

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CAFÉ DE CORAL HOLDINGS LIMITED

大家樂集團有限公司

(Incorporated in Bermuda with limited liability)

Website: <http://www.cafedecoral.com>

(Stock Code: 341)

INTERIM RESULTS ANNOUNCEMENT

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2014

HIGHLIGHTS

- ◆ **The first six months of the Group's FY2014/15 witnessed the launch of our long-term growth plan and its efforts and commitment to achieve solid results and business expansion despite the challenging environment.**
- ◆ **Revenue for the half year increased by 8.5% to HK\$3.70 billion.**
- ◆ **Despite the increase in the Group's expenditure for long-term enhancement, the Group achieved profit attributable to shareholders for the half year of HK\$243 million, maintaining same level of profit as in the same period of FY2013/14.**
- ◆ **Interim dividend of 17 HK cents per share (2013: 17 HK cents) was declared to shareholders.**

OPERATIONAL REVIEW

INTRODUCTION & HIGHLIGHTS

The first six months of the Group's FY2014/15 witnessed the launch of our long-term growth plan designed to accomplish sustainable business growth upon a robust infrastructure. We also progressively rolled out a variety of programmes and projects to grow our leading brands and develop new concepts that will help us build a stronger and more sustainable organisation.

Key developments in the Group's business and operations during the period under review included the following:

- **Expansion of the Group's business portfolio.** While continuing to expand our home-grown concepts and brands, we concluded our collaboration with two catering conglomerates from Korea and Japan, in July and August respectively. These new extensions signify our commitment to achieve sustainable business growth for the Group.
- **Awarding of ISO 22000 certification.** Our new Central Food Processing Plant in Tai Po, Hong Kong received ISO certification in September 2014, shortly after the plant commenced operations in 2013. This internationally recognised certification, which sets standards for each link in our food production process, signifies the Café de Coral Group's commitment to stringent food quality and safety.
- **Continuing sustainability initiatives in our business and operations.** We stepped up our efforts to strengthen our corporate governance, build a comprehensive value chain and promote community service. During the period, our business operations pursued and participated in various CSR initiatives to serve our community within the parameters of the Group's CSR policy.

Despite the challenges that our business faced during the period, the Group maintained its performance in the first half of FY2014/15 through disciplined execution of our sustainable growth strategies. During the review period, we achieved total turnover of HK\$3.70 billion, representing a growth of 8.5% compared with the same period last year. The Group continued to invest in the long-term enhancement of our value chain, infrastructure improvement and team expansion and succession within the parameter of the Group's strategic plan. In spite of the increase in expenditure for the enhancement and sustainability initiatives, the Group achieved its half-year profit of HK\$243 million, maintaining the same level of profit as in the same period of FY2013/14.

In view of the Group's positive financial performance during the first six months, the Board is pleased to declare the distribution of an interim dividend of 17 HK cents per share (2013: 17 HK cents) to shareholders, whose names appear on the Register of Members of the Company on 17 December 2014.

HONG KONG OPERATIONS

The Group's Hong Kong operations recorded steady turnover growth of 11.3% to HK\$2.99 billion during the first six months of FY2014/15. Sales from comparable stores of **Café de Coral** fast food increased by approximately 10.0% over the same period in FY2013/14.

In our operations, we focus on maintaining our leading market position by constantly upgrading our products and services to create value for our customers and by strategically expanding our network to grow our customer base. With very positive feedback from customers, **Café de Coral** continued to strengthen its *Value Meals* series with even more choices.

The **Super Super Congee & Noodles** chain achieved significant growth during the review period, recording 8.6% in comparable store sales growth over the same period last year. Specialising in Chinese congee and noodles, this business stemmed from the Group's business diversification strategy. It has been successful in capturing greater market share for the Group, and in the first half of the year we further expanded its network with plans to continue opening new shops. Another of our restaurant chains, **Oliver's Super Sandwiches**, achieved healthy growth in sales in the first six months, leveraging on its unique casual dining concept.

Our institutional catering brands, **Asia Pacific Catering** and **Luncheon Star**, serve customers in their workplace and on school campuses. As these two businesses continued to be key contributors to the Group's financial performance, we remain committed to driving their growth.

