

IBS International Business Settlement

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

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

(Stock Code: 00147 股份代號 : 00147)

Interim Report
中期報告 **2017**

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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Yuen Leong
Luan Li
Hu Jianjun

Independent non-executive Directors

Yap Yung
Zhang Guangsheng
Chan Siu Tat
Shao Ping

COMPANY SECRETARY

Chung Yau Tong

AUDITOR

Deloitte Touche Tohmatsu

AUDIT COMMITTEE

Yap Yung (*chairman*)
Zhang Guangsheng
Chan Siu Tat
Shao Ping

REMUNERATION COMMITTEE

Chan Siu Tat (*chairman*)
Yap Yung
Zhang Guangsheng
Shao Ping

NOMINATION COMMITTEE

Zhang Guangsheng (*chairman*)
Yap Yung
Chan Siu Tat
Shao Ping

董事會

執行董事

袁亮
樂利
胡建軍

獨立非執行董事

葉勇
張光生
陳少達
邵平

公司秘書

鍾有棠

核數師

德勤•關黃陳方會計師行

審核委員會

葉勇 (*主席*)
張光生
陳少達
邵平

薪酬委員會

陳少達 (*主席*)
葉勇
張光生
邵平

提名委員會

張光生 (*主席*)
葉勇
陳少達
邵平

Corporate Information

公司資料

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 2310, 23rd Floor
China Resources Building
26 Harbour Road
Wanchai
Hong Kong

PRINCIPAL SHARE REGISTRAR

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM 08
Bermuda

HONG KONG BRANCH SHARE REGISTRAR

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

STOCK CODE

00147

COMPANY WEBSITE

www.ibsettlement.com

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

總辦事處及香港主要營業地點

香港
灣仔
港灣道26號
華潤大廈
23樓2310室

主要股份過戶登記處

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM 08
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

00147

公司網址

www.ibsettlement.com

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 截至二零一七年九月三十日止六個月

			Six months ended 30 September 截至九月三十日止六個月	
			2017 二零一七年 HK\$'000 千港元 (unaudited) (未經審核)	2016 二零一六年 HK\$'000 千港元 (unaudited) (未經審核) (restated) (經重列)
	Notes 附註			
Revenue		收入		
Cost of sales and services	3	銷售及服務成本	14,764 (6,069)	58,468 (42,334)
Gross profit		毛利	8,695	16,134
Other income, gains and losses	4	其他收入、收益及虧損	24,911	2,027
Selling expenses		銷售費用	(7,119)	(9,552)
Administrative expenses		行政費用	(43,514)	(23,288)
Finance costs	5	融資成本	(10,789)	(11,732)
Loss before taxation		除稅前虧損	(27,816)	(26,411)
Income tax	6	所得稅	(4,784)	(4,562)
Loss for the period	7	期內虧損	(32,600)	(30,973)
Other comprehensive income (expense) for the period		期內其他全面收入 (開支)		
<i>Item that will not be reclassified subsequently to profit or loss:</i>		<i>其後不會重新分類至損益之項目：</i>		
Exchange differences arising on translation		換算所產生之匯兌差額	1,143	4,720
Total comprehensive expense for the period		期內全面開支總額	(31,457)	(26,253)
Loss for the period attributable to		應佔期內虧損		
Owners of the Company		本公司擁有人	(29,877)	(27,263)
Non-controlling interests		非控制權益	(2,723)	(3,710)
			(32,600)	(30,973)
Total comprehensive income (expense) attributable to:		應佔全面收入 (開支) 總額：		
Owners of the Company		本公司擁有人	(28,727)	(21,977)
Non-controlling interests		非控制權益	(2,730)	(4,276)
			(31,457)	(26,253)
Loss per share		每股虧損		
Basic (HK cent)	9	基本 (港仙)	(0.15)	(0.14)

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

At 30 September 2017 於二零一七年九月三十日

			30 September 2017	31 March 2017
			二零一七年 九月三十日	二零一七年 三月三十一日
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
			(unaudited) (未經審核)	(audited) (經審核)
NON-CURRENT ASSETS				
非流動資產				
Property, plant and equipment	物業、廠房及設備	10	20,864	22,381
Intangible assets	無形資產	11	47,816	32,538
Interests in associates	於聯營公司之權益		-	-
Long-term receivables	長期應收賬項	12	124,407	68,254
Finance lease receivables	融資租賃應收款項		-	283
Deferred tax assets	遞延稅項資產	13	36,568	35,936
Deposits for purchase of equipment	購買設備之按金		-	50,743
			229,655	210,135
CURRENT ASSETS				
流動資產				
Land development expenditure	土地開發支出	14	-	151,904
Properties for sale	待售物業	15	2,698,009	2,349,883
Trade and other receivables	應收貿易賬項及 其他應收賬項	16	339,213	123,578
Finance lease receivables	融資租賃應收款項		-	122
Restricted bank deposits	有限制銀行存款	17	18,105	32,336
Bank balances and cash	銀行結存及現金		1,040,125	1,513,380
			4,095,452	4,171,203

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

At 30 September 2017 於二零一七年九月三十日

		Notes	30 September 2017 二零一七年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 March 2017 二零一七年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
CURRENT LIABILITIES	流動負債			
Trade and other payables	應付貿易賬項及 其他應付賬項	18	524,047	475,735
Deposits received for sale of properties	銷售物業的已收按金		1,281,705	1,211,182
Borrowings – due within one year	借款—一年內到期	19	1,027,055	885,699
Amount due to non-controlling interests	應付非控制權益款項		55,365	54,639
Amount due to ultimate holding company	應付最終控股公司款項		2,308	2,309
Tax liabilities	稅項負債		17,521	19,713
			2,908,001	2,649,277
NET CURRENT ASSETS	流動資產淨值		1,187,451	1,521,926
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		1,417,106	1,732,061
NON-CURRENT LIABILITIES	非流動負債			
Borrowings – due after one year	借款—一年後到期	19	73,961	355,204
Deferred revenue	遞延收益		–	2,255
			73,961	357,459
NET ASSETS	資產淨值		1,343,145	1,374,602
CAPITAL AND RESERVES	股本及儲備			
Share capital	股本	20	20,319	20,319
Reserves	儲備		1,313,634	1,342,361
Equity attributable to owners of the Company	本公司擁有人應佔權益		1,333,953	1,362,680
Non-controlling interests	非控制權益		9,192	11,922
TOTAL EQUITY	權益總額		1,343,145	1,374,602

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

For the six months ended 30 September 2017 截至二零一七年九月三十日止六個月

		Attributable to owners of the Company 本公司擁有人應佔									
		Share capital	Statutory reserve	Share premium	Contributed surplus	Capital redemption reserve 資本贖回儲備	Translation reserve	Accumulated losses	Total	Non-controlling interests	Total
		股本 HK\$'000 千港元	法定儲備 HK\$'000 千港元	股份溢價 HK\$'000 千港元	實繳盈餘 HK\$'000 千港元	贖回儲備 HK\$'000 千港元	換算儲備 HK\$'000 千港元	累計虧損 HK\$'000 千港元	總額 HK\$'000 千港元	非控制權益 HK\$'000 千港元	總額 HK\$'000 千港元
At 1 April 2016 (audited)	於二零一六年四月一日 (經審核)	19,039	216	7,423,879	51,655	3,781	3,657	(7,657,211)	(154,984)	19,935	(135,049)
Exchange difference arising on translation	換算時產生之兌換差額	-	-	-	-	-	5,286	-	5,286	(566)	4,720
Loss for the period	期內虧損	-	-	-	-	-	-	(27,263)	(27,263)	(3,710)	(30,973)
Total comprehensive income (expense) for the period	期內全面收入(開支)總額	-	-	-	-	-	5,286	(27,263)	(21,977)	(4,276)	(26,253)
At 30 September 2016 (unaudited)	於二零一六年九月三十日 (未經審核)	19,039	216	7,423,879	51,655	3,781	8,943	(7,684,474)	(176,961)	15,659	(161,302)
At 1 April 2017 (audited)	於二零一七年四月一日 (經審核)	20,319	848	9,009,799	51,655	3,781	12,588	(7,736,310)	1,362,680	11,922	1,374,602
Exchange difference arising on translation	換算時產生之兌換差額	-	-	-	-	-	1,150	-	1,150	(7)	1,143
Loss for the period	期內虧損	-	-	-	-	-	-	(29,877)	(29,877)	(2,723)	(32,600)
Total comprehensive income (expense) for the period	期內全面收入(開支)總額	-	-	-	-	-	1,150	(29,877)	(28,727)	(2,730)	(31,457)
At 30 September 2017 (unaudited)	於二零一七年九月三十日 (未經審核)	20,319	848	9,009,799	51,655	3,781	13,738	(7,766,187)	1,333,953	9,192	1,343,145

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

For the six months ended 30 September 2017 截至二零一七年九月三十日止六個月

		Six months ended 30 September 截至九月三十日止六個月	
		2017 二零一七年 HK\$'000 千港元 (unaudited) (未經審核)	2016 二零一六年 HK\$'000 千港元 (unaudited) (未經審核) (restated) (經重列)
OPERATING ACTIVITIES	經營活動		
Operating cash flows before movements in working capital	營運資金變動前之營運現金流量	(33,039)	(18,418)
Decrease (increase) in long-term receivables	長期應收賬項減少(增加)	(52,397)	15,798
Decrease in land development expenditure	土地開發支出減少	161,759	49,009
Increase in properties for sale	待售物業增加	(198,291)	(203,923)
Decrease in finance lease receivables	融資租賃應收款項減少	405	73
Increase in trade and other receivables	應收貿易賬項及其他應收賬項增加	(162,719)	(45,610)
Increase in deposits received for sale of properties	銷售物業的已收按金增加	21,810	331,287
Increase in trade and other payables	應付貿易賬項及其他應付賬項增加	63,616	50,221
CASH (USED IN) FROM OPERATIONS	經營業務(所用)所得之現金	(198,856)	178,437
Income taxes and land appreciation taxes paid, net	已付所得稅及土地增值稅淨額	(8,419)	(4,897)
Interest paid	已付利息	(90,203)	(77,540)
NET CASH (USED IN) FROM OPERATING ACTIVITIES	經營活動(所用)所得之現金淨額	(297,478)	96,000
INVESTING ACTIVITIES	投資活動		
Interest received	已收利息	4,496	1,806
Purchases of property, plant and equipment	購買物業、廠房及設備	(442)	(45)
Deposits for purchase of equipment	購買設備之按金	-	(38,793)
Placement of restricted bank deposits	存入受限制銀行存款	(82,678)	(77,717)
Release of restricted bank deposits	解除受限制銀行存款	100,635	43,637
Repayment of advances to third parties	償還第三方墊款	-	4,610
Net cash inflow from acquisition of a subsidiary	收購一間附屬公司之現金流入淨額	-	4,013
Purchases of intangible assets	購買無形資產	(13,814)	-

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

For the six months ended 30 September 2017 截至二零一七年九月三十日止六個月

		Six months ended 30 September 截至九月三十日止六個月	
		2017 二零一七年 HK\$'000 千港元 (unaudited) (未經審核)	2016 二零一六年 HK\$'000 千港元 (unaudited) (未經審核) (restated) (經重列)
NET CASH FROM (USED IN) INVESTING ACTIVITIES	投資活動所得(所用)現金淨額	8,197	(62,489)
FINANCING ACTIVITIES	融資活動		
New borrowings raised	新籌集借款	160,795	28,213
Repayment of borrowings	借款還款	(344,153)	(76,129)
Advance from ultimate holding company	來自最終控股公司之墊款	-	12,334
Advances from third parties	來自第三方之墊款	4,612	-
Repayment of advances from third parties	償還來自第三方之墊款	(4,612)	(16,513)
NET CASH USED IN FINANCING ACTIVITIES	融資活動所用現金淨額	(183,358)	(52,095)
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物減少淨額	(472,639)	(18,584)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	期初之現金及現金等價物	1,513,380	36,567
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	外幣匯率變動之影響	(616)	(4,731)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD, represented by bank balances and cash	期末之現金及現金等價物, 銀行結存及現金	1,040,125	13,252

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 截至二零一七年九月三十日止六個月

1. BASIS OF PREPARATION

The condensed consolidated financial statements of International Business Settlement Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) for the six months ended 30 September 2017 (the “period” or “reporting period”) have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair values of the consideration given in exchange for goods and services.

