



China Brilliant Global Limited

朗華國際集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號：8026

First Quarterly Report

2019

第一季度業績報告



CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

This report, for which the directors (the “Directors”) of China Brilliant Global Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.

香港聯合交易所有限公司（「聯交所」）GEM 的特色

GEM 的定位，乃為中小型公司提供一個上市的市場，此等公司相比起其他在聯交所上市的公司帶有較高投資風險。有意投資的人士應了解投資於該等公司的潛在風險，並應經過審慎周詳的考慮後方作出投資決定。

由於GEM上市公司普遍為中小型公司，在GEM買賣的證券可能會較於聯交所主板買賣之證券承受較大的市場波動風險，同時無法保證在GEM買賣的證券會有高流通量的市場。

本報告乃遵照聯交所GEM證券上市規則（「GEM上市規則」）的規定提供有關朗華國際集團有限公司（「本公司」）的資料。本公司各董事（「董事」）共同及個別對本報告承擔全部責任。董事於作出一切合理查詢後確認，就彼等所深知及確信，本報告所載資料在各重大方面均屬準確及完整，且並無誤導或欺詐成分，亦無遺漏任何其他事項，致使本報告內任何聲明或本報告有所誤導。

HIGHLIGHTS

摘要

- Revenue of the Group for the three months ended 30 June 2019 amounted to approximately HK\$26,681,000, representing an increase of approximately 21.6% as compared to the corresponding period in the previous financial year.
- The Group's gross profit for the three months ended 30 June 2019 was approximately HK\$2,055,000, decreasing by approximately HK\$159,000 as compared with the same period of last financial year.
- Loss attributable to owners of the Company for the three months ended 30 June 2019 amounted to approximately HK\$3,106,000 (for the three months ended 30 June 2018: loss HK\$5,537,000).
- The Board does not recommend the payment of an interim dividend for the three months ended 30 June 2019.
- 本集團截至二零一九年六月三十日止三個月之收益約為26,681,000港元，較上一個財政年度同期增加約21.6%。
- 本集團截至二零一九年六月三十日止三個月之毛利約為2,055,000港元，較上一個財政年度同期減少約159,000港元。
- 截至二零一九年六月三十日止三個月，本公司擁有人應佔虧損約為3,106,000港元（截至二零一八年六月三十日止三個月：虧損5,537,000港元）。
- 董事會不建議就截至二零一九年六月三十日止三個月派發中期股息。

UNAUDITED CONSOLIDATED RESULTS

The board of Directors (the “Board”) of the Company is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the three months ended 30 June 2019 together with the comparative unaudited figures for the three months ended 30 June 2018 as follows:

未經審核綜合業績

本公司董事會(「董事會」)欣然宣佈，本公司及其附屬公司(「本集團」)截至二零一九年六月三十日止三個月之未經審核綜合業績，連同截至二零一八年六月三十日止三個月之未經審核比較數字如下：

		For the three months ended 30 June		
		截至六月三十日止三個月		
		2019	2018	
		二零一九年	二零一八年	
		HK\$'000	HK\$'000	
		千港元	千港元	
		(Unaudited)	(Unaudited)	
		(未經審核)	(未經審核)	
Revenue	收益	3	26,681	21,944
Cost of sales	銷售成本		(24,626)	(19,730)
Gross profit	毛利		2,055	2,214
Selling expenses	銷售開支		(602)	(623)
Administrative expenses	行政開支		(4,677)	(7,109)
Finance costs	財務成本		(45)	-
Other income/(expenses)	其他收入／(開支)		91	(32)
Share of profit of associate	應佔聯營公司溢利		72	13
Loss before tax	除稅前虧損		(3,106)	(5,537)
Income tax expense	所得稅開支	4	-	-
Loss for the period	期內虧損		(3,106)	(5,537)
Other comprehensive loss:	其他全面虧損：			
<i>Items that may be reclassified</i>	<i>其後可能重新分類至</i>			
<i>subsequently to profit or loss:</i>	<i>損益之項目：</i>			
Exchange differences on	換算海外業務之			
translation of foreign	匯兌差額			
operations			(32)	(1,819)
Total comprehensive	期內全面虧損總額		(3,138)	(7,356)
loss for the period				

**For the three months
ended 30 June**

截至六月三十日止三個月

2019

2018

二零一九年

二零一八年

Notes

HK\$'000

HK\$'000

附註

千港元

千港元

(Unaudited)

(Unaudited)

(未經審核)

(未經審核)

Loss for the period attributable to owners of the Company	本公司擁有人應佔 期內虧損		(3,106)	(5,537)
Total comprehensive loss for the period attributable to owners of the Company	本公司擁有人應佔 期內全面虧損總額		(3,138)	(7,356)
Loss per share attributable to owners of the Company	本公司擁有人應佔 每股虧損	5		
Basic	基本		HK0.21 cents 港仙	HK0.40 cents 港仙
Diluted	攤薄		HK0.21 cents 港仙	HK0.40 cents 港仙

Notes:

1. ORGANISATION AND PRINCIPAL ACTIVITY

The Company is a limited liability company incorporated in the Cayman Islands. The address of its registered office is Century Yard, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, the Cayman Islands. The address of its principal place of business in Hong Kong is Flat B, 9/F., 9 Des Voeux Road West, Hong Kong. The Company's shares are listed on the GEM. The principal activities of the Company and its subsidiaries (the "Group") are wholesale and retailing of jewellery, money lending and distribution of pharmaceutical products.

2. BASIS OF PREPARATION

The Group's unaudited consolidated results have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants and accounting principles generally accepted in Hong Kong. In addition, the unaudited consolidated results include applicable disclosures required by the GEM Listing Rules. The measurement basis used in the preparation of the unaudited consolidated results is the historical cost convention, except for certain financial instruments which have been measured at fair value at the end of the reporting period. These unaudited consolidated results are presented in Hong Kong dollar which is also the functional currency of the Company and all values are rounded to the nearest thousand except when otherwise indicated. The Group's major subsidiaries are operated in the People's Republic of China (the "PRC") with Renminbi ("RMB") as their functional currency.

The accounting policies applied in the preparation of the unaudited consolidated results are consistent with those adopted in the preparation of the annual consolidated financial statements of the Group for the year ended 31 March 2019, except that the Group has adopted a number of new or revised HKFRSs, which are newly effective for the period under review. The adoption of these new or revised HKFRSs had no change in significant accounting policies and no significant effect on the financial results of the current period. There is no prior period adjustment required.

附註：

1. 組織及主要業務

本公司為一間於開曼群島註冊成立之有限公司。其註冊辦事處地址為Century Yard, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, the Cayman Islands。其香港主要營業地點地址為香港德輔道西9號9樓B室。本公司之股份於GEM上市。本公司及其附屬公司(「本集團」)之主要業務為批發及零售珠寶、放債及分銷醫藥產品。

2. 編製基準

本集團之未經審核綜合業績乃根據香港會計師公會頒佈之香港財務報告準則(「香港財務報告準則」)(包括所有個別香港財務報告準則、香港會計準則及詮釋)及香港普遍採納之會計原則而編製。此外，未經審核綜合業績包括GEM上市規則所規定之適用披露。用於編製未經審核綜合業績之計量基準乃歷史成本慣例，惟報告期末按公平值計量的若干金融工具除外。除另有指明外，此等未經審核綜合業績以港元(亦為本公司之功能貨幣)呈列，所有金額均調整至最接近千位數。本集團之主要附屬公司乃於中華人民共和國(「中國」)經營業務，其功能貨幣為人民幣(「人民幣」)。

編製未經審核綜合業績採用之會計政策，乃與編製本集團截至二零一九年三月三十一日止年度之全年綜合財務報表所採納者貫徹一致，惟本集團採納多項於回顧期內新生效的新訂或經修訂香港財務報告準則。採納該等新訂或經修訂香港財務報告準則毋須對重大會計政策作出變更並對本期間的財務業績並無重大影響，亦毋須作出往期調整。

2. BASIS OF PREPARATION (Continued)

The Group has not applied or early adopted the new or revised HKFRSs (including their consequential amendments) which are relevant to the Group that have been issued but not yet effective in the preparation of these unaudited consolidated results. The Group is currently assessing the impact of these new or revised HKFRSs upon their initial application but is not yet in a position to state whether they would have a significant impact on its results of operations and financial position. It is anticipated that all of the pronouncements relevant to the Group will be adopted in the Group's accounting policy in the accounting periods when they first become effective.