The Spaghetti House and **spaghetti 360°**, however, were both affected by the slowdown in overall retail sales growth and the specialty restaurants sector in Hong Kong. To strengthen their competitive edge and sustain healthy business growth for these two specialty brands, we will focus our efforts on menu design and product upgrades.

In line with the Group's diversification strategy, we are undertaking several initiatives such as the development of a series of new home-grown brands. We have already enlarged our footprint in the casual dining segment through **Mixian Sense**, **Shanghai Lao Lao** and **Lane Noodles**, which target specific customer groups with special dining concepts. We are pleased to see the steady growth of these new chains during the review period.

To maintain our competitive edge, we enhanced the customer experience by carrying out phased renovations and face-lifts in our shops and outlets. Our central food processing plants in Hong Kong have taken up higher production volume with a view to fully utilising their capacities to support the overall business efficiency. Beyond this, we are upgrading the infrastructure and systems of our plants, which are vital parts of our value chain, in order to drive efficiency and support our environmental protection initiatives.

MAINLAND CHINA OPERATIONS

Mainland China is another key growth engine and continues to be a pivotal business platform for the Group. Our key focus here is to build a stronger organisation and team in the Mainland to support the growth and expansion of the Group's business and operations. During the review period, we launched various programmes to promote the growth of our business and operations in Mainland China, as well as enhance our research and marketing capabilities. The Group will continue to invest in strengthening our infrastructure and team under our long-term growth strategy for the Mainland.

A recent large-scale customer survey commissioned by the Group revealed that our brand is well received by Mainland consumers, who expressed confidence in our products and services. The survey findings have given us more insights in how we can most effectively increase our competitive edge and formulate the right growth strategy. We look forward to seeing positive results from both our long-term strategy as well as our near-term initiatives.

As the Guangzhou Food Processing Plant will play an even bigger role in the Group's business expansion in Mainland China, we will continue to upgrade our systems and practices as well as increase production volume.

Our South China Fast Food business achieved positive comparable sales growth of approximately 4.1% during the first half of FY2014/15, which can be attributed to an obvious increase in customer count and the extension of *Value Meals* to our South China stores. The overall results of the Eastern China chain, however, were affected by an intensely competitive market environment. Despite the said positive growth achieved by the South China business, the overall contribution from our Mainland operations to the Group's results during the period was affected mainly as the result of increased expenses for the enhancement of our infrastructure and expansion of the local team.

NORTH AMERICAN OPERATIONS

During the period under review, persistent weak consumer spending and higher food costs continued to affect the performance of the **Manchu WOK** chain. To improve the chain's results, we implemented a number of measures such as the introduction of new concepts under new home-grown brands.

Nevertheless after careful consideration, the Company decided to dispose of its business operation in North America in order to provide greater focus on its core business in Hong Kong and Mainland China and to better utilise resources to achieve the long-term growth of the Group. As announced on 24 October 2014, the Company entered into an agreement with an independent third party to dispose of the assets underlying the Group's business operations in North America for an aggregate consideration of CA\$7,888,888 (equivalent to approximately HK\$54.4 million). Subject to the attainment of certain conditions as outlined in the said announcement of the Company, the completion of the disposal will take place on 16 December 2014 or such other date to be mutually agreed by the parties.

OUTLOOK

During the first six months of FY2014/15, the Group maintained its efforts and commitment to achieve solid results and business expansion despite the challenges faced. Increased operating costs, including the cost of raw materials and labour in Hong Kong as well as in the Mainland, have been a constant reality for us as we operate and grow the business. The recent food safety incidents in the region clouded the whole food and catering industry, which inevitably also affected us. Also impacting our business was the slowdown in retail sales growth. These challenges, however, reinforce how important it is for us to persevere with our long-term plans and strategies as these will help maintain our competitive edge and drive business growth. It is clear that the key to remaining vibrant and competitive is to focus on providing our customers with reliable, high quality products and services.

