

# JOYCE BOUTIQUE HOLDINGS LIMITED

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

# JOYCE

STOCK CODE 股份代號 : 647

INTERIM REPORT TO SHAREHOLDERS  
for the half-year period ended 30 September 2018

致股東中期報告書  
截至二〇一八年九月三十日止半年度

# JOYCE

## GROUP RESULTS (UNAUDITED)

The unaudited Group loss attributable to owners of the Company for the six months ended 30 September 2018 was HK\$24.2 million (2017: loss of HK\$28.1 million). Loss per share was 15 HK cents (2017: loss of 1.7 HK cents).

## INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the six months ended 30 September 2018 (2017: Nil).

## MANAGEMENT DISCUSSION AND ANALYSIS

### *BUSINESS REVIEW*

During the period under review, the Group focused on driving comparable store sales through enhanced product offerings and customer experience to record a 7.0% increase in revenue despite closure of shops in the past year. Coupled with an improvement in operating costs efficiency, the Group managed to contract the net loss by HK\$3.9 million versus last year to HK\$24.2 million. Excluding the HK\$5.8 million write back of the onerous contract provision for the JOYCE shop at Shanghai IAPM in last year's net loss, the net loss contraction amounted to HK\$9.7 million.

During the period, the Group closed 3 underperforming shops to improve shop productivity. With the improvement in aged stock liquidation in China, the Group also closed one of its two Joyce Warehouse outlets in China in October to improve operating cost efficiency.

In August, the Marni joint venture business closed its only shop in Taiwan and will focus on driving shop productivity in Hong Kong.

### **Outlook**

The Group saw a decelerating sales growth in the third quarter of calendar year 2018 and the increase in mainland tourists was not reflected directly in stronger retail sales due to cautious customer spending in the luxury retail market. The Group expects that slowing down of the Chinese economy, weakening of renminbi, rising interest rates and the China/US tension will definitely dampen consumer sentiment and impact the luxury retail market of Hong Kong and China. In spite of the challenging market for retailers, there is no shortage of competitive demand for quality retail space to enable landlords to be selective about whom they lease to and at the same time achieve demanding rentals. Looking ahead, lease renewal at our key store locations will remain a critical uncertainty to sustain our business.

In view of the challenge ahead, the Group will take a cautious approach to stock purchasing and business expansion and will continue to focus on improving shop productivity through maximizing gross margins and full price sell-through and exercising stringent control on overheads.

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## FINANCIAL REVIEW

### Results Review

Net loss for the six months ended 30 September 2018 amounted to HK\$24.2 million, compared with a net loss of HK\$28.1 million. Loss per share was 1.5 HK cents (2017: loss of 1.7 HK cents).

Driven by comparable store sales during the period, revenue increased by 7.0% to HK\$413.9 million. Gross margin remained flat as last year.

Despite closing of shops in the past year, Hong Kong revenue increased by 6.1% against the same period last year and accounted for 87.9% of the Group revenue (2017: 88.7%). Operating loss contracted by HK\$5.9 million to HK\$21.3 million (2017: loss of HK\$27.2 million), primarily caused by an improvement in comparable store sales performance.

Mainland China revenue increased by 20.0% and recorded an operating profit of HK\$0.2 million, compared with a HK\$1.6 million profit for the same period last year (which included a HK\$5.8 million reversal of provision made for the JOYCE shop at Shanghai IAPM previously).

With an improvement in operating cost efficiency, the Marni joint venture business recorded a loss contribution of HK\$0.5 million, slightly lower than last year's loss contribution of HK\$0.6 million.

### Liquidity and Financial Resources

At 30 September 2018, the Group's total cash deposits and cash on hand amounted to HK\$323.2 million (31/3/2018: HK\$340.8 million) and banking facilities totaled HK\$254.8 million (31/3/2018: HK\$254.8 million).

### Foreign Exchange Risk Management

Most of the Group's imported purchases are denominated in foreign currencies, primarily being in Euro. To minimize exposure on foreign exchange fluctuations, the Group from time to time reviews its foreign exchange position and, if appropriate and necessary, hedges its exposure by means of forward contracts.

