

2018 Interim Report 中期報告



Hifood Group Holdings Co., Limited
海福德集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號 : 442

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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Nang Qi (*Chairman*)
Mr. Chen Peiliang (*Chief Executive Officer*)
Mr. Xue Qiang

Independent non-executive Directors

Mr. Ting Tit Cheung
Mr. Chan Chi Kuen
Mr. Lo Chun Pong

Company secretary

Mr. Chau Chi Lai (FCPA, CFA, CA,
CPA Auditor (Canada), CPA (US))

Audit committee

Mr. Chan Chi Kuen (*Chairman*)
Mr. Ting Tit Cheung
Mr. Lo Chun Pong

Remuneration committee

Mr. Ting Tit Cheung (*Chairman*)
Mr. Nang Qi
Mr. Chen Peiliang
Mr. Chan Chi Kuen
Mr. Lo Chun Pong

Nomination committee

Mr. Nang Qi (*Chairman*)
Mr. Chen Peiliang
Mr. Ting Tit Cheung
Mr. Chan Chi Kuen
Mr. Lo Chun Pong

Authorised representatives

Mr. Chen Peiliang
Mr. Chau Chi Lai

Auditors

PricewaterhouseCoopers

董事會

執行董事

曩麒先生 (主席)
陳佩良先生 (行政總裁)
薛強先生

獨立非執行董事

丁鐵翔先生
陳志權先生
盧振邦先生

公司秘書

周智禮先生 (FCPA, CFA, CA,
CPA Auditor (Canada), CPA (US))

審核委員會

陳志權先生 (主席)
丁鐵翔先生
盧振邦先生

薪酬委員會

丁鐵翔先生 (主席)
曩麒先生
陳佩良先生
陳志權先生
盧振邦先生

提名委員會

曩麒先生 (主席)
陳佩良先生
丁鐵翔先生
陳志權先生
盧振邦先生

授權代表

陳佩良先生
周智禮先生

核數師

羅兵咸永道會計師事務所

Principal bankers

The Hongkong and Shanghai Banking Corporation Limited
Hang Seng Bank Limited

Principal share registrar and transfer office

Estera Trust (Cayman) Ltd.
Clifton House, 75 Fort Street
Grand Cayman
KY1-1108
Cayman Islands

Hong Kong share registrar and transfer office

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

Registered office

Clifton House, 75 Fort Street
Grand Cayman
KY1-1108
Cayman Islands

Place of business and headquarters in Hong Kong

Unit 1207
Fu Hang Industrial Building
1 Hok Yuen Street East
Hungghom, Kowloon
Hong Kong

Place of Listing

The Stock Exchange of Hong Kong Limited

Stock code

442

Company's website

www.ktl.com.hk

主要往來銀行

香港上海滙豐銀行有限公司
恒生銀行有限公司

主要股份過戶登記處

Estera Trust (Cayman) Ltd.
Clifton House, 75 Fort Street
Grand Cayman
KY1-1108
Cayman Islands

香港股份過戶登記處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心22樓

註冊辦事處

Clifton House, 75 Fort Street
Grand Cayman
KY1-1108
Cayman Islands

香港營業地點及總部

香港
九龍紅磡
鶴園東街1號
富恒工業大廈
1207室

上市地點

香港聯合交易所有限公司

股份代號

442

公司網站

www.ktl.com.hk

FINANCIAL HIGHLIGHTS

財務摘要

Revenue was approximately HK\$76.2 million for the six months ended 30 September 2018 (the “Period”), representing a decrease of approximately 75.2% as compared with the same for the six months ended 30 September 2017.

Gross profit was approximately HK\$9.7 million for the six months ended 30 September 2018, representing a decrease of approximately 81.3% as compared with the same for the six months ended 30 September 2017.

Gross profit margin decreased to approximately 12.8% for the six months ended 30 September 2018, as compared with approximately 16.9% for the six months ended 30 September 2017.

For the six months ended 30 September 2018, Hifood Group Holdings Co., Limited (the “Company”) and its subsidiaries (collectively, the “Group”) recorded a consolidated loss attributable to the owners of the parent of approximately HK\$23.8 million, compared with consolidated losses of approximately HK\$6.3 million for the corresponding period of 2017.

Basic and diluted losses per share amounted to approximately HK\$0.14 for the six months ended 30 September 2018, compared with the basic and diluted losses per share of approximately HK\$0.04 for the six months ended 30 September 2017.

The board (the “Board”) of directors (the “Directors”) of the Company does not recommend the payment of an interim dividend for the six months ended 30 September 2018.

