

IBS International Business Settlement

International Business Settlement Holdings Limited
國際商業結算控股有限公司

(Incorporated in Bermuda with limited liability 於百慕達註冊成立之有限公司)

(Stock Code: 00147 股份代號 : 00147)



Interim Report **2019** 中期報告

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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Yuen Leong

Luan Li

Hu Jianjun

Independent Non-executive Directors

Yap Yung

Chan Siu Tat

Chen Lanran

COMPANY SECRETARY

Chung Yau Tong

AUDITOR

BDO Limited

AUDIT COMMITTEE

Yap Yung (*chairman*)

Chan Siu Tat

Chen Lanran

REMUNERATION COMMITTEE

Chan Siu Tat (*chairman*)

Yap Yung

Chen Lanran

NOMINATION COMMITTEE

Chan Siu Tat (*chairman*)

Yap Yung

Chen Lanran

董事會

執行董事

袁亮

樂利

胡建軍

獨立非執行董事

葉勇

陳少達

陳嵐冉

公司秘書

鍾有棠

核數師

香港立信德豪會計師事務所有限公司

審核委員會

葉勇 (主席)

陳少達

陳嵐冉

薪酬委員會

陳少達 (主席)

葉勇

陳嵐冉

提名委員會

陳少達 (主席)

葉勇

陳嵐冉

Corporate Information

公司資料

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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China Resources Building
26 Harbour Road
Wanchai
Hong Kong

PRINCIPAL SHARE REGISTRAR

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

HONG KONG BRANCH SHARE REGISTRAR

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

STOCK CODE

00147

COMPANY WEBSITE

www.ibsettlement.com

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

總辦事處及香港主要營業地點

香港
灣仔
港灣道26號
華潤大廈
23樓2310室

主要股份過戶登記處

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

香港股份過戶登記分處

卓佳秘書商務有限公司
香港
皇后大道東183號
合和中心54樓

股份代號

00147

公司網址

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Report on Review of Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表審閱報告



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To the Board of Directors of International Business Settlement Holdings Limited

(incorporated in Bermuda with limited liability)

致國際商業結算控股有限公司董事會

(於百慕達註冊成立之有限公司)

INTRODUCTION

We have reviewed the condensed consolidated interim financial statements set out on pages 6 to 65, which comprise the condensed consolidated statement of financial position of International Business Settlement Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) as of 30 September 2019 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes (the “condensed consolidated interim financial statements”). The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of the condensed consolidated interim financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on the condensed consolidated interim financial statements based on our review. This report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

引言

本核數師已審閱載於第6至65頁之簡明綜合中期財務報表，其中包括國際商業結算控股有限公司（「貴公司」）及其附屬公司（統稱為「貴集團」）截至二零一九年九月三十日之簡明綜合財務狀況表與截至該日止六個月期間之相關簡明綜合損益及其他全面收益表、簡明綜合權益變動表及簡明綜合現金流量表，以及重大會計政策之概述與其他說明附註（「簡明綜合中期財務報表」）。香港聯合交易所有限公司證券上市規則規定，就中期財務資料編製之報告須符合當中有關條文及香港會計師公會頒佈之香港會計準則第34號「中期財務報告」（「香港會計準則第34號」）。董事須對根據香港會計準則第34號編製及呈列的簡明綜合中期財務報表負責。本核數師之責任是根據本核數師之審閱結果對簡明綜合中期財務報表作出結論。按照委聘之協定條款僅向作為實體之閣下作出報告，且並無其他目的。本核數師不會就本報告之內容向任何其他人士負上或承擔任何責任。

Report on Review of Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表審閱報告

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with HKAS 34.

BDO Limited

Certified Public Accountants

Chan Wing Fai

Practising Certificate Number P05443

Hong Kong, 25 November 2019

審閱範圍

本核數師已根據香港會計師公會頒佈之《香港審閱工作準則》第2410號「實體之獨立核數師對中期財務資料之審閱」進行審閱。審閱中期財務資料包括主要向負責財務及會計事務之人士作出查詢，並應用分析性及其他審閱程序。審閱範圍遠小於根據《香港審計準則》進行審計之範圍，故不能令本核數師保證本核數師將知悉在審計中可能發現之所有重大事項。因此，本核數師不會發表審計意見。

結論

根據吾等之審閱，吾等並無發現任何事項，令吾等相信簡明綜合中期財務報表在各大重要方面並未根據香港會計準則第34號編製。

香港立信德豪會計師事務所有限公司

執業會計師

陳永輝

執業證書編號：P05443

香港，二零一九年十一月二十五日

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

簡明綜合損益及其他全面收益表

For the six months ended 30 September 2019 截至二零一九年九月三十日止六個月

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
	Notes 附註		
Revenue	收入	280,550	798,205
Cost of sales and services	銷售及服務成本	(226,336)	(691,195)
Gross profit	毛利	54,214	107,010
Other income, gains and losses	其他收入、收益及虧損	4,758	714
Selling expenses	銷售費用	(3,589)	(1,087)
Administrative and other expenses	行政及其他費用	(39,323)	(39,542)
(Impairment)/reversal of impairment loss on factoring receivables	應收保理款項(減值)/減值虧損撥回	(23,634)	22
Finance costs	融資成本	(6,159)	(11,712)
(Loss)/profit before taxation	除稅前(虧損)/溢利	(13,733)	55,405
Income tax expenses	所得稅開支	(26,014)	(39,598)
(Loss)/profit for the period	期內(虧損)/溢利	(39,747)	15,807
Other comprehensive income for the period	期內其他全面收入		
<i>Item that may be reclassified subsequently to profit or loss:</i>	<i>可能於其後重新分類至損益之項目:</i>		
Exchange differences arising on translation of financial statements of foreign operations	換算海外業務財務報表產生之匯兌差額	(7,637)	(23,450)
Total comprehensive income for the period	期內全面收入總額	(47,384)	(7,643)
(Loss)/profit for the period attributable to:	應佔期內(虧損)/溢利:		
– Owners of the Company	– 本公司擁有人	(41,459)	2,670
– Non-controlling interests	– 非控制權益	1,712	13,137
		(39,747)	15,807
Total comprehensive income attributable to:	應佔全面收入總額:		
– Owners of the Company	– 本公司擁有人	(47,538)	(19,026)
– Non-controlling interests	– 非控制權益	154	11,383
		(47,384)	(7,643)
(Loss)/earnings per share Basic and diluted (HK cents)	每股(虧損)/盈利基本及攤薄(港仙)	(0.20)	0.01

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

As at 30 September 2019 於二零一九年九月三十日

			30 September 2019 二零一九年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
		Notes 附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	13	189,905	199,872
Intangible assets	無形資產	14	–	–
Interests in associates	於聯營公司之權益		–	–
Loan receivables	應收貸款	15	89,021	103,629
Deferred tax assets	遞延稅項資產	16	32,069	40,884
Deposit	按金	17	392,805	–
			703,800	344,385
Current assets	流動資產			
Properties held for sale	待售物業	18	1,620,838	1,862,565
Trade and other receivables	應收貿易賬項及其他應收賬項	19	148,914	115,529
Factoring receivables	應收保理款項	20	12,657	40,174
Loan receivables	應收貸款	15	42,057	36,384
Restricted bank deposits	受限制銀行存款	21	3,964	6,479
Bank balances and cash	銀行結存及現金	21	419,476	911,602
			2,247,906	2,972,733

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

As at 30 September 2019 於二零一九年九月三十日

			30 September 2019	31 March 2019
			二零一九年 九月三十日	二零一九年 三月三十一日
		Notes 附註	HK\$'000 千港元 (unaudited) (未經審核)	HK\$'000 千港元 (audited) (經審核)
Current liabilities	流動負債			
Trade and other payables	應付貿易賬項及其他應付賬項	22	352,742	870,257
Borrowings	借款	23	531,837	569,943
Amount due to non-controlling interests	應付非控制權益款項		55,846	59,511
Amount due to ultimate holding company	應付最終控股公司款項		1,769	1,775
Tax liabilities	稅項負債		41,092	31,154
Contract liabilities	合約負債	24	876,014	646,202
Lease liabilities	租賃負債		4,296	–
			1,863,596	2,178,842
Net current assets	流動資產淨值		384,310	793,891
Total assets less current liabilities	總資產減流動負債		1,088,110	1,138,276
Non-current liabilities	非流動負債			
Borrowings	借款	23	33,567	35,974
Lease liabilities	租賃負債		19	–
			33,586	35,974
Net assets	資產淨值		1,054,524	1,102,302
Capital and reserves	股本及儲備			
Share capital	股本	25	20,319	20,319
Reserves	儲備		1,011,539	1,059,471
Equity attributable to owners of the Company	本公司擁有人應佔權益		1,031,858	1,079,790
Non-controlling interests	非控制權益		22,666	22,512
Total equity	權益總額		1,054,524	1,102,302

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

For the six months ended 30 September 2019 截至二零一九年九月三十日止六個月

		Attributable to owners of the Company 本公司擁有人應佔									
		Share capital	Statutory reserve	Share premium	Contributed surplus	Capital redemption reserve	Translation reserve	Accumulated losses	Total	Non-controlling interests	Total
		股本	法定儲備	股份溢價	實繳盈餘	贖回儲備	換算儲備	累計虧損	總額	非控制權益	總額
		HK\$'000 千港元 (Note 25) (附註25)	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元 (Note 26) (附註26)	HK\$'000 千港元 (附註a)	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 2018 as originally presented	於二零一八年四月一日 (原列)	20,319	1,245	9,009,799	51,655	3,781	31,587	(7,804,347)	1,314,039	16,637	1,330,676
Initial application of HKFRS 9	首次應用香港財務報告準則第9號	-	-	-	-	-	-	(6,060)	(6,060)	-	(6,060)
Restated balance at 1 April 2018	於二零一八年四月一日之經重列結餘	20,319	1,245	9,009,799	51,655	3,781	31,587	(7,810,407)	1,307,979	16,637	1,324,616
Exchange difference arising on translation	換算時產生之匯兌差額	-	-	-	-	-	(21,696)	-	(21,696)	(1,754)	(23,450)
Profit for the period	期內溢利	-	-	-	-	-	-	2,670	2,670	13,137	15,807
Total comprehensive income for the period	期內全面收入總額	-	-	-	-	-	(21,696)	2,670	(19,026)	11,383	(7,643)
Transfer surplus to statutory reserve (note b)	轉撥盈餘至法定儲備 (附註b)	-	126	-	-	-	-	(126)	-	-	-
At 30 September 2018 (unaudited)	於二零一八年九月三十日 (未經審核)	20,319	1,371	9,009,799	51,655	3,781	9,891	(7,807,863)	1,288,953	28,020	1,316,973
At 1 April 2019 as originally presented	於二零一九年四月一日 (原列)	20,319	1,245	9,009,799	51,655	3,781	21,378	(8,028,387)	1,079,790	22,512	1,102,302
Initial application of HKFRS 16 (note 3)	首次應用香港財務報告準則第16號 (附註3)	-	-	-	-	-	-	(394)	(394)	-	(394)
Restated balance at 1 April 2019	於二零一九年四月一日之經重列結餘	20,319	1,245	9,009,799	51,655	3,781	21,378	(8,028,781)	1,079,396	22,512	1,101,908
Exchange difference arising on translation	換算時產生之匯兌差額	-	-	-	-	-	(6,079)	-	(6,079)	(1,558)	(7,637)
Loss for the period	期內虧損	-	-	-	-	-	-	(41,459)	(41,459)	1,712	(39,747)
Total comprehensive income for the period	期內全面收入總額	-	-	-	-	-	(6,079)	(41,459)	(47,538)	154	(47,384)
At 30 September 2019 (unaudited)	於二零一九年九月三十日 (未經審核)	20,319	1,245	9,009,799	51,655	3,781	15,299	(8,070,240)	1,031,858	22,666	1,054,524

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

For the six months ended 30 September 2019 截至二零一九年九月三十日止六個月

Note a: The capital redemption reserve represents amounts transferred from contributed surplus upon the repurchase of the Company's shares.

附註a：資本贖回儲備指於購回本公司股份時自實繳盈餘轉撥之款項。

Note b: According to relevant laws and regulation of the PRC, an entity established under the PRC Company Law is required to make an appropriation at 10 percent of the profit for the year as shown in the PRC statutory financial statements, prepared in accordance with the Generally Accepted Accounting Principles in the PRC, to the statutory reserve until the balance reached 50 percent of the registered capital of the entity. The reserve appropriated can only be used to make up losses or to increase the registered capital of the entity and is not distributable.

附註b：根據中國相關法律及法規，根據中國公司法成立的實體須按照中國公認會計原則編製之中國法定財務報表所示年度溢利的10%轉撥至法定儲備，直至其結存達到該實體註冊資本的50%為止。公積金撥款僅可用於彌補虧損或用作增加該實體註冊資本，而不可用於分派。

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

For the six months ended 30 September 2019 截至二零一九年九月三十日止六個月

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
Operating activities	經營活動		
Operating cash flows before movements in working capital	營運資金變動前之營運現金流量	38,237	64,082
Decrease/(increase) in factoring receivables	應收保理款項減少／(增加)	1,406	(6,115)
Decrease in loan receivables	應收貸款減少	2,930	1,767
Decrease in properties held for sale (Increase)/decrease in trade and other receivables	待售物業減少 應收貿易賬項及其他應收賬項 (增加)／減少	112,830 (42,467)	644,499 3,616
Increase in deposit	按金增加	(392,805)	–
Decrease in deposits received for sale of properties	銷售物業的已收按金減少	–	(1,269,077)
(Decrease)/increase in trade and other payables	應付貿易賬項及其他應付賬項 (減少)／增加	(482,144)	12,377
Increase in contract liabilities	合約負債增加	284,287	635,332
Cash generated from operations	經營所得現金	(477,726)	86,481
Income taxes and land appreciation taxes paid, net	已付所得稅及土地增值稅淨額	(2,465)	(21,069)
Government grant received	已收政府資助	132	–
Net cash from operating activities	經營活動所得之現金淨額	(480,059)	65,412
Cash flows from investing activities	投資活動所得現金流量		
Bank interest received	已收銀行利息	4,052	5,691
Purchases of property, plant and equipment	購買物業、廠房及設備	(7)	(637)
Placement of restricted bank deposits	存入受限制銀行存款	–	(23,369)
Release of restricted bank deposits	解除受限制銀行存款	2,176	30,382
Proceeds from repayment of advances to third parties	第三方償還墊款之所得款項	–	4,766
Net cash from investing activities	投資活動所得之現金淨額	6,221	16,833

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

For the six months ended 30 September 2019 截至二零一九年九月三十日止六個月

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
Financing activities	融資活動		
Interest paid	已付利息	(6,937)	(51,210)
New borrowings raised	新籌集借款	2,532	1,430
Repayment of borrowings	償還借款	(2,505)	(218,312)
Repayment of amount due to ultimate holding company	償還應付最終控股公司款項	(6)	(529)
Repayment of amounts due to third parties	償還應付第三方之款項	–	(1,191)
Repayment of lease liabilities	償還租賃負債	(2,420)	–
Advances from amount due to non-controlling interests	來自應付非控股權益墊款	228	875
Net cash used in financing activities	融資活動所用現金淨額	(9,108)	(268,937)
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(482,946)	(186,692)
Cash and cash equivalents at beginning of the period	期初之現金及現金等價物	911,602	1,167,633
Effect of exchange rate changes on cash and cash equivalents	現金及現金等價物匯率變動之影響	(9,180)	(9,590)
Cash and cash equivalents at end of the period, represented by bank balances and cash	期末之現金及現金等價物，以銀行結存及現金代表	419,476	971,351

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簡明綜合中期財務報表附註

For the six months ended 30 September 2019 截至二零一九年九月三十日止六個月

1. GENERAL

International Business Settlement Holdings Limited (the "Company") is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The immediate and ultimate holding company is Long Grand Limited, a company incorporated in British Virgin Islands (the "BVI"), which is owned by Mr. Yam Yu and Mr. Yuen Leong (a director of the Company) of 70% and 30%, respectively. Its registered office is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and its principal place of business is at Room 2310, 23rd Floor, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong.

2. BASIS OF PREPARATION

These condensed consolidated interim financial statements have been prepared in accordance with HKAS 34, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the applicable disclosure provisions of Main Board Listing Rules Governing the Listing of Securities on the Stock Exchange. These condensed consolidated interim financial statements were authorised for issue on 25 November 2019.

These condensed consolidated interim financial statements have been prepared with the same accounting policies adopted in the 2018/2019 consolidated annual financial statements, except for those that relate to new standards or interpretations effective for the first time for periods beginning on or after 1 April 2019. This is the first set of Group's financial statements in which Hong Kong Financial Reporting Standard 16 Leases ("HKFRS 16") has been adopted. Details of any changes in accounting policies are set out in note 3. Except for the adoption of HKFRS 16, the adoption of the new and revised HKFRSs have no material effect on these condensed consolidated interim financial statements. The Group has not early adopted any new and revised HKFRSs that has been issued but not yet effective in the current accounting period.

1. 一般資料

國際商業結算控股有限公司（「本公司」）乃於百慕達註冊成立之受豁免有限公司，其股份在香港聯合交易所有限公司（「聯交所」）上市。直接及最終控股公司為長鴻有限公司，其為於英屬處女群島（「英屬處女群島」）註冊成立之公司，分別由任宇先生及袁亮先生（本公司一名董事）擁有70%及30%的權益。其註冊辦事處地址為Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda及其主要營業地址為香港灣仔港灣道26號華潤大廈23樓2310室。

2. 編製基準

本簡明綜合中期財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈之香港會計準則第34號及聯交所主板證券上市規則之適用披露條文而編製。本簡明綜合中期財務報表獲授權於二零一九年十一月二十五日刊發。

本簡明綜合中期財務報表乃根據二零一八／二零一九年綜合年度財務報表採納之相同會計政策編製，惟開始於二零一九年四月一日或之後期間首次生效的有關新準則或詮釋除外。此乃首份採用香港財務報告準則第16號租賃（「香港財務報告準則第16號」）之本集團財務報表。有關會計政策任何變動之詳情載於附註3。除採納香港財務報告準則第16號外，採納新訂及經修訂香港財務報告準則對本簡明綜合中期財務報表並無任何重大影響。本集團並無提早採納任何已頒佈但於當前會計期間尚未生效的新訂及經修訂香港財務報告準則。

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簡明綜合中期財務報表附註

For the six months ended 30 September 2019 截至二零一九年九月三十日止六個月

2. BASIS OF PREPARATION (Continued)

The preparation of these condensed consolidated interim financial statements in compliance with HKAS 34 requires the use of certain judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in note 4.

These condensed consolidated interim financial statements are presented in Hong Kong Dollars (“HK\$”), unless otherwise stated. These condensed consolidated interim financial statements contain condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2018/2019 consolidated annual financial statements. These condensed consolidated interim financial statements and notes do not include all of the information required for a complete set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards (the “HKFRSs”) and should be read in conjunction with the 2018/2019 consolidated annual financial statements.

These condensed consolidated interim financial statements are unaudited, but has been reviewed by BDO Limited in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”, issued by the HKICPA. BDO Limited’s independent review report to the Board of Directors is included on page 4 to 5.

2. 編製基準 (續)

編製符合香港會計準則第34號的本簡明綜合中期財務報表需運用會影響政策應用及年內迄今之資產及負債、收入及開支呈報金額的若干判斷、估計及假設。實際結果可能與該等估計有所差異。編製財務報表時已作出重大判斷及估計的範疇以及其影響披露於附註4。

除另有指明外，本簡明綜合中期財務報表乃以港元（「港元」）呈列。本簡明綜合中期財務報表載有簡明綜合財務報表及選定說明附註。該等附註包括對理解本集團自二零一八／二零一九年綜合年度財務報表刊發以來財務狀況及績效變動而言屬重大的事件及交易的說明。本簡明綜合中期財務報表及附註並不包括根據香港財務報告準則（「香港財務報告準則」）編製的整套財務報表所需的所有資料，並應與二零一八／二零一九年綜合年度財務報表一併閱讀。

本簡明綜合中期財務報表為未經審核，惟已由香港立信德豪會計師事務所有限公司按照香港會計師公會頒佈的香港審閱工作準則第2410號「實體之獨立核數師對中期財務資料之審閱」進行審閱。香港立信德豪會計師事務所有限公司致董事會的獨立審閱報告載於第4至5頁。

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簡明綜合中期財務報表附註

For the six months ended 30 September 2019 截至二零一九年九月三十日止六個月

3. CHANGES IN HKFRSs

Adoption of new or amended HKFRSs — effective from 1 April 2019

The HKICPA has issued a number of new or amended HKFRSs that are first effective for the current accounting period of the Group:

HKFRS 16	Leases
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments
Amendments to HKFRS 9	Prepayment Features with Negative Compensation
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts
Amendments to HKAS 19	Plan amendment, curtailment or settlement
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures
Annual Improvements to HKFRSs 2015-2017 Cycle	Amendments to HKFRS 3, Business Combination
Annual Improvements to HKFRSs 2015-2017 Cycle	Amendments to HKFRS 11, Joint Arrangements
Annual Improvements to HKFRSs 2015-2017 Cycle	Amendments to HKAS 12, Income Taxes
Annual Improvements to HKFRSs 2015-2017 Cycle	Amendments to HKFRS 23, Borrowing Costs

The impact of the adoption of HKFRS 16 Leases has been summarised below. The other new or amended HKFRSs that are effective from 1 April 2019 did not have any material impact in the Group's accounting policies.