Except 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 financial statements for the year ended 31 March 2017.

Application of new and revised Hong Kong Financial Reporting Standards (“HKFRSs”)

In the current interim period, the Group has applied, for the first time, the following new amendments to HKFRSs issued by the HKICPA that are mandatorily effective for the current interim period:

Amendments to HKAS 7	Disclosure Initiative
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to HKFRS 12	As part of annual improvements to HKFRSs 2014–2016 cycle

1. 編製基準

國際商業結算控股有限公司（「本公司」）及其附屬公司（統稱「本集團」）於截至二零一七年九月三十日止六個月期間（「期內」或「報告期間」）的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」）頒佈之香港會計準則第34號「中期財務報告」（「香港會計準則第34號」）及香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十六之適用披露規定編製。

2. 主要會計政策

簡明綜合財務報表乃按歷史成本基準編製。歷史成本一般基於換取商品及服務而付出之代價之公允值。

除下文闡述者外，截至二零一七年九月三十日止六個月之簡明綜合財務報表所採用之會計政策及計算方法，與編製本集團截至二零一七年三月三十一日止年度之年度財務報表所採用者相同。

採用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

於本中期期間，本集團已首次應用香港會計師公會頒佈之下述香港財務報告準則之新訂修訂本，其於本中期期間強制生效：

香港會計準則第7號 （修訂本）	披露主動性
香港會計準則第12號 （修訂本）	就未變現虧損確認遞延稅項資產
香港財務報告準則第12號 （修訂本）	作為香港財務報告準則二零一四年至二零一六年週期之年度改進之一部分

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 截至二零一七年九月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Application of new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

The application of the above amendments to HKFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements and/or disclosures set out in these condensed consolidated financial statements. Additional disclosures about changes in liabilities arising from financing activities, including both changes from cash flows and non-cash changes on application of amendments to HKAS 7 will be provided in the consolidated financial statements for the year ending 31 March 2018.

The Group has not early applied any amendments to HKFRSs that have been issued at the date of these condensed consolidated financial statements are authorised for issuance but are not yet effective.

3. REVENUE AND SEGMENT INFORMATION

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

2. 主要會計政策 (續)

採用新訂及經修訂香港財務報告準則 (「香港財務報告準則」) (續)

於本中中期期間應用以上香港財務報告準則(修訂本)並無對該等簡明綜合財務報表所呈報之金額及/或該等簡明綜合財務報表所載之披露產生重大影響。有關因應用香港會計準則第7號(修訂本)而自融資活動產生之負債變動(包括自現金流量產生之變動以及非現金變動)之額外披露將於截至二零一八年三月三十一日止年度之綜合財務報表內提供。

本集團並無提前採納任何於該等簡明綜合財務報表獲授權刊發日期已頒佈但尚未生效之香港財務報告準則之修訂本。

3. 收入及分類資料

本集團通過業務分類管理其業務，而業務分類由不同業務線組成，方式與向本集團執行董事(即主要營運決策者(「主要營運決策者」))內部呈報資料以用於資源分配及績效評估之方法一致。

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 截至二零一七年九月三十日止六個月

3. REVENUE AND SEGMENT INFORMATION (Continued)

The Group has identified the following reportable segment.

- Property development – Developing and selling of commercial and residential properties, including undertaking of primary land development activities, in the PRC.
- International business settlement – Providing a fast, highly efficient and low cost financial expressway between different countries by connecting their central banks' real-time settlement and clearing system. Based on its unique block chain regional settlement circle technology, the Group is developing a multi-currency, internationalized and distributed global settlement platform, which aimed at realizing point-to-point, "7X24" (i.e. 24 hours a day, 7 days a week), multi-currency and real-time fund settlement and clearing for cross border trading business and individuals around the world.
- Financing business – Provision of finance through money lending services, finance leases, leasing, factoring and other related services.

3. 收入及分類資料 (續)

本集團已識別以下可呈報分類。

- 物業開發 – 在中國開發及銷售商業住宅物業，包括在中國承接一級土地開發業務。
- 國際商業結算 – 通過與各國央行實時清算系統連接，為國與國之間提供一條快捷、高效及低成本的金融高速路。基於獨特的區塊鏈的區域清算環技術，本集團將開發一個多幣種、國際化、分佈式的全球清算平台，旨在為全球跨境貿易企業及個人實現全球範圍內點到點、「7X24」（即一天24小時，一週7天）、多幣種、實時的資金清結算。
- 融資業務 – 透過放債服務、融資租賃、租賃、保理及其他相關服務提供融資。

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 截至二零一七年九月三十日止六個月

3. REVENUE AND SEGMENT INFORMATION (Continued)

Following the expansion of financing business in current interim period, the CODM considered that the property development segment, international business settlement segment and financing business segment are the main businesses lines and reportable operating segments of the Group. Operations other than these three segments are not significant to the Group and presented as "Others" for reporting purpose.

As a result of above changes, certain prior period figures have been restated to conform with current period presentation.

Segment revenue and results

Six months ended 30 September 2017 (unaudited)

3. 收入及分類資料 (續)

於本中中期期間擴大融資業務後，主要營運決策者認為，物業開發分類、國際商業結算分類以及融資業務分類為本集團的主要業務線及可呈報經營分類。除該三個分類以外的業務營運對本集團而言並不重大，故就呈報用途呈列為「其他」。

由於上述變動，若干過往期間數據已重列，以與期內呈列貫徹一致。

分類收入及業績

截至二零一七年九月三十日止六個月
(未經審核)

		International				Total
		Property development	business settlement	Financing business	Others	
		物業開發	國際商業結算	融資業務	其他	總額
		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
REVENUE	收入					
External sales and segment revenue	對外銷售及分類收入	9,258	-	5,506	-	14,764
Segment (loss) profit	分類(虧損)溢利	(5,077)	(14,864)	4,478	(327)	(15,790)
Unallocated corporate expenses	未分配公司費用					(16,521)
Interest income	利息收入					4,495
Loss before taxation	除稅前虧損					(27,816)

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簡明綜合財務報表附註

For the six months ended 30 September 2017 截至二零一七年九月三十日止六個月

3. REVENUE AND SEGMENT INFORMATION (Continued)

3. 收入及分類資料 (續)

Segment revenue and results (Continued)

分類收入及業績 (續)

Six months ended 30 September 2016 (unaudited)

截至二零一六年九月三十日止六個月
(未經審核)

		Property development	International business settlement 國際 商業結算	Financing business 融資業務	Others 其他	Total 總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元 (restated) (經重列)	HK\$'000 千港元	HK\$'000 千港元 (restated) (經重列)
REVENUE	收入					
External sales and segment revenue	對外銷售及分類收入	50,584	-	7,884	-	58,468
Segment (loss) profit	分類(虧損)溢利	(7,797)	(992)	3,799	(767)	(5,757)
Unallocated corporate expenses	未分配公司費用					(22,459)
Interest income	利息收入					1,805
Loss before taxation	除稅前虧損					(26,411)

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簡明綜合財務報表附註

For the six months ended 30 September 2017 截至二零一七年九月三十日止六個月

3. REVENUE AND SEGMENT INFORMATION (Continued)

3. 收入及分類資料 (續)

Segment assets and liabilities

分類資產及負債

		30 September 2017	31 March 2017
		二零一七年 九月三十日	二零一七年 三月三十一日
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(audited)
		(未經審核)	(經審核)
			(restated)
			(經重列)
ASSETS	資產		
<i>Segment assets</i>	<i>分類資產</i>		
Property development	物業開發	2,836,818	2,655,601
International business settlement	國際商業結算	94,174	54,745
Financing business	融資業務	350,908	151,733
Reportable segments total	可呈報分類總額	3,281,900	2,862,079
Others	其他	905	857
Total segment assets	分類資產總額	3,282,805	2,862,936
Unallocated assets	未分配資產		
Bank balances and cash	銀行結存及現金	1,040,125	1,513,380
Other assets	其他資產	2,177	5,022
Total unallocated assets	未分配資產總額	1,042,302	1,518,402
Consolidated total assets	綜合資產總額	4,325,107	4,381,338

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簡明綜合財務報表附註

For the six months ended 30 September 2017 截至二零一七年九月三十日止六個月

3. REVENUE AND SEGMENT INFORMATION (Continued)

3. 收入及分類資料 (續)

Segment assets and liabilities (Continued)

分類資產及負債 (續)

		30 September 2017 二零一七年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 March 2017 二零一七年 三月三十一日 HK\$'000 千港元 (audited) (經審核) (restated) (經重列)
LIABILITIES	負債		
<i>Segment liabilities</i>	<i>分類負債</i>		
Property development	物業開發	(2,939,666)	(2,978,341)
International business settlement	國際商業結算	(33,188)	(17,083)
Financing business	融資業務	(2,317)	(4,016)
Reportable segments total	可呈報分類總額	(2,975,171)	(2,999,440)
Others	其他	(721)	(692)
Total segment liabilities	分類負債總額	(2,975,892)	(3,000,132)
Unallocated liabilities	未分配負債		
Other liabilities	其他負債	(6,070)	(6,604)
Total unallocated liabilities	未分配負債總額	(6,070)	(6,604)
Consolidated total liabilities	綜合負債總額	(2,981,962)	(3,006,736)

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 截至二零一七年九月三十日止六個月

3. REVENUE AND SEGMENT INFORMATION (Continued)

Information about geographical areas

The Group's operations are principally located in the PRC (country of domicile). All revenue from external customers were generated from customers in the PRC. All non-current assets of the Group are mainly located in the PRC.

4. OTHER INCOME, GAINS AND LOSSES

3. 收入及分類資料 (續)

地理區域資料

本集團之業務主要位於註冊成立國家中國。所有來自外部客戶之收入均來自中國客戶。本集團所有非流動資產主要位於中國。

4. 其他收入、收益及虧損

Six months ended 30 September 截至九月三十日止六個月

		2017 二零一七年 HK\$'000 千港元 (unaudited) (未經審核)	2016 二零一六年 HK\$'000 千港元 (unaudited) (未經審核) (restated) (經重列)
Interest income	利息收入	4,495	1,805
Net exchange gain	匯兌收益淨額	8,306	-
Reversal of allowance for bad and doubtful debts	呆壞賬撥備撥回	2,708	-
Reversal of impairment loss on land development expenditure (note 14)	土地開發支出之減值虧損撥回(附註14)	6,428	-
Government grant	政府資助	2,306	-
Finance lease income	融資租賃收入	-	28
Others	其他	668	194
		24,911	2,027

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簡明綜合財務報表附註

For the six months ended 30 September 2017 截至二零一七年九月三十日止六個月

5. FINANCE COSTS

5. 融資成本

		Six months ended 30 September 截至九月三十日止六個月	
		2017 二零一七年 HK\$'000 千港元 (unaudited) (未經審核)	2016 二零一六年 HK\$'000 千港元 (unaudited) (未經審核)
Interest on borrowings	借款之利息		
– Bank borrowings	– 銀行借款	49,792	67,640
– Other borrowings	– 其他借款	9,757	9,900
		59,549	77,540
Less: capitalised in properties for sale	減：待售物業資本化	(48,760)	(65,808)
		10,789	11,732

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

兩個中期期間資本化之借款成本乃於特定用作獲取合資格資產之借款中產生。

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 截至二零一七年九月三十日止六個月

6. INCOME TAX

6. 所得稅

		Six months ended 30 September	
		截至九月三十日止六個月	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Current tax in PRC	中國之即期稅項		
Enterprise Income Tax ("EIT")	企業所得稅 (「企業所得稅」)	1,213	1,034
Land Appreciation Tax ("LAT")	土地增值稅 (「土地增值稅」)	2,741	(867)
		3,954	167
Deferred tax	遞延稅項		
Current period	期內	830	4,395
Taxation expense	稅項開支	4,784	4,562

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

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

The Group is required to prepay LAT and EIT in accordance with the relevant PRC tax rules in respect of pre-sale of property development projects. As at 30 September 2017, the amount of prepaid LAT and EIT in respect of deposits received for sales of properties amounted to approximately HK\$5,960,000 (31 March 2017: HK\$11,571,000), which has been presented as deduction against the tax liabilities of the respective subsidiary in the condensed consolidated statement of financial position.