### Human Resources

The Group employed 374 staff as at 30 September 2018 (31/3/2018: 399). Employees are remunerated according to nature of their positions and market trend, with merit component incorporated in annual salary increments to reward and motivate individual performance. The Group provides various job-related training programs to staff. Total staff costs for the period ended 30 September 2018 amounted to HK\$70.4 million.

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## CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT for the six months ended 30 September 2018

	Note	Unaudited 30/09/2018 HK\$'000	Unaudited 30/09/2017 HK\$'000
Revenue	2	413,876	386,669
Other income		21,898	18,046
Direct costs and operating expenses	5	(392,739)	(378,026)
Selling and marketing expenses	5	(14,984)	(11,856)
Administrative expenses	5	(51,761)	(47,951)
Other gain	3	–	5,808
Operating loss		(23,710)	(27,310)
Finance costs	4	(22)	(3)
Share of loss of an associate		(512)	(628)
Loss before income tax		(24,244)	(27,941)
Income tax expense	6	–	(147)
<b>Loss attributable to owners of the Company</b>		<b>(24,244)</b>	<b>(28,088)</b>
<b>Loss per share</b>	7	<b>(1.5) HK cents</b>	<b>(1.7) HK cents</b>
– Basic and diluted			
<b>Dividends</b>	8	<b>–</b>	<b>–</b>

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## CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION at 30 September 2018

	Note	Unaudited 30/09/2018 HK\$'000	Audited 31/03/2018 HK\$'000
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment		38,089	45,737
Deposits, prepayments and other assets		38,930	58,802
Interest in an associate		9,962	10,472
Financial asset at fair value through profit or loss		1,231	1,231
Deferred income tax assets		6,603	6,603
		<u>94,815</u>	<u>122,845</u>
<b>Current Assets</b>			
Inventories		148,645	158,026
Trade and other receivables	9	35,608	44,032
Deposits, prepayments and other assets		38,767	17,787
Current income tax recoverable		-	99
Financial derivative assets		-	3,081
Cash and cash equivalents		323,157	340,834
		<u>546,177</u>	<u>563,859</u>
<b>Total Assets</b>		<u>640,992</u>	<u>686,704</u>
<b>EQUITY</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital	11	162,400	162,400
Reserves		296,985	321,030
<b>Total Equity</b>		<u>459,385</u>	<u>483,430</u>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
Other non-current liabilities		7,922	7,922
Financial derivative liabilities		-	419
		<u>7,922</u>	<u>8,341</u>
<b>Current Liabilities</b>			
Trade and bills payables	10	53,694	56,414
Other payables and accruals		106,114	131,773
Amount due to an associate		4,268	6,181
Financial derivative liabilities		9,609	565
		<u>173,685</u>	<u>194,933</u>
<b>Total Liabilities</b>		<u>181,607</u>	<u>203,274</u>
<b>Total Equity And Liabilities</b>		<u>640,992</u>	<u>686,704</u>
<b>Net Current Assets</b>		<u>372,492</u>	<u>368,926</u>
<b>Total Assets Less Current Liabilities</b>		<u>467,307</u>	<u>491,771</u>

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## CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 September 2018

	Attributable to owners of the Company							
	Share capital HK\$'000	Share premium HK\$'000	Capital surplus HK\$'000	Contributed surplus HK\$'000	Exchange fluctuation reserve HK\$'000	Hedging reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000
<b>Balance at 1 April 2018</b>	<b>162,400</b>	<b>3,728</b>	<b>76</b>	<b>139,196</b>	<b>15,829</b>	<b>-</b>	<b>162,201</b>	<b>483,430</b>
Loss for the period	-	-	-	-	-	-	(24,244)	(24,244)
<b>Other comprehensive income</b>								
Net translation differences on foreign operations:								
- Subsidiaries	-	-	-	-	196	-	-	196
- Associate	-	-	-	-	3	-	-	3
<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>199</b>	<b>-</b>	<b>-</b>	<b>199</b>
<b>Total comprehensive income/(loss)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>199</b>	<b>-</b>	<b>(24,244)</b>	<b>(24,045)</b>
<b>Balance at 30 September 2018</b>	<b>162,400</b>	<b>3,728</b>	<b>76</b>	<b>139,196</b>	<b>16,028</b>	<b>-</b>	<b>137,957</b>	<b>459,385</b>