3. 香港財務報告準則之變動

採納新訂或經修訂香港財務報告準則—自二零一九年四月一日起生效

香港會計師公會已頒佈多項於本集團當前會計期間首次生效之新訂或經修訂香港財務報告準則：

香港財務報告準則第16號	租賃
香港（國際財務報告詮釋委員會）—詮釋第23號	所得稅處理之不確定性
香港財務報告準則第9號（修訂本）	提早還款特性及負補償
香港財務報告準則第4號（修訂本）	與香港財務報告準則第4號保險合約應用香港財務報告準則第9號金融工具
香港會計準則第19號（修訂本）	計劃修訂、削減或結算
香港會計準則第28號（修訂本）	聯營公司及合營企業之長期權益
香港財務報告準則二零一五年至二零一七年週期之年度改進	香港財務報告準則第3號（修訂本）業務合併
香港財務報告準則二零一五年至二零一七年週期之年度改進	香港財務報告準則第11號（修訂本）合營安排
香港財務報告準則二零一五年至二零一七年週期之年度改進	香港會計準則第12號（修訂本）所得稅
香港財務報告準則二零一五年至二零一七年週期之年度改進	香港財務報告準則第23號（修訂本）借款成本

採納香港財務報告準則第16號租賃之影響已於下文概述。其他自二零一九年四月一日起生效之新訂或經修訂香港財務報告準則對本集團之會計政策並無重大影響。

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簡明綜合中期財務報表附註

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3. CHANGES IN HKFRSs (Continued)

(i) Impact of the adoption of HKFRS 16

HKFRS 16 brings significant changes in accounting treatment for lease accounting, primarily for accounting for lessees. It replaces HKAS 17 Leases (“HKAS 17”), 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. From a lessee’s perspective, almost all leases are recognised in the condensed consolidated statement of financial position as a right-of-use assets and a lease liabilities, with the narrow exception to this principle for leases which the underlying assets are of low-value or are determined as short-term leases. From a lessor’s perspective, the accounting treatment is substantially unchanged from HKAS 17. For details of HKFRS 16 regarding its new definition of a lease, its impact on the Group’s accounting policies and the transition method adopted by the Group as allowed under HKFRS 16, please refer to section (ii) to (v) of this note.

The Group has applied HKFRS 16 using the cumulative effect approach and recognised all the cumulative effect of initially applying HKFRS 16 as an adjustment to the opening balance of accumulated losses at the date of initial application. The comparative information presented in 2018 has not been restated and continues to be reported under HKAS 17 and related interpretations as allowed by the transition provision in HKFRS 16.

3. 香港財務報告準則之變動 (續)

(i) 採納香港財務報告準則第16號之影響

香港財務報告準則第16號對租賃之會計處理作出重大變更，主要在於承租人會計處理方面。其取代香港會計準則第17號租賃（「香港會計準則第17號」）、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（準則詮釋委員會）—詮釋第15號經營租賃—優惠及香港（準則詮釋委員會）—詮釋第27號評估涉及租賃法律形式交易之實際內容。從承租人角度來看，絕大部分租賃於簡明綜合財務狀況表確認為使用權資產及租賃負債，惟相關資產價值較低或被釐定為短期租賃之租賃等少數該原則之例外情況除外。從出租人角度來看，會計處理大致與香港會計準則第17號一致。有關香港財務報告準則第16號對租賃之新定義、對本集團會計政策之影響以及根據香港財務報告準則第16號本集團獲准採納之過渡方法之詳情，請參閱本附註第(ii)至(v)條。

本集團已採用累計影響法應用香港財務報告準則第16號並將首次應用香港財務報告準則第16號之全部累計影響確認為對於首次應用日期之累計虧損期初結餘的調整。二零一八年呈列之比較資料概無予以重列，並繼續根據香港會計準則第17號及香港財務報告準則第16號過渡條文所准許之相關詮釋呈報。

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簡明綜合中期財務報表附註

For the six months ended 30 September 2019 截至二零一九年九月三十日止六個月

3. CHANGES IN HKFRSs (Continued)

(i) Impact of the adoption of HKFRS 16 (Continued)

The following tables summarised the impact of transition to HKFRS 16 on the condensed consolidated statement of financial position as of 31 March 2019 to that of 1 April 2019 as follows (increase/(decrease)):

		Right-of-use assets	Lease liabilities
		使用權資產	租賃負債
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Adjusted balance	於二零一九年四月一日之		
as at 1 April 2019	經調整結餘	6,030	6,424
Additions	添置	55	55
Depreciation	折舊	(2,118)	-
Interest expenses	利息開支	-	268
Payments	支付款項	-	(2,420)
Exchange adjustment	匯兌調整	(10)	(12)
As at 30 September 2019	於二零一九年九月三十日	3,957	4,315

3. 香港財務報告準則之變動 (續)

(i) 採納香港財務報告準則第16號之影響 (續)

下表概述過渡至香港財務報告準則第16號對截至二零一九年三月三十一日至截至二零一九年四月一日之簡明綜合財務狀況表的影響 (增加/(減少)):

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簡明綜合中期財務報表附註

For the six months ended 30 September 2019 截至二零一九年九月三十日止六個月

3. CHANGES IN HKFRSs (Continued)

(i) Impact of the adoption of HKFRS 16 (Continued)

The following reconciliation explains how the operating lease commitments disclosed applying HKAS 17 as at 31 March 2019 could be reconciled to the lease liabilities at the date of initial application recognised in the condensed consolidated statement of financial position as at 1 April 2019:

3. 香港財務報告準則之變動 (續)

(i) 採納香港財務報告準則第16號之影響 (續)

以下闡述於二零一九年三月三十一日應用香港會計準則第17號披露之經營租賃承擔與二零一九年四月一日於簡明綜合財務狀況表中確認首次應用日期之租賃負債之對賬情況：

		HK\$'000 千港元
Weighted average incremental borrowings rate as at 1 April 2019	於二零一九年四月一日之加權平均增量借款利率	10%
Operating lease commitments disclosed as at 31 March 2019	於二零一九年三月三十一日披露之經營租賃承擔	9,140
Less: recognition exemption – short term leases	減：確認豁免－短期租賃	(2,237)
Less: future interest expenses	減：未來利息開支	(479)
Lease liabilities recognised as at 1 April 2019	於二零一九年四月一日確認之租賃負債	6,424
Of which are:	其中包括：	
Current lease liabilities	流動租賃負債	4,363
Non-current lease liabilities	非流動租賃負債	2,061
		6,424

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簡明綜合中期財務報表附註

For the six months ended 30 September 2019 截至二零一九年九月三十日止六個月

3. CHANGES IN HKFRSs (Continued)

(ii) *The new definition of a lease*

Under HKFRS 16, a lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. A contract conveys the right to control the use of an identified asset for a period of time when the customer, throughout the period of use, has both: (a) the right to obtain substantially all of the economic benefits from use of the identified asset and (b) the right to direct the use of the identified asset.

For a contract that contains a lease component and one or more additional lease or non-lease components, a lessee shall allocate the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components, unless the lessee apply the practical expedient which allows the lessee to elect, by class of underlying asset, not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

The Group has elected not to separate non-lease components and account for all each lease component and any associated non-lease components as a single lease component for all leases.

3. 香港財務報告準則之變動 (續)

(ii) *租賃之新定義*

根據香港財務報告準則第16號，租賃被定義為以代價換取於一段時間內使用一項資產（相關資產）之權利之合約或合約之一部分。當客戶於整個使用已識別資產期間同時：(a) 有權藉使用該項已識別資產以獲取絕大部分經濟利益及(b)有權主導可識別資產的使用，則合約傳遞出於一段時間內對使用一項已識別資產之控制權。

就含有租賃組成部分以及一項或多項額外租賃或非租賃組成部分之合約而言，承租人須以租賃組成部分之相對單獨價格及非租賃組成部分之總單獨價格為基礎將合約內之代價分配至各租賃組成部分，除非承租人採用可行權宜方法使承租人可按相關資產類別選擇不從租賃組成部分中分拆非租賃組成部分，而是將各租賃組成部分及任何相關非租賃組成部分作為單一租賃組成部分入賬。

本集團已選擇不分拆非租賃組成部分，並就所有租賃將所有各租賃組成部分及任何相關非租賃組成部分入賬列作單一租賃組成部分。

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3. CHANGES IN HKFRSs (Continued)

(iii) Accounting as lessee

Under HKAS 17, a lessee has to classify a lease as an operating lease or a finance lease based on the extent to which risks and rewards incidental to ownership of a lease asset lie with the lessor or the lessee. If a lease is determined as an operating lease, the lessee would recognise the lease payments under the operating lease as an expense over the lease term. The asset under the lease would not be recognised in the condensed consolidated statement of financial position of the lessee.

Under HKFRS 16, all leases (irrespective of they are operating leases or finance leases) are required to be capitalised in the condensed consolidated statement of financial position as right-of-use assets and lease liabilities, but HKFRS 16 provides accounting policy choices for an entity to choose not to capitalise (i) leases which are short-term leases and/or (ii) leases for which the underlying asset is of low-value. The Group has elected not to recognise right-of-use assets and lease liabilities for low-value assets (the Group has leased photocopying machines) and leases for which at the commencement date have a lease term less than 12 months. The lease payments associated with those leases have been expensed on straight-line basis over the lease term.

The Group recognised a right-of-use asset and a lease liability at the commencement date of a lease.

3. 香港財務報告準則之變動 (續)

(iii) 作為承租人之會計處理

根據香港會計準則第17號，承租人須根據租賃資產擁有權附帶之風險及回報撥歸出租人或承租人程度將租賃分類為經營租賃或融資租賃。倘租賃被確定為經營租賃，則承租人於租賃期內將經營租賃項下之租賃款項確認為開支。租賃項下之資產不會於承租人之簡明綜合財務狀況表確認。

根據香港財務報告準則第16號，所有租賃（不論是經營租賃或融資租賃）均須於簡明綜合財務狀況表內資本化為使用權資產及租賃負債，惟香港財務報告準則第16號為實體提供會計政策選項，可選擇不將(i)屬短期租賃之租賃及／或(ii)相關資產屬低價值資產之租賃進行資本化。本集團選擇不就低價值資產（本集團已租賃複印機）以及於租賃開始當日租賃期少於12個月之租賃確認使用權資產及租賃負債。與該等租賃相關之租賃款項已於租賃期內以直線法支銷。

本集團於租賃開始之日確認使用權資產及租賃負債。

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For the six months ended 30 September 2019 截至二零一九年九月三十日止六個月

3. CHANGES IN HKFRSs (Continued)

(iii) Accounting as lessee (Continued)

Right-of-use asset

The right-of-use asset should be recognised at cost and would comprise: (i) the amount of the initial measurement of the lease liability (see below for the accounting policy to account for lease liability); (ii) any lease payments made at or before the commencement date, less any lease incentives received; (iii) any initial direct costs incurred by the lessee and (iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. Except for right-of-use asset that meets the definition of an investment property or a class of property, plant and equipment to which the Group applies the revaluation model, the Group measures the right-of-use assets applying a cost model. Under the cost model, the Group measures the right-to-use at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liability.

Other than the above right-of-use assets, the Group also has leased a number of properties under tenancy agreements which the Group exercises its judgement and determines that it is a separate class of asset apart from the buildings which is held for own use. As a result, the right-of-use asset arising from the properties under tenancy agreements are carried at depreciated cost.

3. 香港財務報告準則之變動 (續)

(iii) 作為承租人之會計處理 (續)

使用權資產

使用權資產應按成本確認，並將包括：(i)初步計量租賃負債之金額（見下文有關租賃負債入賬之會計政策）；(ii)於開始日期或之前支付之任何租賃款項減去任何已收租賃獎勵；(iii)承租人所產生之任何初始直接成本；及(iv)承租人拆分及移除相關資產以符合租賃條款及條件所規定情況時將產生之估計成本，除非該等成本為生產存貨而產生則另當別論。除符合投資物業之定義或本集團應用重估模式之物業、廠房及設備類別之使用權資產外，本集團採用成本模式計量使用權資產。根據成本模式，本集團按成本減任何累計折舊及任何減值虧損的方式計量使用權，並就租賃負債的任何重新計量作出調整。

除上述使用權資產外，本集團亦已根據租約租賃若干物業，本集團判斷並釐定其為持作自用之樓宇外的獨立資產類別。因此，租約項下物業產生的使用權資產按折舊成本列賬。

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For the six months ended 30 September 2019 截至二零一九年九月三十日止六個月

3. CHANGES IN HKFRSs (Continued)

(iii) Accounting as lessee (Continued)

Lease liability

The lease liability should be recognised at the present value of the lease payments that are not paid at the date of commencement of the lease. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group shall use the Group's incremental borrowing rate.

The following payments for the right-to-use the underlying asset during the lease term that are not paid at the commencement date of the lease are considered to be lease payments: (i) fixed payments less any lease incentives receivable; (ii) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at commencement date; (iii) amounts expected to be payable by the lessee under residual value guarantees; (iv) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option and (v) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Subsequent to the commencement date, a lessee shall measure the lease liability by: (i) increasing the carrying amount to reflect interest on the lease liability; (ii) reducing the carrying amount to reflect the lease payments made; and (iii) remeasuring the carrying amount to reflect any reassessment or lease modifications, e.g., a change in future lease payments arising from change in an index or rate, a change in the lease term, a change in the in substance fixed lease payments or a change in assessment to purchase the underlying asset.

3. 香港財務報告準則之變動 (續)

(iii) 作為承租人之會計處理 (續)

租賃負債

租賃負債應按於租賃開始日期未支付之租賃款項之現值確認。租賃款項將採用租賃內含之利率貼現(倘該利率可直接釐定)。倘該利率無法直接釐定,則本集團應採用本集團之增量借款利率。

下列就相關資產於租賃期內的使用權而非於租賃開始日期支付之款項被視為租賃款項:(i)固定付款減任何應收租賃獎勵;(ii)取決於某項指數或利率之可變租賃款項(初步按開始日期之指數或利率計量);(iii)承租人根據剩餘價值擔保預期應付之金額;(iv)倘承租人可合理確定將行使購買選擇權,則該選擇權之行使價;及(v)倘租賃期反映承租人將行使選擇權終止租賃,則終止租賃之罰款。

於開始日期後,承租人應通過下列方式計量租賃負債:(i)增加賬面值以反映租賃負債之利息;(ii)減少賬面值以反映已付租賃款項;及(iii)重新計量賬面值以反映任何重估或租賃修改,如未來租賃款項因某項指數或利率變動而變更、租賃期變動、實質固定租賃款項變動或對購買相關資產之評估變更。

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簡明綜合中期財務報表附註

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3. CHANGES IN HKFRSs (Continued)

(iv) Accounting as lessor

Lessor accounting under HKFRS 16 is substantially unchanged from HKAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in HKAS 17. Therefore, HKFRS 16 does not have any financial impact on leases where the Group is the lessor.

(v) Transition

As mentioned above, the Group has applied HKFRS 16 using the cumulative effect approach and recognised all the cumulative effect of initially applying HKFRS 16 as an adjustment to the opening balance of accumulated losses at the date of initial application (1 April 2019). The comparative information presented in 2018 has not been restated and continues to be reported under HKAS 17 and related interpretations as allowed by the transition provision in HKFRS 16.

The Group has recognised the lease liabilities at the date of 1 April 2019 for leases previously classified as operating leases applying HKAS 17 and measured those lease liabilities at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at 1 April 2019.

3. 香港財務報告準則之變動 (續)

(iv) 作為出租人之會計處理

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號類似的原則將租賃分類為經營租賃或融資租賃。因此，香港財務報告準則第16號對本集團作為出租人的租賃並無任何財務影響。

(v) 過渡

誠如上文所述，本集團已採用累計影響法應用香港財務報告準則第16號並將首次應用香港財務報告準則第16號之全部累計影響確認為對於首次應用日期（二零一九年四月一日）之累計虧損期初結餘之調整。二零一八年呈列的比較資料概無予以重列，並繼續根據香港會計準則第17號及香港財務報告準則第16號過渡條文准許的相關詮釋呈報。

本集團已於二零一九年四月一日就先前應用香港會計準則第17號分類為經營租賃之租賃確認租賃負債，並按剩餘租賃款項採用於二零一九年四月一日之承租人增量借款利率貼現之現值計量該等租賃負債。

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3. CHANGES IN HKFRSs (Continued)

(v) Transition (Continued)

The Group has elected to recognise all the right-of-use assets at 1 April 2019 for leases previously classified operating leases under HKAS 17 as if HKFRS 16 had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate at the date of initial application. For all these right-of-use assets, the Group has applied HKAS 36 Impairment of Assets at 1 April 2019 to assess if there was any impairment as on that date.

The Group has also applied the follow practical expedients: (i) applied a single discount rate to a portfolio of leases with reasonably similar characteristics; (ii) applied the exemption of not to recognise right-of-use assets and lease liabilities for leases with term that will end within 12 months of the date of initial application (1 April 2019) and accounted for those leases as short-term leases; (iii) exclude the initial direct costs from the measurement of the right-of-use asset at 1 April 2019 and (iv) used hindsight in determining the lease terms if the contracts contain options to extend or terminate the leases.

In addition, the Group has also applied the practical expedients such that: (i) HKFRS 16 is applied to all of the Group's lease contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 Determining whether an Arrangement contains a Lease and (ii) not to apply HKFRS 16 to contracts that were not previously identified as containing a lease under HKAS 17 and HK(IFRIC)-Int4.

3. 香港財務報告準則之變動 (續)

(v) 過渡 (續)

本集團已選擇於二零一九年四月一日就先前根據香港會計準則第17號分類為經營租賃之租賃確認所有使用權資產，猶如香港財務報告準則第16號自開始日期起已經應用，惟採用首次應用日期之承租人增量借款利率進行貼現。就所有該等使用權資產而言，本集團已於二零一九年四月一日應用香港會計準則第36號資產減值評估該日是否有任何減值。

本集團亦已應用下列可行權宜方法：(i)就具有合理相似特徵之租賃組合採用單一貼現率；(ii)就租賃期將於自首次應用日期（二零一九年四月一日）起計12個月內結束之租賃應用不確認使用權資產及租賃負債之豁免，並將該等租賃入賬列為短期租賃；(iii)不包括於二零一九年四月一日計量使用權資產所產生之初始直接成本；及(iv)倘合約載有續租或終止租賃之選擇權，則於事後釐定租賃期。

此外，本集團亦已應用可行權宜方法以便：(i)將香港財務報告準則第16號應用於本集團先前應用香港會計準則第17號及香港（國際財務報告詮釋委員會）一詮釋第4號釐定安排是否包括租賃識別為租賃之所有租賃合約；及(ii)不將香港財務報告準則第16號應用於先前並無根據香港會計準則第17號及香港（國際財務報告詮釋委員會）一詮釋第4號識別為含有租賃之合約。

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簡明綜合中期財務報表附註

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4. USE OF JUDGEMENTS AND ESTIMATES

In preparing this condensed consolidated interim financial statements, the significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to 2018/2019 consolidated annual financial statements, except for new significant judgements related to the application of HKFRS 16 as described in note 3.

5. REVENUE

The principal activities of the Group are (1) property development; (2) hotel business; (3) property management business; (4) international business settlement and (5) financing business. Further details are disclosed in note 6.

