



英記茶莊

YING KEE TEA HOUSE

YING KEE TEA HOUSE GROUP LIMITED

英記茶莊集團有限公司

(Incorporated in Hong Kong with limited liability) Stock code : 8241

INTERIM REPORT 2020/2021



Management Discussion and Analysis

Financial Highlights

	For the 6 months Ended	
	30 September	
	2020	2019
	HK\$	HK\$
Revenue	13,268,000	15,997,000
Gross Profit	10,232,000	12,183,000
Loss before taxation	5,592,000	6,251,000
Taxation		
Loss attributable to shareholders	5,592,000	6,251,000
Loss per share (Basic and Diluted)	HK1.55 cents	HK1.72 cents

Business Review

For the six months ended 30 September 2020, the Group continued to encounter an abrupt turbulent retail environment from 1 April 2020 to 30 September 2020, leading to the negative growth throughout the period.

The capricious outbreak of the Novel Coronavirus (“**COVID-19**”) pandemic from January 2020 to the date of this report caused a wayward behavior to the operation of the Group. With the Hong Kong government's encouragement of “staying home” to prevent the spread of the COVID-19, our shops and concessionary counters shortened their business hours. The consumers were forced to keep out of the streets and shopping malls, resulting in loss of consuming desire. With no definite date for the mass production of COVID-19 vaccine, it remains uncertain whether all business activities can return to their full capacity to pre-COVID-19 levels.

Management Discussion and Analysis

Financial Review

Revenue, gross profit and net profit

The consolidated revenue of the Group for the six months ended 30 September 2020 (the “Reporting Period”) accumulated to approximately HK\$13.3 million (six months ended 30 September 2019: approximately HK\$16.0 million), representing a decrease by approximately 16.9%. The gross profit for the period amounted to approximately HK\$10.2 million (six months ended 30 September 2019: approximately HK\$12.2 million), decreasing by approximately 16.4%. Gross profit margin was approximately 76.7% (six months ended 30 September 2019: approximately 76.3%), representing a 0.5% increase compared with that of the last corresponding period. Other income increased from HK\$0.4 million to HK\$2.7 million, representing a sheer increase of approximately 575.0% because of the Employment Support Scheme and Retail Sector Support Scheme introduced by the Government of the Hong Kong Special Administrative Region to combat recessive economy during the pandemic. Net loss for the Reporting Period was approximately HK\$5.6 million (six months ended 30 September 2019: Net loss of approximately HK\$6.3 million). The loss for the Reporting Period was mainly due to economic hardship during the outbreak of COVID-19.

Selling and distribution costs

Selling and distribution costs decreased by approximately 16.7% to approximately HK\$0.5 million (six months ended 30 September 2019: approximately HK\$0.6 million) primarily because of reduction in sales.

Administrative expenses

Administrative expenses decreased from approximately HK\$18.2 million for the six months ended 30 September 2019 to approximately HK\$15.8 million for the six months ended 30 September 2020, representing a decrease of approximately 13.2% primarily because of decrease of rent net of additional depreciation of properties and reduction in staff salaries as a result of shortening of business hours.

Finance expenses

To finance the purchase of properties in Central and Wanchai, the Group arranged financing by term loans and revolving loans from Hang Seng Bank Limited with total interest expenses of HK\$0.8 million (2019: Nil) and Promissory Notes payable to the seller of the properties with total interest expenses of HK\$0.9 million (2019: Nil).

Management Discussion and Analysis

Outlook and Prospect

With the resurgence of confirmed COVID-19 cases since July 2020, the randomness and fluctuation of the occurrence of the outbreak of the pandemic will have chaotic impacts on the global economy from time to time. The escalation of the United States – China trade war leads to a bleak economic climate for the ongoing period. The Directors are prudent in cash flow management to safeguard the Group's assets and will continue to provide a healthy operational environment to overcome this period of difficulty.

Liquidity and Cash Flow Management

The Group adopted a prudent financial policy in order to maintain a healthy financial position under the uncertainty of the economic situation. The Group funded the liquidity and capital requirements principally from cash generated from operations and remaining proceeds from listing.

As at 30 September 2020, the Group's net current assets amounted to approximately HK\$10.7 million (31 March 2020: approximately HK\$14.9 million) which decreased by approximately HK\$4.2 million or 28.2% due to utilization of time deposits to finance part of the funds for the acquisition of properties in Central and Wanchai. Cash and bank balances amounted to approximately HK\$2.0 million (31 March 2020: approximately HK\$5.8 million), a decrease of approximately HK\$3.8 million or 65.5%. The Group had no time deposits (31 March 2020: HK\$11.0 million), with a decrease of HK\$11.0 million, or 100%. As at 30 September 2020, current assets amounted to approximately HK\$15.2 million (31 March 2020: approximately HK\$28.7 million) and current liabilities amounted to approximately HK\$4.5 million (31 March 2020: approximately HK\$13.8 million). Current ratio was approximately 3.4 as at 30 September 2020 (31 March 2020: approximately 2.1).

Gearing Ratio

Gearing ratio is calculated as total debts divided by the total equity as at the respective reporting date.

The gearing ratio as at 30 September 2020 was approximately 286.7% (31 March 2020: approximately 231.1%) because of bank borrowings to finance the acquisition of properties in Central and Wanchai.

Management Discussion and Analysis

Capital Expenditure

For the six months ended 30 September 2020, the Group's capital expenditure amounted to approximately HK\$39,000 (six months ended 30 September 2019: approximately HK\$1.3 million), mainly for plant and equipment.

Foreign Exchange Exposure

Since all of the assets and liabilities are situated in Hong Kong and denominated in Hong Kong dollars; and almost all of the revenue is generated from Hong Kong, the functional and reporting currency is Hong Kong dollar. There was no hedging instrument for payment of purchases in Renminbi as the Directors considered the payments in Renminbi were minor portion of total purchases and settlement within 60 days and would not cause material foreign exchange risk.

