



EMINENCE
ENTERPRISE LIMITED
高山企業有限公司

(Stock Code 股份代號 : 616)

Interim Report 中期業績報告 2017



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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Kwong Jimmy Cheung Tim
(Chairman and Chief Executive Officer)
Ms. Lui Yuk Chu (Deputy Chairman)

Independent Non-Executive Directors

Mr. Kan Ka Hon
Mr. Lau Sin Ming
Mr. Foo Tak Ching
Mr. Wu Koon Yin Welly

AUDIT COMMITTEE

Mr. Kan Ka Hon (Chairman)
Mr. Lau Sin Ming
Mr. Foo Tak Ching
Mr. Wu Koon Yin Welly

REMUNERATION COMMITTEE

Mr. Lau Sin Ming (Chairman)
Mr. Kan Ka Hon
Mr. Foo Tak Ching
Mr. Wu Koon Yin Welly
Mr. Kwong Jimmy Cheung Tim

NOMINATION COMMITTEE

Mr. Foo Tak Ching (Chairman)
Mr. Kan Ka Hon
Mr. Lau Sin Ming
Mr. Wu Koon Yin Welly
Mr. Kwong Jimmy Cheung Tim

EXECUTIVE COMMITTEE

Mr. Kwong Jimmy Cheung Tim (Chairman)
Ms. Lui Yuk Chu

COMPANY SECRETARY

Mr. Lee Po Wing

AUDITOR

Deloitte Touche Tohmatsu

董事會

執行董事

鄺長添先生
(主席兼首席行政總裁)
雷玉珠女士(副主席)

獨立非執行董事

簡嘉翰先生
劉善明先生
傅德楨先生
吳冠賢先生

審核委員會

簡嘉翰先生(主席)
劉善明先生
傅德楨先生
吳冠賢先生

薪酬委員會

劉善明先生(主席)
簡嘉翰先生
傅德楨先生
吳冠賢先生
鄺長添先生

提名委員會

傅德楨先生(主席)
簡嘉翰先生
劉善明先生
吳冠賢先生
鄺長添先生

行政委員會

鄺長添先生(主席)
雷玉珠女士

公司秘書

李寶榮先生

核數師

德勤•關黃陳方會計師行

LEGAL ADVISERS

As to Hong Kong law:
David Norman & Co.

As to Bermuda law:
Conyers Dill & Pearman

PRINCIPAL BANKERS

Hang Seng Bank Limited
The Hongkong and Shanghai Banking Corporation Limited
OCBC Wing Hang Bank

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

PRINCIPAL PLACE OF BUSINESS

Block A, 7th Floor
Hong Kong Spinners Building, Phase 6
481-483 Castle Peak Road
Cheung Sha Wan, Kowloon
Hong Kong

BERMUDA PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM08
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

STOCK CODE

616

WEBSITE ADDRESS

www.eminence-enterprise.com

法律顧問

香港法律：
David Norman & Co.

百慕達法律：
Conyers Dill & Pearman

主要往來銀行

恒生銀行有限公司
香港上海滙豐銀行有限公司
華橋永亨銀行

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

主要營業地點

香港
九龍長沙灣
青山道481-483號
香港紗廠大廈第6期
7樓A座

百慕達主要股份過戶登記處

MUFG Fund Services (Bermuda)
Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM08
Bermuda

香港股份過戶登記分處

卓佳秘書商務有限公司
香港
皇后大道東183號
合和中心22樓

股份代號

616

網址

www.eminence-enterprise.com

Management Discussion and Analysis

管理層討論及分析

The board of directors (“**Board**”) of Eminence Enterprise Limited (“**Company**”) is pleased to announce the results of the Company and its subsidiaries (collectively the “**Group**”) for the six months ended 30 September 2017 (“**Period**”). These interim results have been reviewed by the Company’s audit committee.

INTERIM RESULTS

The Group’s unaudited consolidated loss attributable to shareholders of the Company for the Period was HK\$2,455,000 as compared to a loss of HK\$35,198,000 for the corresponding period in 2016 (“**2016 Period**”). The decrease in loss was mainly attributable to the gain on changes in fair value of investment properties of HK\$2,013,000 (2016 Period: loss of HK\$22,793,000) and decrease in impairment loss on available-for-sale investments of HK\$1,520,000 as compared to 2016 Period of HK\$12,500,000.

Basic and diluted loss per share for the Period amounted to HK\$0.001 as compared with basic and diluted loss per share HK\$0.031 for 2016 Period.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the Period (2016 Period: nil).

高山企業有限公司(「本公司」)董事會(「董事會」)欣然公佈本公司及其附屬公司(統稱「本集團」)截至2017年9月30日止六個月(「本期間」)之業績。本中期業績已由本公司之審核委員會審閱。

中期業績

於本期間，本公司股東應佔本集團之未經審核綜合虧損為2,455,000港元，相比2016年同期(「**2016期間**」)之虧損為35,198,000港元。虧損減少主要由於投資物業之公平值變動收益為2,013,000港元(2016期間：虧損22,793,000港元)及可供出售投資之減值虧損減少1,520,000港元，相比2016期間則為12,500,000港元。

於本期間之每股基本及攤薄虧損為0.001港元，2016期間每股基本及攤薄虧損為0.031港元。

中期股息

董事會不建議就本期間派發中期股息(2016期間：無)。

BUSINESS REVIEW

During the Period, the Group was principally engaged in the property investment, comprising the ownership and rental of investment properties, property development, investment in securities and loan financing business.

Geographical Analysis of Turnover

During the Period, rental income from the investment properties was derived from the properties located in Hong Kong, Singapore and the People's Republic of China ("PRC").

(i) Property Investment

Revenue from the property investment segment increased by 9.8% to HK\$16,154,000 for the Period as compared with the 2016 Period of HK\$14,708,000; of which HK\$8,160,000, HK\$6,662,000 and HK\$1,332,000 were generated from the properties in Hong Kong, PRC and Singapore respectively. The increase in revenue primarily is attributed to the addition of the properties, the effect of tenancy renewal, periodic rental adjustments under the clauses of the existing tenancy agreements and new tenants.

The Group has 11 blocks of factory premises and 4 blocks of dormitories with a total gross floor areas of approximately 106,638 sq.m. in Huzhou, PRC.

業務回顧

於本期間，本集團主要從事物業投資（包括擁有及租賃投資物業）、物業發展、證券投資及貸款融資業務。

營業額地區性分析

於本期間，投資物業所得之租金收入來自位於香港、新加坡及中華人民共和國（「中國」）之物業。

(i) 物業投資

於本期間，物業投資分部之營業額較2016期間之14,708,000港元增加9.8%至16,154,000港元，其中香港物業、中國及新加坡物業分別產生8,160,000港元、6,662,000港元及1,332,000港元。營業額增加主要由於增購置物業、續租、根據現有租賃協議條款而作的週期性租金調整以及新租戶的影響所致。

本集團於中國湖州擁有11座廠房及4座宿舍，總建築面積約為106,638平方米。

(ii) Property Development

Project Inverness

The Project Inverness is a residential property development project located at No. 14, 16, 18 and 20 Inverness Road, Kowloon Tong, Kowloon, Hong Kong. The construction of the superstructure is in progress and is expected to launch of the sale in year 2018.

Project Matheson

Since mid-2015, the Group is the owner of the 12 units out of 14 units of a non-industrial building at Nos. 11 and 13 Matheson Street, Causeway Bay, Hong Kong (“**Matheson Building**”) and applied for an order to sell all the undivided shares of the Matheson Building in 2015 with an aim to acquire the 2 remaining units (“**Remaining Units**”) for redevelopment purpose. On 31 July 2017, the Lands Tribunal issued an order for sale by way of auction and set the reserve price for the sale of the entire Matheson Building at HK\$441,000,000. The auction was held on 29 September 2017 and the Group won the bid. Since the value of the Remaining Units represents 42% of the bidding price and the final bidding price was HK\$441,000,000, therefore the consideration for the acquisition of the Remaining Units by the Group is HK\$185,220,000 (ie. 42% of the final bidding price). The transaction was approved by the shareholders of the Company on 27 September 2017 and the completion was taken place on 30 October 2017. Details of the transaction are set out in the Company’s circular dated 12 September 2017.

(ii) 物業發展

延文禮士道項目

延文禮士道項目乃一項住宅物業發展項目，座落於香港九龍九龍塘延文禮士道14、16、18及20號。上層建築已施工並預期於2018年在市場銷售。

勿地臣街項目

自2015年中旬，本集團為香港銅鑼灣勿地臣街11號及13號之非工業樓宇14個單位中之12個單位(「勿地臣街樓宇」)的業主及已於2015年申請出售勿地臣街樓宇的所有不可分割份數，以收購另外2個餘下單位(「餘下單位」)作重建用途。於2017年7月31日，土地審裁處發出出售命令釐定全幢勿地臣街樓宇於拍賣之底價為441,000,000港元。拍賣於2017年9月29日舉行，本集團成功競投。由於餘下單位的價值佔競投價42%，而最終競投價為441,000,000港元，因此本集團收購餘下單位之代價為185,220,000港元(即最終競投價之42%)。本交易已於2017年9月27日獲本公司股東批准，並已於2017年10月30日完成。交易詳情載於本公司日期為2017年9月12日之通函內。

(iii) Securities Investment

The Group is to maintain a securities portfolio with a strategy of diversification to reduce effects of price fluctuation of any single securities.

As at 30 September 2017, the Group held trading securities in the amount of HK\$4,397,000 as compared to HK\$4,505,000 as at 31 March 2017, representing a 2.4% decrease. It was derived from (1) the purchase of trading securities of HK\$2,498,000 during the Period; (2) the disposal of trading securities during the Period which had a cost or fair value as at 30 September 2017 of HK\$1,377,000 and (3) net decrease in market value in the amount of HK\$1,229,000 of the trading securities. This segment recorded a loss of HK\$1,828,000 in the Period (2016 Period: loss of HK\$9,641,000).

An analysis of the fair value measurements of the financial instruments as at 30 September 2017 is as follows:

(iii) 證券投資

本集團的策略是維持證券組合多樣化，以減少任何單一證券的價格波動之影響。

於2017年9月30日，本集團持有買賣證券合共4,397,000港元，比較於2017年3月31日之4,505,000港元，減少2.4%。此乃由於(1)於本期間購入買賣證券2,498,000港元；(2)於2017年9月30日具有成本或公平值的買賣證券於本期間出售為1,377,000港元及(3)買賣證券之市場價值淨減少1,229,000港元。此分部於本期間內錄得虧損1,828,000港元(2016期間：虧損9,641,000港元)。

金融工具之公平值計量於2017年9月30日分析如下：

| | As at 30 September 2017 於2017年 9月30日 (Unaudited) (未經審核) HK\$'000 千港元 | As at 31 March 2017 於2017年 3月31日 (Audited) (經審核) HK\$'000 千港元 |
|---------------------------------------|---|--|
| Available-for-sale investments 可供出售投資 | 174,210 | 158,541 |
| Investments held for trading 持作買賣投資 | 4,397 | 4,505 |

(iv) Loan Financing

For the Period, this segment recorded a revenue of HK\$8,718,000 (2016 Period: HK\$1,676,000) representing 420.2% increase comparing with the 2016 Period.

(iv) 貸款融資

於本期間，本分部錄得營業額 8,718,000 港元(2016 期間：1,676,000 港元)較2016 期間增加 420.2%。

FINANCIAL REVIEW

Liquidity and Financial Resources

As at 30 September 2017, total assets of the Group amounted to HK\$3,573,689,000 (31 March 2017: HK\$3,407,650,000). In terms of financial resources as at 30 September 2017, the Group's total bank balances and cash was HK\$343,822,000 (31 March 2017: HK\$513,490,000).

Our capital base for the Period has been strengthened as the Company raised proceeds net of expenses of approximately HK\$69.9 million in the placing of shares (as to approximately HK\$25.7 million) in July 2017; and issued 2 convertible notes for a total net amount of approximately HK\$43.3 million in May 2017 and September 2017 respectively.

As at 30 September 2017, the Group has total bank borrowings of HK\$808,868,000 (31 March 2017: HK\$779,700,000). The Group's gearing ratio, which is calculated as a ratio of total bank borrowings to shareholders' equity was approximately 0.32 (31 March 2017: 0.32). As at 30 September 2017, the Group's current ratio was 3.5 (31 March 2017: 3.4).

The Group financed its operation primarily with recurring cash flow generated from its operation, proceeds raised from the capital market and bank financing.

財務回顧

流動資金及財務資源

於2017年9月30日，本集團之資產總額為3,573,689,000港元(2017年3月31日：3,407,650,000港元)。財政資源方面，於2017年9月30日，本集團之銀行結存及現金總額為343,822,000港元(2017年3月31日：513,490,000港元)。

於本期間，共集資約69,900,000港元，因此本集團的資本基礎得到了加強。本公司於2017年7月完成股份配售(約25,700,000港元)，及於2017年5月及9月分別發行2份可換股票據合共淨額約為43,300,000港元。

於2017年9月30日，本集團之銀行借貸總額為808,868,000港元(2017年3月31日：779,700,000港元)。本集團之資本負債比率(即銀行借貸總額佔股東資產之百分比)約為0.32(2017年3月31日：0.32)。於2017年9月30日，本集團之流動比率為3.5(2017年3月31日：3.4)。

本集團之營運主要由其營運產生的循環現金流、在資本市場募集的資金及銀行融資提供資金。

Fund Raising

(i) On 1 March 2017, the Company entered into a subscription agreement with Goodco Development Limited as subscriber, a substantial shareholder of the Company, to subscribe the 2017 convertible note (“2017CN1”) issued by the Company for a principal amount of HK\$16 million. The 2017CN1 is a 3% per annum coupon interest for 5 years with the conversion price of HK\$0.16 per share. The transaction was approved by the independent shareholders of the Company on 26 April 2017 and the certificate was issued on 11 May 2017. The net proceeds is approximately HK\$15.5 million which is intended to be applied for general working capital of the Group. As at the date of this report, all the net proceeds have been fully utilised according to the intended use: (1) HK\$9.2 million for the repayment of bank loan and bank interests; and (2) HK\$6.3 million for the payment of general operating expenses.

(ii) On 3 July 2017, the Company entered into a placing agreement with a placing agent, pursuant to which the Company has agreed to allot and issue under a general mandate, and the placing agent has agreed to place 325,000,000 placing shares to independent investors at a placing price of HK\$0.08 per share under a general mandate and the placing shares was granted to the Directors by a resolution of the independent shareholders passed at the special meeting of the Company on 26 April 2017. The placing was completed on 19 July 2017 and the entire 325,000,000 placing shares have been successfully placed. The net proceeds of approximately HK\$25,740,000 is intended to be applied for the acquisition of the Remaining Units of Matheson Building, As at the date of this report, all the net proceeds have been fully utilised according to the intended use.

集資

(i) 於2017年3月1日，本公司與佳豪發展有限公司(認購方)訂立認購協議，為本公司主要股東，認購本公司發行之2017年可換股票據(「2017年可換股票據-1」)，本金總額為16,000,000港元。2017年可換股票據-1年利率為3%，年期為5年，每股兌換價為0.16港元。該交易於2017年4月26日由本公司獨立股東批准，可換股票據證書已於2017年5月11日發行。所得款項淨額約為15,500,000港元，擬用作本集團之一般營運資金。於本報告日期，所有所得款項淨額已根據預期用途全部利用 — (1) 9,200,000港元用於償還銀行貸款及利息；及(2) 6,300,000港元用於支付一般營運開支。

(ii) 於2017年7月3日，本公司與配售代理訂立配售協議，據此，本公司已同意根據一般授權配發及發行，配售代理已同意向獨立投資者發行325,000,000股配售股份，價格為一般授權的每股0.08港元，配售股份將根據本公司於2017年4月26日舉行之股東特別大會上由獨立股東通過之決議案授予董事。該配售於2017年7月19日完成，全部325,000,000股配售股份已成功配售。所得款項淨額約為25,740,000港元，擬用於購收勿地臣街樓宇之勿地臣街餘下單位。於本報告日期，所有所得款項淨額已根據預期用途全部應用。

(iii) On 7 August 2017, the Company entered into a subscription agreement with Goodco Development Limited as subscriber, a substantial shareholder of the Company, to subscribe a convertible note (“2017CN2”) issued by the Company for a principal amount of HK\$28.2 million. The 2017CN2 is a 3% per annum coupon interest for 3 years with the conversion price of HK\$0.06 per share. The transaction was approved by the independent shareholders of the Company on 18 September 2017 and the certificate was issued on 26 September 2017. The net proceeds is approximately HK\$27.8 million which is intended to be applied for the acquisition of the Remaining Units of Matheson Building. As at the date of this report, the proceeds are fully applied for the acquisition of the Remaining Units of the Matheson Building. In addition, on 18 October 2017, Goodco Development Limited exercised partial of the conversion rights attached to the 2017CN2 for the amount of HK\$16,920,000 and 282,000,000 conversion shares of the Company were issued and allotted on 18 October 2017.

As at 30 September 2017, the total number of issued ordinary shares of the Company was 2,236,832,059 shares (31 March 2017: 1,911,832,059 shares).

Details of Convertible Notes

2015 Convertible Note (“2015CN”)

Pursuant to the alterations of the 2015CN terms as contemplated under the Second Deed of Amendment dated 1 March 2017 and the shareholders’ approval on 26 April 2017, the exercise period and the conversion price of 2015CN was revised to 7 years and HK\$0.16 per conversion shares respectively; and the interest rate was revised to 3% per annum and be payable semi-yearly in arrears.