截至2018年9月30日止六個月（「本期間」），收益約為76.2百萬港元，較截至2017年9月30日止六個月減少約75.2%。

截至2018年9月30日止六個月，毛利約為9.7百萬港元，較截至2017年9月30日止六個月減少約81.3%。

截至2018年9月30日止六個月，毛利率下降至約12.8%，而截至2017年9月30日止六個月則約為16.9%。

截至2018年9月30日止六個月，海福德集團控股有限公司（「本公司」）及其附屬公司（統稱為「本集團」）錄得母公司擁有人應佔綜合虧損約為23.8百萬港元，而2017年同期綜合虧損約為6.3百萬港元。

截至2018年9月30日止六個月，每股基本及攤薄虧損約為0.14港元，而截至2017年9月30日止六個月每股基本及攤薄虧損約為0.04港元。

本公司董事（「董事」）會（「董事會」）不建議就截至2018年9月30日止六個月派付中期股息。

BUSINESS REVIEW

Being an integrated fine jewellery provider and an original design manufacturer with a well-established operating history in Hong Kong, the Group is primarily engaged in designing, manufacturing and exporting fine jewellery to jewellery wholesalers and retailers mainly in the Americas, Russia, other European countries and increasingly so in the People's Republic of China (the "PRC") and the Middle East in recent years. The Group has been offering a wide range of fine jewellery products in karat gold encompassing rings, earrings, pendants, necklaces, bracelets, bangles, cufflinks, brooches and anklets that are generally targeted at the mass to middle segment, the lowest among the three tiers of the fine jewellery market segments in terms of retail prices. The Group's customers are mainly wholesalers and retailers of jewellery products.

In 2018, while the baseline growth forecast for the global economy is roughly unchanged, the performance and outlook for individual economies are a mix of good and bad based on differences in fundamentals and domestic factors. Rising oil prices, escalating trade tensions, geopolitical concerns, tighter financial conditions, sharp exchange rate movements as well as mounting political uncertainty are all factors possibly triggering higher market volatility and impacting on the growth prospects among countries.

Equally, challenging retail conditions in the markets in which the Group operates during the period under review added to the drivers of decline in our sales and financial performance, against the background of the changing consumer behaviour towards innovative, creatively designed products that emphasise personal uniqueness and individuality in the digital age.

業務概覽

作為一家香港優質珠寶綜合供應商及原設計製造商，營運歷史悠久，本集團主要從事優質珠寶設計及製造，並主要出口予美洲、俄羅斯、其他歐洲國家，且近年來增加出口至中華人民共和國（「中國」）及中東的珠寶批發商及零售商。本集團供應多款K金優質珠寶產品，包括戒指、耳環、吊墜、項鍊、手鐲、臂鐲、袖扣、胸針及踝飾，有關產品一般鎖定優質珠寶市場分部按零售價劃分的三個級別中最低的大眾至中端分部。本集團客戶主要為珠寶產品批發商及零售商。

2018年，儘管全球經濟的基線增長預測大致維持不變，但由於不同經濟體的經濟基本面及本地因素有所差異，因此各別表現及前景好壞不一。油價上升、貿易衝突升級、地緣政治憂慮日增、金融環境緊縮、匯率大幅波動，以至政治不明朗因素不斷增加，種種情況均可能令市場變得更加動盪，影響各國的增長前景。

與此同時，數碼年代催生消費行為模式變革，新生代對強調個人獨特風格及獨立自主色彩的創新、創意產品趨之若鶩。在這背景底下，計及本集團於回顧期內在所營運市場面對艱難零售環境，加劇本集團銷售及財務表現下滑。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

For the six months ended 30 September 2018, revenue generated from sales to the PRC market registered a decrease of 53.7% to HK\$32.1 million as compared with the same period last year. In the PRC, the trend of economic slowdown strengthened notwithstanding the government's initiatives to encourage domestic investment to prop up the economy amid the trade war with the U.S.. A gloomier economic outlook, coupled with a weaker yuan, weighed on the ability and willingness of the Chinese middle income groups to open their wallets, who scaled back their discretionary luxury purchases in the face of the likelihood of escalating and sustained global trade tensions. Traditional fine jewellery demand struggled further among the Chinese and millennial shoppers, who are making a shift in the consumer landscape and are increasingly drawn to branded yet personalised products over heritage and tradition.

In Russia, while the economy stays on the path of recovery after a steep recession on the back of surging oil prices, geopolitical uncertainty and protracted effects of the U.S. and EU sanctions continue to pose downside risks for the growth outlook. Faster price growth and an unsteady ruble increasingly eat into the purchasing power of Russian households. Consumers have turned more cautious and pragmatic, reshuffling their spending priorities by cutting back on goods they regard as non-essential while spending more on those that matter to their quality of life. At the same time, traditional fine jewellery players have sought to rebalance their geographical markets in response to the trade fight between the PRC and the U.S., leading to an even stiffer competition in the country. Against this backdrop, in the first six months of the financial year of 2018/2019, revenue generated from sales to the Russian market dropped by 66.9% to HK\$22.2 million from a year ago. As Russian consumers reset their expectations in light of the new economic reality, we are also reassessing our approach to the said market.