4. 使用判斷及估計

管理層於編製本簡明綜合中期財務報表過程中，就應用本集團會計政策作出的重大判斷及估計不確定因素的主要來源與二零一八／二零一九年綜合年度財務報表所應用者相同，惟附註3所述有關應用香港財務報告準則第16號的新重大判斷的主要來源除外。

5. 收入

本集團的主要業務為(1)物業開發；(2)酒店業務；(3)物業管理業務；(4)國際商業結算及(5)融資業務。進一步詳情披露於附註6。

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
Revenue from contracts with customers (note)	客戶合約收入(附註)		
Sales of properties	銷售物業	270,830	791,916
Property management services	物業管理服務	5,084	—
International business settlement services	國際商業結算服務	1,120	25
		277,034	791,941
Revenue from other sources	其他收入來源		
Financing service income	融資服務收入	3,516	6,264
		280,550	798,205

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5. REVENUE (Continued)

Note: Disaggregation of revenue from contracts with customers

5. 收入 (續)

附註：來自客戶合約收入的細分

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
Timing of revenue recognition	確認收入的時間		
Goods transferred at a point in time	於貨品轉讓時間點	270,830	791,916
Services transferred over time	於轉讓服務的時間內	6,204	25
		277,034	791,941

6. SEGMENT REPORTING

The Group manages its businesses by divisions, which are organised by different business lines. In a manner consistent with the way in which information is reported internally to the Group's Executive Directors, being the chief operating decision maker ("CODM"), for the purposes of resource allocation and performance assessment, the Group has identified the following reportable segments.

- Property development – Developing and selling of commercial and residential properties, car parking spaces, including undertaking of primary land development activities, in the People's Republic of China ("PRC").
- Hotel business – Hotel development and provision of hotel management services in the PRC

6. 分類呈報

本集團通過業務分類管理其業務，而業務分類由不同業務綫組成，方式與向本集團執行董事（即主要營運決策者（「主要營運決策者」））內部呈報資料以用於資源分配及表現評估之方法一致。本集團已識別以下可呈報分類。

- 物業開發 – 在中華人民共和國（「中國」）開發及銷售商業及住宅物業、停車位，包括承接一級土地開發業務。
- 酒店業務 – 中國的酒店開發及提供酒店管理服務

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For the six months ended 30 September 2019 截至二零一九年九月三十日止六個月

6. SEGMENT REPORTING (Continued)

Property management business	– Provision of property management services in the PRC
International business settlement	– Providing settlement and clearing services for commercial and individual customers with the Electronic Money Institution license.
Financing business	– Provision of finance through money lending services, finance leases, leasing, factoring and other related services.

Following the newly started up property management business segment in the current reporting period, the CODM considered that the property development segment, hotel business segment, property management business segment, international business settlement segment and financing business segment are the main businesses lines and reportable operating segments of the Group. Operations other than these five segments are not significant to the Group and presented as “Others” for reporting purpose.

6. 分類呈報 (續)

物業管理業務	– 在中國提供物業管理服務
國際商業結算	– 持有電子貨幣機構許可證，為商業及個人客戶提供結算及清算服務。
融資業務	– 透過放債服務、融資租賃、租賃、保理及其他相關服務提供融資。

於本報告期間新設立物業管理業務分類後，主要營運決策者認為，物業開發分類、酒店業務分類、物業管理業務分類、國際商業結算分類及融資業務分類為本集團的主要業務線及可呈報經營分類。除該五個分類以外的業務營運對本集團而言並不重大，故就呈報用途呈列為「其他」。

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For the six months ended 30 September 2019 截至二零一九年九月三十日止六個月

6. SEGMENT REPORTING (Continued)

(a) Segment revenue and results

Six months ended 30 September 2019 (unaudited)

		Property development	Hotel business	Property management business	International business settlement	Financing business	Others	Total
		物業開發 HK\$'000 千港元	酒店業務 HK\$'000 千港元	物業管理業務 HK\$'000 千港元	商業結算 HK\$'000 千港元	融資業務 HK\$'000 千港元	其他 HK\$'000 千港元	總額 HK\$'000 千港元
REVENUE	收入							
External sales and segment revenue	對外銷售及分類收入	270,830	-	5,084	1,120	3,516	-	280,550
Segment profit/(loss)	分類溢利/(虧損)	38,071	(5,058)	(2,411)	(12,532)	(24,489)	(385)	(6,804)
Unallocated corporate expenses	未分配公司費用							(10,981)
Bank interest income (note 7)	銀行利息收入(附註7)							4,052
Loss before taxation	除稅前虧損							(13,733)

6. 分類呈報(續)

(a) 分類收入及業績

截至二零一九年九月三十日止六個月
(未經審核)

Six months ended 30 September 2018 (unaudited)

		Property development	International business settlement	Financing business	Others	Total
		物業開發 HK\$'000 千港元	商業結算 HK\$'000 千港元	融資業務 HK\$'000 千港元	其他 HK\$'000 千港元	總額 HK\$'000 千港元
REVENUE	收入					
External sales and segment revenue	對外銷售及分類收入	791,916	25	6,264	-	798,205
Segment profit/(loss)	分類溢利/(虧損)	78,051	(13,261)	2,016	(452)	66,354
Unallocated corporate expenses	未分配公司費用					(16,640)
Bank interest income (note 7)	銀行利息收入(附註7)					5,691
Profit before taxation	除稅前溢利					55,405

截至二零一八年九月三十日止六個月
(未經審核)

Segment results represent the results from each segment without allocation of central administration costs including directors' emoluments and bank interest income. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

分類業績指各分類之業績，並未計及分配中央行政費用(包括董事酬金及銀行利息收入)。此為向主要營運決策者呈報資源分配及表現評估情況之方法。

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6. SEGMENT REPORTING (Continued)

(b) Segment assets and liabilities

6. 分類呈報 (續)

(b) 分類資產及負債

		30 September 2019	31 March 2019
		二零一九年 九月三十日	二零一九年 三月三十一日
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(audited)
		(未經審核)	(經審核)
ASSETS	資產		
<i>Segment assets</i>	<i>分類資產</i>		
Property development	物業開發	1,713,516	1,997,302
Hotel business	酒店業務	197,342	211,492
Property management business	物業管理業務	314	–
International business settlement	國際商業結算	77,354	10,105
Financing business	融資業務	144,010	182,458
Others	其他	1,567	1,666
Total segment assets	分類資產總額	2,134,103	2,403,023
<i>Unallocated assets</i>	<i>未分配資產</i>		
Bank balances and cash	銀行結存及現金	419,476	911,602
Deposit (note 17)	按金(附註17)	392,805	–
Other corporate assets	其他公司資產	5,322	2,493
Total unallocated assets	未分配資產總額	817,603	914,095
Consolidated total assets	綜合資產總額	2,951,706	3,317,118

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6. SEGMENT REPORTING (Continued)

(b) Segment assets and liabilities (Continued)

		30 September 2019 二零一九年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
LIABILITIES	負債		
<i>Segment liabilities</i>	<i>分類負債</i>		
Property development	物業開發	(1,670,294)	(1,976,329)
Hotel business	酒店業務	(157,307)	(165,771)
Property management business	物業管理業務	(2,660)	-
International business settlement	國際商業結算	(56,268)	(62,442)
Financing business	融資業務	(1,029)	(3,400)
Others	其他	(800)	(655)
Total segment liabilities	分類負債總額	(1,888,358)	(2,208,597)
Unallocated liabilities	未分配負債		
Other liabilities	其他負債	(8,824)	(6,219)
Total unallocated liabilities	未分配負債總額	(8,824)	(6,219)
Consolidated total liabilities	綜合負債總額	(1,897,182)	(2,214,816)

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

- all assets are allocated to operating segments other than bank balances and cash, deposit and other assets not attributable to respective segments; and
- all liabilities are allocated to operating segments other than other liabilities not attributable to respective segments.

就監察分類表現及分類間資源分配而言：

- 所有資產已分配入營運分類（銀行結存及現金、按金以及不屬於各分類之其他資產除外）；及
- 所有負債已分配入營運分類（不屬於各分類之其他負債除外）。

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6. SEGMENT REPORTING (Continued)

(c) Other segment information

The following table provides an analysis of the Group's revenue from external customers and non-current assets other than financial instruments, deferred tax assets and post-employment benefit assets ("Specified non-current assets").

6. 分類呈報 (續)

(c) 其他分類資料

下表載列本集團來自外部客戶的收入及非流動資產(金融工具、遞延稅項資產及離職後福利資產除外)(「指定非流動資產」)的分析。

		Revenue from external customers (by customer location) 來自外部客戶的收入 (按客戶位置劃分)		Specified non-current assets (by physical location) 指定非流動資產 (按實際位置劃分)	
		Six months ended 30 September 截至九月三十日止六個月		30 September 2019 二零一九年 九月 三十日	31 March 2019 二零一九年 三月 三十一日
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)	HK\$'000 千港元 (unaudited) (未經審核)	HK\$'000 千港元 (audited) (經審核)
Hong Kong	香港	-	-	139	161
PRC (domicile)	中國(居住地)	279,430	798,180	188,625	198,419
Others	其他	1,120	25	1,141	1,292
		280,550	798,205	189,905	199,872

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7. OTHER INCOME, GAINS AND LOSSES

7. 其他收入、收益及虧損

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
Bank interest income	銀行利息收入	4,052	5,691
Government grant	政府資助	132	–
Referral fee income	轉介費收入	–	2,620
Net exchange loss	匯兌虧損淨額	(59)	(8,600)
Reversal of impairment loss on trade and other receivables	應收貿易賬項及其他應收賬項 減值虧損撥回	104	437
(Impairment)/reversal of impairment loss on loan receivables	應收貸款減值虧損(減值)/ 撥回	(101)	331
Others	其他	630	235
		4,758	714

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8. FINANCE COSTS

8. 融資成本

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
Interest on borrowings	借款之利息		
– Bank borrowings	– 銀行借款	23,674	25,448
– Other borrowings	– 其他借款	5,869	9,603
Interest on lease liabilities	租賃負債之利息	268	–
		29,811	35,051
Less: amount capitalised in properties held for sale	減：待售物業資本化數額	(23,652)	(23,339)
		6,159	11,712

Borrowings costs capitalised during both interim periods arose from borrowings specifically for the purpose of obtaining qualifying assets.

兩個中期間資本化之借款成本乃於特定用作獲取合資格資產之借款中產生。

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9. INCOME TAX EXPENSES

9. 所得稅開支

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
Current tax in PRC	中國之即期稅項		
Enterprise Income Tax ("EIT")	企業所得稅 (「企業所得稅」)	9,307	21,497
Land Appreciation Tax ("LAT")	土地增值稅 (「土地增值稅」)	10,373	15,214
		19,680	36,711
Deferred tax	遞延稅項		
Charge for the period (note 16)	期內支出 (附註16)	6,334	2,887
		26,014	39,598

No provision for Hong Kong Profits Tax has been made for both interim periods as the Group has no assessable profit arising in Hong Kong.

The PRC EIT is calculated based on the applicable tax rate on assessable profits, if applicable. The applicable EIT rate for the Company's PRC subsidiaries during both interim periods is 25%.

由於本集團於香港並無產生應課稅溢利，故於兩個中期期間內並無就香港利得稅作出撥備。

中國企業所得稅按應課稅溢利之適用稅率計算（如適用）。於兩個中期期間，本公司中國附屬公司之適用企業所得稅稅率為25%。

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簡明綜合中期財務報表附註

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9. INCOME TAX EXPENSES (Continued)

No deferred tax asset has been recognised in respect of certain unused tax losses due to the unpredictability of future profit streams. The deductible temporary differences can be carried forward indefinitely. No deferred tax asset has been recognised in relation to such deductible temporary difference as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

The Group is required to prepay LAT and EIT in accordance with the relevant PRC tax rules in respect of pre-sale of property development projects. As at 30 September 2019, the amount of prepaid LAT and EIT in respect of contract liabilities amounted to approximately HK\$2,465,000 (31 March 2019: HK\$8,920,000), which has been presented as deduction against the tax liabilities of the respective subsidiary in the condensed consolidated statement of financial position.

9. 所得稅開支(續)

由於未來利潤流不可預測，因此並無就若干未動用稅項虧損確認遞延稅項資產。可扣減臨時差額可無限期結轉。由於應課稅溢利可用以抵銷可扣減臨時差額的機會不大，故並無就該可扣減臨時差額確認遞延稅項資產。

本集團須根據中國相關稅務規則，就預售物業開發項目預付土地增值稅及企業所得稅。於二零一九年九月三十日，有關合約負債的預付土地增值稅及企業所得稅金額約為2,465,000港元（二零一九年三月三十一日：8,920,000港元），並扣除各附屬公司於簡明綜合財務狀況表之稅項負債。

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10. (LOSS)/PROFIT FOR THE PERIOD

(Loss)/profit for the period has been arrived at after charging/
(crediting):

10. 期內(虧損)/溢利

期內(虧損)/溢利已扣除/(計入):

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
Directors' emoluments	董事酬金	1,883	1,949
Other staff salaries, wages and allowances	其他員工薪金、工資及津貼	14,906	15,671
Other staff retirement scheme contributions	其他員工之退休計劃供款	734	1,728
		17,523	19,348
Less: staff costs capitalised in properties held for sale	減：待售物業資本化之員工成本	(743)	(1,028)
Total staff costs	員工成本總額	16,780	18,320
Depreciation expense	折舊費用		
– Property, plant and equipment	– 物業、廠房及設備	593	3,445
– Right-of-use asset	– 使用權資產	2,118	–
		2,711	3,445
Impairment/(reversal of impairment) loss on factoring receivables	應收保理款項之減值虧損/(減值撥回)	23,634	(22)
Rental expenses in respect of rented premises	有關租賃物業之租金開支	3,094	4,387

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11. DIVIDEND

No dividends were paid, declared or proposed during the reporting period. The directors of the Company resolved not to declare any interim dividend for the period (2018: Nil).

12. (LOSS)/EARNINGS PER SHARE

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

11. 股息

於報告期間，並無派付、宣派或擬派任何股息。本公司董事議決期內概不宣派任何中期股息（二零一八年：無）。

12. 每股（虧損）／盈利

本公司擁有人應佔每股基本（虧損）／盈利乃按以下數據為基準計算：

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
Profit and loss	溢利及虧損		
(Loss)/profit for the period attributable to owners of the Company for the purpose of basic (loss)/earnings per share	用於計算每股基本（虧損）／盈利之本公司擁有人應佔期內（虧損）／溢利	(41,459)	2,670
		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年	2018 二零一八年
Number of shares	股份數目		
Weighted average number of shares for the purposes of basic (loss)/earnings per share	用於計算每股基本（虧損）／盈利之股份加權平均數	20,319,072,320	20,319,072,320

No diluted earnings per share were presented as there were no potential ordinary shares in issue for both periods.

由於兩個期間並無潛在已發行普通股，故並無呈列每股攤薄盈利。

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13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、廠房及設備

The movements in property, plant and equipment during the current interim period is summarised as follows:

於本中期末期間，物業、廠房及設備的變動概述如下：

		Furniture and office equipment	Motor vehicles	Leasehold improvements	Construction in progress	Right-of-use assets	Total
	樓宇	辦公室設備 傢私及 傢俬	汽車	物業裝修 租約	在建工程	使用權資產	總額
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元
COST	成本						
At 31 March 2019 (audited)	於二零一九年三月三十一日 (經審核)	19,726	31,849	2,421	4,370	–	237,163
Initial application of HKFRS 16	首次應用香港財務報告準則第16號	–	–	–	–	11,734	11,734
At 1 April 2019	於二零一九年四月一日	19,726	31,849	2,421	4,370	11,734	248,897
Exchange adjustments	匯兌調整	(1,320)	(2,002)	(209)	–	(11,963)	(15,660)
Additions	添置	–	7	–	–	55	62
At 30 September 2019 (unaudited)	於二零一九年九月三十日 (未經審核)	18,406	29,854	2,212	4,370	11,623	233,299
DEPRECIATION AND IMPAIRMENT	折舊及減值						
At 31 March 2019 (audited)	於二零一九年三月三十一日 (經審核)	493	30,229	2,199	4,370	–	37,291
Initial application of HKFRS 16	首次應用香港財務報告準則第16號	–	–	–	–	5,704	5,704
At 1 April 2019	於二零一九年四月一日	493	30,229	2,199	4,370	5,704	42,995
Exchange adjustments	匯兌調整	(43)	(1,916)	(197)	–	–	(2,312)
Provided for the period	本期間撥備	240	304	49	–	2,118	2,711
At 30 September 2019 (unaudited)	於二零一九年九月三十日 (未經審核)	690	28,617	2,051	4,370	7,666	43,394
CARRYING VALUES	賬面值						
At 30 September 2019 (unaudited)	於二零一九年九月三十日 (未經審核)	17,716	1,237	161	–	166,834	3,957
At 31 March 2019 (audited)	於二零一九年三月三十一日 (經審核)	19,233	1,620	222	–	178,797	–

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14. INTANGIBLE ASSETS

The Group entered into an agreement with an independent software company to assist the Group in developing a settlement platform for connecting with the systems of the central banks and commercial banks of the countries along the “Belt and Road Initiative”. During prior years, the sums paid and payable by the Group pursuant to the agreement was USD7,600,000 (equivalent to HK\$59,186,000). The platform is docking with banking system, in the view of directors of the Company, the platform will generate future economic benefits. The expected useful life of the platform is 10 years and the intangible assets will be amortised when it is ready for use.

During previously financial year ended 31 March 2019, the Group recognised a full impairment loss in relation to settlement platform due to lack of substantive results arising from memorandums of cooperation and framework agreements, entered into in prior years, signed with a number of potential cooperative banks and financial institutions. Up to the date of this condensed consolidated interim financial statements, there are no revenue generated from this settlement platform.

14. 無形資產

本集團與一家獨立軟件公司訂立協議，以協助本集團開發與「一帶一路」沿線國家央行及商業銀行的系統對接之結算平台。於過往年度，本集團根據該協議已付及應付金額為7,600,000美元（相當於59,186,000港元）。該平台對接銀行系統，本公司董事認為，該平台將於未來產生經濟利益。平台之預期使用年期為10年，當其可供使用時將攤銷無形資產。

截至二零一九年三月三十一日止過往財政年度，由於過往年度與多家潛在合作銀行及金融機構簽訂的合作備忘錄及框架協議缺乏實質性成果，本集團就結算平台確認全面減值虧損。直至本簡明綜合中期財務報表日期，此結算平台未產生任何收入。

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15. LOAN RECEIVABLES

15. 應收貸款

		30 September 2019	31 March 2019
		二零一九年 九月三十日	二零一九年 三月三十一日
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(audited)
		(未經審核)	(經審核)
Loan receivables	應收貸款	130,912	143,229
Interest receivables	應收利息	6,829	3,820
		137,741	147,049
Less: Loss allowance (note(b))	減：虧損撥備（附註(b)）		
Stage 1	一級	(150)	(211)
Stage 2	二級	(6,513)	(6,825)
Stage 3	三級	-	-
Carrying amount of loan receivables	應收貸款賬面值	131,078	140,013
Current portion included under current assets	計入流動資產之即期部分	(42,057)	(36,384)
Amounts due after one year included under non-current assets	計入非流動資產之一年後到期款項	89,021	103,629

As at 30 September 2019, all loan receivables were secured by collaterals.

於二零一九年九月三十日，所有應收貸款均以抵押品擔保。

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15. LOAN RECEIVABLES (Continued)

The customers are obliged to settle the amounts according to the terms set out in relevant contracts. Interest rates are offered based on the assessment of a number of factors including the borrowers' creditworthiness and repayment ability, collaterals as well as the general economic trends. The Group's loan principals charged interests at contract rate ranging from approximately 5% to 13% (31 March 2019: 6% to 15%) per annum.

The Group's management considers that the fair values of loan receivables are not materially different from their net carrying amounts.