(iii) 於2017年8月7日，本公司與佳豪發展有限公司(認購方)訂立認購協議，為本公司主要股東，認購本公司發行之可換股票據(「2017年可換股票據-2」)，本金總額為28,200,000港元。2017年可換股票據-2年利率為3%，年期為3年，每股兌換價為0.06港元。該交易於2017年9月18日由本公司獨立股東批准，可換股票據證書已於2017年9月26日發行。所得款項淨額約為27,800,000港元，擬用於購置勿地臣街樓宇之餘下單位。於本報告日期，所得款項全部用作收購勿地臣街樓宇之餘下單位。另外，於2017年10月18日，佳豪發展有限公司行使2017年可換股票據-2之兌換權，以16,920,000港元附帶於可換股票據之兌換權已獲部分行使，發行及配發282,000,000股兌換股份。

於2017年9月30日，本公司已發行普通股股份總數為2,236,832,059股(2017年3月31日：1,911,832,059股)。

可換股票據詳情

2015年可換股票據(「2015年可換股票據」)

根據2017年3月1日的第二份修訂契據有關2015年可換股票據之條款作出之修訂及根據股東於2017年4月26日之批准，分別修訂行使期為7年及兌換價為每股兌換股份0.16港元；及利率修訂為每年3厘及按每半年期末支付一次。

Management Discussion and Analysis (continued)
管理層討論及分析(續)

Particulars of the 2015CN are summarized as follows: 2015年可換股票據詳情概述如下：

| | | |
|---------------------------------------|---|---|
| Holder of the 2015CN 2015年可換股票據持有人 | : | Madian Star Limited |
| Principal amount / 本金金額 | : | HK\$86,000,000 / 86,000,000 港元 |
| Issue date / 發行日期 | : | 12 June 2015 / 2015年6月12日 |
| Maturity date / 到期日 | : | 12 June 2022 / 2022年6月12日 |
| Conversion price 兌換價 | : | HK\$0.16 (subject to adjustment) 0.16 港元(可予調整) |

2017CN1

2017年可換股票據-1

Particulars of the 2017CN1 are summarized as follows: 2017年可換股票-1據詳情概述如下：

| | | |
|--|---|---|
| Holder of the 2017CN1 2017年可換股票據-1持有人 | : | Goodco Development Limited 佳豪發展有限公司 |
| Principal amount / 本金金額 | : | HK\$16,000,000 / 16,000,000 港元 |
| Issue date / 發行日期 | : | 11 May 2017 / 2017年5月11日 |
| Maturity date / 到期日 | : | 11 May 2022 / 2022年5月11日 |
| Conversion price 兌換價 | : | HK\$0.16 (subject to adjustment) 0.16 港元(可予調整) |

As at the date of this report, no exercise of the conversion rights was made since the issue date. 於本報告日期，自發行日期起沒有行使任何兌換權。

2017CN2

Particulars of the 2017CN2 are summarized as follows:

Holder of the 2017CN2
2017年可換股票據持有人-2

Principal amount / 本金金額

Issue date / 發行日期

Maturity date / 到期日

Conversion price
兌換價

On 18 October 2017, Goodco Development Limited exercised partial of the conversion rights attached to the 2017CN2 for the amount of HK\$16,920,000 and 282,000,000 conversion shares of the Company were issued and allotted on 18 October 2017.

Charge on Assets

As at 30 September 2017, the Group has bank loans amounting to HK\$808,868,000 (31 March 2017: HK\$779,700,000) which were secured by the Group's investment properties and properties held for development for sale with an aggregate net book value of HK\$1,480,658,000 (31 March 2017: HK\$1,383,741,000).

2017年可換股票據-2

2017年可換股票據-2詳情概述如下：

: Goodco Development Limited
佳豪發展有限公司

: HK\$28,200,000 / 28,200,000 港元

: 26 September 2017 / 2017年9月26日

: 26 September 2020 / 2020年9月26日

: HK\$0.06 (subject to adjustments)
0.06 港元(可予調整)

於2017年10月18日，佳豪發展有限公司行使2017年可換股票據-2附帶之兌換權，以16,920,000港元行使部份兌換權並於2017年10月18日發行及配發本公司282,000,000股兌換股份。

資產抵押

於2017年9月30日，本集團之銀行借貸為808,868,000港元(2017年3月31日：779,700,000港元)乃以本集團之投資物業及持作出售發展物業之賬面總淨值為1,480,658,000港元(2017年3月31日：1,383,741,000港元)作為抵押。

Material Acquisitions and Disposals

重大收購及出售

Acquisition of FW Building

收購豐華大廈

Since 26 September 2017, the Group owned 26 units (including a AP common part) out of 32 units of a building known as Fung Wah Factorial Building which is situated at Nos. 646, 648 and 648A Castle Peak Road, Kowloon, Hong Kong (“FW Building”). Such 26 units shares 96/120th undivided shares of the FW Building which represents 80% of the undivided shares of the FW Building (as contemplated by section 3(1) of the Land (Compulsory Sale for Redevelopment) Ordinance, Cap 545, Law of Hong Kong).

於2017年9月26日，本集團擁有位於香港九龍青山道646號，648及648A號豐華工業大廈(「豐華大廈」)的32個單位中之26個單位(包括AP公共部分)。該26個單位佔全幢豐華大廈不可分割份數之96/120份，佔豐華大廈不可分割份數80%。(按香港法例第545章《土地(為重新發展而強制售賣)條例》第3(1)條所計算)。

On 14 August and 15 August 2017, Treasure Arts International Group Limited (“Treasure Arts”), an indirect wholly-owned subsidiary of the Company, as the purchaser, entered into an agreement for sale and purchase and a provisional agreement with the respective sellers who are independent third party respectively, pursuant to which amongst other things, Treasure Arts conditionally agreed to acquire, and the sellers agreed to sell the 2 units of the FW Building at a total consideration of HK\$81,300,000. This transaction was approved by the shareholders of the Company on 23 October 2017 and the completion of the acquisition was taken place in mid-November 2017. This acquisition shall pave way for the Group to acquire the remaining units of the FW Building and then to redevelop the site of the FW Building to a composite commercial building. Details of the acquisition are set out in the Company’s circular dated 29 September 2017.

作為買方的寶藝國際集團有限公司(本公司之間接全資附屬公司)(「寶藝國際」，分別於2017年8月14日及8月15日，與各賣方(獨立第三方)就收購豐華大廈訂立買賣協議及臨時買賣協議，據此(其中包括)，寶藝國際有條件同意收購及賣方同意出售豐華大廈的2個單位，總代價為81,300,000港元。本交易已於2017年10月23日獲本公司股東批准，並於2017年11月中旬完成收購。這次收購事項將有助本集團鋪路收購豐華大廈之餘下單位，然後重新發展豐華大廈地盤為一幢高層綜合商業大廈。收購詳情載於本公司日期為2017年9月29日之通函內。

Acquisition of WK Building

On 28 March 2017, Wealth Plan Development Limited, an indirect wholly-owned subsidiary of the Company, as purchaser entered into 17 property purchase agreements with the owners of 18 units and the car parking areas of Wing Cheong Industrial Building (“WK Building”) of No. 121 King Lam Street, Kowloon, Hong Kong for a consideration of HK\$226,053,000. The acquisition shall pave way for the Group to acquire the remaining 6 property units and then to redevelop the site of WK Building. This transaction was approved by the shareholders of the Company on 5 June 2017 and the completion of the acquisition was taken place in June 2017. Details of the acquisition are set out in the Company’s circular dated 12 May 2017.

Save as disclosed above, the Group had no material acquisitions or disposals of subsidiaries or associated companies during the Period.

Exposure on Foreign Exchange Fluctuations

Most of the Group’s revenues and payments are in Hong Kong dollars, Singapore dollars and Renminbi. During the Period, the Group had no significant exposure to fluctuations in exchange rates and thus, no financial instrument for hedging purposes was employed. The directors consider the risk of exposure to currency fluctuation to be minimal.

Contingent Liabilities

The Group did not have any significant contingent liabilities as at 30 September 2017 (31 March 2017: nil).

收購永昌大廈

於2017年3月28日，康圖發展有限公司(本公司之間接全資附屬公司)作為買家與位於香港九龍瓊林街121號永昌工業大廈(「永昌大廈」)的18個單位業主及停車場業主訂立17份物業購買協議，代價為226,053,000港元。收購事項為本集團收購餘下6個物業單位和重建永昌大廈作好準備。本交易已於2017年6月5日獲本公司股東批准，並於2017年6月完成收購。收購詳情載於本公司日期為2017年5月12日之通函。

除上文所述外，於本期間本集團並無有關附屬公司或聯營公司之重大收購或出售。

外匯波動之風險

本集團之收入與支出以港元、新加坡元及人民幣為主。於本期間，本集團並無因兌換率波動而承受重大風險，因此並無運用任何金融工具作對沖用途。董事認為承受兌換率波動之風險極微。

或然負債

於2017年9月30日，本集團並無任何重大或然負債(2017年3月31日：無)。

Capital Expenditures and Capital Commitments

資本開支及資本承擔

During the Period, the Group invested HK\$1,120,000 (2016 Period: nil) in the purchase of property, plant and equipment, and spent HK\$10,519,000 (2016 Period: HK\$8,525,000) on addition of investment properties. These capital expenditures were financed from internal resources and funds from previous fund raising activities of the Company.

於本期間，本集團共投資1,120,000港元(2016期間：無)購置物業、廠房及設備，並動用10,519,000港元(2016期間：8,525,000港元)於增置投資物業。該等資本開支均以內部資源及先前本公司之集資活動提供資金。

As at 30 September 2017, the Group had capital commitments in respect of capital expenditure contracted for but not provided of approximately HK\$23,779,000 (31 March 2017: HK\$9,842,000).

於2017年9月30日，本集團已訂約但未撥備之資本性開支的資本承擔約為23,779,000港元(2017年3月31日：9,842,000港元)。

Changes in Fair Value of Investment Properties

投資物業之公平值變動

During the Period, there was a gain of HK\$2,013,000 on changes in fair value of investment properties (2016 Period: loss of HK\$22,793,000).

於本期間，投資物業之公平值變動產生之收益為2,013,000港元(2016期間：虧損22,793,000港元)。

Finance Costs

融資成本

Finance costs was HK\$16,258,000, increased by HK\$8,205,000 or 101.9% for the Period from HK\$8,053,000 in the 2016 Period, of which HK\$9,567,000 (2016 Period: HK\$5,981,000) was the effective interest expense on convertible notes.

融資成本為16,258,000港元，相比2016期間8,053,000港元，本期間增加8,205,000港元或101.9%，其中9,567,000港元(2016期間：5,981,000港元)為可換股票據之實際利息支出。

PROSPECTS

Despite additional measures imposed by Hong Kong government to cool the housing market, the impact on the property market was only short-lived. With the prevailing low interest rates and the record of high transacted land prices in the recent land auctions, sentiment in the primary property market has been holding up well, with home buyers' confidence remaining generally strong. Therefore, the Group shall continue to look for potential investment properties for recurring income and capital appreciation.

In addition, the Group will further extend its principal business and direct its resources to loan financing services and it is expected that such business will continue to be part of the main income stream of the Group.

Looking ahead, the Group's core income for the second half of 2017 will be mainly generated from its property investment and the Group expects its property investment portfolios in Hong Kong, PRC and Singapore will continue to generate stable income in the second half of 2017.

By Order of the Board
Eminence Enterprise Limited
Kwong Jimmy Cheung Tim
Chairman and Chief Executive Officer

Hong Kong, 21 November 2017

展望

儘管香港政府增加新辣招冷卻樓市，惟對樓市市場影響只是短暫。由於現時利息持續低企，加上近期土地拍賣成交價屢創新高，帶動大市氣氛，買家入市信心仍然強勁。因此，本集團將繼續尋求經常性收入及資本增值的潛在投資物業。

此外，本集團將致力投放資源及擴展其貸款融資業務，預計此業務將繼續成為本集團主要收入來源的一部分。

展望未來，本集團2017年下半年的核心收入將主要來自其物業投資及本集團預期在香港、中國及新加坡之物業投資項目將繼續在2017年下半年中造就穩定的收入。

承董事會命
高山企業有限公司
主席兼首席行政總裁
鄺長添

香港，2017年11月21日

Disclosure of Interests

權益披露

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

董事及主要行政人員於股份、相關股份及債權證中之權益

As at 30 September 2017, the interests or 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 the Securities and Futures Ordinance (“SFO”)) which were notified to the Company and The Stock Exchange of Hong Kong Limited (“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 required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (“Model Code”) as set out in Appendix 10 to the Rules Governing the Listing of Securities (“Listing Rules”) on the Stock Exchange, to be notified to the Company and the Stock Exchange, were as follows:

於2017年9月30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(定義見證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份及債權證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香港聯合交易所有限公司(「聯交所」)的權益或淡倉(包括彼等根據證券及期貨條例之該等條文被假設或視為擁有之權益或淡倉)，或記載於本公司按證券及期貨條例第352條須存置之登記冊內的權益或淡倉，或根據聯交所證券上市規則(「上市規則」)附錄10所載之上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所的權益或淡倉如下：

Interests in the Company (long position)

於本公司之權益(好倉)

| Name of Director | Capacity | Number of ordinary shares held (long position) 持有普通股股份數目(好倉) | Number of underlying shares held 持有相關股份數目 | Total | Approximate percentage of interest 權益之概約百分比 |
|--------------------------|---|---|--|---------------|--|
| 董事名稱 | 身份 | | | 總計 | |
| Ms. Lui Yuk Chu 雷玉珠女士 | Beneficiary of a trust (note i) 信託受益人(附註i) | 457,330,692 | 593,480,281 | 1,050,810,973 | 46.98% |

Disclosure of Interests (continued) 權益披露(續)

Notes:

These Shares are respectively registered in the name of and are beneficially owned by Landmark Profits Limited and Goodco Development Limited (“Goodco”), both are wholly-owned subsidiaries of Easyknit International Holdings Limited (“Easyknit International”). Sea Rejoice Limited is interested in approximately 21.95% of the issued share capital of Easyknit International and it is wholly-owned by Ms. Lui Yuk Chu. Magical Profits Limited (“Magical Profits”) is interested in approximately 36.74% of the issued share capital of Easyknit International. Magical Profits is wholly-owned by Accumulate More Profits Limited which in turn is wholly-owned by The Winterbotham Trust Company Limited (“Winterbotham Trust”) as the trustee of The Magical 2000 Trust (the beneficiaries of which include Ms. Lui Yuk Chu and her family members other than her spouse). For the 593,480,281 underlying Shares, of which 570,880,281 are the underlying Shares of 2014CN, 2017CN1 and 2017CN2 held by Goodco and the remaining 22,600,000 underlying Shares of the share options granted to Ms. Lui Yuk Chu and Mr. Koon Wing Yee (the spouse of Ms. Lui Yuk Chu) on 14 October 2016.

Save as disclosed above, as at 30 September 2017, none of the Directors or the chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be 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 required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

附註：

此等股份分別以 Landmark Profits Limited 及佳豪發展有限公司(「佳豪」)之名義登記及由其實益擁有，該等公司為永義國際集團有限公司(「永義國際」)之全資附屬公司。樂洋有限公司於永義國際已發行股本中擁有約 21.95% 之權益而其由雷玉珠女士全資擁有。Magical Profits Limited (「Magical Profits」) 於永義國際已發行股本中擁有約 36.74% 之權益而其由 Accumulate More Profits Limited 全資擁有，而 Accumulate More Profits Limited 為 The Magical 2000 Trust (其受益人包括雷玉珠女士及除其配偶以外之家族成員) 之信託人溫特博森信託有限公司(「溫特博森信託」) 全資擁有。於 593,480,281 股相關股份，其中佳豪持有 2014 年可換股票據、2017 年可換股票據 -1 及 2017 年可換股票據 -2 之 570,880,281 股相關股份，而餘下 22,600,000 股購股權相關股份於 2016 年 10 月 14 日授予雷玉珠女士及官永義先生(雷玉珠女士之配偶)。

除上文所披露者外，於 2017 年 9 月 30 日，本公司董事或主要行政人員概無於本公司及其任何相聯法團(定義見證券及期貨條例第 XV 部)之股份、相關股份及債權證中擁有根據證券及期貨條例第 XV 部第 7 及第 8 分部條文須知會本公司及聯交所的權益或淡倉(包括彼等根據證券及期貨條例之該等條文被假設或視為擁有的權益或淡倉)，或記載於本公司按證券及期貨條例第 352 條須存置之登記冊內的權益或淡倉，或根據標準守則須知會本公司及聯交所的權益或淡倉。

Disclosure of Interests (continued) 權益披露(續)

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the six months ended 30 September 2017 was the Company or any of its subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the directors or any of their spouses or children under the age of 18, was granted any right to subscribe for the equity or debt securities of the Company or any other body corporate nor had exercised any such right.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 30 September 2017, the persons (other than the directors or the chief executives of the Company) who had an interest or a short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Division 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:

| Name of substantial shareholder | Notes | Capacity | Number of ordinary shares held (long position) 持有普通股 股份數目(好倉) | Number of underlying shares held 持有相關 股份數目 | Total | Approximate percentage of interest 權益之概約 百分比 |
|---------------------------------|----------|----------------------------|---|--|---------------|--|
| 主要股東名稱 | 附註 | 身份 | | | 總計 | |
| Lui Yuk Chu 雷玉珠 | a, b & c | Beneficial owner 實益擁有人 | 457,330,692 | 593,480,281 | 1,050,810,973 | 46.98% |
| Koon Wing Yee 官永義 | a | Interest of spouse 配偶權益 | 457,330,692 | 593,480,281 | 1,050,810,973 | 46.98% |

董事認購股份或債權證之權利

本公司或其任何附屬公司於截至2017年9月30日止六個月內任何時間概無訂立任何安排，致使本公司董事可藉購買本公司或任何其他法人團體之股份或債權證而獲益，以及並無董事或其配偶或18歲以下之子女獲授予任何權利以認購本公司或其他法人團體之股本或債務證券，或已行使任何該等權利。

主要股東於股份及相關股份之權益

於2017年9月30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分部的條文須向本公司披露或記載於本公司按證券及期貨條例第336條須存置之登記冊內的權益或淡倉之人士(本公司董事或主要行政人員除外)如下：

Disclosure of Interests (continued)
權益披露(續)

| Name of substantial shareholder | Notes | Capacity | Number of ordinary shares held (long position) 持有普通股股份數目(好倉) | Number of underlying shares held 持有相關股份數目 | Total | Approximate percentage of interest 權益之概約百分比 |
|--|-------|--|---|--|---------------|--|
| 主要股東名稱 | 附註 | 身份 | | | 總計 | |
| Landmark Profits Limited | a & b | Beneficial owner 實益擁有人 | 93,549,498 | — | 93,549,498 | 4.18% |
| Goodco 佳豪 | a & b | Beneficial owner 實益擁有人 | 363,781,194 | 570,880,281 | 934,661,475 | 41.79% |
| Easyknit International 永義國際 | a & b | Interest of controlled corporation 受控制法團之權益 | 457,330,692 | 570,880,281 | 1,028,210,973 | 45.97% |
| Magical Profits | a & b | Interest of controlled corporation 受控制法團之權益 | 457,330,692 | 570,880,281 | 1,028,210,973 | 45.97% |
| Accumulate More Profits Limited | a | Interest of controlled corporation 受控制法團之權益 | 457,330,692 | 570,880,281 | 1,028,210,973 | 45.97% |
| Winterbotham Trust 溫特博森信託 | a & c | Trustee 信託人 | 457,330,692 | 570,880,281 | 1,028,210,973 | 45.97% |
| Winterbotham Holdings Limited | c | Interest of controlled corporation 受控制法團之權益 | 457,330,692 | 570,880,281 | 1,028,210,973 | 45.97% |
| Markson International Holdings Limited | c | Interest of controlled corporation 受控制法團之權益 | 457,330,692 | 570,880,281 | 1,028,210,973 | 45.97% |
| Christopher Geoffrey Douglas Hooper | c | Interest of controlled corporation 受控制法團之權益 | 457,330,692 | 570,880,281 | 1,028,210,973 | 45.97% |
| Ivan Geoffery Douglas Hooper | c | Interest of controlled corporation 受控制法團之權益 | 457,330,692 | 570,880,281 | 1,028,210,973 | 45.97% |
| Madian Star Limited | d | Beneficial owner 實益擁有人 | — | 537,500,000 | 537,500,000 | 24.03% |

