒布的《香港財務報告準則》及香港《公司條例》的披露規定編製真實而中肯的綜合財務報表，並對其認為為使編製綜合財務報表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，貴公司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，除非貴公司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。

審核委員會協助貴公司董事履行職責，監督貴集團的財務報告過程。



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. Our 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 skepticism throughout the audit. We also:

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

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。我們僅對全體股東作出報告，除此以外，本報告並無其他用途。我們不會就核數師報告的內容向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綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

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



INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

- 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.
- 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信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

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

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.

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、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。



INDEPENDENT AUDITOR'S REPORT
獨立核數師報告

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 partner on the audit resulting in this independent auditor's report is Yen, Kai Shun, Catherine.

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傳達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傳達該事項。

出具本獨立核數師報告的審計項目合夥人是嚴嘉洵。

Ernst & Young

Certified Public Accountants

22/F, CITIC Tower
1 Tim Mei Avenue
Central, Hong Kong

14 February 2019

安永會計師事務所

執業會計師

香港中環
添美道1號
中信大廈22樓

2019年2月14日



CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

Year ended 31 March 2018 截至2018年3月31日止年度

		Notes 附註	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
REVENUE	收入	5	928,457	1,239,809
Cost of sales	銷售成本		(938,880)	(1,040,850)
Gross profit/(loss)	毛利／(毛損)		(10,423)	198,959
Other income and gains, net	其他收入及收益淨額	5	78,096	11,728
Administrative expenses	行政開支		(126,704)	(98,502)
Other expenses, net	其他開支淨額		(192,167)	(16,848)
Finance costs	財務成本	7	(17,138)	(2,159)
PROFIT/(LOSS) BEFORE TAX	除稅前溢利／(虧損)	6	(268,336)	93,178
Income tax credit/(expense)	所得稅抵免／(開支)	10	22,959	(36,252)
PROFIT/(LOSS) FOR THE YEAR	年內溢利／(虧損)		(245,377)	56,926
Attributable to:	歸屬於：			
Owners of the Company	本公司擁有人		(224,790)	47,610
Non-controlling interests	非控股權益		(20,587)	9,316
			(245,377)	56,926
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	歸屬於本公司普通 權益持有人的 每股盈利／(虧損)	11		
Basic	基本		HK(43.61) cents港仙	HK10.45 cents港仙
Diluted	攤薄		HK(43.61) cents港仙	HK10.41 cents港仙



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

Year ended 31 March 2018 截至2018年3月31日止年度

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
PROFIT/(LOSS) FOR THE YEAR	年內溢利／(虧損)	(245,377)	56,926
OTHER COMPREHENSIVE INCOME/(LOSS)	其他全面收益／(虧損)		
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:	將於往後期間重新分類至損益的其他全面收益／(虧損)：		
Change in fair value of available-for-sale investment	可供出售投資的公平值變動	7,325	(5,033)
Exchange differences on translation of foreign operations	換算外國業務所產生的匯兌差額	56,905	(11,091)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF TAX	年內其他全面收益／(虧損)，已扣除稅項	64,230	(16,124)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR	年內全面收益／(虧損) 總額	(181,147)	40,802
Attributable to:	歸屬於：		
Owners of the Company	本公司擁有人	(166,816)	31,708
Non-controlling interests	非控股權益	(14,331)	9,094
		(181,147)	40,802



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

31 March 2018 2018年3月31日

		Notes	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元 (Restated) (經重列)
		附註		
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、機器及設備	12	186,956	197,035
Goodwill	商譽	13	27,216	122,431
Operating concessions	經營特許權	14	356,704	176,617
Other intangible assets	其他無形資產	15	15,841	43,529
Contingent consideration asset	或然代價資產	16	61,644	—
Available-for-sale investment	可供出售投資	17	20,859	6,536
Receivables under service concession arrangements	服務特許權安排應收款項	14	325,238	231,103
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	21	48,674	826
Total non-current assets	非流動資產總值		1,043,132	778,077
CURRENT ASSETS	流動資產			
Inventories	存貨	18	4,331	4,290
Due from contract customers	應收合約客戶款項	19	88,878	121,876
Trade and retention receivables	貿易應收款項及應收保留金	20	244,292	180,001
Receivables under service concession arrangements	服務特許權安排應收款項	14	35,549	—
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	21	125,210	142,068
Loan receivables	應收貸款	22	28,527	38,861
Due from directors	應收董事款項	23	1,646	—
Tax recoverable	可收回稅項		585	—
Pledged deposit	已質押存款	24	5,000	12,438
Cash and cash equivalents	現金及現金等價物	24	61,726	160,670
Total current assets	流動資產總值		595,744	660,204



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

31 March 2018 2018年3月31日

		Notes 附註	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元 (Restated) (經重列)
CURRENT LIABILITIES	流動負債			
Due to contract customers	應付合約客戶款項	19	14,228	1,626
Trade and retention payables	貿易應付款項及應付保留金	25	258,512	237,849
Other payables and accruals	其他應付款項及應計費用	26	109,889	65,770
Due to related companies	應付關連公司款項	23	—	351,036
Interest-bearing bank and other borrowings	計息銀行及其他借貸	27	80,966	33,857
Tax payable	應付稅項		9,060	9,153
Total current liabilities	流動負債總額		472,655	699,291
NET CURRENT ASSETS/(LIABILITIES)	流動資產淨值/(負債淨額)		123,089	(39,087)
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		1,166,221	738,990
NON-CURRENT LIABILITIES	非流動負債			
Due to a related company	應付一間關連公司款項	23	384,301	—
Interest-bearing bank and other borrowings	計息銀行及其他借貸	27	190,075	177,537
Convertible bond	可換股債券	29	23,329	—
Derivative financial instrument	衍生金融工具	29	14,983	—
Provision	撥備	30	16,195	—
Deferred income	遞延收入	31	8,371	8,831
Deferred tax liabilities	遞延稅項負債	32	46,896	51,109
Total non-current liabilities	非流動負債總額		684,150	237,477
Net assets	資產淨值		482,071	501,513



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

31 March 2018 2018年3月31日

		Notes 附註	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元 (Restated) (經重列)
EQUITY	權益			
Equity attributable to owners of the Company	歸屬於本公司擁有人的權益			
Share capital	股本	33	53,026	49,898
Reserves	儲備	35	352,811	433,898
			405,837	483,796
Non-controlling interests	非控股權益		76,234	17,717
Total equity	權益總額		482,071	501,513

Zhu Yongjun

朱勇軍

Chairman and Executive Director

主席兼執行董事

Cai Jianwen

蔡建文

Executive Director

執行董事



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

Year ended 31 March 2018 截至2018年3月31日止年度

		Attributable to owners of the Company 歸屬於本公司擁有人									
		Share capital	Share premium account	Merger reserve	Share option reserve	Available-for-sale financial asset revaluation reserve	Exchange fluctuation reserve	Retained profits/ (accumulated loss)	Total	Non-controlling interests	Total equity
		股本	溢價賬	合併儲備	購股權儲備	可供出售金融資產重估儲備	匯兌波動儲備	保留溢利/ (累計虧損)	總計	非控股權益	權益總額
Notes		附註	附註	附註	附註	附註	附註	附註	附註	附註	附註
		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
At 1 April 2017:	於2017年4月1日:										
As previously reported	如前呈報	49,898	245,837	14,000	18,940	—	(10,150)	161,047	479,572	20,886	500,458
Prior year adjustments	往年調整	2.5	5,884	—	—	—	—	(1,660)	4,224	(3,169)	1,055
As restated	經重列	49,898	251,721	14,000	18,940	—	(10,150)	159,387	483,796	17,717	501,513
Loss for the year	年內虧損	—	—	—	—	—	—	(224,790)	(224,790)	(20,587)	(245,377)
Other comprehensive income for the year:	年內其他全面收益:										
Change in fair value of available-for-sale investment	可供出售投資的公平值變動	—	—	—	—	7,325	—	—	7,325	—	7,325
Exchange differences on translation of foreign operations	換算外國業務所產生的匯兌差額	—	—	—	—	—	50,649	—	50,649	6,256	56,905
Total comprehensive loss for the year	年內全面虧損總額	—	—	—	—	7,325	50,649	(224,790)	(166,816)	(14,331)	(181,147)
Issue of shares	發行股份	33(c)	1,016	36,692	—	—	—	—	37,708	—	37,708
Issue of shares upon exercise of shares options	於購股權行使時發行股份	33(d)	2,112	62,365	(9,998)	—	—	—	54,479	—	54,479
Acquisitions of subsidiaries	收購附屬公司	37	—	—	—	—	—	—	—	61,892	61,892
Capital injection by non-controlling interest	非控股權益注資	39	—	—	—	—	—	(3,330)	(3,330)	10,956	7,626
At 31 March 2018	於2018年3月31日	53,026	350,778*	14,000*	8,942*	7,325*	40,499*	(68,733)*	405,837	76,234	482,071

* These reserve accounts comprise the consolidated reserves of HK\$352,811,000 (2017: HK\$433,898,000 (as restated)) in the consolidated statement of financial position.

* 該等儲備賬包括綜合財務狀況表內的綜合儲備352,811,000港元(2017年: 433,898,000港元(經重列))。



CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

Year ended 31 March 2018 截至2018年3月31日止年度

	Notes 附註	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元 (Restated) (經重列)
CASH FLOWS FROM OPERATING ACTIVITIES	來自經營活動的現金流量		
Profit/(loss) before tax	除稅前溢利／(虧損)	(268,336)	93,178
Adjustments for:	就以下各項作出調整：		
Finance costs	財務成本	17,138	2,159
Interest income	利息收入	(3,225)	(1,087)
Gain on disposal of items of property, plant and equipment	出售物業、機器及設備項目的收益	—	(7)
Fair value gains on derivative financial instruments	衍生金融工具公平值收益	(61,534)	—
Waiver of loan interest payable	豁免應付貸款利息	—	(2,696)
Depreciation	折舊	32,815	29,651
Amortisation of operating concessions	經營特許權攤銷	1,317	—
Amortisation of other intangible assets	其他無形資產攤銷	4,538	747
Impairment of goodwill	商譽減值	114,776	—
Impairment of an intangible asset	一項無形資產減值	24,356	—
Impairment of available-for-sale investment	可供出售投資減值	—	7,532
Impairment of trade receivables	貿易應收款項減值	3,085	—
Impairment of other receivables	其他應收款項減值	15,930	—
Impairment of loan receivables	應收貸款減值	14,090	—
Write-off of other receivables	撇銷其他應收款項	1,151	—
Equity-settled share option expense	以權益結算的購股權開支	—	18,940
Foreign exchange differences, net	外匯差額淨額	—	1,187
		(103,899)	149,604



CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

Year ended 31 March 2018 截至2018年3月31日止年度

	Notes 附註	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元 (Restated) (經重列)
Decrease in inventories	存貨減少	395	3,679
Decrease/(increase) in amounts due from contract customers	應收合約客戶款項減少/(增加)	32,998	(57,755)
Decrease/(increase) in trade and retention receivables	貿易應收款項及應收保留金減少/(增加)	(62,318)	103,236
Decrease/(increase) in prepayments, deposits and other receivables	預付款項、按金及其他應收款項減少/(增加)	18,062	(42,126)
Increase in receivables under service concession arrangements	服務特許權安排應收款項增加	(43,564)	(222,176)
Increase in operating concessions	經營特許權增加	(29,991)	(172,072)
Increase in amounts due from directors	應收董事款項增加	(1,646)	—
Increase/(decrease) in amounts due to contract customers	應付合約客戶款項增加/(減少)	12,602	(9,514)
Increase in trade and retention payables	貿易應付款項及應付保留金增加	8,776	49,215
Increase/(decrease) in other payables and accruals	其他應付款項及應計費用增加/(減少)	(30,109)	26,110
Increase/(decrease) in deferred income	遞延收入增加/(減少)	(1,332)	8,831
Increase in provision	撥備增加	15,268	—
Cash used in operations	經營所用的現金	(184,758)	(162,968)
Hong Kong profits tax paid/(refunded)	已付/(已退回)香港利得稅	1,830	(1,793)
Overseas taxes paid	已繳納海外稅項	(1,777)	(2,964)
Net cash flows used in operating activities	經營活動所用的現金流量淨額	(184,705)	(167,725)
CASH FLOWS FROM INVESTING ACTIVITIES	來自投資活動的現金流量		
Interest received	已收利息	3,225	1,087
Purchases of items of property, plant and equipment	購買物業、機器及設備項目	(21,941)	(21,549)
Proceeds from disposal of items of property, plant and equipment	出售物業、機器及設備項目所得款項	769	7
Purchase of intangible assets	購買無形資產	—	(17,940)
Purchase of available-for-sale asset	購買可供出售資產	(6,998)	—
Acquisitions of subsidiaries	收購附屬公司	(46,796)	(86,642)
Increase in loan receivables	應收貸款增加	(391)	(20,268)
Net cash flows used in investing activities	投資活動所用的現金流量淨額	(72,132)	(145,305)



CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

Year ended 31 March 2018 截至2018年3月31日止年度

	Notes 附註	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元 (Restated) (經重列)	
CASH FLOWS FROM FINANCING ACTIVITIES	來自融資活動的現金流量			
Proceeds from issue of shares	發行股份所得款項	33	92,187	167,137
Proceeds from issue of convertible bond	發行可換股債券所得款項	29	39,008	—
New bank and other borrowings	新增銀行及其他借貸		27,060	177,462
Repayment of bank and other borrowings	償還銀行及其他借貸		(27,159)	(23,143)
Capital injection by non-controlling interest	非控股權益注資		7,626	—
Capital element of finance lease rental payments	融資租賃租金付款的資本部分		(15,723)	(32,383)
Interest element of finance lease rental payments	融資租賃租金付款的利息部分		(504)	(1,306)
Interest paid	已付利息		(12,574)	(853)
Decrease in amount due from a shareholder	應收一名股東款項減少		—	17
Decrease/(increase) in pledged deposit	已質押存款減少／(增加)		7,438	(12,438)
Increase in amounts due to related companies	應付關連公司款項增加		33,265	15,525
Net cash flows from financing activities	來自融資活動的現金流量淨額		150,624	290,018
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物減少淨額		(106,213)	(23,012)
Cash and cash equivalents at beginning of year	年初的現金及現金等價物		160,670	195,249
Effect of foreign exchange rate changes, net	外匯匯率變動的影響淨額		7,269	(11,567)
CASH AND CASH EQUIVALENTS AT END OF YEAR	年末的現金及現金等價物		61,726	160,670
ANALYSIS OF BALANCE OF CASH AND CASH EQUIVALENTS	現金及現金等價物結餘分析			
Cash and bank balances	現金及銀行結餘		61,726	160,670



NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2018 2018年3月31日

1. CORPORATE AND GROUP INFORMATION

New Concepts Holdings Limited is a limited liability company incorporated in the Cayman Islands. The principal place of business of the Company is located at 11/F, 8 Queen's Road Central, Hong Kong and was subsequently changed to Office B, 3/F, Kingston International Centre, 19 Wang Chiu Road, Kowloon Bay, Hong Kong with effect from 5 December 2018.

During the year, the Company and its subsidiaries (collectively referred to as the "Group") were principally engaged in construction works in Hong Kong and environmental protection in Mainland China.

The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

Information about subsidiaries

Particulars of the Company's principal subsidiaries are as follows:

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及營業地點	Issued ordinary/ registered share capital 已發行普通 股本/註冊股本	Percentage of equity attributable to the Company 歸屬於本公司的權益 百分比		Principal activities 主要業務
			2018 2018年	2017 2017年	
New Twins Enterprises Limited*	British Virgin Islands/Hong Kong 英屬處女群島/ 香港	US\$1 1美元	100	100	Investment holding 投資控股
New Concepts Foundation Limited 創業地基有限公司	Hong Kong 香港	HK\$14,000,000 14,000,000港元	100	100	Provision of foundation works and general building works 提供地基工程及一般屋宇工程
New Concepts Trading Company Limited 創業建材有限公司	Hong Kong 香港	HK\$10,000 10,000港元	100	100	Sales of construction materials 銷售建材

1. 企業及集團資料

本公司於開曼群島註冊成立為有限公司。本公司的主要營業地點為香港皇后大道中8號11樓，其後更改為香港九龍灣宏照道19號金利豐國際中心3樓B室，由2018年12月5日起生效。

年內，本公司及其附屬公司（統稱「本集團」）主要於香港從事建築工程業務及於中國內地從事環保業務。

本公司股份於香港聯合交易所有限公司（「聯交所」）主板上市。

有關附屬公司的資料

本公司主要附屬公司的詳情如下：



NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2018 2018年3月31日

1. CORPORATE AND GROUP INFORMATION
(continued)

1. 企業及集團資料(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及營業地點	Issued ordinary/ registered share capital 已發行普通 股本/註冊股本	Percentage of equity attributable to the Company 歸屬於本公司的權益 百分比		Principal activities 主要業務
			2018 2018年	2017 2017年	
New Concepts Engineering Development Limited	Hong Kong	HK\$10,700,000	100	100	Provision of civil engineering works and general building works
創業工程建設有限公司	香港	10,700,000港元			提供土木工程及一般 屋宇工程
Dynamic Premier Limited*	British Virgin Islands/Hong Kong 英屬處女群島/ 香港	US\$50,000 50,000美元	100	100	Investment holding 投資控股
Major Bravo Limited* ("Major Bravo")	British Virgin Islands/Hong Kong 英屬處女群島/ 香港	US\$50,000 50,000美元	100	100	Investment holding 投資控股
Memsys Water Technologies GmbH*	Germany 德國	EUR25,000 25,000歐元	100	100	Sales of membrane distillation modules 銷售薄膜過濾模組
Prime World Limited 世本有限公司	Hong Kong 香港	HK\$10,000 10,000港元	100	100	Investment holding 投資控股
太原天潤生物能源 有限公司 ("Taiyuan Tianrun")*#^^	People's Republic of China ("PRC")/ Mainland China	RMB120,000,000	100	100	Kitchen waste treatment
太原天潤生物能源 有限公司 ("太原天潤")*#^^	中華人民共和國 ("中國")/ 中國內地	人民幣 120,000,000元			餐廚垃圾處理



NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2018 2018年3月31日

1. CORPORATE AND GROUP INFORMATION
(continued)

1. 企業及集團資料(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及營業地點	Issued ordinary/ registered share capital 已發行普通 股本/註冊股本	Percentage of equity attributable to the Company 歸屬於本公司的權益 百分比		Principal activities 主要業務
			2018 2018年	2017 2017年	
合肥非凡生物科技 有限公司 ("Hefei Feifan") ⁺ 合肥非凡生物科技有限 公司(「合肥非凡」) ⁺	PRC/Mainland China 中國/中國內地	US\$30,000,000 30,000,000美元	60	—	Kitchen waste treatment 餐廚垃圾處理
婁底市方盛環保科技 有限公司 ("Loudi Fangsheng") ^{&&} 婁底市方盛環保科技有限 公司(「婁底方盛」) ^{&&}	PRC/Mainland China 中國/中國內地	RMB45,000,000 [^] 人民幣 45,000,000元 [^]	80	100	Kitchen waste treatment 餐廚垃圾處理
Clear Industry Company Limited ("Clear Industry") [~]	Hong Kong 香港	HK\$2,500,000 2,500,000港元	51	51	Investment holding 投資控股
蘇州愷利爾環保科技 有限公司 ^{*~}	PRC/Mainland China 中國/中國內地	RMB50,001,000 ⁻ 人民幣 50,001,000元 ⁻	51	51	Engineering, procurement and construction of kitchen waste and water treatment 餐廚垃圾及水處理 工程、採購及建築
清勤水處理科技(上海) 有限公司 ^{*~}	PRC/Mainland China 中國/中國內地	RMB10,800,000 人民幣 10,800,000元	51	51	Engineering, procurement and construction of water treatment 水處理工程、採購及 建築



NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2018 2018年3月31日

1. CORPORATE AND GROUP INFORMATION
(continued)

1. 企業及集團資料(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及營業地點	Issued ordinary/ registered share capital 已發行普通 股本/註冊股本	Percentage of equity attributable to the Company 歸屬於本公司的權益 百分比		Principal activities 主要業務
			2018 2018年	2017 2017年	
世本(天津)環境技術 有限公司*#	PRC/Mainland China 中國/中國內地	RMB110,000,000 ^{&} 人民幣 110,000,000元 ^{&}	100	100	Provision of environmental improvement solutions 提供環境改善方案
深圳市新寶環保能源科技 有限公司 ("Shenzhen Xinbao")* [^]	PRC/Mainland China	RMB20,000,000	85	—	Kitchen waste treatment
深圳市新寶環保能源科技 有限公司 ("深圳新寶")* [^]	中國/中國內地	人民幣 20,000,000元			餐廚垃圾處理
Progressive Merit Limited*	British Virgin Islands/Hong Kong 英屬處女群島/ 香港	US\$50,000 50,000美元	100	100	Investment holding 投資控股
Stand Ascent Limited ("Stand Ascent") 晉立有限公司("晉立")	Hong Kong 香港	HK\$10,000 10,000港元	100	100	Inactive 暫無營業

* The statutory financial statements of these subsidiaries are not audited by Ernst & Young, Hong Kong or another member firm of the Ernst & Young global network.

* 該等附屬公司的法定財務報表並非由香港安永會計師事務所或安永全球網絡的其他成員公司審核。

These subsidiaries are registered as wholly-foreign-owned enterprises under PRC law.

該等附屬公司根據中國法律註冊為外商獨資企業。

[^] As at 31 March 2018, the paid up share capital of this subsidiary was RMB38,400,000.

[^] 於2018年3月31日，該附屬公司的繳足股本為人民幣38,400,000元。



NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2018 2018年3月31日

1. CORPORATE AND GROUP INFORMATION (continued)

- ~ As at 31 March 2018, the paid up share capital of this subsidiary was RMB8,910,000.
- & As at 31 March 2018, the paid up share capital of this subsidiary was RMB78,347,950.
- + On 23 June 2017, the Group completed (i) the acquisition of equity interest in Hefei Feifan from Fu Li Biotechnology Corporation, an independent third party, for a cash consideration of US\$2,000,000; and (ii) the capital injection into Hefei Feifan for an amount of US\$10,000,000 (equivalent to approximately HK\$93,599,000, in aggregate). Subsequent to the acquisition and the capital injection, the Group held 60% equity interest in Hefei Feifan. Further details of the acquisition and the capital injection are included in note 37 to the financial statements.
- ⊙ On 10 January 2018, the Group acquired an 85% equity interest in Shenzhen Xinbao from independent third parties for a cash consideration of RMB15,500,000 (equivalent to approximately HK\$18,543,000). Further details of this acquisition are included in note 37 to the financial statements.
- ^^ On 14 July 2016, the Group acquired a 100% equity interest in Taiyuan Tianrun from 太原潤禾環衛工程設備有限公司, an independent third party, for a cash consideration of RMB43,447,500 (equivalent to approximately HK\$50,569,000). Further details of this acquisition are included in note 37 to the financial statements.
- On 14 December 2016, the Group acquired a 51% equity interest in Clear Industry from Qingqin International Group Limited ("Qingqin International"), an independent third party, for a consideration in the form of (i) cash of RMB43,987,500; and (ii) allotment and issue of 18,982,992 ordinary shares of the Company (equivalent to approximately HK\$107,480,000, in aggregate). Further details of this acquisition are included in note 37 to the financial statements.
- && On 24 March 2017, the Group acquired an additional 11.5% equity interest in Loudi Fangsheng from an independent third party for a cash consideration of RMB2,990,000 (equivalent to approximately HK\$3,363,000). Further details of this acquisition are included in note 38 to the financial statements.
- On 15 March 2018, an independent third party injected capital to Loudi Fangsheng for an amount of RMB6,111,000 (equivalent to approximately HK\$7,626,000). Immediately after the capital injection, Loudi Fangsheng is owned as to 80% by the Group and 20% by the independent third party. Further details of this capital injection are included in note 39 to the financial statements.

1. 企業及集團資料 (續)

- ~ 於2018年3月31日，該附屬公司的繳足股本為人民幣8,910,000元。
- & 於2018年3月31日，該附屬公司的繳足股本為人民幣78,347,950元。
- + 於2017年6月23日，本集團完成(i)向獨立第三方阜利生物科技股份有限公司收購合肥非凡的股權，現金代價為2,000,000美元；及(ii)向合肥非凡注資10,000,000美元(合共相等於約93,599,000港元)。於收購及注資後，本集團持有合肥非凡的60%股權。有關該項收購及注資的進一步詳情載於財務報表附註37。
- ⊙ 於2018年1月10日，本集團向獨立第三方收購深圳新寶的85%股權，現金代價為人民幣15,500,000元(相等於約18,543,000港元)。有關該項收購的進一步詳情載於財務報表附註37。
- ^^ 於2016年7月14日，本集團向獨立第三方太原潤禾環衛工程設備有限公司收購太原天潤的100%股權，現金代價為人民幣43,447,500元(相等於約50,569,000港元)。有關該項收購的進一步詳情載於財務報表附註37。
- 於2016年12月14日，本集團向獨立第三方清勤國際集團有限公司(「清勤國際」)收購Clear Industry的51%股權，代價包括(i)現金人民幣43,987,500元；及(ii)配發及發行18,982,992股本公司的普通股(合共相等於約107,480,000港元)。有關該項收購的進一步詳情載於財務報表附註37。
- && 於2017年3月24日，本集團向獨立第三方收購婁底方盛額外11.5%股權，現金代價為人民幣2,990,000元(相等於約3,363,000港元)。有關該項收購的進一步詳情載於財務報表附註38。
- 於2018年3月15日，一名獨立第三方向婁底方盛注資人民幣6,111,000元(相等於約7,626,000港元)。緊隨注資後，本集團及該名獨立第三方分別擁有婁底方盛的80%及20%權益。有關該項注資的進一步詳情載於財務報表附註39。



1. CORPORATE AND GROUP INFORMATION (continued)

Except for New Twins Enterprises Limited and Dynamic Premier Limited, the above subsidiaries are indirectly held by the Company.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all 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. They have been prepared under the historical cost convention, except for the Group's available-for-sale investment, contingent consideration asset and derivative financial instrument which have been measured at fair value. These financial statements are presented in Hong Kong dollars ("HK\$") and all values are rounded to the nearest thousand except when otherwise indicated.

1. 企業及集團資料(續)

除New Twins Enterprises Limited及Dynamic Premier Limited外，上述附屬公司由本公司間接持有。

上表列出董事認為主要影響本集團年內業績或組成本集團淨資產重大部分的本公司附屬公司。董事認為提供其他附屬公司的詳情會令篇幅過於冗長。

2.1 編製基準

本財務報表乃按照香港會計師公會頒佈的香港財務報告準則(包括所有香港財務報告準則、香港會計準則及詮釋)、香港公認會計原則及香港公司條例的披露規定編製。除本集團的可供出售投資、或然代價資產及衍生金融工具按公平值計量外，本財務報表乃根據歷史成本慣例編製。本財務報表以港元呈列，除另有指明者外，所有價值會取捨至最接近的千位數。



NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2018 2018年3月31日

2.1 BASIS OF PREPARATION (continued)

Basis of consolidation

The consolidated financial statements include the financial statements of the Group for the year ended 31 March 2018. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

2.1 編製基準(續)

綜合賬目基準

綜合財務報表包括本集團截至2018年3月31日止年度的財務報表。附屬公司為本公司直接或間接控制的實體(包括結構性實體)。當本集團就參與被投資方營運承擔或有權獲得可變回報及能對被投資方行使權力(即本集團獲賦予現有能以主導被投資方相關活動的既存權利)影響該等回報時,即取得控制權。

當本公司直接或間接擁有少於被投資方大多數表決權或類似權利時,本集團於評估其是否擁有對被投資方的權力時會考慮一切相關事實及情況,包括:

- (a) 與被投資方其他表決權持有人的合約安排;
- (b) 其他合約安排所產生的權利;及
- (c) 本集團的表決權及潛在表決權。

附屬公司與本公司的財務報表的報告期間相同,並採用一致的會計政策編製。附屬公司的業績由本集團取得控制權之日起綜合入賬,並持續綜合入賬,直至該控制權終止之日為止。

損益及其他全面收益各個部分會歸於本集團母公司擁有人及非控股權益,即使此舉會導致非控股權益出現虧絀結餘亦然。與本集團成員公司間進行的交易有關的所有集團內公司間資產及負債、權益、收入、開支及現金流量於綜合賬目時全數抵銷。

倘有事實及情況顯示上述三個控制權元素中一項或以上出現變動,則本集團會重新評估其是否控制被投資方。於一間附屬公司的擁有權權益變動如並無導致喪失控制權,則入賬列為權益交易。



2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised HKFRSs for the first time for the current year's financial statements.

Amendments to HKAS 7	<i>Disclosure Initiative</i>
Amendments to HKAS 12	<i>Recognition of Deferred Tax Assets for Unrealised Losses</i>
Amendments to HKFRS 12 included in <i>Annual Improvements to HKFRSs 2014–2016 Cycle</i>	<i>Disclosure of Interests in Other Entities: Clarification of the Scope of HKFRS 12</i>

Other than as explained below regarding the impact of amendments to HKAS 7, the adoption of the above revised standards has had no significant financial effect on these financial statements.

The nature and the impact of the amendments are described below:

Amendments to HKAS 7 require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. Disclosure of the changes in liabilities arising from financing activities is provided in note 40(b) to the financial statements.

2.2 會計政策及披露事項變動

本集團已就本年度的財務報表首次採用下列經修訂香港財務報告準則。

香港會計準則第7號的修訂	<i>披露計劃</i>
香港會計準則第12號的修訂	<i>就未變現虧損確認遞延稅項資產</i>
香港財務報告準則於2014至2016年週期的年度改進所載香港財務報告準則第12號的修訂	<i>披露於其他實體的權益：釐清香港財務報告準則第12號的範圍</i>

除下文所闡述有關香港會計準則第7號的修訂的影響外，採用上述經修訂準則對本財務報表並無重大財務影響。

該等修訂的性質及影響描述如下：

香港會計準則第7號的修訂規定實體作出披露，讓財務報表使用者可評價融資活動所產生負債的變動，包括現金流量所產生變動及非現金變動。融資活動所產生負債的變動的披露資料載於財務報表附註40(b)。



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2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

Amendments to HKFRS 2	<i>Classification and Measurement of Share-based Payment Transactions¹</i>
Amendments to HKFRS 3	<i>Definition of a Business²</i>
Amendments to HKFRS 4	<i>Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts¹</i>
HKFRS 9	<i>Financial Instruments¹</i>
Amendments to HKFRS 9	<i>Prepayment Features with Negative Compensation²</i>
Amendments to HKFRS 10 and HKAS 28 (2011)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture⁵</i>
HKFRS 15	<i>Revenue from Contracts with Customers¹</i>
Amendments to HKFRS 15	<i>Clarifications to HKFRS 15 Revenue from Contracts with Customers¹</i>
HKFRS 16	<i>Leases²</i>
HKFRS 17	<i>Insurance Contracts⁴</i>
Amendments to HKAS 1 and HKAS 8	<i>Definition of Material³</i>
Amendments to HKAS 19	<i>Plan Amendment, Curtailment or Settlement²</i>
Amendments to HKAS 28	<i>Long-term Interests in Associates and Joint Ventures²</i>
Amendments to HKAS 40	<i>Transfers of Investment Property¹</i>
HK(IFRIC)-Int 22	<i>Foreign Currency Transactions and Advance Consideration¹</i>
HK(IFRIC)-Int 23	<i>Uncertainty over Income Tax Treatments²</i>
<i>Annual Improvements to HKFRSs 2014–2016 Cycle</i>	Amendments to HKFRS 1 and HKAS 28 ¹
<i>Annual Improvements to HKFRSs 2015–2017 Cycle</i>	Amendments to HKFRS 3, HKFRS 11, HKAS 12 and HKAS 23 ²

2.3 已頒佈但尚未生效的香港財務報告準則

本集團並無於本財務報表應用下列已頒佈但尚未生效的新訂及經修訂香港財務報告準則。

香港財務報告準則第2號的修訂	以股份為基礎付款交易的分類及計量 ¹
香港財務報告準則第3號的修訂	業務的定義 ²
香港財務報告準則第4號的修訂	於香港財務報告準則第4號「保險合約」下應用香港財務報告準則第9號「金融工具」 ¹
香港財務報告準則第9號	金融工具 ¹
香港財務報告準則第9號的修訂	具有負補償的提前償付特性 ²
香港財務報告準則第10號及香港會計準則第28號 (2011年)的修訂	投資者與其聯營公司或合營企業間的資產出售或注入 ⁵
香港財務報告準則第15號	來自客戶合約的收入 ¹
香港財務報告準則第15號的修訂	釐清香港財務報告準則第15號「來自客戶合約的收入」 ¹
香港財務報告準則第16號	租賃 ²
香港財務報告準則第17號	保險合約 ⁴
香港會計準則第1號及香港會計準則第8號的修訂	材料的定義 ³
香港會計準則第19號的修訂	計劃修訂、縮減或結算 ²
香港會計準則第28號的修訂	於聯營公司及合營企業的長期權益 ²
香港會計準則第40號的修訂	轉讓投資物業 ¹
香港(國際財務報告詮釋委員會) — 詮釋第22號	外幣交易及預收預付代價 ¹
香港(國際財務報告詮釋委員會) — 詮釋第23號	所得稅處理的不確定因素 ²
香港財務報告準則2014至2016年週期的年度改進	香港財務報告準則第1號及香港會計準則第28號的修訂 ¹
香港財務報告準則2015至2017年週期的年度改進	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號的修訂 ²



2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS *(continued)*

- 1 Effective for annual periods beginning on or after 1 January 2018
- 2 Effective for annual periods beginning on or after 1 January 2019
- 3 Effective for annual periods beginning on or after 1 January 2020
- 4 Effective for annual periods beginning on or after 1 January 2021
- 5 No mandatory effective date yet determined but available for adoption

Further information about those HKFRSs that are expected to be applicable to the Group is described below. Of those standards, HKFRS 9 and HKFRS 15 will be applicable for the Group's financial year ending 31 March 2019 and are expected to have certain impact upon adoption. Whilst management has performed an assessment of the estimated impacts of these standards, that assessment is based on the information currently available to the Group. The actual impacts upon adoption could be different to those below, depending on additional reasonable and supportable information being made available to the Group at the time of applying the standards.

2.3 已頒佈但尚未生效的香港財務報告準則 (續)

- 1 於2018年1月1日或之後開始的年度期間生效
- 2 於2019年1月1日或之後開始的年度期間生效
- 3 於2020年1月1日或之後開始的年度期間生效
- 4 於2021年1月1日或之後開始的年度期間生效
- 5 尚未確定強制生效日期，但可供採納

預期適用於本集團的香港財務報告準則的進一步資料闡述如下。在該等準則當中，香港財務報告準則第9號及香港財務報告準則第15號將於本集團截至2019年3月31日止財政年度適用，並預期於採用後帶來若干影響。儘管管理層已就該等準則的估計影響進行評估，惟該評估僅依據本集團目前可得的資料而作出。採納後的實際影響可能與下述者有所不同，視乎本集團於應用該等準則時可得的額外合理佐證資料而定。



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2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

In September 2014, the HKICPA issued the final version of HKFRS 9, bringing together all phases of the financial instruments project to replace HKAS 39 and all previous versions of HKFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. The Group will adopt HKFRS 9 from 1 April 2018. The Group will not restate comparative information and will recognise any transition adjustments against the opening balance of equity at 1 April 2018. During the year ended 31 March 2018, the Group has performed an assessment of the impact of the adoption of HKFRS 9. The expected impacts relate to the classification and measurement and the impairment requirements and are summarised as follows:

(a) Classification and measurement

Upon adoption of HKFRS 9, the classification and measurement of financial assets depends on two assessments: the financial asset's contractual cash flow characteristics and the entity's business model for managing the financial asset. The Group does not expect that the adoption of HKFRS 9 will have a significant impact on the classification and measurement of its financial assets. It expects to continue measuring at fair value all financial assets currently held at fair value. Equity investment currently held as available for sale will be classified as equity investment at fair value through profit or loss, which will increase volatility in recorded profit or loss.