Principal Risks and Uncertainties

Credit risk

The Group trades only with recognized and creditworthy third parties. It is the Group's policy that only well-established customers will be considered for open account terms and the approval of credit terms is subject to stringent credit check procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

Interest rate risk

As at 30 September 2020, the Group had bank borrowings and interest rate risk was present. However, the interest rate risk was low as the interest rate fluctuations during the six months ended 30 September 2020 was small due to the weak global economy.

Liquidity risk

The Group monitors its risk to a shortage of funds using monthly cash flow forecast. The Group's objective is to maintain a balance between continuity of funding and flexibility through cash from time deposits and funds generated from operations.

Management Discussion and Analysis

Employees and Remuneration Policies

As at 30 September 2020, the Group had 59 employees (30 September 2019: 69) working in Hong Kong. Employees are remunerated based on their qualifications, position and performance. The remuneration offered to employees generally includes salaries, allowances and discretionally bonus. Various training was provided to the employees. The total staff costs (including salaries, benefits, mandatory provident funds contributions and long service payment) for the six months ended 30 September 2020 amounted to approximately HK\$5.9 million (six months ended 30 September 2019: approximately HK\$7.1 million).

For the six months ended 30 September 2020, the Group received the grant of approximately HK\$2.0 million provided by the Employment Support Scheme. It further reduced the Group's financial burden of the staff cost.

Dividend

The Board does not declare the payment of any dividend for the six months ended 30 September 2020 (six months ended 30 September 2019: Nil).

Contingent Liabilities

The Group had no significant contingent liabilities as at 30 September 2020.

Charge on the Group's Assets

As at 30 September 2020, the Group has first and second legal charges on ownership and rental right respectively of the Group's assets, namely, property at shop B, ground floor, Siu Ying Commercial Building, 151-155 Queen's Road, Central 1-1B, Wing Kut Street, Hong Kong and property at ground floor, Mei Wah Building, No. 170 Johnston Road, Hong Kong as securities for the banking facilities granted to the Group.

Save as disclosed above, there was no other material charge on the Group's assets for the six months ended 30 September 2020.

Events After the Reporting Period

Save as disclosed above, there were no material events after the Reporting Period that would affect the result of the Group for the six months ended 30 September 2020.

Management Discussion and Analysis

Corporate Governance Practices and Compliance

During the six months ended 30 September 2020, the Group was committed to maintain a high standard of corporate governance, and to comply to the extent practicable with the Code of Corporate Governance Practices. The Company has applied the code provisions and recommended best practices in the Corporate Governance Code (the "**CG Code**") as set out in Appendix 15 to the GEM Listing Rules. During the six months ended 30 September 2020, the Company has complied with the relevant provisions of the CG Code. The Board is responsible for the leadership and control of, and promoting the success of the Group. This is achieved by the setting up of corporate strategic objectives and policies, and the monitoring and evaluations of operating activities and financial performance of the Group.

Securities Transactions of Directors

The Group has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiries of all Directors, all Directors confirmed that they have complied with the required standard of dealings and its code of conduct regarding directors' securities transactions during the six months ended 30 September 2020.

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

During the six months ended 30 September 2020, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

Management Discussion and Analysis

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

So far as the Directors are aware, as at 30 September 2020, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) (the "SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which 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 pursuant to section 352 of the SFO, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

Long positions in ordinary shares and underlying shares of the Company

Name of Director/ Chief Executive	Capacity/Nature of interest	Number of shares held/ interested	Approximate percentage of shareholding
Mr. Chan Kwong Yuen	Interested in a controlled corporation	270,000,000 (Note 1)	75%
	Beneficial owner	3,200,000 (Note 2)	0.89%
Mr. Chan Kun Yuen	Interested in a controlled corporation	270,000,000 (Note 1)	75%
	Beneficial owner	3,200,000 (Note 2)	0.89%
Mr. Chan Shu Yuen	Interested in a controlled corporation	270,000,000 (Note 1)	75%
	Beneficial owner	3,200,000 (Note 2)	0.89%
Mr. Siu Chi Ming	Beneficial owner	200,000 (Note 2)	0.06%
Mr. Lee Wai Ho	Beneficial owner	200,000 (Note 2)	0.06%
Mr. Wong Chee Chung	Beneficial owner	200,000 (Note 2)	0.06%

Notes:

- These 270,000,000 shares are held by Profit Ocean Enterprises Limited ("Profit Ocean"), a company owned by Tri-Luck Investments Limited ("Tri-Luck"), Wealth City Global Limited ("Wealth City"), Sky King Global Limited ("Sky King") and Coastal Lion Limited ("Coastal Lion") in equal shares, i.e., 25%. Each of Tri-Luck, Wealth City, Sky King and Coastal Lion is wholly owned by Mr. Chan Tat Yuen, Mr. Chan Kun Yuen, Mr. Chan Shu Yuen and Mr. Chan Kwong Yuen respectively.

Under the acting in concert arrangement between Mr. Chan Kwong Yuen, Mr. Chan Kun Yuen, Mr. Chan Shu Yuen and Mr. Chan Tat Yuen, each of Coastal Lion, Wealth City, Sky King, Tri-Luck, Mr. Chan Kwong Yuen, Mr. Chan Kun Yuen, Mr. Chan Shu Yuen and Mr. Chan Tat Yuen is deemed to be interested in all the shares of the Company held by Profit Ocean for purposes of the SFO.

- These shares are derived from the interests in share options granted by the Company pursuant to the Share Option Scheme.