Disclosure of Interests (continued) 權益披露(續)

| Name of substantial shareholder | Notes | Capacity | Number of ordinary shares held (long position) 持有普通股 股份數目(好倉) | Number of underlying shares held 持有相關 股份數目 | Total | Approximate percentage of interest 權益之概約 百分比 |
|---------------------------------|-------|---------------------------|---|--|-------------|--|
| 主要股東名稱 | 附註 | 身份 | | | 總計 | |
| Hu Rong 胡榮 | | Beneficial owner 實益擁有人 | 256,000,000 | — | 256,000,000 | 11.44% |
| Able Merchant Limited | | Beneficial owner 實益擁有人 | 152,222,222 | — | 152,222,222 | 6.81% |

Notes:

- (a) In the 457,330,692 shares, 93,549,498 shares and 363,781,194 shares are registered in the name of and beneficially owned by Landmark Profits Limited and Goodco respectively, both are the wholly-owned subsidiaries of Easyknit International. Goodco was also interested in 570,880,281 underlying shares (subject to adjustment) to be issued upon the full conversion of the 2014 convertible note (“2014CN”). Sea Rejoice Limited is interested in approximately 21.95% of the issued share capital of Easyknit International and it is wholly-owned by Ms. Lui Yuk Chu, a director of the Company. Magical Profits is interested in approximately 36.74% of the issued share capital of Easyknit International. Magical Profits is wholly-owned by Accumulate More Profits Limited which in turn is wholly-owned by Winterbotham Trust as the trustee of The Magical 2000 Trust (the beneficiaries of which include Ms. Lui Yuk Chu and her family members other than her spouse). Mr. Koon Wing Yee, being the spouse of Ms. Lui Yuk Chu, is deemed to be interested in the 457,330,692 shares. For the 593,480,281 underlying Shares, of which 570,880,281 are the underlying Shares of 2014CN, 2017CN1 and 2017CN2 held by Goodco and the remaining 22,600,000 underlying Shares of the share options granted to Ms. Lui Yuk Chu and Mr. Koon Wing Yee (the spouse of Ms. Lui Yuk Chu) on 14 October 2016.
- (b) Ms. Lui Yuk Chu, being a director of the Company, is also a director of Landmark Profits, Goodco, Easyknit International, Sea Rejoice Limited and Magical Profits.

附註:

- (a) 於457,330,692股股份中，93,549,498股股份及363,781,194股股份分別以Landmark Profits Limited及佳豪之名義登記並由其實益擁有，該等公司為永義國際之全資附屬公司。佳豪亦於2014年可換股票據，可換股票據獲悉數兌換後可予發行之570,880,281股相關股份(可予調整)中擁有權益。樂洋有限公司於永義國際之已發行股本中擁有約21.95%之權益而其由本公司董事雷玉珠女士全資擁有。Magical Profits於永義國際之已發行股本中擁有約36.74%之權益。Magical Profits由Accumulate More Profits Limited全資擁有，該公司作為The Magical 2000 Trust(其受益人包括雷玉珠女士及其家族成員(其配偶除外))之信託人溫特博森信託全資擁有。官永義先生為雷玉珠女士之配偶，根據證券及期貨條例被視為於457,330,692股股份於593,480,281股相關股份，其中佳豪持有2014年可換股票據、2017年可換股票據-1及2017年可換股票據-2之570,880,281股相關股份，而餘下22,600,000股購股權相關股份於2016年10月14日授予雷玉珠女士及官永義先生(雷玉珠女士之配偶)。
- (b) 本公司董事雷玉珠女士亦為Landmark Profits、佳豪、永義國際、樂洋有限公司及Magical Profits之董事。

Disclosure of Interests (continued) 權益披露(續)

- (c) Winterbotham Trust is the trustee of The Magical 2000 Trust (the beneficiaries of which include Ms. Lui Yuk Chu and her family members other than her spouse). Winterbotham Trust is owned as to 75% by Winterbotham Holdings Limited (“**Winterbotham Holdings**”) and 25% by Markson International Holdings Limited (“**Markson**”) respectively. Winterbotham Holdings is owned as to approximately 99.99% by Mr. Christopher Geoffrey Douglas Hooper. And Markson is owned as to 60% by Mr. Christopher Geoffrey Douglas Hooper and 40% by Mr. Ivan Geoffrey Douglas Hooper respectively.
- (c) 溫特博森信託為The Magical 2000 Trust(其受益人包括雷玉珠女士及除其配偶以外之家族成員)之信託人。Winterbotham Holdings Limited(「**Winterbotham Holdings**」)及Markson International Holdings Limited(「**Markson**」)於溫特博森信託分別擁有75%及25%之權益。Christopher Geoffrey Douglas Hooper先生於Winterbotham Holdings擁有約99.99%之權益。而Christopher Geoffrey Douglas Hooper先生及Ivan Geoffrey Douglas Hooper先生於Markson分別擁有60%及40%之權益。
- (d) the noteholder of a convertible note issued by the Company to Madian Star Limited on 12 June 2015 in the aggregate principal amount of HK\$86,000,000 for a term of 2 years and conferring rights to convert shares on the basis of the then conversion price of HK\$0.33 per share. The terms of this convertible note are revised for a term of 7 years at a conversion price of HK\$0.16 per share with effect from 11 May 2017.
- (d) 於2015年6月12日，本公司發行2年期本金總額86,000,000港元可換股票據予票據持有人Madian Star Limited，並有權可兌換為股份，以每股0.33港元之兌換價為基準。於2017年5月11日生效修訂其年期至7年以每股0.16港元之兌換價。

Save as disclosed above, as at 30 September 2017, the Company had not been notified by any persons (other than Directors or chief executives of the Company) who had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were required to be recorded in the register kept by the Company under Section 336 of the SFO.

除上文所披露者外，於2017年9月30日，概無任何人士(本公司董事或主要行政人員除外)曾知會本公司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記載於本公司按證券及期貨條例第336條須存置之登記冊內的本公司股份或相關股份之權益或淡倉。

SHARE OPTION SCHEME

On 29 June 2012, a new share option scheme (“**Scheme**”) was adopted and approved by the shareholders of the Company for a period of 10 years commencing on the adoption date. Since the adoption date, the Board, may at its discretion, grant share options to any eligible person to subscribe for the shares in the Company subject to the terms and conditions as stipulated in the Scheme. During the Period, a total of 22,600,000 share options were cancelled. Except as disclosed above, no share option was exercised during the period and no share option was granted to any Director and/on their associate(s) during the Period under the Scheme. During the Period, the outstanding share option was 90,400,000 share options. Further details of the Scheme are set out in note 22(b) to the condensed consolidated financial statements.

購股權計劃

於2012年6月29日，本公司股東已採納及批准一項新購股權計劃(「**該計劃**」)，年期由採納日期起計10年。自採納日期起，董事會可酌情向任何合資格認購本公司股份人士授出購股權，惟須受該計劃的條款及細則所限。於本期間，共有22,600,000購股權已失效。除上文披露者外，於本期間概無購股權獲行使及概無向任何本公司董事(及/或其聯繫人)授出任何認股權。於本期間，尚未行使的購股權為90,400,000購股權。該計劃的進一步詳情載於簡明綜合財務報表附註22(b)。

Corporate Governance and Other Information

企業管治及其他資料

CORPORATE GOVERNANCE

The Company has applied the principles and complied with all the code provisions as set out in the Corporate Governance Code (“**CG Code Provision**”) contained in Appendix 14 of the Listing Rules during the Period, with the exception of the following deviation.

Code Provision A.2.1

The roles of chairman and chief executive should be separate and should not be performed by the same individual

Mr. Kwong Jimmy Cheung Tim (“**Mr. Kwong**”) is the chairman of the Board and is holding the office of chief executive officer of the Company. While this is a deviation from CG Code Provision A.2.1, dual role leadership has been in practice by the Company for decades and has withstood the test of time. The Board considers this arrangement to be appropriate for the Company as it can preserve the consistent leadership culture of the Company and allow efficient discharge of the executive functions of the chief executive. The Board believes that a balance of power and authority is adequately ensured by the operations of the Board which comprises experienced and high caliber individuals including four independent non-executive Directors. Meanwhile, the day-to-day management and operation of the Group are delegated to divisional management under the leadership and supervision of Mr. Kwong in the role of chief executive officer who is supported by the executive Directors and senior management.

企業管治

於本期間，本公司一直遵守上市規則附錄14所載《企業管治守則》之原則及所有守則條文，惟下文所述的守則條文除外。

守則條文第A.2.1條

主席與行政總裁之角色應有區分，並不應由一人同時兼任

鄭長添先生(「**鄭先生**」)為董事會主席並擔任本公司首席行政總裁。雖然此與企業管治守則第A.2.1條有所偏離，但雙角色領導模式於本公司推行已久且行之有效。董事會認為此安排對本公司而言是恰當的，既能繼續貫徹本公司之領導文化亦能提升行政總裁的執行能力。董事會認為董事會成員不乏經驗豐富及具才幹之人士(包括4位獨立非執行董事)，足以確保權力及職能平衡。在首席行政總裁鄭先生的領導及監督，與一眾執行董事及高層管理人員之輔助下，本集團日常管理及營運事宜均由各部門管理人員負責。

CHANGES IN DIRECTORS' BIOGRAPHICAL DETAILS

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in Directors' biographical details since the date of the 2016/17 Annual Report of the Company are Ms. Koon Ho Yan Candy, Mr. Tse Wing Chiu Ricky and Mr. Lai Law Kau resigned as directors of the Company with effect from 18 April 2017.

Save as disclosed above, there is no other change of Directors' biographical details required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its own code of conduct regarding directors' securities transactions. All directors of the Company have confirmed, following specific enquiry by the Company, their compliance with the required standard set out in the Model Code throughout the Period.

AUDIT COMMITTEE

The Audit Committee currently comprises four independent non-executive directors, namely Mr. Kan Ka Hon (Committee Chairman), Mr. Lau Sin Ming, Mr. Foo Tak Ching and Mr. Wu Koon Yin Welly. The Audit Committee has reviewed with the management and the Company's auditor on the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters, including a review of the unaudited interim condensed consolidated financial statements for the six months ended 30 September 2017.

董事履歷詳情之變更

根據上市規則第13.51B(1)條，自本公司2016/17年年報刊發日期起之董事履歷詳情變更為官可欣女士，謝永超先生及賴羅球先生自2017年4月18日起辭任本公司董事。

除上文所披露者外，董事履歷詳情概無其他變更須根據上市規則第13.51B(1)條作出披露。

董事進行證券交易的守則

本公司已採納標準守則，作為董事進行證券交易之行為守則。經向全體董事作出具體查詢後，本公司所有董事確認，彼等於本期間內一直遵守標準守則所規定之準則。

審核委員會

審核委員會現時由4位獨立非執行董事組成，分別為簡嘉翰先生(委員會主席)、劉善明先生、傅德楨先生及吳冠賢先生。審核委員會已與管理層及本公司之核數師審閱本集團採納之會計準則及常規，並討論審核、內部監控和財務報告等事項，包括審閱截至2017年9月30日止六個月之未經審核中期簡明綜合財務報表。

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

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

購買、出售及贖回本公司之上市證券

於本期間，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

Condensed Consolidated Statement of Profit or Loss And Other Comprehensive Income

簡明綜合損益及其他全面收益表

For the six months ended 30 September 2017

截至2017年9月30日止六個月

| | | Six months ended 30 September 截至9月30日止六個月 | | |
|---|------------------------|--|--|-----------------|
| | NOTES 附註 | 2017 HK\$'000 千港元 (Unaudited) (未經審核) | 2016 HK\$'000 千港元 (Unaudited) (未經審核) | |
| Revenue | 營業額 | 3 | 24,872 | 16,579 |
| Cost of goods sold and services rendered | 銷售及提供服務成本 | | (1,159) | (171) |
| Other income | 其他收入 | | 23,713 | 16,408 |
| Other gains and losses | 其他收益及虧損 | | 5,668 | 7,267 |
| Other expenses | 其他開支 | | 637 | (178) |
| Distribution and selling expenses | 經銷成本 | | (21) | (44) |
| Administrative expenses | 行政開支 | | — | (13) |
| Net loss on modification of terms of convertible note | 更改可換股票據條款之虧損淨額 | 17(b) | (16,161) | (15,199) |
| Gain (loss) on changes in fair value of investment properties | 投資物業之公平值變動收益(虧損) | 8 | (1,023) | — |
| Loss on fair value changes of investments held for trading | 持作買賣投資之公平值變動虧損 | | 2,013 | (22,793) |
| Impairment loss on available-for-sale investments | 可供出售投資之減值虧損 | | (1,229) | (1,534) |
| Finance costs | 融資成本 | | (1,520) | (12,500) |
| Loss before taxation | 除稅前虧損 | 4 | (16,258) | (8,053) |
| Taxation | 稅項 | 5 | (4,181) | (36,639) |
| Loss for the period attributable to owners of the Company | 本公司股東應佔本期間虧損 | | 1,726 | 1,441 |
| Other comprehensive income (expense): | 其他全面收入(開支): | | (2,455) | (35,198) |
| <i>Items that may be reclassified subsequently to profit or loss:</i> | <i>隨後可能重新分類至損益之項目:</i> | | | |
| Exchange differences arising on translation of financial statements of foreign operations | 換算海外營運於財務報表之匯兌差異 | | 9,249 | (10,817) |
| Change in fair value of available-for-sale investments | 可供出售投資之公平值變動 | | 13,939 | 10,728 |
| Reclassification adjustment upon impairment of available-for-sale investments | 可供出售投資減值時之重新分類調整 | | 1,520 | 12,500 |
| Release upon disposal of available-for-sale investments | 出售可供出售投資時解除 | | (25) | — |
| Other comprehensive income for the period | 本期間其他全面收入 | | 24,683 | 12,411 |
| Total comprehensive income (expense) for the period attributable to owners of the Company | 本公司股東應佔本期間全面收入(開支)總額 | | 22,228 | (22,787) |
| Basic and diluted loss per share | 每股基本及攤薄虧損 | 6 | HK\$(0.001) | HK\$(0.031) |

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

At 30 September 2017

於2017年9月30日

| | | NOTES 附註 | 30 September 9月30日 2017 HK\$'000 千港元 (Unaudited) (未經審核) | 31 March 9月30日 2017 HK\$'000 千港元 (Audited) (經審核) |
|--|-------------------|-------------|---|--|
| Non-current assets | 非流動資產 | | | |
| Property, plant and equipment | 物業、廠房及設備 | 7 | 4,253 | 3,616 |
| Investment properties | 投資物業 | 8 | 1,341,552 | 1,320,369 |
| Loans receivable | 應收貸款 | 9 | 33,890 | 44,326 |
| Available-for-sale investments | 可供出售投資 | 10 | 174,210 | 158,541 |
| | | | 1,553,905 | 1,526,852 |
| Current assets | 流動資產 | | | |
| Properties held for development for sale | 持作出售發展物業 | 11 | 1,392,443 | 1,035,792 |
| Deposits and prepayments for acquisition of properties held for development for sale | 收購持作出售發展物業之按金及預付款 | | 21,208 | 12,791 |
| Trade and other receivables | 貿易及其他應收款項 | 12 | 52,357 | 40,171 |
| Loans receivable | 應收貸款 | 9 | 205,557 | 220,069 |
| Investments held for trading | 持作買賣投資 | | 4,397 | 4,505 |
| Other financial assets | 其他金融資產 | 13 | — | 53,980 |
| Bank deposits with original maturity of more than three months | 超過三個月到期之銀行存款 | 14 | — | 103,606 |
| Bank balances and cash | 銀行結餘及現金 | 15 | 343,822 | 409,884 |
| | | | 2,019,784 | 1,880,798 |
| Current liabilities | 流動負債 | | | |
| Trade and other payables | 貿易及其他應付款項 | 16 | 86,385 | 48,712 |
| Tax payable | 應付稅項 | | 9,571 | 9,430 |
| Convertible notes | 可換股票據 | 17 | 53,611 | 81,981 |
| Secured bank borrowings | 有抵押銀行借貸 | 18 | 420,479 | 420,400 |
| | | | 570,046 | 560,523 |
| Net current assets | 流動資產淨額 | | 1,449,738 | 1,320,275 |
| Total assets less current liabilities | 資產總額減流動負債 | | 3,003,643 | 2,847,127 |
| Non-current liabilities | 非流動負債 | | | |
| Convertible notes | 可換股票據 | 17 | 16,177 | 13,820 |
| Deferred tax liabilities | 遞延稅項負債 | 19 | 32,538 | 21,854 |
| Secured bank borrowings | 有抵押銀行借貸 | 18 | 388,389 | 359,300 |
| | | | 437,104 | 394,974 |
| | | | 2,566,539 | 2,452,153 |
| Capital and reserves | 資本及儲備 | | | |
| Share capital | 股本 | 20 | 22,368 | 19,118 |
| Reserves | 儲備 | | 2,544,171 | 2,433,035 |
| | | | 2,566,539 | 2,452,153 |