Entering the second half of the year, we maintain a cautious view on the Group's full-year performance. Higher operating costs and the challenging business environment seen in the first half of FY2014/15 will likely continue. However, we are poised to consolidate the Group's solid results from past years and capitalise on our forward-looking growth strategy as we expand our network for our leading brands and capture greater market share as part of our diversification and multi-concept initiatives. Although we will remain vigilant in managing our costs, we are also committed to investing in our future, expanding our business and strengthening our organisation, which will open up new growth opportunities for the Group.

On behalf of the Board, I would like to express my gratitude to our staff for the dedication and loyalty they have shown, especially for their concerted efforts to drive sustainable business growth and build a stronger organisation. We are also grateful for the support of our customers, business partners and shareholders, all of whom have enabled the Café de Coral Group to become who we are today.

By order of the Board
Lo Hoi Kwong, Sunny
Chief Executive Officer

Hong Kong, 28 November 2014

FINANCIAL REVIEW

As at 30 September 2014, the Group's financial position remained healthy and strong, with net cash of approximately HK\$905 million and available banking facilities of HK\$536 million. The Group had no external borrowing (31 March 2014: Nil) and nil gearing (31 March 2014: Nil). There has been no material change in contingent liabilities or charges on assets since 31 March 2014.

As at 30 September 2014, the Company had provided guarantees of approximately HK\$536 million (31 March 2014: HK\$536 million) to financial institutions in connection with the banking facilities granted to its subsidiaries.

With regard to foreign exchange fluctuations, the Group earned revenue and incurred costs and expenses mainly denominated in Hong Kong dollars, while those of our Mainland China and North American subsidiaries and joint ventures were in Renminbi and in United States dollars and Canadian dollars, respectively. Foreign currency exposure did not pose a significant risk for the Group. However, we will continue to stay vigilant and closely monitor our exposure to movements of relevant currencies.

**CONDENSED CONSOLIDATED INCOME STATEMENT
(UNAUDITED)
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2014**

		Six months ended 30 September	
	Note	2014 <i>HK\$'000</i>	2013 <i>HK\$'000</i>
Revenue	3	3,697,591	3,408,505
Cost of sales		<u>(3,214,240)</u>	<u>(2,977,635)</u>
Gross profit		483,351	430,870
Administrative expenses		(202,507)	(158,266)
Other gains, net	4	<u>10,178</u>	<u>12,633</u>
Operating profit	5	291,022	285,237
Finance income	6	7,451	6,326
Share of profit of an associate		122	98
Share of loss of joint ventures		<u>(4,327)</u>	<u>(2,194)</u>
Profit before income tax		294,268	289,467
Income tax expense	7	<u>(50,881)</u>	<u>(46,224)</u>
Profit for the period		<u>243,387</u>	<u>243,243</u>
Allocated as:			
Profit attributable to non-controlling interest		<u>288</u>	<u>374</u>
Profit attributable to equity holders of the Company		<u>243,099</u>	<u>242,869</u>
Earnings per share for profit attributable to the equity holders of the Company			
– Basic	8	<u>42.11 HK cents</u>	<u>42.23 HK cents</u>
– Diluted	8	<u>41.94 HK cents</u>	<u>41.96 HK cents</u>
Dividend			
– Interim	9	<u>98,634</u>	<u>97,910</u>

**CONDENSED CONSOLIDATED STATEMENT OF
COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2014**

	Six months ended 30 September	
	2014	2013
	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit for the period	<u>243,387</u>	<u>243,243</u>
Other comprehensive income:		
Items that may be reclassified to profit or loss:		
Exchange differences arising from translation of foreign subsidiaries, associates and joint ventures	6,980	6,846
Fair value (losses)/gains on available-for-sale financial assets	(81,643)	121,444
Reserve released upon disposal of available-for-sale financial assets	<u>-</u>	<u>(3)</u>
Total comprehensive income for the period	<u>168,724</u>	<u>371,530</u>
Attributable to:		
– Equity holders of the Company	168,436	371,156
– Non-controlling interests	<u>288</u>	<u>374</u>
	<u>168,724</u>	<u>371,530</u>

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL
POSITION (UNAUDITED)
AS AT 30 SEPTEMBER 2014**