(a) Ageing analysis

Ageing analysis of loan receivables based on the loan drawdown date and before loss allowance at the end of reporting period is as follows:

Over 1 year 超過1年

15. 應收貸款 (續)

客戶須根據相關合約載列的條款結算有關款項。利率乃根據對多項因素的評估釐定，包括借款人的信譽及還款能力、抵押品及整體經濟趨勢。本集團的貸款本金按每年介乎約5%至13%（二零一九年三月三十一日：6%至15%）的合約利率收取利息。

本集團管理層認為，應收貸款的公允值與其賬面淨值並無重大差異。

(a) 賬齡分析

於報告期末基於貸款提取日及虧損撥備前之應收貸款之賬齡分析如下：

	30 September 2019 二零一九年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
Over 1 year 超過1年	137,741	147,049

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15. LOAN RECEIVABLES (Continued)

(a) Ageing analysis (Continued)

Ageing analysis of loan receivables based on the contract due date and before loss allowance at the end of reporting period is as follows:

Not past due	未逾期
0 to 30 days	0至30日
Over 90 days	超過90日

15. 應收貸款 (續)

(a) 賬齡分析 (續)

於報告期末基於合約到期日及虧損撥備前之應收貸款之賬齡分析如下:

		30 September	31 March
		2019	2019
		二零一九年	二零一九年
		九月三十日	三月三十一日
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(audited)
		(未經審核)	(經審核)
		110,969	138,073
		9,159	4,523
		17,613	4,453
		137,741	147,049

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15. LOAN RECEIVABLES (Continued)

(b) Movement in impairment losses

Loss allowance for loan receivables during the period was recognised as follows:

	Stage 1 一級	Stage 2 二級	Stage 3 三級	Total
	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit- impaired	
	12個月 預期信貸 虧損	並無信貸 減值的 全期預期 信貸虧損	有信貸 減值的 全期預期 信貸虧損	總計
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 31 March 2019 (audited) 於二零一九年 三月三十一日 (經審核)	211	6,825	–	7,036
Impairment loss charged 於損益中扣除的減值虧損 to profit or loss	(43)	(58)	–	(101)
Exchange adjustment 匯兌調整	(18)	(254)	–	(272)
At 30 September 2019 於二零一九年九月三十日 (unaudited) (未經審核)	150	6,513	–	6,663

Based on the assessment of the management of the Group, a decrease of loss allowance of approximately HK\$101,000 was charged to profit or loss as an impairment.

Loan receivables bear no credit term. The Group's formal credit policy in place is to monitor the Group's exposure to credit risk through regular reviews of receivables and follow-up actions taken on overdue accounts. Credit evaluations are performed on all customers requiring credit over a certain amount.

15. 應收貸款 (續)

(b) 減值虧損變動

期內應收貸款的虧損撥備確認如下：

	Stage 1 一級	Stage 2 二級	Stage 3 三級	Total
	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit- impaired	
	12個月 預期信貸 虧損	並無信貸 減值的 全期預期 信貸虧損	有信貸 減值的 全期預期 信貸虧損	總計
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 31 March 2019 (audited) 於二零一九年 三月三十一日 (經審核)	211	6,825	–	7,036
Impairment loss charged 於損益中扣除的減值虧損 to profit or loss	(43)	(58)	–	(101)
Exchange adjustment 匯兌調整	(18)	(254)	–	(272)
At 30 September 2019 於二零一九年九月三十日 (unaudited) (未經審核)	150	6,513	–	6,663

根據本集團管理層的評估，虧損撥備減少約101,000港元，並於損益作為減值扣除。

應收貸款無任何信用期。本集團已制定正式信用政策，通過定期審查應收賬項並就逾期賬目採取跟進行動監控本集團的信貸風險敞口。本集團對所有要求一定信用數額的客戶進行信用評估。

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16. DEFERRED TAX ASSETS

Deferred tax assets recognised and movements during the current interim period are as follow:

16. 遞延稅項資產

於本中期期間已確認之遞延稅項資產及有關變動如下：

		Profit sharing from land development			
		LAT	expenditure	Others	Total
		土地增值稅	支出溢利分成	其他	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
		(note (a))	(note (b))		
		(附註(a))	(附註(b))		
At 1 April 2019	於二零一九年四月一日	5,803	33,159	1,922	40,884
Credited/(charged) to profit or loss	計入/(扣除自)損益	4,254	(8,721)	(1,867)	(6,334)
Exchange adjustment	匯兌調整	(556)	(1,870)	(55)	(2,481)
At 30 September 2019 (unaudited)	於二零一九年九月 三十日(未經審核)	9,501	22,568	-	32,069

Notes:

- (a) Balance represents taxable temporary difference arising from provision of LAT.
- (b) Starting from 2010, 柳州正和樺桂置業集團有限公司("Liuzhou Zhenghe Huagui Zhiye Real Estate Group Company Limited", "Liuzhou Zhenghe") has been engaged in land development project and in previous years before Liuzhou Zhenghe was acquired by the Group, 4 parcels of land developed by Liuzhou Zhenghe were put on public auction and acquired by Liuzhou Zhenghe itself for property development purpose. Liuzhou Zhenghe shared the related profit with joint developer and paid tax on the shared profit. On the Group's consolidation, this shared profit element was included in properties held for sale and eliminated. The related tax paid on this shared profit was treated as deferred tax assets and will be released when the related properties are sold. As at 30 September 2019, the Group's deferred tax assets arising from profit sharing of the primary land development project amounting to approximately HK\$22,568,000 (31 March 2019: HK\$33,159,000).

附註：

- (a) 結餘指土地增值稅撥備產生之應課稅臨時差額。
- (b) 自二零一零年起，柳州正和樺桂置業集團有限公司(「柳州正和」)一直從事土地開發項目，在本集團收購柳州正和前數年，柳州正和開發的四幅土地被公開拍賣，並由柳州正和本身投得作物業開發用途。柳州正和與聯合開發商分成相關溢利，並就分成溢利支付稅項。於本集團綜合入賬時，此分成溢利部分計入待售物業且予以抵銷。就此項分成溢利支付之相關稅項被視為遞延稅項資產，將於相關物業售出時解除。於二零一九年九月三十日，本集團之一級土地開發項目溢利分成產生之遞延稅項資產約為22,568,000港元(二零一九年三月三十一日：33,159,000港元)。

* The English name is for identification purpose only

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17. DEPOSIT

On 19 July 2019, the Group entered into a subscription agreement with independent parties, pursuant to which the Group has conditionally agreed to subscribe for 5 new ordinary shares of Bronzelink Holding Limited (“Bronzelink”) for subscription price of USD50,000,000 (equivalent to approximately HK\$392,805,000). Upon completion, the Group will hold approximately 5.56% equity interests of Bronzelink, a company engaged in providing high capacity Ka-band satellite-enabled internet network services.

As of 30 September 2019, the Group has prepared a cashier’s order of USD50,000,000 payable to Bronzelink in accordance with the terms and conditions of the subscription agreement. The cashier’s order is now kept by the Company until the deal is concluded.

As at 30 September 2019 and the date hereof, the Group has not obtained all required approvals for the transaction, the payment of the above deposit was captured in “non-current assets”. For details of transactions, please refer to the announcement of the Company dated 19 July 2019.

17. 按金

於二零一九年七月十九日，本集團與獨立第三方訂立認購協議，據此，本集團已有條件同意以50,000,000美元（相當於約392,805,000港元）之認購價認購Bronzelink Holding Limited（「Bronzelink」）之5股新普通股。於完成後，本集團將持有Bronzelink（一間從事提供高功率Ka頻段帶寬衛星互聯網網絡服務之公司）約5.56%股權。

截至二零一九年九月三十日，根據認購協議之條款及條件，本集團已準備應付Bronzelink的銀行本票50,000,000美元。該銀行本票現由本公司保管，直至交易結束。

於二零一九年九月三十日及本報告日期，本集團尚未取得該交易所需的所有批文，上述按金的付款計入「非流動資產」。更多交易詳情，請參閱本公司日期為二零一九年七月十九日之公佈。

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18. PROPERTIES HELD FOR SALE

18. 待售物業

		30 September 2019	31 March 2019
		二零一九年 九月三十日	二零一九年 三月三十一日
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(audited)
		(未經審核)	(經審核)
Completed properties held for sale	已落成待售物業	1,087,791	1,269,423
Properties under development for sale	持作出售發展中物業	533,047	593,142
		1,620,838	1,862,565
Carrying amount of properties under development for sale expected to be completed:	預期落成之持作出售發展中物業之賬面值：		
– within one year	— 一年內	533,047	440,954
– after one year	— 一年後	–	152,188
		533,047	593,142

As at 30 September 2019, certain properties held for sale with carrying amount of approximately HK\$616,535,000 (31 March 2019: HK\$660,742,000) were pledged to secure certain bank borrowings granted to the Group.

於二零一九年九月三十日，賬面值約為616,535,000港元（二零一九年三月三十一日：660,742,000港元）之若干待售物業已予抵押，作為本集團所獲授若干銀行借款之擔保。

During the period ended, there is no impairment loss recognised as the net realisable value is higher than the carrying amount.

期內，因可變現淨值高於賬面值，故並無確認減值虧損。

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19. TRADE AND OTHER RECEIVABLES

19. 應收貿易賬項及其他應收賬項

		30 September 2019 二零一九年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
Trade receivables	應收貿易賬項	282	6,651
Less: Loss allowance	減：虧損撥備	(1)	(33)
		281	6,618
Other receivables and prepayments:	其他應收賬項及預付款項：		
Other deposits	其他按金	6,278	6,647
Prepayments for construction works	建築工程之預付款項	61,148	71,967
Other tax prepayment	其他稅項預付款項	8,342	18,822
Other receivables	其他應收賬項	68,218	6,516
Other prepayments	其他預付款項	4,647	4,959
Total trade and other receivables	應收貿易賬項及其他應收賬項總額	148,914	115,529

Trade receivables for property sales, debts are due on the dates of delivery of properties but settlements are made by agreements on time allowed for collections. The Group's formal credit policy in place is to monitor the Group's exposure to credit risk through regular reviews of receivables and follow-up actions taken on overdue accounts. Credit evaluations are performed on all customers requiring credit over a certain amount.

物業銷售、債務之應收貿易賬項於物業交付日期到期，但根據協議及時結算，並可通過託收完成。本集團已制定正式信用政策，通過定期審查應收賬項並就逾期賬目採取跟進行動監控本集團的信貸風險敞口。本集團將對所有要求一定信用數額的客戶進行信用評估。

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19. TRADE AND OTHER RECEIVABLES (Continued)

The ageing analysis of trade receivables after loss allowance of the Group, presented based on the date of delivery of properties to the customers, at the end of the reporting period are as follows:

		30 September 2019	31 March 2019
		二零一九年 九月三十日	二零一九年 三月三十一日
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(audited)
		(未經審核)	(經審核)
91 to 180 days	91至180日	281	6,618

Movement in loss allowance of trade and other receivables of the Group during the periods are as follows:

		30 September 2019	31 March 2019
		二零一九年 九月三十日	二零一九年 三月三十一日
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(audited)
		(未經審核)	(經審核)
At the beginning of the period	於期初	232	1,086
Impairment loss charged to profit or loss	於損益扣除的減值虧損	-	15
Reversal of impairment loss previously recognised	撥回過往確認的減值虧損	(104)	(867)
Exchange adjustment	匯兌調整	(11)	(2)
At the end of the period	於期末	117	232

The balances of other deposits and other receivables are neither past due nor impaired. The Group's management considers that the credit risk associated with these receivables is minimal but a general provision for impairment loss is provided for as in the aforesaid.

19. 應收貿易賬項及其他應收賬項 (續)

於報告期末，本集團虧損撥備後之應收貿易賬項之賬齡分析（按向客戶交付物業日期）呈列如下：

		30 September 2019	31 March 2019
		二零一九年 九月三十日	二零一九年 三月三十一日
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(audited)
		(未經審核)	(經審核)
91 to 180 days	91至180日	281	6,618

本集團於期內應收貿易賬項及其他應收賬項之虧損撥備變動如下：

		30 September 2019	31 March 2019
		二零一九年 九月三十日	二零一九年 三月三十一日
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(audited)
		(未經審核)	(經審核)
At the beginning of the period	於期初	232	1,086
Impairment loss charged to profit or loss	於損益扣除的減值虧損	-	15
Reversal of impairment loss previously recognised	撥回過往確認的減值虧損	(104)	(867)
Exchange adjustment	匯兌調整	(11)	(2)
At the end of the period	於期末	117	232

其他按金及其他應收賬項之結餘並未逾期亦無減值。本集團管理層認為有關此等應收賬項之信貸風險不大，但已如上文所述就減值虧損計提一般撥備。

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20. FACTORING RECEIVABLES

20. 應收保理款項

		30 September 2019 二零一九年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
Factoring receivables	應收保理款項	121,914	132,062
Interest receivables	應收利息	–	4,586
		121,914	136,648
Less: Loss allowance (note(b))	減：虧損撥備(附註(b))		
Stage 1	一級	–	(28)
Stage 2	二級	–	–
Stage 3	三級	(109,257)	(96,446)
Current portion included under current assets	計入流動資產之即期部分	12,657	40,174

As at 30 September 2019 and 31 March 2019, all factoring receivables were secured by accounts receivables of the debtors with interest rate of 6.5% (31 March 2019: 6.5%). The Group has recourse right on the debts in the event of default. However, the collaterals are not permitted to sell or re-pledge by the Group.

於二零一九年九月三十日及二零一九年三月三十一日，所有應收保理款項均以應收債務人賬款作抵押，利率為6.5%（二零一九年三月三十一日：6.5%）。倘出現違約，本集團對債務擁有追索權。然而，抵押品不得由本集團出售或重新抵押。

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20. FACTORING RECEIVABLES (Continued)

(a) Ageing analysis

Ageing analysis of factoring receivables based on the loan drawdown date and before loss allowance at the end of reporting period is as follows:

20. 應收保理款項 (續)

(a) 賬齡分析

於報告期末基於貸款提取日及虧損撥備前之應收保理款項之賬齡分析如下：

		30 September	31 March
		2019	2019
		二零一九年	二零一九年
		九月三十日	三月三十一日
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(audited)
		(未經審核)	(經審核)
91 to 180 days	91至180日	–	6,566
181 to 360 days	181至360日	–	130,082
Over 360 days	超過360日	121,914	–
		121,914	136,648

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20. FACTORING RECEIVABLES (Continued)

(a) Ageing analysis (Continued)

Ageing analysis of factoring receivables based on the contract due date and before loss allowance at the end of reporting period is as follows:

Not past due	未逾期
31 to 90 days	31至90日
Over 90 days	超過90日

20. 應收保理款項 (續)

(a) 賬齡分析 (續)

於報告期末基於合約到期日及虧損撥備前之應收保理款項之賬齡分析如下：

		30 September	31 March
		2019	2019
		二零一九年	二零一九年
		九月三十日	三月三十一日
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(audited)
		(未經審核)	(經審核)
		6,014	132,507
		115,900	2,123
		–	2,018
		121,914	136,648

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20. FACTORING RECEIVABLES (Continued)

(b) Movement in impairment losses

Loss allowance for factoring receivables during the period was recognised as follows:

20. 應收保理款項 (續)

(b) 減值虧損變動

期內應收保理款項之虧損撥備確認如下:

		Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit- impaired	Stage 3 Lifetime ECL credit- impaired	Total
		一級 12個月預期 信貸虧損 HK\$'000 千港元	二級 並無信貸 減值的全期 預期信貸虧損 HK\$'000 千港元	三級 有信貸 減值的 全期預期 信貸虧損 HK\$'000 千港元	總計 HK\$'000 千港元
At 31 March 2019 (audited)	於二零一九年三月 三十一日 (經審核)	28	–	96,446	96,474
Written off of impairment loss	減值虧損撇銷	–	–	(4,456)	(4,456)
Impairment loss charged to profit or loss	於損益中扣除的 減值虧損	(28)	–	23,662	23,634
Exchange adjustment	匯兌調整	–	–	(6,395)	(6,395)
At 30 September 2019 (unaudited)	於二零一九年九月 三十日 (未經審核)	–	–	109,257	109,257

Factoring receivables bear no credit term. The Group's formal credit policy in place is to monitor the Group's exposure to credit risk through regular reviews of receivables and follow-up actions taken on overdue accounts. Credit evaluations are performed on all customers requiring credit over a certain amount.

應收保理款項無任何信用期。本集團已制定正式信用政策，通過定期審查應收賬項並就逾期賬目採取跟進行動監控本集團的信貸風險敞口。本集團對所有要求一定信用數額的客戶進行信用評估。

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21. RESTRICTED BANK DEPOSITS/BANK BALANCES AND CASH

Restricted bank deposits

Restricted bank deposits amounting to approximately HK\$3,964,000 as at 30 September 2019 (31 March 2019: HK\$6,479,000) mainly represent the proceeds from pre-sale of properties with the restriction of use for settlement of construction costs for relevant property project, which will be released upon the completion of the relevant project.

The Group's restricted bank deposits carry interest at prevailing market rates which range from 0.3% to 0.35% per annum as at 30 September 2019 (31 March 2019: 0.3% to 0.35% per annum).

Bank balances and cash

As at 30 September 2019, bank balances and cash comprise cash held by the Group and short-term bank deposits which carry variable interest rates ranging from 0.01% to 0.38% (31 March 2019: 0.01% to 0.38%) per annum with an original maturity of three months or less.

At the end of the reporting period, included in the bank balances and cash are following amount denominated in currency other than the functional currency of the respective group entity:

21. 受限制銀行存款／銀行結存及現金

受限制銀行存款

於二零一九年九月三十日，受限制銀行存款約3,964,000港元（二零一九年三月三十一日：6,479,000港元），主要指預售物業的所得款項，只限用於支付有關物業項目的建築成本，存款將於有關項目竣工後解除。

於二零一九年九月三十日，本集團受限制銀行存款按介乎0.3%至0.35%之現行市場年利率計息（二零一九年三月三十一日：年利率0.3%至0.35%）。

銀行結存及現金

於二零一九年九月三十日，銀行結存及現金包括本集團所持有之現金及原定到期日為三個月或以下，浮動年利率介乎0.01%至0.38%（二零一九年三月三十一日：0.01%至0.38%）之短期銀行存款。

於報告期末，銀行結存及現金包括下列以各集團實體之功能貨幣以外之貨幣計值之款項：

		30 September 2019 二零一九年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
HK\$	港元	392,203	808,929
Euro ("EUR")	歐元(「歐元」)	14,127	14,127
United States Dollars ("USD")	美元(「美元」)	127	126
		406,457	823,182

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22. TRADE AND OTHER PAYABLES

22. 應付貿易賬項及其他應付賬項

		30 September 2019 二零一九年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
Trade payables (note)	應付貿易賬項(附註)	11,732	15,487
Accrued construction costs to contractors	應付承包商之應計建築成本	209,152	754,513
Interest payable	應付利息	27,441	2,635
Amount due to third parties	應付第三方款項	730	782
Other payables	其他應付賬項	65,975	73,039
Other tax payables	其他應付稅項	37,712	23,801
		352,742	870,257

Note:

The following is an aged analysis of the Group's trade payables, presented based on the date of materials received, at the end of the reporting period:

附註:

以下為本集團應付貿易賬項於報告期末根據已收取材料日期的賬齡分析:

		30 September 2019 二零一九年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
91 to 180 days	91至180日	11,732	15,487

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23. BORROWINGS

23. 借款

		30 September 2019 二零一九年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
Bank borrowings, secured (note (a))	有抵押銀行借款(附註(a))	400,638	430,772
Other borrowings, secured (note (b))	有抵押其他借款(附註(b))	157,112	165,771
Other borrowings, unsecured (note (c))	無抵押其他借款(附註(c))	7,654	9,374
		565,404	605,917
Carrying amount of borrowings repayable: 按下列情況償還的借款賬面值:			
Within one year	一年內	531,837	569,943
More than one year, but not exceeding two years	超過一年, 但不超過兩年	33,567	35,974
		565,404	605,917
Less: amounts shown under current liabilities	減: 流動負債項下所示之款項	(531,837)	(569,943)
Amounts shown under non-current liabilities	非流動負債項下所示之款項	33,567	35,974

All borrowings were fixed-rate borrowings and denominated in RMB during both periods.

於兩個期間內, 所有借款均為固定利率借款, 且以人民幣計值。

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23. BORROWINGS (Continued)

The ranges of effective interest rates on the Group's fixed-rate borrowings are as follows:

		30 September 2019 二零一九年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
Effective interest rates	實際利率	6% – 18%	6.5% – 18%

(a) The followings show the carrying amounts of certain assets pledged to secure the bank borrowings provided to the Group:

Secured by: 由下列項目抵押：
Properties held for sale (note 18) 待售物業（附註18）

In addition to the Group's own assets pledged, 廣西正和實業集團有限公司 (Guangxi Zhenghe Industrial Co., Ltd*), the former related party of Liuzhou Zhenghe and other related parties of former shareholder of Liuzhou Zhenghe had also pledged certain assets to banks to secure the borrowings granted to the Group.

(b) As at 30 September 2019, hotel rooms of HK\$40,848,000 (31 March 2019: HK\$43,777,000) are pledged as security for other borrowings.

(c) As at 30 September 2019, the Group's other borrowings represent an unsecured borrowings of HK\$7,654,000 (31 March 2019: HK\$9,374,000) provided by a third party with interest at a fixed rate of 18% per annum and repayable in January 2020.