Condensed Consolidated Statement of Changes In Equity

簡明綜合權益變動表

For the six months ended 30 September 2017

截至2017年9月30日止六個月

| | | Share capital | Share premium | Convertible note equity reserve | Capital reserve | Contributed surplus | Exchange reserve | Investment revaluation reserve | Property revaluation reserve | Share options reserve | Accumulated profits | Total |
|--|----------------------|---------------|---------------|---------------------------------|-----------------|---------------------|------------------|--------------------------------|------------------------------|-----------------------|---------------------|-----------|
| | | 股本 | 股份溢價 | 可換股票據權益儲備 | 股本儲備 | 繳入盈餘 | 匯兌儲備 | 投資重估儲備 | 物業重估儲備 | 購股權儲備 | 累計溢利 | 總額 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| At 1 April 2016 (audited) | 於2016年4月1日 (經審核) | 11,166 | 1,882,461 | 21,181 | 53,194 | 261,126 | 20,022 | (12,204) | 40,624 | - | 46,874 | 2,324,444 |
| Exchange differences arising on translation of foreign operations | 換算海外營運之匯兌差異 | - | - | - | - | - | (10,817) | - | - | - | - | (10,817) |
| Change in fair value of available-for-sale investments | 可供出售投資之公平值變動 | - | - | - | - | - | - | 10,728 | - | - | - | 10,728 |
| Reclassification adjustment upon impairment loss on available-for-sale investments | 可供出售投資減值虧損之重新分類調整 | - | - | - | - | - | - | 12,500 | - | - | - | 12,500 |
| Loss for the period | 本期間虧損 | - | - | - | - | - | - | - | - | - | (35,198) | (35,198) |
| Total comprehensive (expense) income for the period | 本期間全面(開支)收入總額 | - | - | - | - | - | (10,817) | 23,228 | - | - | (35,198) | (22,787) |
| Issue of new shares | 發行新股 | 2,230 | 37,911 | - | - | - | - | - | - | - | - | 40,141 |
| Transaction costs attributable to issue of new shares | 發行新股之交易成本 | - | (401) | - | - | - | - | - | - | - | - | (401) |
| Recognition of equity component of convertible note | 確認可換股票據之權益成分 | - | - | 24,391 | - | - | - | - | - | - | - | 24,391 |
| Deferred tax liability on recognition of equity component of convertible note | 確認可換股票據之權益成分時之遞延稅項負債 | - | - | (4,025) | - | - | - | - | - | - | - | (4,025) |
| Issue of shares on conversion of convertible note | 兌換可換股票據之發行股份 | 700 | 15,050 | (7,683) | - | - | - | - | - | - | - | 8,067 |
| Deferred tax liability released upon conversion of convertible note | 兌換可換股票據時解除之遞延稅項負債 | - | - | 1,268 | - | - | - | - | - | - | - | 1,268 |
| At 30 September 2016 (unaudited) | 於2016年9月30日 (未經審核) | 14,096 | 1,935,021 | 35,132 | 53,194 | 261,126 | 9,205 | 11,024 | 40,624 | - | 11,676 | 2,371,098 |

Condensed Consolidated Statement Of Changes In Equity (continued)

簡明綜合權益變動表(續)

For the six months ended 30 September 2017

截至2017年9月30日止六個月

| | | Share capital | Share premium | Convertible note equity reserve | Capital reserve | Contributed surplus | Exchange reserve | Investment revaluation reserve | Property revaluation reserve | Share options reserve | Accumulated profits | Total |
|--|-------------------------|---------------|---------------|---------------------------------|-----------------|---------------------|------------------|--------------------------------|------------------------------|-----------------------|---------------------|-----------|
| | | 股本 | 股份溢價 | 可換股票據權益儲備 | 股本儲備 | 繳入盈餘 | 匯兌儲備 | 投資重估儲備 | 物業重估儲備 | 購股權儲備 | 累計溢利 | 總額 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| At 1 April 2017 (audited) | 於2017年4月1日 (經審核) | 19,118 | 2,019,688 | 21,181 | 53,194 | 261,126 | 3,984 | 10,908 | 40,624 | 2,083 | 20,247 | 2,452,153 |
| Exchange differences arising on translation of foreign operations | 換算海外營運之匯兌差異 | - | - | - | - | - | 9,249 | - | - | - | - | 9,249 |
| Change in fair value of available-for-sale investments | 可供出售投資之公平價值變動 | - | - | - | - | - | - | 13,939 | - | - | - | 13,939 |
| Reclassification adjustment upon impairment loss on available-for-sale investments | 可供出售投資減值虧損之重新分類調整 | - | - | - | - | - | - | 1,520 | - | - | - | 1,520 |
| Release upon disposal of available-for-sale investments | 出售可供出售投資時解除 | - | - | - | - | - | - | (25) | - | - | - | (25) |
| Loss for the period | 本期間虧損 | - | - | - | - | - | - | - | - | - | (2,455) | (2,455) |
| Total comprehensive income (expense) for the period | 本期間全面收入(開支)總額 | - | - | - | - | - | 9,249 | 15,434 | - | - | (2,455) | 22,228 |
| Issue of new shares | 發行新股 | 3,250 | 22,750 | - | - | - | - | - | - | - | - | 26,000 |
| Transaction costs attributable to issue of new shares | 發行新股之交易成本 | - | (260) | - | - | - | - | - | - | - | - | (260) |
| Recognition of equity component of convertible notes | 確認可換股票據之權益成份 | - | - | 27,994 | - | - | - | - | - | - | - | 27,994 |
| Deferred tax liability on recognition of equity component of convertible notes | 確認可換股票據之權益成份時之遞延稅項負債 | - | - | (4,619) | - | - | - | - | - | - | - | (4,619) |
| Transfer upon modification of terms of convertible note | 更改可換股票據條款時轉撥 | - | - | (14,304) | - | - | - | - | - | - | 14,304 | - |
| Deferred tax liability released upon modification of terms of convertible note | 更改可換股票據條款時解除遞延稅項負債 | - | - | 465 | - | - | - | - | - | - | - | 465 |
| Recognition upon modification of terms of convertible note | 更改可換股票據條款時確認 | - | - | 50,992 | - | - | - | - | - | - | - | 50,992 |
| Deferred tax liability on recognition of equity component upon modification of terms of convertible note | 更改可換股票據條款時確認權益成份之遞延稅項負債 | - | - | (8,414) | - | - | - | - | - | - | - | (8,414) |
| Transfer upon cancellation of share options | 取消購股權時轉撥 | - | - | - | - | - | - | - | - | (431) | 431 | - |
| At 30 September 2017 (unaudited) | 於2017年9月30日 (未經審核) | 22,368 | 2,042,178 | 73,295 | 53,194 | 261,126 | 13,233 | 26,342 | 40,624 | 1,652 | 32,527 | 2,566,539 |

Condensed Consolidated Statement Of Changes In Equity (continued)

簡明綜合權益變動表(續)

For the six months ended 30 September 2017

截至2017年9月30日止六個月

The capital reserve of the Group represents the credit arising from the reduction of share capital of the Company in March 2004 and September 2005 and can be applied in the future for distribution to the shareholders.

The contributed surplus of the Group represents the credit arising from the reduction of share capital of the Company in February 2003, October 2009, December 2012, November 2013, October 2014, March 2015 and October 2015, part of which was applied to set off against accumulated losses of the Company in October 2009, December 2012, November 2013, October 2014, March 2015 and October 2015. The balance may be utilised by the directors in accordance with the Company's Bye-laws and all applicable laws, including to eliminate the accumulated losses of the Company.

The property revaluation reserve of the Group represents the gain on revaluation of certain leasehold properties and prepaid lease payments of the Group when these leasehold properties and prepaid lease payments were transferred to investment properties.

本集團之股本儲備代表來自2004年3月及2005年9月削減本公司股本之進賬以及可供將來分派予股東。

本集團之繳入盈餘代表本公司於2003年2月、2009年10月、2012年12月、2013年11月、2014年10月、2015年3月及2015年10月削減股本時所產生之進賬，部分已於2009年10月、2012年12月、2013年11月、2014年10月、2015年3月及2015年10月用作抵銷本公司之累計虧損。董事可根據本公司章程細則及所有適用之法例予以使用該結餘，包括用以抵銷本公司之累計虧損。

本集團之物業重估儲備代表本集團轉撥出租物業及預付租賃款項至投資物業時重估若干出租物業及預付租賃款項之收益。

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

For the six months ended 30 September 2017

截至2017年9月30日止六個月

| | | Six months ended 30 September 截至9月30日止六個月 | |
|---|---------------------|--|--|
| | | 2017 HK\$'000 千港元 (Unaudited) (未經審核) | 2016 HK\$'000 千港元 (Unaudited) (未經審核) |
| Net cash used in operating activities | 用於經營活動之現金淨額 | (300,060) | (308,066) |
| Investing activities | 投資活動 | | |
| Withdrawal of bank deposits with original maturity of more than three months | 提取超過三個月到期之銀行存款 | 103,606 | — |
| Proceeds from disposal of other financial assets | 出售其他金融資產所得款項 | 53,980 | — |
| Proceeds from disposal of available-for-sale investments | 出售可供出售投資所得款項 | 1,367 | — |
| Proceeds from disposal of property, plant and equipment | 出售物業、廠房及設備所得款項 | 7 | — |
| Additions of investment properties | 添置投資物業 | (10,519) | (8,525) |
| Purchase of available-for-sale investments | 購入可供出售投資 | (3,097) | (3,919) |
| Purchase of property, plant and equipment | 購入物業、廠房及設備 | (1,120) | — |
| Placement of bank deposits with original maturity of more than three months | 敘做超過三個月到期之銀行存款 | — | (191,538) |
| Other investing cash flows | 其他投資現金流量 | 1,422 | 2,621 |
| Net cash from (used in) investing activities | 來自(用於)投資活動之現金淨額 | 145,646 | (201,361) |
| Financing activities | 融資活動 | | |
| Proceeds from issue of convertible notes | 發行可換股票據所得款項 | 44,200 | 50,000 |
| Bank borrowings raised | 籌集銀行借貸 | 31,710 | 170,000 |
| Proceeds from issue of new shares | 發行新股所得款項 | 26,000 | 40,141 |
| Interest paid | 已付利息 | (11,764) | (2,272) |
| Repayment of bank borrowings | 償還銀行借貸 | (2,542) | (2,466) |
| Transaction costs attributable to issue of new shares | 發行新股之交易成本 | (260) | (401) |
| Net cash from financing activities | 來自融資活動之現金淨額 | 87,344 | 255,002 |
| Net decrease in cash and cash equivalents | 現金及等同現金減少淨額 | (67,070) | (254,425) |
| Cash and cash equivalents at beginning of the period | 期初之現金及等同現金 | 409,884 | 465,279 |
| Effect of foreign exchange rate changes | 外匯匯率變動之影響 | 1,008 | (1,519) |
| Cash and cash equivalents at end of the period, represented by bank balances and cash | 期末之現金及等同現金，指銀行結餘及現金 | 343,822 | 209,335 |

Notes To The Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 September 2017

截至2017年9月30日止六個月

1. GENERAL INFORMATION AND BASIS OF PREPARATION

The condensed consolidated financial statements of Eminence Enterprise Limited (the “Company”; the Company and its subsidiaries are referred to as the “Group”) 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 (the “HKICPA”) as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The Company is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on the Stock Exchange.

The Company is an associate of Easyknit International Holdings Limited (“Easyknit International”), an exempted company incorporated in Bermuda with its shares also listed on the Stock Exchange. At 30 September 2017, Easyknit International had 20.44% (31 March 2017: 23.92%) of the issued share capital of the Company.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments, which are measured at fair values, as appropriate.

Excepted as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2017 are the same as those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 March 2017.

The following accounting policy on modification of terms of convertible note was newly applied by the Group.

Modification of terms of convertible note

When the Group modifies the terms of convertible note, the equity portion of the original convertible note is transferred to accumulated profits in equity.

1. 一般資料及編製基準

高山企業有限公司(「本公司」；本公司及其附屬公司稱為「本集團」)之簡明綜合財務報表乃根據香港會計師公會(「香港會計師公會」)所頒佈之香港會計準則(「香港會計準則」)第34號「中期財務報告」及香港聯合交易所有限公司(「聯交所」)證券上市規則附錄16適用之披露規定而編製。

本公司於百慕達註冊成立之獲豁免有限公司，其股份於聯交所上市。

本公司為永義國際集團有限公司(「永義國際」)之聯營公司，一間於百慕達註冊成立為獲豁免之有限公司而其股份亦於聯交所上市。於2017年9月30日，永義國際持有本公司已發行股本之20.44%(2017年3月31日：23.92%)

2. 主要會計政策

簡明綜合財務報表除投資物業及若干金融工具以公平值計量外(如適用)，乃根據歷史成本法編製。

除下列所述者外，截至2017年9月30日止六個月之簡明綜合財務報表所採納之會計政策及計算方法與本集團編製截至2017年3月31日止年度之全年綜合財務報表所採用者相同。

以下有關更改可換股票據條款之會計政策亦為本集團新訂應用。

更改可換股票據條款

當本集團更改可換股票據條款時，原有可換股票據之權益成分將轉撥至權益中之累計溢利。

Notes To The Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註(續)

For the six months ended 30 September 2017

截至2017年9月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Modification of terms of convertible note (continued)

When an existing financial liability's terms are modified and such modification results in the discounted present value of the cash flows under the new terms including any fees paid net of any fees received is at least 10 per cent different from the discounted present values of the remaining cash flows of the original financial liability, it is accounted for as an extinguishment of the original financial liability and a recognition of a new financial liability or equity instrument or compound instrument with the difference, being the carrying amount of the financial liability extinguished and the fair value of the financial liability, equity instrument, compound instrument issued and/or hybrid instrument, recognised in profit or loss.

In the current interim period, the Group has applied, for the first time, the following amendments to Hong Kong Financial Reporting Standards ("HKFRSs") issued by the HKICPA that are relevant for the preparation of the Group's condensed consolidated financial statements:

| | |
|-----------------------|--|
| Amendments to HKAS 7 | Disclosure initiative |
| Amendments to HKAS 12 | Recognition of deferred tax assets for unrealised losses |
| Amendments to HKAS 12 | As part of annual improvements to HKFRSs 2014-2016 cycle |

Amendments to HKAS 7 "Disclosure initiative"

The amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities including both changes arising from cash flows and non-cash changes. Specially, the amendments require the following changes in liabilities arising from financing activities to be disclosed: (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair values; and (v) other changes.

The application of the amendments will result in additional disclosures on the Group's financing activities, specifically reconciliation between the opening and closing balances in the consolidated statement of financial position for liabilities arising from financing activities will be provided on application.

2. 主要會計政策(續)

更改可換股票據條款(續)

當現有金融負債條款更改及該更改導致根據包括扣除任何已收費用之任何已付費用之新條款下之現金流量貼現值與原有金融負債餘下之現金流量貼現值有最少10百分率差異時，將以取消原有金融負債及確認新的金融負債或權益工具或複合工具記賬，已取消金融負債之賬面值及金融負債、權益工具、已發行複合工具及/或混合工具之公平值差異將於損益內確認。

於本中期，本集團首次應用香港會計師公會所頒佈之以下與編製本集團之簡明綜合財務報表有關之香港財務報告準則修訂本：

| | |
|-----------------------|--------------------------------------|
| 香港會計準則 第7號(修訂本) | 披露計劃 |
| 香港會計準則 第12號 | 就未實現虧損確認的 遞延稅項資產 |
| 香港財務報告準則 第12號(修訂本) | 香港財務報告準則 2014年至2016年 週期之部分年度改善 |

香港會計準則第7號(修訂本)[披露計劃]

該等修訂本規定實體提供披露事項以使財務報表使用者可評估因融資活動而產生之負債變動，包括現金流量產生之變動及非現金變動。具體而言，該等修訂本規定披露以下因融資活動而產生之負債變動：(i) 融資現金流量產生之變動；(ii) 取得或失去附屬公司或其他業務控制權產生之變動；(iii) 外幣匯率變動之影響；(iv) 公平值變動；及(v) 其他變動。

應用該等修訂本將導致本集團融資活動之額外披露，特別是於應用時將於綜合財務狀況表提供因融資活動而產生之期初與期末負債結餘對賬。

Notes To The Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註(續)

For the six months ended 30 September 2017

截至2017年9月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Amendments to HKAS 7 “Disclosure initiative” (continued)

The adoption has no impact on these condensed consolidated financial statements but will result in relevant disclosures in the Group’s annual consolidated financial statements for the year ending 31 March 2018.

The application of the other amendments to HKFRSs in the current interim period has had no material effect on the amounts reported and/or disclosures set out in these condensed consolidated financial statements.

3. SEGMENT INFORMATION

Information reported to the Group’s chief executive officer, being the chief operating decision maker (the “CODM”), for the purposes of resources allocation and assessment of segment performance focuses on types of goods delivered or services provided. This is also the basis of organisation, whereby the management has chosen to organise the Group around differences in products and services.

The Group’s operating and reportable segments under HKFRS 8 “Operating segments” are: (a) property investment, (b) property development, (c) investment in securities and (d) loan financing.

In the current interim period, the directors judge that the previous garment sourcing and exporting segment is no longer an operating and reportable segment in accordance with HKFRS 8. As a result of the changes to reportable segments and segment presentation, the segment revenue and result for the six months ended 30 September 2016 and segment assets and liabilities as at 31 March 2017 have been re-presented to conform to the revised presentation. Segment profit amounting to HK\$23,000, including segment revenue amounting to HK\$195,000 and segment expenses amounting to HK\$172,000, is reclassified to “unallocated corporate income” and “unallocated expenses”, respectively, in the segment result for the six months ended 30 September 2016. Segment assets and liabilities under the garment sourcing and exporting segment as at 31 March 2017 are grouped into “other” and “unallocated”, respectively, under the revised segment reporting.