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

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

本集團須根據中國相關稅務規例，就預售物業發展項目預付土地增值稅及企業所得稅。於二零一七年九月三十日，有關出售物業收取按金的已預付土地增值稅及企業所得稅金額約為5,960,000港元（二零一七年三月三十一日：11,571,000港元），並扣除各附屬公司於簡明綜合財務狀況表之稅項負債。

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簡明綜合財務報表附註

For the six months ended 30 September 2017 截至二零一七年九月三十日止六個月

7. LOSS FOR THE PERIOD

Loss for the period has been arrived at after charging:

7. 期內虧損

期內虧損已扣除：

		Six months ended 30 September 截至九月三十日止六個月	
		2017 二零一七年 HK\$'000 千港元 (unaudited) (未經審核)	2016 二零一六年 HK\$'000 千港元 (unaudited) (未經審核)
Directors' emoluments	董事酬金	2,060	1,089
Other staff salaries, wages and allowances	其他員工薪金、工資及津貼	19,170	9,284
Other staff retirement scheme contributions	其他員工之退休計劃供款	971	572
		22,201	10,945
Less: staff costs capitalised in properties for sale	減：於待售物業資本化之員工成本	(997)	(772)
Total staff costs	員工成本總額	21,204	10,173
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	2,806	1,370
Professional fee regarding the acquisition of a subsidiary	有關收購一間附屬公司之專業費用	-	1,577
Rental expenses in respect of rented premises	有關租賃物業之租金開支	9,845	2,780
Research and development expense not capitalised	未撥充資本化之研發開支	2,384	-

8. DIVIDENDS

No dividends were paid, declared or proposed during the reporting period. The directors of the Company do not recommend the payment of an interim dividend (2016: Nil).

8. 股息

於報告期間，並無派付、宣派或擬派任何股息。本公司董事不建議派付中期股息（二零一六年：無）。

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For the six months ended 30 September 2017 截至二零一七年九月三十日止六個月

9. LOSS PER SHARE

The calculation of the basic loss per share for the interim periods attributable to the owners of the Company is based on the following data:

9. 每股虧損

本公司擁有人應佔本中期期間每股基本虧損乃按以下數據計算得出：

		Six months ended 30 September 截至九月三十日止六個月	
		2017 二零一七年 HK\$'000 千港元 (unaudited) (未經審核)	2016 二零一六年 HK\$'000 千港元 (unaudited) (未經審核)
Profit and loss	溢利及虧損		
Loss for the period attributable to owners of the Company for the purpose of basic loss per share	用於計算每股基本虧損之本公司擁有人應佔期內虧損	(29,877)	(27,263)

		Six months ended 30 September 截至九月三十日止六個月	
		2017 二零一七年	2016 二零一六年
Number of shares	股份數目		
Weighted average number of shares for the purposes of basic loss per share	用於計算每股基本虧損之加權平均股份數目	20,319,072,320	19,039,072,320

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

由於兩個期間並無潛在已發行普通股，故並無呈列每股攤薄盈利。

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10. PROPERTY, PLANT AND EQUIPMENT

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

		HK\$'000 千港元
As at 1 April 2017 (audited)	於二零一七年四月一日 (經審核)	22,381
Additions	添置	442
Depreciation	折舊	(2,806)
Translation adjustments	匯兌調整	847
As at 30 September 2017 (unaudited)	於二零一七年九月三十日 (未經審核)	20,864

10. 物業、廠房及設備

於本中期期間，物業、廠房及設備之變動概述如下：

11. INTANGIBLE ASSETS

The movements in intangible assets during the current interim period is summarised as follows:

		HK\$'000 千港元
As at 1 April 2017 (audited)	於二零一七年四月一日 (經審核)	32,538
Additions	添置	13,814
Translation adjustments	匯兌調整	1,464
As at 30 September 2017 (unaudited)	於二零一七年九月三十日 (未經審核)	47,816

11. 無形資產

無形資產於本中期期內之變動概述如下：

The Group paid to an independent software company to assist the Group in developing a settlement platform for connecting with the systems of the central banks and commercial banks of the countries along the “one belt and one road”. The platform is in the stage of testing in docking with banking system, in the view of directors of the Company, the platform will generate future economic benefits. The expected useful life of the platform is 10 years and the intangible assets will be amortised when it is ready for use.

本集團向一家獨立軟件公司付款以協助本集團開發與「一帶一路」沿線國家央行及商業銀行的系統對接之結算平台。該平台現處於測試對接銀行系統階段，本公司董事認為，該平台將於未來產生經濟利益。平台之預期使用年期為10年，而當該無形資產準備使用時將予以攤銷。

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簡明綜合財務報表附註

For the six months ended 30 September 2017 截至二零一七年九月三十日止六個月

12. LONG-TERM RECEIVABLES

12. 長期應收賬項

		30 September 2017 二零一七年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 March 2017 二零一七年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
Carrying amount of lease and factoring receivables	應收租賃及保理款項之賬面值	150,047	99,964
Less: amounts due within one year shown under current assets (note 16)	減：流動資產項下所示之一年內到期之款項（附註16）	(25,640)	(31,710)
Amounts shown under non-current assets	非流動資產項下所示之款項	124,407	68,254

The carrying amount consists of the followings:

賬面值包括以下各項：

		30 September 2017 二零一七年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 March 2017 二零一七年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
- Lease receivable (note a)	- 應收租賃款項（附註a）	150,047	-
- Factoring receivable (note b)	- 應收保理款項（附註b）	-	99,964
		150,047	99,964

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12. LONG-TERM RECEIVABLES (Continued)

Notes:

- (a) In June 2017, the Group has entered into sale and lease back arrangement (the "Arrangement") with an independent third party. Pursuant to the Arrangement, the Group advanced an aggregate amount of RMB131,300,000 (equivalent to approximately HK\$154,144,000) to the lessee at a fixed rate of 6% per annum and are repayable by 30 quarterly instalments. The Group obtained the title of certain nursery-grown plant, being the subject property of the Arrangement from the lessee with a market value of approximately RMB131,300,000. The Group also obtained a guarantee from the intermediate holding company of the lessee to provide a guarantee of the lease receivable due to the Group in case of default in the payment by the lessee. Upon the lessee discharging all its obligations under the Arrangement, the Group will return the ownership title of the nursery-grown plant to the lessee for a nominal amount.
- (b) The balance as at 31 March 2017 represented the amount due from 福建萬嘉貿易有限公司 (Fujian Wanjia Trading Co., Ltd) ("Fujian Wanjia")*. In February 2014, Fujian Wanjia entered into an agreement with a non-related third party leasee for the lease of a property owned by Fujian Wanjia for a term up to 2024. On 11 May 2015, the Group entered into a factoring agreement with Fujian Wanjia for an amount of RMB120,000,000 (equivalent to approximately HK\$147,122,000). Pursuant to which the Group is entitled to receive the rental income generated from the lease of the property. Fujian Wanjia is responsible for collecting the rentals on behalf of the Group and is required to repay the amounts due if the leasee defaults the payment. The amount carries interest at a fixed rate of 13% per annum and repayable quarterly over five years. On 7 May 2015, the Group obtained a guarantee from 福建高德貿易有限公司 (Fujian Gaode trading Co., Limited) ("Fujian Gaode")*, a related company of Fujian Wanjia, that Fujian Gaode agreed to provide guarantee of the factoring receivables to the Group in case of default. During the current interim period, under mutual consent, Fujian Wanjia early repaid the entire outstanding balance in cash to the Group and terminated the agreement.

12. 長期應收賬項 (續)

附註:

- (a) 於二零一七年六月，本集團與一名獨立第三方訂立銷售及回租安排（「該安排」）。根據該安排，本集團按固定年利率6%向承租人墊付合共人民幣131,300,000元（相當於約154,144,000港元），分30期按季度償還。本集團自承租人取得市值約為人民幣131,300,000元的若干苗圃（即該安排的標的財產）的所有權。本集團亦自承租人的中間控股公司取得擔保以就本集團的應收租賃款項提供擔保，以防承租人違約拖欠付款。於承租人解除其於該安排下的全部責任後，本集團將按面額向承租人退還苗圃的所有權。
- (b) 於二零一七年三月三十一日之結餘指應收福建萬嘉貿易有限公司（「福建萬嘉」）之款項。於二零一四年二月，福建萬嘉與一名非關聯第三方承租人訂立一份協議，以租賃由福建萬嘉擁有之物業，租期截至二零二四年。於二零一五年五月十一日，本集團與福建萬嘉訂立一份金額為人民幣120,000,000元（相當於約147,122,000港元）的保理協議。據此，本集團有權收取物業租賃產生之租金收入。福建萬嘉負責代表本集團收取租金。倘承租人違約拖欠付款，福建萬嘉須償還到期款項。該款項按固定年利率13%計息，且須於五年內按季度償還。於二零一五年五月七日，本集團自福建高德貿易有限公司（「福建高德」，福建萬嘉的關聯公司）取得擔保，福建高德同意就應收保理款項向本集團提供擔保，以防違約。於本中期期間，經雙方同意，福建萬嘉以現金提早向本集團償還全部未償還結餘並終止協議。

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13. DEFERRED TAXATION

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

As at 1 April 2017 (audited)	於二零一七年四月一日 (經審核)
Charged to profit or loss	於損益表扣除
Translation adjustment	匯兌調整

As at 30 September 2017 (unaudited)	於二零一七年九月三十日 (未經審核)
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Note:

Starting from 2010, 柳州正和樺桂置業集團有限公司 ("Liuzhou Zhenghe Huagui Zhiye Real Estate Group Company Limited") ("Liuzhou Zhenghe")* has been engaged in land development project and in previous years before Liuzhou Zhenghe was acquired by the Group, 4 parcels of land developed by Liuzhou Zhenghe were put on public auction and acquired by Liuzhou Zhenghe itself for property development purpose. Liuzhou Zhenghe shared the related profit with joint developer and paid tax on the shared profit. On the Group's consolidation, this shared profit element was included in properties for sale and eliminated. The related tax paid on this shared profit was treated as deferred tax assets and will be released when the related properties are sold. As at 30 September 2017, the Group's deferred tax assets arising from profit sharing of the primary land development project amounting to approximately HK\$36,376,000 (31 March 2017: HK\$35,089,000).