2.3 已頒佈但尚未生效的香港財務報告準則(續)

於2014年9月，香港會計師公會頒佈香港財務報告準則第9號的最終版本，將金融工具項目的所有階段集於一體，以取代香港會計準則第39號及香港財務報告準則第9號的全部先前版本。該準則引進有關分類與計量、減值及對沖會計法的新要求。本集團將由2018年4月1日起採用香港財務報告準則第9號。本集團將確認對2018年4月1日的年初權益結餘作出的過渡調整，而不會重列比較資料。於截至2018年3月31日止年度，本集團已就採用香港財務報告準則第9號的影響進行評估。預期影響與分類及計量以及減值規定相關，概述如下：

(a) 分類及計量

於採用香港財務報告準則第9號後，金融資產的分類及計量會視乎兩項評估而定：金融資產的合約現金流特徵及實體管理金融資產的業務模型。本集團預期採用香港財務報告準則第9號不會對其金融資產的分類及計量造成重大影響，並預期將繼續按公平值計量現時按公平值持有的所有金融資產。目前持作可供出售的股本投資將分類為透過損益按公平值計量的股本投資，將令已錄得的損益波幅增加。



2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS *(continued)*

(b) Impairment

HKFRS 9 requires an impairment on debt instruments recorded at amortised cost or at fair value through other comprehensive income, lease receivables, loan commitments and financial guarantee contracts that are not accounted for at fair value through profit or loss under HKFRS 9, to be recorded based on an expected credit loss model either on a twelve-month basis or a lifetime basis. The Group will apply the simplified approach and record lifetime expected losses that are estimated based on the present values of all cash shortfalls over the remaining life of all of its trade and retention receivables. Furthermore, the Group will apply the general approach and record twelve-month expected credit losses that are estimated based on the possible default events on its other receivables within the next twelve months. The Group has determined that, due to the unsecured nature of its trade and retention receivables and other receivables, the provision for impairment may increase upon the initial adoption of the standard.

2.3 已頒佈但尚未生效的香港財務報告準則 *(續)*

(b) 減值

香港財務報告準則第9號規定，按攤銷成本或透過其他全面收益按公平值記賬的債務工具、租賃應收款項、貸款承擔及根據香港財務報告準則第9號並非透過損益按公平值入賬的財務擔保合約的減值，應按十二個月基準或全期基準基於預期信貸虧損模型記賬。本集團將運用簡化的方法，將基於所有現金不足額於其所有貿易應收款項及應收保留金剩餘年期的現值估計的全期預期虧損記賬。此外，本集團將採用一般方式，將基於其他應收款項於未來十二個月內可能發生的違約事件估計的十二個月預期信貸虧損記賬。本集團已釐定，鑑於貿易應收款項及應收保留金以及其他應收款項的無抵押性質，於初始採用該準則後的減值撥備或會增加。



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2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

HKFRS 15, issued in July 2014, establishes a new five-step model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in HKFRS 15 provide a more structured approach for measuring and recognising revenue. The standard also introduces extensive qualitative and quantitative disclosure requirements, including disaggregation of total revenue, information about performance obligations, changes in contract asset and liability account balances between periods and key judgements and estimates. The standard will supersede all current revenue recognition requirements under HKFRSs. Either a full retrospective application or a modified retrospective adoption is required on the initial application of the standard. In June 2016, the HKICPA issued amendments to HKFRS 15 to address the implementation issues on identifying performance obligations, application guidance on principal versus agent and licences of intellectual property, and transition. The amendments are also intended to help ensure a more consistent application when entities adopt HKFRS 15 and decrease the cost and complexity of applying the standard. The Group plans to adopt the transitional provisions in HKFRS 15 to recognise the cumulative effect of initial adoption as an adjustment to the opening balance of accumulated loss at 1 April 2018. In addition, the Group plans to apply the new requirements only to contracts that are not completed before 1 April 2018. The Group expects that the transitional adjustment to be made on 1 April 2018 upon initial adoption of HKFRS 15 may not be material. During the year ended 31 March 2018, the Group has performed an assessment on the impact of the adoption of HKFRS 15. The expected impacts arising from the adoption of HKFRS 15 on the Group are summarised as follows:

2.3 已頒佈但尚未生效的香港財務報告準則(續)

於2014年7月頒佈的香港財務報告準則第15號新設一個五步模型，將客戶合約產生的收入入賬。根據香港財務報告準則第15號，收入按能反映實體預期就向客戶轉讓貨品或服務而有權換取的代價金額確認。香港財務報告準則第15號的原則為計量及確認收入提供結構更嚴謹的方法。該準則亦引入廣泛的定性及定量披露規定，包括收入總額的分拆、有關履約責任的資料、合約資產及負債賬目結餘於不同期間的變動，以及重大判斷及估計。該準則將取代香港財務報告準則下所有現行收入確認規定。初始應用該準則時，須全面追溯應用或經修改追溯採用。於2016年6月，香港會計師公會頒佈香港財務報告準則第15號的修訂，以處理識別履約責任、與主事人與代理人之間及知識產權許可有關的應用指引以及過渡安排的實施問題。該等修訂亦擬協助確保實體於採用香港財務報告準則第15號時能更一致地應用該準則及降低應用該準則的成本及複雜程度。本集團計劃採用香港財務報告準則第15號的過渡條文，以將初始採用的累計影響確認為對2018年4月1日年初累計虧損結餘的調整。此外，本集團計劃僅對未有於2018年4月1日前完成的合約應用新規定。本集團預期，於2018年4月1日因初始採用香港財務報告準則第15號而將作出的過渡調整可能並不重大。於截至2018年3月31日止年度，本集團已就採用香港財務報告準則第15號的影響進行評估。採用香港財務報告準則第15號對本集團造成的預期影響概述如下：



2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS *(continued)*

Presentation and disclosure

The presentation and disclosure requirements in HKFRS 15 are more detailed than those under the current HKAS 18. The presentation requirements represent a significant change from current practice and will significantly increase the volume of disclosures required in the Group's financial statements. Many of the disclosure requirements in HKFRS 15 are new and the Group has assessed that the impact of some of these disclosure requirements will be significant. In particular, the Group expects that the notes to the financial statements will be expanded because of the disclosure of significant judgements made on determining the transaction prices of those contracts that include variable consideration, how the transaction prices have been allocated to the performance obligations, and the assumptions made to estimate the stand-alone selling price of each performance obligation. In addition, as required by HKFRS 15, the Group will disaggregate revenue recognised from contracts with customers into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. It will also disclose information about the relationship between the disclosure of disaggregated revenue and revenue information disclosed for each reportable segment.

2.3 已頒佈但尚未生效的香港財務報告準則 *(續)*

呈列及披露

香港財務報告準則第15號的呈列及披露規定較現行香港會計準則第18號所規定者更為詳盡。呈列規定大幅改動現行慣例，並將大量增加須在本集團財務報表作出的披露。香港財務報告準則第15號有多項披露規定為新規定，本集團已評定部分該等披露規定的影響將屬重大。尤其是，由於須披露就釐定該等合約交易價格（包括可變代價）、如何分配交易價格至履約責任所作出的重大判斷以及就估計各項履約責任的獨立售價所作出的假設，故本集團預期財務報表附註的內容將會增加。此外，根據香港財務報告準則第15號的規定，本集團將就客戶合約所確認的收入分拆成多個類別，以反映收入及現金流量的性質、金額、時間及不確定性如何受經濟因素影響。本集團亦將披露有關分拆收入披露與就各可呈報分部所披露收入資料的關係的資料。



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2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

HKFRS 16, issued in May 2016, replaces HKAS 17 *Leases*, HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease*, HK(SIC)-Int 15 *Operating Leases — Incentives* and HK(SIC)-Int 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise assets and liabilities for most leases. The standard includes two elective recognition exemptions for lessees — leases of low-value assets and short-term leases. At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). The right-of-use asset is subsequently measured at cost less accumulated depreciation and any impairment losses unless the right-of-use asset meets the definition of investment property in HKAS 40, or relates to a class of property, plant and equipment to which the revaluation model is applied. The lease liability is subsequently increased to reflect the interest on the lease liability and reduced for the lease payments. Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. Lessees will also be required to remeasure the lease liability upon the occurrence of certain events, such as change in the lease term and change in future lease payments resulting from a change in an index or rate used to determine those payments. Lessees will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. Lessor accounting under HKFRS 16 is substantially unchanged from the accounting under HKAS 17. Lessors will continue to classify all leases using the same classification principle as in HKAS 17 and distinguish between operating leases and finance leases. HKFRS 16 requires lessees and lessors to make more extensive disclosures than under HKAS 17.

2.3 已頒佈但尚未生效的香港財務報告準則 (續)

於2016年5月頒佈的香港財務報告準則第16號取代香港會計準則第17號「租賃」、香港(國際財務報告詮釋委員會) — 詮釋第4號「釐定安排是否包括租賃」、香港(常務詮釋委員會) — 詮釋第15號「經營租賃 — 優惠」及香港(常務詮釋委員會) — 詮釋第27號「評估涉及租賃法律形式的交易內容」。該準則載列確認、計量、呈列及披露租賃的原則，並規定承租人就大多數租賃確認資產及負債。該準則包括給予承租人兩項租賃確認豁免 — 低價值資產租賃及短期租賃。於租賃開始日期，承租人將確認於租賃年期內支付的租賃款項為負債(即租賃負債)，並確認可於租賃年期內使用相關資產的權利為資產(即使用權資產)。除非使用權資產符合香港會計準則第40號對投資物業的定義，或與應用重估模型的物業、機器及設備類別有關，否則使用權資產其後按成本減累計折舊及任何減值虧損計量。租賃負債其後會就反映租賃負債利息而增加及就租賃付款而減少。承租人將須分別確認租賃負債的利息開支及使用權資產的折舊開支。承租人亦將須於若干事件發生(例如租賃年期變更或用於釐定未來租賃付款的一項指數或比率變更而引致該等付款變更)時重新計量租賃負債。承租人一般將重新計量租賃負債的數額確認為使用權資產的調整。香港財務報告準則第16號大致沿用香港會計準則第17號內出租人的會計處理方式。出租人將繼續使用與香港會計準則第17號相同的分類原則將所有租賃分類，並將之分類為經營租賃及融資租賃。香港財務報告準則第16號規定，承租人及出租人須作出較香港會計準則第17號更廣泛的披露。



2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

Lessees can choose to apply the standard using either a full retrospective or a modified retrospective approach. The Group expects to adopt HKFRS 16 from 1 April 2019. The Group is currently assessing the impact of HKFRS 16 upon adoption and is considering whether it will choose to take advantage of the practical expedients available and which transition approach and reliefs will be adopted. As disclosed in note 42 to the financial statements, at 31 March 2018, the Group had future minimum lease payments under non-cancellable operating leases in aggregate of approximately HK\$7,249,000. Upon adoption of HKFRS 16, certain amounts included therein may need to be recognised as new right-of-use assets and lease liabilities. Further analysis, however, will be needed to determine the amount of new rights of use assets and lease liabilities to be recognised, including, but not limited to, any amounts relating to leases of low-value assets and short term leases, other practical expedients and reliefs chosen, and new leases entered into before the date of adoption.

2.3 已頒佈但尚未生效的香港財務報告準則 (續)

承租人可選擇以全面追溯或經修訂追溯的方式應用該準則。本集團預期自2019年4月1日起採納香港財務報告準則第16號。本集團目前正評估採納香港財務報告準則第16號的影響，並正考慮會否選擇利用現有的可行權宜措施，以及將會採納的過渡方案及寬免。誠如財務報表附註42所披露，於2018年3月31日，本集團根據不可取消經營租賃的未來最低租賃款項總額約為7,249,000港元。採納香港財務報告準則第16號後，當中所列若干金額或需確認為新使用權資產及租賃負債。然而，本集團需作進一步分析，以釐定將予確認的新使用權資產及租賃負債金額，包括但不限於任何與低價值資產租賃及短期租賃、所選擇的其他可行權宜措施及寬免以及於採納日期前訂立的新租賃有關的金額。



2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed 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. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

2.4 重要會計政策概要

業務合併及商譽

本集團採用收購法將業務合併入賬。所轉讓代價按於收購日期的公平值計量，即本集團所給予的資產、本集團向收購對象前擁有人所承擔的負債以及本集團為交換收購對象控制權而發行的股本權益於收購日期的公平值總和。本集團就每一項業務合併選擇按公平值或應佔收購對象可識別淨資產的比例份額計量收購對象中屬現有所有權權益並賦予其持有人權利於清盤時按比例分佔淨資產的非控股權益。非控股權益的所有其他部分均按公平值計量。收購相關成本於成本產生時支銷。

本集團收購業務時會按照合約條款、於收購日期的經濟情況及相關條件，評估所承接的金融資產及所承擔的金融負債，以作出適當的分類及指定。這包括自收購對象的主合約分拆嵌入式衍生工具。

倘業務合併乃分階段達成，則先前持有的股權按於收購日期的公平值重新計量，而由此產生的任何收益或虧損於損益確認。

收購方將轉讓的任何或然代價於收購日期按公平值確認。歸入資產或負債類別的或然代價按公平值計量，其公平值變動則於損益確認。歸入權益類別的或然代價毋須重新計量，其後結算則於權益入賬。



2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations and goodwill (continued)

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 March. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

2.4 重要會計政策概要(續)

業務合併及商譽(續)

商譽初始按成本計量，而成本乃指已轉讓代價、已確認非控股權益金額及本集團先前所持收購對象股權的任何公平值總額超出所收購可識別淨資產及所承擔可識別淨負債的差額。倘此代價與其他項目的總和低於所收購淨資產的公平值，則其差額經重新評估後於損益確認為議價收購的收益。

於初始確認後，商譽按成本減任何累計減值虧損計量。商譽須每年作減值測試，倘發生事件或情況變化顯示賬面值可能出現減值，則會更頻密地進行減值測試。本集團於3月31日進行商譽的年度減值測試。就減值測試而言，從業務合併獲得的商譽自收購日期起分配至本集團的各現金產生單位或現金產生單位組別，該等單位或單位組別預期將受惠於合併的協同效益，而不論本集團其他資產或負債是否已分配至該等單位或單位組別。

減值乃透過評估與商譽有關的現金產生單位(或現金產生單位組別)的可收回金額釐定。倘現金產生單位(或現金產生單位組別)的可收回金額少於賬面金額，則確認減值虧損。已確認的商譽減值虧損不會於其後期間撥回。

倘商譽獲分配至某個(或某組)現金產生單位，而該單位內的部分業務已出售，則在釐定所出售業務的盈虧時，與所出售業務相關的商譽會計入該業務的賬面金額。在此等情況下出售的商譽乃基於所出售業務的相對價值及現金產生單位的保留部分計量。



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財務報表附註

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurement

The Group measures its available-for-sale investment, contingent consideration asset and derivative financial instrument at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- | | | |
|---------|---|---|
| Level 1 | — | based on quoted prices (unadjusted) in active markets for identical assets or liabilities |
| Level 2 | — | based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly |
| Level 3 | — | based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable |

2.4 重要會計政策概要(續)

公平值計量

本集團於各報告期末按公平值計量其可供出售投資、或然代價資產及衍生金融工具。公平值為於計量日期在市場參與者之間進行的有序交易中，就出售資產收取或轉讓負債支付的價格。公平值計量乃基於假定出售資產或轉讓負債的交易在該資產或負債的主要市場(或在不存在主要市場的情況下，則在對該資產或負債最有利的市場)進行而作出。該主要或最有利的市場須為本集團可進入的市場。資產或負債的公平值採用市場參與者為資產或負債定價時所用的假設計量，即假設市場參與者按其最佳經濟利益行事。

本集團採用在當前情況下適用並且有足夠可利用數據支持的估值技術計量公平值，以盡量使用相關可觀察輸入數值及盡量避免使用不可觀察輸入數值。

於本財務報表計量或披露公平值的所有資產及負債，均基於對公平值計量整體而言具有重要意義的最低層次輸入數值按下述公平值架構層級分類：

- | | | |
|-----|---|---|
| 第一層 | — | 基於相同資產或負債在活躍市場上的報價(未經調整) |
| 第二層 | — | 基於對公平值計量而言具有重要意義的最低層次輸入數值乃直接或間接可觀察的估值技術 |
| 第三層 | — | 基於對公平值計量而言具有重要意義的最低層次輸入數值乃不可觀察的估值技術 |



2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurement (continued)

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, construction contract assets and financial assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. 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. An impairment loss is charged to the statement of profit or loss in the period in which it arises.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the statement of profit or loss in the period in which it arises.

2.4 重要會計政策概要(續)

公平值計量(續)

就經常性於財務報表確認的資產及負債而言，本集團於各報告期末透過重新評估分類(基於對公平值計量整體而言具有重要意義的最低層次輸入數值)決定各層級之間有否出現轉移。

非金融資產的減值

倘有跡象顯示出現減值，或需就資產進行年度減值測試(存貨、建築合約資產及金融資產除外)，則估計該資產的可收回金額。資產的可收回金額按資產或現金產生單位的使用價值與其公平值減處置成本的較高者計算，並就個別資產而釐定，除非有關資產未能在大致獨立於其他資產或資產組別的情況下產生現金流入，則在此情況下，可收回金額以資產所屬的現金產生單位釐定。

減值虧損僅於資產賬面金額超出可收回金額時確認。評估使用價值時，估計未來現金流量按可反映當時市場對貨幣時間價值及資產特有風險的評估的除稅前貼現率貼現至其現值。減值虧損於產生期間自損益表扣除。

本集團於各報告期末評估是否有跡象顯示先前確認的減值虧損不再存在或可能已減少。倘出現該等跡象，則會估計可收回金額。先前確認的資產(商譽除外)減值虧損僅於用以釐定該資產可收回金額的估計出現變動時撥回，惟撥回數額不得超過假設於過往年度並無就有關資產確認減值虧損而釐定的賬面金額(扣除任何折舊／攤銷)。撥回的減值虧損於產生期間計入損益表。



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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group 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;

2.4 重要會計政策概要(續)

關連方

在下列情況下，一方將視為本集團的關連方：

- (a) 一方為一名人士或該人士的近親，且該人士
 - (i) 對本集團擁有控制權或共同控制權；
 - (ii) 對本集團擁有重大影響力；或
 - (iii) 為本集團或其母公司的主要管理層成員；

或

- (b) 一方為符合下列任何條件的實體：
 - (i) 該實體與本集團為同一集團的成員公司；
 - (ii) 一間實體為另一間實體（或另一實體的母公司、附屬公司或同系附屬公司）的聯營公司或合營企業；
 - (iii) 該實體與本集團為同一第三方的合營企業；
 - (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司；
 - (v) 該實體為本集團或與本集團有關連的實體就僱員福利設立的離職後福利計劃；



2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties (continued)

- (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); and
- (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 parent of the Group.

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Plant and machinery	10% to 20%
Furniture, fixtures and office equipment	10% to 33%
Motor vehicles	10% to 25%

2.4 重要會計政策概要(續)

關連方(續)

- (vi) 該實體受(a)項所識別人士控制或共同控制；
- (vii) (a)(i)項所識別人士對該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；及
- (viii) 該實體或其所屬集團的任何成員公司為本集團或本集團母公司提供主要管理人員服務。

物業、機器及設備以及折舊

物業、廠房及設備(在建工程除外)按成本減累計折舊及任何減值虧損列賬。物業、廠房及設備項目的成本包括該項目的購買價以及促使有關資產達致其運作狀況及運送至工作地點作擬定用途的任何直接應佔成本。

物業、機器及設備項目於投運後所產生的開支(例如維修保養)一般於產生期間內自損益表扣除。在符合確認條件的情況下，主要檢查的開支於資產賬面金額中撥充資本作為重置。倘物業、機器及設備的重要部分須不時重置，則本集團確認該等部分為具有特定可使用年期的個別資產，並相應計提折舊。

折舊按每項物業、機器及設備項目的估計可使用年期，以直線法撇銷其成本至其剩餘價值計算。就此所採用的主要年率如下：

機器及機械	10%至20%
傢俬及辦公室設備	10%至33%
汽車	10%至25%



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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation (continued)

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the statement of profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Service concession arrangements Consideration given by the grantor

A financial asset (receivable under a service concession arrangement) is recognised to the extent that (a) the Group has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services; and (b) the grantor has little, if any, discretion to avoid payment, usually because the agreement is enforceable by law. The Group has an unconditional right to receive cash if the grantor contractually guarantees to pay the Group (a) specified or determinable amounts or (b) the shortfall, if any, between amounts received from users of the public service and specified or determinable amounts, even if the payment is contingent on the Group ensuring that the infrastructure meets the specified quality of efficiency requirements. The financial asset (receivable under a service concession arrangement) is accounted for in accordance with the policy set out for loans and receivables under "Financial assets" below.

An intangible asset (operating concession) is recognised to the extent that the Group receives a right to charge users of the public service, which is not an unconditional right to receive cash because the amounts are contingent on the extent that the public uses the service. The intangible asset (operating concession) is accounted for in accordance with the policy set out for "Intangible assets (other than goodwill)" below.

2.4 重要會計政策概要(續)

物業、機器及設備以及折舊(續)

倘物業、機器及設備項目中部分的可使用年期不同，則有關項目的成本將按合理基準分配至各部分，而每部分將個別計算折舊。剩餘價值、可使用年期及折舊方法最少會於各財政年度結束時檢討一次並作出調整(如適用)。

物業、機器及設備項目(包括初始確認的任何主要部分)於出售時或預期日後使用或出售該項目不再帶來經濟利益時終止確認。於終止確認資產年度的損益表確認的出售或報廢所產生的任何盈虧，為有關資產的出售所得款項淨額與賬面金額的差額。

服務特許權安排 授予人給予的代價

所確認金融資產(服務特許權安排應收款項)以下列者為限：(a)本集團有無條件合約權利就建造服務向授予人或按其指示收取現金或其他金融資產；及(b)授予人擁有有限酌情權(如有)逃避付款，通常因為協議可依法強制執行。倘授予人以合約方式擔保向本集團支付(a)指定或可釐定金額或(b)已收公共服務用戶的款項少於指定或可釐定金額的差額(如有)，則儘管付款須以本集團確保基礎設施符合指定效率要求為條件，本集團仍擁有無條件權利收取現金。金融資產(服務特許權安排應收款項)按照下文「金融資產」所載的貸款及應收款項政策入賬。

無形資產(經營特許權)於本集團獲得向公共服務用戶收費的權利時確認，惟該權利並非收取現金的無條件權利，因為該款項須以公眾使用該服務為條件。無形資產(經營特許權)按照下文「無形資產(商譽除外)」所載的政策入賬。



2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Service concession arrangements (continued)

Consideration given by the grantor (continued)

If the Group is paid for the construction services partly by a financial asset and partly by an intangible asset, in which case, each component of the consideration is accounted for separately and the consideration received or receivable for both components shall be recognised initially at the fair value of the consideration received or receivable.

Construction or upgrade services

Revenue and costs relating to construction or upgrade services are accounted for in accordance with the policy set out for “Construction contracts” below.

Operating services

Revenue relating to operating services is accounted for in accordance with the policy set out for “Revenue recognition” below. Costs for operating services are expensed in the period in which they are incurred.

Contractual obligations to restore the infrastructure to a specific level of serviceability

The Group has contractual obligations which it must fulfil as a condition of its licence, that is (a) to maintain the kitchen waste treatment plants it operates to a specified level of serviceability; and/or (b) to restore the plants to a specified condition before they are handed over to the grantor at the end of the service concession arrangement. These contractual obligations to maintain or restore the kitchen waste treatment plants, except for upgrade element, are recognised and measured in accordance with the policy set out for “Provisions” below.

2.4 重要會計政策概要(續)

服務特許權安排(續)

授予人給予的代價(續)

倘本集團就建造服務獲支付金融資產及無形資產分別作為部分報酬，則會就代價的各個部分分開入賬，就兩部分已收或應收的代價初步應按已收或應收代價的公平值確認。

建造或升級服務

與建造或升級服務有關的收入及成本按照下文「建造合約」所載的政策入賬。

經營服務

有關經營服務的收入按照下文「收入確認」所載的政策入賬。經營服務的收入於產生的期間支銷。

修復基礎設施至特定可提供服務水平的合約責任

作為其執照的條件，本集團必須履行的合約責任為(a)保養其經營的餐廚垃圾處理廠，以符合特定的可提供服務水平；及／或(b)於服務特許權安排結束時，在移交廠房予授予人前將廠房修復至指定狀態。該等保養或修復餐廚垃圾處理廠的合約責任(升級部分除外)按照下文「撥備」所載的政策確認及計量。



2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Operating concessions

Operating concessions represent the rights to operate kitchen waste treatment plants are stated at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is provided on the straight-line basis over the respective periods of the operating concessions granted to the Group of 25 to 30 years.

Patents

Purchased patents are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful economic lives of 10 years.

Customer relationships

Customer relationships are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful economic lives of 15 years.

Kitchen waste treatment technologies

Kitchen waste treatment technologies are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful economic lives of 10 years.

2.4 重要會計政策概要(續)

無形資產(商譽除外)

個別收購的無形資產於初始確認時按成本計量。在業務合併過程中收購無形資產的成本為收購當日的公平值。無形資產的可使用年期可評估為有限或無限。年期有限的無形資產其後按可使用經濟年期攤銷，並於該無形資產可能出現減值跡象時進行減值評估。可使用年期有限的無形資產的攤銷期及攤銷方法會最少於每個財政年度結束時檢討一次。

經營特許權

經營特許權指經營餐廚垃圾處理廠的權利，按成本減累計攤銷及任何累計減值虧損列賬，並以直線法於本集團獲授予25至30年經營特許權相關期間內攤銷。

專利

已購買的專利按成本減任何減值虧損列賬，並以直線法於10年的估計可使用經濟年期內攤銷。

客戶關係

客戶關係按成本減任何減值虧損列賬，並以直線法於15年的估計可使用經濟年期內攤銷。

餐廚垃圾處理技術

餐廚垃圾處理技術按成本減任何減值虧損列賬，並以直線法於10年的估計可使用經濟年期內攤銷。



2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases, including prepaid land lease payments under finance leases, are included in property, plant and equipment, and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the statement of profit or loss so as to provide a constant periodic rate of charge over the lease terms.

Assets acquired through hire purchase contracts of a financing nature are accounted for as finance leases, but are depreciated over their estimated useful lives.

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the statement of profit or loss on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases net of any incentives received from the lessor are charged to the statement of profit or loss on the straight-line basis over the lease terms.

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms. When the lease payments cannot be allocated reliably between the land and buildings elements, the entire lease payments are included in the cost of the land and buildings as a finance lease in property, plant and equipment.

2.4 重要會計政策概要(續)

租賃

凡將資產擁有權(法定業權除外)的絕大部分回報與風險轉移至本集團的租賃，均以融資租賃入賬。於融資租賃開始時，租賃資產的成本按最低租賃款項的現值撥充資本，並連同責任(不計利息部分)列賬，以反映購入及融資情況。根據已撥充資本的融資租賃持有的資產(包括融資租賃的預付土地租賃款項)乃列入物業、機器及設備，並按資產的租賃年期與估計可使用年期的較短者計算折舊。該等租賃的財務成本自損益表扣除，藉以在租賃年內提供一個固定定期扣除率。

透過具融資性質的租購合約購入的資產以融資租賃入賬，惟須按其估計可使用年期計算折舊。

凡資產擁有權的絕大部分回報與風險繼續歸出租人所有的租賃，均入賬列作經營租賃。倘本集團為出租人，則本集團根據經營租賃出租的資產計入非流動資產，根據經營租賃應收的租金按租賃年期以直線法計入損益表。倘本集團為承租人，則根據經營租賃應付的租金(扣除已收出租人的任何獎勵)按租賃年期以直線法自損益表扣除。

經營租賃下的預付土地租賃款項初始按成本列賬，其後以直線法按租賃年期確認。當租賃款項不能可靠地於土地及樓宇部分之間分配時，整筆租賃款項會計入土地及樓宇成本，作為物業、機器及設備的融資租賃。



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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables or available-for-sale financial assets, as appropriate. When financial assets are recognised initially, they are measured at fair value plus transaction costs that are attributable to the acquisition of the financial assets, except in the case of financial assets recorded at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments as defined by HKAS 39.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss. These net fair value changes do not include any interest earned on these financial assets, which are recognised in accordance with the policies set out for "Revenue recognition" below.

2.4 重要會計政策概要(續)

金融資產

初始確認及計量

金融資產於初始確認時分類為透過損益按公平值計量的金融資產、貸款及應收款項或可供出售金融資產(如適用)。金融資產於初始確認時按公平值加收購金融資產應佔的交易成本計量，惟透過損益按公平值列賬的金融資產除外。

所有以正常方式進行的金融資產買賣於交易日期(即本集團承諾購買或出售該資產的日期)確認。正常方式買賣指按照一般市場規例或慣例訂定的期間內交付資產的金融資產買賣。

其後計量

金融資產按其分類進行的其後計量如下：

透過損益按公平值計量的金融資產

透過損益按公平值計量的金融資產包括持作買賣的金融資產及於初始確認時指定透過損益按公平值計量的金融資產。倘收購金融資產的目的為在短期內出售，則將該等金融資產歸入持作買賣類別。衍生工具(包括獨立嵌入式衍生工具)亦歸入持作買賣類別，惟被指定為實際對沖工具(定義見香港會計準則第39號)者則除外。

透過損益按公平值計量的金融資產按公平值於財務狀況表入賬，而公平值變動淨額則於損益表確認。此等公平淨值變動並不包括該等金融資產所賺取的任何利息，該等利息按照下文所載「收入確認」的政策確認。



2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial assets (continued)

Financial assets at fair value through profit or loss (continued)

Financial assets designated upon initial recognition as at fair value through profit or loss are designated at the date of initial recognition and only if the criteria in HKAS 39 are satisfied.

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated as at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in the statement of profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation and the loss arising from impairment are recognised in the statement of profit or loss.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets in listed equity investments. Equity investments classified as available for sale are those which are neither classified as held for trading nor designated as at fair value through profit or loss.

2.4 重要會計政策概要 (續)

金融資產 (續)

透過損益按公平值計量的金融資產 (續)

指定於初始確認時透過損益按公平值計量的金融資產於初始確認當日並僅於符合香港會計準則第39號的標準時，方可作此分類。

倘於主合約內嵌入的衍生工具的經濟特性及風險與主合約之經濟特性及風險並無密切關係，而主合約並非作買賣用途或指定透過損益按公平值計量，則以個別衍生工具按公平值入賬。該等嵌入式衍生工具按公平值計量，其公平值變動於損益表確認。只有在合約條款出現變動而須就現金流量作出重大修訂或將金融資產重新分類至透過損益按公平值列賬類別時，方會進行重估。

貸款及應收款項

貸款及應收款項乃非衍生金融資產，有固定或可釐定付款金額而並無在活躍市場上報價。於初始計量後，該等資產其後以實際利率法按攤銷成本減任何減值備抵計量。於計算攤銷成本時已計及收購時的任何折讓或溢價，並計入屬於實際利率組成部分的費用或成本。實際利率攤銷及減值所產生的虧損在損益表確認。

可供出售金融資產

可供出售金融資產乃上市股本投資的非衍生金融資產。歸入可供出售類別的股本投資既無歸入作買賣類別，亦無指定為透過損益按公平值計量。



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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial assets (continued)

Available-for-sale financial assets (continued)

After initial recognition, available-for-sale financial assets are subsequently measured at fair value, with unrealised gains or losses recognised as other comprehensive income in the available-for-sale financial asset revaluation reserve until the financial asset is derecognised, at which time the cumulative gain or loss is recognised in the statement of profit or loss, or until the financial asset is determined to be impaired, when the cumulative gain or loss is reclassified from the available-for-sale financial asset revaluation reserve to the statement of profit or loss. Interest and dividends earned whilst holding the available-for-sale financial assets are reported as interest income and dividend income, respectively and are recognised in the statement of profit or loss in accordance with the policies set out for "Revenue recognition" below.

The Group evaluates whether the ability and intention to sell its available-for-sale financial assets in the near term are still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets, the Group may elect to reclassify these financial assets if management has the ability and intention to hold the assets for the foreseeable future or until maturity.

For a financial asset reclassified from the available-for-sale category, the fair value carrying amount at the date of reclassification becomes its new amortised cost and any previous gain or loss on that asset that has been recognised in equity is amortised to profit or loss over the remaining life of the asset using the effective interest rate. Any difference between the new amortised cost and the maturity amount is also amortised over the remaining life of the asset using the effective interest rate. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to the statement of profit or loss.

2.4 重要會計政策概要(續)

金融資產(續)

可供出售金融資產(續)

初始確認後，可供出售金融資產其後按公平值計量，而未變現收益或虧損則於可供出售金融資產重估儲備確認為其他全面收益，直至終止確認該項金融資產(屆時，累計收益或虧損在損益表確認)或直至該項金融資產被確定為減值(屆時，累計收益或虧損自可供出售金融資產重估儲備重新分類至損益表)為止。持有可供出售金融資產所賺取的利息及股息分別呈報為利息收入及股息收入，並按照下文所載「收入確認」的政策於損益表確認。

本集團會評估在短期內出售其可供出售金融資產的能力及意向是否仍屬適當。在罕有情況下，當市場不活躍導致本集團無法買賣該等金融資產時，倘管理層有能力及意向在可見將來持有該等資產或持有至到期日，則本集團可選擇將該等金融資產重新分類。

對於自可供出售類別重新分類的金融資產，其於重新分類日期的公平值賬面金額成為其新攤銷成本，而有關資產先前於權益確認的任何盈虧則採用實際利率按資產剩餘年期攤銷至損益。新攤銷成本與到期款項的任何差額亦採用實際利率按資產剩餘年期攤銷。倘資產其後被釐定為減值，則計入權益的金額將重新分類至損益表。



2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement in the asset. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

2.4 重要會計政策概要(續)

終止確認金融資產

金融資產(或(倘適用)金融資產的一部分或一組類似金融資產的一部分)主要在下列情況終止確認(即自本集團的綜合財務狀況表移除):

- 從該項資產收取現金流量的權利已屆滿;或
- 本集團已轉讓從該項資產收取現金流量的權利,或已承擔責任根據「轉付」安排在並無重大延誤的情況下將所收取現金流量全數支付予第三方;且(a)本集團已轉讓該項資產的絕大部分風險及回報;或(b)本集團並無轉讓或保留該項資產的絕大部分風險及回報,但已轉讓該項資產的控制權。

當本集團已轉讓從該項資產收取現金流量的權利或已訂立轉付安排時,本集團會評估其是否保留資產擁有權的風險及回報以及保留的程度。倘本集團既無轉讓或保留該項資產的絕大部分風險及回報,亦無轉讓該項資產的控制權,則本集團會繼續按其持續參與資產的程度確認所轉讓資產。在此情況下,本集團亦會確認相關負債。已轉讓資產及相關負債按可反映本集團所保留的權利和責任的基準計量。

以擔保方式持續參與已轉讓資產,乃按該資產的原賬面金額與本集團可被要求償還代價的最高金額兩者中的較低者計量。



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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that occurred after the initial recognition of the asset have an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition).

2.4 重要會計政策概要(續)

金融資產減值

本集團於各報告期末評估有否客觀證據顯示某項或某組金融資產出現減值。倘於初始確認資產後發生的一項或多項事件對可以可靠地估計該項或該組金融資產的估計未來現金流量構成影響，則存在減值。減值證據可包括以下跡象：一名或一組債務人正面對重大財務困難、違約或未能償還利息或本金、有可能破產或進行其他財務重組，以及有可觀察數據顯示估計未來現金流量出現可計量的減幅，例如欠款數目變動或出現與違約相關的經濟狀況。

按攤銷成本列賬的金融資產

就按攤銷成本列賬的金融資產而言，本集團首先按個別基準就個別屬重大的金融資產或按組合基準就個別不屬重大的金融資產，評估是否存在減值。倘本集團認定按個別基準經評估的金融資產(無論重要與否)並無客觀跡象顯示存在減值，則該項資產會歸入一組具有相似信貸風險特性的金融資產，並共同評估該組金融資產是否存在減值。經個別評估減值且確認或繼續確認減值虧損的資產不會納入綜合減值評估之內。

所識別任何減值虧損的金額按該資產賬面金額與估計未來現金流量(不包括並未產生的未來信貸虧損)現值的差額計量。估計未來現金流量的現值以金融資產的初始實際利率(即初始確認時計算的實際利率)貼現。



2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

Financial assets carried at amortised cost (continued)

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in the statement of profit or loss. Interest income continues to be accrued on the reduced carrying amount using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group.