The comparative figures for the six months ended 30 September 2017 are set out as follows:

	Attributable to owners of the Company							
	Share capital HK\$'000	Share premium HK\$'000	Capital surplus HK\$'000	Contributed surplus HK\$'000	Exchange fluctuation reserve HK\$'000	Hedging reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000
Balance at 1 April 2017	162,400	3,728	76	139,196	6,931	-	216,926	529,257
Loss for the period	-	-	-	-	-	-	(28,088)	(28,088)
Other comprehensive income/(loss)								
Net translation differences on foreign operations:								
- Subsidiaries	-	-	-	-	(216)	-	-	(216)
- Associate	-	-	-	-	25	-	-	25
Cash flow hedges:								
- Fair value changes on cash flow hedge	-	-	-	-	-	4,735	-	4,735
- Deferred income tax	-	-	-	-	-	(734)	-	(734)
<b>Total other comprehensive income/(loss)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(191)</b>	<b>4,001</b>	<b>-</b>	<b>3,810</b>
<b>Total comprehensive income/(loss)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(191)</b>	<b>4,001</b>	<b>(28,088)</b>	<b>(24,278)</b>
<b>Balance at 30 September 2017</b>	<b>162,400</b>	<b>3,728</b>	<b>76</b>	<b>139,196</b>	<b>6,740</b>	<b>4,001</b>	<b>188,838</b>	<b>504,979</b>

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## CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME for the six months ended 30 September 2018

	Unaudited 30/09/2018 HK\$'000	Unaudited 30/09/2017 HK\$'000
<b>Loss for the period</b>	<b>(24,244)</b>	(28,088)
<b>Other comprehensive income/(loss)</b>		
Net translation differences on foreign operations	199	(191)
Fair value gains on cash flow hedge, net of tax	–	4,001
<b>Total other comprehensive income</b>	<b>199</b>	3,810
<b>Total comprehensive loss for the period</b>	<b>(24,045)</b>	(24,278)

## CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS for the six months ended 30 September 2018

	Unaudited 30/09/2018 HK\$'000	Unaudited 30/09/2017 HK\$'000
Net cash outflow from operating activities	(17,205)	(32,761)
Net cash outflow from investing activities	(668)	(5,976)
Decrease in cash and cash equivalents	(17,873)	(38,737)
Effect of foreign exchange rate changes, net	196	(216)
<b>Cash and cash equivalents at beginning of period</b>	<b>340,834</b>	323,942
<b>Cash and cash equivalents at end of period</b>	<b>323,157</b>	284,989
<b>Analysis of balances of cash and cash equivalents</b>		
Cash at bank and in hand	138,359	165,529
Short-term bank deposits	184,798	119,460
	<b>323,157</b>	284,989

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## NOTES TO INTERIM FINANCIAL STATEMENTS

### (1) Basis of preparation and accounting policies

The unaudited condensed consolidated interim financial statements have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), and the applicable disclosure requirements of Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

These unaudited condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 March 2018, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs").

Except as described below, the accounting policies adopted are consistent with those of the annual financial statements for the year ended 31 March 2018, as described in those annual financial statements.

The following new standards, amendments and interpretations are mandatory for the financial year beginning on 1 April 2018 but they do not have any significant impact to the results and financial position of the Group:

HKAS 28 (Amendments)	Investments in Associates and Joint Ventures
HKAS 40 (Amendments)	Transfers of Investment Property
HKFRS 2 (Amendments)	Classification and Measurement of Share-based Payment Transactions
HKFRS 4 (Amendments)	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts
HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers
HKFRS 15 (Amendments)	Clarifications to HKFRS 15
HK(IFRIC) 22	Foreign Currency Transactions and Advance Consideration
Annual Improvements Projects HKFRS 1 and HKAS 28 (Amendments)	Annual Improvements 2014-2016 Cycle

#### **HKFRS 15 "Revenue from contracts with customers"**

The Group has first time adopted HKFRS 15 from 1 April 2018 which resulted in changes in accounting policies. In accordance with the transition provisions of HKFRS 15, the Group has adopted the modified retrospective application and no comparative figures are restated.