23. 借款（續）

有關本集團固定利率借款之實際利率之範圍如下：

	30 September 2019 二零一九年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
Effective interest rates	6% – 18%	6.5% – 18%

(a) 為本集團之銀行借款作擔保之若干已抵押資產的賬面值載列如下：

	30 September 2019 二零一九年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
Secured by: 由下列項目抵押： Properties held for sale (note 18) 待售物業（附註18）	616,535	660,742

除本集團自身已抵押之資產外，廣西正和實業集團有限公司（柳州正和之前關聯人士）及柳州正和前股東之其他關聯人士亦向銀行抵押若干資產以為授予本集團之借款作擔保。

(b) 於二零一九年九月三十日，40,848,000港元（二零一九年三月三十一日：43,777,000港元）之酒店客房抵押作為其他借款的擔保。

(c) 於二零一九年九月三十日，本集團的其他借款為一名第三方提供的無抵押借款7,654,000港元（二零一九年三月三十一日：9,374,000港元），固定年利率為18%，於二零二零年一月償還。

* The English name is for identification purpose only.

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24. CONTRACT LIABILITIES

Considerations in respect of properties sold are received in accordance with the terms of the related sales and purchase agreements, certain portion are received on or before the date of delivery of the properties to customers which is recorded as contract liabilities.

24. 合約負債

已售物業之代價根據相關買賣協議之條款收取，若干部分於向客戶交付物業日期或之前收取，入賬列作合約負債。

	30 September 2019 二零一九年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
Contract liabilities arising from property development business	876,014	646,202
		HK\$'000 千港元
At 1 April 2019	於二零一九年四月一日	646,202
Revenue recognised for the balances included in the contract liabilities at the beginning of the period	就計入期初合約負債之結餘確認的收入	
Increase for the cash received for the balances where revenue is not yet recognised during the period	就期內尚未確認收入之結餘已收取的現金增加	(270,830)
		500,642
At 30 September 2019	於二零一九年九月三十日	876,014

As at 30 September 2019, the amount of sales deposits received expected to be recognised as revenue after one year is nil (31 March 2019: Nil).

於二零一九年九月三十日，預期確認為一年以上收入的所收銷售按金為零（二零一九年三月三十一日：零）。

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25. SHARE CAPITAL

25. 股本

		Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Authorised:	法定：		
Ordinary shares of HK\$0.001 each At 1 April 2019 and 30 September 2019	每股面值0.001港元之普通股 於二零一九年四月一日及 二零一九年九月三十日	498,000,000,000	498,000
Non-voting convertible preference shares of HK\$0.001 each At 1 April 2019 and 30 September 2019	每股面值0.001港元之無投票權 可換股優先股 於二零一九年四月一日及 二零一九年九月三十日	2,000,000,000	2,000
		500,000,000,000	500,000
Issued and fully paid:	已發行及繳足：		
Ordinary shares of HK\$0.001 each At 1 April 2019 and 30 September 2019	每股面值0.001港元之普通股 於二零一九年四月一日及 二零一九年九月三十日	20,319,072,320	20,319

26. CONTRIBUTED SURPLUS

26. 實繳盈餘

The contributed surplus of the Group represents the difference between the nominal value of the shares and share premium of the then holding company and the nominal value of the Company's shares issued for the group reorganisation on 25 May 1993, together with the amounts transferred from share capital and share premium account as a result of the capital reduction taken place in August 2001, less dividends paid, amounts utilised on redemption of shares and amount eliminated against accumulated losses.

本集團之實繳盈餘為當時控股公司之股份面值及股份溢價與本公司因於一九九三年五月二十五日集團重組而發行之股份面值之差額，連同因於二零零一年八月削減股本由股本及股份溢價賬轉撥之款項，減已派付股息、贖回股份所用款項與抵銷累計虧損之款項。

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27. COMMITMENTS

- (a) Capital commitments outstanding at 30 September 2019 not provided in the condensed consolidated interim financial statement

27. 承擔

- (a) 於二零一九年九月三十日在簡明綜合中期財務報表內並未計提撥備的未履約資本承擔

		30 September 2019	31 March 2019
		二零一九年 九月三十日	二零一九年 三月三十一日
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(audited)
		(未經審核)	(經審核)
Commitments contracted for:	已訂約承擔：		
– construction for properties held for sale	– 建造待售物業	91,285	141,523
– development of settlement platform	– 發展結算平台	2,622	2,622
		93,907	144,145

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27. COMMITMENTS (Continued)

- (b) At 31 March 2019, the total future minimum lease payment under non-cancellable operating leases in respect of rented premises were payable as follows (audited):

Within one year	一年內
In the second and fifth year inclusive	第二年至第五年(包括首尾兩年)

The Group is the lessee in respect of a number of properties held under leases which were previously classified as operating leases under HKAS 17. The Group has applied HKFRS 16 using the cumulative effect approach and recognised all the cumulative effect of initially applying HKFRS 16 as an adjustment to the opening balance of accumulated losses at 1 April 2019 (see note 3). From 1 April 2019 onwards, future lease payments are recognised as lease liabilities in the condensed consolidated statement of financial position in accordance with the policies set out in note 3.

27. 承擔(續)

- (b) 於二零一九年三月三十一日，就已租賃物業根據不可撤銷經營租約而須於以下期間應付之最低日後租金總額如下(經審核)：

HK\$'000 千港元
6,483
2,657
9,140

本集團為根據租賃持有的若干物業的承租人，該等租賃先前根據香港會計準則第17號分類為經營租賃。本集團採用累計影響法應用香港財務報告準則第16號，並將首次應用香港財務報告準則第16號的所有累計影響確認為對於二零一九年四月一日的累計虧損的期初結餘的調整(見附註3)。自二零一九年四月一日起，日後租賃付款根據附註3所載的政策於簡明綜合財務狀況表中確認為租賃負債。

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28. CONTINGENT LIABILITIES

28. 或然負債

	30 September 2019 二零一九年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
Guarantees given to banks for mortgage facilities granted to purchasers of the Group's properties	821,830	880,758

Note:

The Group had provided guarantees in respect of mortgage facilities granted by certain banks in connection with the mortgage loans entered into by purchasers of the Group's properties. Pursuant to the terms of the guarantees, if there is default of the mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage loans together with accrued interests thereon and any penalty owed by the defaulted purchaser to banks, the Group is then entitled to take over the legal title of the related properties. The guarantee period commences from the dates of grant of the relevant mortgage loans and ends after the buyer obtained the individual property ownership certificate.

The management, with its assessment of the current and outlook of the market, perceives that the possibility of default in mortgage loans by home buyers is remote and, in the event of default, the liabilities caused to the Group will be minimal as the loss will be adequately mitigated by the proceeds recovered from the sales of the repossessed properties. Accordingly, no provision is made in the accounts for the guarantees.

附註：

本集團就若干銀行授出之按揭融資提供擔保，該等按揭融資涉及及由本集團物業買方所訂立之按揭貸款。根據擔保之條款，倘該等買方拖欠按揭款項，本集團須負責向銀行償還買方結欠之按揭貸款連同其應計利息及任何罰款，而本集團屆時有權接管有關物業之法定所有權。擔保期限由相關按揭貸款授出日期起計，並於買方取得個別房產證後結束。

根據當前市場前景的評估，管理層認為購房者於按揭貸款時違約的可能性極低，倘若出現違約，由於出售重置物業的收回所得款項將充分減輕虧損，因此對本集團造成的負債將會微乎其微。因此，擔保賬目中並無計提撥備。

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29. SHARE OPTION SCHEME

On 5 September 2014, pursuant to an ordinary resolution passed by the shareholders of the Company at the general meeting, the Company announced a share option scheme (the “Scheme”) for the purpose of providing incentive to the employee or other individuals of the Group (the “Participants”) and the Scheme will expire on 4 September 2024. Under the Scheme, the Directors is authorised to grant options at a consideration of HK\$1 per option to the Participants the Directors may determine in its absolute discretion, has made valuable contribution to the Group, to subscribe for shares in the Company.

The maximum number of shares which may be issuable under the Scheme cannot exceed 30% of the issued share capital of the Company.

The total number of shares issued and to be issued to each eligible Participants (including both exercised and outstanding options under the Scheme), within 12-month period cannot exceed 1% of the issued share capital of the Company as at the proposed date on which the option is being granted unless prior shareholders approval obtained.

The offer of a grant of share options may be accepted within 30 days from the date the offer together with the payment of nominal consideration of HK\$1 per option by the grantee.

29. 購股權計劃

於二零一四年九月五日，根據本公司股東於股東大會上通過之普通決議案，本公司宣佈一項購股權計劃（「計劃」），以向本集團的僱員或其他個人（「參與者」）提供獎勵，計劃將於二零二四年九月四日屆滿。根據計劃，董事獲授權按每份購股權1港元之代價向董事可全權酌情釐定、已向本集團作出重大貢獻的參與者授出購股權，以認購本公司股份。

根據計劃可予發行之最高股份數目不得超過本公司已發行股本之30%。

除非取得股東事先批准，於12個月期間內已發行及將向各合資格參與者發行（包括計劃項下之已行使及尚未行使購股權）之股份總數目，不得超過本公司於建議授出購股權當日已發行股本之1%。

授出購股權要約可於提呈日期起計30日內由承授人接納，並支付每份購股權1港元之名義代價。

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29. SHARE OPTION SCHEME (Continued)

The exercisable period of the option is determinable by the Directors at their discretion. The expiry date of the option may be determined by the Directors which shall not be later than the last day of the ten year period from the grant date.

The exercise price shall be determined by the Directors and shall be at least the highest of: (a) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the grant date; (b) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the grant date; and (c) the nominal value of a share of the Company.

No option has been granted since the adoption of the Scheme.

30. RETIREMENT BENEFIT SCHEMES

The Group operates a Mandatory Provident Fund Scheme ("MPF Scheme") for all qualifying employees in Hong Kong. The assets of the MPF Scheme are held separately from those of the Group, in funds under control of a trustee. The Group contributes lower of 5% of relevant payroll costs or HK\$1,500 per month per person to the MPF Scheme, which is matched by employees.

The employees of the Group in the PRC are members of state-managed retirement benefit schemes operated by the PRC Government. The PRC subsidiaries are required to contribute a certain percentage of payroll to the retirement benefit schemes to fund the benefits. The only obligation of the Group with respect to the schemes is to make the required contributions under the schemes.

29. 購股權計劃 (續)

購股權行使期由董事酌情釐定。購股權屆滿日期由董事釐定，最遲為自授出日期起計十年期間之最後一日。

行使價由董事釐定及不得低於以下最高者：(a)於授出日期聯交所每日報價單所報之股份收市價；(b)於緊接授出日期前五個營業日聯交所每日報價單所報之平均股份收市價；及(c)本公司股份面值。

自採納計劃起，概無授出購股權。

30. 退休福利計劃

本集團為所有香港合資格僱員設立強制性公積金計劃（「強積金計劃」）。強積金計劃之資產與本集團之資產分開持有，並由受託人管理之基金保管。本集團須按有關薪金成本之5%或每人每月1,500港元向強積金計劃作出供款，而僱員亦須作出同等金額之供款。

本集團之中國僱員為中國政府設立之國家管理退休福利計劃之成員。中國附屬公司須向退休福利計劃作出佔薪金若干百分比之供款，作為提供福利之基金。根據計劃作出規定供款為本集團對此項計劃之唯一責任。

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For the six months ended 30 September 2019 截至二零一九年九月三十日止六個月

31. RELATED PARTY TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in these financial information, the Group has the following transactions with related parties during the period:

Compensation of key management personnel

The remuneration of directors of the Company and other members of key management of the Group during the period were as follows:

31. 關聯人士交易

除該等財務資料其他章節所披露的交易及結餘外，本集團於期內與關聯人士進行下列交易：

主要管理人員之報酬

本公司董事及本集團主要管理人員之其他成員期內之薪酬如下：

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
Short-term benefits	短期福利	2,963	3,029
Retirement benefits scheme contribution	退休福利計劃供款	36	36
		2,999	3,065

The remuneration of key management is determined having regard to the performance of individuals and market trends.

主要管理人員之薪酬乃參考個別人士之績效及市場趨勢釐定。

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

For the six months ended 30 September 2019 截至二零一九年九月三十日止六個月

32. FAIR VALUE MEASUREMENT

The directors of the Company consider the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated interim financial statements approximate their fair values.

33. SUBSEQUENT EVENTS

On 4 October 2019, Besting Capital Limited (“Besting Capital”), an indirectly wholly-owned subsidiary of the Company, entered into the cooperation agreement with Unicon Optical Co., Ltd. (“Unicon”), a company incorporated in Taiwan with limited liability and listed on the Emerging Stock Board of Taipei Exchange (台灣興櫃市場) (Stock code: 4150) pursuant to which Besting Capital and Unicon will jointly establish a company named Hong Kong Unicon Optical Co., Limited (“HK Unicon”) for purpose of setting up a wholly-owned foreign enterprise for manufacturing and selling of contact lenses in PRC. According to the cooperation agreement, the registered capital of the HK Unicon shall be USD30 million, of which Besting Capital shall be contributing USD21 million (representing 70% of the equity interests in HK Unicon) and Unicon shall be contributing USD9 million (representing 30% of the equity interests in HK Unicon). On 25 October 2019, a wholly-owned foreign enterprise named 福建優你康光學有限公司 (Fujian Unicon Optical Co., Ltd) had been established by HK Unicon in Fuzhou.

32. 公允價值計量

本公司董事認為，於簡明綜合中期財務報表內按攤銷成本列賬之金融資產及金融負債之賬面值與其公允值相若。

33. 期後事件

於二零一九年十月四日，栢興資本有限公司（「栢興資本」，為本公司之間接全資附屬公司）與優你康光學股份有限公司（「優你康」，一家於台灣註冊成立及在台灣興櫃市場掛牌交易的有限公司（股份代號：4150）訂立合作協議，據此，栢興資本及優你康將聯合成立一家名為香港優你康光學有限公司（「香港優你康」）的公司，以在中國設立外商獨資企業，製造及銷售隱形眼鏡。根據合作協議，香港優你康的註冊資本將為30,000,000美元，其中栢興資本將出資21,000,000美元（佔香港優你康股權的70%）及優你康將出資9,000,000美元（佔香港優你康股權的30%）。於二零一九年十月二十五日，香港優你康在福州成立一家名為福建優你康光學有限公司的外商獨資企業。

Management Discussion and Analysis

管理層討論及分析

Overall results

Key performance indicator (Financial Ratio)

整體業績

主要業績指標 (財務比率)

		Six months ended 30 September 截至九月三十日止六個月	
		NOTES 附註	2018 二零一八年
		2019 二零一九年	2019 二零一九年
		30 September 九月三十日	31 March 三月三十一日
Revenue (HK\$'000)	收入 (千港元)	280,550	798,205
Gross Profit margin (%)	毛利率(%)	(i) 19.32%	13.41%
(Loss)/profit for the period (HK\$'000)	期內(虧損)/溢利 (千港元)	(39,747)	15,807
(Loss)/earnings per share (HK cents)	每股(虧損)/盈利(港仙)	(0.20)	0.01
Net asset value per share (HK cents)		(ii) 5.19	5.42

Notes:

- (i) Gross profit margin is calculated as gross profit divided by revenue and multiplying the resulting value by 100%.
- (ii) Net asset value per share is calculated based on the number of 20,319,072,320 ordinary shares issued as at 30 September 2019 (31 March 2019: 20,319,072,320 ordinary shares).

附註:

- (i) 毛利率按毛利除以收入再將所得值乘以100%計算。
- (ii) 每股資產淨值乃根據於二零一九年九月三十日已發行20,319,072,320股普通股(二零一九年三月三十一日: 20,319,072,320股普通股)計算。

Management Discussion and Analysis

管理層討論及分析

Overall results (Continued)

Key performance indicator (Financial Ratio) (Continued)

For the reporting period, the Group recorded a revenue of approximately HK\$280,550,000, representing a significant decrease of approximately 64.9% when compared with the same period in 2018. The revenue for the reporting period is mainly generated from the property development segment in 正和城 (“Zhenghe City”) of 柳州正和樺桂置業集團有限公司 (Liuzhou Zhenghe Huagui Real Estate Group Company Limited*) (“Liuzhou Zhenghe”). In the preceding financial year, the construction work of 2 blocks of studio/office buildings in Zone C, 3 blocks of high-rise apartments in Zone D1 and 2 blocks of residential and commercial complexes in Zone F in Zhenghe City were completed and delivered to the customers and therefore recorded substantial revenue in the previous period. However, during the reporting period, no buildings were completed and delivered to the market, and revenue was only generated from the selling of the unsold units in studio/office buildings in Zone C and commercial complexes in Zone F. As a result, the revenue of the Group for the reporting period decreased significantly.

An overall gross profit of approximately HK\$54,214,000 (2018: HK\$107,010,000) and gross profit margin of 19.32% (2018: 13.41%) were recorded for the reporting period. The slight increase in gross profit margin was mainly due to the stores and apartment units sold during the period as compared to residential units sold in same period in 2018 has a relatively higher marking in selling.

A loss amounted to approximately HK\$39,747,000 was recorded for the reporting period whereas a profit of approximately HK\$15,807,000 was recorded for the same period in 2018. Such loss was mainly attributed to no newly completed buildings being delivered to the market during the period to generate adequate profit to cover the fixed costs of the Group and the impairment loss of approximately HK\$23,634,000 on factoring receivables in the financing segment was made as result of increasing expected loss after assessment on risk of default in respect of the relevant factoring receivables. The basic and diluted loss per share was approximately HK\$0.20 cents for the reporting period.

整體業績 (續)

主要業績指標 (財務比率) (續)

於報告期內，本集團錄得收入約280,550,000港元，較二零一八年同期明顯減少約64.9%。於報告期內，收入主要來自柳州正和樺桂置業集團有限公司（「柳州正和」）正和城（「正和城」）的物業開發分類。於上一財政年度，正和城C區2幢工作室／辦公大樓、D1區3幢高層公寓及F區2幢住宅及商業綜合樓已竣工並向客戶交付，因而於上一期間錄得可觀收入。然而，於報告期內，概無樓宇已竣工及向市場交付，而收入則僅來自出售C區工作室／辦公大樓及F區商業綜合樓的未出售單元。因此，本集團於報告期內收入大幅減少。

報告期間錄得整體毛利約54,214,000港元（二零一八年：107,010,000港元）及毛利率19.32%（二零一八年：13.41%）。毛利率略微增加主要是由於相較於二零一八年同期出售的住宅單元，期內出售相對更高加成的店舖及公寓單元所致。

報告期間錄得虧損約39,747,000港元，而二零一八年同期錄得溢利約15,807,000港元。該虧損主要是由於期內未能向市場交付新竣工樓宇而產生充足溢利以彌補本集團的固定成本，以及因就相關保理應收款項評估違約風險後預期虧損增加而就融資分類的保理應收款項計提減值虧損約23,634,000港元。報告期間，每股基本及攤薄虧損約為0.20港仙。

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect

International Business Settlement

In last financial year, in view of challenges faced with the operational side to reach consensus on the actual operation mode and details of the business cooperation with potential banks and financial institutions to generated future benefits to the Group and the external factors, such as the world trade environment, changes in financial regulatory trend and changes in political environment which had triggered financial regulators in various countries to hesitate when co-operating with the Group to develop the Next Generation Settlement Network (“NGSN”) platform, as the development of the platform is to provide an alternative settlement and clearing services other than SWIFT between China and other countries, with reference to the assessment of a professional valuer, the NGSN was fully impaired.

Although the development of the NGSN faced a lot of challenges, the Company is not ready to give up on it. The Board considers that all its effort and money spent in the past few years will be in vain if NGSN was terminated, therefore the Board decided to continue with the development of the NGSN and targets in the European region first with by leveraging its relationship in Lithuania. The Group currently holds an Electronic Money Institution (“EMI”) License in Lithuania and the management team in Lithuania has established a good relationship with the Central Bank of Lithuania. With such communication channel, the Company targets to develop the European market for NGSN in the coming years.

In the reporting period, the Group restructured the management team to develop the NGSN and employed additional expertise and technical staff to support the development. The Company continues to maintain communication with all our existing partners, aiming to reach more in-depth and comprehensive cooperation agreements with potential cooperative banks and financial institutions as soon as possible so that the NGSN can be put into operation as soon as possible to provide fund settlement and clearing services to cross border trading business and individuals around the world. It is expected that the development of NGSN will continue to face different operational and technological challenges, however, with the assistance of external technological expertise and the management team, the Company hopes that NGSN can provide settlement services in 2021.