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to the statement of profit or loss.

Available-for-sale financial assets

For available-for-sale financial assets, the Group assesses at the end of each reporting period whether there is objective evidence that an asset or a group of assets is impaired.

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the statement of profit or loss, is removed from other comprehensive income and recognised in the statement of profit or loss.

2.4 重要會計政策概要(續)

金融資產減值(續)

按攤銷成本列賬的金融資產(續)

該資產的賬面金額會通過使用備抵賬扣減，而虧損則於損益表確認。利息收入於經扣減賬面金額中採用計量減值虧損時用以貼現未來現金流量的利率持續累計。若日後收回不可實現，而所有抵押品已變現或已轉讓予本集團，則撇銷貸款及應收款項連同任何相關撥備。

倘於其後期間估計減值虧損金額因確認減值後發生的事項而增加或減少，則透過調整備抵賬增加或扣減先前確認的減值虧損。倘於其後收回撇銷額，則該項收回會計入損益表。

可供出售金融資產

就可供出售金融資產而言，本集團將於各報告期末評估有否客觀跡象會導致某或某組投資出現減值。

倘可供出售資產減值，則包括其成本(扣除任何本金付款及攤銷)與其現時公平值的差額減任何過往於損益表確認的減值虧損的金額會從其他全面收益轉撥並於損益表確認。



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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

Available-for-sale financial assets (continued)

In the case of equity investments classified as available for sale, objective evidence would include a significant or prolonged decline in the fair value of an investment below its cost. "Significant" is evaluated against the original cost of the investment and "prolonged" against the period in which the fair value has been below its original cost. Where there is evidence of impairment, the cumulative loss — measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in the statement of profit or loss — is removed from other comprehensive income and recognised in the statement of profit or loss. Impairment losses on equity instruments classified as available for sale are not reversed through the statement of profit or loss. Increases in their fair value after impairment are recognised directly in other comprehensive income.

The determination of what is "significant" or "prolonged" requires judgement. In making this judgement, the Group evaluates, among other factors, the duration or extent to which the fair value of an investment is less than its cost.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or loans and borrowings, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading.

2.4 重要會計政策概要(續)

金融資產減值(續)

可供出售金融資產(續)

至於分類為可供出售的股本投資，客觀跡象將包括該項投資的公平值大幅或長期跌至低於其成本值。「大幅」是按原有投資成本評估，而「長期」是按公平值低於其原有成本的期間評估。倘出現減值跡象，則累計虧損(按收購成本與現時公平值的差額減該項投資先前於損益表確認的任何減值虧損計量)會從其他全面收入移除，並於損益表確認。分類為可供出售的股本工具的減值虧損不可透過損益表撥回。其公平值於減值後的增加部份會直接於其他全面收益確認。

釐定何謂「大幅」或「長期」需要作出判斷。在作出此判斷時，本集團會衡量多項因素，包括投資項目的公平值低於其成本的時間及程度。

金融負債

初始確認及計量

金融負債於初始確認時劃分為透過損益按公平值計量的金融負債，或貸款及借款(倘適用)。

所有金融負債初始按公平值及(如屬貸款及借貸)扣除直接應佔交易成本確認。

其後計量

金融負債的其後計量乃視乎其分類如下：

透過損益按公平值計量的金融負債

透過損益按公平值計量的金融負債包括持作買賣的金融負債。



2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities (continued)

Subsequent measurement (continued)

Financial liabilities at fair value through profit or loss (continued)

Financial liabilities are classified as held for trading if they are acquired for the purpose of repurchasing in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by HKAS 39. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss. The net fair value gain or loss recognised in the statement of profit or loss does not include any interest charged on these financial liabilities.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is recognised in the statement of profit or loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. A financial guarantee contract is recognised initially as a liability at its fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of the best estimate of the expenditure required to settle the present obligation at the end of the reporting period; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation.

2.4 重要會計政策概要(續)

金融負債(續)

其後計量(續)

透過損益按公平值計量的金融負債(續)

倘收購金融負債的目的為在短期內購回，則將該等金融負債歸入持作買賣類別。此類別包括由本集團訂立而並無指定為香港會計準則第39號所界定對沖關係中的對沖工具的衍生金融工具。獨立嵌入式衍生工具如指定為實際對沖工具，則亦歸入持作買賣類別。持作買賣負債的收益或虧損於損益表確認。於損益表確認的公平值收益或虧損淨額並不包括就該等金融負債收取的任何利息。

貸款及借貸

於初始確認後，計息貸款及借貸於其後採用實際利率法按攤銷成本計量，除非貼現的影響不大，則會按成本列賬。在負債終止確認及透過實際利率攤銷程序進行時，收益及虧損會在損益表確認。

攤銷成本於計及任何收購折讓或溢價及屬實際利率不可或缺部分的費用或成本後計算。實際利率攤銷於損益表確認。

財務擔保合約

本集團發出的財務擔保合約為要求付款以彌償擔保持有人因指定債務人未能按照債務工具條款於到期時付款而招致的損失的合約。財務擔保合約初始按公平值確認為負債，並就直接歸屬於發出該擔保的交易成本作出調整。初始確認後，本集團按以下兩者中的較高者計量財務擔保合約：(i)償還報告期末的現有責任所須開支的最佳估計金額；及(ii)初始確認的金額減(若適用)累計攤銷。



2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities (continued)

Subsequent measurement (continued)

Convertible bonds

If the conversion option of convertible bonds exhibits characteristics of an embedded derivative, it is separated from its liability component. On initial recognition, the derivative component of the convertible bonds is measured at fair value and presented as part of derivative financial instruments. Any excess of proceeds over the amount initially recognised as the derivative component is recognised as the liability component. Transaction costs are apportioned between the liability and derivative components of the convertible bonds based on the allocation of proceeds to the liability and derivative components when the instruments are initially recognised. The portion of the transaction costs relating to the liability component is recognised initially as part of the liability. The portion relating to the derivative component is recognised immediately in the statement of profit or loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.4 重要會計政策概要(續)

金融負債(續)

其後計量(續)

可換股債券

倘可換股債券的轉換選擇權呈現嵌入式衍生工具的特徵，則從負債部分分開。於初始確認時，可換股債券的衍生工具部分按公平值計量，並呈列為衍生金融工具的一部分。所得款項超出初始確認為衍生工具部分的金額的任何差額乃確認為負債部分。交易成本基於在初始確認可換股債券時向其負債及衍生工具部分分配的所得款項，於負債及衍生工具部分之間分配。有關負債部分的交易成本的部分初始確認為負債的一部分。有關衍生工具部分的部分即時於損益表確認。

終止確認金融負債

倘金融負債下的義務被解除、取消或到期，則本集團會終止確認金融負債。

當現有金融負債被來自同一放債人的另一項條款迥異的金融負債取代，或現有負債的條款大部分被修訂時，該項交換或修訂會視作終止確認原有負債及確認新負債，各自的賬面金額差額於損益表確認。

抵銷金融工具

倘現時存在一項可在法律上強制執行的權利，可抵銷已確認金額，且有意以淨額結算或同時變現資產及償付債務，則金融資產與金融負債可予抵銷，並將淨金額列入財務狀況表。



2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derivative financial instruments

Initial recognition and subsequent measurement

Derivative financial instruments represent the derivative component of the convertible bonds. Such derivative financial instruments are initially recognised at fair value on initial recognition and are subsequently remeasured at fair value.

Any gains or losses arising from changes in fair value of derivatives are taken directly to the statement of profit or loss.

Current versus non-current classification

Derivative instruments that are not designated as effective hedging instruments are classified as current or non-current or separated into current and non-current portions based on an assessment of the facts and circumstances (i.e., the underlying contracted cash flows).

- Where the Group expects to hold a derivative as an economic hedge (and does not apply hedge accounting) for a period beyond 12 months after the end of the reporting period, the derivative is classified as non-current (or separated into current and non-current portions) consistently with the classification of the underlying item.
- Embedded derivatives that are not closely related to the host contract are classified consistently with the cash flows of the host contract.
- Derivative instruments that are designated as, and are effective hedging instruments, are classified consistently with the classification of the underlying hedged item. The derivative instruments are separated into current portions and non-current portions only if a reliable allocation can be made.

2.4 重要會計政策概要(續)

衍生金融工具

初始確認及其後計量

衍生金融工具指可換股債券的衍生工具部分。於初始確認時，該等衍生金融工具初始按公平值確認，其後則按公平值重新計量。

衍生工具公平值變動所產生的任何收益或虧損直接計入損益表。

流動與非流動分類對比

並無指定為實際對沖工具的衍生工具乃基於對事實及情況的評估(即相關合約現金流量)分類為流動或非流動，或分別列為流動或非流動部分。

- 倘本集團預期持有衍生工具作為經濟對沖(而並無應用對沖會計法)至報告期末後超過12個月的期間，則該項衍生工具按與相關項目一致的分類方法分類為非流動(或分別列為流動及非流動部分)。
- 與主合約並無密切聯繫的嵌入式衍生工具按與主合約現金流量一致的分類方法分類。
- 指定為及為有效對沖工具的衍生工具按與相關對沖項目一致的分類方法分類。衍生工具僅於能作出可靠分配時分別列為流動及非流動部分。



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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is recognised in the statement of profit or loss.

2.4 重要會計政策概要(續)

存貨

存貨按成本與可變現淨值兩者中的較低者入賬。成本以先進先出法釐定，而在製品及製成品的成本則包括直接材料、直接人工及適當的間接費用部分。可變現淨值乃基於估計售價扣除直至完成及出售時將產生的任何估計成本計算。

現金及現金等價物

就綜合現金流量表而言，現金及現金等價物包括手頭現金及活期存款，以及可隨時兌換為已知數額現金、價值變動風險不大、一般於收購後三個月內到期的短期高度流通投資，減去須按要求償還並構成本集團現金管理重要部分的銀行透支。

就綜合財務狀況表而言，現金及等同現金項目包括用途不受限制的手頭現金以及銀行的存款(包括定期存款)。

撥備

當因過往發生的事件而產生目前的債務(法定或推定)，並可能導致日後須流出資源以清償債務時，本集團會確認撥備，惟債務的金額須能夠可靠地估計。

當貼現的影響重大時，本集團會就撥備確認的金額為預期清償債務所需的未來開支於報告期末的現值。因時間過去而產生的已貼現現值金額增加會於損益表確認。



2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries/jurisdictions in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

2.4 重要會計政策概要(續)

所得稅

所得稅包括即期及遞延稅項。有關損益外確認項目的所得稅會於損益外確認，即於其他全面收益或直接於權益確認。

即期稅項資產及負債乃根據於報告期末已頒佈或實質上已頒佈的稅率(及稅法)，並考慮本集團業務所在國家／司法權區的現有詮釋及慣例，按預期自課稅機關退回或支付予課稅機關的金額計量。

遞延稅項就於報告期末資產與負債的稅基及作財務申報用途的賬面金額兩者間的所有暫時差額以負債法計提撥備。

遞延稅項負債乃就所有應課稅暫時差額確認，惟：

- 遞延稅項負債乃因一項交易(並非業務合併)中最初確認商譽或資產或負債而產生，且於交易時並無對會計溢利或應課稅溢利或虧損構成影響除外；及
- 就與於附屬公司的投資有關的應課稅暫時差額而言，暫時差額的撥回時間可以控制及暫時差額有可能不會於可預見未來撥回除外。



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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

Deferred tax assets are recognised for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and future taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

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

2.4 重要會計政策概要(續)

所得稅(續)

遞延稅項資產就所有可扣減暫時差額及未被動用稅項抵免與任何未被動用稅項虧損的結轉確認。遞延稅項資產僅在可能有未來應課稅溢利以動用可扣減暫時差額及結轉的未被動用稅項抵免及未被動用稅項虧損時，方可確認，惟：

- 遞延稅項資產與於一項交易(並非業務合併)中最初確認資產或負債時產生而於交易時並無對會計溢利或應課稅溢利或虧損構成影響的可扣減暫時差額有關除外；及
- 就與於附屬公司的投資有關的可扣減暫時差額而言，遞延稅項資產僅以暫時差額有可能於可預見未來撥回及可能有未來應課稅溢利以動用暫時差額為限確認。

本集團於各報告期末檢討遞延稅項資產的賬面金額，並於不再可能會有足夠應課稅溢利收回全部或部分資產時作調減。未確認的遞延稅項資產會於各報告期末重新評估，並於可能會有足夠應課稅溢利收回全部或部分遞延稅項資產時確認。

遞延稅項資產與負債以變現資產或清還負債的期間的預期適用稅率，按於報告期末已頒佈或實質上已頒佈的稅率(及稅法)計量。



2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed. Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to the statement of profit or loss by way of a reduced depreciation charge.

Where the Group receives government loans granted with no or at a below-market rate of interest for the construction of a qualifying asset, the initial carrying amount of the government loans is determined using the effective interest rate method, as further explained in the accounting policy for "Financial liabilities" above. The benefit of the government loans granted with no or at a below-market rate of interest, which is the difference between the initial carrying value of the loans and the proceeds received, is treated as a government grant and released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments.

2.4 重要會計政策概要(續)

所得稅(續)

倘及僅倘本集團有在法律上可強制執行的權利抵銷即期稅項資產與即期稅項負債，且遞延稅項資產及遞延稅項負債涉及同一課稅機關就同一應課稅實體徵收的所得稅，或涉及就有意於各個預期清償大額遞延稅項負債或收回大額遞延稅項資產的未來期間以淨額基準結算即期稅項負債與資產或同時變現資產及清償負債的不同應課稅實體徵收的所得稅，則遞延稅項資產及遞延稅項負債會作抵銷。

政府補助

政府補助於能合理確定將能收取補助及將符合所有附帶條件時按公平值確認。當補助與資產項目有關時，會於補助擬補償的成本支銷的期間內按有系統基準確認為收入。倘補助與資產有關，則公平值會計入遞延收入賬，並於相關資產的預計使用年內以每年等額分期收款列於損益表，或從資產賬面金額中扣除及以經調減折舊支出的方式列於損益表。

倘本集團收取的政府貸款乃以零利率或低於市場的利率就興建合資格資產授出，則政府貸款的初始賬面金額會如上文「金融負債」的會計政策所進一步闡述，利用實際利率法釐定。以零利率或低於市場的利率授出的政府貸款的利益(為貸款初始賬面值與已收所得款項之間的差額)視為政府補助處理，並於相關資產的預計使用年內以每年等額分期收款列於損益表。



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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- (b) from construction contracts, on the percentage of completion basis, as further explained in the accounting policy for "Construction contracts" below;
- (c) agency fee income and financial guarantee service fee income, when the relevant services have been rendered;
- (d) machinery rental income, on a time proportion basis over the lease terms; and
- (e) interest income, on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Construction contracts

Contract revenue comprises the agreed contract amount and appropriate amounts from variation orders, claims and incentive payments. Contract costs incurred comprise direct materials, the costs of subcontracting, direct labour and an appropriate proportion of variable and fixed construction overheads.

Revenue from fixed price construction contracts is recognised using the percentage of completion method, measured by reference to surveys of the value of work performed to date. Variations in contract work, claims and incentive payments are included in contract revenue to the extent that it is probable that they will result in revenue, and they are capable of being reliably measured.

2.4 重要會計政策概要(續)

收入確認

收入於經濟利益可能流向本集團並能可靠地計量時，按下列基準確認：

- (a) 貨品銷售收入於擁有權的絕大部分風險及回報已轉移予買家，及本集團不再對該等已售出的貨品有任何一般達到擁有程度的管理或有效的控制權時確認；
- (b) 如下文「建造合約」的會計政策所進一步闡述，建造合約收入按完工百分比基準確認；
- (c) 代理費收入及財務擔保服務費收入於提供相關服務時確認；
- (d) 機械租金收入按在租期內按時間比例基準確認；及
- (e) 利息收入按應計基準使用實際利息法確認，當中採用將金融工具預期年期或更短期間(如適用)內的估計未來現金收入準確貼現至金融資產賬面淨額的利率。

建造合約

合約收入包括已協定合約金額及適當金額的修改工程款、申索及獎勵金。所產生的合約成本包括直接材料、分包成本、直接人工及適當比例的非固定和固定建造間接費用。

來自固定價格建造合約的收入利用完工百分比法確認，並參照迄今已進行工程的測量價值計量。修改合約工程款、申索及獎勵金計入合約收入，惟以可能產生收入及可以可靠地計量者為限。



2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Construction contracts (continued)

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable and contract costs are recognised as an expense in the period in which they are incurred.

Provision is made for foreseeable losses as soon as they are anticipated by management. Where contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is treated as an amount due from contract customers. Where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is treated as an amount due to contract customers.

Share-based payments

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) and consultants of the Group receive remuneration in the form of share-based payments, whereby employees and consultants render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees and others providing similar services is measured by reference to the fair value of the equity instruments at the date at which they are granted. The cost of equity-settled transactions with parties other than employees is measured directly at the fair value of the goods or services received, unless that fair value cannot be estimated reliably, in which case the fair value is measured indirectly by reference to the fair value of the equity instruments granted.

The fair value of the share options granted is determined by an external valuer using a binomial model, further details of which are given in note 34 to the financial statements.

2.4 重要會計政策概要(續)

建造合約(續)

倘建造合約的結果無法可靠地估計，則所確認的合約收入僅以有可能收回的已產生合約成本為限，而合約成本會於產生的期間確認為開支。

在管理層預計有可見虧損的情況下，本集團會儘快就此計提撥備。倘迄今已產生的合約成本加已確認溢利減已確認虧損超過進度款額，則超出部分視為應收客戶合約款項處理。

以股份為基礎支付的款項

本公司設有一項購股權計劃，旨在向對本集團成功營運作出貢獻的合資格參與者提供獎勵及回報。本集團僱員(包括董事)及顧問藉以股份為基礎支付的款項方式收取薪酬，據此，僱員及顧問提供服務作為收取股本工具的代價(「以權益結算的交易」)。

與僱員及其他提供類似服務的人士進行以權益結算的交易的成本，乃參照股本工具於授出日期的公平值計量。與僱員以外人士進行以權益結算的交易的成本直接按所收取貨品或服務的公平值計量，惟倘公平值無法可靠地估計，則參照所授出股本工具的公平值間接計量。

所授出購股權的公平值由外聘估值師利用二項式模型釐定，進一步詳情載於本財務報表附註34。



2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payments (continued)

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the statement of profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

2.4 重要會計政策概要(續)

以股份為基礎支付的款項(續)

以權益結算的交易的成本連同相應增加的權益，在績效及／或服務條件獲履行的期間於僱員福利開支確認。在歸屬日期前，於各報告期末確認的以權益結算的交易累計開支，反映歸屬期已屆滿部分及本集團對最終將會歸屬的股本工具數目的最佳估計。在某一期間內在損益表的扣除或進賬金額，反映於期初及期終確認的累計開支變動。

釐定獎勵於授出日期的公平值時不會計及服務及非市場績效條件，但達成有關條件的可能性會評估為本集團對將最終歸屬的股本工具數目的最佳估計的一部分。市場績效條件在授出日期公平值中反映。獎勵所附帶但無相關服務要求的任何其他條件被視為非歸屬條件。除非同時附有服務及／或績效條件，否則非歸屬條件在獎勵的公平值中反映，並會導致獎勵即時支銷。

因非市場績效及／或服務條件並未達成而最終未歸屬的獎勵不會確認任何開支。倘獎勵包括一項市場或非歸屬條件，則只要所有其他績效及／或服務條件已經達成，不論市場或非歸屬條件是否達成，該等交易均會被視為已歸屬。

倘股權結算的獎勵的條款有所修訂，而原先獎勵的條款已達成，則所確認開支最少須達到猶如條款並無任何修訂的水平。此外，倘有關修訂導致以股份為基礎支付的款項的總公平值有所增加，或於修訂日期經計量為僱員帶來其他利益，則須就該等修訂確認開支。



2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payments (continued)

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

Other employee benefits Pension schemes

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the statement of profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

The employees of the Group's subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. The PRC subsidiaries are required to contribute certain percentages of their payroll costs to the central pension scheme. The contributions are charged to the statement of profit or loss as they become payable in accordance with the rules of the central pension scheme.

2.4 重要會計政策概要(續)

以股份為基礎支付的款項(續)

倘以權益結算的獎勵被註銷，將被視為猶如已於註銷日期歸屬處理，任何尚未確認的獎勵開支則即時確認。此包括未符合屬本集團或僱員控制範圍內的非歸屬條件所涉及的任何獎勵。然而，倘有新獎勵取代已註銷獎勵，並於授出日期指定為取代獎勵，則已註銷獎勵及新獎勵，均如前段所述被視為猶如原先獎勵的修訂。

未行使購股權的攤薄效應於計算每股盈利時列為額外股份攤薄。

其他僱員福利 退休金計劃

本集團根據香港強制性公積金計劃條例，為符合資格參與定額供款強制性公積金退休福利計劃(「強積金計劃」)的僱員營辦強積金計劃。供款按僱員基本薪金的某一百分比計算，並於按照強積金計劃的規則規定應付時自損益表扣除。強積金計劃的資產以獨立管理基金形式，與本集團資產分開持有。於向強積金計劃供款時，本集團的僱主供款即全數撥歸僱員所有。

本集團於中國內地經營業務的附屬公司的僱員須參與由地方市政府營辦的中央退休金計劃。該等中國附屬公司須根據員工薪支成本的若干百分比向中央退休金計劃供款。供款於按照中央退休金計劃的規則應付時自損益表扣除。



NOTES TO FINANCIAL STATEMENTS

財務報表附註

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

The functional currencies of certain overseas subsidiaries are currencies other than the Hong Kong dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into Hong Kong dollars at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into Hong Kong dollars at the weighted average exchange rates for the year. The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the statement of profit or loss.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

2.4 重要會計政策概要(續)

外幣

本財務報表以港元(即本公司的功能貨幣)呈列。本集團內各實體自行決定其本身的功能貨幣,而包括在各實體的財務報表的項目乃使用該功能貨幣計算。本集團內實體記錄外幣交易最初使用其各自功能貨幣於交易日期適用的匯率記錄。以外幣為結算單位的貨幣性資產與負債會按於報告期末適用的功能貨幣匯率換算。因結算或換算貨幣性項目而產生的差額於損益表確認。以外幣歷史成本計量的非貨幣性項目,按最初交易日期的匯率換算。按外幣公平值計量的非貨幣性項目,使用公平值釐定日期的匯率換算。

若干海外附屬公司的功能貨幣為港元以外的貨幣。於報告期末,該等實體的資產與負債會按於報告期末適用的匯率換算為港元,而其損益表會按年度加權平均匯率換算為港元。所產生的匯兌差額於其他全面收益確認及於匯兌波動儲備累計。出售海外業務時,與該特定海外業務有關的其他全面收部分會在損益表確認。

就綜合現金流量表而言,海外附屬公司的現金流量按現金流量日期的適用匯率換算為港元。海外附屬公司於整個年度內經常產生的現金流量按年內的加權平均匯率換算為港元。



2.5 PRIOR YEAR ADJUSTMENTS

During the finalisation of the consolidated financial statements of the Group for the year ended 31 March 2018, after a reassessment of certain transactions entered into by the Group in the prior year and the corresponding accounting treatments, the Group discovered the following errors:

- (a) In October 2016, the Group acquired property, plant and equipment, customer relationships and inventories from independent third parties for an aggregate consideration of Euro 2,800,000. However, the acquired customer relationships and inventories with a carrying amount of HK\$429,000 and HK\$429,000, respectively, as at 31 March 2017 were both classified as operating concessions instead of other intangible assets and inventories of HK\$429,000 and HK\$429,000, respectively.
- (b) On 14 December 2016, the Group completed the acquisition of 51% equity interest in Clear Industry and its subsidiaries (the "Clear Industry Group") for a consideration in the form of (i) cash of RMB43,987,500; and (ii) allotment and issue of 18,982,992 ordinary shares of the Company (equivalent to approximately HK\$107,480,000, in aggregate) (the "Clear Industry Acquisition"). Further details of the Clear Industry Acquisition are included in note 37 to the financial statements.

As at the date of acquisition, kitchen waste treatment technologies of the Clear Industry Group with a fair value of RMB23,000,000 (equivalent to approximately HK\$25,868,000) were identified as other intangible assets and recognised separately from goodwill. However, the kitchen waste treatment technologies with a carrying amount of HK\$25,907,000 as at 31 March 2017 were classified as operating concessions instead of other intangible assets.

In addition, deferred tax liabilities in respect of the kitchen waste treatment technologies and the non-controlling interests' proportionate share of deferred tax liabilities were not recognised. Accordingly, goodwill and deferred tax liabilities as at 31 March 2017 were both understated by HK\$3,298,000 and HK\$6,467,000, respectively, and non-controlling interests as at 31 March 2017 was overstated by HK\$3,169,000.

2.5. 往年調整

於落實本集團截至2018年3月31日止年度的綜合財務報表時，經重新評估本集團往年訂立的若干交易及相應會計處理方法後，本集團發現以下錯誤：

- (a) 於2016年10月，本集團向多名獨立第三方收購物業、機器及設備、客戶關係以及存貨，總代價為2,800,000歐元。然而，於2017年3月31日賬面金額分別為429,000港元及429,000港元的所收購客戶關係及存貨均分類為經營特許權，而非分別分類為429,000港元的其他無形資產及429,000港元的存貨。
- (b) 於2016年12月14日，本集團完成收購Clear Industry及其附屬公司（「Clear Industry集團」）51%股權，代價包括(i)現金人民幣43,987,500元；及(ii)配發及發行18,982,992股本公司的普通股（合共相等於約107,480,000港元）（「Clear Industry收購事項」）。有關Clear Industry收購事項的進一步詳情載於本財務報表附註37。

於收購事項日期，Clear Industry集團公平值為人民幣23,000,000元（相等於約25,868,000港元）的餐廚垃圾處理技術已識別為其他無形資產並與商譽分開確認。然而，於2017年3月31日賬面金額為25,907,000港元的餐廚垃圾處理技術分類為經營特許權，而非其他無形資產。

此外，本集團並無確認有關餐廚垃圾處理技術的遞延稅項負債以及非控股權益按比例佔的遞延稅項負債。因此，於2017年3月31日的商譽及遞延稅項負債分別被低估3,298,000港元及6,467,000港元，而於2017年3月31日的非控股權益則被高估3,169,000港元。



NOTES TO FINANCIAL STATEMENTS

財務報表附註

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2.5 PRIOR YEAR ADJUSTMENTS (continued)

- (c) On 14 December 2016, 18,982,992 ordinary shares of HK\$0.1 each of the Company were allotted and issued to Qingqin International as part of the consideration for the Clear Industry Acquisition. The fair value of the consideration shares issued was determined to be HK\$50,495,000, based on HK\$2.66 per share which was the average of the closing prices of the Company's shares for the five trading days immediately preceding the date of the sale and purchase agreement on 2 November 2016.

However, the fair value of the consideration shares issued should be HK\$56,379,000, calculated based on HK\$2.97 per share which was the closing price of the Company's shares as at the date of acquisition on 14 December 2016. Accordingly, goodwill and share premium account as at 31 March 2017 were both understated by HK\$5,884,000. The amounts due from subsidiaries and share premium account of the Company as at 31 March 2017 were also respectively understated by HK\$5,884,000.

- (d) On 14 December 2016, as part of the Clear Industry Acquisition, the Group acquired an 88.5% equity interest in Loudi Fangsheng. Subsequent to the acquisition, on 24 March 2017, the Group acquired the remaining 11.5% equity interest in Loudi Fangsheng from an independent third party for a cash consideration of RMB2,990,000 (equivalent to approximately HK\$3,363,000) (the "Loudi Fangsheng Non-Controlling Interest Acquisition").

The Loudi Fangsheng Non-Controlling Interest Acquisition and the Clear Industry Acquisition were two separate and independent transactions. However, the Loudi Fangsheng Non-Controlling Interest Acquisition was inadvertently accounted for as part of the Clear Industry Acquisition.

The carrying value of the additional 11.5% equity interest in Loudi Fangsheng acquired as at the date of the Loudi Fangsheng Non-Controlling Interest Acquisition was HK\$1,703,000. The difference of HK\$1,660,000 should be recognised in retained profits during the year ended 31 March 2017. Accordingly, the other receivables and non-controlling interests acquired as at the date of the Clear Industry Acquisition was understated by HK\$3,363,000 and HK\$1,703,000, respectively, and the goodwill on acquisition was overstated by HK\$1,660,000. As at 31 March 2017, goodwill and retained profits were also both overstated by HK\$1,660,000.

2.5. 往年調整(續)

- (c) 於2016年12月14日，清勤國際獲配發及發行18,982,992股本公司每股面值0.1港元的普通股，作為Clear Industry收購事項的部分代價。已發行代價股份的公平值釐定為50,495,000港元，乃基於緊接買賣協議日期2016年11月2日前五個交易日本公司股份的平均收市價每股2.66港元計算。

然而，基於收購日期2016年12月14日本公司股份的收市價每股2.97港元計算，已發行代價股份的公平值應為56,379,000港元。因此，於2017年3月31日的商譽及股份溢價賬均被低估5,884,000港元。於2017年3月31日的應收附屬公司款項及本公司股份溢價賬亦分別被低估5,884,000港元。

- (d) 於2016年12月14日，作為Clear Industry收購事項的一部分，本集團收購婁底方盛88.5%股權。收購進行後，於2017年3月24日，本集團向一名獨立第三方收購婁底方盛餘下11.5%股權，現金代價為人民幣2,990,000元（相等於約3,363,000港元）（「婁底方盛非控股權益收購事項」）。

婁底方盛非控股權益收購事項及Clear Industry收購事項為兩項各別獨立的交易。然而，婁底方盛非控股權益收購事項因無心之失而入賬列作Clear Industry收購事項的一部分。

於婁底方盛非控股權益收購事項日期，所收購婁底方盛額外11.5%股權的賬面值為1,703,000港元。1,660,000港元的差額應於截至2017年3月31日止年度在保留溢利確認。因此，於Clear Industry收購事項日期收購的其他應收款項及非控股權益分別被低估3,363,000港元及1,703,000港元，而收購事項的商譽則被高估1,660,000港元。於2017年3月31日，商譽及保留溢利亦同樣被高估1,660,000港元。



2.5 PRIOR YEAR ADJUSTMENTS (continued)

- (e) Subsequent to the acquisitions of the equity interests in Taiyuan Tianrun and Loudi Fangsheng in the prior year, the Group accounted for the build-operate-transfer (“BOT”) contracts in accordance with HK(IFRIC)-Int 12 *Service Concession Arrangements*. As the Group was paid for the construction services partly by a financial asset and partly by an intangible asset, each component of the consideration was accounted for separately. The financial asset component should be recognised based on the guaranteed amount. Any excess of the fair value of the construction services provided over the fair value of the financial asset recognised should be recognised as an intangible asset. However, the financial asset component of the service concession arrangements was recognised based on a proportion of the guaranteed receipts to the estimated total receipts without considering the estimated operating income and costs. Accordingly, as at 31 March 2017, operating concessions were understated by HK\$26,633,000 and receivables under service concession arrangements were overstated by HK\$26,633,000.

2.5. 往年調整 (續)

- (e) 於往年收購太原天潤及婁底方盛股權後，本集團按照香港(國際財務報告詮釋委員會)——詮釋第12號「服務特許權安排」將建造—經營—移交(「BOT」)合約入賬。由於本集團的建造服務代價部分以金融資產收取，另一部分以無形資產收取，故各部分代價已分開入賬。金融資產部分應基於保證金額確認。所提供建造服務公平值超出所確認金融資產公平值的任何差額應確認為無形資產。然而，服務特許權安排的金融資產部分已基於保證收費佔估計收費總額的比例確認，並無計及估計經營收入及成本。因此，於2017年3月31日，經營特許權被低估26,633,000港元，而服務特許權安排應收款項則被高估26,633,000港元。



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2.5 PRIOR YEAR ADJUSTMENTS (continued)

Accordingly, certain prior year adjustments have been made and certain comparative information has been restated to correct these errors. The effects of correcting these errors are as follows:

Consolidated statement of financial position as at 31 March 2017

		As previously reported	Prior year adjustments	As restated
		如前呈報	往年調整	經重列
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Goodwill	商譽	114,909	7,522	122,431
Operating concessions	經營特許權	176,749	(132)	176,617
Other intangible assets	其他無形資產	17,193	26,336	43,529
Receivables under service concession arrangements	服務特許權安排應收 款項	257,736	(26,633)	231,103
Inventories	存貨	3,861	429	4,290
Deferred tax liabilities	遞延稅項負債	44,642	6,467	51,109
Reserves	儲備	429,674	4,224	433,898
Non-controlling interests	非控股權益	20,886	(3,169)	17,717

Statement of financial position as at 31 March 2017

		As previously reported	Prior year adjustments	As restated
		如前呈報	往年調整	經重列
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Due from subsidiaries	應收附屬公司款項	456,531	5,884	462,415
Reserves	儲備	235,171	5,884	241,055

As these prior year adjustments did not have any impact on the financial position of the Group as at 1 April 2016, an opening statement of financial position of the Group as at 1 April 2016 is not presented.

2.5. 往年調整(續)

因此，本集團已作出若干往年調整並重列若干比較資料，以更正該等錯處。更正該等錯處的影響概述如下：

於2017年3月31日的綜合財務狀況表

於2017年3月31日的財務狀況表

由於該等往年調整對本集團於2016年4月1日的財務狀況並無任何影響，故並無呈列本集團於2016年4月1日的年初財務狀況表。



3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Determination of functional currency

The Group measures foreign currency transactions in the respective functional currencies of the Company and its subsidiaries. In determining the functional currency of each entity in the Group, judgement is required to determine and consider the currency that mainly influences sales prices of goods and services and of the country/jurisdiction whose competitive forces and regulations mainly determine the sales prices of goods and services; the currency that mainly influences labour, materials and other costs of providing goods or services; the currency in which funds from financing activities are generated; and the currency in which receipts from operating activities are usually retained. The functional currency of each entity in the Group is determined based on management's assessment of the primary economic environment in which the entities operate. When the indicators are mixed and the functional currency is not obvious, management uses its judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

Income taxes

The Group has exposure to income taxes in different jurisdictions. Significant judgement is involved in determining the provision for income taxes. Determining income tax provisions involves judgement on the future tax treatment of certain transactions and interpretation of tax rules. The Group carefully evaluates tax implications of transactions and tax provisions are set up accordingly. The tax treatment of such transactions is reconsidered periodically to take into account all changes in tax legislation, interpretations and practices in respect thereof.

3. 重大會計判斷及估計

管理層編製本集團財務報表時須作出判斷、估計及假設，而該等判斷、估計及假設會影響所申報的收入、開支、資產及負債的金額以及相關披露和或然負債的披露。然而，有關此等假設及估計的不明朗因素所可能產生的結果，或會導致日後的資產或負債賬面金額須作出重大調整。

判斷

於應用本集團會計政策的過程中，除涉及估計的判斷外，管理層已作出以下對於本財務報表確認的金額構成最重大影響的判斷：

釐定功能貨幣

本集團以本公司及其附屬公司的個別功能貨幣計量外幣交易。於釐定本集團各實體的功能貨幣時須作出判斷，以釐定及考慮主要影響貨品及服務售價以及競爭者及法規主要決定貨品及服務售價的國家／司法權區的貨幣；主要影響人工、材料及其他提供貨品或服務的成本的貨幣；融資活動產生資金的貨幣；及一般用於保留經營活動所收款項的貨幣。本集團各實體的功能貨幣乃基於管理層對實體經營所在的主要經濟環境的評估釐定。當指標混雜及功能貨幣並不明顯時，管理層會運用判斷釐定最能如實代表相關交易、事件及狀況的經濟影響的功能貨幣。

所得稅

本集團須繳納不同司法權區的所得稅。於釐定所得稅撥備時涉及重大判斷。釐定所得稅撥備涉及就若干交易的未來稅務處理法及稅務規則詮釋作出的判斷。本集團審慎評估交易的稅務涵義，並據此設立稅務撥備。本集團會定期重新考慮該等交易的稅務處理法，以計及相關稅務法例、詮釋及實務的所有變動。



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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty

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, are described below.