14. LAND DEVELOPMENT EXPENDITURE

During the current interim period, land development cost amounted to approximately RMB140,285,000 (equivalent to approximately HK\$161,759,000) has been received and an impairment loss of HK\$6,428,000 previously recognised was reversed.

* The English name is for identification purpose only

13. 遞延稅項

已確認之遞延稅項資產於本中期期間之變動如下：

Profit sharing from land development expenditure	Others	Total	
土地開發 支出溢利分成	其他	總額	
HK\$'000	HK\$'000	HK\$'000	
千港元	千港元	千港元	
(note)			
(附註)			
As at 1 April 2017 (audited)	35,089	847	35,936
Charged to profit or loss	(153)	(677)	(830)
Translation adjustment	1,440	22	1,462
As at 30 September 2017 (unaudited)	36,376	192	36,568

附註：

自二零一零年起，柳州正和樺桂置業集團有限公司（「柳州正和」）一直從事土地開發項目，在本集團收購柳州正和前數年，柳州正和開發的四幅土地被公開拍賣，並由柳州正和本身投得作物業開發用途。柳州正和與聯合開發商分成相關溢利，並就分成溢利支付稅項。於本集團綜合入賬時，此分成溢利部分計入待售物業且予以抵銷。就此項分成溢利支付之相關稅項被視為遞延稅項資產，將於相關物業售出時解除。於二零一七年九月三十日，本集團之一級土地開發項目溢利分成產生之遞延稅項資產約為36,376,000港元（二零一七年三月三十一日：35,089,000港元）。

14. 土地開發支出

於本中期期間，土地開發成本約人民幣140,285,000元（相當於約161,759,000港元）已收回並撥回早前確認的減值虧損6,428,000港元。

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15. PROPERTIES FOR SALE

15. 待售物業

		30 September 2017	31 March 2017
		二零一七年 九月三十日	二零一七年 三月三十一日
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(audited)
		(未經審核)	(經審核)
Completed properties for sale	已落成待售物業	473,785	433,434
Properties under development for sale	持作出售發展中物業	2,224,224	1,916,449
		2,698,009	2,349,883
Carrying amount of properties under development for sale expected to be completed:	預期落成之持作出售發展中物業之賬面值：		
– within one year	— 一年內	1,035,265	883,496
– after one year	— 一年後	1,188,959	1,032,953
		2,224,224	1,916,449

As at 30 September 2017, certain properties for sale with carrying amount of approximately HK\$971,087,000 (31 March 2017: HK\$969,207,000) were pledged to secure certain bank borrowings granted to the Group.

於二零一七年九月三十日，賬面值約為971,087,000港元（二零一七年三月三十一日：969,207,000港元）之若干待售物業已予質押，作為本集團若干銀行貸款之擔保。

No impairment loss is recognised as the net realisable value is higher than the carrying amount for both interim periods.

由於可變現淨值高於賬面值，兩個中期期間均無確認減值虧損。

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16. TRADE AND OTHER RECEIVABLES

16. 應收貿易賬項及其他應收賬項

		30 September 2017 二零一七年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 March 2017 二零一七年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
Trade receivables	應收貿易賬項	2,529	5,078
Less: allowance for bad and doubtful debts	減：呆壞賬撥備	(2,295)	(4,852)
		234	226
Other receivables and prepayments:	其他應收賬項及預付款項		
Other deposits (note a)	其他按金(附註a)	12,464	11,938
Prepayments for construction work	建築工程之預付款項	35,668	39,150
Other receivables	其他應收賬項	8,498	8,875
Other prepayments	其他預付款項	5,796	1,207
Receivables for platform fee	平台費用應收款項	-	3,383
Amounts due from a third party (note b)	應收一名第三方款項(附註b)	23,480	27,063
Other tax prepayment (note c)	其他稅項預付款項(附註c)	27,103	26
Lease receivable (note 12)	應收租賃款項(附註12)	25,640	-
Loan receivable (note d)	應收貸款(附註d)	80,000	-
Factoring receivables (note e)	應收保理款項(附註e)	117,398	31,710
Interest receivable	應收利息	2,932	-
Total trade and other receivables	應收貿易賬項及其他應收賬項總額	339,213	123,578

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16. TRADE AND OTHER RECEIVABLES (Continued)

Notes:

- a. As at 30 September 2017, other deposits include an amount of approximately HK\$11,153,000 (31 March 2017: HK\$10,713,000) guarantee deposits paid to the local government for the Group to construct a hotel in Liuzhou city. The amount will be fully refunded upon the completion of the construction and commencement of hotel operation, which is expected to be within one year.
- b. The balance of the amount due from a third party is non-trade related, unsecured and repayable on demand. It arises from a bank loan borrowed by 廣西正恒貿易有限公司 (Guangxi Zhenghuan Trading Company Limited) ("Guangxi Zhenghuan")*, a wholly owned subsidiary of Liuzhou Zhenghe, on behalf of 廣西正和實業集團有限公司 (Guangxi Zhenghe Industrial Co., Ltd) ("Guangxi Zhenghe Industrial")*, which was the holding company of former substantial shareholder of Liuzhou Zhenghe at the time of the borrowing and the bank loan is secured by the assets of Guangxi Zhenghe Industrial. The interest element of the bank loan represents the amount charged by the bank on the same borrowing drawn by Guangxi Zhenghuan.
- c. The balance mainly represent the prepaid EIT amounting to HK\$13,975,000 and prepaid VAT amounting to HK\$4,394,000, which is paid in relation to the receipt in advance from customers.
- d. In August 2017, the Group entered into an agreement to offer a bridging loan of HK\$120,000,000 to an independent third party. The loan carries interest at a fixed rate of 10% per annum and is repayable in September 2017. The loan receivable is secured by 100% equity interest in an investment fund owned by the borrower and a 10% equity interest in its wholly-owned subsidiary. As at 30 September 2017, HK\$40,000,000 was repaid and the remaining balance of HK\$80,000,000 together with accrued interests thereon have been overdue. The remaining balance of HK\$80,000,000 together with the related interests have been subsequently received by the Group.

16. 應收貿易賬項及其他應收賬項 (續)

附註：

- a. 於二零一七年九月三十日，其他按金包括本集團向地方政府支付一筆約11,153,000港元（二零一七年三月三十一日：10,713,000港元）的保證金，以在柳州市建造一家酒店。該筆款項將在酒店竣工及開始運營後悉數退回，酒店預計會於一年內竣工及開始運營。
- b. 應收一名第三方款項的結餘為非貿易相關、無抵押及須按要求償還。其因廣西正恒貿易有限公司（「廣西正恒」，柳州正和之全資附屬公司）代表廣西正和實業集團有限公司（「廣西正和實業」，於作出借款時為柳州正和前主要股東之控股公司）向銀行作出的貸款而產生。該筆銀行貸款乃以廣西正和實業的資產作抵押。該筆銀行貸款計息，為銀行就廣西正恒提取的借款所收取的款項。
- c. 該結餘主要指預付企業所得稅13,975,000港元及預付增值稅4,394,000港元，乃與預收客戶款項有關。
- d. 於二零一七年八月，本集團就向一名獨立第三方提供120,000,000港元的過渡貸款訂立協議。該筆貸款按固定年利率10%計息，且須於二零一七年九月償還。應收貸款由借款人於一項投資基金擁有的100%股權及其全資附屬公司的10%股權作擔保。於二零一七年九月三十日，40,000,000港元已償還而餘額80,000,000港元連同其應計利息已逾期。本集團期後收回該筆餘額80,000,000港元連同有關利息。

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16. TRADE AND OTHER RECEIVABLES (Continued)

Notes: (Continued)

- e. During the current interim period, the Group entered into six factoring agreements with six independent third parties (the "Sellers") for an aggregate amount of RMB100,000,000. Pursuant to which the Group is entitled to the rights to receive cash for those bills receivables discounted to the Group by the Sellers. The Sellers are responsible for collecting the cash on behalf of the Group and is required to repay the factoring receivables due to the Group. The factoring receivables carry interest at a fixed rate of 6.5% per annum and are repayable quarterly over one year. A related company of the Sellers provided guarantee for the factoring receivables due to the Group. As at 30 September 2017, the outstanding factoring receivables are HK\$117,398,000.

The following is an aged analysis of trade receivables (net of allowance for bad and doubtful debt) of the Group presented based on the date of delivery of properties to the customers and the date the consultancy services provided, at the end of the reporting period:

More than one year 一年以上

At 30 September 2017, the Group's trade receivables of HK\$234,000 (31 March 2017: HK\$226,000) were past due for which the Group has not provided for impairment loss as there has not been a significant change in credit quality and amounts are still considered recoverable based on historical experience. The Group does not hold any collateral over these balances.

16. 應收貿易賬項及其他應收賬項 (續)

附註：(續)

- e. 於本中期期間，本集團與六名獨立第三方（「賣方」）訂立六份總金額為人民幣100,000,000元的保理協議。據此，本集團有權就賣方貼現予本集團的應收票據收取現金。賣方負責代表本集團收取現金及須償還本集團應收保理款項。應收保理款項按固定年利率6.5%計息，且須於一年內按季度償還。賣方的一家關聯公司已就本集團應收保理款項提供擔保。於二零一七年九月三十日，未收回應收保理款項為117,398,000港元。

本集團之應收貿易賬項（扣除呆壞賬撥備）於報告期末之賬齡分析（按向客戶交付物業日期及提供顧問服務日期計算）如下：

30 September 2017 二零一七年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 March 2017 二零一七年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
234	226

於二零一七年九月三十日，由於信貸質素並無任何重大變動及有關金額基於過往經驗仍被視為可收回，本集團應收貿易賬項234,000港元（二零一七年三月三十一日：226,000港元）已逾期而本集團尚未作出減值虧損撥備。本集團並無就該等結餘持有任何抵押品。

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17. RESTRICTED BANK DEPOSITS

Restricted bank deposits amounting to approximately HK\$18,105,000 as at 30 September 2017 (31 March 2017: HK\$32,336,000) mainly represent the proceeds from pre-sale of properties with the restriction of use for settlement of construction costs for relevant property project, which will be released upon the completion of the relevant project.

17. 有限制銀行存款

於二零一七年九月三十日，有限制銀行存款約18,105,000港元（二零一七年三月三十一日：32,336,000港元），主要指預售物業的所得款項，只限用於支付有關物業項目的建築成本，存款將於有關項目竣工後解除。

18. TRADE AND OTHER PAYABLES

18. 應付貿易賬項及其他應付賬項

		30 September 2017 二零一七年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 March 2017 二零一七年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
Trade payables	應付貿易賬項	13,594	13,712
Accrued construction costs to contractors	應付承包商之應計建築成本	446,031	355,239
Interest payable	應付利息	10,946	40,492
Amounts due to third parties (note)	應付第三方款項 (附註)	23,564	27,144
Other payables	其他應付賬項	10,865	5,793
Other tax payables	其他應付稅項	3,368	11,479
Bill payables	應付票據	-	16,914
Receipt in advance from customers	預收客戶款項	15,679	4,962
		524,047	475,735

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18. TRADE AND OTHER PAYABLES (Continued)

Note: The balances represent the amounts due to third parties which were non-trade related, unsecured, interest-free and repayable on demand. As at 30 September 2017, included amounts of approximately HK\$15,209,000 (31 March 2017: HK\$19,119,000) due to 福建萬嘉貿易有限公司 and 福州大展實業有限公司, which represent monies advanced by these parties when they were business partners of the then former shareholder of Liuzhou Zhenghe.