截至2018年9月30日止六個月，來自中國市場銷售所產生的收益為32.1百萬港元，較去年同期減少53.7%。在中國，儘管政府在與美國貿易戰中落實舉措鼓勵本地投資以支持經濟持續增長，惟難望在短期扭轉放緩趨勢。經濟前景趨淡，加上人民幣走弱，讓中國中產收入家庭在面對全球貿易拉鋸可能加速及持續的浪潮，已開始勒緊消費，並酌情削減奢侈品購買量。此外，中國的消費格局出現轉變，個人消費者特別是千禧新生代，與傳統產品漸行漸遠，反之愈加傾向於選擇能彰顯特行個性的品牌，令傳統優質珠寶銷售受到擠壓。

在俄羅斯，儘管油價上揚，當地經濟於嚴重衰退以後續見復蘇，惟地緣政治風險帶來不確定性，以及美國和歐盟制裁的長期影響，繼續對增長前景帶來下行風險。物價飆升，加上極不穩定的盧布價格，逐漸蠶食俄羅斯居民購買力。消費者變得更謹慎務實，在購買更多最能確保生活質素的貨品的同時，減少購買認為非必要的產品，重新調整開支的優次步調。同樣地，傳統優質珠寶商也尋求重新平衡地域市場分佈，以應對中美貿易戰衍生的影響，此舉導致國內競爭更趨白熱化。在此情形下，於2018/2019財政年度首六個月期，本集團於俄羅斯市場銷售所產生的收益較去年同期下降66.9%至22.2百萬港元。隨著俄羅斯消費者因應新經濟實際情況重整期望，本集團亦在重新評估對有關市場所採取的策略。

Across the Pacific Ocean, the mood in the U.S. is relatively mixed. Benefited from a positive domestic economic environment, solid government spending, generous tax cuts and a tighter labour market have kept U.S. households optimistic about the state of the economy and their finances, bolstering consumer sentiment to a certain extent. Yet, on the other hand, worries about rising prices and interest rates also permeate amid tensions between the U.S. and its main trade partners. There has been growing concerns over a slower growth next year and beyond. Meanwhile, during the period under review, we discontinued our business relationship with a major customer in the U.S. due to a revision to product delivery terms and conditions. As a result, revenues generated from sales to the Americans market fell by 94.3% to HK\$7.9 million as compared with the corresponding period the previous year.

The Group has engaged in processing services using the excess production capacities in order to enhance management resources and cost efficiency. Subcontracting income generated from such processing services accounted for approximately 0.5% of total sales. Sales from the subcontracting income did not have a material impact on the Group's overall gross profit margin over the reporting period.

To better adapt to an ever-changing market landscape, the Group has relentlessly applied stringent controls over capital expenditures. For the first six months of the financial year of 2018/2019, the Group's administrative expenses were down 36.9% year-on-year to HK\$24.2 million, while selling expenses decreased by 40.9% year-on-year to HK\$11.4 million.

在太平洋彼岸，美國情況相對糾結。受惠於當地積極的經濟氛圍，堅實的政府開支、慷慨的減稅力度，以及勞動市場行情緊張，令美國市民對經濟及其財務狀況保持樂觀，在一定程度上提振消費者信心。然而，另一方面，於美國與其主要貿易夥伴的緊張局勢中，對物價及利率上升的憂慮情緒不斷瀰漫擴散。市場對下一年度及往後經濟增長放緩的擔憂亦日益加深。同時，於回顧期內，由於產品付運條款及條件變更的緣故，本集團因而與美國一名主要客戶中止業務關係。據此，來自美洲市場的銷售收益較去年同期下跌94.3%至7.9百萬港元。

為提升資源管理及成本效益，本集團以剩餘產能開展加工服務。該加工服務產生的分包收入約佔總銷售的約0.5%。分包收入所得的銷售額對報告期間本集團的整體毛利率並無重大影響。

面對瞬息萬變的市場形勢，本集團不遺餘力嚴格控制資本開支。於2018/2019財政年度首六個月期，本集團行政開支按年減少36.9%至24.2百萬港元，而銷售開支亦按年減少40.9%至11.4百萬港元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

EVENT AFTER THE REPORTING PERIOD

On 26 October 2018, the wholly-owned subsidiaries of the Company (the “Vendors”) entered into the provisional sale and purchase agreements (the “Provisional Agreements”) with an independent third party (the “Purchaser”) in relation to disposal of properties (the “Disposal”) located at Unit Nos. 5, 6 and 7 on 12th Floor, Fu Hang Industrial Building, No. 1 Hok Yuen Street East, Kowloon, Hong Kong at the consideration of HK\$48.0 million in cash.

The formal sale and purchase agreements (the “Formal Agreements”) were entered into between the Purchaser and the Vendors in relation to the Disposal on 16 November 2018. The completion of the Disposal in accordance with the terms of the Provisional Agreements and the Formal Agreements shall take place on 21 December 2018.