Construction contracts

The Group recognises contract revenue and contract costs by reference to the stage of completion of the contract activity at the end of the reporting period, when the outcome of a construction contract can be measured reliably. The stage of completion is measured by reference to surveys of the value of work performed to date. Significant assumptions are required to estimate the value of work performed, the total contract costs and the contract profit. The estimates are made based on independent surveys of work, latest available financial budgets of the construction contract with reference to the overall performance of the construction contract, and management's best estimates and judgements.

Classification between operating concessions and receivables under service concession arrangements

As explained in note 2.4 to the financial statements, if the Group is paid for the construction services partly by a financial asset and partly by an intangible asset, it is necessary to account separately for each component of the consideration. The consideration received or receivable for both components shall be recognised initially at their fair values.

3. 重大會計判斷及估計 (續)

估計的不明朗因素

下文闡述有關未來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，其具有可能導致須對下個財政年度的資產與負債賬面金額作出重大調整的重大風險。

建造合約

當建造合約的結果能可靠地計量時，本集團參照於報告期末的合約活動完工階段確認合約收入及合約成本。完工階段乃參照迄今所進行工程的價值的測量計量。估計所進行工程的價值、總合約成本及合約溢利時須作出重大假設。估計乃參照建造合約整體履行狀況以及管理層的最佳估計及判斷，以工程的獨立測量、建造合約的最新可得財務預算為基礎。

經營特許權及服務特許權安排應收款項的分類

誠如本財務報表附註2.4所闡述，倘本集團獲支付金融資產及無形資產分別作為部分建造服務費用，則有需要就代價的各個部分分開入賬。就兩部分已收或應收的代價應初始按公平值確認。



3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Classification between operating concessions and receivables under service concession arrangements (continued)

The segregation of the consideration for a service concession arrangement between the financial asset component and the intangible asset component, if any, requires the Group to make an estimate of a number of factors, which include, inter alia, future guaranteed receipts and non-guaranteed receipts, and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amounts of operating concessions and receivables under service concession arrangements carried as assets in the consolidated statement of financial position as at 31 March 2018 were HK\$356,704,000 (2017: HK\$176,617,000 (as restated)) and HK\$360,787,000 (2017: HK\$231,103,000 (as restated)), respectively, further details of which are set out in note 14 to the financial statements.

Determination of fair value of contract revenue in respect of the construction services rendered

Revenue from the construction of kitchen waste treatment plants under the terms of a BOT contract is estimated on a cost-plus basis with reference to a prevailing market rate of profit margin at the date of the agreement applicable to similar construction services rendered in a similar location, and is recognised on the percentage-of-completion method, measured by reference to the proportion of costs incurred to date to the estimated total cost of the relevant contract.

The construction margin is determined based on the gross profit margins of market comparables by identifying relevant peer groups, which are listed on various stock exchanges. Criteria for selection include:

- (i) the peer firm must be in the field of the construction of infrastructure, majoring in kitchen waste treatment facilities in the PRC; and
- (ii) information of the peer firm must be available and from a reliable source.

3. 重大會計判斷及估計 (續)

估計的不明朗因素 (續)

經營特許權及服務特許權安排應收款項的分類 (續)

為了將服務特許權安排的代價分為金融資產部分與無形資產部分(如有)，本集團須對多項因素作出估計，包括(其中包括)未來有擔保收款及無擔保收款，並選擇適當貼現率計算該等現金流量的現值。於2018年3月31日，於綜合財務狀況表內入賬列為資產的經營特許權及服務特許權安排應收款項賬面金額分別為356,704,000港元(2017年：176,617,000港元(經重列))及360,787,000港元(2017年：231,103,000港元(經重列))，有關進一步詳情載於本財務報表附註14。

釐定所提供建造服務的合約收入的公平值

根據BOT合約條款建造餐廚垃圾處理廠的收入參考於協議日期在類似地點提供類似建造服務適用的現行市場利潤率，以成本加成法估計，按完工百分比方法確認，並參考迄今產生的成本佔有關合約的估計總成本的比例計量。

建造利潤率乃透過識別於不同證券交易所上市的相關同業組別的市場可資比較毛利率釐定。挑選準則包括：

- (i) 同業公司必須從事基礎設施建造領域，主要在中國經營餐廚垃圾處理設施；及
- (ii) 同業公司的資料必須來自可靠來源。



NOTES TO FINANCIAL STATEMENTS

財務報表附註

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Useful lives and residual values of items of property, plant and equipment and other intangible assets

In determining the useful lives and residual values of items of property, plant and equipment and other intangible assets, the Group has to consider various factors, such as technical or commercial obsolescence arising from changes or improvements in provision of services, or from a change in the market demand for the product or service output of the assets, the expected usage of the assets, the expected physical wear and tear, the care and maintenance of the assets, legal or similar limits on the use of the assets and historical experience. Adjustment of depreciation/amortisation is made if the estimated useful lives and/or the residual values of items of property, plant and equipment and other intangible assets are different from previous estimation. Useful lives and residual values are reviewed, and adjusted if appropriate, at least at the end of each reporting period, based on any changes in circumstances.

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 units to which the 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 units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill at 31 March 2018 was HK\$27,216,000 (2017: HK\$122,431,000 (as restated)). Further details are given in note 13 to the financial statements.

3. 重大會計判斷及估計 (續)

估計的不明朗因素 (續)

物業、機器及設備項目以及其他無形資產的可使用年期及剩餘價值

於釐定物業、機器及設備以及其他無形資產的可使用年期及剩餘價值時，本集團須考慮多項因素，例如提供服務的變動或改善或市場對資產的產品或服務產出的需求有變所引致的技術或商業淘汰、資產預期用途、預期實際損耗、資產保養及維護、資產用途的法律或類似限制以及歷史經驗。倘物業、機器及設備以及其他無形資產項目的估計可使用年期及／或剩餘價值有別於先前估計，則本集團會調整折舊／攤銷。本集團最少於各報告期末基於任何情況變動審閱及於適當時調整可使用年期及剩餘價值。

商譽的減值

本集團至少每年進行商譽減值測試，當中須估計已獲分配商譽的現金產生單位的使用價值。於估計使用價值時，本集團須估計現金產生單位的預計未來現金流量，並選擇適當貼現率，以計算該等現金流量的現值。於2018年3月31日，商譽的賬面金額為27,216,000港元(2017年：122,431,000港元(經重列))。有關進一步詳情載於本財務報表附註13。



3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of each reporting period. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

Impairment of loans and receivables

The Group assesses at the end of each reporting period whether there is objective evidence that a loan/receivable is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics.

The Group maintains an allowance for estimated impairment of receivables arising from the inability of its customers and debtors to make the required payments. The Group makes its estimates based on, inter alia, the ageing of its receivable balances, customers' and debtors' creditworthiness, past repayment history and historical write-off experience. If the financial condition of its customers and debtors was to deteriorate so that the actual impairment loss might be higher than expected, the Group would be required to revise the basis of making the allowance and its future results would be affected.

3. 重大會計判斷及估計 (續)

估計的不明朗因素 (續)

非金融資產(商譽除外)的減值

本集團於各報告期末評估所有非金融資產有否減值跡象。非金融資產於有跡象顯示賬面金額可能無法收回時進行減值測試。倘資產或現金產生單位的賬面值超過其可收回金額，則存在減值。可收回金額為公平值減出售成本與使用價值兩者中的較高者。公平值減出售成本的計算建基於可取得的類似資產具約束力公平交易數據或可觀察市價減出售資產的遞增成本。於計算使用價值時，管理層須估計資產或現金產生單位的預計未來現金流量，並選擇適當貼現率，以計算該等現金流量的現值。

貸款及應收款項減值

本集團於各報告期末評估是否有客觀證據顯示貸款／應收款項出現減值。為釐定是否存在減值的客觀證據，本集團會考慮多項因素，如債務人無力償債或面對重大財務困難以及拖欠付款或付款出現重大延誤的概率。倘存在減值的客觀證據，則未來現金流量的金額及時機會基於具有類似信貸風險特徵的資產的歷史損失經驗估計。

本集團就客戶及債務人無法按規定付款所產生的估計應收款項減值計提備抵。本集團基於(其中包括)應收款項結餘賬齡、客戶及債務人信譽、過往還款紀錄及歷史撇銷經驗作出估計。倘客戶及債務人的財務狀況轉差，致使實際減值虧損可能高於預期，則本集團將須修訂其計提備抵的基準，而其未來業績將會受到影響。



NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2018 2018年3月31日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk, estimated future cash flows, discount rate, volatility and interest rate. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has three reportable operating segments as follows:

- (a) the construction works segment engages in the provision of foundation works, civil engineering works and general building works in Hong Kong;
- (b) the sales of construction materials segment engages in the trading of construction materials in Hong Kong; and
- (c) the environmental protection segment engages in the construction and operation of kitchen waste treatment plants in the PRC and the engineering, procurement and construction of kitchen waste and water treatment business in the PRC.

During the year, the Group changed the internal reporting structure and performance measurement for resources allocation decision-making and performance assessment. Accordingly, the comparative amounts previously reported under the reportable operating segments of "Foundation works" and "Civil engineering and building works" have been aggregated into a new single reportable operating segment of "Construction works" to conform with the current year's presentation.

3. 重大會計判斷及估計 (續)

估計的不明朗因素 (續)

金融工具的公平值計量

當計入財務狀況表內透過損益按公平值計量的股本投資的公平值無法基於活躍市場的報價計量時，可採用估值技術(包括貼現現金流量模型)計量。該等模型的輸入數值盡可能從可觀察市場獲取，倘若不可行，則須作出一定程度的判斷以確定公平值。判斷包括考慮流動資金風險、信貸風險、估計未來現金流量、貼現率、波幅及利率等輸入數值。有關該等因素的假設的變動可影響金融工具的所呈報公平值。

4. 經營分部資料

就管理而言，本集團按產品及服務劃分其業務單位，並有以下三個可呈報的經營分部：

- (a) 建築工程分部於香港提供地基工程、土木工程及一般屋宇工程；
- (b) 建材銷售分部於香港從事建材貿易；及
- (c) 環保分部於中國建造及經營餐廚垃圾處理廠以及於中國從事餐廚垃圾及水處理工程、採購及建造業務。

年內，本集團就分配資源決定及評估表現更改內部呈報結構及表現計量方式。因此，以往在「地基工程」及「土木工程及屋宇工程」可呈報經營分部下呈報的比較金額已合併為一個新的單一可呈報經營分部，即「建築工程」，以符合本年度的呈報方式。



4. OPERATING SEGMENT INFORMATION (continued)

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 reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit/(loss) before tax except that interest income, finance costs, fair value gains from the Group's financial instruments as well as head office and corporate expenses are excluded from such measurement.

Segment assets exclude tax recoverable, pledged deposit, cash and cash equivalents, and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude interest-bearing bank and other borrowings, convertible bond, derivative financial instrument, tax payable, deferred tax liabilities, and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

4. 經營分部資料(續)

管理層會分開監察本集團經營分部的業績，以就資源分配及表現評估作出決定。分部表現乃根據可呈報分部溢利／虧損(即經調整除稅前溢利／虧損之計量方法)評估。經調整除稅前溢利／虧損的計量方法與本集團除稅前溢利／虧損者一致，惟利息收入、財務成本、本集團金融工具的公平值收益以及總辦事處及公司開支則不包括於該計量中。

分部資產不包括可收回稅項、已質押存款、現金及現金等價物以及其他未分配總辦事處及公司資產，原因為該等資產乃按集團基準管理。

分部負債不包括計息銀行及其他借貸、可換股債券、衍生金融工具、應付稅項、遞延稅項負債以及其他未分配總辦事處及公司負債，原因為該等負債乃按集團基準管理。

分部間銷售額及轉撥乃參考向第三方進行銷售時使用的售價按當時通行市價進行。



NOTES TO FINANCIAL STATEMENTS

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4. OPERATING SEGMENT INFORMATION
(continued)

Year ended 31 March 2018

4. 經營分部資料(續)

截至2018年3月31日止年度

		Sales of			
		Construction	construction	Environmental	Total
		works	materials	protection	Total
		建築工程	建材銷售	環保	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Segment revenue:	分部收入：				
Sales to external customers	向外部客戶作出的銷售額	703,689	111,068	113,700	928,457
Intersegment sales	分部間銷售額	—	63,909	—	63,909
		703,689	174,977	113,700	992,366
<i>Reconciliation:</i>	<i>對賬：</i>				
Elimination of intersegment sales	對銷分部間銷售額				(63,909)
Revenue	收入				928,457
Segment results	分部業績	(88,590)	951	(226,938)	(314,577)
<i>Reconciliation:</i>	<i>對賬：</i>				
Interest income	利息收入				3,225
Fair value gains on derivative financial instruments	衍生金融工具公平值收益				61,534
Corporate and unallocated income and gains	公司及未分配收入及收益				13,337
Corporate and unallocated expenses	公司及未分配開支				(14,717)
Finance costs	財務成本				(17,138)
Loss before tax	除稅前虧損				(268,336)
Segment assets	分部資產	462,477	18,207	1,090,881	1,571,565
<i>Reconciliation:</i>	<i>對賬：</i>				
Corporate and unallocated assets	公司及未分配資產				67,311
Total assets	資產總值				1,638,876



NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2018 2018年3月31日

4. OPERATING SEGMENT INFORMATION
(continued)

Year ended 31 March 2018

4. 經營分部資料(續)

截至2018年3月31日止年度

		Construction works 建築工程 HK\$'000 千港元	Sales of construction materials 建材銷售 HK\$'000 千港元	Environmental protection 環保 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment liabilities	分部負債	546,748	46,866	197,882	791,496
<i>Reconciliation:</i>	<i>對賬:</i>				
Corporate and unallocated liabilities	公司及未分配負債				365,309
Total liabilities	負債總額				1,156,805
Other segment information:	其他分部資料:				
Depreciation	折舊	30,376	—	2,439	32,815
Amortisation of operating concessions	經營特許權攤銷	—	—	1,317	1,317
Amortisation of other intangible assets	其他無形資產攤銷	—	—	4,538	4,538
Impairment on goodwill	商譽減值	—	—	114,776	114,776
Impairment of an intangible asset	無形資產減值	—	—	24,356	24,356
Impairment of trade receivables	貿易應收款項減值	—	—	3,085	3,085
Impairment of other receivables	其他應收款項減值	—	—	15,930	15,930
Impairment of loan receivables	應收貸款減值	—	—	14,090	14,090
Write-off of other receivables	撇銷其他應收款項	—	—	1,151	1,151



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財務報表附註

31 March 2018 2018年3月31日

4. OPERATING SEGMENT INFORMATION (continued)

Year ended 31 March 2017

4. 經營分部資料(續)

截至2017年3月31日止年度

		Construction works 建築工程 HK\$'000 千港元 (Restated) (經重列)	Sales of construction materials 建材銷售 HK\$'000 千港元 (Restated) (經重列)	Environmental protection 環保 HK\$'000 千港元 (Restated) (經重列)	Total 總計 HK\$'000 千港元
Segment revenue:	分部收入：				
Sales to external customers	向外部客戶作出的 銷售額	672,127	85,906	481,776	1,239,809
Intersegment sales	分部間銷售額	—	56,695	—	56,695
		672,127	142,601	481,776	1,296,504
<i>Reconciliation:</i>	<i>對賬：</i>				
Elimination of intersegment sales	對銷分部間銷售額				(56,695)
Revenue	收入				1,239,809
Segment results	分部業績	(3,886)	4,868	105,528	106,510
<i>Reconciliation:</i>	<i>對賬：</i>				
Interest income	利息收入				1,087
Corporate and unallocated income and gains	公司及未分配收入 及收益				10,641
Corporate and unallocated expenses	公司及未分配開支				(22,901)
Finance costs	財務成本				(2,159)
Profit before tax	除稅前溢利				93,178
Segment assets	分部資產	421,317	22,075	821,781	1,265,173
<i>Reconciliation:</i>	<i>對賬：</i>				
Corporate and unallocated assets	公司及未分配資產				173,108
Total assets	資產總值				1,438,281



NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2018 2018年3月31日

4. OPERATING SEGMENT INFORMATION
(continued)

4. 經營分部資料 (續)

		Construction works 建築工程 HK\$'000 千港元 (Restated) (經重列)	Sales of construction materials 建材銷售 HK\$'000 千港元 (Restated) (經重列)	Sales of Environmental protection 環保 HK\$'000 千港元 (Restated) (經重列)	Total 總計 HK\$'000 千港元
Segment liabilities	分部負債	438,612	22,873	203,627	665,112
<i>Reconciliation:</i>	<i>對賬:</i>				
Corporate and unallocated liabilities	公司及未分配負債				271,656
Total liabilities	負債總額				936,768
Other segment information:	其他分部資料:				
Depreciation	折舊	28,665	—	986	29,651
Amortisation of other intangible assets	其他無形資產攤銷	—	—	747	747
Impairment of available-for-sale investment	可供出售投資減值	—	—	7,532	7,532



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4. OPERATING SEGMENT INFORMATION (continued)

Geographical information

(a) Revenue from external customers

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Hong Kong	香港	814,757	753,261
Mainland China	中國內地	108,921	486,432
Other countries/regions	其他國家／地區	4,779	116
		928,457	1,239,809

The revenue information above is based on the locations of the customers.

上述收入資料以客戶位置為基礎。

(b) Non-current assets

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Hong Kong	香港	176,294	188,789
Mainland China	中國內地	390,963	329,318
Other countries/regions	其他國家／地區	19,460	21,505
		586,717	539,612

The non-current asset information above is based on the locations of the assets and excludes financial instruments.

上述非流動資產資料以資產位置為基礎，並不包括金融工具。

4. 經營分部資料(續)

地理資料

(a) 來自外部客戶的收入

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Hong Kong	香港	814,757	753,261
Mainland China	中國內地	108,921	486,432
Other countries/regions	其他國家／地區	4,779	116
		928,457	1,239,809

上述收入資料以客戶位置為基礎。

(b) 非流動資產

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Hong Kong	香港	176,294	188,789
Mainland China	中國內地	390,963	329,318
Other countries/regions	其他國家／地區	19,460	21,505
		586,717	539,612

上述非流動資產資料以資產位置為基礎，並不包括金融工具。



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財務報表附註

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4. OPERATING SEGMENT INFORMATION
(continued)

Information about major customers

Revenue from external customers contributing over 10% of the total revenue of the Group is as follows:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Customer A	客戶A	226,574	N/A 不適用*
Customer B	客戶B	N/A 不適用*	315,089#
		226,574	315,089

* Nil or less than 10% of revenue

This amount represented the deemed construction revenue from the provision of construction services to a government authority recognised according to HK(IFRIC)-Int 12 *Service Concession Arrangements*.

4. 經營分部資料 (續)

主要客戶資料

來自佔本集團總收入超過10%的外部客戶的收入如下：

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Customer A	客戶A	226,574	N/A 不適用*
Customer B	客戶B	N/A 不適用*	315,089#
		226,574	315,089

* 零或少於收入的10%

該金額指按照香港(國際財務報告詮釋委員會)詮釋第12號「服務特許權安排」確認向一個政府機關提供建造服務的視作建造收入。



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5. REVENUE, OTHER INCOME AND GAINS, NET

Revenue represents the net invoiced value of goods sold, after allowances for returns and trade discounts; an appropriate proportion of contract revenue of construction contracts; and the value of services rendered in relation to the environmental protection business during the year.

An analysis of revenue, other income and gains, net is as follows:

5. 收入、其他收入及收益淨額

收入指年內已減去退貨及貿易折扣備抵後的銷貨發票淨值；建造合約收入的適當比例；及環保業務所提供服務的價值。

收入、其他收入及收益淨額的分析如下：

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Revenue	收入		
Construction works	建築工程	703,689	672,127
Sales of construction materials	建材銷售	111,068	85,906
Environmental protection*	環保*	113,700	481,776
		928,457	1,239,809
Other income	其他收入		
Bank interest income	銀行利息收入	682	193
Loan interest income	貸款利息收入	2,543	894
Agency fee income	代理費收入	4,655	3,847
Financial guarantee service fee income	財務擔保服務費收入	2,039	—
Machinery rental income	機械租金收入	1,318	1,076
Government grants [#]	政府補助 [#]	1,177	—
Waiver of loan interest payable	豁免應付貸款利息	—	2,696
Others	其他	4,148	3,050
		16,562	11,756
Gains, net	收益淨額		
Gain on disposal of items of property, plant and equipment	出售物業、機器及設備項目收益	—	7
Fair value gains on derivative financial instruments	衍生金融工具公平值收益	61,534	—
Foreign exchange differences, net	外匯差額淨額	—	(35)
		61,534	(28)
		78,096	11,728



NOTES TO FINANCIAL STATEMENTS

財務報表附註

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5. REVENUE, OTHER INCOME AND GAINS, NET (continued)

- * Imputed interest income under service concession arrangements during the year amounting to HK\$14,609,000 (2017: Nil) was included in the revenue derived from kitchen waste treatment and construction and related services.

- # Various government grants have been received by certain PRC subsidiaries for their research and development activities in Mainland China. There were no unfulfilled conditions or contingencies relating to these grants.

5. 收入、其他收入及收益 淨額(續)

- * 年內服務特許權安排下的應計利息收入14,609,000港元(2017年：零)已計入餐廚垃圾處理、建造及相關服務收入。

- # 若干中國附屬公司已就於中國內地的研究及開發活動獲得多筆政府補助。該等補助並不涉及未達成條件或或然事項。



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6. PROFIT/(LOSS) BEFORE TAX

The Group's profit/(loss) before tax is arrived at after charging/(crediting):

6. 除稅前溢利／(虧損)

本集團除稅前溢利／(虧損)乃於扣除／(計入)下列項目後達致：

	Notes 附註	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Cost of inventories sold	已售存貨成本	118,889	83,505
Cost of construction works	建築工程成本	798,029	714,198
Cost of engineering, procurement and construction services rendered	提供工程、採購及建築服務成本	16,497	243,147
Cost of kitchen waste treatment services rendered	提供餐廚垃圾處理服務成本	5,465	—
Auditor's remuneration	核數師酬金	3,100	1,350
Depreciation*	折舊*	32,815	29,651
Amortisation of operating concessions*	經營特許權攤銷*	1,317	—
Amortisation of other intangible assets***	其他無形資產攤銷***	4,538	747
Minimum lease payments under operating leases	經營租賃下的最低租賃付款	30,477	5,903
Employee benefit expense (excluding directors' remuneration (note 8)):	僱員福利開支(不包括董事薪酬(附註8)):		
Wages, salaries, bonuses, allowances and benefits in kind	工資、薪金、花紅、津貼及實物利益	97,989	115,357
Equity-settled share option expense	以權益結算的購股權開支	—	9,780
Pension scheme contributions (defined contribution schemes)	退休金計劃供款(界定供款計劃)	6,345	3,573
		104,334	128,710
Foreign exchange differences, net	外匯差額淨額	9,562	(35)
Impairment of goodwill**	商譽減值**	114,776	—
Impairment of an intangible asset**	無形資產減值**	24,356	—
Impairment of available-for-sale investment**	可供出售投資減值**	—	7,532
Impairment of trade receivables	貿易應收款項減值	3,085	—
Impairment of other receivables	其他應收款項減值	15,930	—
Impairment of loan receivables	應收貸款減值	14,090	—
Write-off of other receivables	撇銷其他應收款項	1,151	—



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31 March 2018 2018年3月31日

6. PROFIT/(LOSS) BEFORE TAX (continued)

* Included in the cost of sales for the year were depreciation charges of HK\$26,247,000 (2017: HK\$26,570,000), amortisation of operating concessions of HK\$1,317,000 (2017: Nil) and employee benefit expense of HK\$48,226,000 (2017: HK\$86,503,000).

** These balances are included in other expenses, net in the consolidated statement of profit or loss.

*** This balance is included in administrative expense in the consolidated statement of profit or loss.

6. 除稅前溢利／(虧損)(續)

* 年內的銷售成本包括折舊支出26,247,000港元(2017年: 26,570,000港元)、經營特許權攤銷1,317,000港元(2017年: 無)及僱員福利開支48,226,000港元(2017年: 86,503,000港元)。

** 該等結餘計入綜合損益表內的其他開支淨額。

*** 該項結餘計入綜合損益表內的行政開支。

7. FINANCE COSTS

An analysis of finance costs is as follows:

7. 財務成本

財務成本分析如下：

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Interest on bank loans, overdrafts and other loans	銀行貸款、透支及其他貸款利息	13,452	853
Interest on convertible bond	可換股債券利息	3,182	—
Interest on finance leases	融資租賃利息	504	1,306
		17,138	2,159



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8. DIRECTORS' REMUNERATION

Directors' remuneration for the year, disclosed pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Hong Kong Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Fees	袍金	1,560	1,565
Other emoluments:	其他酬金：		
Salaries, bonuses, allowances and benefits in kind	薪金、花紅、津貼及實物利益	2,855	4,122
Equity-settled share option expense	以權益結算的購股權開支	—	9,160
Pension scheme contributions	退休金計劃供款	163	48
		3,018	13,330
		4,578	14,895

During the prior year, certain directors were granted share options, in respect of their services to the Group, under the share option scheme of the Company, further details of which are set out in note 34 to the financial statements. The fair value of such options, which has been recognised in the statement of profit or loss, was determined as at the date of grant and the amount included in the financial statements for the prior year is included in the above directors' remuneration disclosures.

8. 董事薪酬

根據香港聯合交易所有限公司證券上市規則、香港公司條例第383(1)(a)、(b)、(c)及(f)條以及香港公司(披露董事利益資料)規例第2部披露的年內董事薪酬如下：

於前一年度，若干董事根據本公司的購股權計劃就彼等向本集團提供的服務獲授購股權，有關進一步詳情載於本財務報表附註34。該等購股權的公平值乃於授出日期釐定，且已於損益表確認，而前一年度財務報表所列金額已計入以上董事薪酬披露資料中。



NOTES TO FINANCIAL STATEMENTS

財務報表附註

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8. DIRECTORS' REMUNERATION (continued)

(a) Independent non-executive directors

8. 董事薪酬(續)

(a) 獨立非執行董事

		Fees	Equity-settled share option expense	Total remuneration
		袍金	以權益結算的 購股權開支	薪酬總額
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
2018	2018年			
Mr. Choy Wai Shek, Raymond, MH, JP	蔡偉石先生， 榮譽勳章·太平紳士	240	—	240
Mr. Lo Chun Chiu, Adrian	羅俊超先生	240	—	240
Dr. Tong Ka Lok	唐嘉樂博士	240	—	240
		720	—	720
2017	2017年			
Mr. Choy Wai Shek, Raymond, MH, JP	蔡偉石先生， 榮譽勳章·太平紳士	240	227	467
Mr. Lo Chun Chiu, Adrian	羅俊超先生	240	227	467
Dr. Tong Ka Lok	唐嘉樂博士	240	227	467
		720	681	1,401

There were no other emoluments payable to the independent non-executive directors during the year (2017: Nil).

年內並無應付獨立非執行董事的其他酬金(2017年：無)。



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8. DIRECTORS' REMUNERATION (continued)
(b) Executive directors and non-executive directors

8. 董事薪酬(續)
(b) 執行董事及非執行董事

		Fees	Salaries, bonuses, allowances and benefits in kind	Equity-settled share option expense	Pension scheme contributions	Total remuneration
		袍金	薪金、花紅、津貼及實物利益	以權益結算的購股權開支	退休金計劃供款	薪酬總額
		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
2018	2018年					
Executive directors:	執行董事：					
Mr. Zhu Yongjun	朱勇軍先生	—	1,800	—	18	1,818
Ms. Qin Shulan	秦姝蘭女士	—	568	—	127	695
Mr. Cai Jianwen	蔡建文先生	700	487	—	18	1,205
Non-executive directors:	非執行董事：					
Dr. Zhang Lihui	張立輝博士	60	—	—	—	60
Mr. Chu Kingston Chun Ho*	朱俊浩先生*	80	—	—	—	80
		840	2,855	—	163	3,858
2017	2017年					
Executive directors:	執行董事：					
Mr. Zhu Yongjun [^]	朱勇軍先生 [^]	—	1,141	227	11	1,379
Ms. Qin Shulan [^]	秦姝蘭女士 [^]	—	770	4,815	—	5,585
Mr. Cai Jianwen	蔡建文先生	700	512	3,210	5	4,427
Mr. Chu Shu Cheong [#]	朱樹昌先生 [#]	—	600	—	12	612
Mr. Kwan Man Hay ⁻	關萬禧先生 ⁻	—	825	—	17	842
Mr. So Kin Shing ^{&}	蘇健誠先生 ^{&}	—	120	—	—	120
Ms. Lai Mun Yee ^{&}	賴敏儀女士 ^{&}	—	154	—	3	157
Non-executive directors:	非執行董事：					
Dr. Zhang Lihui [®]	張立輝博士 [®]	—	—	—	—	—
Mr. Chu Kingston Chun Ho ⁺	朱俊浩先生 ⁺	70	—	227	—	297
Mr. Lam Kwei Mo ⁺	林桂武先生 ⁺	75	—	—	—	75
		845	4,122	8,479	48	13,494



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8. DIRECTORS' REMUNERATION (continued)

(b) Executive directors and non-executive directors (continued)

- * Mr. Chu Kingston Chun Ho was appointed as a non-executive director of the Company on 8 September 2016 and resigned as a non-executive director of the Company on 1 December 2017.
- ^ Mr. Zhu Yongjun and Ms. Qin Shulan were appointed as executive directors of the Company on 24 May 2016.
- # Mr. Chu Shu Cheong resigned as an executive director of the Company on 29 November 2016.
- Mr. Kwan Man Hay resigned as an executive director of the Company on 27 February 2017.
- & Mr. So Kin Shing and Ms. Lai Mun Yee resigned as executive directors of the Company on 24 May 2016.
- ⊙ Dr. Zhang Lihui was appointed as a non-executive director of the Company on 8 September 2016.
- + Mr. Lam Kwei Mo retired as a non-executive director of the Company on 15 August 2016.

During the year, no remuneration was paid or payable by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office (2017: Nil).

There was no arrangement under which a director or a chief executive waived or agreed to waive any remuneration during the year (2017: Nil).

8. 董事薪酬(續)

(b) 執行董事及非執行董事(續)

- * 朱俊浩先生於2016年9月8日獲委任為本公司非執行董事，於2017年12月1日辭任本公司非執行董事。
- ^ 朱勇軍先生及秦妹蘭女士於2016年5月24日獲委任為本公司執行董事。
- # 朱樹昌先生於2016年11月29日辭任本公司執行董事。
- 關萬禧先生於2017年2月27日辭任本公司執行董事。
- & 蘇健誠先生及賴敏儀女士於2016年5月24日辭任本公司執行董事。
- ⊙ 張立輝先生於2016年9月8日獲委任為本公司非執行董事。
- + 林桂武先生於2016年8月15日退任本公司非執行董事。

年內，本集團並無已付或應付董事薪酬，作為加入本集團或於加盟後的獎金或作為離職補償(2017年：無)。

年內，概無任何有關董事或最高行政人員放棄或同意放棄任何薪酬的安排(2017年：無)。



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9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included two (2017: three) directors, details of whose remuneration are set out in note 8 above. Details of the remuneration for the year of the remaining three (2017: two) highest paid employees who are neither a director nor chief executive of the Company are as follows:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Salaries, bonuses, allowances and benefits in kind	薪金、花紅、津貼及實物利益	3,129	919
Performance related bonuses	表現掛鈎花紅	376	50
Equity-settled share option expense	以權益結算的購股權開支	—	4,815
Pension scheme contributions (defined contribution schemes)	退休金計劃供款(界定供款計劃)	54	36
		3,559	5,820

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

		Number of employees 僱員人數	
		2018 2018年	2017 2017年
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至 1,500,000港元	3	—
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至 2,000,000港元	—	1
HK\$4,000,001 to HK\$4,500,000	4,000,001港元至 4,500,000港元	—	1
		3	2

9. 五名最高薪僱員

年內，五位最高薪僱員中包括兩名(2017年：三名)董事，彼等的薪酬詳情載於上文附註8。年內其餘三名(2017年：兩名)既非本公司董事亦非最高行政人員的最高薪僱員的薪酬詳情如下：

薪酬介乎以下組別的非董事非最高行政人員最高薪僱員的人數如下：



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9. FIVE HIGHEST PAID EMPLOYEES (continued)

During the prior year, share options were granted to the non-director and non-chief executive highest paid employees in respect of their services to the Group, further details of which are included in the disclosures in note 34 to the financial statements. The fair value of such options, which has been recognised in the statement of profit or loss, was determined as at the date of grant and the amount included in the financial statements for the prior year is included in the above non-director and non-chief executive highest paid employees' remuneration disclosures.

10. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2017: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates.

9. 五名最高薪僱員(續)

於前一年度，非董事非最高行政人員最高薪僱員就其向本集團提供的服務獲授購股權，有關進一步詳情載於本財務報表附註34內的披露事項。該等購股權的公平值乃於授出日期釐定，且已於損益表確認，而前一年度財務報表所列金額已計入以上非董事非最高行政人員最高薪僱員薪酬披露資料中。

10. 所得稅

香港利得稅乃根據年內於香港產生的估計應課稅溢利按16.5% (2017年：16.5%) 的稅率計提撥備。其他地區應課稅溢利的稅項乃按本集團經營的國家／司法權區的通行稅率計算。

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Current — Hong Kong	即期 — 香港		
Charge for the year	年內支出	1,303	771
Overprovision in prior years	往年超額撥備	(68)	—
Current — PRC	即期 — 中國		
Charge for the year	年內支出	84	13,940
Overprovision in prior years	往年超額撥備	(2,970)	—
Deferred (note 32)	遞延(附註32)	(21,308)	21,541
Total tax charge/(credit) for the year	年內稅項支出／ (抵免)總額	(22,959)	36,252



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10. INCOME TAX (continued)

A reconciliation of the tax expense/(credit) applicable to profit/(loss) before tax at the Hong Kong statutory tax rate to the tax charge/(credit) at the Group's effective tax rate is as follows:

10. 所得稅 (續)

採用香港法定稅率計算的除稅前溢利／(虧損)適用的稅項開支／(抵免)與按本集團實際稅率計算的稅項支出／(抵免)的對賬如下：

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Profit/(loss) before tax	除稅前溢利／(虧損)	(268,336)	93,178
Tax at the Hong Kong statutory tax rate of 16.5% (2017: 16.5%)	按香港法定稅率16.5% (2017年：16.5%) 計算的稅項	(44,275)	15,374
Different tax rates enacted by specific countries/jurisdictions or local authorities	特定國家／司法權區或地方機關頒佈的不同稅率	(4,150)	11,484
Adjustments in respect of current tax of previous periods	有關過往期間即期稅項的調整	(3,038)	—
Income not subject to tax	毋須課稅的收入	(10,076)	(474)
Expenses not deductible for tax	不可扣稅的開支	25,348	5,070
Tax losses utilised from previous periods	動用過往期間的稅務虧損	(303)	(820)
Tax losses recognised from previous periods	過往期間確認的稅務虧損	(4,629)	—
Tax losses not recognised	未確認的稅務虧損	17,956	5,765
Others	其他	208	(147)
Tax charge/(credit) at the Group's effective tax rate	按本集團實際稅率計算的稅項支出／(抵免)	(22,959)	36,252



11. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings/(loss) per share amount is based on the loss for the year attributable to ordinary equity holders of the Company of HK\$224,790,000 (2017: profit of HK\$47,610,000), and the weighted average number of ordinary shares of 515,464,066 (2017: 455,589,488) in issue during the year.