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

18. 應付貿易賬項及其他應付賬項 (續)

附註：結餘指應付第三方之非貿易相關、無抵押、免息及按要求償還款項。於二零一七年九月三十日，計入應付福建萬嘉貿易有限公司及福州大展實業有限公司款項約15,209,000港元（二零一七年三月三十一日：19,119,000港元）指該等訂約方為柳州正和當時前股東之業務夥伴時所作出之墊款。

以下為本集團應付貿易賬項於報告期末根據已收取材料日期的賬齡分析：

		30 September 2017 二零一七年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 March 2017 二零一七年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
0-90 days	0至90日	13,594	13,712

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19. BORROWINGS

19. 借款

		30 September 2017 二零一七年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 March 2017 二零一七年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
Bank borrowings, secured	有抵押銀行借款	906,058	902,613
Other borrowings, unsecured	無抵押其他借款	194,958	338,290
		1,101,016	1,240,903
Carrying amount of borrowings repayable:	按下列情況償還的借款賬面值：		
Within one year	一年內	1,027,055	885,699
More than one year, but not exceeding two years	超過一年，但不超過兩年	73,961	323,630
More than two year, but not exceeding five years	超過兩年，但不超過五年	—	31,574
		1,101,016	1,240,903
Less: amounts shown under current liabilities	減：流動負債項下所示之款項	(1,027,055)	(885,699)
Amounts shown under non-current liabilities	非流動負債項下所示之款項	73,961	355,204

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19. BORROWINGS (Continued)

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

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

		30 September 2017 二零一七年 九月三十日	31 March 2017 二零一七年 三月三十一日
Effective interest rate	實際利率	5%-30%	6%-24%

As at 30 September 2017, the Group's other borrowings represent (i) an unsecured borrowing of HK\$117,398,000 (31 March 2017: HK\$315,737,000) provided by a third party with interest at a fixed rate of 5% (31 March 2017: 6%) per annum and repayable in July 2018; (ii) an unsecured borrowing of HK\$22,265,000 (31 March 2017: HK\$22,553,000) provided by another third party with interest at a fixed rate of 24% (31 March 2017: 24%) per annum and repayable in March 2018; and (iii) an unsecured borrowing of HK\$55,295,000 (31 March 2017: Nil) provided by another third party with interest at a fixed rate of 24% per annum and repayable in December 2017.

19. 借款(續)

於兩個期間內，所有借款均為固定利率借款，且以人民幣計值。

有關本集團固定利率借款之實際利率之範圍如下：

於二零一七年九月三十日，本集團其他借款指(i)一名第三方提供的無抵押借款117,398,000港元(二零一七年三月三十一日：315,737,000港元)；該借款按固定年利率5%(二零一七年三月三十一日：6%)計息，須於二零一八年七月償還；(ii)另一名第三方提供的無抵押借款22,265,000港元(二零一七年三月三十一日：22,553,000港元)，該借款按固定年利率24%(二零一七年三月三十一日：24%)計息，須於二零一八年三月償還；及(iii)另一名第三方提供的無抵押借款55,295,000港元(二零一七年三月三十一日：零)，該借款按固定年利率24%計息，須於二零一七年十二月償還。

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 截至二零一七年九月三十日止六個月

19. BORROWINGS (Continued)

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

19. 借款 (續)

為本集團之銀行借款作擔保之本集團若干已抵押資產的賬面值載列如下：

		30 September 2017	31 March 2017
		二零一七年 九月三十日	二零一七年 三月三十一日
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(audited)
		(未經審核)	(經審核)
Secured by:	由下列項目抵押：		
Properties for sale (note 15)	待售物業 (附註15)	971,087	969,207

In addition to the Group's own assets pledged, Guangxi Zhenghe Industrial, the former related party of Liuzhou Zhenghe and other related parties of former shareholder of Liuzhou Zhenghe had also pledged certain assets to the bank to secure the borrowings granted to the Group.

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

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 截至二零一七年九月三十日止六個月

20. SHARE CAPITAL

20. 股本

		Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Authorised:	法定：		
Ordinary shares of HK\$0.001 each At 1 April 2017 and 30 September 2017	每股面值0.001港元之 普通股 於二零一七年四月一日及 二零一七年九月三十日	498,000,000,000	498,000
Non-voting convertible preference shares of HK\$0.001 each At 1 April 2017 and 30 September 2017	每股面值0.001港元之 無投票權可換股優先股 於二零一七年四月一日及 二零一七年九月三十日	2,000,000,000	2,000
		<u>500,000,000,000</u>	<u>500,000</u>
Issued and fully paid:	已發行及繳足：		
Ordinary shares of HK\$0.001 each At 1 April 2017 and 30 September 2017	每股面值0.001港元之 普通股 於二零一七年四月一日及 二零一七年九月三十日	20,319,072,320	20,319

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 截至二零一七年九月三十日止六個月

21. OPERATING LEASE COMMITMENTS

The Group as lessee

The Group made minimum lease payments of approximately HK\$9,845,000 (six months ended 30 September 2016: HK\$2,780,000) under operating leases during the current interim period in respect of rented premises and office equipment.

At the end of the reporting period, the Group had commitments for future minimum lease payments of approximately HK\$16,064,000 (31 March 2017: HK\$3,520,000) under non-cancellable operating leases which fall due as follows:

		30 September 2017 二零一七年九月三十日		31 March 2017 二零一七年三月三十一日	
		Rented premises 租賃物業 HK\$'000 千港元 (unaudited) 未經審核	Office equipment 辦公設備 HK\$'000 千港元 (unaudited) 未經審核	Rented premises 租賃物業 HK\$'000 千港元 (audited) 經審核	Office equipment 辦公設備 HK\$'000 千港元 (audited) 經審核
Within one year	一年內	7,359	2	3,224	6
In the second to fifth year inclusive	第二年至第五年 (包括首尾兩年)	8,703	-	290	-
		16,062	2	3,514	6

Leases are negotiated for a term of 1 to 3 years with fixed rentals.

21. 經營租約承擔

本集團作為承租人

本集團於本中期期間根據租賃物業及辦公設備之經營租約作出之最低租約付款約為9,845,000港元(截至二零一六年九月三十日止六個月: 2,780,000港元)。

於報告期末,本集團根據不可撤銷經營租約而須於以下到期日支付之最低日後租金承擔約16,064,000港元(二零一七年三月三十一日: 3,520,000港元)如下:

租約協定期一至三年,並已固定租金。

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 截至二零一七年九月三十日止六個月

22. OTHER COMMITMENTS

22. 其他承擔

		30 September 2017 二零一七年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 March 2017 二零一七年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
Commitments contracted for but not provided in the condensed consolidated financial statements in respect of:	已訂約但未於簡明綜合財務報表中撥備之承擔如下：		
– construction for properties for sale	– 待售物業之建設	711,449	916,197
– development of settlement platform	– 結算平台之開發	35,781	44,292
– purchase of equipment	– 購買設備	–	50,743
		747,230	1,011,232

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 截至二零一七年九月三十日止六個月

23. CONTINGENT LIABILITIES

23. 或然負債

	30 September 2017 二零一七年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 March 2017 二零一七年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
Guarantees given to banks for mortgage facilities granted to purchasers of the Group's properties	484,508	481,828

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

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

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 截至二零一七年九月三十日止六個月

24. RELATED PARTY TRANSACTIONS

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

Compensation of key management personnel

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

		Six months ended 30 September	
		截至九月三十日止六個月	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Short-term benefits	短期福利	2,572	1,950
Retirement benefits scheme contribution	退休福利計劃供款	26	23
		2,598	1,973

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

24. 關聯方交易

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

主要管理人員之報酬

期內本公司董事及本集團主要管理人員之其他成員之薪酬如下：

主要管理人員之薪酬乃經考慮個別人士之績效及市場趨勢釐定。

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 截至二零一七年九月三十日止六個月

25. FAIR VALUE MEASUREMENT

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

26. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with current period's presentation.

25. 公允值計量

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

26. 比較數字

若干比較數字已重新分類，以符合期內的呈列方式。

Management Discussion and Analysis

管理層討論及分析

Overall results

For the reporting period, the Group recorded a turnover of approximately HK\$14,764,000, representing a significant decrease of 74.75% against approximately HK\$58,468,000 for the same period in 2016. The turnover for the period were mainly contributed by the sales of the properties in 正和城 (“Zhenghe City”*) which are constructed by 柳州正和樺桂置業集團有限公司 (Liuzhou Zhenghe Huagui Real Estate Group Company Limited*) (“Liuzhou Zhenghe”) and interest income from financing business.

A gross profit amounted to approximately HK\$8,695,000 was recorded for the reporting period (2016: HK\$16,134,000).

A loss of approximately HK\$32,600,000 was recorded for the period, representing an increase of 5.25% from approximately HK\$30,973,000 for the same period of last year. The basic loss per share for the reporting period was HK0.15 cent which represented a slight increase of 7.14% from HK0.14 cent for the same period in 2016.

整體業績

本集團於報告期間錄得營業額約14,764,000港元，較二零一六年同期約58,468,000港元大幅下降74.75%。期內營業額主要來自柳州正和樺桂置業集團有限公司（「柳州正和」）所建造的正和城（「正和城」）物業的銷售及來自融資業務的利息收入。

於報告期間錄得毛利約8,695,000港元（二零一六年：16,134,000港元）。

期內錄得虧損約32,600,000港元，較上一年度同期約30,973,000港元上升5.25%。於報告期間每股基本虧損為0.15港仙，較二零一六年同期0.14港仙略微上升7.14%。

* The English name is for identification purpose only

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect

International Business Settlement

The self-developed Next Generation Settlement Network (the “NGSN”) mainly aims to provide an alternative settlement channel to the market, to provide an alternative around the clock and multi-currency remittance channel to banks and customers connected to the network. NGSN can help banks and customers to tap into overseas markets as well. In line with the national policies, NGSN can effectively facilitate trade settlement of countries and regions connected to the network, and providing support to banks and customers in countries along the “one belt and one road” to expand their business.

The Group has been actively expanding its bank customer base for NGSN. Up till now, several large-scale banks (including domestic and international banks) are currently planning to connect to the network and the Group maintains continuous communication with about 20 intended banks. The Group is expecting to establish comprehensive cooperative relationships with about 40 small, medium-sized and large banks at home and abroad in 2018. In addition, the Group has also entered into memorandums of understanding with several large-scale enterprises, with an aim to provide services in 2018. While discussing cooperation with our customers, several banks and enterprise customers have also realized the values brought by the NGSN resolution and realized that the NGSN could facilitate the implementation of the “one belt and one road” strategy led by China. Management of the above customers attach great importance to the NGSN and hope that the NGSN system can be put into use soon. However, as the NGSN is a payment settlement system, and its value and influence will depend on the numbers of banks and other financial institutions connected to the system. Thus, the Group has been trying its best to implement its operating strategy to provide services to its customers by the end of 2018.

經營業務回顧及前景

國際商業結算

集團自行開發的全球清結算網絡(Next Generation Settlement Network) (「NGSN」)主要是為市場提供另一清結算的途徑，給接入網絡的銀行及客戶提供多一條全天候，多幣種的匯劃渠道選擇，同時還可以幫助銀行及客戶打開海外市場，並配合國家政策，可以有效地幫助接入的國家或地區提高貿易結算的便利性，為「一帶一路」沿線國家的銀行及客戶拓展業務提供支持。

於主要經營項目方面，集團積極拓展銀行客戶。到目前為止，有幾家大規模銀行（包括國內及國外銀行）目前正在計劃實施參與，並與20餘家意向銀行客戶保持持續溝通，集團希望在二零一八年實現國內外大、中、小銀行共計40餘家建立全方面的合作關係。此外，集團也與多家大型企業簽署合作意向書，計劃於二零一八年內實現運營的經營目標。在與客戶商討合作時，多家銀行及企業客戶也充分認識到NGSN解決方案所帶來的價值，以及NGSN可以助力國家主導的「一帶一路」戰略，其負責人十分關注此事，並希望NGSN系統早日投入使用。但由於NGSN屬於支付類的清結算系統，系統中所接入的銀行與非銀金融機構數量將會決定其價值與影響力，故公司希望盡可能在二零一八年底前實現NGSN為客戶提供運營的經營策略。

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect (Continued)

International Business Settlement (Continued)

The Group is actively developing its electronic money and cross-border payment business as well, and plans to promote its business development in three aspects, which are strategic planning, connection and services, so as to create values for the shareholders.