It is expected that the Group will record a book gain from the Disposal of approximately HK\$35.6 million (before taxation), and the net proceeds from the Disposal is to be used by the Group for general working capital purposes.

Please refer to the announcement of the Company dated 26 October 2018 relating to the Disposal for further details.

報告期後事項

於2018年10月26日，本公司全資附屬公司（「賣方」）與一位獨立第三方（「買方」）就位於香港九龍鶴園東街1號富恒工業大廈12樓5號、6號及7號單位物業的出售事項（「出售事項」）訂立臨時買賣合約（「臨時合約」），現金代價為48.0百萬港元。

買方與賣方已於2018年11月16日就出售事項訂立的正式買賣合約（「正式合約」）。根據臨時合約及正式合約的條款，出售事項將於2018年12月21日完成。

本集團預期出售事項將產生賬面收益約35.6百萬港元（除稅前）。本集團擬將出售事項所得款項淨額用作一般營運資金。

有關出售事項的進一步詳情，請參閱本公司日期為2018年10月26日的公佈。

PROSPECTS

Looking ahead, there are certainly reasons to be worried. The global economy is slowing and interest rates are going up. Lingering threats of higher trade barriers and the associated rise in policy uncertainty could dent market sentiment, sending negative shocks to growth prospects at various horizons.

The Group will stay vigilant in containing changing conditions that affect the fine jewellery business and work harder to remain resilient for the tough time ahead. The Group is cautiously positive about the outlook for the markets it operates in and will actively take every measure to boost sales and rein in losses in further profit push.

In view of the foreseeable challenges ahead, opportunities still remain for the traditional fine jewellery sector. It is always the Group's business strategy to stay disciplined through prudent financial management and grow its presence in the jewellery trade across geographies. The Group will also hold on a proactively approach to explore opportunities in other sectors to bring out the best knowledge and expertise of its top management.

前景

展望未來，前面確有令人足慮的理由。全球經濟放緩，利率上升。貿易壁壘提高帶來威脅與政策不明朗因素增加，或會打擊市場氣氛，對未來各方面的增長前景均造成負面衝擊。

市場環境千變萬化，本集團將時刻保持警惕，應對並克服可能影響優質珠寶業務的不同狀況，縱使日後困難時期亦會努力不懈保持最佳狀態。本集團對其業務營運所在的市場前景保持審慎樂觀，將會積極採取一切措施以提振銷售，並進一步於推動達致溢利的情況下控制虧損。

未來的挑戰當可預見，但傳統優質珠寶行業仍充滿機遇。本集團秉持一貫業務策略，保持高度警醒，遵行審慎財務管理的原則，並適時而進以期於不同地區的珠寶市場增加佔有率。本集團亦將積極探索其他行業的機遇，以充分發揮最高管理層的專業識見及經驗。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS STRATEGIES OF THE GROUP

With continued political, economic and market uncertainties, the existing business of the Group in manufacturing and sale of jewellery products has seen a decrease in both revenue and gross profit. In the light of the operations and financial position of the Group, the Group intends to explore other possible business opportunities both locally and abroad while staying on with its jewellery business.

The Group reckons that the food and beverage industry has proved more resistant to impacts of changes in the macroeconomic environment and offered good growth potential. Furthermore, the “One Belt, One Road” initiative as proposed by the Chinese government is expected to boost demand for an array of sectors in the region, which will also benefit the development of the food and beverage businesses at large. The Group therefore considers that possible business expansions to food and beverage industry can enable it to better utilise its resources, mitigate the risks involved in its existing business of manufacturing and sale of jewellery products, and maximise investment returns for its shareholders.

Moreover, the management team members of the Group have seasoned experience and involvement in the food and beverage industry with all of them holding senior positions in HNA Catering Holdings Co., Ltd. As such, the Group considers that it possesses essential know-how and expertise to enable its expansion into the food and beverage industry, which is expected to help driving revenue of the Group.

本集團的業務策略

因著政治、經濟及市場持續不明朗，本集團現有的製造及銷售珠寶產品業務出現收益及毛利下降。鑒於本集團的營運及財務狀況，本集團有意於繼續其珠寶業務的同時，探索開拓本地及海外的其他可能業務機會。

本集團認為餐飲業能夠更好地抵禦宏觀經濟環境變化的影響，並且發展前景良好。此外，中國中央政府提出的「一帶一路」倡議預期將刺激區內眾多行業的需求，同時將在很大程度上有利於餐飲業務的發展。因此本集團認為若把握潛在機會將業務擴展至餐飲業能令本集團更好地利用其資源、緩解其現有製造及銷售珠寶產品業務所涉及的風險，並為股東帶來最大回報。

此外，本集團的管理層團隊成員於餐飲行業擁有豐富經驗並投身其中，且全部於海航食品控股有限公司擔任高管職務。因此，本集團認為其擁有必要的專業知識及技能，能夠令本集團擴展至餐飲行業，從而有助於推動本集團的收益。

Concurrently, the Group remains committed to maintaining its status as a top fine jewellery manufacturer and exporter in Hong Kong by strengthening its sales and marketing force, solidifying its presence in existing markets and reinforcing market recognition of its brand name globally.