The unaudited consolidated results have been reviewed by the audit committee of the Company ("Audit Committee").

3. REVENUE AND SEGMENTAL INFORMATION

Revenue represents the net invoiced value of good sold and services rendered during the period under review.

The Group's operating activities are currently attributable to three operating segments focusing on trading and distributing of pharmaceutical and healthcare products ("Pharmaceutical Business"), trading and retailing of jewelry ("Jewelry Business") and money lending ("Lending Business"). These operating segments have been identified on the basis of internal management reports prepared in accordance with accounting policies conformed to HKFRSs, that are regularly reviewed by the executive (Directors (the "Executive Directors") (being the chief operating decision makers of the Company). The Executive Directors review the Group's internal reporting in order to assess performance and allocate resources. The details of operating and reportable segments of the Group are as follows:

- Jewelry Business
- Lending Business
- Pharmaceutical Business

2. 編製基準 (續)

本集團並無於此等未經審核綜合業績內應用或提早採納與本集團相關的已經頒佈但尚未生效的新訂或經修訂香港財務報告準則(包括其後續修訂)。本集團現正評估首次應用此等新訂或經修訂香港財務報告準則時之影響,惟尚未能確定該等新訂或經修訂香港財務報告準則是否會對其營運業績及財務狀況構成重大影響。預期所有與本集團有關之準則將於其首次生效之會計期間納入本集團之會計政策。

未經審核綜合業績已由本公司之審核委員會(「審核委員會」)審閱。

3. 收益及分部資料

收益指於回顧期內產品銷售及所提供服務之發票淨值。

本集團之經營業務目前歸屬於三個經營分部,分別專注於藥業及健康護理產品買賣及分銷(「藥業業務」)、珠寶買賣及零售(「珠寶業務」)以及放債(「借貸業務」)。該等經營分部乃基於遵循香港財務報告準則之會計政策而編製之內部管理報告予以識別,並由執行董事「執行董事」,為本公司之主要經營決策者)定期審閱。執行董事審閱本集團之內部報告以評估表現及分配資源。本集團之經營及可申報分部詳情如下:

- 珠寶業務
- 借貸業務
- 藥業業務

3. REVENUE AND SEGMENTAL INFORMATION 3. 收益及分部資料(續)

(Continued)

For the three months ended 30 June 2019 截至二零一九年六月三十日止三個月		Jewelry Business 珠寶業務 HK\$'000 千港元	Lending Business 借貸業務 HK\$'000 千港元	Pharmaceutical Business 藥業業務 HK\$'000 千港元	Consolidation 合計 HK\$'000 千港元
REVENUE	收益				
External sales	外部銷售	21,148	71	5,462	26,681
RESULTS	業績				
Segment results profit/(loss)	分部業績溢利/(虧損)	442	37	(42)	437
Unallocated income	未分配收入				-
Unallocated expenses	未分配開支				(3,543)
Loss before tax	除稅前虧損				(3,106)
For the three months ended 30 June 2018 截至二零一八年六月三十日止三個月		Jewelry Business 珠寶業務 HK\$'000 千港元	Lending Business 借貸業務 HK\$'000 千港元	Pharmaceutical Business 藥業業務 HK\$'000 千港元	Consolidation 合計 HK\$'000 千港元
REVENUE	收益				
External sales	外部銷售	9,549	421	11,974	21,944
RESULTS	業績				
Segment results (loss)/profit	分部業績(虧損)/溢利	(74)	74	(1,302)	(1,302)
Unallocated income	未分配收入				-
Unallocated expenses	未分配開支				(4,235)
Loss before tax	除稅前虧損				(5,537)

4. INCOME TAX EXPENSE

Hong Kong profits tax is calculated at 16.5% of the estimated assessable profit for the three months ended 30 June 2019. Hong Kong profits tax has not been provided as the Group did not generate any assessable profits arising in Hong Kong for the three months ended 30 June 2019. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries or jurisdictions in which the Group operates.

4. 所得稅開支

截至二零一九年六月三十日止三個月，香港利得稅乃按估計應課稅溢利之16.5%計算。由於本集團於截至二零一九年六月三十日止三個月內並無錄得任何於香港產生之應課稅溢利，故並無作出香港利得稅之撥備。其他地區之應課稅溢利乃根據本集團經營業務所在之國家或司法權區當地之現行稅率計算稅項。

For the three months ended 30 June

截至六月三十日止三個月

2019	2018
HK\$'000	HK\$'000
千港元	千港元
(Unaudited)	(Unaudited)
(未經審核)	(未經審核)

Current – Hong Kong: Charge for the period	即期－香港： 期內支出	-	-
Total tax charged for the period	期內稅項支出總額	-	-

5. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of the basic loss per share amount is based on the unaudited consolidated loss for the three months ended 30 June 2019 attributable to owners of the Company of approximately HK\$3,106,000 (for the three months ended 30 June 2018: loss HK\$5,537,000), and the weighted average number of ordinary shares of approximately 1,450,963,725 (weighted average number for the three months ended 30 June 2018: 1,371,842,846) in issue during the period under review.

No diluted loss per share is calculated as there were no dilutive potential equity shares as at 30 June 2019 and 30 June 2018. Hence, the basic and diluted loss per share were the same for both years.

5. 本公司擁有人應佔每股虧損

每股基本虧損乃根據截至二零一九年六月三十日止三個月本公司擁有人應佔未經審核綜合虧損約3,106,000港元(截至二零一八年六月三十日止三個月：虧損5,537,000港元)及於回顧期內已發行普通股之加權平均數約1,450,963,725股(截至二零一八年六月三十日止三個月之加權平均數：1,371,842,846股)計算。

由於在二零一九年六月三十日及二零一八年六月三十日並無潛在攤薄權益股份，故並無計算每股攤薄虧損。因此，兩個年度之每股基本及攤薄虧損相同。

6. RESERVES

6. 儲備

		Share premium account 股份 溢價賬 HK\$'000 千港元	Statutory reserve fund 法定 儲備基金 HK\$'000 千港元 (Note a) (附註a)	Foreign currency translation reserve 外幣 匯兌儲備 HK\$'000 千港元 (Note b) (附註b)	Share option reserve 購股權 儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2019 (audited)	於二零一九年四月一日 (經審核)	519,800	1	639	27,216	(570,197)	(22,541)
Loss for the period (unaudited)	期內虧損(未經審核)	-	-	-	-	(3,106)	(3,106)
Exchange difference on translation of foreign operations (unaudited)	換算海外業務之匯兌差額 (未經審核)	-	-	(32)	-	-	(32)
Total comprehensive loss for the period (unaudited)	期內全面虧損總額 (未經審核)	-	-	(32)	-	(3,106)	(3,138)
At 30 June 2019 (unaudited)	於二零一九年六月三十日 (未經審核)	519,800	1	607	27,216	(573,303)	(25,679)
At 1 April 2018 (audited)	於二零一八年四月一日 (經審核)	480,089	1	2,855	-	(516,191)	(33,246)
Loss for the period (unaudited)	期內虧損(未經審核)	-	-	-	-	(5,537)	(5,537)
Exchange difference on translation of foreign operations (unaudited)	換算海外業務之匯兌差額 (未經審核)	-	-	(1,819)	-	-	(1,819)
Total comprehensive loss for the period (unaudited)	期內全面虧損總額 (未經審核)	-	-	(1,819)	-	(5,537)	(7,356)
Placing of shares (unaudited)	配售股份(未經審核)	40,800	-	-	-	-	40,800
At 30 June 2018 (unaudited)	於二零一八年六月三十日 (未經審核)	520,889	1	1,036	-	(521,728)	198

6. RESERVES (Continued)

Notes:

(a) Statutory reserve fund

Pursuant to the relevant laws and regulations for business enterprises in the People's Republic of China (the "PRC"), a portion of the profits of the entities which are registered in the PRC has been transferred to the statutory reserve fund which is restricted as to use. When the balance of such reserve fund reaches 50% of the capital of that entity, any further appropriation is optional. The statutory reserve fund can be utilised, upon approval of the relevant authority, to offset prior years' losses or to increase capital. However, the balance of the statutory reserve fund must be maintained at least 25% of capital after such usage.