2. 主要會計政策(續)

香港會計準則第7號(修訂本)「披露計劃」(續)

採納該等修訂本對本簡明綜合財務報表並無影響但將使本集團於截至2018年3月31日止年度之年度綜合財務報表中作出相關披露。

於本中期應用其他香港財務報告準則修訂本對於本簡明綜合財務報表所呈報之金額及／或披露並無重大影響。

3. 分部資料

就資源分配及分部表現評估而言，呈報給本集團之主要經營決策者(「主要經營決策者」)，為首席行政總裁之資料，乃集中於貨品交付或服務提供之種類。此亦為組織之基準，管理層選擇以此來組織本集團產品及服務之差異。

根據香港財務報告準則第8號「經營分部」，本集團之經營及呈報分部為：(a)物業投資、(b)物業發展、(c)證券投資及(d)貸款融資。

於本中期，董事根據香港財務報告準則第8號判斷採購及出口成衣分部不再為經營及呈報分部。由於呈報分部及分部呈列之改變，截至2016年9月30日止六個月之分部營業額及業績及於2017年3月31日之分部資產及負債已重新呈列以符合更改後之呈列。於截至2016年9月30日止六個月之分部業績內，分部溢利23,000港元，包括分部營業額195,000港元及分部開支172,000港元分別重新分類至「無分配公司收入」及「無分配開支」。於經修訂之分部呈報內，於2017年3月31日之採購及出口成衣分部之分部資產及分部負債已分別歸類為「其他」及「無分配」。

Notes To The Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註(續)

For the six months ended 30 September 2017

截至2017年9月30日止六個月

3. SEGMENT INFORMATION (continued)

The following is an analysis of the Group's revenue and results by operating and reportable segment for the period under review:

For the six months ended 30 September 2017

| | | Property investment 物業投資 HK\$'000 千港元 (Unaudited) (未經審核) | Property development 物業發展 HK\$'000 千港元 (Unaudited) (未經審核) | Investment in securities 證券投資 HK\$'000 千港元 (Unaudited) (未經審核) | Loan financing 貸款融資 HK\$'000 千港元 (Unaudited) (未經審核) | Consolidated 綜合 HK\$'000 千港元 (Unaudited) (未經審核) |
|--------------------------------|-------------|---|--|--|--|--|
| Segment revenue External | 分部營業額 外來 | 16,154 | — | — | 8,718 | 24,872 |
| Segment profit (loss) | 分部溢利(虧損) | 14,231 | (4,877) | (1,828) | 8,565 | 16,091 |
| Other gains and losses | 其他收益及虧損 | | | | | 637 |
| Other expenses | 其他開支 | | | | | (21) |
| Finance costs | 融資成本 | | | | | (16,258) |
| Unallocated corporate income | 無分配之公司收入 | | | | | 1,507 |
| Unallocated corporate expenses | 無分配之公司開支 | | | | | (6,137) |
| Loss before taxation | 除稅前虧損 | | | | | (4,181) |

3. 分部資料(續)

回顧本期間按經營及呈報分部劃分本集團之營業額及業績之分析如下：

截至2017年9月30日止六個月

For the six months ended 30 September 2016

截至2016年9月30日止六個月

| | | Property investment 物業投資 HK\$'000 千港元 (Unaudited) (未經審核) | Property development 物業發展 HK\$'000 千港元 (Unaudited) (未經審核) | Investment in securities 證券投資 HK\$'000 千港元 (Unaudited) (未經審核) | Loan financing 貸款融資 HK\$'000 千港元 (Unaudited) (未經審核) | Consolidated 綜合 HK\$'000 千港元 (Unaudited and restated) (未經審核 及經重列) |
|--------------------------------|-------------|---|--|--|--|--|
| Segment revenue External | 分部營業額 外來 | 14,708 | — | — | 1,676 | 16,384 |
| Segment (loss) profit | 分部(虧損)溢利 | (19,012) | (337) | (9,641) | 1,619 | (27,371) |
| Other gains and losses | 其他收益及虧損 | | | | | (178) |
| Other expenses | 其他開支 | | | | | (44) |
| Finance costs | 融資成本 | | | | | (8,053) |
| Unallocated corporate income | 無分配之公司收入 | | | | | 3,445 |
| Unallocated corporate expenses | 無分配之公司開支 | | | | | (4,438) |
| Loss before taxation | 除稅前虧損 | | | | | (36,639) |

Notes To The Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註(續)

For the six months ended 30 September 2017

截至2017年9月30日止六個月

3. SEGMENT INFORMATION (continued)

Segment profit (loss) represents the result of each segment without allocation of other gains and losses, other expenses, finance costs, and unallocated corporate income and expenses. This is the measure reported to the Group's CODM for the purposes of resource allocation and performance assessment.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating and reportable segment:

3. 分部資料(續)

分類溢利(虧損)乃指各分部之業績，當中沒有分配其他收益及虧損、其他開支、融資成本及無分配之公司收入及開支。用以向本集團之主要經營決策者，作為資源分配及表現評估之參考。

分部資產及負債

按經營及呈報分部分析本集團之資產及負債如下：

| | | 30 September 9月30日 2017 HK\$'000 千港元 (Unaudited) (未經審核) | 31 March 3月31日 2017 HK\$'000 千港元 (Audited and restated) (經審核 及經重列) |
|--|---------------|--|---|
| Segment assets | 分部資產 | | |
| Property investment | 物業投資 | 1,391,296 | 1,357,950 |
| Property development | 物業發展 | 1,415,991 | 1,049,590 |
| Investment in securities | 證券投資 | 178,703 | 163,329 |
| Loan financing | 貸款融資 | 240,419 | 265,523 |
| Total segment assets | 分部資產總額 | 3,226,409 | 2,836,392 |
| Other financial assets | 其他金融資產 | — | 53,980 |
| Bank deposits with original maturity of more than three months | 超過三個月到期之銀行存款 | — | 103,606 |
| Bank balances and cash | 銀行結餘及現金 | 343,822 | 409,884 |
| Others | 其他 | 3,458 | 3,788 |
| Consolidated assets | 綜合資產 | 3,573,689 | 3,407,650 |

Notes To The Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註(續)

For the six months ended 30 September 2017

截至2017年9月30日止六個月

3. SEGMENT INFORMATION (continued)

Segment assets and liabilities (continued)

| | | 30 September 9月30日 2017 HK\$'000 千港元 (Unaudited) (未經審核) | 31 March 3月31日 2017 HK\$'000 千港元 (Audited and restated) (經審核 及經重列) |
|----------------------------|-------------|--|---|
| Segment liabilities | 分部負債 | | |
| Property investment | 物業投資 | 25,006 | 21,095 |
| Property development | 物業發展 | 58,346 | 22,743 |
| Investment in securities | 證券投資 | 135 | 90 |
| Loan financing | 貸款融資 | 182 | 107 |
| Total segment liabilities | 分部負債總額 | 83,669 | 44,035 |
| Secured bank borrowings | 有抵押銀行借貸 | 808,868 | 779,700 |
| Convertible notes | 可換股票據 | 69,788 | 95,801 |
| Unallocated | 無分配 | 44,825 | 35,961 |
| Consolidated liabilities | 綜合負債 | 1,007,150 | 955,497 |

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

- all assets are allocated to operating and reportable segments other than other financial assets, bank deposits with original maturity of more than three months, bank balances and cash and assets used jointly by operating and reportable segments.
- all liabilities are allocated to operating and reportable segments other than secured bank borrowings, liability portion of convertible notes and liabilities for which operating and reportable segments are jointly liable.

3. 分部資料(續)

分部資產及負債(續)

| | | 30 September 9月30日 2017 HK\$'000 千港元 (Unaudited) (未經審核) | 31 March 3月31日 2017 HK\$'000 千港元 (Audited and restated) (經審核 及經重列) |
|----------------------------|-------------|--|---|
| Segment liabilities | 分部負債 | | |
| Property investment | 物業投資 | 25,006 | 21,095 |
| Property development | 物業發展 | 58,346 | 22,743 |
| Investment in securities | 證券投資 | 135 | 90 |
| Loan financing | 貸款融資 | 182 | 107 |
| Total segment liabilities | 分部負債總額 | 83,669 | 44,035 |
| Secured bank borrowings | 有抵押銀行借貸 | 808,868 | 779,700 |
| Convertible notes | 可換股票據 | 69,788 | 95,801 |
| Unallocated | 無分配 | 44,825 | 35,961 |
| Consolidated liabilities | 綜合負債 | 1,007,150 | 955,497 |

就分部表現監控及分部間之資源分配而言：

- 除其他金融資產、超過三個月到期之銀行存款、銀行結餘及現金及經營及呈報分部共同使用之資產外，所有資產已分配至經營及呈報分部。
- 除有抵押銀行借貸、可換股票據負債成分及經營及呈報分部共同承擔之負債外，所有負債已分配至經營及呈報分部。

Notes To The Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註(續)

For the six months ended 30 September 2017

截至2017年9月30日止六個月

4. LOSS BEFORE TAXATION

4. 除稅前虧損

| | | Six months ended 30 September 截至9月30日 止六個月 | |
|--|-------------------------|---|--|
| | | 2017 HK\$'000 千港元 (Unaudited) (未經審核) | 2016 HK\$'000 千港元 (Unaudited) (未經審核) |
| Loss before taxation has been arrived at after charging (crediting): | 除稅前虧損已扣除(計入): | | |
| Interest on bank borrowings | 銀行借貸利息 | 10,176 | 2,072 |
| Less: Amount capitalised in the cost of qualifying assets | 減: 於合資格資產之成本資本化之金額 | (3,485) | — |
| | | 6,691 | 2,072 |
| Effective interest expense on convertible notes | 可換股票據之實際利息開支 | 9,567 | 5,981 |
| | | 16,258 | 8,053 |
| Depreciation of property, plant and equipment | 物業、廠房及設備之折舊 | 492 | 86 |
| Net exchange (gain) loss (included in other gains and losses) | 匯兌(收益)虧損淨額(包括在其他收益及虧損內) | (419) | 178 |
| Total staff costs (including directors' emoluments) | 職工成本總額(包含董事酬金) | 7,405 | 7,169 |
| and after crediting to other income: | 已計入其他收入 | | |
| Bank and other interest income | 銀行及其他利息收入 | (1,422) | (3,150) |
| Dividend income from listed investments | 來自上市投資之股息收入 | (4,129) | (4,016) |
| Gain on disposal of available-for-sale investments | 出售可供出售投資收益 | (25) | — |
| Gain on disposal of property, plant and equipment | 出售物業、廠房及設備收益 | (7) | — |

Notes To The Condensed Consolidated Financial Statements *(continued)*

簡明綜合財務報表附註(續)

For the six months ended 30 September 2017

截至2017年9月30日止六個月

5. TAXATION

5. 稅項

| | | Six months ended 30 September 截至9月30日 止六個月 | |
|---|---------------|---|--|
| | | 2017 HK\$'000 千港元 (Unaudited) (未經審核) | 2016 HK\$'000 千港元 (Unaudited) (未經審核) |
| The tax credit (charge) comprises: | 稅項計入(開支)包含： | | |
| Current tax: | 本期稅項： | | |
| Hong Kong | 香港 | (661) | (102) |
| Other jurisdiction | 其他司法 | (47) | — |
| | | (708) | (102) |
| Overprovision of Hong Kong Profits Tax in prior periods | 過往期間超額撥備香港利得稅 | 133 | 114 |
| Deferred tax (note 19) | 遞延稅項(附註19) | 2,301 | 1,429 |
| | | 1,726 | 1,441 |

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both periods.

香港利得稅乃根據兩個期間之估計應課稅溢利之16.5%計算。

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the subsidiaries in the People's Republic of China (the "PRC") is 25%.

根據中華人民共和國企業所得稅法(「企業所得稅法」)及企業所得稅法之實施條例，於中華人民共和國(「中國」)之附屬公司之稅率為25%。

No provision for PRC Enterprise Income Tax has been made as the assessable profit is wholly absorbed by tax losses brought forward for both periods.

因應課稅溢利於兩個期間內均被承前稅項虧損全數抵銷，故不計提中國企業所得稅撥備。

Taxation arising in other jurisdiction is calculated at the rate prevailing in the relevant jurisdiction.

其他司法引伸之稅項乃按相關司法之現行稅率計算。

Notes To The Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註(續)

For the six months ended 30 September 2017

截至2017年9月30日止六個月

6. BASIC AND DILUTED LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to owners of the Company is based on the following data:

| | | Six months ended 30 September 截至9月30日 止六個月 | |
|--|--------------------------|---|--|
| | | 2017 HK\$'000 千港元 (Unaudited) (未經審核) | 2016 HK\$'000 千港元 (Unaudited) (未經審核) |
| Loss for the purpose of basic and diluted loss per share | 就每股基本及攤薄虧損而言之虧損 | (2,455) | (35,198) |
| | | Number of shares 股份數目 | |
| Weighted average number of ordinary shares for the purpose of basic and diluted loss per share | 就每股基本及攤薄虧損而言之加權平均普通股股份數目 | 2,043,252,824 | 1,144,134,428 |

The computation of diluted loss per share for the six months ended 30 September 2017 does not assume the exercise of the Company's outstanding share options as the exercise would result in a decrease in loss per share.

Diluted loss per share for the six months ended 30 September 2017 and 2016 are the same as basic loss per share as conversion of the Company's outstanding convertible notes would result in a decrease in loss per share.

7. PROPERTY, PLANT AND EQUIPMENT

During the current interim period, the Group spent HK\$1,120,000 (six months ended 30 September 2016: nil) on acquisition of property, plant and equipment.

6. 每股基本及攤薄虧損

本公司股東應佔之每股基本及攤薄虧損乃根據以下資料計算：

| | | Six months ended 30 September 截至9月30日 止六個月 | |
|--|-----------------|---|--|
| | | 2017 HK\$'000 千港元 (Unaudited) (未經審核) | 2016 HK\$'000 千港元 (Unaudited) (未經審核) |
| Loss for the purpose of basic and diluted loss per share | 就每股基本及攤薄虧損而言之虧損 | (2,455) | (35,198) |

| | | Number of shares 股份數目 | |
|--|--------------------------|--------------------------|---------------|
| Weighted average number of ordinary shares for the purpose of basic and diluted loss per share | 就每股基本及攤薄虧損而言之加權平均普通股股份數目 | 2,043,252,824 | 1,144,134,428 |

於計算截至2017年9月30日止六個月之每股攤薄虧損時並沒有假設行使本公司尚未行使之購股權會因其行使導致每股虧損減少。

截至2017年及2016年9月30日止六個月之每股攤薄虧損與每股基本虧損相同，因兌換本公司之尚未兌換之可換股票據將導致每股虧損減少。

7. 物業、廠房及設備

於本中期間，本集團用於購入物業、廠房及設備之款項為1,120,000港元(截至2016年9月30日止六個月：無)。

Notes To The Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註(續)

For the six months ended 30 September 2017

截至2017年9月30日止六個月

8. INVESTMENT PROPERTIES

8. 投資物業

| | | 2017 | | | 2016 | | |
|--|-----------------|---------------------------------|---|-----------|---------------------------------|---|-----------|
| | | Completed investment properties | Investment properties under development | Total | Completed investment properties | Investment properties under development | Total |
| | | 已完成投資物業 | 發展中投資物業 | 總額 | 已完成投資物業 | 發展中投資物業 | 總額 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| At 1 April (audited) | 於4月1日(經審核) | 1,292,354 | 28,015 | 1,320,369 | 1,302,977 | 30,339 | 1,333,316 |
| Exchange adjustments | 匯兌調整 | 7,827 | 824 | 8,651 | (9,075) | (947) | (10,022) |
| Additions | 添置 | — | 10,519 | 10,519 | — | 8,525 | 8,525 |
| Transfer | 轉撥 | 28,611 | (28,611) | — | — | — | — |
| (Decrease) increase in fair value recognised in profit or loss | 於損益確認之公平值(減少)增加 | 83 | 1,930 | 2,013 | (20,229) | (2,564) | (22,793) |
| At 30 September (unaudited) | 於9月30日(未經審核) | 1,328,875 | 12,677 | 1,341,552 | 1,273,673 | 35,353 | 1,309,026 |

All of the Group's leasehold interests in land held under operating leases to earn rentals are measured using the fair value model and are classified and accounted for as investment properties.

本集團所有於經營租約項下賺取租金之土地租約權益乃公平值模式計量及分類為投資物業列賬。

The fair values of the Group's investment properties at the end of the reporting periods were arrived at on the basis of valuation carried out as at these dates by the following independent firms of qualified professional property valuers not connected with the Group:

本集團投資物業於報告期末之公平值乃按以下與本集團沒有關連之獨立合資格專業物業估值師行於該等日期進行估值之基準釐定：

| Name of valuer 估值師行名稱 | Location of investment properties 投資物業之所在地 | Carrying amount 賬面值 | |
|--|---|---|--|
| | | 30 September 2017 HK\$'000 千港元 (Unaudited) (未經審核) | 31 March 2017 HK\$'000 千港元 (Audited) (經審核) |
| Vigers Appraisal and Consulting Limited 威格斯資產評估顧問有限公司 | Hong Kong 香港 | 918,049 | 910,903 |
| Vigers Appraisal and Consulting Limited 威格斯資產評估顧問有限公司 | PRC 中國 | 278,204 | 267,168 |
| Edmund Tie & Company (SEA) Pte Ltd | Singapore 新加坡 | 145,299 | 142,298 |
| | | 1,341,552 | 1,320,369 |

Notes To The Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註(續)

For the six months ended 30 September 2017

截至2017年9月30日止六個月

8. INVESTMENT PROPERTIES (continued)

The fair value of completed investment properties in Hong Kong amounting to HK\$918,049,000 (31 March 2017: HK\$910,903,000) was arrived at by reference to market evidence of recent transaction prices for similar properties, price per net saleable area and estimated construction and professional cost to complete.

The fair values of completed investment properties and investment properties under development in the PRC amounting to HK\$265,527,000 and HK\$12,677,000 (31 March 2017: HK\$239,153,000 and HK\$28,015,000), respectively, were arrived at by reference to net rental income allowing for reversionary income potential using the applicable market yields for respective locations and types of properties. The valuation of investment properties under development in the PRC also takes into account of the stage of completion of these properties and estimated construction and professional cost to compete at the end of the reporting periods. As at 30 September 2017, certain investment properties under development are in final stage according to the construction plan.

The fair value of completed investment properties in Singapore amounting to HK\$145,299,000 (31 March 2017: HK\$142,298,000) was arrived at by reference to market evidence of recent transaction prices for similar properties.

9. LOANS RECEIVABLE

| | |
|-----------------------------|--------|
| Fixed rate loans receivable | 定息應收貸款 |
| Analysed as: | 分析為： |
| Current portion | 流動部分 |
| Non-current portion | 非流動部分 |

At 30 September 2017, the range of interest rate on the Group's loans receivable is 4% to 8% per annum (31 March 2017: 4% to 8% per annum).

8. 投資物業(續)

於香港之已完成投資物業之公平值為918,049,000港元(2017年3月31日：910,903,000港元)乃參考同類型物業之近期成交價格之市場情況、每平方尺價格及估計至完成之建築及專業成本釐定。

於中國之已完成投資物業及發展中投資物業之公平值分別為265,527,000港元及12,677,000港元(2017年3月31日：239,153,000港元及28,015,000港元)乃參考採用適用市場收益之相關地區及物業類型之歸屬潛在收入得出之租金收入淨額。於中國之發展中投資物業之估值亦已考慮此等物業於報告期末之完成階段及估計至完成之建築及專業成本。於2017年9月30日，若干發展中投資物業根據建築計劃已進入最後階段。

於新加坡投資物業之公平值為145,299,000港元(2017年3月31日：142,298,000港元)乃參考同類型物業之近期成交價格之市場情況釐定。

9. 應收貸款

| | 30 September 9月30日 2017 HK\$'000 千港元 (Unaudited) (未經審核) | 31 March 3月31日 2017 HK\$'000 千港元 (Audited) (經審核) |
|-----------------------------|--|---|
| Fixed rate loans receivable | 239,447 | 264,395 |
| Analysed as: | | |
| Current portion | 205,557 | 220,069 |
| Non-current portion | 33,890 | 44,326 |
| | 239,447 | 264,395 |

於2017年9月30日，本集團之應收貸款每年利率介乎4%至8%(2017年3月31日：每年4%至8%)。

Notes To The Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註(續)

For the six months ended 30 September 2017

截至2017年9月30日止六個月

9. LOANS RECEIVABLE (continued)

Before granting loans to outsiders, the Group assesses the potential borrower's credit quality and defines credit limits granted to each borrower. The credit limits attributed to the borrowers are reviewed by the management regularly. The Group has a policy for assessing the impairment on loans receivable on an individual basis. The assessment also includes evaluation of collectability of accounts and management's judgment, including the financial background, current creditworthiness, collateral and past collection history of each borrower.