The Group was granted an Electronic Money Institution (“EMI”) License by the Central Bank of Lithuania last year. The license is valid in the European Union for a long term. With this license, the Group can open accounts for enterprises and individuals all around the globe and provide electronic money issue, exchange and payment services to all European countries. The technology research and development on European electronic banking system and the integrated know your customer system has been completed. The systems are expected to provide services to Lithuania and the European Union in December 2017. It is expected that the integrated payment gateway will be connected to domestic payment institutions and electronic banks of Lithuania in December 2017. The development of the distributed point-to-point clearing system is expected to commence during the year. The system will be launched to the market when appropriate according to the business development of the Group.

In addition to Europe, the Group focuses on the countries along the “one belt and one road”. Currently, the Group has commenced the application for the NBKR Payment License in Kyrgyzstan and also carried out the preparatory work in Hong Kong, Macau, Taiwan, Southeast Asia and other regions.

經營業務回顧及前景 (續)

國際商業結算 (續)

集團在電子貨幣及跨境支付方面亦正積極發展，計劃在佈局、連接、服務三方面推動該業務，為股東創造價值。

集團於去年獲得由立陶宛央行頒發的電子貨幣機構(Electronic Money Institution) (「EMI」)許可證。該許可證在歐盟範圍內通行，長期有效。基於該許可證，集團可為來自全球的企業和個人開立賬戶，並面向所有歐洲國家提供電子貨幣發行、兌換以及支付服務。直至今日，歐洲電子銀行系統、統一客戶審查系統已經完成技術研發，預計本年度十二月可向立陶宛及歐盟提供服務，集成支付網關預計本年度十二月可以完成國內支付機構、立陶宛電子銀行的接入。分佈式點對點清算系統預計本年度內開始系統開發工作，並根據集團業務發展，適時推出。

除歐洲外，集團在重點佈局「一帶一路」沿線國家，目前集團已經著手申請吉爾吉斯坦的NBKR Payment License以及開展港澳台、東南亞等地區的準備工作。

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect (Continued)

International Business Settlement (Continued)

Leveraging on the consolidation of the NGSN technology, the Group has been establishing various information technology systems to support its business strategy. The Group is expecting to provide its enterprise customers and individual customers with online payment, cross-border remittance, currency exchange and other basic financial services. Last year, the Group completed the proof of concept project connected with the European SEPA system, which verified the feasibility of the NGSN against the European interface. Once the NGSN becomes mature, the EMI system can be connected to the NGSN, enabling the NGSN to provide services to the EMI's customers. Thus, both systems can benefit from the synergic development and mutual promotion, creating greater contributions to the Group.

During the reporting period, no new institutional members joined the network and no membership fee received as revenue in this segment. Segment loss of approximately HK\$14,864,000 (2016: HK\$992,000) was recorded. The major expenses for the period were office rental expenses, research and development expenses and staff costs.

Liuzhou Zhenghe

Zhenghe City is a mix-used complex project which offers a wide range of properties, including villas, townhouses, commercial buildings, office buildings, hotels and high rise apartments developed by Liuzhou Zhenghe.

經營業務回顧及前景 (續)

國際商業結算 (續)

基於NGSN技術沉澱，亦在建設多個IT系統以支撐業務佈局，集團希望為企業客戶、個人客戶提供網絡支付、跨境匯款、貨幣兌換等基礎金融服務。於去年集團已完成了與歐洲SEPA系統對接的概念驗證項目，有效驗證了NGSN對歐接口的可行性，待NGSN發展成熟後，EMI的系統可接入NGSN，讓NGSN為EMI的客戶提供服務，二者即可協同發展，互相促進，為集團創造更大的貢獻。

於報告期間，本分類沒有新機構成員加入網絡據此沒有錄得任何會員費收入，並產生約14,864,000港元之虧損（二零一六年：992,000港元）。期內主要費用是辦事處租金開支、研發費用及工資。

柳州正和

正和城為混合多功能綜合項目，提供多種不同類型物業，包括由柳州正和所開發的別墅、聯排屋、商業大樓、辦公大樓、酒店及高層公寓。

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect (Continued)

Liuzhou Zhenghe (Continued)

Zhenghe City comprises two phases with Phase I providing a stack of residential and commercial properties with gross floor area of approximately 500,000 square meters and a saleable area of approximately 474,570 square meters. Phase II will provide another stack of residential and commercial properties with a total gross floor area of approximately 580,000 square meters and a saleable area of approximately 536,199 square meters. Both Phase I and Phase II have commenced construction and under development. The progress of each phases are shown as follows:

經營業務回顧及前景 (續)

柳州正和 (續)

正和城項目由兩期構成，一期提供多幢建築面積約500,000平方米及可出售面積約474,570平方米之住宅及商業物業。二期將另外提供多幢住宅及商業物業，總建築面積約為580,000平方米，可出售面積約為536,199平方米。一期與二期均已開始施工及在開發中。各期項目進程如下所示：

	Property type 物業類型	Status 情況
Phase I: 一期：		
Zone A A區	Villas and high-rise apartment buildings 別墅及高層公寓	Construction work completed and most of the properties were sold. 建築工程已竣工且大部分物業已出售。
Zone B B區	Villas and high-rise apartment buildings 別墅及高層公寓	Construction work completed and most of the properties were sold. 建築工程已竣工且大部分物業已出售。
Zone C C區	Residential and commercial complexes and studio/office buildings 住宅及商業綜合樓及 工作室／辦公大樓	Construction work of 7 blocks of residential and commercial complexes were completed and the acceptance certificate of completion were granted. Most of the residential complexes were sold. 7幢住宅及商業綜合樓的建築工程已竣工且工程竣工驗收證書已授出。大部分住宅綜合樓已出售。 3 blocks of studio/office buildings are under construction. The pre-sale permits were granted and the acceptance certificate of completion are expected to be granted in first half of 2018. 3幢工作室／辦公大樓仍處於建設中。預售許可證已授出而工程竣工驗收證書預計於二零一八年上半年授出。

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect (Continued)

經營業務回顧及前景 (續)

Liuzhou Zhenghe (Continued)

柳州正和 (續)

	Property type 物業類型	Status 情況
Phase II: 二期:		
Zone D1 D1區	Villas 別墅	Construction work completed. 16 villas with a total saleable area of 8,008 square meters are held for sale. 建築工程已竣工。總可出售面積為8,008平方米的16幢別墅乃持作出售。
Zone D1 D1區	High-rise apartment buildings 高層公寓	5 blocks of high-rise apartment buildings are under construction. The pre-sale permits were granted and the acceptance certificate of completion is expected to be granted in late 2017. 正在建設5幢高層公寓。預售許可證已授出而工程竣工驗收證書預計於二零一七年年末授出。
Zone D2 D2區	Villas 別墅	Construction work completed. 8 villas with a total saleable area of 4,684 square meters are held for sale. 建築工程已竣工。總可出售面積為4,684平方米的8幢別墅乃持作出售。
Zone E E區	Hotel and serviced apartment 酒店及服務式公寓	A hotel building and a block of serviced apartment are under construction. The pre-sale permit for the serviced apartment was granted and the acceptance certificate of completion is expected to be obtained in late 2017. 正在建設酒店及服務式公寓。服務式公寓預售許可證已授出而工程竣工驗收證書預計於二零一七年年末取得。
Zone F F區	Residential and commercial complexes 住宅及商業綜合樓	6 blocks of residential and commercial complexes are under construction. 正在建設6幢住宅及商業綜合樓。 The pre-sale permit of 3 blocks were granted and the acceptance certificate of completion are expected to be obtained in the first half of 2018. 3幢綜合樓的預售許可證已授出而工程竣工驗收證書預計於二零一八年上半年取得。 The pre-sale permit of the remaining 3 blocks are expected to be granted in the late 2017 and the acceptance certificate of completion are expected to be obtained in the second half of 2019. 餘下3幢綜合樓的預售許可證預計於二零一七年年末授出而工程竣工驗收證書預計於二零一九年下半年取得。

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect (Continued)

Liuzhou Zhenghe (Continued)

During the period ended 30 September 2017, an area of approximately 1,152 square meters (2016: 4,841 square meters) was sold and generated a segment turnover of approximately HK\$9,258,000 for the current period (2016: HK\$50,584,000). A segment loss of HK\$5,077,000 was recorded for the current period (2016: HK\$7,797,000).

The relatively small sales figures in the reporting period was mainly due to no newly completed units was delivered to customers. As the acceptance certificate of completion for the high-rise apartment buildings of Zone D1 are expected to be obtained in late 2017, it is expected that the revenue from sales of properties in the financial year ending 31 March 2018 will increase significantly.

An external expert, DTZ Cushman & Wakefield Limited, was engaged to help to assess the fair value of the properties development project as at 30 September 2017. For those properties which had completed the construction work and held for sale, direct comparison method by making reference to comparable sales transactions as available in the relevant market is used. For those properties still under construction, the value is derived from by using direct comparison method with the assumption that the construction works of the properties would have been completed at the date of valuation and have taken into account the construction costs expected and costs that will be expended to complete the development. No impairment loss is required for the period ended 30 September 2017 as the net realisable value is higher than carrying amount.

Liuzhou Zhenghe will continue to develop the Phase II of Zhenghe City and actively seek other property development opportunity in Guangxi or other provinces in the PRC.

經營業務回顧及前景 (續)

柳州正和 (續)

於截至二零一七年九月三十日止期間，面積約1,152平方米(二零一六年：4,841平方米)已出售。期內產生分類營業額約9,258,000港元(二零一六年：50,584,000港元)。期內錄得分類虧損5,077,000港元(二零一六年：7,797,000港元)。

報告期間銷售數字較低乃主要因為期內無向客戶交付新竣工單位。由於D1區高層公寓的工程竣工驗收證書預期於二零一七年年末取得，預期於截至二零一八年三月三十一日止財政年度的銷售物業的收入將大幅增加。

外部專家戴德梁行有限公司已獲委任以協助評估物業開發項目於二零一七年九月三十日的公允值。已就已竣工及待售的物業使用直接比較法，參考相關市場上可得的可比較銷售交易。在建物業的價值乃使用直接比較法得出，當中假設物業的建築工程已於估值日期竣工，並計及預計建築成本及為完成開發將支銷的成本。由於可變現淨值高於賬面值，截至二零一七年九月三十日止期間無須作出減值虧損。

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

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect (Continued)

Financing business

In 2015, the Group obtained an approval from the Management Committee of China (Shanghai) Pilot Free Trade Zone (中國(上海)自由貿易試驗區管理委員會) and established a wholly foreign owned enterprise ("WFOE") in the China (Shanghai) Pilot Free Trade Zone to carry out financing business in the PRC. The scope of business including finance leasing business; leasing business; purchasing of leased assets at domestic and foreign markets; disposal of residual value and maintenance of leased assets; provision of consultation and guarantees for lease transactions and engaging in commercial factoring business. The registered capital of the WFOE is USD100 million (approximately RMB620 million) and the first phase of capital contribution injected to the WFOE in 2015 was USD20 million (approximately RMB124 million).