The calculation of the diluted earnings/(loss) per share amount is based on the loss for the year attributable to ordinary equity holders of the Company of HK\$224,790,000 (2017: profit of HK\$47,610,000). The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the year, as used in the basic earnings/(loss) per share calculation, and, the weighted average number of ordinary shares of 1,707,544 assumed to have been issued at no consideration for the year ended 31 March 2017 on the deemed exercise of all share options into ordinary shares. No adjustment has been made to the basic loss per share amount presented for the year ended 31 March 2018 in respect of a dilution as the impact of the share options and convertible bond outstanding had an anti-dilutive effect on the basic loss per share amount presented.

11. 歸屬於本公司普通權益持有人的每股盈利／（虧損）

每股基本盈利／（虧損）金額乃基於歸屬於本公司普通權益持有人的年內虧損224,790,000港元（2017年：溢利47,610,000港元）及年內已發行普通股加權平均數515,464,066股（2017年：455,589,488股）計算。

每股攤薄盈利／（虧損）金額乃基於歸屬於本公司普通權益持有人的年內虧損224,790,000港元（2017年：溢利47,610,000港元）計算。用於計算的普通股加權平均數為計算每股基本盈利／（虧損）所用的年內已發行普通股數目，以及假定於所有購股權獲視作行使為普通股時無償發行的截至2017年3月31日止年度普通股加權平均數1,707,544股。由於未獲行使購股權及未獲轉換可換股債券的影響對所呈列的每股虧損金額具有反攤薄影響，故並無就攤薄調整就截至2018年3月31日止年度呈列的每股虧損金額。



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12. PROPERTY, PLANT AND EQUIPMENT

12. 物業、機器及設備

		Plant and machinery 機器及機械 HK\$'000 千港元	Furniture, fixtures and office equipment 傢俬、裝置及辦公室設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總計 HK\$'000 千港元
31 March 2018	2018年3月31日				
At 31 March 2017 and at 1 April 2017:	於2017年3月31日及於2017年4月1日：				
Cost	成本	255,850	9,937	9,707	275,494
Accumulated depreciation	累計折舊	(72,234)	(2,858)	(3,367)	(78,459)
Net carrying amount	賬面淨額	183,616	7,079	6,340	197,035
At 1 April 2017, net of accumulated depreciation	於2017年4月1日，已扣除累計折舊	183,616	7,079	6,340	197,035
Additions	添置	19,345	2,121	475	21,941
Acquisitions of subsidiaries (note 37)	收購附屬公司(附註37)	318	106	97	521
Disposals	出售	(697)	(72)	—	(769)
Depreciation provided during the year	年內折舊撥備	(28,533)	(2,553)	(1,729)	(32,815)
Transfers	轉撥	(155)	152	3	—
Exchange realignment	匯兌調整	509	313	221	1,043
At 31 March 2018, net of accumulated depreciation	於2018年3月31日，已扣除累計折舊	174,403	7,146	5,407	186,956
At 31 March 2018:	於2018年3月31日：				
Cost	成本	274,596	11,851	10,517	296,964
Accumulated depreciation	累計折舊	(100,193)	(4,705)	(5,110)	(110,008)
Net carrying amount	賬面淨額	174,403	7,146	5,407	186,956



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12. PROPERTY, PLANT AND EQUIPMENT
(continued)

12. 物業、機器及設備 (續)

		Plant and machinery 機器 及機械 HK\$'000 千港元	Furniture, fixtures and office equipment 傢俬、 裝置及 辦公室設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總計 HK\$'000 千港元
31 March 2017	2017年3月31日				
At 1 April 2016:	於2016年4月1日：				
Cost	成本	236,216	3,949	7,310	247,475
Accumulated depreciation	累計折舊	(45,643)	(1,322)	(1,896)	(48,861)
Net carrying amount	賬面淨額	190,573	2,627	5,414	198,614
At 1 April 2016, net of accumulated depreciation	於2016年4月1日， 已扣除累計折舊	190,573	2,627	5,414	198,614
Additions	添置	19,080	5,703	1,641	26,424
Acquisitions of subsidiaries (note 37)	收購附屬公司 (附註37)	553	343	992	1,888
Write-off	撇銷	—	(40)	(159)	(199)
Depreciation provided during the year	年內折舊撥備	(26,592)	(1,536)	(1,523)	(29,651)
Exchange realignment	匯兌調整	2	(18)	(25)	(41)
At 31 March 2017, net of accumulated depreciation	於2017年3月31日， 已扣除累計折舊	183,616	7,079	6,340	197,035
At 31 March 2017:	於2017年3月31日：				
Cost	成本	255,850	9,937	9,707	275,494
Accumulated depreciation	累計折舊	(72,234)	(2,858)	(3,367)	(78,459)
Net carrying amount	賬面淨額	183,616	7,079	6,340	197,035

As at 31 March 2018, the net carrying amount of the Group's plant and machinery held under finance leases was HK\$25,884,000 (2017: HK\$77,933,000).

於2018年3月31日，本集團根據融資租賃持有的機器及機械的賬面淨額為25,884,000港元(2017年：77,933,000港元)。



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13. GOODWILL

13. 商譽

		HK\$'000 千港元
Cost at 1 April 2016	於2016年4月1日的成本	—
Acquisitions of subsidiaries (as restated) (note 37)	收購附屬公司(經重列) (附註37)	122,431
At 31 March 2017 (as restated)	於2017年3月31日 (經重列)	122,431
Cost at 1 April 2017 (as restated)	於2017年4月1日的成本 (經重列)	122,431
Acquisition of subsidiaries (note 37)	收購附屬公司(附註37)	17,635
Impairment during the year	年內減值	(114,776)
Exchange realignment	匯兌調整	1,926
At 31 March 2018	於2018年3月31日	27,216
At 31 March 2018:	於2018年3月31日：	
Cost	成本	142,696
Accumulated impairment	累計減值	(115,480)
Net carrying amount	賬面淨額	27,216



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13. GOODWILL (continued)

Impairment testing of goodwill

Goodwill acquired through business combinations is allocated to the following cash-generating units for impairment testing:

- Taiyuan Tianrun cash-generating unit (“Taiyuan Tianrun CGU”);
- The Clear Industry Group cash-generating unit (“Clear Industry CGU”);
- Hefei Feifan cash-generating unit; and (“Hefei Feifan CGU”); and
- Shenzhen Xinbao cash-generating unit; and (“Shenzhen Xinbao CGU”)

The recoverable amounts of the above cash-generating units have been determined based on a value in use calculation using cash flow projections based on financial budgets covering a five-year period approved by senior management. The discount rates applied to the cash flow projections are as follows:

13. 商譽 (續)

商譽減值測試

透過業務合併收購的商譽乃分配至下列現金產生單位以進行減值測試：

- 太原天潤現金產生單位；
- Clear Industry集團現金產生單位（「Clear Industry現金產生單位」）；
- 合肥非凡現金產生單位；及
- 深圳新寶現金產生單位。

上述現金產生單位的可收回金額乃按基於高級管理層批准的五年期財務預算編製的現金流量預測以使用價值計算法釐定。適用於現金流量預測的貼現率如下：

		2018 2018年	2017 2017年
Taiyuan Tianrun CGU	太原現金產生單位		
Discount rate	貼現率	7.0%	8.0%
Clear Industry CGU	Clear Industry現金產生單位		
Discount rate	貼現率	12.0%	18.8%
Hefei Feifan CGU	合肥非凡現金產生單位		
Discount rate	貼現率	12.0%	—
Shenzhen Xinbao CGU	深圳新寶現金產生單位		
Discount rate	貼現率	12.0%	—



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13. GOODWILL (continued)

The carrying amount of goodwill allocated to each of the cash-generating units is as follows:

	Taiyuan Tianrun CGU 太原天潤 現金產生單位		Clear Industry CGU Clear Industry 現金產生單位		Hefei Feifan CGU 合肥非凡 現金產生單位		Shenzhen Xinbao CGU 深圳新寶 現金產生單位	
	2018 2018年 HK\$'000 千港元	2017 2017年 HK'000 千港元	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元 (Restated) (經重列)	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Carrying amount of goodwill 商譽的賬面金額	25,730	23,927	—	98,504	1,486	—	—	—

Assumptions were used in the value in use calculation of the above cash-generating units for 31 March 2018 and 31 March 2017. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

Budgeted gross margins — 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, increased for expected efficiency improvements, and expected market development.

Discount rates — The discount rates used are before tax and reflect specific risks relating to the relevant units.

General price inflation — The inflation rate used is with reference to current market conditions.

During the year, an impairment loss of HK\$114,776,000 (2017: Nil) was recognised on goodwill as the recoverable amount of Clear Industry CGU and Shenzhen Xinbao CGU were determined to be lower than their carrying amounts.

13. 商譽 (續)

分配至各現金產生單位的商譽的賬面金額如下：

計算上述現金產生單位於2018年3月31日及2017年3月31日的使用價值時，本集團已使用多項假設。下文描述管理層為進行商譽減值測試而編製的現金流量預測所依據的各項主要假設：

預算毛利率 — 釐定賦予預算毛利率的價值的基礎為於緊接預算年度前一年達致的平均毛利率(就預期效率提升調升)及預期市場發展。

貼現率 — 所用貼現率為除稅前利率，且反映與相關單位有關的特定風險。

整體價格通脹 — 所用通脹率乃參照現行市況釐定。

年內，由於Clear Industry現金產生單位及深圳新寶現金產生單位的可收回金額被釐定為低於賬面金額，故已確認商譽減值虧損114,776,000港元(2017年：無)。



14. SERVICE CONCESSION ARRANGEMENTS

The Group has entered into service concession arrangements with certain governmental authorities in Mainland China on a BOT basis in respect of the construction and operation of its kitchen waste treatment business. These service concession arrangements generally involve the Group as an operator in (i) constructing kitchen waste treatment plants (the “Facilities”) for those arrangement on a BOT basis; and (ii) operating and maintaining the Facilities at a specified level of serviceability on behalf of the relevant governmental authorities for periods ranging from 25 to 30 years (the “Service Concession Periods”), and the Group will be paid for its services over the relevant periods of the service concession arrangements at prices stipulated through a pricing mechanism. The Group is generally entitled to use all the property, plant and equipment of the Facilities, however, the relevant governmental authorities as grantors will retain the beneficial entitlement to any residual interest in the Facilities at the end of the Service Concession Periods. Each of these service concession arrangements is governed by a contract and, where applicable, supplementary agreements entered into between the Group and the relevant governmental authority in Mainland China that set out, inter alia, performance standards, mechanisms for adjusting prices for the services rendered by the Group, specific obligations imposed on the Group to restore the Facilities to a specified level of serviceability at the end of the Service Concession Periods, and arrangements for arbitrating disputes.

14. 服務特許權安排

本集團已就建造及經營餐廚垃圾處理業務以BOT形式與中國內地若干政府機關訂立多項服務特許權安排。該等服務特許權安排一般涉及由本集團作為營運商，(i)以BOT形式為該等安排建造餐廚垃圾處理廠(「該等設施」)；及(ii)按照指定服務水平代表相關政府機關經營及維護該等設施，為期25至30年(「服務特許權期限」)，而本集團將於服務特許權安排的相關期限內按透過定價機制列明的價格就其服務收取款項。本集團一般有權使用該等設施的所有物業、機器及設備，然而，相關政府機關作為授予人將於服務特許權期限結束時保留其於該等設施任何剩餘權益的實際權利。各該等服務特許權安排受本集團與中國內地相關政府機關訂立的合約及(如適用)補充協議所規管，當中載明(其中包括)執行標準、本集團所提供服務的調價機制、本集團於服務特許權期限結束時為將該等設施恢復至指定服務水平而承擔的特定責任，以及仲裁糾紛的安排。



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14. SERVICE CONCESSION ARRANGEMENTS (continued)

A summary of the major terms of the principal service concession arrangements is set out as follows:

14. 服務特許權安排 (續)

主要服務特許權安排的主要條款概要載列如下：

Name of company as operator 作為經營商的公司名稱	Location 地點	Name of grantor 授予人名稱	Type of service concession arrangement 服務特許權安排類型	Practical processing capacity tonne per day 實際處理量 (每天噸數)	Service concession period 服務特許權期限
Taiyuan Tianrun 太原天潤	Taiyuan, Shaxin province, the PRC 中國山西省太原市	太原市市容環境衛生管理局	BOT on kitchen waste treatment 餐廚垃圾處理的BOT	500	30 years from 2013 to 2043 由2013年起至2043年止30年
Loudi Fangsheng 婁底方盛	Loudi, Hunan province, the PRC 中國湖南省婁底市	婁底市城中管理行政執法局	BOT on kitchen waste treatment 餐廚垃圾處理的BOT	120	30 years from 2014 to 2044 由2014年起至2044年止30年
Hefei Feifan 合肥非凡	Hefei, Anhui province, the PRC 中國安徽省合肥市	合肥市城市管理局	BOT on kitchen waste treatment 餐廚垃圾處理的BOT	200	25 years from 2013 to 2038 由2013年起至2038年止25年

Pursuant to the service concession agreements entered into by the Group, the Group are granted the rights to use the property, plant and equipment of the Facilities and the related land, which are generally registered under the names of the relevant subsidiaries of the Group, during the Service Concession Periods, but the Group is generally required to surrender these assets to the grantors at a specified level of serviceability at the end of the respective Service Concession Periods.

The carrying amounts of the Group's receivables under services concession arrangements and operating concession of HK\$342,818,000 (2017: HK\$216,788,000) and HK\$282,048,000 (2017: HK\$113,291,000), respectively, were pledged to the Group's bank and other borrowings.

根據本集團訂立的服務特許權協議，本集團獲授於服務特許權期限內使用該等設施的物業、機器及設備以及相關土地（一般以本集團相關附屬公司的名義登記）的權利，惟本集團一般須於各服務特許權期限結束時按指定服務水平將該等資產交回授予人。

本集團的服務特許權安排應收款項及經營特許權的賬面金額分別342,818,000港元(2017年：216,788,000港元)及282,048,000港元(2017年：113,291,000港元)已質押予本集團的銀行及其他借貸。



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14. SERVICE CONCESSION ARRANGEMENTS
(continued)

As further explained in the accounting policy for “Service concession arrangements” set out in note 2.4 to the financial statements, the consideration paid by the Group for a service concession arrangement is accounted for as an intangible asset (operating concession) or a financial asset (receivable under a service concession arrangement) or a combination of both, as appropriate. The following is the summarised information of the intangible asset component (operating concessions) and the financial asset component (receivables under service concession arrangements) with respect to the Group’s service concession arrangements:

Operating Concessions

14. 服務特許權安排 (續)

誠如本財務報表附註2.4所載「服務特許權安排」的會計政策所進一步闡述，本集團就服務特許權安排支付的代價入賬列為無形資產(經營特許權)或金融資產(服務特許權安排應收款項)或兩者結合(如適用)。以下為有關服務特許權安排的無形資產部分(經營特許權)及金融資產部分(服務特許權安排應收款項)的資料概要：

經營特許權

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元 (Restated) (經重列)
At 1 April:	於4月1日：		
Cost and carrying amount	成本及賬面金額	176,617	—
At 1 April	於4月1日	176,617	—
Acquisition of subsidiaries (note 37)	收購附屬公司(附註37)	119,655	5,835
Additions	增添	29,991	175,541
Amortisation provided during the year	年內攤銷撥備	(1,317)	—
Exchange realignment	匯兌調整	31,758	(4,759)
At 31 March	於3月31日	356,704	176,617
At 31 March:	於3月31日：		
Cost	成本	358,101	176,617
Accumulated amortisation	累計攤銷	(1,397)	—
Net carrying amount	賬面淨額	356,704	176,617



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14. SERVICE CONCESSION ARRANGEMENTS
(continued)

Receivables under service concession arrangements

14. 服務特許權安排 (續)

服務特許權安排應收款項

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元 (Restated) (經重列)
Receivables under service concession arrangements	服務特許權安排應收款項	360,787	231,103
Portion classified as current assets	分類為流動資產的部分	(35,549)	—
Non-current portion	非流動部分	325,238	231,103

Receivables under service concession arrangements were unbilled and neither past due nor impaired. Such receivables were due from the grantors in respect of the Group's kitchen waste treatment business. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in the credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral or other credit enhancements over these balances.

服務特許權安排應收款項未出發票，概無逾期或減值。該等應收款項來自本集團餐廚垃圾處理業務的授予人。根據過往經驗，本公司董事認為，由於該等結餘的信貨質量並無重大變動且被視為可全數收回，故無須就其計提減值撥備。本集團並無就該等結餘持有任何抵押品或其他信貸提升物。



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15. OTHER INTANGIBLE ASSETS

15. 其他無形資產

		Patents	Customer relationships	Kitchen waste treatment technologies	Total
		專利	客戶關係	餐廚垃圾處理技術	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
31 March 2018	2018年3月31日				
Cost at 1 April 2017, net of accumulated amortisation	於2017年4月1日的成本，已扣除累計攤銷	17,193	429	25,907	43,529
Amortisation provided during the year	年內攤銷撥備	(1,795)	(38)	(2,705)	(4,538)
Impairment during the year	年內減值	—	—	(24,356)	(24,356)
Exchange realignment	匯兌調整	—	52	1,154	1,206
At 31 March 2018	於2018年3月31日	15,398	443	—	15,841
At 31 March 2018: Cost	於2018年3月31日：成本	17,940	483	28,705	47,128
Accumulated amortisation and impairment	累計攤銷及減值	(2,542)	(40)	(28,705)	(31,287)
Net carrying amount	賬面淨額	15,398	443	—	15,841
31 March 2017	2017年3月31日				
Cost at 1 April 2016	於2016年4月1日的成本	—	—	—	—
Additions (as restated)	增添(經重列)	17,940	429	—	18,369
Acquisition of subsidiaries (as restated) (note 37)	收購附屬公司(經重列)(附註37)	—	—	25,868	25,868
Amortisation provided during the year	年內攤銷撥備	(747)	—	—	(747)
Exchange realignment (as restated)	匯兌調整(經重列)	—	—	39	39
At 31 March 2017 (as restated)	於2017年3月31日(經重列)	17,193	429	25,907	43,529
At 31 March 2017: Cost (as restated)	於2017年3月31日：成本(經重列)	17,940	429	25,907	44,276
Accumulated amortisation	累計攤銷	(747)	—	—	(747)
Net carrying amount (as restated)	賬面淨額(經重列)	17,193	429	25,907	43,529

During the year, an impairment loss of HK\$24,356,000 (2017: Nil) was recognised on the kitchen waste treatment technologies as the recoverable amount of the Clear Industry CGU was determined to be lower than its carrying amount.

年內，由於Clear Industry現金產生單位的可收回金額被釐定為低於賬面金額，故已確認餐廚垃圾處理技術減值虧損24,356,000港元(2017年：無)。



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16. CONTINGENT CONSIDERATION ASSET

16. 或然代價資產

	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Contingent consideration asset 或然代價資產	61,644	—

On 14 December 2016, the Group completed the Clear Industry Acquisition. Further details of the Clear Industry Acquisition are included in note 37 to the financial statements. As part of the sale and purchase agreement, the Group is entitled to receive contingent consideration, which is based on the amount of profit of the Clear Industry Group during the years ended/ending 31 March 2017, 2018 and 2019.

As at 31 March 2018, the Group has recognised a contingent consideration asset of HK\$61,644,000 (2017: Nil) which was determined using the discounted cash flow model and is within Level 3 fair value measurement. The consideration is due for final measurement and payment from Qingqin International within 7 days from the date of issuance of the audited financial statements of the Clear Industry Group for the year ending 31 March 2019. At the date of approval of these financial statements, no further significant changes to the consideration are expected.

Significant unobservable valuation inputs for the fair value measurement of contingent consideration are as follows:

Projected profit of the Clear Industry Group for the years ended/ending 31 March 2017, 2018 and 2019	RMB2,376,000
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Discount rate	3.4%
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A significant increase/(decrease) in the profit of the Clear Industry Group would result in a significant increase/(decrease) in the fair value of the contingent consideration asset. A significant increase/(decrease) in the discount rate would result in a significant (decrease)/increase in the fair value of the contingent consideration asset.

於2016年12月14日，本集團完成Clear Industry收購事項。有關Clear Industry收購事項的進一步詳情載於本財務報表附註37。作為買賣協議的一部分，本集團有權收取基於Clear Industry集團截至2017年、2018年及2019年3月31日止年度的溢利金額計算的或然代價。

於2018年3月31日，本集團已確認或然代價資產61,644,000港元（2017：無），此乃利用貼現現金流模型釐定，並屬第三層公平值計量。代價須於Clear Industry集團截至2019年3月31日止年度的經審核財務報表發出日期起計7天內確定並由清勤國際支付。於本財務報表的批准日期，預期代價不會出現其他重大變動。

或然代價公平值計量的重大不可觀察估值輸入數值如下：

Clear Industry集團截至2017年、2018年及2019年3月31日止年度的預測溢利	人民幣 2,376,000元
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貼現率	3.4%
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Clear Industry集團溢利大幅增加／（減少）將導致或然代價資產的公平值大幅增加／（減少）。貼現率大幅上升／（下降）將導致或然代價資產公平值大幅（減少）／增加。



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17. AVAILABLE-FOR-SALE INVESTMENT

17. 可供出售投資

	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Listed equity investment, at fair value 上市股本投資， 按公平值	20,859	6,536

During the year, the gross gain in respect of the Group's available-for-sale investment recognised in other comprehensive income amounted to HK\$7,325,000 (2017: gross loss of HK\$5,033,000).

年內，有關本集團於其他全面收益確認的可供出售投資的收益總額為7,325,000港元(2017年：虧損總額5,033,000港元)。

In the prior year, the directors considered that the decline in the market value of the Group's available-for-sale investment indicated that it had been impaired and an impairment loss of HK\$7,532,000 had been recognised in the statement of profit or loss for the year ended 31 March 2017.

於前一年度，董事認為本集團可供出售投資的市值下跌，顯示可供出售投資已減值，並於截至2017年3月31日止年度的損益表確認減值虧損7,532,000港元。

18. INVENTORIES

18. 存貨

	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元 (Restated) (經重列)
Finished goods 製成品	4,331	4,290



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19. CONSTRUCTION CONTRACTS

19. 建築合約

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Gross amount due from contact customers	應收合約客戶款項總額	88,878	121,876
Gross amount due to contact customers	應付合約客戶款項總額	(14,228)	(1,626)
		74,650	120,250
Contract costs incurred plus recognised profits less recognised losses to date	迄今已產生的合約成本 加已確認溢利減 已確認虧損	1,035,989	1,164,349
Less: Progress billings	減：工程進度收款	(961,339)	(1,044,099)
		74,650	120,250

At 31 March 2018, retentions held by customers for contract works included in trade and retention receivables amounted to HK\$58,530,000 (2017: HK\$71,762,000).

於2018年3月31日，合約工程客戶持有的保留金58,530,000港元(2017年：71,762,000港元)已計入貿易應收款項及應收保留金。

20. TRADE AND RETENTION RECEIVABLES

20. 貿易應收款項及應收保留金

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Trade receivables	貿易應收款項	189,034	108,239
Impairment	減值	(3,272)	—
		185,762	108,239
Retention receivables	應收保留金	58,530	71,762
		244,292	180,001



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20. TRADE AND RETENTION RECEIVABLES
(continued)

The Group generally allows a credit period of not exceeding 60 days to its customers. Interim applications for progress payments on construction contracts are normally submitted on a monthly basis and are normally settled within one month. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade and retention receivable balances. Trade and retention receivables are non-interest-bearing.

Retention receivables held by contract customers arose from the Group's construction work and are settled within a period ranging from one to two years after the completion of the construction work, as stipulated in the construction contracts.

An ageing analysis of the trade receivables (excluding retention receivables) as at the end of the reporting period, based on the invoice date and net of provisions, is as follows:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Within 30 days	30天內	70,149	79,817
31 to 60 days	31至60天	58,066	11,978
61 to 90 days	61至90天	9,157	5,405
Over 90 days	超過90天	48,390	11,039
		185,762	108,239

20. 貿易應收款項及應收保留金 (續)

本集團一般容許向客戶授出不超過60天的信貸期。有關建築合約的中期進度付款申請一般按月提交及於一個月內結算。本集團力求對未收回的應收款項維持嚴格控制，務求將信貸風險減至最低。高級管理層會定期檢討逾期結餘。本集團並無就貿易應收款項及應收保留金結餘持有任何抵押品或其他信貸提升物。貿易應收款項及應收保留金為不計息。

合約客戶持有的應收保留金源自本集團的建築工程，乃按建築合約所訂明於完成建築工程後一至兩年內結算。

於報告期末的貿易應收款項(不包括應收保留金)基於發票日期及扣除撥備後的賬齡分析如下：



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31 March 2018 2018年3月31日

20. TRADE AND RETENTION RECEIVABLES (continued)

The movements in provision for impairment of trade and retention receivables are as follows:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
At beginning of year	於年初	—	—
Impairment losses recognised (note 6)	已確認減值虧損(附註6)	3,085	—
Exchange realignment	匯兌調整	187	—
At end of year	於年末	3,272	—

Included in the above provision for impairment of trade and retention receivables is a provision for individually impaired trade receivables of HK\$3,272,000 (2017: Nil) with a carrying amount before provision of HK\$3,272,000 (2017: Nil).

The individually impaired trade receivables relate to customers that were in financial difficulties and none of the receivables is expected to be recovered.

The ageing analysis of the trade and retention receivables that are not individually nor collectively considered to be impaired is as follows:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Neither past due nor impaired	並無逾期亦無減值	179,524	148,348
1 to 30 days past due	逾期1至30天	13,416	11,977
31 to 90 days past due	逾期31至90天	16,043	9,498
Over 90 days past due	逾期超過90天	35,309	10,178
		244,292	180,001

20. 貿易應收款項及應收保留金(續)

貿易應收款項及應收保留金減值撥備變動如下：

上述貿易應收款項及應收保留金減值撥備包括已個別減值的貿易應收款項的撥備3,272,000港元(2017：無)，撥備前的賬面金額為3,272,000港元(2017：無)。

已個別減值的貿易應收款項與多名出現財務困難的客戶有關，預期全部無法收回。

並非個別或共同被視為已減值的貿易應收款項及應收保留金的賬齡分析如下：



NOTES TO FINANCIAL STATEMENTS

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31 March 2018 2018年3月31日

20. TRADE AND RETENTION RECEIVABLES
(continued)

Receivables that were neither past due nor impaired relate to a large number of diversified customers for whom there was no recent 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, the directors of the Company are of the opinion that no provision for impairment 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.

21. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

None of the above assets was past due. The financial assets included in the above balances that were not impaired relate to deposits and receivables for which there was no recent history of default.

20. 貿易應收款項及應收保留金 (續)

既未逾期亦無減值的應收款項與為數眾多且分散的客戶有關，彼等近期並無拖欠紀錄。

已逾期但並無減值的應收款項與若干在本集團的還款紀錄良好的獨立客戶有關。基於以往經驗，本公司董事認為無需就該等結餘計提減值撥備，原因是信貸質素並無重大轉變，且該等結餘仍被視為可悉數收回。

21. 預付款項、按金及其他應收款項

	Notes 附註	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Prepayments		13,970	8,716
Deposits paid in connection with potential acquisitions in Indonesia, related expenses paid on behalf and loan advances	(a)	66,306	64,745
Deposits and other receivables		109,542	69,433
Impairment	(b)	(15,934)	—
		173,884	142,894
Current portion included in prepayments, deposits and other receivables		(125,210)	(142,068)
Non-current portion		48,674	826

上述資產概無逾期。計入上述結餘的無減值金融資產與並無近期違約紀錄的按金及應收款項有關。



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財務報表附註

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21. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

- (a) As disclosed in the announcements of the Company dated 22 January 2016, 23 March 2016, 6 April 2016, 14 April 2016, 30 May 2016, 21 June 2016, 21 September 2016, 24 April 2017, 20 October 2017 and 6 July 2018, the Group paid deposits of US\$2,920,000 (equivalent to approximately HK\$22,917,000) and US\$3,306,000 (equivalent to approximately HK\$25,946,000) in connection with the potential acquisitions for a 49% equity interest in PT. Dempo Sumber Energi (“DSE”) and an 85% equity interest in PT. Sumatera Pembangkit Mandiri (“SPM”), respectively. DSE and SPM are limited liability companies incorporated in Indonesia and are principally engaged in the development of hydropower stations in Indonesia.

In addition to the acquisition deposits, the Group paid certain expenses on behalf of DSE and advanced loans to DSE, SPM, Mr. Xu Peng (“Mr. Xu”) and Mr. Muhammad Yamin Kahar (“Mr. Muhammad”), who were beneficial shareholders of DSE and SPM. As stated in the loan agreements, the loan advances were unsecured, bore interest at 24% per annum and were repayable within one year. 28,420 Class A shares of DSE (representing 49% of the equity interest in DSE) and 800 ordinary shares of SPM (representing 80% of the equity interest in SPM) were transferred to the Group during the year ended 31 March 2017. The Group appointed 4 out of 6 directors of DSE and 5 out of 7 directors of SPM.

As at 31 March 2018, the aggregate amount paid/advanced was HK\$66,306,000 (2017: HK\$64,745,000).

21. 預付款項、按金及其他應收款項(續)

- (a) 誠如本公司日期為2016年1月22日、2016年3月23日、2016年4月6日、2016年4月14日、2016年5月30日、2016年6月21日、2016年9月21日、2017年4月24日、2017年10月20日及2018年7月6日的公佈所披露，本集團已就PT. Dempo Sumber Energi (「DSE」) 的49%股權及PT. Sumatera Pembangkit Mandiri (「SPM」) 的85%股權的潛在收購事項分別支付按金2,920,000美元(相等於約22,917,000港元)及3,306,000美元(相等於約25,946,000港元)。DSE及SPM為於印尼註冊成立的有限公司，主要在印尼發展水力發電廠。

除收購事項按金外，本集團已代DSE支付若干開支，並向DSE、SPM、徐鵬先生(「徐先生」)及Muhammad Yamin Kahar先生(「Muhammad先生」)(DSE及SPM的實益股東)墊付貸款。誠如貸款協議所列，貸款墊款為無抵押、按年利率24%計息及須於一年內償還。於截至2017年3月31日止年度，本集團獲轉讓28,420股DSE的A類股份(相當於DSE 49%股權)及800股SPM的普通股(相當於SPM的80%股權)。本集團已委任DSE 6名董事其中4名及SPM 7名董事其中5名。

於2018年3月31日，已支付／墊付總額為66,306,000港元(2017年：64,745,000港元)。



21. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

(a) (continued)

On 20 October 2017, the sale and purchase agreement for DSE was terminated and a deed of termination and indemnification (the "DSE Termination Deed") was entered into between the Group, Mr. Xu, DSE and Mr. Muhammad. Pursuant to the DSE Termination Deed, Mr. Xu and Mr. Muhammad unconditionally and irrevocably agreed, on a joint and several basis, to refund the acquisition deposit of US\$2,920,000 (equivalent to approximately HK\$22,917,000) (the "DSE Acquisition Deposit") to the Group or its designated party, and to pay interest at 10% per annum on the DSE Acquisition Deposit since 23 March 2016 up to the full repayment date of the DSE Acquisition Deposit. The payment of the DSE Acquisition Deposit and the related interest should be made in three tranches as follows:

- (a) US\$0.62 million should be paid by 31 January 2018
- (b) US\$0.60 million should be paid by 31 March 2018
- (c) US\$1.70 million and the related interest on the DSE Acquisition Deposit should be paid by 30 June 2018

Mr. Xu and Mr. Muhammad also unconditionally and irrevocably undertook, on a joint and several basis, to guarantee that DSE should repay to the Group or its designated party, DSE's indebtedness owed (including expenses paid on behalf and advanced loans) (the "DSE Indebtedness") to the Group by 31 March 2018. Upon full repayment of the DSE Acquisition Deposit and the related interest and DSE's indebtedness, the Group would transfer the 28,420 Class A shares of DSE to Mr. Xu or his designated party. As at 31 March 2018, no amounts in respect of the DSE Acquisition Deposit and the related interest and the DSE Indebtedness had been settled in accordance with the DSE Termination Deed.

21. 預付款項、按金及其他應收款項(續)

(a)(續)

於2017年10月20日，DSE買賣協議已終止，本集團、徐先生、DSE及Muhammad先生訂立終止及彌償契據(「DSE終止契據」)。根據DSE終止契據，徐先生及Muhammad先生無條件及不可撤回地同意，按共同及各別基準向本集團或其指定人士退回收購事項按金2,920,000美元(相等於約22,917,000港元)(「DSE收購事項按金」)，並就DSE收購事項按金支付自2016年3月23日起至悉數償還DSE按金日期為止按年利率10%計算的利息。DSE收購事項按金及相關利息應分三期支付如下：

- (a) 於2018年1月31日或之前支付620,000美元
- (b) 於2018年3月31日或之前支付600,000美元
- (c) 於2018年6月30日或之前支付1,700,000美元連同DSE收購事項按金的相關利息

徐先生及Muhammad先生亦無條件及不可撤回地承諾，按共同及各別基準擔保DSE於2018年3月31日或之前向本集團或其指定人士償還DSE結欠本集團的債務(包括代其支付的開支及獲墊付的貸款)(「DSE債務」)。於DSE收購事項按金、相關利息及DSE債務獲悉數償還後，本集團將向徐先生或其指定人士轉讓28,420股DSE A類股份。於2018年3月31日，並無DSE收購事項按金、相關利息及DSE債務已按照DSE終止契據清償。



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21. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

(a) (continued)

On 16 December 2017, the Group entered into a supplemental agreement with Mr. Xu and Mr. Muhammad pursuant to which the Group, Mr. Xu and Mr. Muhammad mutually agreed to terminate the development of SPM's hydropower station and to identify potential buyers/investors for SPM.

On 27 March 2018, the Group entered into a sale and purchase agreement (the "DSE Sale and Purchase Agreement") with Mr. Muhammad, Mr. Xu, Mr. Kok Tjik, Mr. Joifadi and 福建佳和能源有限公司 ("Fujian Jiahe"). Pursuant to the DSE Sale and Purchase Agreement, the Group and Mr. Muhammad intended to dispose of 90% equity interest in DSE (including the Group's 49% equity interest in DSE) to Fujian Jiahe at a consideration of US\$4,050,000. Upon signing of the DSE Sale and Purchase Agreement, Fujian Jiahe was required to pay US\$2,000,000, of which US\$1,000,000 was attributable to the Group's equity interest, to either a personal bank account of Mr. Zhu Yongjun ("Mr. Zhu"), the Chairman and an executive director of the Company, or a corporate bank account of a subsidiary of a debtor of the Group as designated bank accounts as stated in the DSE Sale and Purchase Agreement.

On 28 March 2018, an amount of RMB12,600,000 (equivalent to approximately HK\$15,557,000) was deposited by Mr. Zi Fenggao ("Mr. Zi"), the beneficial controlling shareholder of Fujian Jiahe, into the designated personal bank account of Mr. Zhu. On 29 March 2018, Mr. Zhu transferred amounts of RMB6,200,000 and RMB6,240,000 to a subsidiary of the Company and 2 individuals designated by Mr. Muhammad, Mr. Xu, Mr. Kok Tjik and Mr. Joifadi to receive the funds, respectively. The RMB6,200,000 (equivalent to approximately HK\$7,655,000) has been accounted for by the Group at 31 March 2018 as other payable.