In determining the recoverability of loans receivable, the Group considers any change in the credit quality of the loans receivable from the date credit was initially granted up to the reporting date. This includes assessing the credit history of the borrowers, such as financial difficulties or default in payments, and current market conditions.

The management closely monitors the credit quality of loans receivable and considers loans receivable amounting to HK\$239,447,000 at 30 September 2017 (31 March 2017: HK\$264,395,000) that are neither past due nor impaired to be of good credit quality and no impairment loss was identified. At 30 September 2017 and 31 March 2017, no loans receivable are past due at the end of the reporting period for which the Group has not provided for impairment loss.

No ageing analysis is disclosed, as in the opinion of the directors of the Company, the ageing analysis does not give additional value in view of the nature of business of loan financing.

10. AVAILABLE-FOR-SALE INVESTMENTS

9. 應收貸款(續)

在授出貸款予外來者前，本集團評估潛在借款人之信貸質素及釐定授予每位借款人之信貸額。管理層定期檢討借款人之信貸額。本集團按個別基準之政策評估應收貸款之減值。該評估亦包括賬戶可收回狀況之評估及就包括每名借款人之財務背景、現時信譽、抵押及過往收回歷史之管理層之判斷。

於釐定應收貸款之可收回狀況，本集團考慮應收貸款自最初授出信貸直至報告日期之信貸質素之任何改變。當中包括評估借款人之信貸歷史，如財務困難或違約還款，及現時市場狀況。

管理層緊密監控應收貸款之信貸質素，認為於2017年9月30日沒有過期及減值之應收貸款239,447,000港元(2017年3月31日：264,395,000港元)為有良好信貸質素及並無減值虧損。於2017年9月30日及2017年3月31日，本集團於報告期末並無應收貸款過期，故無計提減值虧損。

不披露賬齡分析，因本公司董事認為，就貸款融資業務性質而言，賬齡分析並沒有額外價值。

10. 可供出售投資

| | | 30 September 9月30日 2017 HK\$'000 千港元 (Unaudited) (未經審核) | 31 March 3月31日 2017 HK\$'000 千港元 (Audited) (經審核) |
|---|--------------------|---|--|
| Equity securities listed in Hong Kong, at market value | 於香港上市之股本證券， 按市值 | 174,210 | 158,541 |

Notes To The Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註(續)

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截至2017年9月30日止六個月

11. PROPERTIES HELD FOR DEVELOPMENT FOR SALE

At 30 September 2017, the amount of properties held for development for sale which is expected to be completed more than twelve months after the end of the reporting period is HK\$699,944,000 (31 March 2017: HK\$1,035,792,000).

12. TRADE AND OTHER RECEIVABLES

The Group did not grant any credit period to its tenants in property investment segment. The aged analysis of trade receivables, based on the invoice date, at the end of the reporting period is as follows:

11. 持作出售發展物業

於2017年9月30日，本集團之持作出售發展物業之金額預期於報告期末後超過十二個月內完成為699,944,000港元(2017年3月31日：1,035,792,000港元)。

12. 貿易及其他應收款項

本集團沒有給予於物業投資分部之租戶賒帳期。於報告期末，根據發票日期，貿易應收款項之賬齡分析如下：

| | | 30 September 9月30日 2017 HK\$'000 千港元 (Unaudited) (未經審核) | 31 March 3月31日 2017 HK\$'000 千港元 (Audited) (經審核) |
|----------------------------------|---------------|--|---|
| Trade receivables: | 貿易應收款項： | | |
| 0 – 60 days | 0 – 60日 | 1,913 | 1,946 |
| 61 – 90 days | 61 – 90日 | — | 4 |
| Prepayments (note (a)) | 預付款(附註(a)) | 1,913 | 1,950 |
| Interest receivable | 應收利息 | 1,057 | 1,398 |
| Refundable stamp duty (note (b)) | 可退回印花稅(附註(b)) | 28,463 | 28,463 |
| Other receivables | 其他應收款項 | 1,032 | 3,183 |
| | | 52,357 | 40,171 |

Notes:

- (a) At 30 September 2017, the amount includes consultant fee of a property redevelopment project, amounting to HK\$18,599,000 (31 March 2017: HK\$2,000), which will be reclassified to “properties held for development for sale” when the property redevelopment project commences.
- (b) In accordance with the provisions of the Hong Kong Stamp Duty Ordinance, the Group will apply for refund of the stamp duty paid when the property redevelopment project commences. The amount is included in the Group’s current assets in the condensed consolidated statement of financial position as it is expected that the refund of stamp duty will be received within the Group’s normal operating cycle.

附註：

- (a) 於2017年9月30日，該金額包括物業重建項目之顧問費18,599,000港元(2017年3月31日：2,000港元)，當物業重建項目展開時將重新分類為「持作出售發展物業」。
- (b) 根據香港印花稅法例之條款，當物業重建項目展開時，本集團將申請退回已支付印花稅。此金額包括在本集團簡明綜合財務狀況表內之流動資產內因預期印花稅退款將於本集團之正常營運週期收回。

Notes To The Condensed Consolidated Financial Statements *(continued)*

簡明綜合財務報表附註(續)

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12. TRADE AND OTHER RECEIVABLES

(continued)

Notes: *(continued)*

- (c) Information about the property redevelopment project referred to in (a) and (b) above is set out in the circular of the Company dated 12 September 2017 and an announcement of the Company dated 29 September 2017.

13. OTHER FINANCIAL ASSETS

At 31 March 2017, other financial assets included principal protected deposits denominated in Renminbi issued by banks in the PRC. The principal protected deposits contain embedded derivative, the interest rate of which is determined with reference to the exchange rate of United States dollars ("US\$") against Hong Kong dollars ("HK\$") and ranges from 1.40% to 3.48% per annum with original maturity of three months. The principal protected deposits are designated as at fair value through profit or loss at initial recognition. There is no principal protected deposit of similar nature at 30 September 2017.

14. BANK DEPOSITS WITH ORIGINAL MATURITY OF MORE THAN THREE MONTHS

At 31 March 2017, the Group placed time deposits amounting to US\$13,351,000 (equivalent to approximately HK\$103,606,000) (30 September 2017: nil) with a financial institution in Hong Kong with original maturity of more than three months. They carried interest at a fixed rate of 1.28% per annum.

15. BANK BALANCES AND CASH

Cash and cash equivalents represent cash and bank balances with an original maturity of three months or less.

12. 貿易及其他應收款項(續)

附註：(續)

- (c) 有關以上(a)及(b)所述物業重建項目之詳情已載列於本公司日期為2017年9月12日之通函及本公司日期為2017年9月29日之公佈。

13. 其他金融資產

於2017年3月31日，其他金融資產包括於中國的銀行發行以人民幣列值之保本存款。保本存款包含內含衍生項目，息率之釐定乃參考美元(「美元」)兌港元(「港元」)之兌換率及年利率由介乎1.40%至3.48%及三個月到期。保本存款於初次確認時介定為按公平值計入損益。於2017年9月30日並無類似性質之保本存款。

14. 超過三個月到期之銀行存款

於2017年3月31日，本集團與一間香港金融機構做款額為13,351,000美元(等值約103,606,000港元)(2017年9月30日：無)超過三個月到期之定期存款。其固定年息率為1.28%。

15. 銀行結餘及現金

現金及等同現金代表現金及不超過三個月到期之銀行結餘。

Notes To The Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註(續)

For the six months ended 30 September 2017

截至2017年9月30日止六個月

16. TRADE AND OTHER PAYABLES

The aged analysis of trade payables, based on the invoice date, at the end of the reporting period is as follows:

16. 貿易及其他應付款項

於報告期末，根據發票日期，貿易應付款項之賬齡分析如下：

| | | 30 | 31 |
|--|-------------|--------------------|-----------|
| | | September | March |
| | | 9月30日 | 3月31日 |
| | | 2017 | 2017 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| | | (Unaudited) | (Audited) |
| | | (未經審核) | (經審核) |
| Trade payables: | 貿易應付款項： | | |
| 0 – 60 days | 0 – 60日 | 39,672 | 7,213 |
| Over 90 days | 超過90日 | 16 | — |
| | | 39,688 | 7,213 |
| Retention payables | 應付保修金 | 13,038 | 6,233 |
| Rental deposits received and rental received in advance | 已收租金按金及預收租金 | | |
| Accruals | 預提費用 | 14,055 | 11,712 |
| Convertible note interest payable | 可換股票據應付利息 | 12,132 | 13,598 |
| Other taxes payable | 其他應付稅項 | 12 | 3,105 |
| Other payables | 其他應付款項 | 4,946 | 5,802 |
| | | 2,514 | 1,049 |
| | | 86,385 | 48,712 |

17. CONVERTIBLE NOTES CONTAINING LIABILITY AND EQUITY COMPONENTS

- (a) On 27 March 2014, the Company issued 2% convertible note due 2019 at an aggregate principal amount of HK\$100,000,000 to Easyknit International (the “2014 Convertible Note”).

The 2014 Convertible Note is denominated in HK\$ and entitles the holder to convert it into ordinary shares of the Company at any time between the date of issue of the 2014 Convertible Note on 27 March 2014 and its settlement date on 27 March 2019 at a conversion price of HK\$0.68 per conversion share (subject to anti-dilutive adjustments). On 3 April 2014 and 29 August 2014, the conversion rights attaching to the 2014 Convertible Note were partially exercised for HK\$20,000,000 and HK\$60,000,000, respectively, and a total of 122,869,707 conversion shares were issued upon conversion. Pursuant to the adjustment provisions in the terms and conditions of the 2014 Convertible Note, adjustments have since been made to the conversion price of the 2014 Convertible Note in a number of instances. The last adjusted conversion price is HK\$22.72 per conversion share with effect from 9 October 2015. On 30 September 2017, the 2014 Convertible Note with principal amount of HK\$20,000,000 remained outstanding. Assuming full conversion of the 2014 Convertible Note at an adjusted conversion price of HK\$22.72 at 30 September 2017, the 2014 Convertible Note will be convertible into 880,281 new ordinary shares of HK\$0.01 each in the share capital of the Company.

Conversion shares will be allotted and issued upon exercise of the conversion rights. If the 2014 Convertible Note is not converted during the conversion period up to the maturity date, it will be redeemed on the maturity date at par with outstanding accrued interest. Interest of 2% per annum will be paid semi-annually in arrears up until the settlement date.

The 2014 Convertible Note contains two components, liability and equity elements. The equity component is presented in equity heading “convertible note equity reserve”. The effective interest rate of the liability component of the 2014 Convertible Note is 16.98% per annum at the date of initial recognition.

17. 可換股票據包含負債及權益成分

- (a) 於2014年3月27日，本公司以本金總額100,000,000港元發行於2019年到期的2%可換股票據予永義國際(「2014年可換股票據」)。

2014年可換股票據以港元列值及持有人享有以每股兌換股份0.68港元之兌換價(需按反稀釋調整改變)，於2014年3月27日之2014年可換股票據發行日及其於2019年3月27日之結算日期間之任何時間，兌換票據為本公司之普通股股份。於2014年4月3日及2014年8月29日，分別為20,000,000港元及60,000,000港元附帶於2014年可換股票據之換股權已獲部分行使，於兌換時發行總數122,869,707股兌換股份。根據2014年可換股票據之規則與條例內之調整條款，2014年可換股票據之兌換價已就若干情況予以調整，最後經調整之兌換價為每股22.72港元於2015年10月9日生效。於2017年9月30日，2014年可換股票據仍未償還本金額為20,000,000港元。假設以每股22.72港元之經調整兌換價，於2017年9月30日全面兌換2014年可換股票據，2014年可換股票據可兌換為本公司每股票面值0.01港元之880,281股新普通股股份。

於行使兌換權時將會配發及發行兌換股份。倘2014年可換股票據於兌換期間直至到期日並沒有兌換，則將於到期日以票面值連同尚未支付之已計提利息贖回。年息率2%之利息則每半年期末支付利息，直至結算日為止。

2014年可換股票據包含兩個成分，負債及權益成分。權益成分列於「可換股票據權益儲備」之權益。2014年可換股票據負債成分於初始確認日期時之實際利率為年息率為16.98%。

Notes To The Condensed Consolidated Financial Statements (continued)

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17. CONVERTIBLE NOTES CONTAINING LIABILITY AND EQUITY COMPONENTS

(continued)

- (b) On 12 June 2015, the Company issued 2% convertible note due 2017 at an aggregate principal amount of HK\$86,000,000 to Madian Star Limited (“Madian”), an independent third party (the “2015 Convertible Note”).

The 2015 Convertible Note is denominated in HK\$ and entitles the holder to convert it into ordinary shares of the Company at any time between the date of issue of the 2015 Convertible Note on 12 June 2015 and its settlement date on 12 June 2017 at a conversion price of HK\$0.85 per conversion share (subject to anti-dilutive adjustments). The holder may redeem the 2015 Convertible Note, at any time three months after the grant date, at 100% of the principal amount outstanding together with all interest accrued thereon up to and including the date of redemption. The Company may redeem the 2015 Convertible Note at its own discretion on any business day prior to the maturity date at 100% of the principal amount outstanding together with all interest accrued thereon up to and including the date of redemption. Pursuant to the adjustment provisions in the terms and conditions of the 2015 Convertible Note, adjustments have been made to the conversion price of the 2015 Convertible Note from HK\$0.85 per share to HK\$1.81 per share with effect from 9 October 2015 as a result of a capital reorganisation and the completion of the issue of rights share, and further to HK\$0.33 per share with effect from 7 January 2016 as a result of the entering into a deed of amendment to revise the conversion price which was approved by the shareholders at a special general meeting of the Company held on 7 January 2016.

17. 可換股票據包含負債及權益成分(續)

- (b) 於2015年6月12日，本公司以本金總額86,000,000港元發行於2017年到期之2%可換股票據予Madian Star Limited (「Madian」)，一名獨立第三方(「2015年可換股票據」)。

2015年可換股票據以港元列值及持有人享有以每股兌換股份0.85港元之兌換價(需按反稀釋調整改變)，於2015年6月12日之2015年可換股票據發行日及其於2017年6月12日之結算日期間之任何時間，兌換票據為本公司之普通股股份。持有人可在授予日期後三個月之任何時間，以100%未償還本金金額連同直至及包括贖回日期之所有應付未付利息予以贖回2015年可換股票據。本公司亦可按其意願在到期日前任何營業日期內，以100%未償還本金金額連同直至及包括贖回日期之所有應付未付利息予以贖回2015年可換股票據。根據2015年可換股票據之規則與條例內之調整條款，股本重組及完成供股導致2015年可換股票據之兌換價由2015年10月9日起由每股0.85港元調整至每股1.81港元，於2016年1月7日本公司舉行之特別週年大會股東批准簽訂更改兌換價之契約導致兌換價由2016年1月7日起進一步調整至每股0.33港元。

Notes To The Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註(續)

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截至2017年9月30日止六個月

17. CONVERTIBLE NOTES CONTAINING LIABILITY AND EQUITY COMPONENTS

(continued)

(b) (continued)

On 1 March 2017, the Company entered into the second deed of amendment with Madian to further revise the terms of the 2015 Convertible Note. According to the second deed of amendment, (i) the exercise period of the 2015 Convertible Note is revised from 2 years to 7 years (i.e. the settlement date is extended to 12 June 2022); (ii) the conversion price is revised from HK\$0.33 per conversion share to HK\$0.16 per conversion share; and (iii) the annual interest rate is revised from 2% to 3% and the interest will be payable semi-annually in arrears instead of in one lump sum on the settlement date. The second deed of amendment was approved by the shareholders at a special general meeting of the Company held on 26 April 2017. The modification of the terms was determined to be substantial and hence resulted in the extinguishment of the original liability component of the 2015 Convertible Note and the recognition of new liability and equity components (the "New 2015 Convertible Note"), resulting in a net loss on modification of terms of convertible note amounting to HK\$1,023,000 recognised in profit or loss.

On 30 September 2017, the New 2015 Convertible Note with principal amount of HK\$86,000,000 remained outstanding. Assuming full conversion of the New 2015 Convertible Note at a revised conversion price of HK\$0.16 at 30 September 2017, the New 2015 Convertible Note will be convertible into 537,500,000 new ordinary shares of HK\$0.01 each in the share capital of the Company.

Conversion shares will be allotted and issued upon exercise of the conversion rights. If the New 2015 Convertible Note is not converted during the revised conversion period up to the revised maturity date, it will be redeemed on the revised maturity date at par with outstanding accrued interest. Interest of 3% per annum as revised under the second deed of amendment will be paid semi-annually in arrears up until the revised settlement date.

Each of the 2015 Convertible Note and New 2015 Convertible Note contains liability component, equity component, and holder and issuer early redemption options. As the early redemption options are closely related to the host contract, they are not treated as separate derivatives. The equity component is presented in equity heading "convertible note equity reserve". The effective interest rate of the liability component of the New 2015 Convertible Note is 23.66% per annum at the date of initial recognition.