	Note	As at 30 September 2014 HK\$'000 (Unaudited)	As at 31 March 2014 HK\$'000 (Audited)
ASSETS			
Non-current assets			
Leasehold land and land use rights		90,106	91,380
Property, plant and equipment		1,767,112	1,720,324
Investment properties		439,600	439,600
Intangible assets		45,122	48,417
Investments in an associate		1,217	1,190
Investments in joint ventures		15,445	19,772
Deferred income tax assets		32,045	26,562
Available-for-sale financial assets		440,873	522,516
Non-current prepayments and deposits		272,530	248,652
Financial assets at fair value through profit or loss		-	7,777
		<u>3,104,050</u>	<u>3,126,190</u>
Current assets			
Inventories		243,699	211,759
Trade and other receivables	10	89,141	79,660
Prepayments and deposits	10	121,306	106,921
Financial assets at fair value through profit or loss		21,641	8,067
Bank deposits with maturity over three months		31,201	31,010
Cash and cash equivalents		905,118	1,004,093
		<u>1,412,106</u>	<u>1,441,510</u>
Total assets		<u><u>4,516,156</u></u>	<u><u>4,567,700</u></u>
EQUITY			
Capital and reserves attributable to the equity holders of the Company			
Share capital		58,001	57,730
Share premium		515,306	466,353
Shares held for Share Award Scheme		(133,441)	-
Other reserves		740,723	820,453
Retained earnings			
– Proposed dividends		98,634	295,168
– Others		2,233,630	2,089,696
		<u>3,512,853</u>	<u>3,729,400</u>
Non-controlling interests		<u>3,443</u>	<u>3,155</u>
Total equity		<u><u>3,516,296</u></u>	<u><u>3,732,555</u></u>

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL
POSITION (UNAUDITED) (Continued)**
AS AT 30 SEPTEMBER 2014

	Note	As at 30 September 2014 HK\$'000 (Unaudited)	As at 31 March 2014 HK\$'000 (Audited)
LIABILITIES			
Non-current liabilities			
Deferred income tax liabilities		36,179	30,458
Provision for long service payments		22,152	22,850
Retirement benefit liabilities		5,695	7,483
		<u>64,026</u>	<u>60,791</u>
Current liabilities			
Trade payables	11	233,510	208,844
Other creditors and accrued liabilities		649,986	534,867
Current income tax liabilities		52,338	30,643
		<u>935,834</u>	<u>774,354</u>
Total liabilities		<u>999,860</u>	<u>835,145</u>
Total equity and liabilities		<u>4,516,156</u>	<u>4,567,700</u>
Net current assets		<u>476,272</u>	<u>667,156</u>
Total assets less current liabilities		<u>3,580,322</u>	<u>3,793,346</u>

Notes:

1 Basis of preparation

This condensed consolidated interim financial information for the six months ended 30 September 2014 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants.

This condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 March 2014, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”).

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 March 2014, as described in those annual financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

There are no amended standards or interpretations that are effective for the first time for this interim period that is relevant to the Group.

2 SEGMENT INFORMATION

The Group is principally engaged in the operation of quick service restaurants, fast casual dining, institutional catering and specialty restaurant chains, and the food processing and distribution business.

The Chief Executive Officer of the Group reviews the Group's internal reporting in order to allocate resources and to assess the business principally from a geographic perspective including Hong Kong, Mainland China and North America.

Segment information of the Group for the current period and the comparative figures are as follows:

	Hong Kong <i>HK\$'000</i> (Unaudited)	Mainland China <i>HK\$'000</i> (Unaudited)	North America <i>HK\$'000</i> (Unaudited)	Group <i>HK\$'000</i> (Unaudited)
Six months ended 30 September 2014				
Total segment revenue	2,989,787	689,869	72,712	3,752,368
Inter-segment revenue (<i>Note i</i>)	(1,514)	(53,263)	-	(54,777)
Revenue (from external revenue) (<i>Note ii</i>)	<u>2,988,273</u>	<u>636,606</u>	<u>72,712</u>	<u>3,697,591</u>
Segment results (<i>Note iii</i>)	<u>395,367</u>	<u>49,154</u>	<u>(2,509)</u>	<u>442,012</u>
Depreciation and amortisation	111,239	32,480	7,271	150,990
Finance income	4,593	2,796	62	7,451
Share of profit of an associate	-	-	122	122
Share of loss of joint ventures	(4,327)	-	-	(4,327)
Income tax expense/(credit)	<u>46,581</u>	<u>5,774</u>	<u>(1,474)</u>	<u>50,881</u>
Six months ended 30 September 2013				
Total segment revenue	2,687,614	692,639	82,598	3,462,851
Inter-segment revenue (<i>Note i</i>)	(1,576)	(52,770)	-	(54,346)
Revenue (from external revenue) (<i>Note ii</i>)	<u>2,686,038</u>	<u>639,869</u>	<u>82,598</u>	<u>3,408,505</u>
Segment results (<i>Note iii</i>)	<u>357,129</u>	<u>64,637</u>	<u>(659)</u>	<u>421,107</u>
Depreciation and amortisation	94,125	33,406	8,339	135,870
Finance income	4,371	1,875	80	6,326
Share of profit of associates	-	-	98	98
Share of loss of joint ventures	(2,126)	(68)	-	(2,194)
Income tax expense/(credit)	<u>40,508</u>	<u>7,314</u>	<u>(1,598)</u>	<u>46,224</u>

2 SEGMENT INFORMATION (Continued)

- (i) Inter-segment transactions were entered into in the normal course of business.
- (ii) The Group has a large number of customers. For the period ended 30 September 2014, no revenue derived from transactions with a single external customer represented 10% or more of the Group's total revenue.

Reconciliation of total segment results to total profit before income tax is provided as follows:

	Six months ended 30 September	
	2014	2013
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Segment results	442,012	421,107
Depreciation and amortisation	(150,990)	(135,870)
	<hr/>	<hr/>
Operating profit	291,022	285,237
Finance income	7,451	6,326
Share of profit of an associate	122	98
Share of loss of joint ventures	(4,327)	(2,194)
	<hr/>	<hr/>
Profit before income tax	294,268	289,467
	<hr/> <hr/>	<hr/> <hr/>

	Hong Kong	Mainland China	North America	Group
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
As at 30 September 2014				
Segment assets	3,022,442	869,728	129,427	4,021,597
	<hr/>	<hr/>	<hr/>	<hr/>
Segment assets include:				
Investment in an associate	-	-	1,217	1,217
Investments in joint ventures	15,445	-	-	15,445
Additions to non-current assets (other than financial instruments and deferred tax assets)	228,464	49,821	3,192	281,477
	<hr/>	<hr/>	<hr/>	<hr/>
As at 31 March 2014				
Segment assets	3,028,204	835,457	139,117	4,002,778
	<hr/>	<hr/>	<hr/>	<hr/>
Segment assets include:				
Investment in an associate	-	-	1,190	1,190
Investments in joint ventures	19,772	-	-	19,772
Additions to non-current assets (other than financial instruments and deferred tax assets)	323,119	63,225	6,153	392,497
	<hr/>	<hr/>	<hr/>	<hr/>

2 SEGMENT INFORMATION (Continued)

As at 30 September 2014, the total non-current assets (other than financial instruments and deferred tax assets) located in Hong Kong is HK\$2,089,231,000 (As at 31 March 2014: HK\$2,028,096,000), in Mainland China is HK\$470,720,000 (As at 31 March 2014: HK\$459,529,000) and in North America is HK\$71,181,000 (As at 31 March 2014: HK\$81,711,000).

Reconciliation of total segment assets to total assets is provided as follows:

	30 September 2014 HK\$'000 (Unaudited)	31 March 2014 HK\$'000 (Audited)
Total segment assets	4,021,597	4,002,778
Deferred income tax assets	32,045	26,562
Available-for-sale financial assets	440,873	522,516
Financial assets at fair value through profit or loss	21,641	15,844
Total assets	<u>4,516,156</u>	<u>4,567,700</u>

3 REVENUE

	Six months ended 30 September 2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)
Sales of food and beverages	3,632,594	3,340,636
Rental income	19,533	18,104
Royalty income	16,132	16,915
Management and service fee income	10,213	6,286
Sundry income	19,119	26,564
	<u>3,697,591</u>	<u>3,408,505</u>