(b) Foreign currency translation reserve

Foreign currency translation reserve, represents exchange differences relating to the translation of the net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Hong Kong dollar), are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. Such exchange differences accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal of the foreign operations.

6. 儲備 (續)

附註：

(a) 法定儲備基金

根據中華人民共和國(「中國」)的相關企業法律及條例，於中國註冊之實體之部分溢利已轉撥至有限定用途之法定儲備基金。當該等儲備基金結餘達該實體資本之50%時，可選擇是否作出進一步劃撥。法定儲備基金僅在獲得相關部門批准後方可動用，以抵銷以前年度之虧損或增資。然而，運用法定儲備基金後之結餘須至少維持在資本之25%。

(b) 外幣匯兌儲備

外幣匯兌儲備指有關本集團海外業務之資產淨值由其功能貨幣換算為本集團之呈列貨幣(即港元)時產生之匯兌差額，直接於其他全面收益中確認及於外幣匯兌儲備中累計。該等於外幣匯兌儲備累計之匯兌差額於出售海外業務時重新分類至損益內。

7. EVENTS AFTER THE REPORTING PERIOD

On 3 July 2019, the Company and Victory Surplus Holdings Limited (the "Purchaser") entered into the sale and purchase agreement dated 3 July 2019 ("SPA"). Pursuant to the SPA, the Purchaser has conditionally agreed to acquire and the Company has conditionally agreed to sell the sale shares of King Win Intelligent Technologies Limited ("Target Subsidiary") at the consideration of HK\$9,800,000. The unaudited net assets value of Target Subsidiary as at 30 June 2019 was approximately HK\$9,434,000. Based on the preliminary assessment, the Group will record a gain on disposal of approximately HK\$366,000 from the disposal after deducting the expenses attributable to the disposal of approximately HK\$346,000. The actual gain or loss as a result of the disposal to be recorded by the Group is subject to final audit to be performed by the auditors of the Company.

Details were set out in the Company's announcement dated 3 July 2019.

Apart from the transactions disclosed on the above, there was no other events after the reporting period which need to be disclosed.

7. 報告期後事項

於二零一九年七月三日，本公司與捷盈控股有限公司（「買方」）訂立日期為二零一九年七月三日的買賣協議（「買賣協議」）。根據買賣協議，買方已有條件同意收購而本公司已有條件同意出售King Win Intelligent Technologies Limited（「目標附屬公司」）的銷售股份，代價為9,800,000港元。於二零一九年六月三十日，目標附屬公司的未經審核資產淨值約為9,434,000港元。根據初步評估，本集團於扣除出售所產生的開支約346,000港元後，將錄得出售收益約366,000港元。本集團將因出售事項而錄得的實際收益或虧損須視乎本公司核數師所將予進行的最後審核結果而定。

有關詳情載於本公司日期為二零一九年七月三日之公告。

除上述披露的交易外，報告期後並無其他事項須予以披露。

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the three months ended 30 June 2019 (for the three months ended 30 June 2018: nil).

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

REVENUE

The Group's revenue for the three months ended 30 June 2019 amounted to approximately HK\$26,681,000, representing an increase of approximately 21.6% as compared to the corresponding period of last financial year. The increase was mainly attributable to the increase in revenue from the Group's Pharmaceutical Business as the medical distribution channel had become comprehensive during the period under review.

COST OF SALES AND GROSS PROFIT MARGIN

Cost of sales of the Group increased from approximately HK\$19,730,000 for the three months ended 30 June 2018 to approximately HK\$24,626,000 for the three months ended 30 June 2019, which was in line with the increase in sales for the period.

中期股息

董事會不建議就截至二零一九年六月三十日止三個月派發中期股息(截至二零一八年六月三十日止三個月:無)。

管理層討論及分析

財務回顧

收益

本集團截至二零一九年六月三十日止三個月之收益約為26,681,000港元，與上一個財政年度同期相比增加約21.6%。該增加主要由於本集團之藥業業務收益因醫藥分銷渠道於回顧期內變得更加全面而增加。

銷售成本及毛利率

本集團之銷售成本由截至二零一八年六月三十日止三個月之約19,730,000港元增加至截至二零一九年六月三十日止三個月之約24,626,000港元，與期內銷售增幅一致。

EXPENSES

Selling expenses decreased by approximately HK\$21,000 from approximately HK\$623,000 for the three months ended 30 June 2018 to approximately HK\$602,000 for the three months ended 30 June 2019. The decrease was mainly due to reduction of the marketing and development costs of the Pharmaceutical Business after setting up the medical distribution channel.

Administrative expenses decreased by approximately HK\$2,432,000, from approximately HK\$7,109,000 for the three months ended 30 June 2018 to approximately HK\$4,677,000 for the three months ended 30 June 2019. Such decrease was mainly due to decrease in administrative expenses of Pharmaceutical Business incurred during the period under review.

TOTAL EQUITY

As at 30 June 2019, the Group has a total equity amounted to approximately HK\$119,418,000 (as at 31 March 2019: HK\$122,555,000) and net current assets amounted to approximately HK\$91,192,000 (as at 31 March 2019: HK\$94,274,000).

LIQUIDITY AND FINANCIAL RESOURCES

The Group adopts a prudent cash and financial management policy. In order to achieve better cost control and minimise the cost of funds, the Group's treasury activities are centralised and cash is generally placed in deposits with banks.

As at 30 June 2019, total cash and cash equivalents of the Group amounted to approximately HK\$55,842,000 (as at 31 March 2019: HK\$59,573,000). As at 30 June 2019 and 31 March 2019, the Group has not borrowed any loan from third party.

開支

銷售開支由截至二零一八年六月三十日止三個月約623,000港元減少約21,000港元至截至二零一九年六月三十日止三個月約602,000港元。該減少主要由於藥業業務的營銷及開發成本於設立醫藥分銷渠道後減少所致。

行政開支由截至二零一八年六月三十日止三個月之約7,109,000港元減少約2,432,000港元至截至二零一九年六月三十日止三個月之約4,677,000港元。該減少主要由於回顧期內藥業業務產生之行政開支減少所致。

總權益

於二零一九年六月三十日，本集團之總權益約為119,418,000港元（於二零一九年三月三十一日：122,555,000港元）及流動資產淨值約為91,192,000港元（於二零一九年三月三十一日：94,274,000港元）。

流動資金及財政資源

本集團採取審慎之現金及財政管理政策。為求能夠更有效控制成本及盡量降低資金成本，本集團之財資活動均為中央管理，而現金一般作為存款存放於銀行。

於二零一九年六月三十日，本集團之現金及現金等值物總額約為55,842,000港元（於二零一九年三月三十一日：59,573,000港元）。於二零一九年六月三十日及二零一九年三月三十一日，本集團並無自第三方借入任何貸款。

TREASURY POLICIES AND FOREIGN CURRENCY EXCHANGE EXPOSURE

Despite that the Group's trading transactions, monetary assets and liabilities are mainly denominated in Renminbi ("RMB") and Hong Kong dollars, it does not believe that the impact of foreign exchange exposure to the Group was material. The Group does not use derivative financial instruments to protect against the volatility associated with foreign currency transactions and other financial assets and liabilities created in the ordinary course of business. The majorities of the Group's operating assets are located in Mainland China and are denominated in RMB.