經營業務回顧及前景

國際商業結算

於上一財政年度，鑒於在經營方面就實際經營模式達成共識所面臨的挑戰及與潛在銀行及金融機構進行業務合作以產生本集團未來利益的詳情以及外部因素，如世界貿易環境、金融監管的趨勢變化及政治環境的變化，而該等外部因素引發各國金融監管機構在與本集團合作開發全球清算網絡（Next Generation Settlement Network，「NGSN」）平台時猶豫不決，原因是該平台的開發乃為中國與其他國家之間提供除SWIFT外的其他清結算服務，經參考專業估值師的評估，NGSN悉數減值。

儘管NGSN的開發面臨諸多挑戰，本公司仍未打算就此放棄。董事會認為，倘終止NGSN，則過去幾年付出的所有努力及投入的資金將付諸東流，因此董事會決定繼續開發NGSN並憑藉其於立陶宛的關係初步涉足歐洲地區。目前，本集團於立陶宛持有電子貨幣機構（Electronic Money Institution）（「EMI」）許可證，且於立陶宛的管理團隊已與立陶宛的央行建立良好關係。憑藉該通訊渠道，本公司的目標是於未來幾年為NGSN開發歐洲市場。

於報告期間，本集團重組管理團隊以發展NGSN，並聘用額外專業人士及技術員工以支持該發展。本公司繼續與各現有合作方保持溝通，希望儘快能與潛在合作銀行及金融機構達成更加深入及全面的合作協議，讓NGSN儘快運作起來，為全球跨境貿易企業及個人提供資金清結算服務。預期NGSN的發展將繼續面臨不同的營運及技術挑戰，儘管如此，在外界技術專家及管理團隊的協助下，本公司希望NGSN可於二零二一年提供結算服務。

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect (Continued)

International Business Settlement (Continued)

With the EMI License in Lithuania, the Group has connected the commercial and individual customers in European market and China together and provides fund settlement and clearing services for commercial and individual customers in a small scale.

As of September 2019, nearly 130 European customers opened e-banking accounts through the Group's e-banking set up via network in Lithuania, which provided deposit, remittance and settlement services to them, with monthly deposits in aggregate of approximately EUR3 million and transaction amount in aggregate of more than EUR80 million.

The Group obtained approval from the central bank of Lithuania for expanding the services scope under the EMI License to conduct issue credit card, card collection and other business in April 2019, the Group has conducted negotiation with certain international payment services provider, such as UnionPay, Alipay and WeChat, with a view to cooperating with them in respect of collection business in Euro upon the completion of expansion of EMI License. Besides, the Group also keeps an eye on Special Bank License and hopes to upgrade EMI License to Special Bank License, with an aim of providing commercial customers with more financial services.

For the application of licenses for electronic banking or licenses for payment company in Central Asia, the progress is not as smooth as expected and hiccups encountered. The Group will try its best to resolve the difficulties faced and expand our network to achieving synergetic development with the business in European and domestic market.

The revenue attributed to this segment was contributed from the EMI License business which was at the initial stage and generated relatively low revenue of approximately HK\$1,120,000 (2018: HK\$25,000), and the loss was approximately HK\$12,532,000 (2018: HK\$13,261,000). The major expenses for the period were staff costs.

經營業務回顧及前景 (續)

國際商業結算 (續)

憑藉於立陶宛的EMI許可證，本集團於歐洲市場及中國均聯繫到了商業及個人客戶，並為商業及個人客戶提供小範圍的資金清結算服務。

截至二零一九年九月，本集團的電子銀行藉由立陶宛的網絡已經為近一百三十家歐洲客戶開立電子銀行戶口，提供了存款、匯款及清算服務，月累計存款約3百萬歐元，累計交易處理量已超過80百萬歐元。

於二零一九年四月，本集團已取得立陶宛央行的批准，拓展EMI許可證服務範圍，可以進行新增卡發行(Issue credit card)、卡收單(Card collection)等其他業務。同時本集團已經與若干國際支付服務提供商開展溝通，如銀聯、支付寶、微信，希望在EMI許可證完成拓展之後，可與以上機構在歐洲的收單業務進行合作。另外本集團亦持續關注Special Bank牌照，希望在將來可以將EMI許可證升級為Special Bank牌照，以期為商業客戶提供更多金融服務。

就於中亞申請電子銀行牌照或支付公司牌照而言，進程並非如預期般順利且遭遇阻礙。本集團將盡最大努力解決所面臨的困難並拓展其網絡，以實現歐洲及國內市場業務的協同發展。

該分類的收入乃由EMI許可證業務所貢獻，該業務處於初步階段且產生相對較低的收入約1,120,000港元(二零一八年: 25,000港元)及虧損約12,532,000港元(二零一八年: 13,261,000港元)。期內主要開支為員工成本。

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect (Continued)

Liuzhou Zhenghe (property development, hotel business and property management business segment)

Zhenghe City is a mix-used complex project located at No. 102, Xinliu Avenue, Liudong New District, Liuzhou, Guangxi Zhuang Autonomous Region, the PRC, which offers a wide range of properties, including villas, townhouses, commercial buildings, office buildings, hotels and high-rise apartments developed by Liuzhou Zhenghe.

Zhenghe City comprises two phases with Phase I providing a stack of residential and commercial properties with gross floor area of approximately 480,000 square meters. Phase II will provide another stack of residential and commercial properties with a total gross floor area of approximately 511,000 square meters. Both Phase I and Phase II have commenced construction and are under development. The Group owned 100% interest in properties held for development and properties held for sale in both Phase I and Phase II.

經營業務回顧及前景 (續)

柳州正和 (物業發展、酒店業務及物業管理業務分類)

正和城為混合多功能綜合項目，位於中國廣西壯族自治區柳州市柳東新區新柳大道102號，提供多種不同類型物業，包括由柳州正和所開發的別墅、聯排屋、商業大樓、辦公大樓、酒店及高層公寓。

正和城由兩期構成，一期提供多幢建築面積約480,000平方米之住宅及商業物業。二期將另外提供多幢住宅及商業物業，總建築面積約為511,000平方米。一期與二期均已開始施工及在開發中。本集團全資擁有一期及二期持作發展物業及待售物業。

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect (Continued)

Liuzhou Zhenghe (property development, hotel business and property management business segment) (Continued)

(a) Detail area of the properties under development and completed properties are as follows:

經營業務回顧及前景 (續)

柳州正和(物業發展、酒店業務及物業管理業務分類)(續)

(a) 發展中物業及已竣工物業的面積詳情如下:

		Site area	Approximate gross floor area	Saleable area remaining unsold	Completed area of properties held for self-operating/ own use
		地盤面積	概約建築面積	尚未出售的可出售面積	持作自營/自用的已竣工物業面積
		(sq.m) (平方米)	(sq.m) (平方米)	(Note 2) (附註2) (sq.m) (平方米)	(Note 2) (附註2) (sq.m) (平方米)
Phase I:	一期:				
Zone A	A區	76,000	97,000	21,000	8,000
Zone B	B區	94,000	128,000	26,000	—
Zone C	C區	61,000	255,000	129,000	—
		231,000	480,000	176,000	8,000
Phase II:	二期:				
Zone D	D區	71,000	191,000	48,000	—
Zone E	E區	30,000	142,000	87,000	31,000
Zone F	F區	41,000	178,000	110,000	—
		142,000	511,000	245,000	31,000
Total:	總計:	373,000	991,000	421,000	39,000

Note 1: The number of square meters ("sq.m") are rounded to nearest thousand for illustrative purpose only.

Note 2: Representing the gross floor area under development and saleable gross floor area of completed properties that were unsold as at 30 September 2019.

附註1: 平方米(「平方米」)數字乃約整至最接近的千位數,僅作說明用途。

附註2: 即發展中建築面積及於二零一九年九月三十日已竣工但尚未出售的物業的可出售建築面積。

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect (Continued)

經營業務回顧及前景 (續)

Liuzhou Zhenghe (property development, hotel business and property management business segment) (Continued)

柳州正和(物業發展、酒店業務及物業管理業務分類)(續)

(b) The progress of each phase in Zhenghe City are shown as follows:

(b) 正和城各期項目進程呈列如下：

	Property type 物業類型	Status 狀況
Phase I: 一期：		
Zone A A區	Villas and high-rise apartment buildings with retail outlets and car parking spaces 別墅及高層公寓，以及商舖及停車位	The construction works were completed and most of the residential units were sold in the past financial years. Approximately 8,000 square meters car parking spaces in this zone were held for self-operating to generate stable recurring income. Hence classify as the Group's property, plant and equipment. 建築工程已於過往財政年度竣工且大部分住宅單位已出售。本區約8,000平方米停車位持作為自營停車位，以產生穩定的經常性租金收入。因此分類為本集團物業、廠房及設備內。
Zone B B區	Villas and high-rise apartment buildings with retail outlets and car parking spaces 別墅及高層公寓，以及商舖及停車位	The construction works were completed and most of the residential units were sold in the past financial years. 建築工程已於過往財政年度竣工且大部分住宅單位已出售。
Zone C C區	Residential and commercial complexes and studio/office buildings with retail outlets and car parking spaces 住宅及商業綜合樓及工作室／辦公大樓，以及商舖及停車位	There are 7 blocks of residential and commercial complexes and 3 blocks of studio/office buildings in this zone. 該區有7幢住宅及商業綜合樓及3幢工作室／辦公大樓。 The construction works of 7 blocks of residential and commercial complexes and 2 of 3 blocks of studio/office buildings in this zone were completed and most of the units were sold in the past financial years. 該區7幢住宅及商業綜合樓以及3幢工作室／辦公大樓中的2幢的建築工程已於過往財政年度竣工且大部分單位已出售。 The construction works of the remaining 1 block of studio/office building is in progress. The pre-sale permits were granted and acceptance certificates of completion are expected to be granted in the first half of 2020. 餘下1幢工作室／辦公大樓的建築工程仍處於建設中。預售許可證已授出而工程竣工驗收證書預計將於二零二零年上半年授出。

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect (Continued)

經營業務回顧及前景 (續)

Liuzhou Zhenghe (property development, hotel business and property management business segment) (Continued)

柳州正和(物業發展、酒店業務及物業管理業務分類)(續)

(b) The progress of each phase in Zhenghe City are shown as follows: (Continued)

(b) 正和城各期項目進程呈列如下：(續)

	Property type 物業類型	Status 狀況
Phase II: 二期：		
Zone D1 D1區	Villas 別墅	The construction works of the villas were completed. 10 villas with area of approximately 5,000 square meters were sold to the customers and revenue was recognised in the reporting period. Remaining 6 villas with a total saleable area of approximately 3,000 square meters are held for sale. 別墅的建築工程已竣工。面積約5,000平方米的10幢別墅已售予客戶且收入已於報告期內確認。餘下總可出售面積約為3,000平方米的6幢別墅乃持作出售。
Zone D1 D1區	High-rise apartment buildings with retail outlets and car parking spaces 高層公寓，以及商舖及停車位	There are 5 blocks of high-rise apartment buildings in this zone. 本區有5幢高層公寓。 The construction works of these 5 blocks of high-rise apartment buildings were completed and most of the units were sold in the past financial years. Car parking spaces with a total saleable area of approximately 43,000 square meters are held for sale. 高層公寓中該等5幢的建築工程已竣工且大部分單位已於過往財政年度售出。總可出售面積約為43,000平方米的停車位乃持作出售。
Zone D2 D2區	Villas 別墅	The construction works of the villas were completed. 8 villas with a total saleable area of approximately 5,000 square meters were sold to the customers and revenue was recognised in the reporting period. 別墅的建築工程已竣工。總可出售面積約為5,000平方米的8幢別墅已售予客戶且收入已於報告期確認。

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect (Continued)

經營業務回顧及前景 (續)

Liuzhou Zhenghe (property development, hotel business and property management business segment) (Continued)

柳州正和(物業發展、酒店業務及物業管理業務分類)(續)

(b) The progress of each phase in Zhenghe City are shown as follows: (Continued)

(b) 正和城各期項目進程呈列如下：(續)

	Property type 物業類型	Status 狀況
Zone E E區	Hotel and high-rise apartment buildings with retail outlets and car parking spaces 酒店及高層公寓，以及商舖及停車位	<p>The construction works of high-rise apartment buildings were completed and most of the units were sold in the last financial year. Retail outlets attached to this apartment building with a total saleable area of approximately 33,000 square meters are held for sale.</p> <p>高層公寓的建築工程已於上個財政年度竣工且大部分單位已出售。本公寓之商舖總可出售面積約33,000平方米乃持作出售。</p> <p>The hotel building was under construction and the pre-sale permit was granted. The acceptance certificate of completion is expected to be obtained in late 2019 or early 2020. In last financial year, the Group changed its intention to operate the hotel under franchising arrangement instead of held for sale. Constructing area of approximately 31,000 square meters of the hotel building are included in property, plant and equipment.</p> <p>酒店仍處於建設中及預售許可證已授出。工程竣工驗收證書預計將於二零一九年末或二零二零年初取得。於上個財政年度，本集團改變其計劃以根據特許經營安排經營酒店而非持作出售。酒店在建面積約31,000平方米已計入物業、廠房及設備。</p>
Zone F F區	Residential and commercial complexes with retail outlets and car parking spaces 住宅及商業綜合樓，以及商舖及停車位	<p>There are 6 blocks of residential and commercial complexes in this zone.</p> <p>本區有6幢住宅及商業綜合樓。</p> <p>The construction works of 3 blocks of residential and commercial complexes were completed and most of the units were sold in the past financial years.</p> <p>3幢住宅及商業綜合體的建築工程已竣工，且大部分單位已於過往財政年度出售。</p> <p>The construction works of the remaining 3 blocks of residential and commercial complexes are in progress and pre-sale permits were granted. The acceptance certificates of completion are expected to be obtained in the first half of 2020. Retail outlets attached to 1 block of building with area of approximately 3,000 square meters was sold to customers and revenue was recognised in the period.</p> <p>餘下3幢住宅及商業綜合體的建築工程仍處於建設中且預售許可證已授出。工程竣工驗收證書預計將於二零二零年上半年取得。1幢樓宇之商舖面積約3,000平方米已售予客戶且收入已於期內確認。</p>

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect (Continued)

Liuzhou Zhenghe (property development, hotel business and property management business segment) (Continued)

- (i) For property development segment in Liuzhou Zhenghe, an area of approximately 25,000 square meters (2018: 127,000 square meters) was sold and generated a segment revenue of approximately HK\$270,830,000 for the reporting period (2018: HK\$791,916,000). A segment profit of approximately HK\$38,071,000 was recorded for the reporting period (2018: HK\$78,051,000). The low sales figures in the reporting period was mainly due to no buildings were completed and delivered to the customers during the period. Therefore, revenue for the period was contributed by the sale of previously constructed unsold units only.

An external expert was engaged to help to assess the fair value of the properties development project as at 30 September 2019. For those properties which had completed the construction work and were held for sale, a market comparison method by making reference to comparable sales transactions as available in the relevant market was used. For those properties still under construction, the value was derived by using a market comparison method with the assumption that the construction works of the properties would have been completed at the date of valuation and have taken into account the construction costs expected and costs that will be expended to complete the development. No impairment loss is required for the period ended 30 September 2019 as the net realisable value is higher than carrying amount.

Liuzhou Zhenghe will continue to develop the Phase II of Zhenghe City and the Group is actively looking for other property development opportunities in Guangxi or other provinces in the PRC.

經營業務回顧及前景 (續)

柳州正和 (物業發展、酒店業務及物業管理業務分類) (續)

- (i) 柳州正和物業發展分類已售出約25,000平方米(二零一八年: 127,000平方米)的面積,並於報告期間產生分類收入約270,830,000港元(二零一八年: 791,916,000港元)。於報告期間錄得分類溢利約38,071,000港元(二零一八年: 78,051,000港元)。於報告期間的低銷售額主要是由於期間並無樓宇竣工且已向客戶交付。因此,本期間收入僅來自先前已興建尚未出售單位之銷售。

外部專家已獲委任以協助評估物業開發項目於二零一九年九月三十日的公允值。已就已竣工及待售的物業使用市場比較法,參考相關市場上可得的可比較銷售交易。在建物業的價值乃使用市場比較法得出,當中假設物業的建築工程已於估值日期竣工,並計及預計建築成本及為完成開發將支銷的成本。由於可變現淨值高於賬面值,截至二零一九年九月三十日止期間無須作出減值虧損。

柳州正和將繼續開發正和城二期且本集團正於廣西或中國其他省份積極尋找其他物業發展機會。

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect (Continued)

Liuzhou Zhenghe (property development, hotel business and property management business segment) (Continued)

- (ii) The hotel business is located in Zone E1 of Zhenghe City with gross floor area of approximately 31,000 square meters. In last financial year, the Group entered into a franchising agreement with a well-known international hotel franchisee to operate the hotel under the franchising requested standards. The construction and renovation works of the hotel building are still in progress and no revenue will be generated until commencement of operation of the hotel in 2021 and the segment loss was HK\$5,058,000 mainly represented interest on other borrowing for finance the hotel construction (2018: Nil).
- (iii) In order to increase the income stream, the Group started to provide property management services to the residents or lessees in Zhenghe City. During the reporting period, the revenue generated from property management business was HK\$5,084,000 (2018: Nil) and the segment loss was HK\$2,411,000 (2018: Nil).

經營業務回顧及前景 (續)

柳州正和 (物業發展、酒店業務及物業管理業務分類) (續)

- (ii) 酒店業務位於正和城E1區總建築面積約為31,000平方米。於上個財政年度，本集團與國際知名酒店特許經營商訂立特許經營協議，根據特許經營規定標準經營酒店。酒店樓宇的建設及裝修工程仍在進行中且並不會產生收入直至酒店於二零二一年開始營運為止且分類虧損5,058,000港元主要指為酒店建設融資之其他借款利息(二零一八年：無)。
- (iii) 為增加收入來源，本集團開始提供物業管理服務予正和城之居民或承租人。於報告期間，物業管理業務產生收入5,084,000港元(二零一八年：無)及分類虧損2,411,000港元(二零一八年：無)。

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect (Continued)

Financial services

A wholly foreign owned enterprise (the “WFOE”) in the China (Shanghai) Pilot Free Trade Zone was established by the Group to carry out financing business in China with a total registered capital of USD35 million (approximately RMB225 million). The scope of business of the WFOE includes finance leasing, leasing, purchasing of leased assets in domestic and foreign markets, disposal of residual value and maintenance of leased assets, provision of consultation and guarantees for lease transactions and engaging in commercial factoring business.

Starting from last year, the financial services business was affected significantly in view of the challenging business environment in China. Our clients in the factoring business experienced a severe blow in this tough business environment in China and have failed to pay all installments of interest payment since last financial year. After assessment of the recoverability of the debt, a significant impairment and expected credit loss of HK\$93,909,000 were provided for these receivables in last financial year.

During the reporting period the principal amount of factoring receivables matured in July 2019, there had been no progress for recover of any amount in arrears from these receivables, after considering the credit risk of the borrowers and realizable value of the collaterals, a further impairment loss of HK\$23,634,000 on factoring receivables was made in the reporting period.

This segment recorded approximately HK\$3,516,000 interest income (2018: HK\$6,264,000) as revenue and the segment loss was approximately HK\$24,489,000 (2018: segment profit of HK\$2,016,000) for the reporting period. The substantial segment loss was mainly due to the aforesaid impairment loss of HK\$23,634,000 being made for the factoring receivables after credit evaluations.

The carrying amount of factoring receivables and loan receivables arising from financing segment were at HK\$12,657,000 and HK\$131,078,000 after deducting accumulated allowance of impairment loss of HK\$109,257,000 and HK\$6,663,000 respectively for the reporting period.

經營業務回顧及前景 (續)

融資服務

本集團於中國（上海）自由貿易試驗區成立外商獨資企業（「外商獨資企業」），以在中國開展融資業務，註冊資本總額為35,000,000美元（約人民幣225,000,000元）。外商獨資企業經營範圍包括融資租賃；租賃；於國內外市場購買租賃資產；租賃資產之殘值處理及維修；提供租賃交易諮詢和擔保以及從事商業保理業務。

鑒於中國充滿挑戰的營商環境，自上個年度開始金融服務業務受到重大影響。我們保理業務的客戶在中國嚴峻的營商環境下遭受了嚴重打擊，並自上個財政年度未繳全部利息分期付款。於評估債務的可收回性後，已對上個財政年度之該等應收賬項計提重大減值及預期信貸虧損撥備93,909,000港元。

於報告期內，應收保理款項的本金額於二零一九年七月到期，收回該等應收賬項之任何欠款並無進展，於考量借款人的信貸風險及抵押品可變現價值後，已於報告期內就保理應收款項作出進一步減值虧損23,634,000港元。

就報告期，本分類錄得利息收入約3,516,000港元（二零一八年：6,264,000港元）作為收入及分類虧損約24,489,000港元（二零一八年：分類溢利2,016,000港元）。顯著的分類虧損主要原因是經信貸評估後，應收保理款項已作出上述計提的減值虧損23,634,000港元。

經扣除報告期內減值虧損累計撥備109,257,000港元及6,663,000港元後，來自融資分類的應收保理款項及應收貸款的賬面值分別為12,657,000港元及131,078,000港元。

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect (Continued)

Financial services (Continued)

The Group did not make any new loan during the reporting period. The Group adhered to a prudent risk management policy, with this segment continuously carrying out rigorous and regular review of credit risk over all the existing and new finance leasing clients. The Group will continue to adopt a careful and prudent credit risk management strategy and closely monitored recoverability to ensure prompt follow-up action is taken to receive any overdue debt.