21. 預付款項、按金及其他應收款項(續)

(a)(續)

於2017年12月16日，本集團與徐先生及Muhammad先生訂立補充協議，據此，本集團、徐先生及Muhammad先生相互同意終止發展SPE的水力發電廠，並為SPM尋找潛在買家／投資者。

於2018年3月27日，本集團與Muhammad先生、徐先生、Kok Tjik先生、Joifadi先生及福建佳和能源有限公司(「福建佳和」)訂立一份買賣協議(「DSE買賣協議」)。根據DSE買賣協議，本集團及Muhammad先生擬向福建佳和出售DSE的90%股權(包括本集團於DSE的49%股權)，代價為4,050,000美元。於簽訂DSE買賣協議時，福建佳和須向本公司主席兼執行董事朱勇軍先生(「朱先生」)的個人銀行賬戶或本集團一名債務人的附屬公司的公司銀行賬戶(按照DSE買賣協議所列的指定銀行賬戶)支付2,000,000美元，其中1,000,000美元乃歸屬於本集團股權。

於2018年3月28日，福建佳和的實益控股股東訾鳳高先生(「訾先生」)已向朱先生指定的個人銀行賬戶存入人民幣12,600,000元(相等於約15,557,000港元)。於2018年3月29日，朱先生分別向本公司一間附屬公司以及由Muhammad先生、徐先生、Kok Tjik先生及Joifadi先生指定的2名個人匯款人民幣6,200,000元及人民幣6,240,000元，以收取資金。於2018年3月31日，本集團已將人民幣6,200,000元(相等於約7,655,000港元)入賬列為其他應付款項。



21. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

(a) (continued)

Events after the end of the reporting period

Subsequent to the end of the reporting period, on 9 April 2018, the Group entered into a memorandum of understanding (the “SPM Disposal MOU”) with Mr. Xu, Mr. Muhammad and a state-owned company registered in the PRC (the “SOE Company”). Pursuant to the SPM Disposal MOU, the Group intended to dispose of the 70% equity interest in SPM to the SOE Company and acquire an additional 5% equity interest in SPM from each of Mr. Muhammad and Mr. Muhammad Marlis Pohan. No formal sale and purchase agreement was entered into between the Group and the SOE Company.

On 26 April 2018, the Group, through Stand Ascent, entered into a sale and purchase agreement (the “SPM Sale and Purchase Agreement II”) with Mr. Muhammad (as vendor and warrantor), SPM, Mr. Xu (as warrantor) and Mr. Muhammad Marlis Pohan to acquire a 5% equity interest in SPM at a consideration ranging from US\$183,500 to US\$325,000, depending on the tariff in the final power purchase agreement entered into between SPM and PT. Perusahaan Listrik Negara (Persero) (“PLN”). Pursuant to the SPM Sale and Purchase Agreement II, the Group was required to pay IDR2,500,000,000 (equivalent to approximately HK\$1,412,000) within 5 business days upon signing of the SPM Sale and Purchase Agreement II and the remaining consideration upon entering into a formal sale and purchase agreement with the SOE Company to dispose of the equity interest in SPM.

21. 預付款項、按金及其他應收款項 (續)

(a) (續)

報告期末後事項

於報告期末後，本集團與徐先生、Muhammad先生及一間於中國註冊的國有公司（「國有公司」）於2018年4月9日訂立一份諒解備忘錄（「SPM出售諒解備忘錄」）。根據SPM出售諒解備忘錄，本集團有意向國有公司出售SPM 70%股權，並向Muhammad先生及Muhammad Marlis Pohan先生各自收購額外5%股權。本集團與國有公司並無訂立正式買賣協議。

本集團於2018年4月26日透過晉立與Muhammad先生（作為賣方及擔保人）、SPM、徐先生（作為擔保人）及Muhammad Marlis Pohan先生訂立買賣協議（「SPM買賣協議二」），以收購SPM的5%股權，代價介乎183,500美元至325,000美元，視乎SPM將與PT. Perusahaan Listrik Negara (Persero)（「PLN」）訂立的最終購電協議內的電價而定。根據SPM買賣協議二，本集團須於簽訂SPM買賣協議二後5個營業日內支付2,500,000,000印尼盾（相等於約1,412,000港元）及於與國有公司訂立正式買賣協議出售SPM股權後支付餘下代價。



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21. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

(a) (continued)

Events after the end of the reporting period (continued)

On 29 June 2018, the Group (as vendor) entered into a disposal agreement (the "Stand Ascent Disposal Agreement") with Fujian Jiahe (as buyer), Mr. Xu (as warrantor), Mr. Muhammad (as warrantor), Mr. Kok Tijik (as warrantor), Mr. Joifadi (as warrantor) and Mr. Septian (as warrantor) to dispose of 100% equity interest in Stand Ascent (which held 49% equity interest in DSE and 85% equity interest in SPM) at an aggregate consideration of (i) US\$2,205,000 (based on the value of the 49% equity interest in DSE); and (ii) the lower of the range from US\$3,119,500 to US\$5,525,000 (based on the value of the 85% equity interest in SPM), depending on the tariff in the final power purchase agreement entered into between SPM and PLN and (b) the valuation of the 85% equity interest in SPM assessed by a valuer jointly appointed by the Group and Fujian Jiahe. On the same date, Fujian Jiahe paid an acquisition deposit of US\$500,000 to the Group in relation to the 85% equity interest in SPM.

On 4 July 2018, the Group, Fujian Jiahe and Mr. Zi entered into a cooperation agreement, pursuant to which the Group and Fujian Jiahe agreed to establish a joint venture for the purpose of developing certain hydropower projects in Indonesia. The registered capital of the joint venture shall not exceed RMB50 million, among which the Group and Fujian Jiahe shall contribute 10% and 90%, respectively. At the date of approval of these financial statements, the joint venture had not been established.

21. 預付款項、按金及其他應收款項(續)

(a)(續)

報告期末後事項(續)

於2018年6月29日，本集團(作為賣方)與福建佳和(作為買方)、徐先生(作為保證人)、Muhammad先生(作為保證人)、Kok Tijik先生(作為保證人)、Joifadi先生(作為保證人)及Septian先生(作為保證人)訂立出售協議(「晉立出售協議」)，以出售晉立(持有DSE 49%股權及SPM 85%股權)的100%股權，總代價為(i)2,205,000美元(按DSE 49%股權的價值計算)；及(ii)介乎3,119,500美元至5,525,000美元(基於SPM 85%股權的價值計算)，視乎SPM將與PLN訂立的最終購電協議內的電價及(b)由本集團與福建佳和共同委任的估值師評估的SPM 85%股權估值而定(以較低者為準)。同日，福建佳和已就SPM 85%股權向本集團支付收購按金500,000美元。

於2018年7月4日，本集團、福建佳和與訾先生訂立合作協議，據此，本集團與福建佳和同意成立合營公司，以於印尼開發若干水力發電項目。合營公司的註冊股本將不超過人民幣50,000,000元，其中10%及90%將分別由本集團及福建佳和出資。於本財務報表的批准日期，該合營公司尚未成立。



21. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

(a) (continued)

Events after the end of the reporting period (continued)

On 6 July 2018, the Group and Fujian Jiahe entered into a supplemental agreement which stipulated that, if the conditions precedent for the Stand Ascent Disposal Agreement in relation to the hydropower project of SPM have not been fulfilled (or waived by Fujian Jiahe) in full by 31 October 2018, Fujian Jiahe may require the Group to return the acquisition deposits paid in relation to the equity interest in SPM and Stand Ascent should transfer the 85% equity interest in SPM to the Group.

On the same date, the Group, Mr. Muhammad and Mr. Xu entered into a deed of undertaking to the effect that, inter alia, Mr. Muhammad and Mr. Xu undertook to use the proceeds from the disposal of other hydropower projects owned by them to repay the amounts owned to the Group.

On 26 September 2018, Fujian Jiahe paid the remaining consideration of US\$1,205,000, taking into consideration the acquisition deposit of US\$1,000,000 paid on 28 March 2018, to the Group in relation to the 49% equity interest in DSE. At the date of approval of these financial statements, the conditions precedent for the Stand Ascent Disposal Agreement had not been fulfilled (or waived by Fujian Jiahe) in full and Fujian Jiahe had not requested the Group to (i) return the acquisition deposits paid in relation to the equity interest in SPM nor (ii) transfer the 85% equity interest in SPM from Stand Ascent to the Group.

Based on the acquisition deposits received from Fujian Jiahe and the Group's best estimate of the consideration for the 85% equity interest in SPM, the Group recognised an impairment of HK\$15,854,000 during the year ended 31 March 2018.

21. 預付款項、按金及其他應收款項(續)

(a)(續)

報告期末後事項(續)

於2018年7月6日，本集團與福建佳和訂立一份補充協議，以訂明倘晉立出售協議有關SPM水力發電項目的先決條件並無於2018年10月31日或之前全面達成(或獲福建佳和豁免)，則福建佳和可要求本集團退回已就SPM股權支付的收購按金，而晉立應向本集團轉讓SPM的85%股權。

同日，本集團、Muhammad先生及徐先生訂立一份承諾契據，示明(其中包括)Muhammad先生及徐先生承諾，出售彼等所擁有其他水力發電項目的所得款項將用於償還結欠本集團的款項。

於2018年9月26日，福建佳和已就DSE 49%股權向本集團支付餘下代價1,205,000美元(當中已計及於2018年3月28日支付的收購按金1,000,000美元)。於本財務報表的批准日期，晉立出售協議的先決條件尚未全面達成(或獲福建佳和豁免)，而福建佳和未有要求本集團(i)退還已就SPM股權支付的收購按金或(ii)由晉立向本集團轉讓SPM 85%股權。

基於福建佳和已收的收購按金及本集團對SPM 85%股權代價的最佳估計，本集團已於截至2018年3月31日止年度確認減值15,854,000港元。



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21. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

(b) The movements in provision for impairment of other receivables are as follows:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
At beginning of year	於年初	—	—
Impairment losses recognised (note 6)	已確認減值虧損 (附註6)	15,930	—
Exchange realignment	匯兌調整	4	—
At end of year	於年末	15,934	—

Included in the above provision for impairment of deposits and other receivables is a provision for individually impaired deposits and other receivables of HK\$15,934,000 (2017: Nil) with a carrying amount before provision of HK\$66,386,000 (2017: Nil).

The individually impaired deposits and other receivables relate to debtors that were in default in interest and/or principal payments and only a portion of the receivables is expected to be recovered.

21. 預付款項、按金及其他應收款項(續)

(b) 其他應收款項減值撥備的變動如下：

上述按金及其他應收款項減值撥備包括已個別減值的按金及其他應收款項撥備15,934,000港元(2017年：無)，撥備前的賬面金額為66,386,000港元(2017年：無)。

已個別減值的按金及其他應收款項與多名拖欠利息及／或本金付款的債務人有關，預期僅可收回部分應收款項。



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22. LOAN RECEIVABLES

22. 應收貸款

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Loan receivables	應收貸款	43,472	38,861
Impairment	減值	(14,945)	—
		28,527	38,861

The loan receivables bear interest at a rate of 0.67% per month (2017: 0.67% per month) and are either repayable on demand or within twelve months from the end of the reporting period. Except for loan receivables of HK\$17,878,000 (2017: HK\$16,333,000), which are secured by certain equity interests of the borrower or its subsidiary, the remaining balances are unsecured.

Included in the Group's loan receivables are loans to a company (the "Tianjin Company") which is principally engaged in the sludge treatment business in Tianjin, the PRC, with an aggregate outstanding loan principal of RMB11,850,000 (equivalent to approximately HK\$14,789,000) (2017: RMB14,500,000 (equivalent to approximately HK\$16,333,000)) as at 31 March 2018.

應收貸款按利率每月0.67% (2017年：每月0.67%) 計息，須按要求或於報告期末後12個月內償還。除17,878,000港元 (2017年：16,333,000港元) 的應收貸款以借款人或其附屬公司的若干股權作抵押外，餘下結餘為無抵押。

於2018年3月31日，本集團的應收貸款包括授予一間公司(「天津公司」)的貸款。天津公司主要在中國天津市從事污泥處理業務。未償還貸款本金總額為人民幣11,850,000元(相等於約14,789,000港元)(2017年：人民幣14,500,000元(相等於約16,333,000港元))。



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22. LOAN RECEIVABLES (continued)

The Tianjin Company was in default in interest and/or loan principal payments. During the year ended 31 March 2018, the Group received from the Tianjin Company an aggregate amount of RMB2,650,000 and RMB1,225,000 for the repayment of part of the loan receivables and the related interest, respectively. The Group initiated litigation claims against the Tianjin Company in relation to the default of the loan receivables and the related interest.

Subsequent to the end of the reporting period, on 16 May 2018, the Group obtained a court order from the Binhai New Area People's Court of Tianjin Municipality (the "Tianjin Court") to freeze and deduct the remaining balance of the loan receivables from the bank accounts of the Tianjin Company. However, there was no available balance in the bank accounts of the Tianjin Company. On 30 May 2018, the Group also obtained from the Tianjin Court a dormant seizure order on the land and building of the Tianjin Company but they were subject to legal charges initiated by other parties.

During the year ended 31 March 2018, a full impairment of RMB11,975,000 (equivalent to approximately HK\$14,090,000) was recognised for the aggregate outstanding loan and interest receivables from the Tianjin Company, assuming that no amount could be recovered from the litigations and the valuation of the 20% equity interest in the Tianjin Company held as security for the loans was nil.

The movements in provision for impairment of loan receivables are as follows:

22. 應收貸款(續)

天津公司拖欠利息及／或貸款本金付款。於截至2018年3月31日止年度，本集團向天津公司收取合共人民幣2,650,000元及人民幣1,225,000元分別作為應收貸款及相關利息的部分還款。本集團已就拖欠應收貸款及相關利息向天津公司提出訴訟申索。

於報告期末後，本集團於2018年5月16日取得天津市濱海新區人民法院（「天津法院」）的法院命令，凍結天津公司的銀行賬戶並從中扣除應收貸款的餘下結餘。然而，天津公司的銀行賬戶中並無可用結餘。於2018年5月30日，本集團就天津公司的土地及樓宇取得天津法院的結業充公命令，惟該等土地及樓宇均受其他人士提出的法律押記規限。

於截至2018年3月31日止年度，本集團假設訴訟無法收回任何金額，且持作貸款抵押的天津公司20%股權的估值為零，並已就天津公司的未償還應收貸款及利息總額確認全數減值人民幣11,975,000元（相等於約14,090,000港元）。

應收貸款減值撥備變動如下：

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
At beginning of year	於年初	—	—
Impairment loss recognised (note 6)	已確認減值虧損(附註6)	14,090	—
Exchange realignment	匯兌調整	855	—
At end of year	於年末	14,945	—



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23. BALANCES WITH DIRECTORS AND RELATED COMPANIES

The balances with directors and related companies are unsecured, interest-free and have no fixed terms of repayment.

Particulars of the amounts due from directors, disclosed pursuant to section 383(1)(d) of the Hong Kong Companies Ordinance and Part 3 of the Hong Kong Companies (Disclosure of Information about Benefits of Directors) Regulation, are as follows:

23. 與董事及關連公司之間的結餘

與董事及關連公司之間的結餘為無抵押、免息及無固定還款期。

根據香港公司條例第383(1)(d)條及香港公司(披露董事利益資料)規例第3部披露的應收董事款項詳情如下：

Name	At 31 March 2018	Maximum amount	At 31 March 2017 and at 1 April 2017	Maximum amount	At 1 April 2016
		outstanding during the year	31 March 2017 and at 1 April 2017	outstanding during the year	1 April 2016
姓名	於2018年3月31日	年內最高未償還金額	於2017年4月1日	年內最高未償還金額	於2016年4月1日
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Mr. Zhu Yongjun 朱勇軍先生	1,644	3,431	—	—	—
Mr. Cai Jianwen 蔡建文先生	2	153	—	—	—
	1,646		—		—



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24. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSIT

24. 現金及現金等價物以及已質押存款

	Note	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Cash and bank balances		66,726	173,108
Less: Pledged deposits for banking facilities and bank borrowings	27	(5,000)	(12,438)
Cash and cash equivalents		61,726	160,670

At the end of the reporting period, the cash and bank balances of the Company denominated in Renminbi ("RMB") amounted to HK\$16,991,000 (2017: HK\$128,171,000). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.

於報告期末，本公司以人民幣計值的現金及銀行結餘為16,991,000港元（2017年：128,171,000港元）。人民幣不可自由兌換為其他貨幣，然而，根據中國內地的外匯管理條例以及結匯、售匯及付匯管理規定，本集團可透過獲授權進行外匯業務的銀行將人民幣兌換為其他貨幣。

存放於銀行的現金基於銀行的每日存款利率，按浮動利率賺取利息。銀行結餘及已質押存款存放於信譽良好且近期並無拖欠紀錄的銀行。



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25. TRADE AND RETENTION PAYABLES

25. 貿易應付款項及應付保留金

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Trade payables	貿易應付款項	214,363	194,744
Retention payables	應付保留金	44,149	43,105
		258,512	237,849

The trade payables are non-interest-bearing and are normally settled on terms ranging from 30 to 180 days.

貿易應付款項為不計息，一般於介乎30至180天的期限內結清。

Retention payables held by the Group arose from the Group's construction work and are settled with subcontractors within a period ranging from one to two years after the completion of the contract work by the subcontractors, as stipulated in the subcontracting contracts.

本集團持有的應付保留金源自本集團的建築工程，乃按分判合約所訂明於分判商完成合約工程後一至兩年內與分判商結算。

An ageing analysis of the trade payables (excluding retention payables) as at the end of the reporting period, based on the invoice date, is as follows:

於報告期末的貿易應付款項(不包括應付保留金)基於發票日期的賬齡分析如下：

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Within 1 month	1個月內	61,610	143,647
1 to 2 months	1至2個月	23,698	29,116
2 to 3 months	2至3個月	39,500	7,948
Over 3 months	超過3個月	89,555	14,033
		214,363	194,744



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26. OTHER PAYABLES AND ACCRUALS

26. 其他應付款項及應計費用

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Other payables	其他應付款項	104,589	62,119
Accruals	應計費用	5,300	3,651
		109,889	65,770

Other payables are non-interest-bearing and have an average term of 30 days.

其他應付款項為不計息，平均期限為30天。



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27. INTEREST-BEARING BANK AND OTHER BORROWINGS

27. 計息銀行及其他借貸

		2018 2018年			2017 2017年		
		Effective interest rate (%) 實際利率 (%)	Maturity 到期日	HK\$'000 千港元	Effective interest rate (%) 實際利率 (%)	Maturity 到期日	HK\$'000 千港元
Current	流動						
Finance lease payables (note 28)	應付融資租賃款項 (附註28)	2.75-3.25	2018-2019	8,741	2.75-3.95	2017-2018	21,068
Portions of bank loans due for repayment within one year or on demand — secured	銀行貸款中於一年內到期或 按要求償還的 部分 — 有抵押	2.05-5.74	2018	33,028	5.35	2017-2018	657
Bank loans due for repayment within one year or on demand — unsecured	於一年內到期或 按要求償還的 銀行貸款 — 無抵押	4.39-5.40	2018	7,488	5.40	2018	5,632
Bank loan due for repayment after one year which contains repayment on demand clause (note) — secured	於一年後到期償還並載有按 要求償還條款 (附註)的銀行貸款 — 有抵押	—	—	—	2.05	2018	6,500
Other borrowing — secured	其他借貸 — 有抵押	5.88	2018-2019	31,709	—	—	—
				80,966			33,857
Non-current	非流動						
Finance lease payables (note 28)	應付融資租賃款項(附註28)	2.75-3.00	2019	2,297	2.75-3.25	2018-2019	5,693
Portion of bank loan due for repayment after one year — secured	銀行貸款中於一年後 到期償還的部分 — 有抵押	4.82	2019-2020	27,456	5.35	2018	274
Other borrowing — secured	其他借貸 — 有抵押	5.88	2019-2025	155,499	5.88	2018-2025	168,959
Other borrowing — unsecured	其他借貸 — 無抵押	13.00	2020	4,823	13.00	2020	2,611
				190,075			177,537
				271,041			211,394



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27. INTEREST-BEARING BANK AND OTHER BORROWINGS (continued)

Note:

A term loan of the Group containing repayment on demand clause as at 31 March 2017 with a carrying amount of HK\$6,500,000 had been classified in total as current liabilities. Accordingly, the bank loan due for repayment after one year as at 31 March 2017 with a carrying amount of HK\$6,500,000 had been classified as current liabilities. For the purpose of the above analysis, the loan was included within current interest-bearing bank borrowing and analysed into bank loan repayable within one year or on demand.

Ignoring the effect of any repayment on demand clause and based on the maturity term of this term loan, the Group's bank and other borrowings are repayable:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Within one year	一年內	80,966	33,857
In the second year	第二年	59,622	33,684
In the third to fifth years, inclusive	第三至第五年 (包括首尾兩年)	84,583	79,854
Beyond five years	五年後	45,870	63,999
		271,041	211,394

(a) Certain of the Group's bank and other borrowings are secured by:

- (i) the pledge of certain of the Group's kitchen waste treatment concession rights (comprising operating concessions and receivables under service concession arrangements) in an aggregate carrying amount of HK\$624,866,000 (2017: HK\$330,079,000) as at 31 March 2018 (note 14);
- (ii) the pledge of shares of certain subsidiaries of the Group;

27. 計息銀行及其他借貸(續)

附註：

於2017年3月31日，本集團的一筆有期貨款載有按要求還款條款，賬面金額為6,500,000港元，全數分類為流動負債。因此，於2017年3月31日賬面金額為6,500,000港元的一年後到期償還銀行貸款分類為流動負債。就上述分析而言，該筆貸款計入流動計息銀行借貸，分類為於一年內到期或按要求償還的銀行貸款。

撇除任何按要求償還條款的影響及基於該筆有期貨款的到期期限，本集團的銀行及其他借貸須於以下期間償還：

(a) 本集團若干銀行及其他借貸以下列項目作抵押：

- (i) 本集團於2018年3月31日賬面總額624,866,000港元(2017年：330,079,000港元)的若干餐廚垃圾處理特許權(包括經營特許權及服務特許權安排應收款項)的質押(附註14)；
- (ii) 本集團若干附屬公司股份的質押；



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31 March 2018 2018年3月31日

27. INTEREST-BEARING BANK AND OTHER BORROWINGS (continued)

Note: (continued)

- (iii) the pledge of the Group's time deposit of HK\$5,000,000 (2017: HK\$12,438,000) as at 31 March 2018 (note 24);
- (iv) the pledge of certain time deposits of Mr. Chu Shu Cheong amounting to HK\$6,542,000 (2017: HK\$6,500,000) as at 31 March 2018; and
- (v) the pledge of certain time deposits of the non-controlling shareholder of a subsidiary.

In addition, certain of the Group's bank and other borrowings are guaranteed by the Company, certain of its subsidiaries, New Concepts Holdings (International) Limited, a related company controlled by Mr. Chu Shu Cheong, a key management personnel of the Group, Mr. Chu Shu Cheong and Mr. Zhu Yongjun.

- (b) The Group's bank and other borrowings are denominated in the following currencies:

27. 計息銀行及其他借貸(續)

附註：(續)

- (iii) 本集團於2018年3月31日為數5,000,000港元(2017年：12,438,000港元)的定期存款的質押(附註24)；
- (iv) 朱樹昌先生於2018年3月31日為數6,542,000港元(2017年：6,500,000港元)的若干定期存款的質押；及
- (v) 一間附屬公司的非控股股東的若干定期存款的質押。

此外，本集團若干銀行及其他借貸亦由本公司、其若干附屬公司、一間由本集團主要管理人員朱樹昌先生控制的關聯公司New Concepts Holdings (International) Limited、朱樹昌先生及朱勇軍先生擔保。

- (b) 本集團的銀行及其他借貸以下列貨幣計值：

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Hong Kong dollars	港元	27,538	33,261
RMB	人民幣	243,503	178,133
		271,041	211,394



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28. FINANCE LEASE PAYABLES

The Group leases certain of its plant and machinery for its business. These leases are classified as finance leases and have remaining lease terms ranging from one to two years (2017: one to three years).

At 31 March 2018, the total future minimum lease payments under finance leases and their present values were as follows:

		Minimum lease payments 最低租賃付款 2018 2018年 HK\$'000 千港元	Minimum lease payments 最低租賃付款 2017 2017年 HK\$'000 千港元	Present value of minimum lease payments 最低租賃付款現值 2018 2018年 HK\$'000 千港元	Present value of minimum lease payments 最低租賃付款現值 2017 2017年 HK\$'000 千港元
Amounts payable:	須於下列期限償還的金額：				
Within one year	一年內	8,929	21,545	8,741	21,068
In the second year	第二年	2,311	4,842	2,297	4,750
In the third to fifth years, inclusive	第三至第五年 (包括首尾兩年)	—	948	—	943
Total minimum finance lease payments	最低融資租賃付款總額	11,240	27,335	11,038	26,761
Future finance charges	未來財務支出	(202)	(574)		
Total net finance lease payables	應付淨融資租賃款項總額	11,038	26,761		
Portion classified as current liabilities (note 27)	分類為流動負債的部分(附註27)	(8,741)	(21,068)		
Non-current portion (note 27)	非流動部分(附註27)	2,297	5,693		

28. 應付融資租賃款項

本集團就其業務租用若干機器及機械。該等租賃乃分類為融資租賃，餘下租期介乎一至兩年(2017年：一至三年)。

於2018年3月31日，根據融資租賃的未來最低租賃付款總額及其現值如下：



29. CONVERTIBLE BOND

On 16 October 2017 (the “CB Issue Date”), the Company issued 6.5% convertible bond with a principal amount of US\$5,000,000 and a maturity date on 16 October 2022 (the “CB Maturity Date”). There was no movement in the number of this convertible bond during the year. The whole or any part of the principal amount outstanding under the bond is convertible at the option of the bondholder into ordinary shares at the initial conversion price of HK\$3.50 (subject to adjustments) at any time on or after 30 days from the CB Issue Date until 7 days prior to the CB Maturity Date. The bond is redeemable (i) at the option of the Company at an amount equal to the principal amount of the bond plus a yield to maturity of 12% per annum internal rate of return applied on the principal amount of the bond (inclusive of interest received up to the date of redemption) (the “Redemption Amount”) at any time from the CB Issue Date to the date before the CB Maturity Date provided that at least 75% in aggregate principal amount of the bond originally issued has already been converted, redeemed or purchased and cancelled; or (ii) at the option of the bondholder at the Redemption Amount at any time from the 3rd anniversary of the CB Issue Date to the date before the CB Maturity Date. Any convertible bond not converted will be redeemed at the Redemption Amount on the CB Maturity Date. The bond carries interest at a rate of 6.5% per annum, which is payable half-yearly in arrears on 30 June and 31 December.

The fair value of the derivative component was estimated at the issuance date using valuation techniques similar to option pricing models, using present value calculations. The residual amount is assigned as the liability component and is included in liabilities.

29. 可換股債券

於2017年10月16日(「可換股債券發行日期」)，本公司發行本金額為5,000,000美元的6.5%可換股債券，到期日為2022年10月16日(「可換股債券到期日期」)。年內，該等可換股債券的數目並無變動。債券持有人可選擇於由可換股債券發行日期後第30天起直至可換股債券到期日期前7天為止，隨時按初步轉換價3.50港元(可予調整)將債券項下全部或任何部分的未償還本金額轉換為普通股。該等債券可按以下方式贖回：(i)於由可換股債券發行日期起直至可換股債券到期日期前一天為止，由本公司選擇隨時按債券本金額另加債券本金額(包括截至贖回日期已收利息)按每年12%的內部回報率計算的到期收益(「贖回金額」)贖回，前提為最初發行的債券本金總額的至少75%已轉換、贖回或購回並註銷；或(ii)於由可換股債券發行日期後滿第三週年當日起直至可換股債券到期日期前一天為止，由債券持有人選擇隨時按贖回金額贖回。於可換股債券到期日期，任何尚未轉換的可換股債券將按贖回金額贖回。該等債券按年利率6.5%計息，每半年期末於6月30日及12月31日支付。

衍生工具部分的公平值於發行日期利用類似期權定價模型的估值技術估計，並按現值計算。剩餘金額會分配為至負債部分，計入負債。



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財務報表附註

31 March 2018 2018年3月31日

29. CONVERTIBLE BOND (continued)

The convertible bond issued during the year has been split into the liability and derivative components as follows:

29. 可換股債券(續)

年內發行的可換股債券已分為負債及衍生工具部分如下：

		Liability component	Derivative component	Total
		負債部分	衍生工具部分	總計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Nominal value of convertible bond issued during the year	年內發行的可換股債券的面值	20,651	18,357	39,008
Interest expense	利息開支	3,182	—	3,182
Interest paid	已付利息	(556)	—	(556)
Fair value gain on the derivative component of the convertible bond	可換股債券衍生工具部分的公平值收益	—	(3,418)	(3,418)
Exchange realignment	匯兌調整	52	44	96
At 31 March 2018	於2018年3月31日	23,329	14,983	38,312

Subsequent to the end of the reporting period, an event of default as specified in the subscription agreement of the convertible bond of the Company occurred as the trading in the shares of the Company has been suspended for a continuous period of more than thirty business days. Due to the event of default, the bondholder has the right to redeem the convertible bond. As at the date of approval of these financial statements, the bondholder had not demanded for immediate repayment of the convertible bond.

於報告期末後，由於本公司股份連續暫停買賣超過三十個營業日，故發生本公司可換股債券認購協議所列的違約事件。由於發生違約事件，故債券持有人有權贖回可換股債券。截至本財務報表的批准日期，債券持有人未有要求即時償還可換股債券。



NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2018 2018年3月31日

30. PROVISION

Pursuant to the service concession agreements entered into by the Group, the Group has contractual obligations to maintain kitchen waste treatment under its operation to a specified level of serviceability and/or to restore the facilities to a specified condition before they are handed over to the grantors at the end of the Service concession periods. These contractual obligations to maintain or restore the facilities, except for any upgrade element, are recognised and measured in accordance with HKAS 37, i.e., the best estimate of the expenditure that would be required to settle the present obligation at the end of the reporting period. The future expenditure on these maintenance and restoration costs is collectively referred to as "major overhaul". The estimation basis is reviewed on an ongoing basis, and revised where appropriate.

30. 撥備

根據本集團訂立的服務特許權協議，本集團有合約責任維護其經營的餐廚垃圾處理於特定的可提供服務水平，及／或於服務特許權期限結束時，在移交設施予授予人前將設施修復至指定狀態。除任何升級元素外，維護或修復設施的合約責任乃按照香港會計準則第37號確認及計量，即對於報告期末履行現時義務所須的支出的最佳估計。有關該等維護及修復成本的未來支出統稱為「大修」。本集團會持續檢討並於適當時候修訂該估計基準。

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
At 1 April	於4月1日	—	—
Provision for the year	年內撥備	15,268	—
Exchange realignment	匯兌調整	927	—
At 31 March	於3月31日	16,195	—

31. DEFERRED INCOME

Deferred income represents subsidies received from government authorities in respect of the construction of kitchen waste treatment facilities in Mainland China and is recognised in the statement of profit or loss on the straight-line basis over the expected useful lives of the relevant assets.

31. 遞延收入

遞延收入指就於中國內地建造餐廚垃圾處理設施自政府機關收取的補貼，乃於相關資產的預期可使用年內按直線法在損益表確認。



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32. DEFERRED TAX LIABILITIES

The movements in deferred tax liabilities during the year are as follows:

32. 遞延稅項負債

年內，遞延稅項負債的變動如下：

		Depreciation allowances in excess of related depreciation	Fair value adjustments arising from acquisition of subsidiary	Temporary differences related to service concession revenue	Provision for major overhauls	Losses available for offsetting against future taxable profits	Others	Total
		超過相關折舊的折舊備抵	收購附屬公司所產生的公平值調整	有關服務特許權收入的暫時差額	大修撥備	可供抵銷未來應課稅溢利的虧損	其他	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 April 2016	於2016年4月1日	23,886	—	—	—	—	(269)	23,617
Acquisition of subsidiaries (as restated) (note 37)	收購附屬公司(經重列)(附註37)	—	6,467	—	—	—	—	6,467
Deferred tax charged to the statement of profit or loss during the year (note 10)	年內自損益表扣除的遞延稅項(附註10)	1,416	—	20,120	—	—	5	21,541
Exchange realignment	匯兌調整	—	—	(516)	—	—	—	(516)
At 31 March 2017 (as restated) and 1 April 2017	於2017年3月31日(經重列)及2017年4月1日	25,302	6,467	19,604	—	—	(264)	51,109
Acquisition of subsidiary (note 37)	收購附屬公司(附註37)	—	—	13,171	—	—	—	13,171
Deferred tax charged/ (credited) to the statement of profit or loss during the year	年內自損益表扣除/(計入損益表)的遞延稅項	(228)	(6,766)	9,071	(3,817)	(19,731)	163	(21,308)
Exchange realignment	匯兌調整	—	299	3,863	(232)	—	(6)	3,924
At 31 March 2018	於2018年3月31日	25,074	—	45,709	(4,049)	(19,731)	(107)	46,896



32. DEFERRED TAX LIABILITIES (continued)

Deferred tax liabilities

At 31 March 2018, the Group had tax losses arising in Hong Kong and Germany of HK\$164,349,000 (2017: HK\$52,843,000), subject to the agreement by the respective taxation authorities, that were available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. The Group also had tax losses arising in Mainland China of HK\$69,778,000 (2017: Nil) that will expire in five years for offsetting against future taxable profits. Deferred tax assets had not been recognised in respect of the losses of HK\$114,542,000 (2017: HK\$52,843,000) due to unpredictability of future taxable profit streams.

Pursuant to the PRC Corporate Income tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 5% or 10%. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

At 31 March 2018, no deferred tax has been recognised for withholding taxes that would be payable on certain unremitted earnings of the Group's subsidiaries established in Mainland China. In the opinion of the directors, it is not probable that these subsidiaries will distribute such earnings in the foreseeable future. The aggregate amount of temporary differences associated with investments in subsidiaries in Mainland China for which deferred tax liabilities have not been recognised totalled approximately HK\$54,192,000 at 31 March 2018 (2017: HK\$120,566,000).

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

32. 遞延稅項負債(續)

遞延稅項負債

於2018年3月31日，本集團於香港及德國產生稅務虧損164,349,000港元(2017年：52,843,000港元)，可供無限期抵銷蒙受虧損的公司的未來應課稅溢利，惟有待各稅務機關協定作實。本集團亦於中國內地產生稅務虧損69,778,000港元(2017年：無)，可供抵銷未來應課稅溢利，將於五年內屆滿。由於難以預測未來應課稅溢利來源，故並無就114,542,000港元(2017年：52,843,000港元)的虧損確認遞延稅項資產。

根據中國企業所得稅法，於中國內地成立的外資企業向外國投資者宣派的股息須徵收10%預扣稅。該規定自2008年1月1日起生效，適用於2007年12月31日後的盈利。倘中國內地與外國投資者所在司法權區之間訂有稅務條約，則可應用較低的預扣稅率。本集團的適用稅率為5%或10%。因此，本集團須就於中國內地成立的附屬公司就自2008年1月1日起產生的盈利分派的股息繳納預扣稅。

於2018年3月31日，本集團並無就其於中國內地成立的附屬公司的若干未匯出盈利應付的預扣稅確認遞延稅項。董事認為，該等附屬公司不大可能於可見將來分派該等盈利。於2018年3月31日，與於未確認遞延稅項負債的中國內地附屬公司的投資有關的暫時差額總額合共約為54,192,000港元(2017年：120,566,000港元)。

本公司向其股東派付股息並無附帶任何所得稅後果。



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33. SHARE CAPITAL

Shares

33. 股本

股份

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Authorised:	法定：		
2,000,000,000 ordinary shares of HK\$0.1 each	2,000,000,000股 每股面值0.1港元的 普通股	200,000	200,000
Issued and fully paid:	已發行及繳足：		
530,262,992 (2017: 498,982,992) ordinary shares of HK\$0.1 each	530,262,992 (2017年： 498,982,992股) 每股 面值0.1港元的普通股	53,026	49,898

A summary of movements in the Company's issued share capital is as follows:

本公司已發行股本的變動概列如下：

		Notes 附註	Number of ordinary shares 普通股數目 HK\$'000	Nominal value of ordinary shares 普通股面值 HK\$'000 千港元
Issued and fully paid:	已發行及繳足：			
At 1 April 2016	於2016年4月1日		400,000,000	40,000
Issue of shares	發行股份	(a)	80,000,000	8,000
Issue of shares as part of the consideration for a business combination	發行股份作為業務 合併部分代價	(b)	18,982,992	1,898
At 31 March 2017 and at 1 April 2017	於2017年3月31日及 於2017年4月1日		498,982,992	49,898
Issue of shares	發行股份	(c)	10,164,000	1,016
Share options exercised	已行使的購股權	(d)	21,116,000	2,112
At 31 March 2018	於2018年3月31日		530,262,992	53,026



33. SHARE CAPITAL (continued)

Shares (continued)

- (a) On 16 August 2016, 80,000,000 ordinary shares of HK\$0.1 each were allotted and issued at a subscription price of HK\$2.10 per share to subscribers for a total cash consideration, before expenses, of HK\$168,000,000.
- (b) On 14 December 2016, 18,982,992 ordinary shares of HK\$0.1 each were allotted and issued to an independent third party as part of the consideration for the acquisition of 51% equity interest in the Clear Industry Group. The fair value of the consideration shares issued was HK\$56,379,000 (as restated) (note 37).
- (c) On 6 December 2017, 10,164,000 ordinary shares of HK\$0.1 each were allotted and issued at a subscription price of HK\$3.71 per share to a subscriber for a cash consideration, before expenses, of HK\$37,708,000.
- (d) The subscription rights attaching to 21,116,000 share options were exercised at the subscription price of HK\$2.58 per share (note 34), resulting in the issue of 21,116,000 shares for a total cash consideration, before expenses, of HK\$54,479,000. An amount of HK\$9,998,000 was transferred from the share option reserve to the share premium account upon the exercise of the share options.