HKFRS 15 establishes a new framework for revenue recognition. This replaces HKAS 18 which covers contracts for goods and services and HKAS 11 which covers construction contracts. The new standard introduces a five-step model to determine when to recognise revenue and at what amount. Under the five-step model, revenue is recognised when control of goods or services is transferred to a customer and at the amount to which the entity expects to be entitled. Depending on the nature of the contracts, revenue is either recognised over time or at a point in time.

The adoption of HKFRS 15 has no impact on the Group's financial position and results of operations based on the current business model, other than presenting additional disclosures.

The following new standards, amendments and interpretations have been issued but are not effective for the financial year beginning on 1 April 2018 and have not been early adopted by the Group:

HKFRS 9 (Amendments)	Prepayment Features with Negative Compensation
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
HKFRS 16	Leases
HKFRS 17	Insurance Contracts
HK(IFRIC) 23	Uncertainty over Income Tax Treatments



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## HKFRS 16 “Leases”

HKFRS 16 will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

The accounting for lessors will not significantly change.

The standard will affect primarily the accounting for the Group’s operating leases. As at the reporting date, the Group has non-cancellable operating lease commitments of HK\$481,661,000 (see note 12(a)). The Group estimates those related to payments for short-term or low value leases which will be recognised on a straight-line basis as an expense in profit or loss are insignificant.

However, the Group has not yet assessed what other adjustments, if any, are necessary for example because of the change in the definition of the lease term and the different treatment of variable lease payments, extension and termination options and of sub-lease accounting. It is therefore not yet possible to estimate the amount of right-of-use assets and lease liabilities that will have to be recognised on adoption of the new standard and how this may affect the Group’s profit or loss and classification of cash flows going forward.

The new standard is mandatory for financial years commencing on or after 1 January 2019. At this stage, the Group does not intend to adopt the standard before its effective date.

## (2) Segment information

The Group is principally engaged in sales of designer fashion garments, cosmetics and accessories.

The Group determines its operating segments based on the reports reviewed by the management who makes strategic decisions.

The management assesses the business by geographic location. The reportable operating segments identified are Hong Kong, Mainland China and other markets.

Segment loss represents the loss incurred by each segment before finance cost, tax and share of loss of an associate. This is the measurement basis reported to the management for the purpose of resource allocation and assessment of segment performance.

An analysis of the Group’s reportable segment revenue and segment results by geographical location is as follows:

	Segment revenue		Segment results	
	30/09/2018 HK\$'000	30/09/2017 HK\$'000	30/09/2018 HK\$'000	30/09/2017 HK\$'000
<b>Geographical segments:</b>				
Hong Kong	363,858	342,791	(21,334)	(27,215)
China	49,528	41,281	245	1,630
Others	490	2,597	(2,621)	(1,725)
Total	<u>413,876</u>	<u>386,669</u>		
Operating loss			(23,710)	(27,310)
Finance costs			(22)	(3)
Share of loss of an associate			(512)	(628)
Loss before income tax			(24,244)	(27,941)
Income tax expense			–	(147)
Loss attributable to owners of the Company			<u>(24,244)</u>	<u>(28,088)</u>

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## (3) Other gain

	30/09/2018 HK\$'000	30/09/2017 HK\$'000
Reversal of provision for onerous contract	-	5,808

## (4) Finance costs

	30/09/2018 HK\$'000	30/09/2017 HK\$'000
Interest on overdrafts	22	3

## (5) Expenses by nature

	30/09/2018 HK\$'000	30/09/2017 HK\$'000
Cost of inventories	213,013	222,601
Provision for/(Utilisation of provision for) impairment of inventories	8	(23,467)
Depreciation of property, plant and equipment	8,316	10,812
Operating lease rentals in respect of land and buildings	120,549	120,048
Staff costs	70,399	69,551
Other expenses	47,199	38,288
	<b>459,484</b>	<b>437,833</b>

## (6) Income tax expense

Hong Kong profits tax has not been provided as the Group has no estimated assessable profit for the period ended 30 September 2018 (2017: Nil).