Other operations

Other operations of the Group include the provision of consultancy services, operation of e-commerce platforms and an investment in a gold mine. No turnover was generated for these other operations during the reporting period and the loss incurred was approximately HK\$385,000 (2018: HK\$452,000). The Group's management will continue to review the situation regularly and explore any possible solution to generate returns for the shareholders.

The 27% effective equity interest in the gold mine in the Republic of Kyrgyz was fully impaired in the previous year. The construction of mining plants and other infrastructure is in progress and test-run of the mining production has commenced. The Company's shareholding in the gold mine had been pledged to secure a bank loan borrowed by the mining company to finance its operation.

經營業務回顧及前景 (續)

融資服務 (續)

於報告期內，本集團概無提供任何新貸款。本集團堅持審慎的風險管理政策，本分類不斷對所有現有及新融資租賃客戶進行嚴格及定期的信貸風險檢討。本集團將繼續採取仔細而審慎的信貸風險管理策略，並密切監察可收回性，以確保採取迅速的後續行動以收取任何逾期債務。

其他經營業務

本集團的其他經營業務涵蓋提供顧問服務、營運電子商務平台及投資金礦。於報告期間，此等其他經營業務概無產生營業額，惟產生虧損約385,000港元（二零一八年：452,000港元）。本集團管理層將持續定期檢討有關情況，並發掘可行的方案為股東帶來回報。

於位於吉爾吉斯共和國的金礦的27%實際股權在上年悉數減值。採礦場及其他基礎設施的建設工程正在進行中，試採礦已開始。本公司於金礦的股權已獲質押，為礦業公司借入的銀行貸款提供擔保，以為其運營提供資金。

Management Discussion and Analysis

管理層討論及分析

Future Plans for Material Investments and Subsequence Events

- (a) On 19 July 2019, the Group entered into a subscription agreement with independent parties pursuant to which the Group has conditionally agree to subscribe for 5 new ordinary shares, which represent approximately 5.56% of the issued share capital, of Bronzelink Holding Limited (“Bronzelink”) for subscription price of USD50,000,000 (equivalent to approximately HK\$392,805,000). Bronzelink is an investment holding company which hold 75% of Global-IP Cayman which is principally engaged in providing high capacity Ka-band satellite-enabled internet network services, exclusively dedicated to the emerging markets in Sub-Saharan Africa. After the completion, Bronzelink shall also procure granting an exclusive right to the Group to sell or to sub-license not less than 50Gbps bandwidth which is around 1/3 of the total bandwidth available from the satellite to the Group and, in connection with such sale or sublicense, entitle the Group to a payment in the amount of not less than 5% of the gross selling price payable by each of the customers of such 50Gbps bandwidth.

Due diligence work is in progress and completion is conditional upon satisfaction of certain conditions precedent including but not limit to Global-IP Cayman having renewed the agreement the manufacturer of the satellite, Boeing Satellite Systems International, Inc., and our due diligence work having been completed and satisfied. The USD50,000,000 subscription money payable to Bronzelink in accordance with the terms and conditions of the subscription agreement is now kept by the Company until the deal is completed. For details of transactions, please refer to the announcement of the Company dated 19 July 2019.

有關重大投資的未來計劃及期後事件

- (a) 於二零一九年七月十九日，本集團與獨立方訂立認購協議，據此，本集團已有條件同意認購5股新普通股，佔Bronzelink Holding Limited（「Bronzelink」）已發行股本約5.56%，認購價為50,000,000美元（相當於約392,805,000港元）。Bronzelink為投資控股公司，持有Global-IP Cayman 75%權益，Global-IP Cayman主要從事提供高功率Ka波段寬帶衛星互聯網網絡服務，供撒哈拉以南非洲的新興市場專用。於完成後，Bronzelink亦將促使向本集團授出獨家權利以出售或再許可不低於50Gbps的帶寬（為通過衛星可獲得的總帶寬的約1/3），且就有關出售或再許可而言，賦予本集團權利收取金額不低於該50Gbps帶寬各名客戶應付售價總額5%的付款。

本公司正在進行盡職審查工作且完成須待若干先決條件達成後方可作實，包括但不限於Global-IP Cayman已與衛星製造商Boeing Satellite Systems International, Inc.重續協議，而我們的盡職審查工作已完成及信納。根據認購協議的條款及條件，應付予Bronzelink的認購款項50,000,000美元現由本公司保管直至交易完成。有關交易詳情，請參閱本公司日期為二零一九年七月十九日之公佈。

Management Discussion and Analysis

管理層討論及分析

Future Plans for Material Investments and Subsequence Events (Continued)

(b) On 4 October 2019, Besting Capital Limited (“Besting Capital”), an indirectly wholly-owned subsidiary of the Company, entered into the cooperation agreement with Unicon Optical Co., Ltd. (“Unicon”), a company incorporated in Taiwan with limited liability and listed on the Emerging Stock Board of Taipei Exchange (台灣興櫃市場) (Stock code: 4150) pursuant to which Besting Capital and Unicon will jointly establish a company named Hong Kong Unicon Optical Co., Limited (“HK Unicon”) for purpose of setting up a wholly-owned foreign enterprise for manufacturing and selling of contact lenses in PRC. According to the cooperation agreement, the registered capital of the HK Unicon shall be USD30 million, of which Besting Capital shall be contributing USD21 million (representing 70% of the equity interests in HK Unicon) and Unicon shall be contributing USD9 million (representing 30% of the equity interests in HK Unicon). On 25 October 2019, a wholly-owned foreign enterprise named 福建優你康光學有限公司 (Fujian Unicon Optical Co., Ltd) had been established by HK Unicon in Fuzhou. For details of transactions, please refer to the announcement of the Company dated 4 October 2019.

Material acquisition and disposals of subsidiaries and associated companies

There was no material acquisitions and disposal of subsidiaries and associated companies during the reporting period.

Financial Review

Finance position, liquidity and gearing

As at 30 September 2019, the total assets and liabilities of the Group were at approximately HK\$2,951,706,000 (31 March 2019: HK\$3,317,118,000) and approximately HK\$1,897,182,000 (31 March 2019: HK\$2,214,816,000), respectively. The Group recorded a total equity of approximately HK\$1,054,524,000 as at 30 September 2019 (31 March 2019: HK\$1,102,302,000).

有關重大投資的未來計劃及期後事件 (續)

(b) 於二零一九年十月四日，栢興資本有限公司（「栢興資本」，為本公司之間接全資附屬公司）與優你康光學股份有限公司（「優你康」，一家於台灣註冊成立及在台灣興櫃市場掛牌交易的有限公司（股份代號：4150）訂立合作協議，據此，栢興資本及優你康將聯合成立一家名為香港優你康光學有限公司（「香港優你康」）的公司，以在中國設立外商獨資企業，製造及銷售隱形眼鏡。根據合作協議，香港優你康的註冊資本將為30,000,000美元，其中栢興資本將出資21,000,000美元（佔香港優你康股權的70%）及優你康將出資9,000,000美元（佔香港優你康股權的30%）。於二零一九年十月二十五日，香港優你康在福州成立一家名為福建優你康光學有限公司的外商獨資企業。有關交易詳情，請參閱本公司日期為二零一九年十月四日之公佈。

重大收購以及出售附屬公司及聯營公司

於報告期間並無發生重大收購以及出售附屬公司及聯營公司事項。

財務回顧

財務狀況、流動資金及資產負債比率

於二零一九年九月三十日，本集團之資產總值及負債總額分別約為2,951,706,000港元（二零一九年三月三十一日：3,317,118,000港元）及約1,897,182,000港元（二零一九年三月三十一日：2,214,816,000港元）。於二零一九年九月三十日，本集團錄得權益總額約1,054,524,000港元（二零一九年三月三十一日：1,102,302,000港元）。

Management Discussion and Analysis

管理層討論及分析

Financial Review (Continued)

Finance position, liquidity and gearing (Continued)

The Group recorded net current assets of approximately HK\$384,310,000 as at 30 September 2019 (31 March 2019: HK\$793,891,000). The bank balances and cash as at 30 September 2019 was approximately HK\$419,476,000 (31 March 2019: HK\$911,602,000), of which most were denominated in Hong Kong dollars, Renminbi, Euro and US dollars.

The Group's current ratio (defined as current assets divided by current liabilities) was 1.21 (31 March 2019: 1.36).

As at 30 September 2019, the Group had total borrowings amounted to approximately HK\$623,749,000 (31 March 2019: HK\$667,985,000) which were denominated in Renminbi. The breakdowns are as follows:

- (i) Secured bank and other borrowings amounted to approximately HK\$557,750,000 (31 March 2019: HK\$596,543,000) with effective interest rates in the ranges of 6% to 12%;
- (ii) Unsecured other borrowings amounted to approximately HK\$7,654,000 (31 March 2019: HK\$9,374,000) with fixed interest rate of 18%; and
- (iii) Interest free loan due to third parties, non-controlling interests and ultimate holding company amounted to approximately HK\$730,000 (31 March 2019: HK\$782,000), approximately HK\$55,846,000 (31 March 2019: HK\$59,511,000) and approximately HK\$1,769,000 (31 March 2019: HK\$1,775,000) respectively.

The gearing ratio, as a ratio of total borrowings to total equity, as at 30 September 2019 was 0.59 (31 March 2019: 0.61).

財務回顧 (續)

財務狀況、流動資金及資產負債比率 (續)

於二零一九年九月三十日，本集團錄得流動資產淨值約384,310,000港元（二零一九年三月三十一日：793,891,000港元）。於二零一九年九月三十日，銀行結存及現金約為419,476,000港元（二零一九年三月三十一日：911,602,000港元），其中大部分以港元、人民幣、歐元及美元計值。

本集團的流動比率（界定為流動資產除以流動負債）為1.21（二零一九年三月三十一日：1.36）。

於二零一九年九月三十日，本集團之借款總額約為623,749,000港元（二零一九年三月三十一日：667,985,000港元），均以人民幣計值，明細如下：

- (i) 有抵押銀行及其他借款約為557,750,000港元（二零一九年三月三十一日：596,543,000港元），實際利率介乎6%至12%；
- (ii) 無抵押其他借款約7,654,000港元（二零一九年三月三十一日：9,374,000港元），固定利率為18%；及
- (iii) 應付第三方、非控制權益及最終控股公司之免息貸款分別約為730,000港元（二零一九年三月三十一日：782,000港元）、約55,846,000港元（二零一九年三月三十一日：59,511,000港元）及約1,769,000港元（二零一九年三月三十一日：1,775,000港元）。

於二零一九年九月三十日，資產負債比率（即借款總額與權益總額之比例）為0.59（二零一九年三月三十一日：0.61）。

Management Discussion and Analysis

管理層討論及分析

Financial Review (Continued)

Financial resources

During the period, the Group's operations continued to be mainly financed by internal resources, borrowings as well as proceeds raised from equity financing exercise in December 2016. The management believes that the Group will generate its liquidity from business operations and will consider making use of further equity financing when necessary.

Use of proceeds from fund raising activities

In December 2016, the Company placed up to 1,280,000,000 new ordinary shares at a price of HK\$1.25 per ordinary share (the "Placing"). The net proceeds raised were approximately HK\$1,587,200,000 and as at 30 September 2019, the total unutilised net proceeds were approximately HK\$478,900,000.

Due to the development of NGSN is slower than expected and for reasons stated above under section headed "International Business Settlement", the Group believed it would be in the interests of the Company and its shareholders to re-allocate the intended use of the un-utilised proceeds from the Placing to segments where revenue can be generated sooner.

財務回顧 (續)

財務資源

期內，本集團主要透過內部資源、借款以及於二零一六年十二月進行股本融資所籌集之所得款項繼續為其營運提供資金。管理層認為，本集團將透過其業務營運產生流動資金，並將於必要時考慮利用進一步股本融資。

籌資活動所得款項用途

於二零一六年十二月，本公司以每股普通股1.25港元的價格配售最多1,280,000,000股新普通股（「配售」）。籌集的所得款項淨額約為1,587,200,000港元，於二零一九年九月三十日，尚未動用的所得款項淨額合共約為478,900,000港元。

由於NGSN的發展低於預期及上文「國際商業結算」一節所述的理由，本集團認為，重新分配來自配售的尚未動用所得款項的擬定用途至可儘快產生收入的分類符合本公司及其股東的利益。

Management Discussion and Analysis

管理層討論及分析

Financial Review (Continued)

Use of proceeds from fund raising activities (Continued)

The following table sets forth a breakdown of use of proceeds up to 30 September 2019 and the reallocation of the proceeds:

財務回顧 (續)

籌資活動所得款項用途 (續)

下表載列直至二零一九年九月三十日的有關所得款項用途明細及所得款項的重新分配：

	Net proceeds from the Placing in December 2016	Reallocation of the proceeds	Utilised amount 已動用金額			Un-utilised proceeds as at 30 September 2019	Notes
			as at 31 March 2019	during the Reporting Period	as at 30 September 2019		
	於二零一六年十二月配售所得款項淨額 HK\$ million 百萬港元	所得款項的重新分配 HK\$ million 百萬港元	於二零一九年三月三十一日 HK\$ million 百萬港元	於二零一九年報告期間 HK\$ million 百萬港元	於二零一九年九月三十日 HK\$ million 百萬港元	於二零一九年九月三十日尚未動用的所得款項 HK\$ million 百萬港元	
Development of the Next Generation Settlement Network:	開發下一代清結算網絡：						
(i) Hardware and software	(i) 硬件及軟件	1,111.0	(952.5)	(49.0)	–	(49.0)	109.5 (a)
(ii) Research and development	(ii) 研發	317.5	(284.5)	(9.7)	–	(9.7)	23.3 (b)
Expand the settlement and clearing services through EMI license	透過EMI許可證拓展清結算服務	–	30.0	–	–	–	30.0 (c)
Set up subsidiaries in Mid-Asia for application of payment licenses	在中亞成立附屬公司以申請支付牌照	–	20.0	–	–	–	20.0 (d)
General working capital	一般營運資金	158.7	134.9	(143.6)	(28.7)	(172.3)	121.3 (e)
Potential investment opportunity in the Fintech industry	金融科技產業的潛在投資機會	–	567.6	–	(392.8)	(392.8)	174.8 (f)
Use in financing business	融資業務用途	–	117.7	(117.7)	–	(117.7)	–
Repayment of loan related to the property development business	償還與物業開發業務有關的貸款	–	366.8	(366.8)	–	(366.8)	–
		1,587.2	–	(686.8)	(421.5)	(1,108.3)	478.9

It is submitted that the current expected timeframe and detailed breakdown for the un-utilised proceeds is as follows:

據認為，有關尚未動用所得款項的現時預期時間表及明細詳情如下：

- | | | | |
|-----|--|-----|---|
| (a) | Approximately HK\$109,500,000 is to be applied to the hardware and software for the NGSN platform by March 2022; | (a) | 約109,500,000港元將於二零二二年三月前用於NGSN平台的硬件及軟件； |
| (b) | Approximately HK\$23,300,000 is to be applied to the research and development on the technical side of the NGSN by March 2022; | (b) | 約23,300,000港元將於二零二二年三月前用於NGSN技術方面的研發； |

Management Discussion and Analysis

管理層討論及分析

Financial Review (Continued)

Use of proceeds from fund raising activities (Continued)

- (c) Approximately HK\$30,000,000 is to be applied to further expand the settlement and clearing services for commercial and individual customers through EMI license by March 2022;
- (d) Approximately HK\$20,000,000 is to be applied to set up subsidiaries in Mid-Asia for the application of EMI license or payment licenses to provide settlement or payment services for commercial and individual customers by March 2022;
- (e) Approximately HK\$121,300,000 is to be applied to general working capital of the Group for the coming years, approximately HK\$50.0 million each financial year; and
- (f) Approximately HK\$174,800,000, being the remaining balance of the un-utilised proceeds, is to be applied for potential investment opportunity in the Fintech industry. During the reporting period, HK\$392.8 million had been placed as deposit for an investment in the Fintech industry (Note 17).

Capital structure

As at 30 September 2019, the total issued share capital of the Company was HK\$20,319,072 which is divided into 20,319,072,320 shares of ordinary shares of the Company.

Charges on assets

As at 30 September 2019, certain properties held for sale with carrying amount of approximately HK\$616,535,000 (31 March 2019: HK\$660,742,000) and certain property, plant and equipment with carrying amount of approximately HK\$40,848,000 (31 March 2019: HK\$43,777,000) respectively, were pledged to secure certain bank and other borrowings granted to the Group.

As at 30 September 2019, the Company's 27% effective equity interest in the gold mine in the Republic of Kyrgyz, which was fully impaired in the previous year, had been pledged to secure a bank loan borrowed by the mining company to finance its operation.

財務回顧 (續)

籌資活動所得款項用途 (續)

- (c) 約30,000,000港元將於二零二二年三月前用於透過EMI許可證進一步拓展商業及個人客戶的清結算服務；
- (d) 約20,000,000港元將於二零二二年三月前用於在中亞成立附屬公司以申請EMI許可證或支付牌照，從而為商業及個人客戶提供結算或支付服務；
- (e) 約121,300,000港元將用於本集團未來數年的一般營運資金，各財政年度約為50,000,000港元；及
- (f) 約174,800,000港元（即尚未動用所得款項的餘下結餘）將用於金融科技產業的潛在投資機會。於報告期間，392,800,000港元已存為按金，作為於金融科技產業的投資（附註17）。

資本結構

於二零一九年九月三十日，本公司之已發行股本總額為20,319,072港元，分為20,319,072,320股本公司普通股。

資產抵押

於二零一九年九月三十日，賬面值約為616,535,000港元（二零一九年三月三十一日：660,742,000港元）之若干待售物業及賬面值約為40,848,000港元（二零一九年三月三十一日：43,777,000港元）之若干物業、廠房及設備已予抵押，作為本集團所獲授若干銀行及其他借款之擔保。

於二零一九年九月三十日，本公司於位於吉爾吉斯共和國的金礦的27%實際股權（於上年悉數減值）已獲質押，為礦業公司借入的銀行貸款提供擔保，以為其運營提供資金。

Management Discussion and Analysis

管理層討論及分析

Financial Review (Continued)

Contingent liabilities

The Group had provided guarantees in respect of mortgage facilities granted by certain banks in connection with the mortgage loans entered into by purchasers of the Group's properties. Pursuant to the terms of the guarantees, if there is any default of the mortgage payments by these purchasers, the Group is responsible for repaying the outstanding mortgage loans together with accrued interests thereon and any penalty owed by the defaulted purchaser to banks, the Group is then entitled to take over the legal title of the related properties. The guarantee period commences from the dates of granting the relevant mortgage loans and ends after the buyer obtains the individual property ownership certificate. As at 30 September 2019, the guarantee given to banks for the above-mentioned mortgage facilities amounted to approximately HK\$821,830,000 (31 March 2019: HK\$880,758,000).

Foreign exchange exposure

As part of the Group's assets and liabilities are denominated in Renminbi, US dollars, Euro and Hong Kong dollars, in order to minimise the foreign exchange risk, the Group aims to utilise the fund for transactions that are denominated in the same currency.

Employment And Remuneration Policy

As at 30 September 2019, the Group had approximately 130 employees. The employees' salaries are reviewed and adjusted annually based on their performance and experience. The Group's employee benefits include performance bonus, medical insurance, mandatory provident fund scheme, local municipal government retirement scheme and education subsidy to encourage continuous professional development of staff.