Cash is generally deposited at banks in the PRC and Hong Kong and denominated mostly in Renminbi and Hong Kong dollar. As at 30 June 2019, no related hedges were made by the Group (as at 31 March 2019: nil).

CONTINGENT LIABILITIES

As at 30 June 2019, the Group had no material contingent liabilities (as at 31 March 2019: nil).

SIGNIFICANT INVESTMENTS, ACQUISITIONS OR DISPOSALS

The Group does not have any material acquisition or disposal during the three months ended 30 June 2019.

庫務政策及外匯風險

儘管本集團買賣交易、貨幣資產及負債主要以人民幣（「人民幣」）及港元為計值單位，本集團相信外匯風險對本集團所構成之影響甚微。本集團並無以衍生金融工具對沖日常業務過程之外幣交易及其他金融資產及負債所附帶之波動。本集團大部分經營資產位於中國內地，並以人民幣計值。

現金一般存放於中國及香港的銀行，主要以人民幣及港元為計值單位。於二零一九年六月三十日，本集團並無進行相關對沖（於二零一九年三月三十一日：無）。

或然負債

於二零一九年六月三十日，本集團並無重大或然負債（於二零一九年三月三十一日：無）。

重大投資、收購或出售

於截至二零一九年六月三十日止三個月，本集團並無任何重大收購或出售。

CAPITAL STRUCTURE

The shares of the Company were listed on GEM on 28 March 2000.

The Group's capital structure is sound with healthy working capital management. As at 30 June 2019, the Group's total equity amounted to approximately HK\$119,418,000, representing an increase of approximately 2.6% compared with that as at 31 March 2019 (31 March 2019: HK\$122,555,000). As at 30 June 2019, the Group's cash and cash equivalents totaled approximately HK\$55,842,000 (as at 31 March 2019: HK\$59,573,000). The current ratio (note 1) and the quick ratio (note 2) of the Group as at 30 June 2019 was 3.7 (as at 31 March 2019: 5.11 and 3.43 (as at 31 March 2019: 4.63) respectively. The Group was in net cash position as at 30 June 2019 (gearing ratio (note 3) as at 31 March 2019: Net cash position).

Apart from the above, there has been no material change in the structure of the Group during the period.

Note: (1) Current Ratio = Current Assets ÷ Current Liabilities

Note: (2) Quick Ratio = (Current Assets – Inventories) ÷ Current Liabilities

Note: (3) Gearing Ratio = (Debts – Cash and cash equivalents) ÷ Equity

資本架構

本公司股份於二零零零年三月二十八日在GEM上市。

本集團之資本架構穩健，營運資金管理有序。於二零一九年六月三十日，本集團之總權益約為119,418,000港元，較二零一九年三月三十一日增加約2.6%（二零一九年三月三十一日：122,555,000港元）。於二零一九年六月三十日，本集團之現金及現金等值物共計約55,842,000港元（於二零一九年三月三十一日：59,573,000港元）。本集團於二零一九年六月三十日之流動比率（附註1）及速動比率（附註2）分別為3.7（於二零一九年三月三十一日：5.11）及3.43（於二零一九年三月三十一日：4.63）。於二零一九年六月三十日，本集團為淨現金狀況（於二零一九年三月三十一日之資本與負債比率（附註3）：淨現金狀況）。

除上述者外，本集團之架構於期內並無重大變動。

附註：(1) 流動比率=流動資產÷流動負債

附註：(2) 速動比率=(流動資產-存貨)÷流動負債

附註：(3) 資本與負債比率=(債務-現金及現金等值物)÷權益

BUSINESS REVIEW AND OUTLOOK

JEWELRY BUSINESS

The Group continued to develop Jewelry Business in the period under review.

During the period under review, the Group's Jewelry Business included wholesale and retail of jewelry and related ancillary business (including but not limited to custom-made jewelry, valet-procurement of jewelry and various after-sales services), and most of the processing businesses are performed in the form of commissioned processing by external factories. The jewelry products sold by the Group mainly included gold jewelry, platinum jewelry, diamond jewelry, gemstone jewelry, emerald and karat gold jewelry.

The Group's jewelry retailing business was conducted mainly through an offline store located in Wongtee Plaza, Futian District, Shenzhen, the PRC, which is a franchised store of the Luk Fook Jewelry brand. The store is required to select goods from the suppliers designated by Luk Fook Jewelry. Upon quality inspection by state-approved jewelry identification center and being claimed to the store by the Group's staff, the goods are immediately entered into store sales system for sale. Most of the jewelry goods purchased by the store from the suppliers were finished jewelry products, which are generally not required to undergo reprocessing before sale.

The Group's jewelry wholesale business was mainly conducted through the wholesale of jewelry products to jewelry wholesalers by 至尊彩虹鑽石(深圳)有限公司, a wholly owned subsidiary of the Company, where the jewelry products being wholesaled were mainly gold jewelries. During the period under review, the Group has the secondary membership (二級會員資格) of Shanghai Gold Exchange and continued to develop the secondary gold sales agency business (黃金二級代理業務). The Group may place orders for bullion via the online trading platform of Shanghai Gold Exchange. After claiming the bullion, the Group may commission external factories to process into finished gold jewelries and wholesale to jewelry wholesalers.

業務回顧及展望

珠寶業務

本集團在回顧期內繼續發展珠寶業務。

於回顧期內，本集團之珠寶業務包括珠寶的批發、零售及相關配套業務（包括但不限於代客訂製首飾、代客採購首飾及各種售後服務），而當中涉及之加工業務則多採用委託外部工廠加工的形式進行。本集團銷售的珠寶產品主要包括黃金飾品、鉑金飾品、鑽石飾品、寶石飾品、翡翠和K金飾品。

本集團之珠寶零售業務主要通過在中國深圳市福田區皇庭廣場開設的一間實體店舖開展。該店舖為六福珠寶品牌加盟店。該店舖需前往六福珠寶指定的供應商挑選貨品，貨品由國家認可的珠寶鑒定中心進行貨物質檢並由本集團之職員取回店舖後，即被錄入店舖銷售系統進行銷售。該店舖從供應商處購買的珠寶貨品大部分為珠寶飾品成品，通常在銷售前無需進行再加工。

本集團之珠寶批發業務主要通過本公司之全資附屬公司至尊彩虹鑽石(深圳)有限公司批發珠寶產品予珠寶批發商進行，而批發之珠寶產品主要為黃金飾品。於回顧期內，本集團持有上海黃金交易所二級會員資格，並繼續發展了黃金二級代理業務。本集團可在上海黃金交易所網上交易平台下單採購金條，在提取金條後再委託外部工廠加工成成品黃金首飾後批發給珠寶批發商。

The Group will continue to focus on developing its Jewelry Business. With reference to its past sales experience, the Group intends to step up its efforts in identifying more jewelry wholesaler customers in South China, thereby expanding the sales channels of its secondary gold sales agency business (黃金二級代理業務). As to retail of jewelry, the positioning of retail products in stores will focus on mid-end products, which will be supplemented by low end products. Meanwhile, the Group will put more efforts to raise the sales proportion to its major high-end corporate customers (which principally purchase or customize jewelry as corporate gifts/awards) so as to increase the jewelry sales as well as generate profits.

The revenue from the Jewelry Business increased by approximately HK\$11,599,000 from approximately HK\$9,549,000 for the three months ended 30 June 2018 to approximately HK\$21,148,000 for the three months ended 30 June 2019. The increase in revenue from the Jewelry Business for the period under review was mainly because of the increase in wholesale of golden jewelry products in the PRC.

LENDING BUSINESS

The Group continued its Lending Business in Hong Kong through holding a group of companies with a valid money lending licence in Hong Kong to diversify its income source. The Lending Business continued to grow and contributed positive results to the Group during the period under review. The Group will pay a closer attention to the market situation and the external economic environment and consider the possibility of further expansion in the lending business.

There was one major outstanding loan receivable with the Group in amounting to HK\$2,327,000 as at 30 June 2019. All of them were carried out as part of the ordinary and usual course of business of the Group and brought in interest income to the Group.