4 OTHER GAINS, NET

	Six months ended 30 September	
	2014	2013
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Gain on disposals of financial assets at fair value through profit or loss	41	1,280
Gain on disposals of available-for-sale financial assets	-	3
Dividend income from listed investments	12,553	13,267
Fair value gains on financial assets at fair value through profit or loss	119	993
Loss on disposal of property, plant and equipment	(2,535)	(2,910)
	<u>10,178</u>	<u>12,633</u>

5 OPERATING PROFIT

The following items have been charged to the operating profit during the interim period:

	Six months ended 30 September	
	2014	2013
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Cost of raw materials and consumables used	1,204,640	1,100,640
Staff costs	1,003,488	910,475
Operating lease rentals in respect of rented premises	410,122	371,956
Depreciation of property, plant and equipment	145,343	129,906
Amortisation of leasehold land and land use rights	1,505	1,508
Amortisation of trademarks and franchise rights	4,142	4,456

6 FINANCE INCOME

	Six months ended 30 September	
	2014	2013
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Interest income	<u>7,451</u>	<u>6,326</u>

7 INCOME TAX EXPENSE

The Company is exempted from taxation in Bermuda until 2016. Hong Kong profits tax has been provided for at the rate of 16.5% (2013: 16.5%) on the estimated assessable profit for the period. Taxation on overseas profits has been calculated on the estimated assessable profit for the period at the rates of taxation prevailing in the countries in which the Group operates.

The amount of taxation charged/(credited) to the condensed consolidated income statement represents:

	Six months ended	
	30 September	
	2014	2013
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Current income tax:		
– Hong Kong profits tax	44,670	40,404
– Overseas taxation	5,878	7,314
Deferred income tax relating to the origination and reversal of temporary differences	333	(1,494)
	50,881	46,224

8 EARNINGS PER SHARE

Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period excluding ordinary shares purchased by the Company for Share Award Scheme.

	Six months ended	
	30 September	
	2014	2013
	(Unaudited)	(Unaudited)
Profit attributable to equity holders of the Company (HK\$'000)	243,099	242,869
Weighted average number of ordinary shares in issue ('000)	577,331	575,044
Basic earnings per share (HK cents per share)	42.11 HK cents	42.23 HK cents

8 EARNINGS PER SHARE (Continued)

Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company's dilutive potential ordinary shares are share options. For the share options, a calculation is prepared to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	Six months ended	
	30 September	
	2014	2013
	(Unaudited)	(Unaudited)
Profit attributable to equity holders of the Company (<i>HK\$ '000</i>)	<u>243,099</u>	<u>242,869</u>
Weighted average number of ordinary shares in issue (<i>'000</i>)	577,331	575,044
Adjustment to share options (<i>'000</i>)	<u>2,250</u>	<u>3,822</u>
	<u>579,581</u>	<u>578,866</u>
Diluted earnings per share (<i>HK cents per share</i>)	<u>41.94 HK cents</u>	<u>41.96 HK cents</u>

9 DIVIDEND

	Six months ended	
	30 September	
	2014	2013
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Dividend declared		
– Interim dividend, 17 HK cents (2013: 17 HK cents) per ordinary share	<u>98,634</u>	<u>97,910</u>

The interim dividend was declared on 28 November 2014. This condensed consolidated interim financial information does not reflect this dividend payable.

10 TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

	30 September 2014 <i>HK\$'000</i> (Unaudited)	31 March 2014 <i>HK\$'000</i> (Audited)
Trade receivables	37,869	38,523
Less: provision for impairment of receivables	-	-
Trade receivables – net	37,869	38,523
Other receivables	51,272	41,137
	89,141	79,660
Prepayments and deposits	121,306	106,921
	210,447	186,581

The Group's sales to customers are mainly on a cash basis. The Group also grants a credit period between 30 to 90 days to certain customers for the provision of the Group's institutional catering services, sale of merchandise for the Group's food manufacturing businesses and its franchisees.