Management Discussion and Analysis

Long positions in ordinary shares of associated corporations

Name of Director/ Chief Executive	Name of associated corporation	Capacity/nature of interest	Number of shares held/interested	Percentage of shareholding
Mr. Chan Kwong Yuen	Profit Ocean	Interest in a controlled corporation	250	25%
	Coastal Lion	Beneficial owner	100	100%
Mr. Chan Kun Yuen	Profit Ocean	Interest in a controlled corporation	250	25%
	Wealth City	Beneficial owner	100	100%
Mr. Chan Shu Yuen	Profit Ocean	Interest in a controlled corporation	250	25%
	Sky King	Beneficial owner	100	100%

Save as disclosed above, neither of the Directors and chief executive of the Company nor their associates had any interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors as referred to in Rule 5.46 of the GEM Listing Rules as at 30 September 2020.

Management Discussion and Analysis

Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares and Underlying Shares of the Company

So far as known to the Directors or chief executive of the Company, as at 30 September 2020, the following persons/entities (other than the Directors and chief executives of the Company) had or were deemed to have an interest or a short position in the shares or the underlying shares which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Division 2 and 3 of Part XV of the SFO, or which were directly or indirectly, to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other member of the Group:

Long positions in ordinary shares and underlying shares of the Company

Name of Shareholder	Nature of interest and capacity	Number of Shares held or interested	Percentage of the total issued shares
Profit Ocean	Beneficial owner	270,000,000	75%
Tri-Luck	Interest in a controlled corporation	270,000,000 (Note 1)	75%
Wealth City	Interest in a controlled corporation	270,000,000 (Note 1)	75%
Sky King	Interest in a controlled corporation	270,000,000 (Note 1)	75%
Coastal Lion	Interest in a controlled corporation	270,000,000 (Note 1)	75%
Mr. Chan Tat Yuen	Interest in a controlled corporation	270,000,000 (Note 1)	75%
	Beneficial owner	3,200,000 (Note 2)	0.89%
Ms. Chu Min	Interest of spouse	270,000,000 (Note 3)	75%
		3,200,000 (Note 3)	0.89%
Ms. Chan King Chi	Interest of spouse	270,000,000 (Note 4)	75%
		3,200,000 (Note 4)	0.89%
Ms. Po Miu Kuen Tammy	Interest of spouse	270,000,000 (Note 5)	75%
		3,200,000 (Note 5)	0.89%
Ms. Ng Wai Lam Lana Zoe	Interest of spouse	270,000,000 (Note 6)	75%
		3,200,000 (Note 6)	0.89%

Management Discussion and Analysis

Notes:

1. The total issued capital of Profit Ocean is owned by Tri-Luck, Wealth City, Sky King and Coastal Lion in equal shares, i.e., 25%, while the total issued share capital of each of Tri-Luck, Wealth City, Sky King and Coastal Lion is wholly owned by Mr. Chan Tat Yuen, Mr. Chan Kun Yuen, Mr. Chan Shu Yuen and Mr. Chan Kwong Yuen, respectively.

Under the acting in concert arrangement between Mr. Chan Tat Yuen, Mr. Chan Kun Yuen, Mr. Chan Shu Yuen and Mr. Chan Kwong Yuen, each of Tri-Luck, Wealth City, Sky King and Coastal Lion, Mr. Chan Tat Yuen, Mr. Chan Kun Yuen, Mr. Chan Shu Yuen and Mr. Chan Kwong Yuen is deemed to be interested in all the shares held by Profit Ocean for purposes of the SFO.

2. These 3,200,000 shares are derived from the interests in share options granted by the Company pursuant to the Share Option Scheme.
3. Ms. Chu Min is the spouse of Mr. Chan Tat Yuen. For purposes of the SFO, Ms. Chu Min is deemed to be interested in (i) the shares held by Mr. Chan Tat Yuen; and (ii) share options granted to Mr. Chan Tat Yuen by the Company pursuant to the Share Option Scheme.
4. Ms. Chan King Chi is the spouse of Mr. Chan Kun Yuen. For purposes of the SFO, Ms. Chan King Chi is deemed to be interested in (i) the shares held by Mr. Chan Kun Yuen; and (ii) share options granted to Mr. Chan Kun Yuen by the Company pursuant to the Share Option Scheme.
5. Ms. Po Miu Kuen Tammy is the spouse of Mr. Chan Shu Yuen. For purposes of the SFO, Ms. Po Miu Kuen Tammy is deemed to be interested in (i) the shares held by Mr. Chan Shu Yuen; and (ii) share options granted to Mr. Chan Shu Yuen by the Company pursuant to the Share Option Scheme.
6. Ms. Ng Wai Lam Lana Zoe is the spouse of Mr. Chan Kwong Yuen. For purposes of the SFO, Ms. Ng Wai Lam Lana Zoe is deemed to be interested in (i) the shares held by Mr. Chan Kwong Yuen; and (ii) share options granted to Mr. Chan Kwong Yuen by the Company pursuant to the Share Option Scheme.

Save as disclosed above, as at 30 September 2020, no person, other than the Directors of the Company whose interests are set out in the section "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares or Debentures of the Company and its Associated Corporation" above, had or was deemed to have an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

As at 30 September 2020, the controlling shareholders did not pledge any of the shares to any party. The Company did not breach any loan agreement that is significant to the Group's operations or enter into loan agreements with covenants relating to specific performance of the controlling shareholders. Moreover, neither of the Company nor its subsidiaries provided any financial assistance and guarantees to affiliated companies of the Company.

Management Discussion and Analysis

Share Option Scheme

The purpose of the Share Option Scheme is to enable the Company to grant options to selected participants (including, among others, full time employee, consultant, adviser and director, and any distributor, contractor, supplier, agent, customer, business partner and service provider of any member of the Group) as incentives or rewards for their contribution to the Group. The Directors consider the Share Option Scheme, with its broadened basis of participation, will enable the Group to reward the employees of the Company, the Directors and other selected participants for their contributions to the Group. The Company conditionally approved and adopted the Share Option Scheme by written resolutions on 14 March 2018. Further details of the Share Option Scheme are set in the section headed "Statutory and General Information – 8. SHARE OPTION SCHEME" in Appendix IV of the prospectus of the Company dated 23 March 2018.