本集團將繼續致力於其珠寶業務的發展。結合過往的銷售經驗，本集團計劃著力在華南地區尋找更多的珠寶批發商客戶，從而拓寬其黃金二級代理業務的銷售渠道。而在珠寶零售方面，店鋪零售產品定位將以中端產品為主，低端產品為輔，同時努力提高對高端企業大客戶（主要採購或訂製珠寶作為企業禮品／獎品）的銷售比例，以增加珠寶銷售額及爭取創造利潤。

珠寶業務收益由截至二零一八年六月三十日止三個月約9,549,000港元增加約11,599,000港元至截至二零一九年六月三十日止三個月約21,148,000港元。珠寶業務收益於回顧期內增加主要由於中國之黃金珠寶產品批發增加所致。

借貸業務

本集團透過控制一系列持有香港有效放債人牌照之公司，在香港繼續借貸業務，以拓寬其收入來源。於回顧期內，借貸業務持續增長，為本集團業績帶來正面貢獻。本集團將更密切監察市況及外部經濟環境，並考慮進一步擴展借貸業務之可能性。

於二零一九年六月三十日，本集團擁有一筆尚未收回之主要應收貸款(2,327,000港元)。該貸款構成於本集團一般及日常業務過程中進行的交易，並為本集團帶來利息收入。

The Group has conducted internal risk assessment on these loan arrangements and noted both of the borrowers have substantial investments and assets in the PRC which support their respective financial capability to repay the loans, thus no securities or collaterals was sought. The purpose of the loans is to enhance their short-term cash flow.

PHARMACEUTICAL BUSINESS

The Group continued to operate Pharmaceutical Business in the period under review. The Group has focused its resources on Pharmaceutical Business, which holds license such as the pharmaceutical operation permit (藥品經營許可證), the medical equipment operation permit (醫療器械經營企業許可證) and the good supply practices (GSP) certificate (藥品經營質量管理規範認證證書) and is principally engaged in the sales of pharmaceuticals, healthcare products and pharmaceutical consumables.

The Group had established business relationships with target pharmaceutical companies and chain pharmacies and during the period under review, it has established business relationships with a group of target hospitals in western Guangdong (mainly the areas of Zhanjiang and Maoming in Guangdong Province, including Zhanjiang city, Lianjiang, Wuchuan, Suixi County, Xuwen County, Maoming city, Dianbai District, Huazhou, Xinyi and Gaozhou), which are mainly related to the distribution of pharmaceuticals and pharmaceutical consumables to such hospitals as well as the supply of pharmaceuticals and healthcare products to such pharmaceutical companies and chain pharmacies.

本集團已對該等貸款安排進行內部風險評估及知悉該等借款人之大部分投資及資產位於中國。有關投資及資產對其各自償還貸款之財務能力構成支撐，因此並無尋求抵押或抵押品。貸款旨在提升彼等的短期現金流量。

藥業業務

本集團於回顧期內繼續經營藥業業務。本集團將其資源集中分配予藥業業務，藥業業務持有藥品經營許可證、醫療器械經營企業許可證及藥品經營質量管理規範認證證書等執照，及主要從事藥品、健康護理產品及醫藥耗材之銷售。

本集團已與目標醫藥公司及連鎖藥房建立了業務關係，並於回顧期內在粵西地區（主要為廣東省湛江市及茂名市轄下地區，如湛江市區、廉江市、吳川市、遂溪縣、徐聞縣、茂名市區、電白區、化州市、信宜市及高州市等）與一批目標醫院建立了業務關係，主要為配送藥品及醫用耗材予該等醫院，及供應藥品及健康護理產品予該等醫藥公司及連鎖藥房。

In order to distribute pharmaceuticals and pharmaceutical consumables to hospitals, the Group shall first be approved by the hospitals as their pharmaceutical supplier. Then, in accordance with the medication demand of the hospitals, the Group will contact pharmaceutical manufacturers to obtain the corresponding distribution qualifications. Subject to the confirmations on specific species, specifications and quantities of medication used by the hospitals, the hospitals, the Group and the pharmaceutical manufacturers will enter into three-party sales and purchase contracts, pursuant to which, the Group will arrange specific purchase and distribution work subsequently. The procedure to provide pharmaceuticals and healthcare products to the pharmaceutical companies and chain pharmacies as a supplier is relatively simple. The Group is mainly required to agree on the sales terms with the target customers before entering into sales contracts and sales transactions. During the aforementioned supply and sales activities, the Group mainly acts as a channel distributor to conduct sales activities, which does not involve pharmaceutical production. The pharmaceuticals and healthcare products supplied and sold by the Group include (but not limited to) Jianwei Xiaoshi Pian (健胃消食片), Heparin Sodium Injection (肝素鈉注射液), Propofol Injection (丙泊酚注射液), Shuganning Injection (舒肝寧注射液), Pudilan Xiaoyan Pian (蒲地藍消炎片), Pudilan Xiaoyan Pian Koufuye (蒲地藍消炎片口服液), Oxytocin Nasal Spray (縮宮素鼻噴霧劑), Peramivir Sodium Chloride Injection (Glass Bottle) (帕拉米韋氯化鈉注射液(玻璃瓶)), Terbutaline Sulfate and Sodium Chloride Injection (Glass Bottle) (硫酸特布他林氯化鈉注射液(玻璃瓶)) and Cefazolin Sodium Pentahydrate for Injection (注射用五水頭孢唑林鈉).

The revenue from the Pharmaceutical Business decrease by approximately HK\$6,512,000 from approximately HK\$11,974,000 for the three months ended 30 June 2018 to approximately HK\$5,462,000 for the three months ended 30 June 2019. Such decrease was mainly due to the change of government policy in distribution of pharmaceuticals and pharmaceutical consumables during the period under review.

為配送藥品及醫用耗材給醫院，本集團需首先取得醫院之接納為其藥品供應商，再根據醫院用藥需求與藥品生產廠家聯繫以取得相應藥品的配送資格，待醫院確認使用的具體品種、規格及數量後，醫院與本集團及藥品生產廠家簽訂三方購銷合同，本集團隨後根據合同安排進行具體採購及配送工作。而作為供應商給醫藥公司及連鎖藥房提供藥品及健康護理產品的流程則相對簡單，本集團主要須跟目標客戶談妥銷售條件，便可簽署銷售合同進行銷售。在上述供銷活動中，本集團主要作為渠道分銷商進行銷售活動，並不涉及藥品生產。本集團供銷的藥品及健康護理產品包括(但不限於)健胃消食片、肝素鈉注射液、丙泊酚注射液、舒肝寧注射液、蒲地藍消炎片、蒲地藍消炎片口服液、縮宮素鼻噴霧劑、帕拉米韋氯化鈉注射液(玻璃瓶)、硫酸特布他林氯化鈉注射液(玻璃瓶)及注射用五水頭孢唑林鈉等。

藥業業務收益由截至二零一八年六月三十日止三個月約11,974,000港元減少約6,512,000港元至截至二零一九年六月三十日止三個月約5,462,000港元。該減少主要由於回顧期內分銷藥品及醫用耗材的政府政策變動所致。

In regard to the sales of pharmaceuticals and healthcare products, the Group will review the market situation and the profitability of the business periodically. Then the Group will adjust the business volume in accordance with market demands and determine the resources to be further allocated based upon the business volume and operating situation from time to time.

THE INTERNAL CONTROL REVIEW

The Company also engaged an internal control reviewer to conduct an internal control review for the Group (the "IC Review") which covers four major areas, namely, (i) corporate internal control; (ii) financial reporting and disclosure internal control; (iii) internal control over business processes; and (iv) operational manual. The first stage of the IC Review was completed. Findings and recommendations under the IC Review were presented to the Board and the Group is implementing the recommendations if thought fit.

Looking ahead, there are still great challenges for the Group. While carrying out initiatives already under way in its current strategic plans, the Group will also critically review the future opportunities in its existing businesses with a target to re-allocate the Group's resources for a more fruitful manner. In the coming future, the Group will focus its work on strengthen its marketing and channel efforts, increasing user base and improving the quality of its products.