The Group continues to explore opportunities where it believes would benefit from the integrated services it is offering, providing a wider range of styles and designs tailored for individual markets and adjusting its production resources and capacity to better cater for the product lead time, consumer preferences and festive shopping practices. The Group will also draw on strength of its established corporate brand name and proven design capabilities to increase resources in a bid to further attract jewellery wholesalers or chain stores in the trade. The Group will focus its sales and marketing resources on promoting its brand and products, participating in selected trade exhibitions, and allocating sufficient design and product development resources to offer a wider range of designs that are favourable to consumers in different markets.

The Group believes its abilities to create new product designs and develop innovative production techniques in response to market trends and customers' preferences contribute to the success of its products. The Group has been offering customers with a diverse range of products with appealing designs at affordable prices, made with assorted kinds of precious metals, diamonds and gem stones with various specifications in a bid to cater for a broad bandwidth of market demand. The Group is also positive with the food and beverage industry vibe. Backed by the "One Belt, One Road" initiative, the Group is devoted to expanding into the new market that will provide the Group with strong momentum for future growth.

與此同時，本集團將繼續透過加強銷售及市務推廣力度、鞏固於現有珠寶市場的佔有率及強化旗下品牌在全球的知名度，務求保持其作為香港優質珠寶製造商及出口商翹楚的地位。

本集團將繼續挖掘其認為會受惠於其所提供的綜合服務的商機，通過提供各種專為各別市場度身訂造的造型及設計，以及調整其生產資源及產能，從而更好地迎合產品交付期、消費者喜好及節日購物慣例。本集團將借助公司的企業品牌效應及卓越設計能力的優勢，投入更多資源，以吸引業內的珠寶批發商或連鎖店。本集團將投入更多銷售及市場推廣資源以推廣其品牌及產品，選擇性地參加貿易展覽，並投放充足設計及產品開發資源，以提供更多更最符合各地消費者的設計。

本集團認為，其產品的成功歸因於本集團能夠應對市場趨勢及客戶喜好，提供新穎的產品設計及開發創新生產技術。本集團一直向客戶提供多款設計優美、價格實惠且由各種貴金屬及各種規格的鑽石及寶石製成的產品，以迎合更廣泛的市場需求。本集團亦對餐飲行業氛圍感到樂觀。依賴於「一帶一路」倡議，本集團致力於拓擴至可為我們往後提供強勁增長勢頭的新市場。

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FINANCIAL REVIEW

財務回顧

Six months ended 30 September
截至9月30日止六個月

		2018 2018年 (unaudited) (未經審核)	2017 2017年 (unaudited) (未經審核)
Revenue (HK\$'000)	收益 (千港元)	76,172	307,402
Gross profit (HK\$'000)	毛利 (千港元)	9,715	51,852
Gross profit margin (%)	毛利率 (%)	12.8	16.9
Loss attributable to the owners of the parent (HK\$'000)	母公司擁有人應佔虧損 (千港元)	(23,803)	(6,281)

REVENUE

The Group's revenue for the Period was approximately HK\$76.2 million, representing a decrease of approximately HK\$231.2 million or 75.2% over the corresponding period in 2017. The decrease in the Group's revenue was primarily due to (i) a significant decrease in sales in the Americas of approximately HK\$130.6 million primarily due to tensions between the U.S. and its main trade partners, and the discontinuation of business relationship with a major customer in the U.S. due to a revision to product delivery terms and conditions; (ii) sales in Russia decreased by HK\$45.0 million as customers reshuffled their spending priorities cutting back their purchases and fiercer market competition; (iii) sales in Mainland China decreased by HK\$37.3 million, primarily due to a gloomier economic outlook and a shift in the consumer landscape in traditional fine jewellery and (iv) a decrease in sales in Europe (other than Russia) of approximately HK\$9.6 million mainly attributable to the sluggish European economy during the period under review.