Details of the movement in the share options granted under the Scheme for the six months ended 30 September 2020 are as follows:

Name or category of participants	Date of grant of share options	Exercisable period	Exercise price of share options (HKD)	Outstanding	Granted	Exercised	Cancelled	Lapsed	Outstanding
				at 1 April 2019	during the period	during the period	during the period	during the period	at 30 September 2020
Directors									
Mr. Chan Kwong Yuen	9 September 2019	1 June 2020 to 31 May 2023	0.189	–	3,200,000	–	–	–	3,200,000
Mr. Chan Kun Yuen	9 September 2019	1 June 2020 to 31 May 2023	0.189	–	3,200,000	–	–	–	3,200,000
Mr. Chan Shu Yuen	9 September 2019	1 June 2020 to 31 May 2023	0.189	–	3,200,000	–	–	–	3,200,000
Mr. Siu Chi Ming	9 September 2019	1 June 2020 to 31 May 2023	0.189	–	200,000	–	–	–	200,000
Mr. Lee Wai Ho	9 September 2019	1 June 2020 to 31 May 2023	0.189	–	200,000	–	–	–	200,000
Mr. Wong Chee Chung	9 September 2019	1 June 2020 to 31 May 2023	0.189	–	200,000	–	–	–	200,000
Sub-total				–	10,200,000	–	–	–	10,200,000
Substantial Shareholder									
Mr. Chan Tat Yuen	9 September 2019	1 June 2020 to 31 May 2023	0.189	–	3,200,000	–	–	–	3,200,000
Other Employees, consultants and advisors	9 September 2019	1 June 2020 to 31 May 2023	0.189	–	18,900,000	–	–	(750,000)	18,150,000
Total				–	32,300,000	–	–	(750,000)	31,550,000

Management Discussion and Analysis

Competing Interests

During the six months ended 30 September 2020, the Directors were not aware of any business or interest of the Directors or the controlling shareholders of the Company or any of their respective close associates (as defined in the GEM Listing Rules) that compete or may compete with the business of the Group and any other conflicts of interest which any such person has or may have with the Group.

Audit Committee

The audit committee of the Company (the "**Audit Committee**") was established on 14 March 2018 with written terms of reference in compliance with the requirements as set out in Rule 5.28 of the GEM Listing Rules and the CG Code.

The primary duties of the Audit Committee are to review and supervise the financial reporting process, risk management and internal control systems of the Group. The Audit Committee currently comprises three members, being all of the independent non-executive Directors, namely Mr. Lee Wai Ho, Mr. Siu Chi Ming and Mr. Wong Chee Chung. The chairman of the Audit Committee is Mr. Siu Chi Ming.

The Audit Committee has reviewed the unaudited condensed consolidated results of the Company for the six months ended 30 September 2020 and is of the opinion that such results complied with the applicable accounting standards and the requirements under the GEM Listing Rules, and that adequate disclosures have been made.

Interests of Compliance Adviser

In accordance with Rule 6A.19 of the GEM Listing Rules, the Company has appointed Elstone Capital Limited (the "**Compliance Adviser**") on 1 April 2020 as its compliance adviser, which provides advice and guidance to the Company in respect of compliance with the GEM Listing Rules including various requirements relating to the Directors' duties. The Compliance Adviser and its directors, employees or close associates confirmed they had no interests in relation to the Company which is required to be notified to the Company pursuant to Rule 6A.32 of the GEM Listing Rules as at 30 September 2020 and up to the date of this report.

By order of the Board

Ying Kee Tea House Group Limited

Chan Kwong Yuen

Chairman

Hong Kong, 12 November 2020

Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income

For the three months and six months ended 30 September 2020

	Notes	Three months ended 30 September		Six months ended 30 September	
		2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)
Revenue	4	7,046	7,473	13,268	15,997
Cost of sales		(1,697)	(1,736)	(3,036)	(3,814)
Gross profit		5,349	5,737	10,232	12,183
Other income	5	1,529	294	2,701	392
Other gain or loss	5	(284)	–	(490)	–
Selling and distribution costs		(273)	(264)	(493)	(621)
Administrative expenses		(7,877)	(8,953)	(15,785)	(18,169)
Finance costs	6	(843)	(18)	(1,757)	(36)
Loss before income tax	7	(2,399)	(3,204)	(5,592)	(6,251)
Income tax expenses	8	–	–	–	–
Loss and total comprehensive expense for the period		(2,399)	(3,204)	(5,592)	(6,251)
Loss per share attributable to equity holders of the Company (expressed in HK cents per share)					
Basic and diluted	10	(0.67)	(0.87)	(1.55)	(1.72)

Condensed Consolidated Statement of Financial Position

As at 30 September 2020

	Notes	As at 30 September 2020 HK\$'000 (unaudited)	As at 31 March 2020 HK\$'000 (audited)
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	11	109,851	110,439
Intangible asset		82	87
Deposit paid for acquisition for intangible asset	12	1,000	1,000
		110,933	111,526
Current assets			
Inventories		7,533	7,360
Trade and other receivables	12	4,748	3,641
Tax refundable		869	869
Time deposits		–	11,007
Cash and bank balances		2,029	5,798
		15,179	28,675
Current liabilities			
Trade and other payables	13	1,200	1,052
Bank borrowings	14	2,250	12,250
Lease liabilities	16	1,031	511
		4,481	13,813
Net current assets		10,698	14,862
Total assets less current liabilities		121,631	126,388
Non-current liabilities			
Provision for long service payment		429	608
Provision for reinstatement cost		854	854
Bank borrowings	14	45,625	42,750
Promissory notes	15	41,115	44,724
Lease liabilities	16	2,160	940
		90,183	89,876
Net assets		31,448	36,512
EQUITY			
Share capital		41,879	41,879
Reserves		(10,431)	(5,367)
Total equity		31,448	36,512