Share options

Details of the Company's share option scheme and the share options issued under the scheme are included in note 34 to the financial statements.

33. 股本 (續)

股份 (續)

- (a) 於2016年8月16日，若干認購人按認購價每股2.10港元獲配發及發行80,000,000股每股面值0.1港元的普通股，總現金代價(未扣除開支)為168,000,000港元。
- (b) 於2016年12月14日，一名獨立第三方獲配發及發行18,982,992股每股面值0.1港元的普通股，作為收購Clear Industry集團51%股權的部分代價。已發行代價股份的公平值為56,379,000港元(經重列)(附註37)。
- (c) 於2017年12月6日，一名認購人按認購價每股3.71港元獲配發及發行10,164,000股每股面值0.1港元的普通股，現金代價(未扣除開支)為37,708,000港元。
- (d) 21,116,000份購股權所附認購權按認購價每股2.58港元獲行使(附註34)，導致發行21,116,000股股份，總現金代價(未扣除開支)為54,479,000港元。於購股權獲行使時，9,998,000港元由購股權儲備轉撥至股份溢價賬。

購股權

本公司的購股權計劃及根據該計劃發行的購股權的詳情載於本財務報表附註34。



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財務報表附註

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34. SHARE OPTION SCHEME

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Scheme include the Company's directors, including independent non-executive directors, other employees of the Group, consultants of the Group, suppliers of goods or services to the Group, customers of the Group, the Company's shareholders, and any non-controlling shareholder in the Company's subsidiaries. The Scheme became effective on 26 August 2014 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The maximum number of unexercised share options currently permitted to be granted under the Scheme is an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue at any time. The maximum number of shares issuable under share options to each eligible participant in the Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the closing price of the Company's shares at the date of grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

34. 購股權計劃

本公司營辦一項購股權計劃(「該計劃」)，旨在向對本集團成功營運作出貢獻的合資格參與者提供獎勵及回報。該計劃的合資格參與者包括本公司董事(包括獨立非執行董事)、本集團其他僱員、本集團諮詢人、為本集團提供貨品或服務的供應商、本集團客戶、本公司股東及本公司附屬公司的任何非控股股東。該計劃於2014年8月26日生效，除非被取消或修訂，否則將於由該日起計10年內有效。

現時允許根據該計劃授出的尚未行使購股權獲行使時可認購的股份數目，最多不得超過相等於本公司於任何時間的已發行股份10%的數額。該計劃的每名合資格參與者於任何12個月期間內行使購股權時可獲發行的最高股份數目，僅限於本公司於任何時間的已發行股份的1%。倘進一步授出超過該限額的購股權，則須於股東大會上取得股東批准。

向本公司董事、最高行政人員或主要股東或彼等的任何聯繫人授出購股權，須取得獨立非執行董事的事先批准。此外，倘於任何12個月期間內向本公司主要股東或獨立非執行董事或彼等的任何聯繫人授出的購股權超過本公司於任何時間的已發行股份的0.1%，或總值(基於本公司股份於授出日期的收市價計算)超過5,000,000港元，則須於股東大會上取得股東事先批准。



34. SHARE OPTION SCHEME (continued)

The offer of a grant of share options may be accepted within 7 days from the date of offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, commences after a vesting period and ends on a date which is not later than 10 years from the date of offer of the share options.

The exercise price of share options is determinable by the directors, but may not be less than the highest of (i) the closing price of the Company's shares as stated in the Stock Exchange's daily quotation sheets on the date of offer of the share options; (ii) the average of the closing prices of the Company's shares as stated in the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the date of offer; and (iii) the nominal value of the Company's shares on the date of offer.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

34. 購股權計劃(續)

授出購股權的要約可於由要約日期起計7天內接納，接納時承授人須繳付合共1港元的象徵式代價。已授出購股權的行使期由董事釐定，於某一歸屬期後開始，於不遲於由購股權要約日期起計10年的日子結束。

購股權的行使價由董事釐定，但不得少於以下項目中的最高者：(i)於購股權要約日期聯交所每日報價表所報本公司股份的收市價；(ii)於緊接要約日期前五個交易日聯交所每日報價表所報本公司股份的平均收市價；及(iii)於要約日期的本公司股份面值。

購股權並無賦予持有人收取股息或於股東大會上表決的權利。



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34. SHARE OPTION SCHEME (continued)

The following share options under the Scheme were outstanding during the year:

		2018 2018年		2017 2017年	
		Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
		加權平均 行使價 HK\$ per share	購股權數目 '000 千份	加權平均 行使價 HK\$ per share	購股權數目 '000 千份
At beginning of year	於年初	2.58	40,000	—	—
Granted during the year	年內授出	—	—	2.58	40,000
Exercised during the year	年內行使	2.58	(21,116)	—	—
At end of year	於年末	2.58	18,884	2.58	40,000

The weighted average share price at the date of exercise for share options exercised during the year was HK\$4.14 per share (2017: No share options were exercised).

The exercise prices and exercise periods of the share options outstanding as at the end of the reporting period are as follows:

2018

Number of options 購股權數目 '000 千份	Exercise price* 行使價* HK\$ per share 每股港元	Exercise period 行使期
18,884	2.58	24 October 2016 to 23 October 2019 2016年10月24日至2019年10月23日

34. 購股權計劃(續)

年內，該計劃下未行使的購股權如下：

於年內行使的購股權於獲行使當日的加權平均股價為每股4.14港元(2017年：並無購股權獲行使)。

於報告期末未行使的購股權的行使價及行使期如下：

2018年



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34. SHARE OPTION SCHEME (continued)

2017

Number of options 購股權數目 '000 千份	Exercise price* 行使價* HK\$ per share 每股港元	Exercise period 行使期
40,000	2.58	24 October 2016 to 23 October 2019 2016年10月24日至2019年10月23日

* 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.

The fair value of the share options granted during the prior year was HK\$18,940,000 (HK\$0.4735 each), of which the Group recognised a share option expense of HK\$18,940,000 during the year ended 31 March 2017.

The fair value of equity-settled share options granted during the prior year was estimated as at the date of grant using a binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

	2017 2017年
Dividend yield (%)	股息率(%) 0.00
Expected volatility (%)	預期波幅(%) 29.05
Risk-free interest rate (%)	無風險利率(%) 0.57
Expected life of options (year)	預計購股權年期(年) 3
Weighted average share price (HK\$ per share)	加權平均股價(每股港元) 2.58

The expected life of the options is not necessarily indicative of the exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

No other feature of the options granted was incorporated into the measurement of fair value.

34. 購股權計劃(續)

2017年

* 購股權的行使價或會於供股或發行紅股，或本公司股本出現其他類似變動時調整。

於過往年度授出的購股權的公平值為18,940,000港元(每股0.4735港元)，本集團已於截至2017年3月31日止年度確認購股權開支18,940,000港元。

於過往年度授出的以權益結算的購股權的公平值於授出日期利用二項式模型估計，當中已計及授出該等購股權的條款及條件。下表載列該模型所用的輸入數值：

預計購股權年期不一定表示可能出現的行使模式。預期波幅反映歷史波幅可表示日後走勢的假設，亦未必代表實際結果。

計量公平值時並無考慮已授出購股權的其他特質。



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34. SHARE OPTION SCHEME (continued)

The 21,116,000 share options exercised during the year resulted in the issue of 21,116,000 ordinary shares of the Company and new share capital of HK\$2,112,000 and share premium of HK\$62,365,000 (before issue expenses), as further detailed in note 33 to the financial statements.

At the end of the reporting period, the Company had 18,884,000 share options outstanding under the Scheme. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 18,884,000 additional ordinary shares of the Company and additional share capital of HK\$1,888,000 and share premium of HK\$46,833,000 (before issue expenses).

At the date of approval of these financial statements, the Company had 18,384,000 share options outstanding under the Scheme, which represented approximately 3.2% of the Company's shares in issue as at that date.

35. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 169 to 170 of the financial statements.

(a) Merger reserve

The merger reserve represents the share capital of New Concepts Engineering Development Limited and New Concepts Foundation Limited acquired by the Company pursuant to a group reorganisation in August 2014.

(b) Share option reserve

The share option reserve comprises the fair value of share options granted which are yet to be exercised, as further explained in the accounting policy for share-based payments in note 2.4 to the financial statements. The amount will either be transferred to the share premium account when the related options are exercised, or be transferred to accumulated loss should the related options expire or be forfeited.

34. 購股權計劃(續)

年內21,116,000份購股權獲行使令本公司發行21,116,000股本公司普通股，以及新增股本2,112,000港元及股份溢價62,365,000港元(扣除發行開支前)，進一步詳情於本財務報表附註33載述。

於報告期末，本公司於該計劃下有18,884,000份未行使購股權。根據本公司現時的資本架構，未行使購股權獲悉數行使將令本公司發行18,884,000股本公司額外普通股，以及產生額外股本1,888,000港元及股份溢價46,833,000港元(扣除發行開支前)。

於本財務報表的批准日期，本公司於該計劃下有18,384,000份未行使購股權，相當於該日本公司已發行股份約3.2%。

35. 儲備

本集團本年度及過往年度的儲備金額及有關變動列於本財務報表第169至170頁的綜合權益變動表。

(a) 合併儲備

合併儲備指本集團於2014年8月根據集團重組收購的創業工程建設有限公司及創業地基有限公司股本。

(b) 購股權儲備

購股權儲備包括按照本財務報表附註2.4內就以股份為基礎支付的款項採用的會計政策進一步所述，已授出的未行使購股權的公平值。該款項將於相關購股權獲行使時轉撥至股份溢價賬或於相關購股權期滿或被沒收時轉撥至累計虧損。



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35. RESERVES (continued)

(c) Exchange fluctuation reserve

Exchange fluctuation reserve comprises all foreign currency exchange differences arising from the translation of the financial statements of foreign operations.

36. PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS

Details of the Group's subsidiaries that have material non-controlling interests are set out below:

35. 儲備 (續)

(c) 匯兌波動儲備

匯兌波動儲備包括換算外國業務財務報表所產生的所有外幣匯兌差額。

36. 擁有重大非控股權益的非全資附屬公司

本集團擁有重大非控股權益的附屬公司的詳情如下：

		2018 2018年	2017 2017年
Percentage of equity interest held by non-controlling interests:	非控股權益所持股權百分比：		
The Clear Industry Group	Clear Industry集團	49%	49%
Hefei Feifan	合肥非凡	40%	—
Loudi Fangsheng	婁底方盛	20%	—



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36. PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS *(continued)*

36. 擁有重大非控股權益的非全資附屬公司 *(續)*

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Profit/(loss) for the year allocated to non-controlling interests:	分配至非控股權益的年內溢利／(虧損)：		
The Clear Industry Group	Clear Industry集團	(19,882)	9,316
Hefei Feifan	合肥非凡	(677)	—
Loudi Fangsheng	婁底方盛	—	—
Accumulated balances of non-controlling interests at the reporting date:	非控股權益於報告日期的累計結餘：		
The Clear Industry Group	Clear Industry集團	(1,464)	17,717
Hefei Feifan	合肥非凡	66,349	—
Loudi Fangsheng	婁底方盛	10,956	—



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36. PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS (continued)

The following tables illustrate the summarised financial information of the above subsidiaries since the acquisition. The amounts disclosed are before any inter-company eliminations:

2018

36. 擁有重大非控股權益的非全資附屬公司 (續)

下表列示上述附屬公司自收購以來的財務資料概要。所披露的金額未進行集團內公司間抵銷：

2018年

		The Clear Industry Group Clear Industry 集團 HK\$'000 千港元	Hefei Feifan 合肥非凡 HK\$'000 千港元	Loudi Fengshang 婁底方盛 HK\$'000 千港元
Revenue	收入	9,267	30,271	7,537
Total expenses, net	總開支淨額	(56,608)	(31,963)	(5,919)
Profit/(loss) for the year	年內溢利/(虧損)	(40,575)	(1,692)	1,618
Total comprehensive income/(loss) for the year	年內全面收益/(虧損)總額	(36,580)	12,145	6,145
Current assets	流動資產	64,693	47,533	15,576
Non-current assets	非流動資產	1,384	213,706	94,225
Current liabilities	流動負債	(53,687)	(49,349)	(49,955)
Non-current liabilities	非流動負債	—	(46,018)	(5,078)
Net cash flows used in operating activities	經營活動所用的現金流量淨額	(8,641)	(18,192)	(550)
Net cash flows from investing activities	投資活動產生的現金流量淨額	(77)	—	(78)
Net cash flows from/(used in) financing activities	融資活動產生/(所用)的現金流量淨額	490	10,590	—
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(8,228)	(7,602)	(628)



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財務報表附註

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36. PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS (continued)

The following tables illustrate the summarised financial information of the above subsidiaries since the acquisition. The amounts disclosed are before any inter-company eliminations:

2017

36. 擁有重大非控股權益的非全資附屬公司 (續)

下表列示上述附屬公司自收購以來的財務資料概要。所披露的金額未進行集團內公司間抵銷：

2017年

		The Clear Industry Group Clear Industry 集團 HK\$'000 千港元
Revenue	收入	63,349
Total expenses, net	總開支淨額	(44,338)
Profit for the year	年內溢利	19,011
Total comprehensive income for the year	年內全面收益總額	18,602
Current assets	流動資產	120,104
Non-current assets	非流動資產	27,292
Current liabilities	流動負債	(91,018)
Non-current liabilities	非流動負債	(7,408)
Net cash flows used in operating activities	經營活動所用的現金流量淨額	7,268
Net cash flows from investing activities	投資活動產生的現金流量淨額	(790)
Net cash flows from financing activities	融資活動產生的現金流量淨額	(47)
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	6,431



37. BUSINESS COMBINATIONS

In order to develop and expand the Group's kitchen waste treatment business, the Group entered into the following transactions during the years ended 31 March 2018 and 2017:

- (a) On 21 June 2016, the Group entered into a sale and purchase agreement with 太原潤禾環衛工程設備有限公司, an independent third party, to acquire a 100% equity interest in Taiyuan Tianrun for a cash consideration of RMB43,447,500 (equivalent to approximately HK\$50,569,000). Taiyuan Tianrun is principally engaged in the kitchen waste treatment business. The acquisition was completed on 14 July 2016.
- (b) On 2 November 2016, the Group entered into a sale and purchase agreement with Qingqin International, an independent third party, to acquire a 51% equity interest in Clear Industry for a consideration in the form of (i) cash of RMB43,987,500; and (ii) allotment and issue of 18,982,992 ordinary shares of the Company (equivalent to approximately HK\$107,480,000, in aggregate). The Clear Industry Group is principally engaged in the engineering, procurement and construction of kitchen waste and water treatment business. The acquisition was completed on 14 December 2016.

As part of the sale and purchase agreement, contingent consideration is receivable, which is dependent on the amount of profit of the Clear Industry Group during the years ended/ending 31 March 2017, 2018 and 2019.

37. 業務合併

為發展及擴充本集團的餐廚垃圾處理業務，本集團曾於截至2018年及2017年3月31日止年度進行以下交易：

- (a) 於2016年6月21日，本集團與獨立第三方太原潤禾環衛工程設備有限公司訂立買賣協議，以收購太原天潤的100%股權，現金代價為人民幣43,447,500元（相等於約50,569,000港元）。太原天潤主要從事餐廚垃圾處理業務。該項收購已於2016年7月14日完成。
- (b) 於2016年11月2日，本集團與獨立第三方清勤國際訂立買賣協議，以收購Clear Industry的51%股權，代價包括(i)現金人民幣43,987,500元；及(ii)配發及發行18,982,992股本公司的普通股（合共相等於約107,480,000港元）。Clear Industry集團主要從事餐廚垃圾及水處理工程、採購及建造業務。該項收購已於2016年12月14日完成。

作為買賣協議的一部分，視乎Clear Industry集團截至2017年、2018年及2019年3月31日止年度的溢利金額，或可收取或然代價。



NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2018 2018年3月31日

37. BUSINESS COMBINATIONS (continued)

- (c) On 23 January 2017, the Group entered into a sale and purchase agreement and a capital injection agreement with Fu Li Biotechnology Corporation, an independent third party, to (i) acquire equity interest in Hefei Feifan for a cash consideration of US\$2,000,000; and (ii) inject capital to Hefei Feifan for an amount of US\$10,000,000 (equivalent to approximately HK\$93,599,000, in aggregate). Hefei Feifan is principally engaged in the kitchen waste treatment business. Subsequent to the acquisition and the capital injection, the Group held 60% equity interest in Hefei Feifan. The acquisition and the capital injection were completed on 23 June 2017.
- (d) On 15 March 2017, the Group entered into a sale and purchase agreement (the “Shenzhen Xinbao Sale and Purchase Agreement”) with independent third parties to acquire a 100% equity interest in Shenzhen Xinbao in two tranches, with the first tranche being an 85% equity interest for a cash consideration of RMB15,500,000 (equivalent to approximately HK\$18,543,000) and the second tranche being a 15% equity interest for a contingent consideration, which is payable and dependent on the amount of kitchen waste treatment fees of Shenzhen Xinbao being in excess of RMB200 per tonne during the 2-year period subsequent to the date of the sale and purchase agreement. Shenzhen Xinbao is principally engaged in the kitchen waste treatment business in Shenzhen, the PRC and was granted a right by the Urban Management Bureau of Shenzhen Municipality (Guangming New District) (the “Urban Management Bureau”) to operate a kitchen waste treatment plant at a site (the “Original Site”) under a Build-Operate-Own arrangement during the period from 24 August 2013 to 24 August 2024.

37. 業務合併(續)

- (c) 於2017年1月23日，本集團與獨立第三方阜利生物科技股份有限公司訂立買賣協議及注資協議，以(i)收購合肥非凡的股權，現金代價為2,000,000美元；及(ii)向合肥非凡注資10,000,000美元(合共相等於約93,599,000港元)。合肥非凡主要從事餐廚垃圾處理業務。於收購及注資後，本集團持有合肥非凡的60%股權。該項收購及注資已於2017年6月23日完成。
- (d) 於2017年3月15日，本集團與獨立第三方訂立買賣協議(「深圳新寶買賣協議」)，以分兩批收購深圳新寶的100%股權，第一批為85%股權，現金代價為人民幣15,500,000元(相等於約18,543,000港元)，第二批為15%股權，應付代價為或然代價，取決於買賣協議日期後2年內深圳新寶的餐廚垃圾處理費高於每噸人民幣200元的差額而定。深圳新寶主要在中國深圳市從事餐廚垃圾處理業務，獲深圳市光明新區城市管理局(「城市管理局」)授予於2013年8月24日至2024年8月24日按照建造—經營—擁有安排於一個地點(「原址」)經營餐廚垃圾處理廠的權利。



NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2018 2018年3月31日

37. BUSINESS COMBINATIONS (continued)

(d) (continued)

As stipulated in the Shenzhen Xinbao Sale and Purchase Agreement, the kitchen waste treatment plant at the Original Site was subject to relocation. In September 2017 the kitchen waste treatment plant at the Original Site was demolished due to land resumption by the Shenzhen Xinhua Land Bureau (Guangming New District). Due to the land resumption, Shenzhen Xinbao was granted a right by the Urban Management Bureau to use another site to carry out its kitchen waste treatment business with a much smaller scale. The acquisition of the 85% equity interest in Shenzhen Xinbao was completed on 10 January 2018.

The Group has elected to measure the non-controlling interests at the non-controlling interests' proportionate share of identifiable net assets.

37. 業務合併(續)

(d) (續)

誠如深圳新寶買賣協議所訂明，原址上的餐廚垃圾處理廠須要搬遷。於2017年9月，由於Shenzhen Xinhua Land Bureau (Guangming New District)收回土地，原址上的餐廚垃圾處理廠已拆卸。由於收回土地，深圳新寶獲城市管理局授予使用另一地點進行規模較小的餐廚垃圾處理業務的權利。深圳新寶的85%股權的收購已於2018年1月10日完成。

本集團選擇按非控股權益應佔可識別資產淨值的比例計量非控股權益。



NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2018 2018年3月31日

37. BUSINESS COMBINATIONS (continued)

Year ended 31 March 2018

The fair values of the identifiable assets and liabilities of Hefei Feifan and Shenzhen Xinbao as at the dates of acquisitions were as follows:

37. 業務合併(續)

截至2018年3月31日止年度

合肥非凡及深圳新寶可識別資產及負債於收購日期的公平值如下：

		Notes 附註	Hefei Feifan 合肥非凡 HK\$'000 千港元	Shenzhen Xinbao 深圳新寶 HK\$'000 千港元	Fair value recognised on acquisitions 於收購時 確認的公平值 HK\$'000 千港元
Property, plant and equipment	物業、機器及設備	12	—	521	521
Operating concession	經營特許權	14	119,655	—	119,655
Inventories	存貨		602	—	602
Trade receivables	貿易應收款項		—	29	29
Receivables under service concession arrangement	服務特許權安排應收款項		55,167	—	55,167
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		8,593	2,198	10,791
Due from the Group	應收本集團款項		77,906	—	77,906
Tax recoverable	可收回稅項		—	48	48
Cash and bank balances	現金及銀行結餘		7,898	1,439	9,337
Trade payables	貿易應付款項		(8,492)	—	(8,492)
Other payables and accruals	其他應付款項及應計費用		(1,974)	(367)	(2,341)
Due to the Group	應付本集團款項		(42,110)	(1,196)	(43,306)
Interest-bearing bank borrowing	計息銀行借貸		(50,347)	—	(50,347)
Deferred tax liabilities	遞延稅項負債	32	(13,171)	—	(13,171)
Total identifiable net assets at fair value	可識別淨資產公平值總值		153,727	2,672	156,399
Non-controlling interests	非控股權益		(61,491)	(401)	(61,892)
Goodwill on acquisition	收購時的商譽	13	1,363	16,272	17,635
Satisfied by cash	以現金支付		93,599	18,543	112,142



37. BUSINESS COMBINATIONS (continued)

Year ended 31 March 2018 (continued)

The fair values of the trade receivables and other receivables as at the dates of acquisitions amounted to HK\$29,000 and HK\$9,485,000, respectively. The gross contractual amounts of trade receivables and other receivables were HK\$29,000 and HK\$9,485,000, respectively, which are expected to be collectible.

The Group incurred transaction costs of approximately HK\$231,000 for these acquisitions. These transaction costs have been expensed and are included in administrative expenses in the consolidated statement of profit or loss.

Goodwill arose in the acquisitions of Hefei Feifan and Shenzhen Xinbao because the considerations paid for the acquisitions effectively included amounts in relation to the benefits of expected synergies from combining the respective operations of Hefei Feifan and Shenzhen Xinbao and the Group. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. None of the goodwill recognised is expected to be deductible for income tax purposes.

37. 業務合併(續)

截至2018年3月31日止年度(續)

貿易及其他應收款項於收購日期的公平值分別為29,000港元及9,485,000港元。貿易及其他應收款項總合約金額分別為29,000港元及9,485,000港元，預期可收回。

本集團就此等收購產生交易成本約231,000港元。該等交易成本已支銷，並計入綜合損益表中的行政開支。

由於已付收購代價實際上包括與合肥非凡及深圳新寶分別與本集團合併營運的預期協同效益有關的金額，故收購合肥非凡及深圳新寶產生商譽。由於該等效益並不符合可識別無形資產的確認條件，故並無與商譽分開確認。預期概無已確認商譽可扣減所得稅。



NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2018 2018年3月31日

37. BUSINESS COMBINATIONS (continued)

Year ended 31 March 2018 (continued)

An analysis of the cash flows in respect of the acquisitions of Hefei Feifan and Shenzhen Xinbao is as follows:

		HK\$'000 千港元
Cash consideration	現金代價	(112,142)
Cash and bank balances acquired	所收購現金及銀行結餘	77,906
Net outflow of cash and cash equivalents included in cash flows used in investing activities	計入投資活動所用的現金流量的現金及現金等價物流出淨額	(34,236)

Since the acquisitions, the contributions to the Group's revenue and consolidated loss for the year ended 31 March 2018 were as follows:

		Revenue 收入 HK\$'000 千港元	Loss 虧損 HK\$'000 千港元
Hefei Feifan	合肥非凡	30,271	1,693
Shenzhen Xinbao	深圳新寶	647	116
		30,918	1,809

Had the combinations of Hefei Feifan and Shenzhen Xinbao taken place at the beginning of the year ended 31 March 2018, the revenue of the Group and the loss of the Group for the year ended 31 March 2018 would have been HK\$933,776,000 and HK\$226,965,000, respectively.

37. 業務合併(續)

截至2018年3月31日止年度(續)

收購合肥非凡及深圳新寶的現金流量分析如下：

自收購以來，於截至2018年3月31日止年度為本集團貢獻的收入及帶來的綜合虧損如下：

倘合肥非凡及深圳新寶的合併於截至2018年3月31日止年度年初進行，本集團截至2018年3月31日止年度的收入及虧損將分別為933,776,000港元及226,965,000港元。



NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2018 2018年3月31日

37. BUSINESS COMBINATIONS (continued)

Year ended 31 March 2017

The fair values of the identifiable assets and liabilities of Taiyuan Tianrun and the Clear Industry Group as at the dates of acquisitions were as follows:

37. 業務合併 (續)

截至2017年3月31日止年度

太原天潤及Clear Industry集團可識別資產及負債於收購日期的公平值如下：

		Notes 附註	Taiyuan Tianrun 太原天潤 HK\$'000 千港元	The Clear Industry Group Clear Industry 集團 HK\$'000 千港元 (Restated) (經重列)	Fair value recognised on acquisitions 於收購時確認 的公平值 HK\$'000 千港元 (Restated) (經重列)
Property, plant and equipment	物業、機器及設備	12	169	1,719	1,888
Operating concession	經營特許權	14	5,835	—	5,835
Other intangible asset	其他無形資產	15	—	25,868	25,868
Inventories	存貨		42	7,808	7,850
Trade receivables	貿易應收款項		—	5,534	5,534
Receivables under service concession arrangement	服務特許權安排應收款項		18,630	—	18,630
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		5,899	9,333	15,232
Due from the Group	應收本集團款項		—	8,928	8,928
Cash and bank balances	現金及銀行結餘		329	2,139	2,468
Trade payables	貿易應付款項		—	(155)	(155)
Other payables and accruals	其他應付款項及應計費用		(624)	(28,807)	(29,431)
Interest-bearing bank and other borrowings	計息銀行及其他借貸		(3,638)	(6,598)	(10,236)
Deferred tax liabilities	遞延稅項負債	32	—	(6,467)	(6,467)
Total identifiable net assets at fair value	可識別淨資產公平值總值		26,642	19,302	45,944
Non-controlling interests	非控股權益		—	(10,326)	(10,326)
Goodwill on acquisitions	收購時的商譽	13	23,927	98,504	122,431
Total consideration	總代價		50,569	107,480	158,049
Satisfied by:	支付方式：				
Cash	現金		50,569	51,101	101,670
Issue of 18,982,992 ordinary shares of the Company	發行18,982,992股本公司普通股	33(b)	—	56,379	56,379
			50,569	107,480	158,049



NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2018 2018年3月31日

37. BUSINESS COMBINATIONS (continued)

Year ended 31 March 2017 (continued)

The fair values of the trade receivables and other receivables as at the dates of acquisitions amounted to HK\$5,534,000 and HK\$1,806,000, respectively. The gross contractual amounts of trade receivables and other receivables were HK\$5,534,000 and HK\$1,806,000, respectively, which are expected to be collectible.

The Group incurred transaction costs of approximately HK\$589,000 for these acquisitions. These transaction costs have been expensed and are included in administrative expenses in the consolidated statement of profit or loss.

Goodwill arose in the acquisitions of Taiyuan Tianrun and the Clear Industry Group because the considerations paid for the acquisitions effectively included amounts in relation to the benefits of expected synergies from combining the respective operations of Taiyuan Tianrun and the Clear Industry Group and the Group. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. None of the goodwill recognised is expected to be deductible for income tax purposes.

37. 業務合併(續)

截至2017年3月31日止年度(續)

貿易及其他應收款項於收購日期的公平值分別為5,534,000港元及1,806,000港元。貿易及其他應收款項總合約金額分別為5,534,000港元及1,806,000港元，預期可收回。

本集團就此等收購產生交易成本約589,000港元。該等交易成本已支銷，並計入綜合損益表中的行政開支。

由於已付收購代價實際上包括與太原天潤及Clear Industry集團分別與本集團合併營運的預期協同效益有關的金額，故收購太原天潤及Clear Industry集團產生商譽。由於該等效益並不符合可識別無形資產的確認條件，故並無與商譽分開確認。預期概無已確認商譽可扣減所得稅。



NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2018 2018年3月31日

37. BUSINESS COMBINATIONS (continued)

Year ended 31 March 2017 (continued)

An analysis of the cash flows in respect of the acquisitions of Taiyuan Tianrun and the Clear Industry Group is as follows:

		HK\$'000 千港元
Cash consideration	現金代價	(101,670)
Cash and bank balances acquired	所收購現金及銀行結餘	2,468
Increase in other payables for unpaid cash consideration	未付現金代價的其他應付款項增加	12,560
Net outflow of cash and cash equivalents included in cash flows used in investing activities	計入投資活動所用的現金流量的現金及現金等價物流出淨額	(86,642)

Since the acquisitions, the contributions to the Group's revenue and consolidated profit for the year ended 31 March 2017 were as follows:

		Revenue 收入 HK\$'000 千港元	Profit 溢利 HK\$'000 千港元
Taiyuan Tianrun	太原天潤	315,089	46,871
The Clear Industry Group	Clear Industry集團	143,037	31,531
		458,126	78,402

Had the combinations of Taiyuan Tianrun and the Clear Industry Group taken place at the beginning of the year ended 31 March 2017, the revenue of the Group and the profit of the Group for the year ended 31 March 2017 would have been HK\$1,242,958 and HK\$39,637,000, respectively.

37. 業務合併 (續)

截至2017年3月31日止年度 (續)

收購太原天潤及Clear Industry集團的現金流量分析如下：

自收購以來，於截至2017年3月31日止年度為本集團貢獻的收入及帶來的綜合溢利如下：

倘太原天潤及Clear Industry集團的合併於截至2017年3月31日止年度年初進行，本集團截至2017年3月31日止年度的收入及溢利將分別為1,242,958港元及39,637,000港元。



NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2018 2018年3月31日

38. ACQUISITION OF NON-CONTROLLING INTEREST

On 24 March 2017, the Group acquired an additional 11.5% equity interest in Loudi Fangsheng from an independent third party for a cash consideration of RMB2,990,000 (equivalent to approximately HK\$3,363,000). The carrying value of the additional interest in Loudi Fangsheng acquired was RMB1,514,000 (equivalent to approximately HK\$1,703,000). Accordingly, the difference of RMB1,476,000 (equivalent to approximately HK\$1,660,000) was recognised in retained profits.

39. CAPITAL INJECTION BY NON-CONTROLLING INTEREST

On 15 March 2018, an independent third party injected capital to Loudi Fangsheng for an amount of RMB6,111,000 (equivalent to approximately HK\$7,626,000). Immediately after the capital injection, Loudi Fangsheng is owned as to 80% by the Group and 20% by the independent third party. The carrying value of the 20% interest in the net assets of Loudi Fangsheng as at the date of capital injection was RMB8,777,000 (equivalent to approximately HK\$10,956,000). Accordingly, the difference of RMB2,666,000 (equivalent to approximately HK\$3,330,000) was recognised in accumulated loss. The proportionate share of the cumulative amount of exchange fluctuation reserve of Loudi Fangsheng recognised in other comprehensive income is reattributed to the non-controlling interest.

40. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Major non-cash transactions

During the year ended 31 March 2017, the Group entered into finance lease arrangements in respect of property, plant and equipment with a total capital value at the inception of the leases of HK\$4,875,000.

38. 收購非控股權益

於2017年3月24日，本集團向一名獨立第三方收購婁底方盛額外11.5%股權，現金代價為人民幣2,990,000元（相等於約3,363,000港元）。所收購婁底方盛額外權益的賬面值為人民幣1,514,000元（相等於約1,703,000港元）。因此，人民幣1,476,000元（相等於約1,660,000港元）的差額已於保留溢利確認。

39. 非控股權益注資

於2018年3月15日，一名獨立第三方向婁底方盛注資人民幣6,111,000元（相等於約7,626,000港元）。緊隨注資後，本集團及該名獨立第三方分別擁有婁底方盛的80%及20%權益。於注資日期，婁底方盛淨資產的20%權益的賬面值為人民幣8,777,000元（相等於約10,956,000港元）。因此，人民幣2,666,000元（相等於約3,330,000港元）的差額已於累計虧損確認。按比例應佔並於其他全面收益確認的婁底方盛匯兌波動儲備累計金額已重新歸入非控股權益。

40. 綜合現金流量表附註

(a) 主要非現金交易

於截至2017年3月31日止年度，本集團就於租賃開始時資本總值為4,875,000港元的物業、機器及設備訂立融資租賃安排。



NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2018 2018年3月31日

40. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

(b) Changes in liabilities arising from financing activities

40. 綜合現金流量表附註(續)

(b) 融資活動產生的負債變動

		Due to related companies 應付關連 公司款項 HK\$'000 千港元	Bank and other loans 銀行及 其他貸款 HK\$'000 千港元	Finance lease payables 應付融資 租賃款項 HK\$'000 千港元	Convertible bond 可換股 債券 HK\$'000 千港元
At 1 April 2017	於2017年4月1日	351,036	184,633	26,761	—
Changes from financing cash flows	融資現金流量變動	33,265	842	(15,723)	39,008
Derivative component of convertible bond	可換股債券的衍生工具部分	—	—	—	(18,357)
Increase arising from acquisition of a subsidiary	因收購一間附屬公司而增加	—	50,347	—	—
Interest expense	利息開支	—	878	—	3,182
Interest paid classified as operating cash flows	分類為經營現金流量的已付利息	—	—	—	(556)
Foreign exchange movement	外匯變動	—	23,303	—	52
At 31 March 2018	於2018年3月31日	384,301	260,003	11,038	23,329



NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2018 2018年3月31日

41. CONTINGENT LIABILITIES

At the end of the reporting period, contingent liabilities not provided for in the financial statements were as follows:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Indemnities given to financial institutions for performance bonds issued in relation to construction contracts undertaken by the Group	就本集團承接的建築合約發出履約保函向財務機構提供的彌償保證	58,359	91,462

42. OPERATING LEASE COMMITMENTS

The Group leases certain of its office premises and staff quarters under operating lease arrangements. The leases are negotiated for terms ranging from six months to five years. Certain leases are terminable with a notice period given by the Group.