收益

本集團於本期間的收益約為76.2百萬港元，較2017年同期下降約231.2百萬港元或75.2%。本集團的收益減少主要由於：(i) 美洲的銷售額大幅減少約130.6百萬港元，主要由於美國與其主要貿易夥伴的緊張局勢，及由於產品付運條款及條件變更的緣故而與美國一名主要客戶中止業務關係；(ii) 由於消費者重整其消費優次步調，減少開支，且市場競爭更趨白熱化，導致俄羅斯銷售額減少45.0百萬港元；(iii) 中國內地銷售減少37.3百萬港元，主要由於經濟前景趨淡，及傳統優質珠寶的消費格局出現轉變；以及(iv) 歐洲（俄羅斯除外）的銷售額減少約9.6百萬港元，主要因回顧期內歐洲經濟疲軟所致。

GROSS PROFIT AND GROSS PROFIT MARGIN

The Group's gross profit for the Period was approximately HK\$9.7 million, representing a decrease of approximately HK\$42.1 million or 81.3% over the corresponding period in 2017. Gross profit margin decreased to approximately 12.8% from approximately 16.9%, which was mainly due to a higher proportion of sales of simple design with lower pricing to the Russian market.

SELLING EXPENSES

The Group's selling expenses decreased by approximately HK\$7.9 million or 40.9%, to approximately HK\$11.4 million for the Period from approximately HK\$19.3 million for the six months ended 30 September 2017. The decrease was primarily attributable to (i) a decrease in staff costs of approximately HK\$6.4 million due to the result of the business operation and resources allocation process; (ii) the decrease in sales commissions of approximately HK\$2.2 million mainly as a result of the decrease in sales for the Period; which was partially offset by (iii) the increase in export credit insurance expenses of approximately HK\$1.2 million.

毛利及毛利率

本集團於本期間的毛利約為9.7百萬港元，較2017年同期減少約42.1百萬港元或81.3%。毛利率則由約16.9%下降至約12.8%，主要由於向俄羅斯市場銷售設計簡單及定價較低的款式比例較高所致。

銷售開支

本集團的銷售開支由截至2017年9月30日止六個月的約19.3百萬港元下降約7.9百萬港元或40.9%至本期間的約11.4百萬港元。銷售開支下降主要歸因於：(i)業務運營及資源配置程序導致員工成本下降約6.4百萬港元；(ii)銷售佣金主要由於銷售額於本期間下降而減少約2.2百萬港元；惟當中部分被(iii)出口信用保險開支上升約1.2百萬港元所抵銷。

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ADMINISTRATIVE EXPENSES

The Group's administrative expenses decreased by approximately HK\$14.1 million or 36.9%, to approximately HK\$24.2 million for the Period from approximately HK\$38.3 million for the six months ended 30 September 2017. The decrease was primarily due to the combined effects of (i) the decrease in staff costs by approximately HK\$10.3 million as a result of the Group's continuous implementation of rigorous cost control by further streamlining operations and rationalising overheads; (ii) decrease in depreciation and amortisation by approximately HK\$2.3 million mainly attributable to the stringent controls over capital expenditures during the Period; (iii) the decrease in professional service fees and other taxes of approximately HK\$1.5 million was mainly attributed by strengthening cost controls in business operation; and it was partially offset by (iv) the increase in bank charges of approximately HK\$2.1 million for the six months ended 30 September 2018.

FINANCE COSTS

The Group's finance costs decreased by approximately HK\$5.5 million or 91.4% from approximately HK\$6.0 million for the six months ended 30 September 2017 to approximately HK\$0.5 million for the Period. The decrease was primarily due to the decrease in average borrowing balance as compared with the corresponding period in 2017.

行政開支

本集團的行政開支由截至2017年9月30日止六個月約38.3百萬港元減少約14.1百萬港元或36.9%，至本期間的約24.2百萬港元。行政開支減少主要由於以下各項之結合影響：(i) 因本集團進一步精簡經營及理順日常開支，以持續實施嚴格成本控制，員工成本減少約10.3百萬港元；(ii) 折舊及攤銷主要由於我們於本期間嚴格控制資本開支而減少約2.3百萬港元；(iii) 專業服務費用及其他稅項減少約1.5百萬港元，主要由於在業務營運中加強了成本控制，惟當中部分由(iv)截至2018年9月30日止六個月之銀行手續費增加約2.1百萬港元所抵銷。

財務成本

本集團的財務成本由截至2017年9月30日止六個月約6.0百萬港元減少約5.5百萬港元或91.4%，至本期間約0.5百萬港元。財務成本減少主要由於平均貸款結餘較2017年同期減少所致。