In the reporting period, USD15 million (approximately RMB101 million) was injected to WFOE to expand the financing business in order to diversify the revenue streams of the Group and utilize the resources of the Group to maximize the return to the Company and its shareholders as a whole.

During the reporting period, this segment recorded approximately HK\$5,506,000 interest income (2016: HK\$7,884,000) and the segment profit was HK\$4,478,000 (2016: HK\$3,799,000).

經營業務回顧及前景 (續)

融資業務

於二零一五年，本集團取得中國(上海)自由貿易試驗區管理委員會之批准並於中國(上海)自由貿易試驗區成立外商獨資企業(「外商獨資企業」)，以在中國進行融資業務。經營範圍包括融資租賃業務；租賃業務；向國內外市場購買租賃資產；租賃資產之殘值處理及維修；提供租賃交易諮詢和擔保以及從事商業保理業務。外商獨資企業之註冊資本為100,000,000美元(約人民幣6.2億元)及於二零一五年對外商獨資企業之第一階段注資為20,000,000美元(約人民幣1.24億元)。

於報告期間，已向外商獨資企業注資15,000,000美元(約人民幣1.01億元)拓寬融資業務，以拓展本集團之收入來源及動用本集團資源充分提升本公司及其股東之整體回報。

於報告期間，本分類錄得利息收入約5,506,000港元(二零一六年：7,884,000港元)及分類溢利4,478,000港元(二零一六年：3,799,000港元)。

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect (Continued)

Other operations

Other operations of the Group include the provision of consultancy services, trading of goods and operation of e-commerce platforms and an investment in a gold mine. No turnover was generated for these other operations during the reporting period and the loss incurred was HK\$327,000 (2016: HK\$767,000). The management will continue review the situation regularly and explore the possible solution for improvement to generate returns for the shareholders.

The 27% effective equity interest in the gold mine in the Republic of Kyrgyz was fully impaired in previous year. The progress of the construction of mining plants and other infrastructure are delayed and test-run of the mining production is expected to be commenced in 2018. The Company's shareholding in the gold mine had been pledged to secure a bank loan borrowed by the mining company to finance its operation.

Material acquisitions and disposals of subsidiaries and associated companies

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

經營業務回顧及前景 (續)

其他經營業務

本集團的其他經營業務涵蓋提供顧問服務、商品貿易及營運電子商貿平台及投資金礦。於報告期間，此等其他經營業務概無產生營業額，惟產生虧損327,000港元（二零一六年：767,000港元）。管理層將定期檢討有關情況，並發掘可行的改善方案為股東帶來回報。

於位於吉爾吉斯共和國的金礦的27%實際股權在上年悉數減值。採礦場及其他基礎設施的建設工程出現延誤，預期將於二零一八年開始試採礦。本公司於金礦的股權已獲質押，為礦業公司借入的銀行貸款提供擔保，以為其運營提供資金。

重大收購以及出售附屬公司及聯營公司

於報告期間，概無進行任何重大收購及出售附屬公司及聯營公司。

Management Discussion and Analysis

管理層討論及分析

Financial review

Finance position, liquidity and gearing

At 30 September 2017, the total assets and liabilities of the Group stood at HK\$4,325,107,000 (31 March 2017: HK\$4,381,338,000) and HK\$2,981,962,000 (31 March 2017: HK\$3,006,736,000) respectively. The Group recorded a total equity amounted to HK\$1,343,145,000 as at 30 September 2017 (31 March 2017: HK\$1,374,602,000). The decrease of total equity is mainly due to the loss incurred in the period.

The Group recorded net current assets of HK\$1,187,451,000 as at 30 September 2017 (31 March 2017: HK\$1,521,926,000). The bank balances and cash as at 30 September 2017 was HK\$1,040,125,000 (31 March 2017: HK\$1,513,380,000), of which most were denominated in Hong Kong dollars, US dollars and Renminbi.

The Group's current ratio (defined as current assets divided by current liabilities) was 1.41 (31 March 2017: 1.57).

As at 30 September 2017, the Group had total borrowing amounted to HK\$1,182,253,000 (31 March 2017: HK\$1,324,995,000) which were denominated in Renminbi. The breakdowns are as follows:

- (i) bank and other borrowings amounted to HK\$1,101,016,000 (31 March 2017: HK\$1,240,903,000) with effective interest rates in the ranges of 5.00% to 30.00%; and

財務回顧

財務狀況、流動資金及資產負債比率

於二零一七年九月三十日，本集團之資產及負債總額分別為4,325,107,000港元（二零一七年三月三十一日：4,381,338,000港元）及2,981,962,000港元（二零一七年三月三十一日：3,006,736,000港元）。於二零一七年九月三十日，本集團錄得權益總額1,343,145,000港元（二零一七年三月三十一日：1,374,602,000港元）。權益總額減少主要由於期內產生虧損。

於二零一七年九月三十日，本集團錄得流動資產淨值1,187,451,000港元（二零一七年三月三十一日：1,521,926,000港元）。於二零一七年九月三十日，銀行結存及現金為1,040,125,000港元（二零一七年三月三十一日：1,513,380,000港元），其中大部分以港元、美元及人民幣計值。

本集團的流動比率（界定為流動資產除以流動負債）為1.41（二零一七年三月三十一日：1.57）。

於二零一七年九月三十日，本集團之借款總額為1,182,253,000港元（二零一七年三月三十一日：1,324,995,000港元），均以人民幣計值，明細如下：

- (i) 銀行及其他借款為1,101,016,000港元（二零一七年三月三十一日：1,240,903,000港元），實際利率介乎5.00%至30.00%不等；及

Management Discussion and Analysis

管理層討論及分析

Financial review (Continued)

Finance position, liquidity and gearing (Continued)

(ii) interest free loan due to third parties, ultimate holding company and non-controlling interests amounted to HK\$23,564,000 (31 March 2017: HK\$27,144,000), HK\$2,308,000 (31 March 2017: HK\$2,309,000) and HK\$55,365,000 (31 March 2017: HK\$54,639,000) respectively.

The gearing ratio, as a ratio of total borrowings to total equity, as at 30 September 2017 was 0.88 (31 March 2017: 0.96).

Financial resources

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

Capital structure

As at 30 September 2017, the total issued share capital of the Company was HK\$20,319,072 which is divided into 20,319,072,320 shares of ordinary shares of the Company.

Charges on assets

As at 30 September 2017, certain properties for sale with carrying amount of HK\$971,087,000 (31 March 2017: HK\$969,207,000) were pledged to secure certain bank borrowings granted to the Group.

財務回顧 (續)

財務狀況、流動資金及資產負債比率 (續)

(ii) 應付第三方、最終控股公司及非控制權益之免息貸款分別為23,564,000港元(二零一七年三月三十一日: 27,144,000港元)、2,308,000港元(二零一七年三月三十一日: 2,309,000港元)及55,365,000港元(二零一七年三月三十一日: 54,639,000港元)。

於二零一七年九月三十日，資產負債比率(即借款總額與權益總額之比例)為0.88(二零一七年三月三十一日: 0.96)。

財務資源

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

股本架構

於二零一七年九月三十日，本公司之已發行股本總額為20,319,072港元，分為20,319,072,320股本公司普通股。

資產抵押

於二零一七年九月三十日，賬面值為971,087,000港元(二零一七年三月三十一日: 969,207,000港元)之若干待售物業已予抵押，作為本集團所獲授若干銀行借款之擔保。

Management Discussion and Analysis

管理層討論及分析

Financial review (Continued)

Contingent liabilities

The Group had provided guarantees in respect of mortgage facilities granted by certain banks in connection with the mortgage loans entered into by purchasers of the Group's properties. Pursuant to the terms of the guarantees, if there is default of the mortgage payments by these purchasers, the Group is responsible for repaying the outstanding mortgage loans together with accrued interests thereon and any penalty owed by the defaulted purchaser to banks, the Group is then entitled to take over the legal title of the related properties. The guarantee period commences from the dates of grant of the relevant mortgage loans and ends after the buyer obtained the individual property ownership certificate. As at 30 September 2017, the guarantee given to banks for the above-mentioned mortgage facilities amounted to HK\$484,508,000 (31 March 2017: HK\$481,828,000).

Foreign exchange exposure

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

Employment and remuneration policy

As at 30 September 2017, the Group had approximately 180 employees. The employees' salaries are reviewed and adjusted annually based on their performance and experience. The Group's employee benefits include performance bonus, medical insurance, mandatory provident fund scheme, local municipal government retirement scheme and education subsidy to encourage continuous professional development of staff.

財務回顧 (續)

或然負債

本集團就若干銀行授出之按揭融資提供擔保，該等按揭融資涉及及由本集團物業買家所訂立之按揭貸款。根據擔保之條款，倘該等買家拖欠按揭款項，本集團須負責向銀行償還買家結欠之按揭貸款連同其應計利息及任何罰款，而本集團屆時有權接管有關物業之法定所有權。擔保期限由相關按揭貸款授出日期起計，並於買家取得個別房產證後結束。於二零一七年九月三十日，就上述之按揭融資向銀行提供之擔保為484,508,000港元（二零一七年三月三十一日：481,828,000港元）。

外匯風險

本集團之部分資產與負債乃以人民幣、美元及港元列值，為將外匯風險降至最低程度，本集團盡量動用相同貨幣列值之資金進行交易。

僱員及薪酬政策

於二零一七年九月三十日，本集團僱用約180名僱員。僱員薪金乃根據僱員之表現及經驗每年檢討及調整。本集團之僱員福利包括績效花紅、醫療保險、強制性公積金計劃、地方市政府退休計劃，以及為員工提供教育資助以鼓勵持續專業進修。

Additional Information 其他資料

Directors' and chief executives' interests in shares and underlying shares

As at 30 September 2017, the interests and short positions of the directors and the chief executive and their associates in the shares of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) (a) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (b) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, were as follows:

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

Ordinary shares of HK\$0.001 each of the Company

董事及最高行政人員於股份及相關股份之權益

於二零一七年九月三十日，董事及最高行政人員及彼等各自之聯繫人於本公司及其相關法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的股份中擁有(a)根據證券及期貨條例第XV部第7及8分部須通知本公司及聯交所之權益及淡倉（包括根據證券及期貨條例之該等條文彼等被當作或視為擁有之權益或淡倉）；或(b)根據證券及期貨條例第352條須記入該條例所述登記冊之權益及淡倉；或(c)根據上市公司董事進行證券交易之標準守則規定須通知本公司及聯交所之權益及淡倉如下：

(i) *於本公司之股份及相關股份之好倉*

本公司每股面值0.001港元之普通股

Name of Director	Capacity in which interests are held	Number of Shares interested	Approximate percentage of the issued share capital of the Company
董事姓名	持有權益之身份	擁有權益之股份數目	估本公司已發行股本之概約百分比
Yuen Leong 袁亮	Interest in controlled corporation 於受控制法團之權益	10,347,283,880 (Note 1) (附註1)	50.92%
Luan Li 樂利	Beneficial owner 實益擁有人	9,400,000	0.05%

Additional Information

其他資料

Directors' and chief executives' interests in shares and underlying shares (Continued)

董事及最高行政人員於股份及相關股份之權益 (續)

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

(i) 於本公司之股份及相關股份之好倉 (續)

Ordinary shares of HK\$0.001 each of the Company (Continued)

本公司每股面值0.001港元之普通股 (續)

Notes:

附註:

(1) These 10,347,283,880 shares are held by Long Grand Limited which is legally and beneficially owned as to 70% by Mr. Yam Yu and as to 30% by Mr. Yuen Leong. By virtue of his 30% direct interest in Long Grand Limited, Mr. Yuen Leong is deemed or taken to be interested in the 10,347,283,880 shares held by Long Grand Limited for the purposes of the SFO.