At 31 March 2018, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Within one year	一年內	5,475	6,013
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)	1,774	7,103
		7,249	13,116

41. 或然負債

於報告期末，並無於本財務報表內計提撥備的或然負債如下：

42. 經營租賃承擔

本集團根據經營租賃安排租賃若干辦公室物業及員工宿舍。經磋商後的租賃年期介乎六個月至五年。若干租賃可於本集團給予通知期後終止。

於2018年3月31日，根據不可撤銷經營租賃，本集團未來最低租賃付款總額的到期情況如下：



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財務報表附註

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43. COMMITMENTS

In addition to the operating lease commitments detailed in note 42 above, the Group had the following capital commitments at the end of the reporting period:

43. 承擔

除上文附註42所詳述的經營租賃承擔外，本集團於報告期末有以下資本承擔：

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Contracted, but not provided for:	已訂約但未撥備：		
New service concession arrangements on BOT basis	以BOT方式訂立的新服務特許權安排	26,635	112,398
Acquisition of subsidiaries	收購附屬公司	—	150,432
Capital contribution to a limited partnership (note)	向一間有限合夥商行出資(附註)	39,241	—
		65,876	262,830

Note:

On 30 June 2017, the Group (as limited partner) entered into a limited partnership agreement with CEF V Management, L.P. (as general partner) and Tsing Capital (HK) Limited (as management company). The partnership (the "China Environment Fund") was formed to make venture capital investments, including investing in and holding equity and equity-oriented securities of companies with a nexus to Mainland China and operating in the clean-tech related sectors. The Group has committed to contribute US\$5,000,000 (equivalent to approximately HK\$39,241,000) to the China Environment Fund. As at 31 March 2018, the Group had not made any capital contribution to the China Environment Fund.

附註：

於2017年6月30日，本集團(作為有限合夥人)與CEF V Management, L.P.(作為普通合夥人)及青雲創業投資管理(香港)有限公司(作為管理公司)訂立一份有限合夥協議。成立合夥商行(「China Environment Fund」)旨在作出創業投資，包括投資於及持有接連中國內地並於清潔技術相關行業經營的公司的股票及以股票為主的證券。本集團已承諾向China Environment Fund出資5,000,000美元(相等於約39,241,000港元)。於2018年12月31日，本集團尚未向China Environment Fund出資。



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44. RELATED PARTY TRANSACTIONS

- (a) In addition to the balances and transactions detailed elsewhere in these financial statements, the Group had the following material transactions with related parties during the year:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Related companies*:	關連公司*：		
Rental expense	租金開支	3,746	1,378

* The related companies are controlled by Mr. Chu Shu Cheong, a key management personnel of the Company.

The above transactions were entered into based on terms mutually agreed between the relevant parties.

(b) Compensation of key management personnel of the Group

Remuneration of key management personnel of the Group, including directors' remuneration as disclosed in note 8 to the financial statements, is as follows:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Short term employee benefits	短期僱員福利	8,144	8,277
Post-employment benefits	離職後福利	235	88
Equity-settled share option expense	以權益結算的購股權開支	—	12,370
Total compensation paid to key management personnel	已付主要管理人員補償總額	8,379	20,735

44. 關連方交易

- (a) 除本財務報表其他部分詳述的結餘及交易外，本集團於年內與關連方進行以下重大交易：

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Related companies*:	關連公司*：		
Rental expense	租金開支	3,746	1,378

* 該等關連公司由本公司主要管理人員朱樹昌先生控制。

上述交易乃按相關訂約方相互協定的條款進行。

(b) 本集團主要管理人員的補償

本集團主要管理人員的薪酬(包括財務報表附註8披露的董事薪酬)如下：

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Short term employee benefits	短期僱員福利	8,144	8,277
Post-employment benefits	離職後福利	235	88
Equity-settled share option expense	以權益結算的購股權開支	—	12,370
Total compensation paid to key management personnel	已付主要管理人員補償總額	8,379	20,735



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45. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

2018

Financial assets

45. 按類別劃分的金融工具

於報告期末，各類金融工具的賬面金額如下：

2018年

金融資產

		Financial assets at fair value through profit or loss 透過損益按公平值計量的金融資產 HK\$'000 千港元	Loans and receivables 貸款及應收款項 HK\$'000 千港元	Available-for-sale financial assets 可供出售金融資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Contingent consideration asset	或然代價資產	61,644	—	—	61,644
Available-for-sale investment	可供出售投資	—	—	20,859	20,859
Trade and retention receivables	貿易應收款項及應收保留金	—	244,292	—	244,292
Receivables under service concession arrangements	服務特許權安排應收款項	—	360,787	—	360,787
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收款項的金融資產	—	129,528	—	129,528
Loan receivables	應收貸款	—	28,527	—	28,527
Due from directors	應收董事款項	—	1,646	—	1,646
Pledged deposit	已質押存款	—	5,000	—	5,000
Cash and cash equivalents	現金及現金等價物	—	61,726	—	61,726
		61,644	831,506	20,859	914,009



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45. FINANCIAL INSTRUMENTS BY CATEGORY 45. 按類別劃分的金融工具 (續)
(continued)

Financial liabilities

金融負債

	Financial liabilities at fair value through profit or loss — designated as such upon initial recognition	Financial liabilities at amortised cost	Total	
	透過損益按公平值計量的金融負債 — 於初始確認時指定為此分類	按攤銷成本計量的金融負債	總計	
	HK\$'000	HK\$'000	HK\$'000	
	千港元	千港元	千港元	
Trade and retention payables	貿易應付款項及應付保留金	—	258,512	258,512
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用的金融負債	—	92,835	92,835
Due to related companies	應付關連公司款項	—	384,301	384,301
Interest-bearing bank and other borrowings	計息銀行及其他借貸	—	271,041	271,041
Convertible bond	可換股債券	—	23,329	23,329
Derivative financial instrument	衍生金融工具	—	14,983	14,983
		14,983	1,030,018	1,045,001



NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2018 2018年3月31日

45. FINANCIAL INSTRUMENTS BY CATEGORY **45. 金融工具類別 (續)**
(continued)

2017

2017年

Financial assets

金融資產

		Loans and receivables 貸款及 應收款項 HK\$'000 千港元	Available-for- sale financial assets 可供出售 金融資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Available-for-sale investment	可供出售投資	—	6,536	6,536
Trade and retention receivables	貿易應收款項及 應收保留金	180,001	—	180,001
Receivables under service concession arrangements	服務特許權安排 應收款項	231,103	—	231,103
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及 其他應收款項的 金融資產	113,178	—	113,178
Loan receivables	應收貸款	38,861	—	38,861
Pledged deposit	已質押存款	12,438	—	12,438
Cash and cash equivalents	現金及現金等價物	160,670	—	160,670
		736,251	6,536	742,787



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45. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

Financial liabilities

45. 金融工具類別 (續)

金融負債

		Financial liabilities at amortised cost 按攤銷成本計量的金融負債 HK\$'000 千港元
Trade and retention payables	貿易應付款項及應付保留金	237,849
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用的金融負債	47,459
Due to related companies	應付關連公司款項	351,036
Interest-bearing bank and other borrowings	計息銀行及其他借貸	211,394
		847,738



46. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, pledged deposit, trade and retention receivables, trade and retention payables, loan receivables, amounts due from directors, financial liabilities included in other payables and accruals, and the current portions of receivables under service concession arrangements, financial assets included in prepayments, deposits and other receivables, amounts due to related companies, and interest-bearing bank and other borrowings approximate to their carrying amounts largely due to the short term maturities of these instruments.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the non-current portions of receivables under service concession arrangements, financial assets included in prepayments, deposits and other receivables, amounts due to related companies, and interest-bearing bank and other borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The fair value of the liability portion of the convertible bonds is estimated by discounting the expected future cash flows using an equivalent market interest rate for a similar convertible bond with consideration of the Group's own non-performance risk.

46. 金融工具的公平值及公平值架構

管理層評定，現金及現金等價物、已質押存款、貿易應收款項及應收保留金、貿易應付款項及應付保留金、應收貸款、應收董事款項、計入其他應付款項及應計費用的金融負債及服務特許權安排應收款項的流動部分、計入預付款項、按金及其他應收款項的金融資產、應付關連公司款項以及計息銀行及其他借款的公平值與其賬面金額相若，主要由於該等工具均於短期內到期。

金融資產及負債的公平值以有關工具於自願交易方（而非強迫或清盤銷售）當前交易下的可交易金額入賬。下列方法及假設已用於估算公平值：

服務特許權安排應收款項的非流動部分、計入預付款項、按金及其他應收款項的金融資產、應付關連公司款項以及計息銀行及其他借貸的公平值乃使用條款、信貸風險及餘下償還期限相近的工具的現時利率將預期未來現金流量貼現計算。可換股債券負債部分的公平值乃使用類似可換股債券的同等市場利率將預期未來現金流量貼現估算，當中亦已考慮本集團本身的違約風險。



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46. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

The fair value of listed equity investment is based on quoted market price. The fair value of contingent consideration asset has been estimated using a discounted cash flow valuation model based on assumptions that are not supported by observable market prices or rates. The valuation requires the directors to make estimates about the expected future cash flows. The directors believe that the estimated fair value resulting from the valuation technique, which is recorded in the consolidated statement of financial position, and the related change in fair value, which is recorded in profit or loss, are reasonable, and that they were the most appropriate values at the end of the reporting period.

Derivative financial instrument, represents the derivative component of the convertible bond, is measured using a valuation technique similar to option pricing models, using present value calculations. The model incorporates various market observable inputs including the credit quality of counterparties, foreign exchange spot and forward rates and interest rate curves. The carrying amount of the derivative component of the convertible bond is the same as its fair value.

46. 金融工具的公平值及公平值架構(續)

上市股本投資的公平值乃根據所報市價計算。或然代價資產的公平值乃使用貼現現金流量估值模型估算，當中的假設並無可觀察市場價格或比率支持。有關估值要求董事就預計未來現金流量作出估計。董事相信，以估值技術得出之估計公平值(於綜合財務狀況表記錄)及公平值之相關變動(於損益記錄)均為合理，並為報告期末最合適之價值。

衍生金融工具包括可換股債券的衍生部分，使用與期權定價模型(利用現值計算法)相近的估值技術計量。該模型使用多項市場可觀察輸入數值，包括對手方信貸質素、外匯現貨及遠期匯率以及利率曲線。可換股債券衍生部分的賬面金額與其公平值相同。



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46. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy

The following table illustrates the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 31 March 2018

46. 金融工具的公平值及公平值架構(續)

公平值架構

下表列示本集團金融工具的公平值計量架構：

按公平值計量的資產：

於2018年3月31日

**Fair value measurement using
公平值計量使用**

		Quoted prices in active markets (Level 1) 活躍市場的 報價 (第一層) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察 輸入數值 (第二層) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數值 (第三層) HK\$'000 千港元	Total 總計 HK\$'000 千港元
Contingent consideration asset Available-for-sale investment	或然代價 可供出售投資	— 20,859	— —	61,644 —	61,644 20,859
		20,859	—	61,644	82,503



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財務報表附註

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46. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)

Assets measured at fair value: (continued)

As at 31 March 2017

46. 金融工具的公平值及公平值架構(續)

公平值架構(續)

按公平值計量的資產：(續)

於2017年3月31日

		Fair value measurement using 公平值計量使用			
		Quoted prices in active markets (Level 1) 活躍市場的 報價 (第一層) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察 輸入數值 (第二層) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數值 (第三層) HK\$'000 千港元	Total 總計 HK\$'000 千港元
Available-for-sale investment	可供出售投資	6,536	—	—	6,536

The movements in fair value measurements within Level 3 during the year are as follows:

年內，第三層內公平值計量的變動如下：

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Contingent consideration asset:	或然代價資產：		
At 1 April	於4月1日	—	—
Fair value gain recognised in the statement of profit or loss	於損益表確認的公平值收益	58,116	—
Exchange realignment recognised in other comprehensive income	於其他全面收益確認的匯兌調整	3,528	—
At 31 March	於3月31日	61,644	—



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46. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)

Liabilities measured at fair value: (continued)

As at 31 March 2018

46. 金融工具的公平值及公平值架構 (續)

公平值架構 (續)

按公平值計量的負債：(續)

於2018年3月31日

Fair value measurement using
公平值計量使用

		Quoted prices in active markets (Level 1) 活躍市場的報價 (第一層) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察輸入數值 (第二層) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察輸入數值 (第三層) HK\$'000 千港元	Total 總計 HK\$'000 千港元
Derivative financial instrument	衍生金融工具	—	—	14,983	14,983

The Group did not have any financial liabilities measured at fair value as at 31 March 2017.

於2017年3月31日，本集團概無任何按公平值計量的金融負債。



NOTES TO FINANCIAL STATEMENTS

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31 March 2018 2018年3月31日

46. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)

Liabilities measured at fair value: (continued)

As at 31 March 2018 (continued)

The movements in fair value measurements within Level 3 during the year are as follows:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Derivative financial instrument:	衍生金融工具：		
At 1 April	於4月1日	—	—
Derivative component of convertible bond issued during the year	年內發行的可換股債券的衍生部分	18,357	—
Fair value gain recognised in the statement of profit or loss	於損益表確認的公平值收益	(3,418)	—
Exchange loss recognised in the statement of profit or loss	於損益表確認的匯兌虧損	44	—
At 31 March	於3月31日	14,983	—

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (2017: Nil).

46. 金融工具的公平值及公平值架構(續)

公平值架構(續)

按公平值計量的負債：(續)

於2018年3月31日(續)

年內，第三層內公平值計量的變動如下：

年內，第一及第二層金融資產及金融負債之間並無公平值計量轉移，第三層亦無任何轉入或轉出(2017年：無)。



47. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments, other than derivatives, comprise cash and cash equivalents, convertible bond and interest-bearing bank and other borrowings. The main purpose of these financial instruments is to finance the Group's operations. The Group has various other financial assets and liabilities such as available-for-sale investment, trade and retention receivables, receivables under service concession arrangements, financial assets included in prepayments, deposits and other receivables, loan receivables, amounts due from directors, pledged deposit, trade and retention payables, financial liabilities included in other payables and accruals, and amounts due to related companies, which mainly arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees the policies for managing each of these risks and they are summarised below.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's interest-bearing bank borrowings with floating interest rates. The Group does not use derivative financial instruments to hedge against its interest rate risk. The Group mitigates this risk by closely monitoring the movements in interest rates and reviewing its available credit facilities and their utilisation regularly.

At the end of the reporting period, if the interest rates on bank borrowings had been 25 basis points higher/lower, which was considered reasonably possible by management, with all other variables held constant, the loss before tax for the year would have been increased/decreased by HK\$170,000 (2017: profit before tax for the year would have been decreased/increased by HK\$33,000) as a result of higher/lower interest expenses on bank borrowings.

47. 財務風險管理目標及政策

本集團的主要金融工具(衍生工具除外)包括現金及現金等價物、可換股債券以及計息銀行及其他借貸。該等金融工具的主要用途乃為本集團營運集資。本集團有其他多項金融資產及負債，例如可供出售投資、貿易應收款項及應收保留金、服務特許權安排應收款項、計入預付款項、按金及其他應收款項的金融資產、應收貸款、應收董事款項、已質押存款、貿易應付款項及應付保留金、計入其他應付款項及應計費用的金融負債以及應付關連公司款項，主要自本集團營運直接產生。

本集團金融工具所產生的主要風險為利率風險、外幣風險、信貸風險及流動資金風險。董事會檢討及協定有關管理各風險的政策，現概述如下。

利率風險

本集團因市場利率變動而面臨的風險主要與本集團按浮動利率計息的計息銀行借貸有關。本集團並無使用衍生金融工具對沖利率風險。本集團密切監察利率變動，並定期檢討其可用信貸融資及動用情況，以減輕利率風險。

於報告期末，在所有其他變數維持不變的情況下，倘銀行借貸利率上升/下跌25個基點(管理層視之為合理可能變動)，年內除稅前虧損將因銀行借貸利息開支上升/下降而增加/減少170,000港元(2017年：年內除稅前溢利減少/增加33,000港元)。



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財務報表附註

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47. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Foreign currency risk

The Group has no significant foreign currency risk because its business is principally conducted by operating units in Hong Kong and Mainland China and most of the transactions are denominated in the operating units' functional currencies. Since the Hong Kong dollar is pegged to the United States dollar, the Group's exposure to foreign currency risk in respect of the assets and liabilities denominated in United States dollars is considered to be minimal. The Group does not use derivative financial instruments to hedge against its foreign currency risk. The Group mitigates this risk by closely monitoring the movements in foreign exchange rates.

Credit risk

The Group mainly transacts with creditworthy third parties. Receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

The credit risk of the Group's financial assets, which comprise contingent consideration asset, available-for-sale investment, trade and retention receivables, receivables under service concession arrangements, financial assets included in prepayments, deposits and other receivables, loan receivables, amounts due from directors, pledged deposit and cash and cash equivalents, arises from default of the counterparties, with a maximum exposure equal to the carrying amounts of these instruments.

At the end of the reporting period, the Group had certain concentrations of credit risk as 21% (2017: 19%) and 49% (2017: 43%) of the Group's trade and retention receivables were due from the Group's largest debtor and the five largest debtors, respectively.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade and retention receivables are disclosed in note 20 to the financial statements.

47. 財務風險管理目標及政策 (續)

外幣風險

由於本集團的業務主要透過位於香港及中國內地的營運單位進行，且大部分交易以營運單位的功能貨幣計值，故並無面對重大外幣風險。由於港元與美元掛鈎，故本集團就以美元計值的資產及負債面對的外幣風險被視為微不足道。本集團並無使用任何衍生金融工具對沖外幣風險。本集團透過密切監察外幣匯率變動，減輕有關風險。

信貸風險

本集團主要與信譽可靠的第三方進行買賣。應收款項結餘乃按持續基準監察，而本集團所面臨的壞賬風險並不重大。

本集團金融資產(包括或然代價資產、可供出售投資、貿易應收款項及應收保留金、服務特許權安排應收款項、計入預付款項、按金及其他應收款項的金融資產、應收貸款、應收董事款項、已質押存款以及現金及現金等價物)的信貸風險來自對手方違約，最高風險為該等工具的賬面金額。

於報告期末，由於本集團的21% (2017年：19%) 及49% (2017年：43%) 貿易應收款項及應收保留金分別為應收最大及五大債務人，故信貸風險有一定的集中程度。

本財務報表附註20披露有關本集團來自貿易應收款項及應收保留金的信貸風險的進一步量化數據。



47. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group monitors its risk to a shortage of funds by considering the maturities of both its financial liabilities and financial assets.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank and other borrowings and convertible bond. The Group aims to maintain sufficient cash and cash equivalents to meet its liquidity requirements.

47. 財務風險管理目標及政策 (續)

流動資金風險

流動資金風險是本集團因資金短缺而於履行財務責任時面對困難的風險。本集團的流動資金風險主要來自金融資產及負債償還期限錯配。本集團透過同時考慮金融負債及金融資產的償還期限，監察其資金短缺風險。

本集團的目標是透過使用銀行及其他借貸以及可換股債券，維持資金延續性與靈活性之間的平衡。本集團旨在維持足夠現金及現金等價物以滿足其流動資金需要。



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財務報表附註

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47. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

47. 財務風險管理目標及政策 (續)

流動資金風險 (續)

於報告期末，本集團的金融負債基於合約未貼現款項的償還期限分組如下：

		2018 2018年		
		No fixed terms of repayment/ on demand/ less than 1 year 無固定 還款期/ 按要求/ 一年內 HK\$'000 千港元	1 to 5 years 一至五年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Trade and retention payables	貿易應付款項及應付保留金	258,512	—	258,512
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用的金融負債	92,835	—	92,835
Due to related companies	應付關連公司款項	—	384,301	384,301
Convertible bonds	可換股債券	2,542	57,679	60,221
Interest-bearing bank and other borrowings	計息銀行及其他借貸	84,598	229,563	314,161
Derivative financial instruments	衍生金融工具	—	14,983	14,983
		438,487	686,526	1,125,013



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47. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)

47. 財務風險管理目標及政策 (續)

流動資金風險(續)

		2017		
		2017年		
		No fixed terms of repayment/ on demand/ less than 1 year	1 to 5 years	Total
		無固定還款期/ 按要求/ 一年內	一至五年	總計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Trade and retention payables	貿易應付款項及應付保留金	237,849	—	237,849
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用的金融負債	47,459	—	47,459
Due to related companies	應付關連公司款項	351,036	—	351,036
Interest-bearing bank and other borrowings	計息銀行及其他借貸	44,431	215,249	259,680
		680,775	215,249	896,024

Note:

Included in the above interest-bearing bank and other borrowings of the Group as at 31 March 2018 were term loans with a carrying amount of HK\$16,500,000 (2017: HK\$6,500,000). The loan agreements contained a repayment on demand clause giving the banks the unconditional right to call in the loans at any time and therefore, for the purpose of the above maturity profile, the total amount was classified as "on demand".

Notwithstanding the above clause, the directors did not believe that the loans would be called in their entirety within 12 months from the end of the reporting period, and they considered that the loans would be repaid in accordance with the maturity dates as set out in the loan agreements. This evaluation was made considering: the financial position of the Group at the date of approval of the financial statements; the lack of events of default; and the fact that the Group had made all previously scheduled repayments on time.

附註：

於2018年3月31日，本集團上述計息銀行及其他借貸包括賬面金額為16,500,000港元(2017年：6,500,000港元)的有期貨款。該等貸款協議載有按要求償還條文，向銀行提供隨時催繳貸款的無條件權利，因此，就上述償還期限分組而言，總額已分類為「按要求」。

雖有上述條文，惟董事認為該等貸款不會於報告期末後12個月內被全數催繳，且認為該等貸款將按照貸款協議所載償還日期償還。有關評估已考慮：本集團於本財務報表的批准日期的財務狀況、不存在違約事件及本集團過去準時支付所有到期還款。



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財務報表附註

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47. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)

Note: (continued)

In accordance with the terms of the loans which contained a repayment on demand clause, the maturity profile of those loans as at the end of the reporting period, based on the contractual undiscounted payments and ignoring the effect of any repayment on demand clause, was as follows:

		Within 1 year or on demand 一年內或按要求	1 to 5 years 一至五年	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
As at 31 March 2018	於2018年3月31日	16,737	—	16,737
As at 31 March 2017	於2017年3月31日	133	6,582	6,715

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to continue to provide returns for shareholders and benefits for other stakeholders.

The Group actively and regularly reviews and manages its capital structure and strives to maintain a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2018 and 31 March 2017.

Capital of the Group comprises all components of shareholders' equity.

47. 財務風險管理目標及政策 (續)

流動資金風險 (續)

附註：(續)

於報告期末，按照載有按要求償還條文的貸款條款，該等貸款基於合約未貼現款項的償還期限分組（不考慮按要求償還條文的影響）如下：

資本管理

本集團資本管理的主要目標是保障本集團持續經營的能力，並維持穩健的資本比率，以繼續為股東提供回報及為其他權益人帶來利益。

本集團積極定期檢討及管理其資本結構，致力維持穩健的資本狀況，並根據經濟狀況的轉變及相關資產的風險特徵調整資本結構。本集團或會藉着向股東發還資本或發行新股以保持或調整資本結構。於截至2018年3月31日及2017年3月31日止年度，本集團管理資本的目標、政策或程序概無轉變。

本集團的資本包括股東權益的所有部分。



48. EVENTS AFTER THE REPORTING PERIOD

- (a) On 3 May 2018, the Group entered into a sale and purchase agreement with independent third parties to acquire a 100% equity interest in Vimab Holding AB. Vimab Holding AB and its subsidiaries (the "Vimab Group") are principally engaged in the business of valve services and maintenance in Sweden. The acquisition was made as part of the Group's strategy to expand its industrial waste water treatment business. The purchase consideration for the acquisition was in the form of (i) cash of approximately HK\$23,044,000; and (ii) allotment and issue of 42,137,142 ordinary shares of the Company. The acquisition was completed on 31 May 2018.

Because the purchase price allocation for the acquisition of the Vimab Group had not been finalised before the date of approval of these financial statements, it is not practicable to disclose further details about the acquisition.

- (b) On 29 June 2018, the Group (as vendor) entered into the Stand Ascent Disposal Agreement with Fujian Jiahe (as buyer), Mr. Xu (as warrantor), Mr. Muhammad (as warrantor), Mr. Kok Tijik (as warrantor), Mr. Joifadi (as warrantor) and Mr. Septian (as warrantor) to dispose of 100% equity interest in Stand Ascent (which held 49% equity interest in DSE and 85% equity interest in SPM) at an aggregate consideration of (i) US\$2,205,000 (based on the value of the 49% equity interest in DSE); and (ii) the lower of (a) the range from US\$3,119,500 to US\$5,525,000 (based on the value of the 85% equity interest in SPM), depending on the tariff in the final power purchase agreement entered into between SPM and PLN and (b) the valuation of the 85% equity interest in SPM assessed by a valuer jointly appointed by the Group and Fujian Jiahe.

48. 報告期間後事項

- (a) 於2018年5月3日，本集團與獨立第三方訂立買賣協議，以收購Vimab Holding AB 100%股權。Vimab Holding AB及其附屬公司（「Vimab集團」）主要於瑞典從事閥門維修及保養業務。收購事項乃按本集團擴張工業廢水處理業務的策略進行。收購事項的購買代價以(i)現金約23,044,000港元；及(ii)配發及發行42,137,142股本公司普通股方式支付。收購事項已於2018年5月31日完成。

由於收購Vimab集團的購買價分配於本財務報表的批准日期前尚未落實，故披露有關收購事項的進一步詳情並不切實可行。

- (b) 於2018年6月29日，本集團（作為賣方）與福建佳和（作為買方）、徐先生（作為保證人）、Muhammad先生（作為保證人）、Kok Tijik先生（作為保證人）、Joifadi先生（作為保證人）及Septian先生（作為保證人）訂立晉立出售協議，以出售晉立（持有DSE 49%股權及SPM 85%股權）100%股權，總代價包括(i)2,205,000美元（根據DSE 49%股權的價值計算）；及(ii)(a)介乎3,119,500美元至5,525,000美元（基於SPM 85%股權的價值計算，視乎SPM與PLN訂立的最終購電協議內的電價而定）；及(b)由本集團與福建佳和共同委任的估值師評估的SPM 85%股權估值（以較低者為準）。



NOTES TO FINANCIAL STATEMENTS

財務報表附註

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48. EVENTS AFTER THE REPORTING PERIOD (continued)

(b) (continued)

At the date of approval of these financial statements, the conditions precedent for the Stand Ascent Disposal Agreement had not been fulfilled (or waived by Fujian Jiahe) in full and Fujian Jiahe had not requested the Group to (i) return the acquisition deposits paid in relation to the equity interest in SPM nor (ii) transfer the 85% equity interest in SPM from Stand Ascent to the Group.

- (c) On 3 July 2018, the shares of the Company were suspended from trading on the Main Board of The Stock Exchange of Hong Kong Limited as the Company did not publish the preliminary results announcement for the year ended 31 March 2018 within 3 months after the end of the reporting period.
- (d) On 4 July 2018, the Group, Fujian Jiahe and Mr. Zi entered into a cooperation agreement, pursuant to which the Group and Fujian Jiahe agreed to establish a joint venture for the purpose of developing certain hydropower projects in Indonesia. The registered capital of the joint venture shall not exceed RMB50 million, among which the Group and Fujian Jiahe shall contribute 10% and 90%, respectively. At the date of approval of these financial statements, the joint venture had not been established.
- (e) On 30 May 2018, the Group entered into a purchase and settlement agreement to (i) dispose of its 100% equity interest in Major Bravo to an independent third party; and (ii) settle the pending court proceedings on the transfer of certain intellectual property rights (the "IP Rights"), which were acquired by Major Bravo during the year ended 31 March 2017, for a cash consideration of Euro 3,500,000 (equivalent to approximately HK\$33,836,000). Major Bravo and its subsidiary, Memsys Water Technologies GmbH, are principally engaged in the sales of membrane distillation modules. The disposal and settlement were completed on 23 July 2018.

48. 報告期間後事項 (續)

(b) (續)

於本財務報表的批准日期，晉立出售協議的先決條件尚未全面達成(或獲福建佳和豁免)，而福建佳和未有要求本集團(i)退還已就SPM股權支付的收購按金或(ii)由晉立向本集團轉讓SPM 85%股權。

- (c) 由於本公司並無於報告期末後3個月內發表截至2018年3月31日止年度的初步業績公佈，故本公司股份於2018年7月3日暫停於香港聯合交易所有限公司主板買賣。
- (d) 於2018年7月4日，本公司、福建佳和及訾先生訂立合作協議，據此，本集團與福建佳和同意成立合營公司，以於印尼開發若干水力發電項目。合營公司的註冊資本不超過人民幣50,000,000元，將由本集團及福建佳和分別出資10%及90%。於本財務報表的批准日期，合營公司尚未成立。
- (e) 於2018年5月30日，本集團訂立一份購買及和解協議，以(i)向一名獨立第三方出售Major Bravo的100%股權；及(ii)就有關轉讓Major Bravo於截至2017年3月31日止年度收購的若干知識產權的尚未了結法院法律程序達成和解，現金代價為3,500,000歐元(相等於約33,836,000港元)。Major Bravo及其附屬公司Memsys Water Technologies GmbH主要從事膜蒸餾模組銷售。出售及和解事宜於2018年7月23日完成。



48. EVENTS AFTER THE REPORTING PERIOD (continued)

- (f) On 3 January 2019, the Group entered into a supplemental sale and purchase agreement with an independent third party to acquire the remaining 15% equity interest in Shenzhen Xinbao for a cash consideration of RMB800,000 (equivalent to approximately HK\$998,000). On 7 January 2019, the Group entered into a sale and purchase agreement to dispose of its 100% equity interest in Shenzhen Xinbao to an independent third party for a cash consideration of RMB9,500,000 (equivalent to approximately HK\$11,856,000).
- (g) On 24 January 2019, the Group entered into a withdrawal deed to withdraw from the China Environment Fund. Since the China Environment Fund has not been launched, the Group is not obliged to make any capital contribution to the China Environment Fund nor pay any management fee to the management company.

49. COMPARATIVE AMOUNTS

As further explained in note 2.5 to the financial statements, due to the correction of errors in the prior year, certain prior year adjustments have been made, and certain comparative amounts have been reclassified and restated and the presentation of certain items and balances in the financial statements have been revised to conform with the current year's presentation.

48. 報告期間後事項(續)

- (f) 於2019年1月3日，本集團與一名獨立第三方訂立補充買賣協議，以按現金代價人民幣800,000元(相等於約998,000港元)收購深圳新寶餘下15%股權。於2019年1月7日，本集團與一名獨立第三方訂立買賣協議，以按現金代價人民幣9,500,000元(相等於約11,856,000港元)出售深圳新寶100%股權。
- (g) 於2019年1月24日，本集團訂立一份退出契據，以退出China Environment Fund。由於China Environment Fund尚未成立，故本集團無義務向China Environment Fund作出任何出資，亦無義務向管理公司支付任何管理費。

49. 比較金額

誠如財務報表附註2.5進一步闡述，為糾正往年錯誤，已作出若干往年調整，並重新分類及重列若干比較金額，同時修訂財務報表中若干項目及結餘的呈報方式，以符合本年度的呈報方式。



NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2018 2018年3月31日

50. STATEMENT OF FINANCIAL POSITION OF THE COMPANY **50. 本公司的財務狀況表**

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

本公司於報告期末的財務狀況表資料如下：

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元 (Restated) (經重列)
NON-CURRENT ASSETS	非流動資產		
Investments in subsidiaries	於附屬公司的投資	390	390
Rental deposits	租金按金	—	826
Total non-current assets	非流動資產總值	390	1,216
CURRENT ASSETS	流動資產		
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	1,722	469
Due from subsidiaries	應收附屬公司款項	581,358	462,415
Due from directors	應收董事款項	3,133	—
Cash and cash equivalents	現金及現金等價物	384	123
Total current assets	流動資產總值	586,597	463,007
CURRENT LIABILITIES	流動負債		
Other payables and accruals	其他應付款項及應計費用	4,521	2,526
Due to subsidiaries	應付附屬公司款項	170,744	170,744
Total current liabilities	流動負債總額	175,265	173,270
NET CURRENT ASSETS	流動資產淨值	411,332	289,737
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債	411,722	290,953
NON-CURRENT LIABILITIES	非流動負債		
Convertible bond	可換股債券	23,329	—
Derivative financial instrument	衍生金融工具	14,983	—
Total non-current liabilities	非流動負債總額	38,312	—
Net assets	資產淨值	373,410	290,953
EQUITY	權益		
Share capital	股本	53,026	49,898
Reserves (note)	儲備(附註)	320,384	241,055
Total equity	權益總額	373,410	290,953



NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2018 2018年3月31日

50. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued) **50. 本公司的財務狀況表 (續)**

Note: (continued)

附註：(續)

A summary of the Company's reserves is as follows:

本公司儲備概要如下：

		Share premium account 股份溢價賬 HK\$'000 千港元	Share option reserve 購股權儲備 HK\$'000 千港元 (note 35(b)) (附註35(b))	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2016	於2016年4月1日	52,118	—	(14,730)	37,388
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	—	—	(28,891)	(28,891)
Issue of shares	發行股份	159,137	—	—	159,137
Issue of shares as part of the consideration for a business combination (as restated)	發行股份作為業務合併的部分代價(經重列)	54,481	—	—	54,481
Equity-settled share option arrangement	以股權結算的購股權安排	—	18,940	—	18,940
At 31 March 2017 (as restated)	於2017年3月31日 (經重列)	265,736	18,940	(43,621)	241,055
At 1 April 2017:	於2017年4月1日：				
As previously reported	如前呈報	259,852	18,940	(43,621)	235,171
Prior year adjustment	往年調整	5,884	—	—	5,884
As restated	經重列	265,736	18,940	(43,621)	241,055
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	—	—	(9,730)	(9,730)
Issue of shares	發行股份	36,692	—	—	36,692
Issue of shares upon exercise of share options	於購股權獲行使時發行股份	62,365	(9,998)	—	52,367
At 31 March 2018	於2018年3月31日	364,793	8,942	(53,351)	320,384

51. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 14 February 2019.

51. 批准財務報表

財務報表於2019年2月14日獲董事會批准及授權刊發。



FIVE YEARS FINANCIAL SUMMARY

五年財務概要

		Year ended 31 March 2018 截至2018年 3月31日 止年度 HK\$'000 千港元	Year ended 31 March 2017 截至2017年 3月31日 止年度 HK\$'000 千港元 (Restated) (經重列)	Year ended 31 March 2016 截至2016年 3月31日 止年度 HK\$'000 千港元	Year ended 31 March 2015 截至2015年 3月31日 止年度 HK\$'000 千港元	Year ended 31 March 2014 截至2014年 3月31日 止年度 HK\$'000 千港元
RESULTS	業績					
Revenue	收入	928,457	1,239,809	1,411,799	780,854	463,021
Profit/(loss) before income tax	除所得稅前溢利/ (虧損)	(268,336)	93,178	61,878	68,654	60,929
Income tax expenses	所得稅開支	22,959	(36,252)	(12,163)	(15,302)	(10,326)
Profit/(loss) for the year	年內溢利/(虧損)	(245,377)	56,926	49,715	53,352	50,603
Profit for the year attributable to:	年內溢利歸屬於:					
— Owners of the Company	— 本公司擁有人	(224,790)	47,610	49,715	53,352	50,603
— Non-controlling interests	— 非控股權益	(20,587)	9,316	—	—	—
		(245,377)	56,926	49,715	53,352	50,603
ASSETS AND LIABILITIES	資產及負債					
Total assets	資產總值	1,638,876	1,438,281	863,597	419,878	162,520
Total liabilities	負債總額	(1,156,805)	(936,768)	(652,305)	(264,053)	(113,150)
Net assets	資產淨值	482,071	501,513	211,292	155,825	49,370
Equity attributable to:	權益歸屬於:					
— Owners of the Company	— 本公司擁有人	405,837	483,796	211,292	155,825	49,370
— Non-controlling interests	— 非控股權益	76,234	17,717	—	—	—
		482,071	501,513	211,292	155,825	49,370



創業集團(控股)有限公司

NEW CONCEPTS HOLDINGS LIMITED

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