LOSS ATTRIBUTABLE TO THE OWNERS OF THE PARENT

During the Period, the Group recorded a consolidated loss (the “Loss”) attributable to the owners of the parent of approximately HK\$23.8 million, compared with a consolidated loss of approximately HK\$6.3 million for the corresponding period of 2017. The loss was mainly attributable to a decline in the Group’s revenue by approximately 75.2% and gross profit by approximately 81.3% for the Period as compared to the corresponding period in 2017. The decline in revenue was primarily attributable to a significant slowdown of sales in the Americas, Russia and Mainland China markets, the decrease of which were approximately HK\$130.6 million, HK\$45.0 million and HK\$37.3 million, respectively, for the six months ended 30 September 2018 as compared to the corresponding period in 2017. The decrease was primarily attributable to global economic uncertainty and weaker-than-expected demand in the Americas, Russia and Mainland China markets.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 September 2018, the Group had current assets of approximately HK\$338.5 million (31 March 2018: approximately HK\$357.0 million) which comprised cash and bank balances of approximately HK\$212.0 million (31 March 2018: approximately HK\$230.5 million). As at 30 September 2018, the Group had non-current liabilities of approximately HK\$0.5 million (31 March 2018: approximately HK\$3.3 million), and its current liabilities amounted to approximately HK\$42.0 million (31 March 2018: approximately HK\$28.6 million), consisting mainly of payables arising in the normal course of operation. Accordingly, the current ratio, being the ratio of current assets to current liabilities, was approximately 8.1 at 30 September 2018 (31 March 2018: approximately 12.5).

母公司擁有人應佔虧損

於本期間，本集團錄得母公司擁有人應佔綜合虧損（「虧損」）約23.8百萬港元，而於2017年同期則錄得綜合虧損約6.3百萬港元。虧損主要由於本集團於本期間的收益及毛利較2017年同期分別下跌約75.2%及約81.3%。收益下跌主要由於美洲、俄羅斯及中國內地的銷售於截至2018年9月30日止六個月大幅減緩，有關銷售較2017年同期分別減少約130.6百萬港元、45.0百萬港元及37.3百萬港元。收益減少主要由於全球經濟不明朗，以及美洲、俄羅斯及中國內地的市場需求較預期疲弱所致。

流動資金及財務資源

於2018年9月30日，本集團的流動資產約為338.5百萬港元（2018年3月31日：約357.0百萬港元），包括現金及銀行結餘約212.0百萬港元（2018年3月31日：約230.5百萬港元）。於2018年9月30日，本集團的非流動負債約為0.5百萬港元（2018年3月31日：約3.3百萬港元），及流動負債約為42.0百萬港元（2018年3月31日：約28.6百萬港元），主要包括日常營運過程中產生的應付款項。因此，於2018年9月30日，流動比率（即流動資產與流動負債的比率）約為8.1（2018年3月31日：約12.5）。

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GEARING RATIO

The gearing ratio of the Group as at 30 September 2018 was not applicable as cash and bank balances exceeded interest-bearing bank and other borrowings and obligations under finance lease.

TREASURY POLICIES

The Group has adopted a prudent financial management approach towards its treasury policies and maintained a healthy liquidity position throughout the Period. The Group strives to reduce exposure to credit risk by buying credit insurance on certain customers' receivables, performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

資本負債比率

本集團於2018年9月30日的資本負債比率並不適用，原因是現金及銀行結餘超過計息銀行及其他貸款以及融資租賃承擔。

庫務政策

本集團在執行庫務政策上貫徹採取審慎的財務管理策略，於本期間整段時間內維持健全的流動資金狀況。本集團透過就若干客戶的應收款項購買信用保險，不斷評估其客戶的信貸狀況及財務狀況，務求降低信貸風險。為控制流動資金風險，董事會密切監察本集團的流動資金狀況，確保本集團資產、負債及其他承擔的流動資金架構可不時滿足其資金需要。

FOREIGN EXCHANGE EXPOSURE

For the Period, the Group had monetary assets and monetary liabilities denominated in foreign currencies, i.e. currency other than the functional currency of the respective group entities, which are mainly trade receivables, other receivables, available-for-sale investment, cash and bank balance, pledged bank deposits, trade and other payables and interest-bearing bank borrowings. Consequently, the Group has foreign exchange risk exposure from translation of amount denominated in foreign currencies as at 30 September 2018. Since HK\$ is pegged to US\$, the Group does not expect any significant movements in HK\$/US\$ exchange rate. We are exposed to foreign exchange risk primarily with respect to Renminbi (“RMB”). If HK\$ as at 30 September 2018 had strengthened/weakened by 5% against RMB with all other variables held constant, the loss for the period attributable to the owners of the parent would have been increased/decreased by approximately HK\$41,000 for the Period (30 September 2017: loss for the period attributable to the owners of the parent would have been increased/decreased by approximately HK\$1.3 million).

The Group does not engage in any derivatives activities and does not commit to any financial instruments to hedge its exposure to foreign currency risk.

CAPITAL COMMITMENTS

As at 30 September 2018, the Group had no capital commitments (31 March 2018: nil).

外匯風險

於本期間，我們有以外幣（即相關集團實體功能貨幣以外的貨幣）計值的貨幣資產及貨幣負債，主要為貿易應收款項、其他應收款項、可供出售投資、現金及銀行結餘、已抵押銀行存款、貿易及其他應付款項以及計息銀行貸款。因此，本集團於2018年9月30日面臨來自換算以外幣計值的款項的外匯風險。由於港元與美元掛鈎，本集團預期港元兌美元的匯率不會發生任何重大變動。我們承受的外匯風險主要與人民幣（「人民幣」）有關。倘港元於2018年9月30日兌人民幣升值／貶值5%，而其他所有變數保持不變，本期間的母公司擁有人應佔期內虧損將增加／減少約41,000港元（2017年9月30日：母公司擁有人應佔期內虧損將增加／減少約1.3百萬港元）。

本集團並無從事任何衍生工具活動，亦無利用任何財務工具對沖其外幣風險。

資本承擔

於2018年9月30日，本集團概無資本承擔（2018年3月31日：無）。

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INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the Period.