The ageing analysis of trade receivables is as follows:

	30 September 2014 <i>HK\$'000</i> (Unaudited)	31 March 2014 <i>HK\$'000</i> (Audited)
0 – 30 days	26,943	27,346
31 – 60 days	7,691	8,094
61 – 90 days	676	1,856
Over 90 days	2,559	1,227
	37,869	38,523

11 TRADE PAYABLES

The ageing analysis of trade payables is as follows:

	30 September 2014 <i>HK\$'000</i> (Unaudited)	31 March 2014 <i>HK\$'000</i> (Audited)
0 – 30 days	221,438	193,884
31 – 60 days	6,445	8,590
61 – 90 days	1,950	1,125
Over 90 days	3,677	5,245
	<u>233,510</u>	<u>208,844</u>

12 EVENT OCCURRING AFTER THE BALANCE SHEET DATE

On 23 October 2014, the Group entered into an agreement to dispose of the assets underlying the Group's operation in North America for an aggregate consideration of CA\$7,888,888 (equivalent to approximately HK\$54.4 million).

INTERIM DIVIDEND

The Board has declared the payment of an interim dividend of 17 HK cents per share (2013: 17 HK cents) in respect of the six months ended 30 September 2014 payable on 29 December 2014 to the shareholders whose names appear on the Register of Members of the Company on 17 December 2014.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determination of entitlement to the interim dividend, the Register of Members of the Company will be closed on 17 December 2014 (Wednesday) on which no transfer of shares will be effected. In order to qualify for the interim dividend, all completed transfer forms accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 16 December 2014 (Tuesday).

HUMAN RESOURCES

As of 30 September 2014, the Group had approximately 18,300 employees. We constantly focus on the Group's competitiveness to attract and retain people. Remuneration packages are generally structured by reference to market terms, individual experience, qualifications, duties and responsibilities. Employees share the benefits of the Group's growth through our share option and share award schemes together with profit-sharing bonus and performance incentive programmes. During the period, the Company, under its share award scheme, granted restricted shares and performance shares to recognise and reward selected participants for their contributions to the business and development of the Group.

During the period, the Company continued to provide a variety of training for its employees to strengthen their job competencies. These training programs include customer service, occupational safety and health, train-the-trainer and leadership. Our key focus is to build a structured training framework for both Hong Kong and Mainland China such that employees of different roles and seniority can perpetuate continuous learning at work. Training effectiveness will be increased through enhancing line trainers' capability and better resource sharing among business units. The Group also provides employees with comprehensive employee benefits, including medical and group life insurance plans, mortgage loan interest subsidy and training sponsorship.

CORPORATE GOVERNANCE

The Board and management of the Group aspire to a high standard of Corporate Governance and constantly strive for a responsible and value-driven management focusing on safeguarding and enhancing interest and value of shareholders of the Company as well as the long-term sustainability of the Group.

The corporate governance principles and practices adopted by the Group during the six months ended 30 September 2014 are in line with the corporate governance statements set out in the Company's 2014 Annual Report. During the six months ended 30 September 2014, the Company complied with all code provisions as set out in the Corporate Governance Code (the "CG Code") under Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and adopted the recommended best practices of the CG Code insofar as they are relevant and practicable.

REVIEW OF THE RESULTS

The Audit Committee of the Company, which consists of the four independent non-executive Directors of the Company, has reviewed the Group's unaudited interim results for the six months ended 30 September 2014.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the six months ended 30 September 2014, neither the Company nor any of its subsidiaries had purchased, sold or redeemed the Company's listed securities, except that the trustee of the Share Award Scheme purchased on the Stock Exchange a total of 4,784,362 shares of the Company at a total consideration of about HK\$133 million pursuant to the terms of the rules and trust deed of the Share Award Scheme.

As at the date of this announcement, the Board comprises Mr. Lo Hoi Kwong, Sunny, Ms. Lo Pik Ling, Anita and Mr. Lo Tak Shing, Peter as executive directors; Mr. Chan Yue Kwong, Michael, Mr. Lo Ming Shing, Ian and Mr. Hui Tung Wah, Samuel as non-executive directors; and Mr. Choi Ngai Min, Michael, Mr. Li Kwok Sing, Aubrey, Mr. Kwok Lam Kwong, Larry and Mr. Au Siu Cheung, Albert as independent non-executive directors.