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 September 2020

	Share capital HK\$'000	Capital reserve HK\$'000 (Note (i))	Share options reserve HK\$'000	Contribution reserve HK'000 (Note (ii))	Accumulated losses HK\$'000	Total equity HK\$'000
As at 1 April 2020 (audited)	41,879	990	1,778	5,806	(13,941)	36,512
Transactions with equity holders of the Company						
Equity settled share-based payments	-	-	528	-	-	528
Loss for the period and total comprehensive expense for the period	-	-	-	-	(5,592)	(5,592)
As at 30 September 2020 (unaudited)	41,879	990	2,306	5,806	(19,533)	31,448
As at 1 April 2019 (audited)	41,879	990	-	-	(1,637)	41,232
Transactions with equity holders of the Company						
Equity settled share-based payments	-	-	195	-	-	195
Loss for the period and total comprehensive expense for the period	-	-	-	-	(6,251)	(6,251)
As at 30 September 2019 (unaudited)	41,879	990	195	-	(7,888)	35,176

Notes:

- (i) Capital reserve represented the excess of nominal value of shares of Ying Kee Tea Company Limited over the nominal value of shares allotted by the Company arising from reorganisation.
- (ii) Contribution reserve represents the deemed contribution by controlling shareholders through Chan Sing Hoi Enterprises Limited ("**Chan Sing Hoi Enterprises**"), in the issuance of non-interest bearing promissory notes to Chan Sing Hoi Enterprises in the current year, details of which are set out in note 18. The contribution reserve represents the difference between the fair value of assets acquired and the fair value of the non-interest bearing promissory notes issued.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 September 2020

	Six months ended 30 September	
	2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)
Cash flows from operating activities		
Loss before income tax	(5,592)	(6,251)
Adjustments for :		
– Depreciation	2,838	1,143
– Amortisation of reinstatement cost	25	285
– Amortisation of intangible assets	5	52
– Gain on termination of the lease contract	–	(12)
– Interest income	(55)	(180)
– Interest expenses	1,757	36
– Equity settled share-based payment expenses	528	195
– Gain on disposal of property, plant and equipment	–	(195)
– Rent concessions	(93)	–
– Loss on early repayment on promissory note	490	–
Operating loss before working capital changes	(97)	(4,927)
Changes in working capital:		
– Inventories	(173)	(1,398)
– Trade and other receivables	(1,107)	(754)
– Trade and other payables	148	479
– Reversal for long service payment	(179)	–
<i>Net cash used in operating activities</i>	(1,408)	(6,600)
Cash flows from investing activities		
Interest received	55	180
Purchases of property, plant and equipment	(39)	(1,066)
Payment of reinstatement cost	–	(182)
Decrease in time deposits	11,007	993
<i>Net cash from/(used in) investing activities</i>	11,023	(75)

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 September 2020

	Six months ended 30 September	
	2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)
Cash flows from financing activities		
Proceeds from borrowings	4,000	–
Interest paid	(856)	–
Payment of lease liabilities	(403)	(709)
Repayment of bank borrowings	(11,125)	–
Repayment of Promissory note	(5,000)	–
<i>Net cash used in financing activities</i>	(13,384)	(709)
Net decrease in cash and cash equivalents	(3,769)	(7,384)
Cash and cash equivalents at the beginning of the period	5,798	10,172
Cash and cash equivalents at the end of the period, represented by cash and bank balances	2,029	2,788

Notes to the Unaudited Condensed Consolidated Financial Statements

For the six months ended 30 September 2020

1. General Information

Ying Kee Tea House Group Limited (the "**Company**") was incorporated in Hong Kong with limited liability. The address of its registered office and its principal place of business is 8/F, Wah Shing Centre, 5 Fung Yip Street, Siu Sai Wan, Hong Kong.

The Company's shares were listed on the GEM of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 16 April 2018.

The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the "**Group**") are principally engaged in the retail trading of tea products and food and beverage retails. The Company's immediate holding company is Profit Ocean Enterprises Limited, a company incorporated in the British Virgin Islands.

2. Basis of Preparation

The unaudited condensed consolidated financial statements of the Group for the six months ended 30 September 2020 ("**Interim Period**") have been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the applicable disclosure requirements of the Rules Governing the Listing of Securities on the GEM (the "**GEM Listing Rules**").

The unaudited condensed consolidated financial statements for the Interim Period have been prepared on the historical cost basis. The unaudited condensed consolidated financial statements are presented in Hong Kong dollars ("**HK\$**"), which is also the functional currency of the Company and its subsidiaries, and all values are rounded to the nearest thousand ("**HK\$'000**") except when otherwise indicated.

The unaudited condensed consolidated financial statements for the Interim Period have been prepared in accordance with the accounting policies adopted in the Group's annual financial statements for the year ended 31 March 2020, except for the adoption of the new and amended HKFRSs effective as of 1 April 2020.

The unaudited condensed consolidated financial statements for the Interim Period have not been audited by the Company's independent auditor but have been reviewed by the Company's audit committee and approved for issue by the Board on 12 November 2020.

Notes to the Unaudited Condensed Consolidated Financial Statements

For the six months ended 30 September 2020

2. Basis of Preparation (Continued)

The preparation of the unaudited condensed consolidated financial statements of the Group for the Interim Period is in conformity with the HKFRSs requirements in the use of certain critical accounting estimates. The HKFRSs also require the management to exercise their judgements in the process of applying the Group's accounting policies.

3. Adoption of New and Amended HKFRSs

The condensed consolidated financial statements for the Interim Period have been prepared in accordance with the accounting policies adopted in the Group's annual financial statements for the year ended 31 March 2020, except for the adoption of the following new and amended HKFRSs effective as of 1 April 2020. The Group has not early adopted any other standards, interpretation or amendment that has been issued but is not yet effective.

Amendments to HKFRS 3	Definition of a Business
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform
Amendments to HKAS 1 and HKAS 8	Definition of Material

The adoption of the new and amended HKFRSs had no material impact on how the results and financial position for the current and prior periods have been prepared and presented.