17. 可換股票據包含負債及權益成分(續)

(b) (續)

於2017年3月1日，本公司及Madian訂立第二份修訂契據以進一步修訂2015年可換股票據條款。根據第二份修訂契據，(i) 2015年可換股票據行使期由2年改為7年(即結算日延長至2022年6月22日)；(ii) 兌換價將由每股經修訂兌換股份0.33港元修訂為每股兌換股份0.16港元；及(iii) 利息年利率由2厘修訂為3厘及將按每半年期末支付一次而不是在結算日一次過支付。有關2015年可換股票據之第二份修訂契據已於2017年4月26日召開之本公司股東特別大會上通過普通決議案。該等條款之修訂已確定為重大並因此導致2015年可按股票據之原來負債部份失效及確認新負債及權益部份(「新2015可換股票據」)，產生1,023,000港元之更改可換股票據條款之淨虧損於損益表中確認。

於2017年9月30日，新2015年可換股票據仍未償還本金額為86,000,000港元。假設以每股0.16港元之經修訂兌換價，於2017年9月30日全面兌換新2015年可換股票據，新2015年可換股票據可兌換為本公司每股票面值0.01港元之537,500,000股新普通股股份。

於行使兌換權時將會配發及發行兌換股份。倘新2015年可換股票據於兌換期間直至經修訂到期日並沒有兌換，則將於到期日以票面值連同尚未支付之已計提利息贖回。根據第二份修訂契約經修訂年息率3%之利息將在每半年期末支付一次直至經修訂結算日為止。

2015年可換股票據及新2015年可換股票據包含負債成分、權益成分、與持有人及發行人提早贖回權。由於提早贖回權跟主體合約緊密關連，故不作獨立衍生工具處理。權益成分列於「新可換股票據權益儲備」之權益。新2015年可換股票據之負債成分於初始確認日期之實際利率為年息率為23.66%。

Notes To The Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註(續)

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17. CONVERTIBLE NOTES CONTAINING LIABILITY AND EQUITY COMPONENTS

(continued)

- (c) On 27 July 2016, the Company issued 2% convertible note due 2019 at an aggregate principal amount of HK\$50,000,000 to Able Merchant Limited, an independent third party (the “2016 Convertible Note”).

The 2016 Convertible Note is denominated in HK\$ and entitles the holder to convert it into ordinary shares of the Company at any time between the date of issue of the 2016 Convertible Note on 27 July 2016 and its settlement date on 27 July 2019 at a conversion price of HK\$0.225 per conversion share (subject to anti-dilutive adjustments). The holder may redeem the 2016 Convertible Note, at any time three months after the grant date, at 100% of the principal amount outstanding together with all interest accrued thereon up to and including the date of redemption. The Company may redeem the 2016 Convertible Note on any business day prior to the maturity date at 100% of the principal amount outstanding together with all interest accrued thereon up to and including the date of redemption. On 11 August 2016, 19 August 2016, 26 August 2016 and 7 November 2016, the conversion rights attaching to the 2016 Convertible Note were exercised for HK\$4,500,000, HK\$6,750,000, HK\$4,500,000 and HK\$34,250,000, respectively, and a total of 222,222,222 conversion shares were issued upon conversion. The conversion rights attached to the 2016 Convertible Note were fully exercised.

Conversion shares shall be allotted and issued upon exercise of the conversion rights. Interest of 2% per annum shall be paid semi-annually in arrears up until the conversion rights attached to the 2016 Convertible Note were fully exercised.

The 2016 Convertible Note contains liability component, equity component, and holder and issuer early redemption options. As the early redemption options are closely related to the host contract, they are not treated as separate derivatives. The equity component is presented in equity heading “convertible note equity reserve”. The effective interest rate of the liability component of the 2016 Convertible Note is 23.73% per annum at the date of initial recognition.

17. 可換股票據包含負債及權益成分(續)

- (c) 於2016年7月27日，本公司以本金總額50,000,000港元發行於2019年到期之2%可換股票據予Able Merchant Limited，一名獨立第三方（「2016年可換股票據」）。

2016年可換股票據以港元列值及持有人享有以每股兌換股份0.225港元之兌換價（需按反稀釋調整改變），於2016年7月27日之2016年可換股票據發行日及其於2019年7月27日之結算日期間之任何時間，兌換票據為本公司之普通股股份。持有人可在授予日期後三個月之任何時間，以100%未償還本金金額連同所有直至及包括贖回日期之應付未付利息予以贖回2016年可換股票據。本公司可在到期日前任何營業日期內，以100%未償還本金金額連同所有直至及包括贖回日期之應付未付利息予以贖回2016年可換股票據。於2016年8月11日、2016年8月19日、2016年8月26日及2016年11月7日，行使附隨於2016年可換股票據之兌換權分別為4,500,000港元、6,750,000港元、4,500,000港元及34,250,000港元，並於兌換時合共發行222,222,222股兌換股份。附隨於2016年可換股票據之兌換權已全面行使。

於行使兌換權時將會配發及發行兌換股份。年息率2%之利息則每半年期末支付利息，直至結算日為止。

2016年可換股票據包含負債成分、權益成分與持有人及發行人提早贖回權。由於提早贖回權跟主體合約緊密關連，故不作獨立衍生工具處理。權益成分列於「可換股票據權益儲備」之權益。2016年可換股票據之負債成分於初始確認時之實際利率為年息率為23.73%。

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17. CONVERTIBLE NOTES CONTAINING LIABILITY AND EQUITY COMPONENTS

(continued)

- (d) On 11 May 2017, the Company issued 3% convertible note due 2022 at an aggregate principal amount of HK\$16,000,000 to Easyknit International (the “First 2017 Convertible Note”).

The First 2017 Convertible Note is denominated in HK\$ and entitles the holder to convert it into ordinary shares of the Company at any time between the date of issue of the First 2017 Convertible Note on 11 May 2017 and its settlement date on 11 May 2022 at a conversion price of HK\$0.16 per conversion share (subject to anti-dilutive adjustments). The holder may redeem the First 2017 Convertible Note, at any time three months after the grant date, at 100% of the principal amount outstanding together with all interest accrued thereon up to and including the date of redemption. The Company may redeem the First 2017 Convertible Note on any business day prior to the maturity date at 100% of the principal amount outstanding together with all interest accrued thereon up to and including the date of redemption. On 30 September 2017, the First 2017 Convertible Note with principal amount of HK\$16,000,000 remained outstanding. Assuming full conversion of the First 2017 Convertible Note at a conversion price of HK\$0.16 at 30 September 2017, the First 2017 Convertible Note will be convertible into 100,000,000 new ordinary shares of HK\$0.01 each in the share capital of the Company.

Conversion shares will be allotted and issued upon exercise of the conversion rights. If the First 2017 Convertible Note is not converted during the conversion period up to the maturity date, it will be redeemed on the maturity date at par with outstanding accrued interest. Interest of 3% per annum will be paid semi-annually in arrears up until the settlement date.

The First 2017 Convertible Note contains liability component, equity component, and holder and issuer early redemption options. As the early redemption options are closely related to the host contract, they are not treated as separate derivatives. The equity component is presented in equity heading “convertible note equity reserve”. The effective interest rate of the liability component of the First 2017 Convertible Note is 24.57% per annum at the date of initial recognition.

17. 可換股票據包含負債及權益成分(續)

- (d) 於2017年5月11日，本公司以本金總額16,000,000港元發行於2022年到期之3%可換股票據予永義國際(「第一份2017年可換股票據」)。

第一份2017年可換股票據以港元列值及持有人享有以每股兌換股份0.16港元之兌換價(需按反稀釋調整改變)，於2017年5月11日之第一份2017年可換股票據發行日及其於2022年5月11日之結算日期間之任何時間，兌換票據為本公司之普通股股份。持有人可在授予日期後三個月之任何時間，以100%未償還本金金額連同所有直至及包括贖回日期之應付未付利息予以贖回第一份2017年可換股票據。本公司可在到期日前任何營業日期內，以100%未償還本金金額連同所有直至及包括贖回日期之應付未付利息予以贖回第一份2017年可換股票據。於2017年9月30日，第一份2017年可換股票據仍未償還本金額為16,000,000港元。假設以每股0.16港元之兌換價，於2017年9月30日全面兌換第一份2017年可換股票據，第一份2017年可換股票據可兌換為本公司每股票面價值0.01港元之100,000,000股新普通股股份。

於行使兌換權時將會配發及發行兌換股份。倘第一份2017年可換股票據於兌換期間直至到期日並沒有兌換，則將於到期日以票面值連同尚未支付之已計提利息贖回。年息率3%之利息則每半年期末支付利息，直至結算日為止。

第一份2017年可換股票據包含負債成分、權益成分與持有人及發行人提早贖回權。由於提早贖回權跟主體合約緊密關連，故不作獨立衍生工具處理。權益成分列於「可換股票據權益儲備」之權益。第一份2017年可換股票據之負債成分於初始確認時之實際利率為年息率為24.57%

Notes To The Condensed Consolidated Financial Statements (continued)

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17. CONVERTIBLE NOTES CONTAINING LIABILITY AND EQUITY COMPONENTS

(continued)

- (e) On 26 September 2017, the Company issued 3% convertible note due 2020 at an aggregate principal amount of HK\$28,200,000 to Easyknit International (the "Second 2017 Convertible Note").

The Second 2017 Convertible Note is denominated in HK\$ and entitles the holder to convert it into ordinary shares of the Company at any time between the date of issue of the Second 2017 Convertible Note on 26 September 2017 and its settlement date on 26 September 2020 at a conversion price of HK\$0.06 per conversion share (subject to anti-dilutive adjustments). The holder may redeem the First 2017 Convertible Note, at any time three months after the grant date, at 100% of the principal amount outstanding together with all interest accrued thereon up to and including the date of redemption. The Company may redeem the Second 2017 Convertible Note on any business day prior to the maturity date at 100% of the principal amount outstanding together with all interest accrued thereon up to and including the date of redemption. On 30 September 2017, the Second 2017 Convertible Note with principal amount of HK\$28,200,000 remained outstanding. Assuming full conversion of the Second 2017 Convertible Note at a conversion price of HK\$0.06 at 30 September 2017, the Second 2017 Convertible Note will be convertible into 470,000,000 new ordinary shares of HK\$0.01 each in the share capital of the Company. Subsequently on 18 October 2017, the conversion rights attached to the Second 2017 Convertible Note were partially exercised for HK\$16,920,000, and a total of 282,000,000 conversion shares were issued upon conversion.

Conversion shares will be allotted and issued upon exercise of the conversion rights. If the Second 2017 Convertible Note is not converted during the conversion period up to the maturity date, it will be redeemed on the maturity date at par with outstanding accrued interest. Interest of 3% per annum will be paid semi-annually in arrears up until the settlement date.

The Second 2017 Convertible Note contains liability component, equity component, and holder and issuer early redemption options. As the early redemption options are closely related to the host contract, they are not treated as separate derivatives. The equity component is presented in equity heading "convertible note equity reserve". The effective interest rate of the liability component of the Second 2017 Convertible Note is 45.18% per annum at the date of initial recognition.

17. 可換股票據包含負債及權益成分(續)

- (e) 於2017年9月26日，本公司以本金總額28,200,000港元發行於2020年到期之3%可換股票據予永義國際(「第二份2017年可換股票據」)。

第二份2017年可換股票據以港元列值及持有人享有以每股兌換股份0.06港元之兌換價(需按反稀釋調整改變)，於2017年9月26日之第二份2017年可換股票據發行日及其於2020年9月26日之結算日期間之任何時間，兌換票據為本公司之普通股股份。持有人可在授予日期後三個月之任何時間，以100%未償還本金金額連同所有直至及包括贖回日期之應付未付利息予以贖回第二份2017年可換股票據。本公司可在到期日前任何營業日期內，以100%未償還本金金額連同所有直至及包括贖回日期之應付未付利息予以贖回第二份2017年可換股票據。於2017年9月30日，第二份2017年可換股票據仍未償還本金額為28,200,000港元。假設以每股0.06港元之兌換價，於2017年9月30日全面兌換第二份2017年可換股票據，第二份2017年可換股票據可兌換為本公司每股票面值0.01港元之470,000,000股新普通股股份。隨後於2017年10月18日，第二份2017年可換股票據之兌換權部份行使16,920,000港元，並於兌換時發行合共282,000,000股兌換股份。

於行使兌換權時將會配發及發行兌換股份。倘第二份2017年可換股票據於兌換期間直至到期日並沒有兌換，則將於到期日以票面值連同尚未支付之已計提利息贖回。年息率3%之利息則每半年期末支付利息，直至結算日為止。

第二份2017年可換股票據包含負債成分、權益成分與持有人及發行人提早贖回權。由於提早贖回權跟主體合約緊密關連，故不作獨立衍生工具處理。權益成分列於「可換股票據權益儲備」之權益。第二份2017年可換股票據之負債成分於初始確認時之實際利率為年息率為45.18%

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簡明綜合財務報表附註(續)

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17. CONVERTIBLE NOTES CONTAINING LIABILITY AND EQUITY COMPONENTS

(continued)

The movement of the liability component of the above convertible notes during the six months ended 30 September 2017 is set out below:

17. 可換股票據包含負債及權益成分(續)

截至2017年9月30日止六個月之上述可換股票據負債成分之變動載列如下：

| | | HK\$'000 千港元 |
|---|------------------------------|-----------------|
| Carrying amount at 1 April 2017 (audited) | 於2017年4月1日賬面值(經審核) | 95,801 |
| Issue of the First 2017 Convertible Note | 發行第一份2017年可換股票據 | 6,365 |
| Issue of the Second 2017 Convertible Note | 發行第二份2017年可換股票據 | 9,624 |
| Derecognition of original liability component upon modification of terms of the 2015 Convertible Note | 於更改2015年可換股票據條款時取消確認原本之負債成份 | (84,977) |
| Recognition of new liability component upon modification of terms of the 2015 Convertible Note | 於更改2015年可換股票據條款時確認新的負債成份 | 35,008 |
| Accretion of interest | 利息之自然增值 | 9,567 |
| Interest paid | 已付利息 | (1,588) |
| Interest payable | 應付利息 | (12) |
| Carrying amount at 30 September 2017 (unaudited) | 於2017年9月30日之賬面值(未經審核) | 69,788 |
| Analysed as: | 分析為： | |
| Amount due within one year or on demand shown under current liabilities | 顯示於流動負債之一年內到期金額 | 53,611 |
| Amount due after one year shown under non-current liabilities | 顯示於非流動負債之一年後到期金額 | 16,177 |
| | | 69,788 |

Notes To The Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註(續)

For the six months ended 30 September 2017

截至2017年9月30日止六個月

18. SECURED BANK BORROWINGS

18. 有抵押銀行借貸

| | | 30 September 9月30日 2017 HK\$'000 千港元 (Unaudited) (未經審核) | 31 March 3月31日 2017 HK\$'000 千港元 (Audited) (經審核) |
|---|---------------------------------------|--|--|
| Carrying amount repayable as follows (based on the scheduled repayment dates set out in the loan agreements): | 應償還款項之賬面值如下 (根據貸款協議所列之 預定還款日期): | | |
| – within one year | – 一年內 | 420,479 | 420,400 |
| – within a period of more than one year but not exceeding two years | – 多於一年但不超過兩年期 間內 | 5,591 | 5,523 |
| – within a period of more than two years but not exceeding five years | – 多於兩年但不超過五年期 間內 | 318,949 | 286,888 |
| – Within a period of more than five years | – 超過五年期間內 | 63,849 | 66,889 |
| | | 808,868 | 779,700 |
| Less: Amount due within one year shown under current liabilities | 減: 於流動負債項下之一年內 到期金額 | (420,479) | (420,400) |
| Amount due after one year shown under non-current liabilities | 於非流動負債項下之一年後到 期之金額 | 388,389 | 359,300 |

During the current interim period, the Group obtained a new bank loan amounting to HK\$31,710,000 (six months ended 30 September 2016: HK\$170,000,000) and repaid bank loans amounting to HK\$2,542,000 (six months ended 30 September 2016: HK\$2,466,000).

The new loan carries interest at Hong Kong Interbank Offered Rate plus 2% per annum, with effective interest at 2.47% per annum. It is repayable in full in one lump sum in December 2019. The loan is secured by certain properties held for development for sale of the Group with an aggregate carrying amount of HK\$692,499,000 at 30 September 2017.

於本中期間，本集團取得金額為31,710,000港元(截至2016年9月30日止六個月：170,000,000港元)之新銀行貸款及償還銀行貸款金額為2,542,000港元(截至2016年9月30日止六個月：2,466,000港元)。

新貸款息率為香港銀行同業拆息加2%之年利率，實際年利率為2.47%。於2019年12月將一次過全數償還。貸款以本集團之若干持作出售發展物業於2017年9月30日之賬面值合共692,499,000港元作為抵押。

Notes To The Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註(續)

For the six months ended 30 September 2017

截至2017年9月30日止六個月

19. DEFERRED TAX LIABILITIES

19. 遞延稅項負債

| | | Revaluation of properties 物業重估 HK\$'000 千港元 | Convertible notes 可換股票據 HK\$'000 千港元 | Total 總額 HK\$'000 千港元 |
|---|-----------------------|---|--|--------------------------------|
| At 1 April 2016 (audited) | 於2016年4月1日 (經審核) | (22,935) | (3,297) | (26,232) |
| Recognition upon issue of convertible note | 於發行可換股票據時 確認 | — | (4,025) | (4,025) |
| Release upon conversion of convertible note | 兌換可換股票據時解除 | — | 1,268 | 1,268 |
| Credit to profit or loss for the period | 於本期間損益中計入 | 641 | 788 | 1,429 |
| Currency realignment | 匯兌調整 | 730 | — | 730 |
| At 30 September 2016 (unaudited) | 於2016年9月30日 (未經審核) | (21,564) | (5,266) | (26,830) |
| Recognition upon change of conversion price of convertible note | 於改變可換股票據兌換 價時確認 | — | 2,757 | 2,757 |
| Credit to profit or loss for the period | 於本期間損益中 計入 | 1,325 | 650 | 1,975 |
| Currency realignment | 匯兌調整 | 244 | — | 244 |
| At 31 March 2017 (audited) | 於2017年3月31日 (經審核) | (19,995) | (1,859) | (21,854) |
| Recognition upon issue of convertible notes | 於發行可換股票據時 確認 | — | (4,619) | (4,619) |
| Released upon modification of terms of convertible note | 更改可換股票據條款時 解除 | — | 465 | 465 |
| Recognition upon modification of terms of convertible note | 更改可換股票據條款時 確認 | — | (8,414) | (8,414) |
| Credit to profit or loss for the period | 於本期間損益中計入 | 1,283 | 1,018 | 2,301 |
| Currency realignment | 匯兌調整 | (417) | — | (417) |
| At 30 September 2017 (unaudited) | 於2017年9月30日 (未經審核) | (19,129) | (13,409) | (32,538) |

At 30 September 2017, the Group has unused tax losses of HK\$130,971,000 (31 March 2017: HK\$121,391,000) available for offset against future profits. The Hong Kong tax losses of HK\$128,316,000 (31 March 2017: HK\$115,557,000) can be carried forward indefinitely and the remaining tax losses will expire from 2019 to 2022 (31 March 2017: 2018 to 2021). No deferred tax asset has been recognised in respect of such tax losses due to unpredictability of future profit streams.