在藥品及健康護理產品銷售方面，本集團將定期回顧市況及業務的盈利能力，按照市場需要調整業務量，並根據不時之業務量及經營情況決定進一步投放之資源。

內部監控審閱

本公司亦聘請一家內部監控審閱顧問，以對本集團進行內部控制審閱（「內部監控審閱」），涵蓋四大範疇，即(i)企業內部控制；(ii)財務報告與內部控制披露；(iii)業務流程之內部控制；及(iv)營運手冊。內部監控審閱第一階段已告完成。內部監控審閱之結果及建議已呈交董事會，本集團正酌情實施有關建議。

展望未來，本集團仍面臨巨大挑戰。在繼續推進其當前戰略計劃下的措施的同時，本集團亦將審慎檢討其現有業務中的未來機遇，以更有效的方式重新分配本集團的資源。未來，本集團將著重加強其營銷與渠道力量，提高用戶規模與產品質量。

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2019, the interests and short positions of the Directors and chief executive in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were, pursuant to the code of conduct regarding securities transactions by Directors adopted by the Company, notified to the Company and the Stock Exchange, were as follows:

Long positions in the ordinary shares of the Company

董事及主要行政人員於股份及相關股份之權益及淡倉

於二零一九年六月三十日，董事及主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份及相關股份中，擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所之權益及淡倉（包括根據證券及期貨條例相關條文彼等被當作或視為擁有之權益或淡倉），或須記錄於本公司根據證券及期貨條例第352條須備存之登記冊內之權益及淡倉，或根據本公司所採納有關董事進行證券交易之行為守則須知會本公司及聯交所之權益及淡倉如下：

於本公司普通股之好倉

Name of shareholder	Notes	Capacity and nature of interest	Number of ordinary shares or underlying shares	Percentage of the Company's issued share capital
股東名稱	附註	身份及權益性質	普通股或相關股份數目	佔本公司已發行股本百分比 Note (3) 附註(3)
Brilliant Chapter Limited	(1)	Beneficially owned 實益擁有	822,319,294	56.67%
Mr. ZHANG Chunhua 張春華先生	(2)	Interest of a controlled corporation 一間受控制公司之權益	822,319,294	56.67%
	(2)	Personal interest 個人權益	1,764,000	0.12%

Notes:

- (1) Brilliant Chapter Limited is a limited liability company incorporated in the Republic of Seychelles and its issued share capital is beneficially owned as to 80% by Mr. Zhang Chunhua and as to 20% by Source Mega Limited, a company incorporated in the Republic of Seychelles (as a nominee of Ms. Zhang Chunping). Mr. Zhang Chunhua is the brother of Ms. Zhang Chunping.
- (2) Mr. Zhang Chunhua is personally interested in 1,764,000 shares of the Company.
- (3) Based on 1,450,963,725 shares of the Company in issue as at 30 June 2019.

Save as disclosed above, as at 30 June 2019, none of the Directors and chief executive of the Company had an interest or short position in the ordinary shares or underlying shares of the Company or any of its associated corporations that was notified to the Company and the Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Exchange pursuant to Rule 5.46 of the GEM Listing Rules.

SHARE OPTIONS

The Company adopts and administers a share option scheme which is currently in force and effect for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations.

The share option scheme was approved by the Shareholders on 5 August 2011 and its scheme mandate limit was refreshed by an ordinary resolution at the annual general meeting of the Company on 28 September 2016 (the "2011 Scheme").

附註：

- (1) Brilliant Chapter Limited 為一間於塞席爾共和國註冊成立的有限公司，且其已發行股本分別由張春華先生及 Source Mega Limited (一間於塞席爾共和國註冊成立之公司，張春萍女士之代名人) 持有 80% 及 20%。張春華先生為張春萍女士之胞兄。
- (2) 張春華先生於本公司 1,764,000 股股份中擁有個人權益。
- (3) 根據於二零一九年六月三十日已發行之 1,450,963,725 股本公司股份計算。

除上文所披露者外，於二零一九年六月三十日，本公司董事及主要行政人員於本公司或其任何相聯法團之普通股或相關股份中概無擁有根據證券及期貨條例第 XV 部第 7 及第 8 分部須知會本公司及聯交所之權益或淡倉，或根據證券及期貨條例第 352 條須予記錄，或根據 GEM 上市規則第 5.46 條須知會本公司及聯交所之權益或淡倉。

購股權

本公司採納及管理目前有效及具效力之購股權計劃，旨在鼓勵及獎勵對本集團之成功經營作出貢獻之合資格參與者。

該購股權計劃已於二零一一年八月五日獲股東批准，且其計劃授權限額已透過本公司於二零一六年九月二十八日之股東週年大會之一項普通決議案更新（「二零一一年計劃」）。

A summary of the share option scheme is set out below:

購股權計劃之概要載列如下：

2011 Scheme

二零一一年計劃

At the annual general meeting of the Company held on 5 August 2011 (the “2011 AGM”), an ordinary resolution was passed by the Shareholders to approve and adopt the 2011 Scheme.

在本公司於二零一一年八月五日舉行之股東週年大會（「二零一一年股東週年大會」）上，股東通過一項普通決議案，批准及採納二零一一年計劃。

The 2011 Scheme became effective for a period of 10 years commencing on 10 August 2011. Eligible participants of the 2011 Scheme include all Directors and employees of the Group, suppliers, customers, consultants who provided services to the Group, shareholders of the subsidiaries of the Group and joint venture partners. Under the 2011 Scheme, the Directors may, at their sole discretion, grant to any eligible participants options to subscribe for ordinary shares of the Company at the highest of (i) the closing price of shares of the Company on GEM as stated in the Stock Exchange's daily quotation sheet on the date of the offer of grant; (ii) the average closing price of the shares of the Company on GEM as stated in the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the date of the offer of grant; and (iii) the nominal value of the Company's share. The offer of a grant of options may be accepted within 21 days from the date of the offer. A nominal consideration of HK\$1 is payable on acceptance of the grant of an option. The exercise period of the options granted is determinable by the Directors, which commences after the date of offer with a certain vesting period and ends in any event not later than 10 years from the respective date when the share options are granted, subject to the provisions for early termination thereof.

二零一一年計劃自二零一一年八月十日開始生效，為期十年。二零一一年計劃之合資格參與者包括本集團所有董事及僱員、供應商、客戶、為本集團提供服務之顧問、本集團附屬公司之股東及合營企業夥伴。根據二零一一年計劃，董事可全權酌情決定向任何合資格參與者授出購股權，以按(i)於要約授出日期聯交所每日報價表上所列本公司股份在GEM之收市價；(ii)緊接要約授出日期前五個交易日聯交所每日報價表上所列本公司股份在GEM之平均收市價；及(iii)本公司股份面值（以最高者為準）認購本公司之普通股。接納授出購股權要約之期限為要約日期起計21日內。接納授出購股權時須支付象徵式代價1港元。所授出購股權之行使期限由董事釐定，並於要約日期後開始，附有若干歸屬期，及在任何情況下最遲須於授出購股權之各相關日期起計十年屆滿，惟須受提前終止之條文所規限。

An ordinary resolution was passed at the annual general meeting of the Company on 28 September 2016 (the “2016 AGM”) to refresh the scheme mandate limit of the 2011 Scheme. The total number of shares of the Company which may be allotted and issued upon exercise of all options to be granted under the 2011 Scheme is an amount equivalent to 10% of the shares of the Company in issue as at the date of the 2016 AGM.

本公司於二零一六年九月二十八日舉行之股東週年大會（「二零一六年股東週年大會」）上通過一項普通決議案，以更新二零一一年計劃之計劃授權限額。於行使根據二零一一年計劃將授出之所有購股權時可配發及發行之本公司股份總數，其數目相等於截至二零一六年股東週年大會舉行日期之本公司已發行股份之10%。

The maximum number of shares to be allotted and issued upon the exercise of all outstanding options granted and yet to be exercised under the 2011 Scheme and any other share option schemes of the Group must not in aggregate exceed 30% of the relevant class of shares of the Company in issue from time to time.