Early adoption of HKFRSs

The Group has elected to early adopt the following amendment of HKFRSs in the Relevant Period unaudited condensed consolidated financial statements and the principal effects for adopting these new HKFRSs are as follows:

Amendments to HKFRS 16	Covid-19-Related Rent Concessions
------------------------	-----------------------------------

Amendments to HKFRS 16 only apply to lessee accounting and have no effect on lessor accounting. The amendments add a practical expedient to provide a relief for lessees to bypass the need to carry out an assessment to decide whether a Covid-19 related rent concession received is a lease modification or not and allow lessees to account for such rent concessions as if the change was not a lease modification.

This practical expedient is only applicable to rent concessions occurring as a direct consequence of the COVID-19 pandemic and only if all of the following conditions are met:

- (a) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;

Notes to the Unaudited Condensed Consolidated Financial Statements

For the six months ended 30 September 2020

3. Adoption of New and Amended HKFRSs (Continued)

Early adoption of HKFRSs (Continued)

- (b) any reduction in lease payments affects only payments originally due on or before 30 June 2021 (for example, a rent concession would meet this condition if it results in reduced lease payments on or before 30 June 2021 and increased lease payments that extend beyond 30 June 2021); and
- (c) there is no substantive change to other terms and conditions of the lease.

A lessee that chooses to apply this practical expedient would be required to apply it consistently to all lease contracts with similar characteristics and in similar circumstances. Additional disclosures are required if this practical expedient are used.

Issued but not yet effective HKFRSs

At the date of authorisation of these condensed consolidated interim financial statements, certain new and amended HKFRSs have been published but are not yet effective, and have not been adopted early by the Group.

HKFRS 17	Insurance Contracts ²
Amendments to HKFRS 3	Reference to the Conceptual Framework ⁵
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴
Amendments to HKFRS 16	Covid-19-Related Rent Concessions ¹
Amendments to HKAS 16	Property, Plant and Equipment – Proceeds before Intended Use ³
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract ³
Amendments to HKFRSs	Annual Improvements to HKFRS Standards 2018–2020 ³

¹ Effective for annual periods beginning on or after 1 June 2020

² Effective for annual periods beginning on or after 1 January 2021

³ Effective for annual periods beginning on or after 1 January 2022

⁴ Effective date not yet determined

⁵ Effective for business combinations and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2022

None of the new and amended HKFRSs is expected to have a material impact on the Group's condensed consolidated financial statements.

Notes to the Unaudited Condensed Consolidated Financial Statements

For the six months ended 30 September 2020

4. Revenue and Segment Reporting

4.1 Revenue

	Three months ended 30 September		Six months ended 30 September	
	2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)
Sales of tea products	6,904	7,209	12,994	15,508
Food and beverage retails	142	264	274	489
	7,046	7,473	13,268	15,997

4.2 Segment information

The Group has determined the operating segments based on the information reported to the executive directors, the chief operating decision maker. During the year, the chief operating decision maker regards the Group's sales of tea products and food and beverage retails business as a single operating segment and assesses the operating performance and allocates the resources of the Group as a whole. Accordingly, no segment information is presented.

Geographical information

No separate analysis of segment information by geographical segment is presented as all the Group's revenue are derived from Hong Kong based on the location of customers and the Group's property, plant and equipment are all located in Hong Kong.

Information about major customers

During the Interim Period, none of the Group's customers contributed over 10% of the Group's revenue.

Notes to the Unaudited Condensed Consolidated Financial Statements

For the six months ended 30 September 2020

5. Other Income and Other Gain or Loss

5.1 Other Income

	Three months ended 30 September		Six months ended 30 September	
	2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)
Bank interest income	8	87	55	180
Government grants (Note)	1,484	–	2,539	–
Rent concessions	23	–	93	–
Sundry income	14	207	14	212
	1,529	294	2,701	392

Note: During the Interim Period, the Group recognised the government grants from HKSAR Government under the “Anti-epidemic Fund” as follows:

- (i) Employment Support Scheme, which aims to retain employment and combat COVID-19, under the Anti-epidemic Fund of the Government of HK\$1,979,000 (six months ended 30 September 2019: Nil). The purpose of the funding is to provide financial support to enterprises to retain their employee who would otherwise be made redundant. Under the terms of the grant, the group is required not to make redundancies during the subsidy period and to spend all the funding on paying wages to the employees.
- (ii) Retail Sector Subsidy Scheme under the Anti-epidemic Fund of HK\$560,000 (six months ended 30 September 2019: Nil).

There were neither unfulfilled conditions nor other contingencies attached to the receipt of those grants. There is no assurance that the Group will continue to receive such grant in the future.

5.2 Other Gain or Loss

The Group has early repaid part of the promissory notes with the amounts of HK\$5,000,000, resulting in a loss on early repayment of promissory note of HK\$490,000 incurred during the Interim Period (six months ended 30 September 2019: Nil).

Notes to the Unaudited Condensed Consolidated Financial Statements

For the six months ended 30 September 2020

6. Finance Costs

	Three months ended 30 September		Six months ended 30 September	
	2020	2019	2020	2019
	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)
Interest on bank loans and overdrafts	373	–	811	–
Imputed interest expense from promissory notes	449	–	901	–
Finance charges on lease liabilities	21	18	45	36
	843	18	1,757	36

Notes to the Unaudited Condensed Consolidated Financial Statements

For the six months ended 30 September 2020

7. Loss Before Income Tax

Loss before income tax is arrived at after charging:

	Three months ended 30 September		Six months ended 30 September	
	2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)
Depreciation of property, plant and equipment	1,131	219	2,261	413
Depreciation of right-of-use assets	288	380	577	730
Total depreciation	1,419	599	2,838	1,143
Amortisation of reinstatement cost	11	144	25	285
Amortisation of trademark	2	25	5	52
Total amortisation	13	169	30	337
Lease charges in respect of premises				
– short term leases and leases with lease term shorter than 12 months as at initial application of HKFRS 16	1,736	2,706	3,305	5,580
– variable lease payment (Note)	131	26	202	55
Total lease charges	1,867	2,732	3,507	5,635
Auditor's remuneration	100	100	200	200
Cost of inventories recognised as an expense	1,409	1,424	2,474	3,188
Exchange loss, net	–	–	1	–
Share-based payment	–	–	528	–

Note: The contingent rentals are charged based on pre-determined percentages of realised sales less the minimum lease payments of the respective leases.