No provision for overseas profits tax has been made as the Group has no estimated overseas assessable profit (2017: Nil).

The amount of taxation charged to the consolidated income statement represents:

	30/09/2018 HK\$'000	30/09/2017 HK\$'000
Hong Kong profits tax		
– Current income tax	-	-
– Under-provision in prior year	-	147
Deferred income tax	-	-
	<b>-</b>	<b>147</b>

## (7) Loss per share

The calculation of basic loss per share is based on the consolidated loss attributable to owners of the Company for the period of HK\$24,244,000 (2017: loss of HK\$28,088,000) and the weighted average number of ordinary shares of 1,624,000,000 (2017: 1,624,000,000) shares in issue during the period.

Diluted loss per share was equal to basic loss per share as there was no dilutive potential share outstanding for the period ended 30 September 2018 and 2017.

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## (8) Dividends

### (a) Dividends attributable to the period

The Board has resolved not to declare any interim dividend for the period ended 30 September 2018 (2017: Nil).

### (b) Dividends attributable to the previous financial year, approved and paid during the period.

	<b>30/09/2018</b>	30/09/2017
	<b>HK\$'000</b>	HK\$'000
No interim dividend in respect of the previous financial year, approved and paid during the period (2017: Nil)	-	-
	<u>          </u>	<u>          </u>

## (9) Trade and other receivables

Included in trade and other receivables are trade receivables with an ageing analysis based on invoice date at 30 September 2018 as follows:

	<b>30/09/2018</b>	30/09/2017
	<b>HK\$'000</b>	HK\$'000
Within 30 days	<b>28,695</b>	41,387
Between 31 to 60 days	<b>1,079</b>	961
Between 61 to 90 days	<b>2,428</b>	76
Over 90 days	<b>581</b>	161
	<u><b>32,783</b></u>	<u>42,585</u>

The Group has established credit policies for each of its core businesses. The general credit terms allowed range from 0 to 60 days.

## (10) Trade and bills payables

The ageing analysis of trade and bills payables at 30 September 2018 based on due date is as follows:

	<b>30/09/2018</b>	31/03/2018
	<b>HK\$'000</b>	HK\$'000
Due within 30 days	<b>52,510</b>	54,295
Due between 31 to 60 days	<b>1,184</b>	1,397
Due between 61 to 90 days	<b>-</b>	722
	<u><b>53,694</b></u>	<u>56,414</u>

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## (11) Share capital

	2018		2017	
	Number of shares '000	HK\$'000	Number of shares '000	HK\$'000
<b>Authorised:</b>				
Ordinary shares of HK\$0.10 each				
Beginning and end of the period	<b>3,000,000</b>	<b>300,000</b>	3,000,000	300,000
<b>Issued and fully paid:</b>				
Ordinary shares of HK\$0.10 each				
Beginning and end of the period	<b>1,624,000</b>	<b>162,400</b>	1,624,000	162,400

## (12) Commitments

### (a) Operating lease commitments – as lessee

At 30 September 2018, the Group had future aggregate minimum lease payments under non-cancellable operating leases as follows:

	30/09/2018 HK\$'000	31/03/2018 HK\$'000
Land and buildings:		
Not later than one year	<b>215,081</b>	207,510
Later than one year and not later than five years	<b>266,580</b>	305,317
	<b>481,661</b>	512,827

Payment obligations in respect of operating leases with rentals varied with gross revenues are not included as future minimum lease payment.

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## (b) Operating lease commitments – as lessor

At 30 September 2018, the Group had future aggregate minimum lease receipts under a non-cancellable operating lease as follows:

	<b>30/09/2018</b> <b>HK\$'000</b>	31/03/2018 HK\$'000
Land and buildings:		
Not later than one year	<b>8,438</b>	20,995
Later than one year and not later than five years	<b>489</b>	–
	<b>8,927</b>	20,995

Receipts in respect of operating leases where rentals vary with gross revenues of the lessee are not included as future minimum lease receipts.