(1) 該等10,347,283,880股股份乃由長鴻有限公司持有，而其由任宇先生及袁亮先生各合法及實益擁有70%及30%權益。基於袁亮先生於長鴻有限公司之30%直接權益，根據證券及期貨條例，彼被視為或當作於長鴻有限公司持有之10,347,283,880股股份中擁有權益。

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

(ii) 於相聯法團之股份及相關股份之好倉

Number of ordinary shares (long positions) 普通股數目 (好倉)

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

Additional Information 其他資料

Directors' and chief executives' interests in shares and underlying shares (Continued)

Save as disclosed above, as at 30 September 2017, none of the Directors and the chief executive of the Company had any interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO), (a) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

Directors' rights to acquire shares or debentures

Apart from the foregoing and save as disclosed under the heading "Directors' and chief executives' interests in shares and underlying shares" above, at no time during the six months ended 30 September 2017 were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or their respective spouse or minor children, or were any such rights exercised by them or was the Company, or any of its holding companies, its fellow subsidiaries or any of its subsidiaries a party to any arrangement to enable the directors, their respective spouse or minor children to acquire such rights in or any other body corporate.

Directors' interests in competing businesses and conflicts of interests

During the period ended 30 September 2017, none of the directors of the Company or any of their respective associates have engaged in any business that compete or may compete with the businesses of the Group or have any other conflict of interests with the Group.

董事及最高行政人員於股份及相關股份之權益 (續)

除上文所披露者外，於二零一七年九月三十日，本公司各董事及最高行政人員概無於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份及債券中擁有(a)根據證券及期貨條例第XV部第7及8分部須通知本公司及聯交所之權益或淡倉（包括根據證券及期貨條例之該等條文彼等被當作或視為擁有之權益及淡倉）；或(b)根據證券及期貨條例第352條須記入該條例所述登記冊之權益或淡倉；或(c)根據上市公司董事進行證券交易之標準守則規定須通知本公司及聯交所之權益或淡倉。

董事購入股份或債券之權利

除上述及上文「董事及最高行政人員於股份及相關股份之權益」所披露者外，於截至二零一七年九月三十日止六個月任何時間並無向任何董事或彼等各自之配偶或未成年子女授出可透過購入本公司股份或債券而取得利益之權利，或彼等並無行使任何該等權利，而本公司或其任何控股公司、同系附屬公司或任何附屬公司並無訂立任何安排，以致董事、彼等各自之配偶或未成年子女可獲取任何其他法人團體之上述權利。

董事於競爭業務之權益及利益衝突

截至二零一七年九月三十日止期間，本公司董事或任何彼等各自之聯繫人概無從事與本集團業務存在競爭或可能存在競爭之任何業務或與本集團有任何其他利益衝突。

Additional Information 其他資料

Interests and short positions of substantial shareholders

As at 30 September 2017, the following interest of 5% or more of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO.

主要股東之權益及淡倉

於二零一七年九月三十日，根據本公司按證券及期貨條例第336條規定存置之登記冊所示，下列公司擁有本公司已發行股本5%或以上權益。

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

(L) denotes long position

(L) 指好倉

(S) denotes short position

(S) 指淡倉

Additional Information

其他資料

Interests and short positions of substantial shareholders

(Continued)

Notes:

- (1) Long Grand Limited is legally and beneficially owned as to 70% by Mr. Yam Yu and as to 30% by Mr. Yuen Leong.
- (2) Power Trend Asset Holdings Limited is legally and beneficially owned by Mr. Luo Feng who retired as an executive Director and Chairman of the Company on 22 September 2017.
- (3) China Cinda Asset Management Co., Ltd. has 100% control of China Cinda (HK) Holdings Company Limited, which has 100% control of China Cinda (HK) Asset Management Co., Limited.

Save as disclosed above, as at 30 September 2017, no other person, other than the director of the Company, whose interests are disclosed under the heading "Directors' and chief executives' interests in shares and underlying shares" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

Model Code for Director's dealing in securities

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

Purchase, sales or redemption of the company's shares

There was no purchase, sale or redemption by the Company, or any of its subsidiaries, of the Company's securities during the six months ended 30 September 2017.

主要股東之權益及淡倉 (續)

附註：

- (1) 長鴻有限公司分別由任宇先生及袁亮先生合法及實益擁有70%及30%權益。
- (2) Power Trend Asset Holdings Limited 由羅峰先生（已於二零一七年九月二十二日退任本公司執行董事兼主席）合法及實益擁有。
- (3) 中國信達資產管理股份有限公司擁有中國信達（香港）控股有限公司之全部控制權，而中國信達（香港）控股有限公司擁有中國信達（香港）資產管理股份有限公司之全部控制權。

除上文所披露者及上文「董事及最高行政人員於股份及相關股份之權益」一節中披露權益之本公司董事外，於二零一七年九月三十日，概無任何人士於本公司之股份或相關股份中擁有須記錄於證券及期貨條例第336條規定存置之登記冊內之權益或淡倉。

董事進行證券交易之標準守則

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

購買、出售或贖回本公司股份

於截至二零一七年九月三十日止六個月，本公司或其任何附屬公司概無購買、出售或贖回本公司任何證券。

Additional Information

其他資料

Compliance with the Code on Corporate Governance Practices

The Company has complied with the code provisions set out in the Code on Corporate Governance Practices (the “CG Code”) contained in Appendix 14 of the Listing Rules throughout the six months ended 30 September 2017 except for the deviation from the code provision A.2.1, E.1.2, F.1.3 and A.6.7 as follows:

- (a) In accordance with the code provision A.2.1, the role of Chairman and Chief Executive Officer (“CEO”) should not be performed by the same individual. On 22 September 2017, after the Company announced the retirement of Mr. Luo Feng as Chairman of the Company, who also served the role of CEO previously, the Company did not officially have Chairman and CEO. The responsibilities of the Chairman and daily management of the Group’s business is handled by the executive Directors collectively and being supported by a team of senior management which is in turn supported by staff with relevant expertise and experience.

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

遵守企業管治常規守則

於截至二零一七年九月三十日止六個月整個期間，本公司一直遵守上市規則附錄十四所載之企業管治常規守則（「企業管治守則」）所載列之守則條文，惟以下守則條文第A.2.1、E.1.2、F.1.3及A.6.7條之偏離除外：

- (a) 根據守則條文第A.2.1條，主席及行政總裁（「行政總裁」）之職務不應由同一人擔任。於二零一七年九月二十二日本公司宣佈羅峰先生退任本公司主席（先前亦擔任行政總裁職務）後，本公司並無正式委任主席及行政總裁。主席之職責及本集團業務之日常管理由執行董事集體處理，且由高級管理層團隊支持，而高級管理層團隊由兼備相關專業知識及經驗之員工輔助。

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

Additional Information

其他資料

Compliance with the code on Corporate Governance Practices (Continued)

- (b) Code provision E.1.2 stipulates that the chairman of the board should attend the annual general meeting. As stated above, the Company did not officially have a chairman. However, one of the directors of the Company present at the annual general meeting held on 22 September 2017 was elected as chairman thereof to ensure an effective communication with the shareholders thereat.
- (c) Code provision F.1.3 stipulates that the company secretary should report to the Chairman and/or the CEO. Following the retirement of Mr. Luo Feng as the Chairman on 22 September 2017, the company secretary reported to the executive Directors since 22 September 2017 as the Company has no Chairman or CEO.
- (d) In respect of the Code Provision A.6.7, Mr. Shao Ping, the independent non-executive director of the Company, were unable to attend the annual general meeting held on 22 September 2017 due to his other business engagements.

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

Audit Committee

On 30 September 2017, the Audit Committee of the Company comprised of four independent non-executive Directors, namely, Mr. Yap Yung (the chairman), Mr. Zhang Guangsheng, Mr. Chan Siu Tat and Mr. Shao Ping. They are responsible for ensuring the quality and integrity of internal control, conducting review of the Group's accounting principles and practices, risk management and the Group's interim and annual accounts.

During the period, the Audit Committee and management have reviewed the accounting principles and policies adopted by the Group and the unaudited condensed consolidated interim financial statements of the Group for the six months ended 30 September 2017.

遵守企業管治常規守則 (續)

- (b) 守則條文第E.1.2條規定，董事會主席應出席股東週年大會。誠如上文所述，本公司並無正式之主席。然而，出席於二零一七年九月二十二日舉行之股東週年大會之本公司其中一名董事獲選為大會主席，以確保於大會上與股東進行有效溝通。
- (c) 守則條文第F.1.3條規定，公司秘書應向主席及／或行政總裁匯報。於二零一七年九月二十二日羅峰先生退任主席後，由於本公司並無主席及行政總裁，故公司秘書自二零一七年九月二十二日起向執行董事匯報。
- (d) 就守則條文第A.6.7條而言，本公司之獨立非執行董事邵平先生因彼之其他事務而無法出席於二零一七年九月二十二日舉行之股東週年大會。

除上文所述者外，董事認為，本公司於期內已遵守企業管治守則之守則條文。

審核委員會

於二零一七年九月三十日，本公司之審核委員會由葉勇先生（主席）、張光生先生、陳少達先生及邵平先生四名獨立非執行董事組成。彼等負責確保內部監控之質素及完整性、審閱本集團之會計原則及常規、風險管理，以及本集團之中期及年度賬目。

期內，審核委員會與管理層已審閱本集團採納之會計原則及政策，以及本集團截至二零一七年九月三十日止六個月之未經審核簡明綜合中期財務報表。

Additional Information

其他資料

Interim dividend

The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2017.

Change in information of Directors

Pursuant to Rule 13.51B(1) of the Listing Rules, the change of Directors' information since the date of the 2016/2017 annual report and up to the date of this interim report is as follows:

1. Mr. Hu Jianjun was appointed as an executive Director with effect from 22 August 2017.
2. Mr. Luo Feng had retired from his appointment as an executive Director and Chairman of the Board at the conclusion of the annual general meeting of the Company on 22 September 2017.
3. With effect from 22 September 2017, Dr. Lam Man Kit, Dominic ("Dr. Lam") has resigned as an independent non-executive Director, chairman of the remuneration committee and a member of each of the nomination committee and the audit committee of the Board.
4. Mr. Chan Siu Tat, an independent non-executive Director, has been appointed by the Board as the chairman of the remuneration committee in place of Dr. Lam with effect from 22 September 2017.
5. The remuneration for Mr. Yuen Leong, executive Director of the Company, was adjusted to HK\$100,000 per month, with effect from 1 October 2017.

By order of the Board

International Business Settlement Holdings Limited

Yuen Leong

Executive Director

Hong Kong, 30 November 2017

中期股息

董事會不建議派付截至二零一七年九月三十日止六個月之中期股息。

有關董事之資料變更

根據上市規則第13.51B(1)條，由2016/2017年報日期起至本中期報告日期之董事資料變動如下：

1. 胡建軍先生獲委任為執行董事，自二零一七年八月二十二日起生效。
2. 羅峰先生於二零一七年九月二十二日股東週年大會結束時已退任執行董事及董事會主席。
3. 林文傑博士（「林博士」）已辭任獨立非執行董事、董事會轄下之薪酬委員會主席、提名委員會成員及審核委員會成員，自二零一七年九月二十二日起生效。
4. 獨立非執行董事陳少達先生已獲董事會委任為薪酬委員會主席以代替林博士，自二零一七年九月二十二日起生效。
5. 本公司執行董事袁亮先生的薪酬已調整為每月100,000港元，自二零一七年十月一日起生效。

承董事會命

國際商業結算控股有限公司

執行董事

袁亮

香港，二零一七年十一月三十日



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