Notes to the Unaudited Condensed Consolidated Financial Statements

For the six months ended 30 September 2020

8. Income Tax Expenses

Hong Kong Profits Tax has been provided at the rate of 16.5% on the estimated assessable profits for the Interim Period (six months ended 30 September 2019: 16.5%).

No provision for Hong Kong Profits Tax has been provided as the Group incurred taxation loss for the six months ended 30 September 2020 and 2019.

	Three months ended 30 September		Six months ended 30 September	
	2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)
Current tax				
Hong Kong profits tax				
– Current period	–	–	–	–

No deferred tax asset has been recognised in relation to unrecognised tax losses as at 30 September 2020 due to the unpredictability of future profit streams. These tax losses do not expire under current legislation.

9. Dividend

The directors of the Company do not recommend the payment of any interim dividend for the Interim Period (six months ended 30 September 2019: Nil).

Notes to the Unaudited Condensed Consolidated Financial Statements

For the six months ended 30 September 2020

10. Loss Per Share

	Three months ended 30 September		Six months ended 30 September	
	2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)
Loss				
Loss for the period attributable to equity holders of the Company	(2,399)	(3,204)	(5,592)	(6,251)
Number of shares				
Weighted average number of ordinary shares (in thousands)	360,000	360,000	360,000	360,000
Effect of dilutive potential shares on exercise of share options (in thousands)	–	8,075	–	4,060
Weighted average number of ordinary shares used in calculating diluted earnings per share (in thousands)	360,000	368,075	360,000	364,060

For the Interim Period, there were no dilutive potential ordinary shares arising from the conversion of the Company's share options since the average market price of ordinary shares during the Interim Period was lower than the exercise price of the options and therefore, diluted loss per share equals to basic loss per share.

For the Interim Period, the weighted average number of ordinary shares used to calculate the diluted loss per share include the effects of dilutive potential shares on exercise of share options.

11. Property, Plant and Equipment

During the Interim Period, the Group acquired property, plant and equipment valued at approximately HK\$39,000 (six months ended 30 September 2019: HK\$1,250,000).

During the Interim Period, the Group recognised right-of-use assets included in property, plant and equipment and lease liabilities in relation to retail shops through the tenancy agreements amounting to HK\$2,236,000 (30 September 2019: HK\$3,308,000). The Group made fixed payments during the contract period.

Notes to the Unaudited Condensed Consolidated Financial Statements

For the six months ended 30 September 2020

11. Property, Plant and Equipment (Continued)

As at 30 September 2020, the carrying amount of the Group's right-of-use assets in relation to properties was HK\$3,096,000 (31 March 2020: HK\$1,437,000).

As at 30 September 2020, leasehold land and buildings with a carrying amount of HK\$102,893,000 (31 March 2020: HK\$104,742,000) was pledged to secure general banking facilities granted to the Group. The details in relation to these borrowings are set out in note 14.

12. Trade and Other Receivables

	As at 30 September 2020 HK\$'000 (unaudited)	As at 31 March 2020 HK\$'000 (audited)
Trade receivables	756	499
Less: ECL allowance	–	–
	756	499
Deposits, prepayments and other receivables		
Rental and other deposits	3,177	3,581
Other receivables	465	184
Prepayments	1,350	377
Less: ECL Allowance	–	–
	4,992	4,142
	5,748	4,641
Less: non-current portion		
Deposit paid for acquisition of intangible asset	(1,000)	(1,000)
	4,748	3,641

The directors of the Group consider that the fair values of trade and other receivables are not materially different from their carrying amounts because these balances have short maturity periods on their inception.

Notes to the Unaudited Condensed Consolidated Financial Statements

For the six months ended 30 September 2020

12. Trade and Other Receivables (Continued)

The Group's sales to customers are mainly on cash basis. The Group also grants credit terms of 0 to 75 days to certain corporate customers. The ageing analysis of trade receivables based on the invoice dates was as follows:

	As at 30 September 2020 HK\$'000 (unaudited)	As at 31 March 2020 HK\$'000 (audited)
0–30 days	641	342
31–60 days	87	55
61–90 days	3	86
Over 90 days	25	16
	756	499

13. Trade and Other Payables

	As at 30 September 2020 HK\$'000 (unaudited)	As at 31 March 2020 HK\$'000 (audited)
Trade payables	533	64
Accrued charges and other payables	667	988
	1,200	1,052

Notes to the Unaudited Condensed Consolidated Financial Statements

For the six months ended 30 September 2020

13. Trade and Other Payables (Continued)

Purchases are generally made without prescribed credit terms. Based on the invoice dates, the ageing analysis of trade payables was as follows:

	As at 30 September 2020 HK\$'000 (unaudited)	As at 31 March 2020 HK\$'000 (audited)
0-30 days	533	64

All amounts are short term and hence the carrying values of trade and other payables are considered to be reasonable approximation of fair values.