## (c) Capital commitments

There were no significant capital commitments outstanding at 30 September 2018 (31/03/2018: Nil).

## (13) Related party transactions

Significant related party transactions, which were carried out in the normal course of the Group's business during the period, are as follows:

### (a) Transactions with fellow subsidiaries

	<b>30/09/2018</b> <b>HK\$'000</b>	30/09/2017 HK\$'000
Rental expenses and revenue commission paid to fellow subsidiaries	<b>20,352</b>	15,567
Rental income received from fellow subsidiaries	<b>15,777</b>	15,504

### (b) Transactions with an associate

	<b>30/09/2018</b> <b>HK\$'000</b>	30/09/2017 HK\$'000
Management fee received from an associate	<b>1,327</b>	509

## (14) Review of unaudited interim financial statements

The unaudited interim financial statements for the six months ended 30 September 2018 have been reviewed with no disagreement by the Audit Committee of the Company.

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## CORPORATE GOVERNANCE CODE

During the financial period under review, all the code provisions in the Corporate Governance Code as set out in Appendix 14 of the Rules (the "Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") were met by the Company.

## CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") in Appendix 10 of the Listing Rules. The Company has made specific enquiry of all Directors of the Company and all the Directors have confirmed that they have complied with the required standard set out in the Model Code during the period under review.

## DIRECTORS' INTERESTS IN SECURITIES

As recorded in the register kept by the Company under section 352 of the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong) (the "SFO") in respect of information required to be notified to the Company and the Stock Exchange by the Directors and/or Chief Executive of the Company pursuant to the SFO or to the Model Code (or any other applicable code), there were no interests, whether long or short positions, held or deemed to be interested as at 30 September 2018 by any of the Directors or Chief Executive of the Company in shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), nor had there been any rights to subscribe for any shares, underlying shares or debentures of the Company and its associated corporations held by or deemed to be interested by any of them as at 30 September 2018.

## SUBSTANTIAL SHAREHOLDERS' INTERESTS

Given below are the names of all parties who/which were, directly or indirectly, interested in 5% or more of any class of voting shares of the Company as at 30 September 2018, and the respective relevant numbers of shares in which they were, and/or were deemed to be, interested as at that date as recorded in the register kept by the Company under section 336 of the SFO (the "Register"):

<b>Names</b>	<b>No. of Ordinary Shares</b> (percentage based on number of shares in issue)
(i) JoyBo International Limited ("JBIL")	1,183,838,723 (72.90%)
(ii) Wisdom Gateway Limited ("WGL")	1,183,838,723 (72.90%)
(iii) HSBC Trustee (C.I.) Limited ("HSBC CI")	1,183,838,723 (72.90%)
(iv) Mr. Peter K. C. Woo	1,183,838,723 (72.90%)

Notes:

- (1) For the avoidance of doubt and double counting, it should be noted that all of the shareholdings stated above represent the same block of shares.
- (2) HSBC CI's deemed shareholding interests stated above were held by virtue of its 100% shareholding interest in WGL. HSBC CI held the interest in WGL as the trustee of a trust of which Mr. Peter K. C. Woo is the settlor.
- (3) WGL's deemed shareholding interests stated above were held through its wholly-owned subsidiary, JBIL.

All the interests stated above represented long positions. As at 30 September 2018, there were no short position interests recorded in the Register.

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## PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any listed securities of the Company during the financial period under review.

By Order of the Board

**Kevin C. Y. Hui**

*Company Secretary*

Hong Kong, 15 November 2018

*As at the date of this interim report, the Board of Directors of the Company comprises Mr. Stephen T. H. Ng, Ms. Doreen Y. F. Lee and Mr. Paul Y. C. Tsui, together with three Independent Non-executive Directors, namely Mr. Antonio Chan, Mr. Eric K. K. Lo and Mr. T. Y. Ng.*