財務回顧 (續)

或然負債

本集團就若干銀行授出之按揭融資提供擔保，該等按揭融資涉及及由本集團物業買家所訂立之按揭貸款。根據擔保之條款，倘該等買家拖欠任何按揭款項，本集團須負責向銀行償還買家結欠之按揭貸款連同其應計利息及任何罰款，而本集團屆時有權接管有關物業之法定所有權。擔保期限由相關按揭貸款授出日期起計，並於買家取得個別房產證後結束。於二零一九年九月三十日，就上述之按揭融資向銀行提供之擔保約為821,830,000港元（二零一九年三月三十一日：880,758,000港元）。

外匯風險

本集團之部分資產與負債乃以人民幣、美元、歐元及港元列值，以將外匯風險降至最低程度，本集團旨在動用以相同貨幣列值之資金進行交易。

僱員及薪酬政策

於二零一九年九月三十日，本集團僱用約130名僱員。僱員薪金乃根據僱員之表現及經驗每年檢討及調整。本集團之僱員福利包括績效花紅、醫療保險、強制性公積金計劃、地方市政府退休計劃，以及為員工提供教育資助以鼓勵持續專業進修。

Additional Information

其他資料

Directors and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and the Associated Corporations

As at 30 September 2019, the interests and short positions of the directors and the chief executive and their associates in the shares of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) (a) which were required to be notified to the Company and the Stock Exchange of Hong Kong Limited (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 (b) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, were as follows:

(i) **Long position in shares and underlying shares of the Company**

Ordinary shares of HK\$0.001 each of the Company

董事及最高行政人員於本公司及相聯法團之股份、相關股份及債券之權益及淡倉

於二零一九年九月三十日，董事及最高行政人員以及彼等之聯繫人於本公司及其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的股份中擁有：(a)根據證券及期貨條例第XV部第7及8分部須通知本公司及香港聯合交易所有限公司（「聯交所」）之權益及淡倉（包括根據證券及期貨條例之該等條文彼等被當作或視作擁有之權益或淡倉）；或(b)根據證券及期貨條例第352條須記入該條所述登記冊之權益及淡倉；或(c)根據上市公司董事進行證券交易之標準守則規定須通知本公司及聯交所之權益及淡倉如下：

(i) **於本公司股份及相關股份之好倉**

本公司每股面值0.001港元之普通股

Name of Director	Capacity in which interests are held	Number of Shares interested	Approximate percentage of the issued share capital of the Company
			佔本公司已發行股本之概約百分比
董事姓名	持有權益之身份	擁有權益之股份數目	
Luan Li 樂利	Beneficial owner 實益擁有人	9,400,000	0.05%

Additional Information 其他資料

Directors and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and the Associated Corporations (Continued)

董事及最高行政人員於本公司及相聯法團之股份、相關股份及債券之權益及淡倉 (續)

(ii) Long position in shares and underlying shares of associated corporation

(ii) 於相聯法團股份及相關股份之好倉

Name of Director	Name of associated corporation	Personal interest	Number of ordinary shares (long positions) 普通股數目 (好倉)	
			Total number of shares held in associated corporation	Approximate percentage of issued share capital of associated corporation
董事姓名	相聯法團名稱	個人權益	持有相聯法團之股份總數	佔相聯法團已發行股本之概約百分比
Yuen Leong 袁亮	Long Grand Limited (Note 1) 長鴻有限公司 (附註1)	Beneficial owner 實益擁有人	300	30%

Note:

(1) Long Grand Limited is legally and beneficially owned as to 70% by Mr. Yam Yu and as to 30% by Mr. Yuen Leong. Long Grand Limited holds more than 50% of the issued share capital of the Company. Accordingly, by virtue of the SFO, (i) Long Grand Limited is an associated corporation of the Company and (ii) Mr. Yuen Leong is deemed to be interested in this associated corporation of the Company.

附註:

(1) 長鴻有限公司分別由任宇先生及袁亮先生合法及實益擁有70%及30%權益。長鴻有限公司持有本公司已發行股本逾50%。因此，根據證券及期貨條例，(i)長鴻有限公司為本公司之相聯法團及(ii)袁亮先生被視為於本公司之該相聯法團擁有權益。

Additional Information

其他資料

Directors and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and the Associated Corporations (Continued)

Save as disclosed above, as at 30 September 2019, none of the Directors and the chief executive of the Company had any interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO), (a) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or (c) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

Share Options

A share option scheme was adopted on 5 September 2014 by the Company. The share option scheme is designed to award employees for their performances and details of the share option scheme are set out in note 29 to the condensed consolidated interim financial statements. No share option has been granted, exercised, cancelled or lapsed under the share option scheme during the reporting period, and there is no outstanding share option as at 30 September 2019.

董事及最高行政人員於本公司及相聯法團之股份、相關股份及債券之權益及淡倉 (續)

除上文所披露者外，於二零一九年九月三十日，董事及本公司最高行政人員概無於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債券中擁有：(a)根據證券及期貨條例第XV部第7及8分部須通知本公司及聯交所之任何權益或淡倉（包括根據證券及期貨條例之該等條文彼等被當作或視作擁有之權益及淡倉）；或(b)根據證券及期貨條例第352條須記入該條所述登記冊之任何權益或淡倉；或(c)根據上市公司董事進行證券交易之標準守則規定須通知本公司及聯交所之任何權益或淡倉。

購股權

本公司於二零一四年九月五日採納一項購股權計劃。購股權計劃之設立旨在獎勵表現優良之僱員，且購股權計劃之詳情載於簡明綜合中期財務報表附註29。於報告期間概無購股權根據購股權計劃獲授出、行使、註銷或失效，且於二零一九年九月三十日亦無尚未行使購股權。

Additional Information

其他資料

Directors' rights to acquire shares or debentures

Apart from the foregoing and save as disclosed under the heading "Directors and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and the Associated Corporations" above, at no time during the six months ended 30 September 2019 were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or their respective spouse or minor children, or were any such rights exercised by them or was the Company, or any of its holding companies, its fellow subsidiaries or any of its subsidiaries a party to any arrangement to enable the directors, their respective spouse or minor children to acquire such rights in any other body corporate.

Directors' interests in competing businesses and conflicts of interests

During the period ended 30 September 2019, none of the directors of the Company or any of their respective associates have engaged in any business that compete or may compete with the businesses of the Group or have any other conflict of interests with the Group.

Interests and short positions of substantial shareholders

As at 30 September 2019, the following interest of 5% or more of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO.

董事收購股份或債券之權利

除上述及上文「董事及最高行政人員於本公司及相聯法團之股份、相關股份及債券之權益及淡倉」所披露者外，於截至二零一九年九月三十日止六個月任何時間並無向任何董事或彼等各自之配偶或未成年子女授出可透過收購本公司股份或債券而取得利益之權利，或彼等並無行使任何該等權利，而本公司或其任何控股公司、其同系附屬公司或其任何附屬公司並無訂立任何安排，以致董事、彼等各自之配偶或未成年子女可獲取任何其他法人團體之上述權利。

董事於競爭業務之權益及利益衝突

截至二零一九年九月三十日止期間，本公司董事或任何彼等各自之聯繫人概無從事與本集團業務存在競爭或可能存在競爭之任何業務或與本集團有任何其他利益衝突。

主要股東之權益及淡倉

於二零一九年九月三十日，根據本公司按證券及期貨條例第336條規定存置之權益登記冊所示，下列人士或公司擁有本公司已發行股本5%或以上權益。

Additional Information 其他資料

Interests and short positions of substantial shareholders (Continued) 主要股東之權益及淡倉 (續)

Name	Capacity in which interests are held	Number of Shares interested	Approximate percentage of the issued share capital of the Company
名稱	持有權益之身份	擁有權益之股份數目	佔本公司已發行股本之概約百分比
Long Grand Limited (Note 1) 長鴻有限公司 (附註1)	Beneficial owner 實益擁有人	10,347,283,880 (L)	50.92%
Yam Yu (Note 1) 任宇 (附註1)	Interest in controlled corporation 於受控制法團之權益	10,347,283,880 (L)	50.92%
Power Trend Asset Holdings Ltd. (Note 2) Power Trend Asset Holdings Ltd. (附註2)	Beneficial owner 實益擁有人	2,540,190,000 (L)	12.50%
Luo Feng (Note 2) 羅峰 (附註2)	Interest in controlled corporation 於受控制法團之權益	2,540,190,000 (L)	12.50%
China Cinda Asset Management Co., Ltd. (Note 3) 中國信達資產管理股份有限公司 (附註3)	Interest in controlled corporation 於受控制法團之權益	1,280,000,000 (L)	6.30%
	Interest in controlled corporation 於受控制法團之權益	640,000,000 (S)	3.15%
China Cinda (HK) Holdings Company Limited (Note 3) 中國信達 (香港) 控股有限公司 (附註3)	Interest in controlled corporation 於受控制法團之權益	1,280,000,000 (L)	6.30%
	Interest in controlled corporation 於受控制法團之權益	640,000,000 (S)	3.15%

Additional Information

其他資料

Interests and short positions of substantial shareholders (Continued)

主要股東之權益及淡倉 (續)

Name	Capacity in which interests are held	Number of Shares interested	Approximate percentage of the issued share capital of the Company
名稱	持有權益之身份	擁有權益之股份數目	已發行股本之概約百分比
China Cinda (HK) Asset Management Co., Limited (Note 3) 中國信達(香港)資產管理股份有限公司(附註3)	Interest in controlled corporation 於受控制法團之權益	640,000,000 (L)	3.15%
	Person having a security interest in shares 於股份中擁有證券權益之個人	640,000,000 (L)	3.15%
	Interest in controlled corporation 於受控制法團之權益	640,000,000 (S)	3.15%

(L) denotes long position
(S) denotes short position

(L) 指好倉
(S) 指淡倉

Notes:

附註:

- (1) Long Grand Limited is legally and beneficially owned as to 70% by Mr. Yam Yu and as to 30% by Mr. Yuen Leong. By virtue of Mr. Yam Yu's 70% direct interest in Long Grand Limited, Mr. Yam Yu is deemed or taken to be interested in the 10,347,283,880 shares held by Long Grand Limited for the purposes of the SFO.
- (2) Power Trend Asset Holdings Ltd. is legally and beneficially wholly owned by Mr. Luo Feng. By virtue of Mr. Luo Feng's 100% direct interest in Power Trend Asset Holdings Ltd., Mr. Luo Feng is deemed or taken to be interested in the 2,540,190,000 shares held by Power Trend Asset Holdings Ltd. for the purposes of the SFO.
- (3) China Cinda Asset Management Co., Ltd. has 100% control of China Cinda (HK) Holdings Company Limited, which has 100% control of China Cinda (HK) Asset Management Co., Limited.

- (1) 長鴻有限公司分別由任宇先生及袁亮先生合法及實益全資擁有。基於羅峰先生於Power Trend Asset Holdings Ltd.之100%直接權益，根據證券及期貨條例，任宇先生被視為或當作於長鴻有限公司持有之10,347,283,880股股份中擁有權益。
- (2) Power Trend Asset Holdings Ltd.由羅峰先生合法及實益全資擁有。基於羅峰先生於Power Trend Asset Holdings Ltd.之100%直接權益，根據證券及期貨條例，羅峰先生被視為或當作於Power Trend Asset Holdings Ltd.持有之2,540,190,000股股份中擁有權益。
- (3) 中國信達資產管理股份有限公司擁有中國信達(香港)控股有限公司之全部控制權，而中國信達(香港)控股有限公司擁有中國信達(香港)資產管理股份有限公司之全部控制權。

Additional Information

其他資料

Interests and short positions of substantial shareholders

(Continued)

Save as disclosed above, as at 30 September 2019, no other person, other than the director of the Company, whose interests are disclosed under the heading “Directors and Chief Executives’ Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and the Associated Corporations” above, had registered an interest or short position in the shares, underlying shares and debentures of the Company and its associated corporation that was required to be recorded pursuant to Section 336 of the SFO.

Model Code for Director’s securities transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 of the Rules Governing the Listing of Securities (the “Listing Rules”) on the Stock Exchange. Having made specific enquiry of all Directors, the Company received confirmation from all of the Directors that they had complied with the required standard set out in the Model Code and its code of conduct regarding Directors’ securities transactions throughout the reporting period.

Purchase, sales or redemption of the Company’s shares

There was no purchase, sale or redemption by the Company, any of its subsidiaries, of the Company’s securities during the six months ended 30 September 2019.

主要股東之權益及淡倉 (續)

除上文所披露者外，於二零一九年九月三十日，概無任何其他人士（其權益於上文「董事及最高行政人員於本公司及相聯法團之股份、相關股份及債券之權益及淡倉」一節中披露之本公司董事除外）於本公司及其相聯法團之股份、相關股份及債券中擁有須記錄於按證券及期貨條例第336條規定存置之登記冊內之權益或淡倉。

董事進行證券交易之標準守則

本公司已採納聯交所證券上市規則（「上市規則」）附錄十所載有關上市發行人董事進行證券交易之標準守則（「標準守則」）。經向全體董事作出具體查詢後，本公司接獲全體董事之確認，彼等於整個報告期間已遵守標準守則所載之規定標準及董事進行證券交易之行為守則。

購買、出售或贖回本公司股份

於截至二零一九年九月三十日止六個月，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證券。

Additional Information

其他資料

Compliance with the Code on Corporate Governance Practices

The Company has complied with the code provisions set out in the Code on Corporate Governance Practices (the “CG Code”) contained in Appendix 14 of the Listing Rules throughout the reporting period except for certain deviations as specified and explained below with considered reasons for such deviations.

- (a) In accordance with the code provision A.2.1, the role of Chairman and Chief Executive Officer (“CEO”) should not be performed by the same individual. However, the Company did not officially appoint a Chairman or a CEO during the period. The responsibilities of the Chairman and daily management of the Group’s business is handled by the executive Directors collectively and supported by a team of senior management, which is in turn supported by staff with relevant expertise and experience.

The Board considers that this arrangement allows for contributions from all executive Directors with different expertise and is beneficial to the continuity of the Company’s policies and strategies and the interest of the shareholders of the Company as a whole. Depending on the future development of the business of the Company, the Board will review the existing structure and consider to nominate appropriate candidate to fill up the role of Chairman and CEO.

- (b) Code provision E.1.2 stipulates that the Chairman should attend the annual general meeting. The Company does not at present have any officer with the title Chairman. However, one of the Directors presents at the annual general meeting held on 12 September 2019 was elected as chairman thereof to ensure an effective communication with the shareholders thereat.

遵守企業管治常規守則

於整個報告期間內，本公司一直遵守上市規則附錄十四所載之企業管治常規守則（「企業管治守則」）所載列之守則條文，惟以下指明及解釋偏離原因的若干偏離者除外。

- (a) 根據守則條文第A.2.1條，主席及行政總裁（「行政總裁」）之職務不應由同一人擔任。然而，本公司於期內並無正式委任主席或行政總裁。主席之職責及本集團業務之日常管理由執行董事集體處理，且由高級管理層團隊支持，而高級管理層團隊由兼備相關專業知識及經驗之員工輔助。

董事會認為，此安排使得擁有不同專業知識之全體執行董事均能作出貢獻，且有利於延續本公司之政策及策略，並符合本公司股東之整體利益。鑒於本公司日後業務之發展，董事會將檢討現有架構並考慮提名合適人選填補主席及行政總裁職務空缺之事宜。

- (b) 守則條文第E.1.2條規定，主席應出席股東週年大會。本公司目前主席一職為空缺。然而，於二零一九年九月十二日舉行之股東週年大會上，其中一名出席的董事獲選為大會主席，以確保於大會上與股東進行有效溝通。

Additional Information

其他資料

Compliance with the Code on Corporate Governance Practices (Continued)

- (c) Code provision F.1.3 stipulates that the company secretary should report to the Chairman and/or the CEO. As the Company did not officially appoint a Chairman or a CEO, the company secretary reported to the executive Directors during the period.

Save as those mentioned above, in the opinion of the Directors, the Company complied with the code provisions of the CG Code during the period.

Board of Directors

The Board is responsible for the formulating the business plans and strategies, monitoring the business performance and internal control, approving investment proposals and reviewing the finance performance of the Group. The daily operations of the Group and execution of the business plans are delegated to the management of the Group. Prior to entering into any significant transactions, Board approval should be obtained. In addition, the Board has established Board Committees and has delegated to these Board Committees various responsibilities set out in their terms of reference respectively.

Audit Committee

The Audit Committee currently comprises of three independent non-executive Directors, all of whom possess extensive experience in financial and general management. The primary duties of the Audit Committee are to manage the relationship between the Company and its external auditor and monitor the audit scope and the process, to review and supervise the financial reporting process, internal control system and risk management and to provide advice and comments to the Board.

The Group's interim financial information for the period has not been audited but has been reviewed by the Audit Committee. Based on this review and discussions with the management, the Audit Committee was satisfied that the unaudited interim financial information was prepared in accordance with applicable accounting standards and fairly present the Group's financial position and results for the period.

遵守企業管治常規守則 (續)

- (c) 守則條文第F.1.3條規定，公司秘書應向主席及／或行政總裁匯報。由於本公司並無正式委任主席或行政總裁，故公司秘書於期內向執行董事匯報。

除上文所述者外，董事認為，本公司於本期間已遵守企業管治守則之守則條文。

董事會

董事會負責制定業務規劃及策略、監控業務表現及內部控制、審批投資提議以及審閱本集團之財務表現，而本集團管理層則負責本集團之日常營運及執行業務規劃。於訂立任何重大交易前，均須取得董事會批准。此外，董事會已成立董事委員會，並向該等董事委員會轉授其各自職權範圍列明之各項職責。

審核委員會

審核委員會現時由三名獨立非執行董事組成，彼等均具備豐富財務及綜合管理經驗。審核委員會之主要職責是管理本公司與其外聘核數師之關係以及監控審核範圍及流程、檢討及監督財務報告程序、內部控制系統及風險管理以及向董事會提供意見及建議。

本集團於期內之中期財務資料未經審核已由審核委員會審閱。根據該審閱及與管理層之討論，審核委員會確信未經審核中期財務資料已按適用之會計準則編製，並公平呈列本集團於期內的財政狀況及業績。

Additional Information

其他資料

Remuneration Committee

The Remuneration Committee currently comprises of three independent non-executive Directors. The principal responsibilities of the Remuneration Committee are to make recommendations to the Board on the overall remuneration policy, remuneration packages for the Directors and members of the senior management and on the establishment of a formal and transparent process for approving such remuneration policy.

Nomination Committee

The Nomination Committee currently comprises of three independent non-executive Directors. The principal responsibilities of the Nomination Committee are to lead the process for the appointments of the member of the Board, and to identify and nominate suitable candidates for appointment to the Board and make recommendations to the Board.

Interim Dividend

The Board resolved not to declare any interim dividend for period (2018: Nil).

Changes in information of Directors

Pursuant to Rule 13.51B(1) of the Listing Rules, the change of Directors' information since the date of the 2018/2019 annual report and up to the date of this interim report is as follows:

1. With effect from 1 August 2019, Ms. Chen Lanran appointed as an independent non-executive Director, and a member of each of the audit committee, nomination committee and remuneration committee of the Board.
2. With effect from 12 September 2019, Mr. Zhang Guangsheng ("Mr. Zhang") has retired as an independent non-executive Director, chairman of the nomination committee and a member of each of the remuneration committee and the audit committee of the Board.

薪酬委員會

薪酬委員會現時由三名獨立非執行董事組成。薪酬委員會之主要職責是就整體薪酬政策、董事及高級管理層成員之薪酬待遇以及就批准有關薪酬政策制訂正式及具透明度之程序向董事會作出推薦建議。

提名委員會

提名委員會現時由三名獨立非執行董事組成。提名委員會之主要職責是領導董事會成員之委任過程，以及物色及提名適當人選加入董事會，並向董事會作出推薦建議。

中期股息

董事會議決不宣派期內的任何中期股息（二零一八年：無）。

董事資料之變動

根據上市規則第13.51B(1)條，自二零一八年／二零一九年年度報告日期起直至本中期報告日期，董事資料之變動如下：

1. 陳嵐冉女士獲委任為獨立非執行董事以及董事會審核委員會、提名委員會及薪酬委員會成員，自二零一九年八月一日起生效。
2. 張光生先生（「張先生」）退任獨立非執行董事、董事會提名委員會主席以及薪酬委員會及審核委員會成員，自二零一九年九月十二日起生效。

Additional Information

其他資料

Changes in information of Directors (Continued)

3. Mr. Chan Siu Tat, an independent non-executive Director, has been appointed by the Board as the chairman of the nomination committee in place of Mr. Zhang with effect from 12 September 2019.

By order of the Board

International Business Settlement Holdings Limited

Yuen Leong

Executive Director

Hong Kong, 25 November 2019

董事資料之變動 (續)

3. 獨立非執行董事陳少達先生獲董事會委任為提名委員會主席，以替代張先生，自二零一九年九月十二日起生效。

承董事會命

國際商業結算控股有限公司

執行董事

袁亮

香港，二零一九年十一月二十五日



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