於2017年9月30日，本集團有未動用稅項虧損130,971,000港元(2017年3月31日：121,391,000港元)可供抵銷未來溢利。香港稅項虧損128,316,000港元(2017年3月31日：115,557,000港元)可無限期結轉及其餘的稅項虧損將於2019年至2022年(2017年3月31日：2018年至2021年)到期。由於未能預計未來溢利收入，故並沒有確認此等稅項虧損之遞延稅項資產。

Notes To The Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註(續)

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20. SHARE CAPITAL

20. 股本

| | Notes 附註 | Nominal value per share 每股面值 HK\$ 港元 | Number of shares 股份數目 | Amount 金額 HK\$'000 千港元 |
|---|--|---|-----------------------------|---------------------------------|
| Authorised: At 1 April 2016, 30 September 2016, 31 March 2017 and 30 September 2017 | 法定： 於2016年4月1日、 2016年9月30日、 2017年3月31日及 2017年9月30日 | 0.01 | 20,000,000,000 | 200,000 |
| Issued and fully paid: At 1 April 2016 | 已發行及繳足： 於2016年4月1日 | 0.01 | 1,116,609,837 | 11,166 |
| Conversion of convertible note | 兌換可換股票據 (a) | 0.01 | 20,000,000 | 200 |
| Conversion of convertible note | 兌換可換股票據 (b) | 0.01 | 30,000,000 | 300 |
| Conversion of convertible note | 兌換可換股票據 (c) | 0.01 | 20,000,000 | 200 |
| Issue of new shares | 發行新股份 (d) | 0.01 | 223,000,000 | 2,230 |
| At 30 September 2016 | 於2016年9月30日 | 0.01 | 1,409,609,837 | 14,096 |
| Conversion of convertible note | 兌換可換股票據 (e) | 0.01 | 152,222,222 | 1,522 |
| Issue of new shares | 發行新股份 (f) | 0.01 | 350,000,000 | 3,500 |
| At 31 March 2017 | 於2017年3月31日 | 0.01 | 1,911,832,059 | 19,118 |
| Issue of new shares | 發行新股份 (g) | 0.01 | 325,000,000 | 3,250 |
| At 30 September 2017 | 於2017年9月30日 | 0.01 | 2,236,832,059 | 22,368 |

Notes:

附註：

- (a) On 11 August 2016, the 2016 Convertible Note with a principal amount of HK\$4,500,000 were converted into shares of HK\$0.01 each in the Company at the conversion price of HK\$0.225 per share. Accordingly, a total of 20,000,000 ordinary shares of HK\$0.01 each were allotted and issued by conversion of the convertible note.
- (b) On 19 August 2016, the 2016 Convertible Note with a principal amount of HK\$6,750,000 were converted into shares of HK\$0.01 each in the Company at the conversion price of HK\$0.225 per share. Accordingly, a total of 30,000,000 ordinary shares of HK\$0.01 each were allotted and issued by conversion of the convertible note.

- (a) 於2016年8月11日，本金金額4,500,000港元之2016年可換股票據以每股0.225港元之兌換價兌換為本公司每股0.01港元之股份。因此，透過兌換可換股票據合共配售及發行20,000,000股每股0.01港元之普通股股份。
- (b) 於2016年8月19日，本金金額6,750,000港元之2016年可換股票據以每股0.225港元之兌換價兌換為本公司每股0.01港元之股份。因此，透過兌換可換股票據合共配售及發行30,000,000股每股0.01港元之普通股股份。

Notes To The Condensed Consolidated Financial Statements *(continued)*

簡明綜合財務報表附註(續)

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20. SHARE CAPITAL *(continued)*

Notes: *(continued)*

- (c) On 26 August 2016, the 2016 Convertible Note with a principal amount of HK\$4,500,000 were converted into shares of HK\$0.01 each in the Company at the conversion price of HK\$0.225 per share. Accordingly, a total of 20,000,000 ordinary shares of HK\$0.01 each were allotted and issued by conversion of the convertible note.
- (d) On 22 September 2016, the Company allotted 223,000,000 ordinary shares of HK\$0.01 each by placing to not less than six placees at a placing price of HK\$0.18 per share. The Company raised HK\$39,740,000 (net of expenses) with the intention at the time of placing to be used towards appropriate acquisition and investment opportunities of the Group and for the general working capital of the Group. The new placing shares were issued pursuant to the general mandate granted to the directors by a resolution of the shareholders of the Company passed at the special general meeting held on 17 August 2016.
- (e) On 7 November 2016, the 2016 Convertible Note with a principal amount of HK\$34,250,000 were converted into shares of HK\$0.01 each in the Company at the conversion price of HK\$0.225 per share. Accordingly, a total of 152,222,222 ordinary shares of HK\$0.01 each were allotted and issued by conversion of the convertible note.
- (f) On 27 February 2017, the Company allotted 350,000,000 ordinary shares of HK\$0.01 each by placing to not less than six placees at a placing price of HK\$0.16 per share. The Company raised HK\$55,440,000 (net of expenses) with the intention at the time of placing to be used to purchase properties for redevelopment. The new placing shares were issued pursuant to the specific mandate granted to the directors by a resolution of the shareholders of the Company passed at the special general meeting held on 13 February 2017.
- (g) On 19 July 2017, the Company allotted 325,000,000 ordinary shares of HK\$0.01 each by placing to not less than six placees at a placing price of HK\$0.08 per share. The Company raised HK\$25,740,000 (net of expenses) with the intention at the time of placing to be used to satisfy part of the consideration for the acquisition of a unit in a non-industrial building for redevelopment. The new placing shares were issued pursuant to the refreshed general mandate granted to the directors by a resolution of the independent shareholders of the Company passed at the special general meeting held on 26 April 2017.

All shares issued during both periods rank pari passu with the then existing shares in issue in all respects.

20. 股本(續)

附註：(續)

- (c) 於2016年8月26日，本金金額4,500,000港元之2016年可換股票據以每股0.225港元之兌換價兌換為本公司每股0.01港元之股份。因此，透過兌換可換股票據合共配售及發行20,000,000股每股0.01港元之普通股股份。
- (d) 於2016年9月22日，本公司以每股配售價0.18港元配售223,000,000股每股0.01港元之普通股股份予不少於六名承配人。本公司籌得39,740,000港元(扣除開支後)，當時打算用於本集團之合適收購及投資機會與作為本集團之一般營運資金。新配售股份乃按2016年8月17日股東特別大會上通過之股東決議給予董事之一般授權發行。
- (e) 於2016年11月7日，本金金額34,250,000港元之2016年可換股票據以每股0.225港元之兌換價兌換為本公司每股0.01港元之股份。因此，透過兌換可換股票據合共配售及發行152,222,222股每股0.01港元之普通股股份。
- (f) 於2017年2月27日，本公司以每股配售價0.16港元配售350,000,000股每股0.01港元之普通股股份予不少於六名承配人。本公司籌得55,440,000港元(扣除開支後)，當時打算用作收購物業作重建。新配售股份乃按2017年2月13日特別股東大會上通過之股東決議給予董事之特別授權發行。
- (g) 於2017年7月19日，本公司以每股配售價0.08港元配售325,000,000股每股0.01港元之普通股股份予不少於六名承配人。本公司籌得25,740,000港元(扣除開支後)，當時打算用作收購一個非工業樓宇單位作重建用途之部份代價。新配售股份乃按2017年4月26日股東週年大會上通過之股東決議給予董事之一般授權發行。

所有於兩個期間內發行之股份於各方面與當時已發行股份享有同等權利。

21. FAIR VALUE MEASUREMENTS OF FINANCIAL ASSETS

Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation techniques and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements are observable.

- Level 1 inputs are quoted prices (unadjusted) in active market for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 inputs are unobservable inputs for the asset or liability.

21. 金融資產之公平值計量

本集團按經常性基準以公平值計量之金融資產之公平值

部分本集團之金融資產於報告期末按公平值計量。下表提供有關如何釐定該等金融資產之公平值(特別是,所使用的估值技術及輸入數據),及根據公平值計量的輸入數據的可觀察程度以劃分公平值級別水平(第1至3級)之資料。

- 第1級輸入數據指實體於計量日可識別之相同資產或負債於活躍市場之報價(未經調整);
- 第2級輸入數據指除第1級計入之報價外,可直接(即作為價格)或間接(即按價格衍生)觀察的資產或負債數據;及
- 第3級輸入數據指資產或負債的不可觀察數據。

Notes To The Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註(續)

For the six months ended 30 September 2017

截至2017年9月30日止六個月

21. FAIR VALUE MEASUREMENTS OF FINANCIAL ASSETS (continued)

21. 金融資產之公平值計量(續)

| Financial assets 金融資產 | Fair value at 公平值 | | Fair value hierarchy 公平值階級 | Valuation techniques and key inputs 估值技術及主要輸入數據 |
|--|---|--|----------------------------------|--|
| | 30 September 9月30日 2017 HK\$'000 千港元 (Unaudited) (未經審核) | 31 March 3月31日 2017 HK\$'000 千港元 (Audited) (經審核) | | |
| Available-for-sale investments 可供出售投資 | 174,210 | 158,541 | Level 1 第1級 | Quoted bid prices in an active market 於活躍市場所報之出價 |
| Investments held for trading 持作買賣投資 | 4,397 | 4,505 | Level 1 第1級 | Quoted bid prices in an active market 於活躍市場所報之出價 |
| Other financial assets 其他金融資產 | — | 53,980 | Level 3 第3級 | Discounted cash flows — future cash flows are estimated based on exchange rate of US\$ against HK\$ and expected yields of the instruments, discounted at a rate that reflects the credit risk 折現現金流量 — 未來現金流量乃按美元兌港元之兌換率及工具之預計回報，以反映信貸風險之比率折現作出估計。 |

There were no transfers between Levels 1, 2 and 3 in both periods.

第1級、第2級及第3級之間並沒有於兩個年度轉移。

Notes To The Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註(續)

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截至2017年9月30日止六個月

22. RELATED PARTY TRANSACTIONS/ CONNECTED TRANSACTIONS

- (a) During the period, the Group had the following transactions with wholly-owned subsidiaries of Easyknit International:

| | | Six months ended 30 September 截至9月30日止六個月 | |
|----------------|------|--|--|
| | | 2017 HK\$'000 千港元 (Unaudited) (未經審核) | 2016 HK\$'000 千港元 (Unaudited) (未經審核) |
| Rental expense | 租金開支 | 1,248 | 1,248 |

Ms. Lui Yuk Chu, a director of the Company, is also one of the beneficiaries under a family trust holding 36.74% (31 March 2017: 36.74%) equity interest of Easyknit International at 30 September 2017. Ms. Lui Yuk Chu also holds 21.95% (31 March 2017: 21.95%) equity interest of Easyknit International through an entity wholly-owned by her.

- (b) Details of the convertible notes issued to Easyknit International are set out in note 17(a), (d) and (e).
(c) Compensation of key management personnel

The remuneration of directors and other members of key management during the period was as follows:

| | | Six months ended 30 September 截至9月30日止六個月 | |
|---|----------|--|--|
| | | 2017 HK\$'000 千港元 (Unaudited) (未經審核) | 2016 HK\$'000 千港元 (Unaudited) (未經審核) |
| Short-term employee benefits | 短期僱員福利 | | |
| Salaries and other benefits | 薪金及其他福利 | 3,642 | 3,385 |
| Contributions to retirement benefit schemes | 退休福利計劃供款 | 33 | 44 |
| | | 3,675 | 3,429 |

22. 關連人士交易／關連交易

- (a) 於期內，本集團與永義國際之全資附屬公司之交易如下：

| | | Six months ended 30 September 截至9月30日止六個月 | |
|----------------|------|--|--|
| | | 2017 HK\$'000 千港元 (Unaudited) (未經審核) | 2016 HK\$'000 千港元 (Unaudited) (未經審核) |
| Rental expense | 租金開支 | 1,248 | 1,248 |

雷玉珠女士，本公司一名董事，亦為於2017年9月30日擁有永義國際36.74% (2017年3月31日：36.74%) 權益家族信託受益人之一。彼亦透過一間其全資擁有之實體持有永義國際21.95% (2017年3月31日：21.95%) 權益。

- (b) 發行予永義國際之可換股票據之詳情載列於附註17(a)、(d)及(e)。
(c) 主要管理人員之薪酬

董事及其他主要管理人員於期內之酬金如下：

| | | Six months ended 30 September 截至9月30日止六個月 | |
|---|----------|--|--|
| | | 2017 HK\$'000 千港元 (Unaudited) (未經審核) | 2016 HK\$'000 千港元 (Unaudited) (未經審核) |
| Short-term employee benefits | 短期僱員福利 | | |
| Salaries and other benefits | 薪金及其他福利 | 3,642 | 3,385 |
| Contributions to retirement benefit schemes | 退休福利計劃供款 | 33 | 44 |
| | | 3,675 | 3,429 |

Notes To The Condensed Consolidated Financial Statements *(continued)*

簡明綜合財務報表附註(續)

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截至2017年9月30日止六個月

22. RELATED PARTY TRANSACTIONS/ CONNECTED TRANSACTIONS *(continued)*

(c) *(continued)*

The remuneration of directors and key executives are determined by the remuneration committee and executive directors, respectively, having regard to the performance of individuals and market trends.

(d) In January 2011, the Company entered into an employment agreement with Mr. Koon Wing Yee, the spouse of Ms. Lui Yuk Chu, to act as general manager of the Company. The employment agreement, which constitutes a connected transaction, commenced on 21 February 2011 but may be terminated by either party at any time by three months' notice. The monthly salary has been adjusted to HK\$150,000 with effect from 1 April 2013 and further to HK\$180,000 with effect from 1 April 2017. The remuneration of Mr. Koon Wing Yee as general manager of the Company during the six months ended 30 September 2017 was HK\$1,089,000 (six months ended 30 September 2016: HK\$909,000) and was included in the "compensation of key management personnel" in (c) above. Details of share options of the Company granted to Mr. Koon Wing Yee are set out in (e) below.

22. 關連人士交易／關連交易(續)

(c) (續)

董事及主要行政人員之酬金分別由薪酬委員會及執行董事按照個別人士之表現及市場趨勢而釐定。

(d) 於2011年1月，本公司與官永義先生，雷玉珠女士之配偶，訂立僱用協議，僱用彼為本公司總經理。該僱用協議，構成一項關連交易，由2011年2月21日開始，但可由其中任何一方給予三個月通知而終止。每月薪金調整至150,000港元於2013年4月1日生效及進一步調整至180,000港元於2017年4月1日生效。截至2017年9月30日止六個月內，官永義先生僱用為本公司總經理之薪酬為1,089,000港元(截至2016年9月30日止六個月：909,000港元)並已包括在以下(c)項之「主要管理人員之薪酬」內。有關本公司授予官永義先生購股權之詳情載於以下(e)項。

Notes To The Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註(續)

For the six months ended 30 September 2017

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22. RELATED PARTY TRANSACTIONS/ CONNECTED TRANSACTIONS (continued)

22. 關連人士交易／關連交易(續)

(e) On 14 October 2016, 113,000,000 share options were granted to directors of the Company and employees of the Group under the share options scheme which was approved by the shareholders of the Company on 29 June 2012. Share options granted to directors of the Company and their close relatives are as follows:

(e) 於2016年10月14日，根據於2012年6月29日由本公司股東批准之購股權計劃，113,000,000股購股權授予本公司之董事及本集團之僱員。購股權授予本公司之董事及其近親如下：

| | | Number of share options 購股權數目 | | |
|---|--------------------|--|---|---|
| | | Granted on 14 October 2016 and outstanding at 31 March 2017 於2016年 10月14日授出及 於2017年 3月31日尚餘 | Lapsed during the period 於期內取消 | Outstanding at 30 September 2017 於2017年 9月30日尚餘 |
| Directors | | 董事 | | |
| Mr. Kwong Jimmy Cheung Tim | 鄭長添先生 | 11,300,000 | — | 11,300,000 |
| Ms. Lui Yuk Chu | 雷玉珠女士 | 11,300,000 | — | 11,300,000 |
| Ms. Koon Ho Yan Candy (note) | 官可欣女士(附註) | 11,300,000 | (11,300,000) | — |
| | | 33,900,000 | (11,300,000) | 22,600,000 |
| Employees | | 僱員 | | |
| Mr. Koon Wing Yee, the spouse of Ms. Lui Yuk Chu | 官永義先生，雷玉珠女士 之配偶 | 11,300,000 | — | 11,300,000 |
| Mr. Koon Chun Ting, a son of Ms. Lui Yuk Chu | 官俊廷先生，雷玉珠女士 之兒子 | 11,300,000 | (11,300,000) | — |
| Mr. Ku Wai Ming, a cousin of Ms. Lui Yuk Chu | 古偉明先生，雷玉珠女士 之表親 | 11,300,000 | — | 11,300,000 |
| | | 33,900,000 | (11,300,000) | 22,600,000 |
| | | 67,800,000 | (22,600,000) | 45,200,000 |

Note:

Ms. Koon Ho Yan Candy resigned as an executive director of the Company with effect from 18 April 2017.

No equity-settled share-based payment expense was recognised in both periods.

附註：

官可欣女士於生效日期2017年4月18日辭任為本公司執行董事。

於兩個期間並沒有於損益確認之以權益結算之股份支付開支。

Notes To The Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註(續)

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截至2017年9月30日止六個月

22. RELATED PARTY TRANSACTIONS/ CONNECTED TRANSACTIONS (continued)

- (f) During the six months ended 30 September 2017, the Group received rental income totalling HK\$324,000 (six months ended 30 September 2016: HK\$324,000) from certain close relatives of Ms. Lui Yuk Chu and Ms. Koon Ho Yan Candy.

22. 關連人士交易／關連交易(續)

- (f) 截至2017年9月30日止六個月，本集團收取雷玉珠女士及官可欣女士之若干近親之租金收入共324,000港元(截至2016年9月30日止六個月：324,000港元)。

23. CAPITAL COMMITMENTS

23. 資本承擔

| | 30 September 9月30日 2017 HK\$'000 千港元 (Unaudited) (未經審核) | 31 March 3月31日 2017 HK\$'000 千港元 (Audited) (經審核) |
|--|---|--|
| Capital expenditure contracted for but not provided in the condensed consolidated financial statements in respect of investment properties | 23,779 | 9,842 |

24. EVENT AFTER THE END OF THE REPORTING PERIOD

On 18 October 2017, part of the Second 2017 Convertible Note was converted into shares of the Company, details of which are set out in note 17(e).

24. 報告期末後重要事項

於2017年10月18日，部份第二項2017可換股票據已轉換為本公司股份，詳情已載列於附註17(e)。



EMINENCE
ENTERPRISE LIMITED
高山企業有限公司