The number of shares in respect of which options may be granted to any individual in any 12-month period is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Shareholders. Options granted to substantial shareholders or independent non-executive Directors in excess of 0.1% of the Company's share capital and with an aggregate value in excess of HK\$5 million must be approved in advance by the Shareholders. The 2011 Scheme does not provide for any minimum period for holding of options or any performance target before exercise of options.

於行使根據二零一一年計劃及本集團之任何其他購股權計劃所授出及仍未行使之所有尚未獲行使之購股權時將予配發及發行之股份最高數目，合共不得超過不時已發行之本公司有關類別股份之30%。

於任何十二個月期間可授予任何個人之購股權所涉之股份數目，在未獲股東事先批准前，不得超逾本公司於任何時間已發行股份之1%。授予主要股東或獨立非執行董事之購股權倘超逾本公司股本之0.1%及總價值逾5,000,000港元，必須事先獲股東批准。二零一一年計劃並無規定任何持有購股權之最短期限或行使購股權前之任何表現目標。

The following Directors were granted share options under the 2011 Scheme to subscribe for shares of the Company, details of which are as follows:

以下董事根據二零一一年計劃獲授購股權以認購本公司股份，詳情如下：

Name or category of participant 參與者名稱或類別	Number of share options 購股權數目				At 30 June 2019 於 二零一九年 六月三十日	Date of share options granted* 購股權 授出日期*	Exercise period of share options granted 授出購股權 之行使期限	Exercise price of share options granted** 授出購股權 之行使價** HK\$ per share 港元(每股)
	Granted during the period 期內授出	At 1 April 2019 於 二零一九年 四月一日	Exercised during the period 期內行使	Lapsed during the period 期內失效				
	Directors 董事							
Mr. Zhang Chunhua 張春華先生	13,800,000	-	-	-	13,800,000	27 June 2018 二零一八年 六月二十七日	27 June 2019 to 26 June 2028 二零一九年 六月二十七日至 二零二八年 六月二十六日	0.59
Ms. Zhang Chungping 張春萍女士	13,800,000	-	-	-	13,800,000	27 June 2018 二零一八年 六月二十七日	27 June 2019 to 26 June 2028 二零一九年 六月二十七日至 二零二八年 六月二十六日	0.59
Ms. Chung Elizabeth Ching Yee 鍾靜儀女士	13,800,000	-	-	-	13,800,000	27 June 2018 二零一八年 六月二十七日	27 June 2019 to 26 June 2028 二零一九年 六月二十七日至 二零二八年 六月二十六日	0.59
Mr. Xu Zhigang 徐志剛先生	300,000	-	-	-	300,000	27 June 2018 二零一八年 六月二十七日	27 June 2019 to 26 June 2028 二零一九年 六月二十七日至 二零二八年 六月二十六日	0.59
	200,000	-	-	-	200,000	18 December 2018 二零一八年 十二月十八日	18 December 2019 to 18 December 2028 二零一九年 十二月十八日至 二零二八年 十二月十八日	0.33

Number of share options
購股權數目

Name or category of participant 參與者名稱或類別	Granted during the period 期內授出	At	Exercised during the period 期內行使	Lapsed during the period 期內失效	At	Date of share options granted* 購股權授出日期*	Exercise period of share options granted 授出購股權之行使期限	Exercise price of share options granted** 授出購股權之行使價** HK\$ per share 港元(每股)
		1 April 2019 於二零一九年四月一日			30 June 2019 於二零一九年六月三十日			
Ms. Chan Mei Yan Hidy 陳美恩女士	300,000	-	-	-	300,000	27 June 2018 二零一八年六月二十七日	27 June 2019 to 26 June 2028 二零一九年六月二十七日至二零二八年六月二十六日	0.59
	200,000	-	-	-	200,000	18 December 2018 二零一八年十二月十八日	18 December 2019 to 18 December 2028 二零一九年十二月十八日至二零二八年十二月十八日	0.33
Mr. Kwan Chi Hong 關志康先生	300,000	-	-	-	300,000	27 June 2018 二零一八年六月二十七日	27 June 2019 to 26 June 2028 二零一九年六月二十七日至二零二八年六月二十六日	0.59
	200,000	-	-	-	200,000	18 December 2018 二零一八年十二月十八日	18 December 2019 to 18 December 2028 二零一九年十二月十八日至二零二八年十二月十八日	0.33
Ms. Lee Kwun Ling, May Jean 李筠翎女士	300,000	-	-	-	300,000	27 June 2018 二零一八年六月二十七日	27 June 2019 to 26 June 2028 二零一九年六月二十七日至二零二八年六月二十六日	0.59
	200,000	-	-	-	200,000	18 December 2018 二零一八年十二月十八日	18 December 2019 to 18 December 2028 二零一九年十二月十八日至二零二八年十二月十八日	0.33
	43,400,000	-	-	-	43,400,000			

Number of share options
購股權數目

Name or category of participant 參與者名稱或類別	Granted during the period 期內授出	At	Exercised during the period 期內行使	Lapsed during the period 期內失效	At	Date of share options granted* 購股權授出日期*	Exercise period of share options granted 授出購股權之行使期限	Exercise price of share options granted** 授出購股權之行使價** HK\$ per share 港元(每股)
		1 April 2019 於二零一九年四月一日			30 June 2019 於二零一九年六月三十日			
Employees of the Group 本集團僱員								
In aggregate 合計	17,900,000	-	-	-	17,900,000	27 June 2018 二零一八年六月二十七日	27 June 2019 to 26 June 2028 二零一九年六月二十七日至二零二八年六月二十六日	0.59
Others 其他								
In aggregate 合計	18,100,000	-	-	-	18,100,000	27 June 2018 二零一八年六月二十七日	27 June 2019 to 26 June 2028 二零一九年六月二十七日至二零二八年六月二十六日	0.59
	34,700,000	-	-	-	34,700,000	18 December 2018 二零一八年十二月十八日	18 December 2019 to 18 December 2028 二零一九年十二月十八日至二零二八年十二月十八日	0.33
	52,800,000	-	-	-	52,800,000			
	114,100,000	-	-	-	114,100,000			

* The time of acceptance of the share options was within 21 days from the options offer date. The share options granted are subject to certain vesting period and vary for each category of participant as specified under the respective share option schemes.

** The exercise price of the share options is subject to some adjustments in the case of rights or bonus issues, or other similar changes in the Company's share capital.

* 購股權之接納時間為自購股權要約日期起計21日內。根據各購股權計劃之規定，所授出之購股權因應不同參與者類別而受若干不同之歸屬期所規限。

** 購股權之行使價在供股或紅股發行，或本公司股本發生其他類似變動時可予調整。

As at 30 June 2019, the Company had outstanding options to subscribe for up to 114,100,000 shares under the 2011 Scheme.

於二零一九年六月三十日，本公司根據二零一一年計劃有尚未行使購股權可認購最多114,100,000股股份。

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS

As at 30 June 2019, shareholders (other than the Directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

LONG POSITIONS IN THE ORDINARY SHARES OR UNDERLYING SHARES OF THE COMPANY

主要股東之權益及淡倉

於二零一九年六月三十日，於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司披露，或須記錄於本公司根據證券及期貨條例第336條須備存之登記冊之權益或淡倉之股東（本公司董事或主要行政人員除外）如下：

於本公司普通股或相關股份之好倉

Name of shareholder	Notes	Capacity and nature of interest	Number of ordinary shares or underlying shares	Percentage of the Company's issued share capital
股東名稱	附註	身份及權益性質	普通股或相關股份數目	佔本公司已發行股本百分比
Brilliant Chapter Limited	(1)	Beneficially owned 實益擁有	822,319,294	56.67%
Mr. ZHANG Chunhua 張春華先生	(2)	Interest of a controlled corporation 一間受控制公司之權益	822,319,294	56.67%
	(3)	Personal interest 個人權益	1,764,000	0.12%

Notes:

- (1) Brilliant Chapter Limited is a limited liability company incorporated in the Republic of Seychelles and its issued share capital is beneficially owned as to 80% by Mr. Zhang Chunhua and as to 20% by Source Mega Limited, a company incorporated in the Republic of Seychelles (as a nominee of Ms. Zhang Chunping). Mr. Zhang Chunhua is the brother of Ms. Zhang Chunping.
- (2) Mr. Zhang Chunhua is personally interested in 1,764,000 shares of the Company.
- (3) Based on 1,450,963,725 shares of the Company in issue as at 30 June 2019.