14. Bank Borrowings

	As at 30 September 2020 HK\$'000 (unaudited)	As at 31 March 2020 HK\$'000 (audited)
Carrying amount repayable:		
Within one year	2,250	12,250
In the second year	4,250	2,250
In the third to fifth years	8,750	6,750
After the fifth year	32,625	33,750
	47,875	55,000
Less: carrying amount of bank loans that are not repayable within one year from the end of the reporting period but contain a repayment on demand clause (shown under current liabilities)	-	(10,000)
Less: amounts shown under current liabilities	(2,250)	(2,250)
Amounts shown under non-current liabilities	45,625	42,750
Secured (Note (i))	43,875	45,000
Unsecured (Note (ii))	4,000	10,000
	47,875	55,000

Notes to the Unaudited Condensed Consolidated Financial Statements

For the six months ended 30 September 2020

14. Bank Borrowings (Continued)

Notes:

- (i) At 30 September 2020, the balances were secured by property, plant and equipment as set out in note 11 (31 March 2020: HK\$104,742,000).
- (ii) At 30 September 2020, the amount of HK\$4,000,000 included in the unsecured borrowings were guaranteed by controlling shareholders. At 31 March 2020, the amount of HK\$10,000,000 included in the unsecured borrowings were guaranteed by certain subsidiaries of the Company.

The effective interest rates range from 2.75% to 3.00% (31 March 2020: 3.00% to 4.02%) per annum.

15. Promissory Notes

	As at 30 September 2020 HK\$'000 (unaudited)	As at 31 March 2020 HK\$'000 (audited)
At 31 March 2020 and 1 April 2020	44,724	–
Fair value of promissory notes issued at the inception date	–	44,694
Imputed interest charged (Note 6)	901	30
Loss on early repayment of promissory notes (Note 5)	490	–
Less: Repayment of promissory notes	(5,000)	–
Amounts shown under non-current liabilities	41,115	44,724

On 25 March 2020, the Company issued two promissory notes with principal amounts of HK\$25,500,000 and HK\$25,000,000 respectively as part of the consideration for the acquisition of two properties from the related company, Chan Sing Hoi Enterprises. The promissory notes were issued at a discounted value which is calculated by the Group's effective interest rate of 4.16% p.a. to discount the value of the promissory notes into their fair value at inception date amounting to approximately HK\$44,694,000.

The promissory notes were unsecured and interest-free on its principal sum. The promissory notes will be matured in 3 years from the date of issue, being 25 March 2023 (the "Maturity Date") and the Company may, at its sole and absolute discretion, further extend the Maturity Date for another three years. The Group has early repaid part of the promissory notes with the amounts of HK\$5,000,000 during the Interim Period.

Notes to the Unaudited Condensed Consolidated Financial Statements

For the six months ended 30 September 2020

16. Lease Liabilities

	As at 30 September 2020 HK\$'000 (unaudited)	As at 31 March 2020 HK\$'000 (audited)
Total minimum lease payments:		
Due within one year	1,043	558
Due in the second to fifth years	2,340	988
	3,383	1,546
Future finance charges on leases liabilities	(192)	(95)
Present value of leases liabilities	3,191	1,451
	As at 30 September 2020 HK\$'000 (unaudited)	As at 31 March 2020 HK\$'000 (audited)
Present value of minimum lease payments:		
Due within one year	1,031	511
Due in the second to fifth years	2,160	940
	3,191	1,451
Less: Portion due within one year included under current liabilities	(1,031)	(511)
Portion due after one year included under non-current liabilities	2,160	940

During the Interim Period, the total cash outflows for the leases are HK\$3,955,000 (30 September 2019: HK\$6,344,000).

Notes to the Unaudited Condensed Consolidated Financial Statements

For the six months ended 30 September 2020

17. Commitments

17.1 Capital commitments

Capital commitments of the Group outstanding at 30 September 2020 and 31 March 2020 not provided for were as follows:

	As at 30 September 2020 HK\$'000 (unaudited)	As at 31 March 2020 HK\$'000 (audited)
Contracted but not provided for:		
– Machinery and equipment	546	411

17.2 Lease commitments

At the reporting date, the lease commitments for short-term leases (31 March 2020: total future minimum lease payments payable by the Group under non-cancellable operating leases) are as follows:

	As at 30 September 2020 HK\$'000 (unaudited)	As at 31 March 2020 HK\$'000 (audited)
Within one year	3,445	1,347
In the second to fifth years	23	23
	3,468	1,370

As at 30 September 2020, the Group has entered into leases on a number of premises which comprises office, warehouses, retail shops and concession counters with a lease period of 12 months, which are qualified to be accounted for under short-term lease exemption under HKFRS 16.

As at 31 March 2020, the Group has entered into leases on a number of premises which comprises office, warehouses, retail shops and concession counters under operating leases. The leases run for an initial period of one to three years, with an option to renew the lease and renegotiate the terms at the expiry date or at dates as mutually agreed between the Group and respective landlords/ lessors. None of the leases include contingent rentals.

Notes to the Unaudited Condensed Consolidated Financial Statements

For the six months ended 30 September 2020

18. Related Party Transactions

In addition to those disclosed elsewhere in the financial statements, the Group entered into the following material related party transactions during the Interim Period:

18.1 Names and relationship

Name of related party	Relationship with the Group
Chan Sing Hoi Enterprises Limited	An entity controlled by the Controlling Shareholders
Golden Ocean International Holdings Limited	An entity controlled by the Controlling Shareholders

18.2 Related party transactions

	Six months ended 30 September	
	2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)
Lease payment:		
Chan Sing Hoi Enterprises Limited	–	1,428
Golden Ocean International Holdings Limited	2,635	3,036
Imputed interest expense:		
Chan Sing Hoi Enterprises Limited	901	–

Rental expenses paid to related parties were negotiated on an arm's length basis with reference to the market rentals.

The imputed interest element then would be amortised to interest expenses over the three years term of the promissory notes.

Notes to the Unaudited Condensed Consolidated Financial Statements

For the six months ended 30 September 2020

18. Related Party Transactions (Continued)

18.3 Key management personnel remunerations

	Six months ended 30 September	
	2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)
Salaries, allowances and other benefits	1,890	1,792
Bonuses	–	91
Retirement scheme contributions	67	62
Share-based payments	348	–
	2,305	1,945