Save as disclosed above, as at 30 June 2019, the Company has not been notified by any persons (other than the Directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

COMPETING INTERESTS

None of the Directors or the controlling shareholders of the Company or their respective associates (as defined under the GEM Listing Rules) have any interests in a business which competes or may compete with the business of the Group, or has any other conflict of interest with the Group during the period under review.

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

During the three months ended 30 June 2019, neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities.

附註：

- (1) Brilliant Chapter Limited 為一間於塞席爾共和國註冊成立的有限公司，且其已發行股本分別由張春華先生及 Source Mega Limited (一間於塞席爾共和國註冊成立之公司，張春萍女士之代名人) 持有 80% 及 20%。張春華先生為張春萍女士之胞兄。
- (2) 張春華先生於本公司 1,764,000 股股份中擁有個人權益。
- (3) 根據於二零一九年六月三十日已發行之 1,450,963,725 股本公司股份計算。

除上文披露者外，於二零一九年六月三十日，本公司並無獲任何人士(董事或本公司主要行政人員除外)知會彼等於本公司股份或相關股份中擁有根據證券及期貨條例第 XIV 部第 2 及第 3 分部之條文須向本公司披露的權益或淡倉，或須記錄於本公司根據證券及期貨條例第 336 條須備存之登記冊內之權益或淡倉。

競爭權益

於回顧期內，各董事或本公司之控股股東或彼等各自之聯繫人(定義見 GEM 上市規則)於與本集團業務構成競爭或可能構成競爭之業務中概無擁有任何權益，與本集團之間亦無任何其他利益衝突。

購買、贖回或出售本公司之上市證券

於截至二零一九年六月三十日止三個月內，本公司或其任何附屬公司概無購買、贖回或出售本公司任何上市證券。

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. In response to specific enquiry made by the Company, each of the Directors gave confirmation that he complied with the required standard of dealings and the code of conduct regarding securities transactions by the Directors throughout the three months ended 30 June 2019.

CORPORATE GOVERNANCE CODE

The Company has complied with all the code provisions set out in the Corporate Governance Code (the "CG Code") as contained in Appendix 15 to the GEM Listing Rules throughout the period under review.

BOARD COMMITTEES

The Board has established three committees, namely the Remuneration Committee, the Nomination Committee and the Audit Committee for overseeing particular aspects of the Company's affairs.

All Board committees of the Company are established with defined written terms of reference. The terms of reference of the Board committees had been amended and restated on 1 January 2019 and are posted on the website of the Exchange and the Company's website.

董事進行證券交易

本公司已採納一套有關董事進行證券交易之行為守則，其條款之嚴格程度不遜於GEM上市規則第5.48條至5.67條所載之交易必守標準。經本公司作出特定查詢後，各董事均確認，其於截至二零一九年六月三十日止三個月整段期間，一直遵守交易必守標準及董事進行證券交易之行為守則。

企業管治守則

於回顧期內，本公司一直遵守GEM上市規則附錄十五所載之企業管治守則（「企業管治守則」）之所有守則條文。

董事委員會

董事會已成立三個委員會，分別為薪酬委員會、提名委員會及審核委員會，以監察本公司事務之特定範疇。

本公司之所有董事委員會均根據明確之書面職權範圍而成立。董事委員會之職權範圍已於二零一九年一月一日修訂及重列，並登載於聯交所及本公司網站內。

AUDIT COMMITTEE

The Company established the Audit Committee on 7 March 2000 and has formulated and from time to time amended its written terms of reference in accordance with the provisions set out in the CG Code. The primary duties of the Audit Committee include review and supervision of the Group's financial reporting system, risk management and internal control procedures, review of the Group's financial information and review of the Group's relationship with its auditors.

As at the date of this report, the Audit Committee comprised three independent non-executive Directors, namely Ms. Chan Mei Yan Hidy (Chairman of the Audit Committee), Mr. Kwan Chi Hong and Ms. Lee Kwun Ling, May Jean.

The Audit Committee has reviewed this report and has provided advice and comments thereon.

REMUNERATION COMMITTEE

In accordance with the CG Code, the Company established the remuneration committee ("Remuneration Committee") on 17 June 2005 with written terms of reference. The principal responsibilities of the Remuneration Committee include making recommendations to the Board on the Company's policy and structure for remuneration of all Directors and senior management and reviewing the specific remuneration packages of all executive Directors and senior management by reference to corporate goals and objectives resolved by the Board from time to time.

The Remuneration Committee comprises two independent non-executive Directors, namely Mr. Kwan Chi Hong (Chairman of the Remuneration Committee) and Ms. Lee Kwun Ling, May Jean, and one executive Director, namely Ms. Chung, Elizabeth Ching Yee.

審核委員會

本公司已於二零零零年三月七日成立審核委員會，並已根據企業管治守則之條文制訂及不時修訂其書面職權範圍。審核委員會之主要職責包括審閱及監察本集團之財務申報制度、風險管理及內部控制程序、審閱本集團之財務資料及檢討本集團與其核數師之關係。

於本報告日期，審核委員會由三名獨立非執行董事陳美恩女士（審核委員會主席）、關志康先生及李筠翎女士組成。

審核委員會已審閱本報告，並就此提供意見及評論。

薪酬委員會

根據企業管治守則，本公司已於二零零五年六月十七日成立薪酬委員會（「薪酬委員會」），並制定其書面職權範圍。薪酬委員會之主要職責包括就本公司所有董事及高級管理層之薪酬政策及架構向董事會提供建議，以及經參考董事會不時議決之企業目標及目的後，審閱所有執行董事及高級管理層之特定薪酬待遇。

薪酬委員會由兩名獨立非執行董事關志康先生（薪酬委員會主席）、李筠翎女士以及一名執行董事鍾靜儀女士組成。

NOMINATION COMMITTEE

In accordance with the CG Code, the Company established the nomination committee (“Nomination Committee”) on 29 March 2012 with written terms of reference. The principal responsibilities of the Nomination Committee include formulating nomination policy and making recommendations to the Board on nomination and appointment of Directors and Board succession, developing selection procedures for nomination of candidates, reviewing the size, structure and composition of the Board, as well as assessing the independence of independent non-executive Directors.

The Nomination Committee comprises two independent non-executive Directors, namely Ms. Lee Kwun Ling, May Jean (Chairman of the Nomination Committee), Ms. Chan Mei Yan Hidy and one executive Director, namely Ms. Chung, Elizabeth Ching Yee.

By Order of the Board
Zhang Chunhua
Chairman

Hong Kong, 13 August 2019

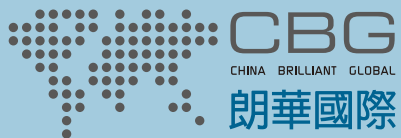
提名委員會

根據企業管治守則之規定，本公司已於二零一二年三月二十九日成立提名委員會（「提名委員會」），並制定其書面職權範圍。提名委員會之主要職責為制定提名政策，以及就董事之提名及委任和董事會接任之安排向董事會提出建議、制訂提名候選人的遴選程序、檢討董事會之規模、架構及組成，以及評估獨立非執行董事之獨立性。

提名委員會由兩名獨立非執行董事李筠翎女士（提名委員會主席）、陳美恩女士及一名執行董事鍾靜儀女士組成。

承董事會命
主席
張春華

香港，二零一九年八月十三日



China Brilliant Global Limited

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Sheung Wan, Hong Kong

朗華國際集團有限公司

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