INFORMATION ON EMPLOYEES

As at 30 September 2018, the Group had 78 employees (31 March 2018: 81), including the executive Directors. Remuneration is determined with reference to market conditions and individual employees' performance, qualification and experience.

Apart from the provident fund scheme (operation in accordance with the provisions of the Mandatory Provident Fund Schemes Ordinance for Hong Kong employees) or social insurance fund (including retirement pension insurance, medical insurance, unemployment insurance, injury insurance and maternity insurance for the PRC employees), discretionary bonuses and employee share options are also awarded to employees according to the Group's performance as well as assessment of individual performance. Since the adoption of the share option scheme on 10 February 2015 and up to 30 September 2018, no options had been granted by the Company.

The Directors believe that the salaries and benefits of the Group's employees are kept at a competitive level and employees are rewarded on a performance-related basis within the general framework of the Group's salary and bonus system, which is reviewed annually.

CAPITAL STRUCTURE

There was no change in the capital structure of the Group as at 30 September 2018 as compared with that as at 31 March 2018.

中期股息

董事會不建議就本期間派付中期股息。

僱員資料

於2018年9月30日，本集團有78名僱員(2018年3月31日：81名)，包括執行董事。薪酬乃參考市況及個別僱員之表現、資格及經驗而釐定。

除公積金計劃(根據強制性公積金計劃條例的條文為香港僱員設立)或社會保險基金(包括為中國僱員設立的退休養老保險、醫療保險、失業保險、工傷保險及生育保險)外，本公司會參考本集團表現及個別員工表現評估向僱員發放酌情花紅及僱員購股權。自2015年2月10日採納購股權計劃起至2018年9月30日，本公司概無授出購股權。

董事認為，本集團僱員之薪金及福利維持在具競爭力的水平，僱員在本集團薪金及花紅制度(每年進行檢討)的總體框架下按表現獲得獎勵。

資本架構

本集團於2018年9月30日的資本架構相對於2018年3月31日概無變動。

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SHARE OPTION SCHEME

The Company has adopted the share option scheme on 10 February 2015 (the “Scheme”) under which certain selected classes of participants (including, among others, Directors and full-time employees) may be granted options to subscribe for the shares. Unless otherwise cancelled or amended, the scheme will remain in force for 10 years from that date. No share option had ever been granted under the Scheme since its adoption.

SIGNIFICANT INVESTMENT HELD

The Group did not hold any significant investments in equity interest in any other company during the Period.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

There was no definite future plan for material investments and acquisition of material capital assets as at 30 September 2018.

MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES AND AFFILIATED COMPANIES

During the Period, the Group did not have any material acquisitions and disposals of subsidiaries and affiliated companies.

購股權計劃

本公司已於2015年2月10日採納購股權計劃（「計劃」），據此，若干選定類別的參與者（包括（其中包括）董事及全職僱員）可獲授購股權以認購股份。除非以其他方式註銷或修訂，計劃於該日起計10年內仍有效。自其採納以來，並無根據計劃授出任何購股權。

持有之重大投資

本集團於本期間並無於任何其他公司持有任何重大股權投資。

重大投資及資本資產之未來計劃

於2018年9月30日，本集團並無任何有關重大投資及重大資本資產收購之具體未來計劃。

重大收購及出售附屬公司及聯屬公司

於本期間，本集團並無任何重大收購及出售附屬公司及聯屬公司事項。

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CHARGES OF ASSETS

As at 30 September 2018, the Group had no bank borrowings. As at 31 March 2018, the Group's bank borrowings are secured by its assets as below:

- (i) mortgages over the Group's leasehold land, which had a net carrying amount of nil and approximately HK\$9.6 million, respectively, as at 30 September 2018 and 31 March 2018;
- (ii) mortgages over the Group's buildings, which had a net carrying amount of approximately nil and approximately HK\$2.3 million, respectively, as at 30 September 2018 and 31 March 2018; and
- (iii) the pledge of the Group's available-for-sale investment amounting to nil as at 30 September 2018 (31 March 2018: approximately HK\$15.7 million).

CONTINGENT LIABILITIES

The Group had no material contingent liabilities as at 30 September 2018 (31 March 2018: nil).

資產抵押

於2018年9月30日，本集團概無銀行貸款。於2018年3月31日，本集團銀行貸款由其資產作抵押，詳情如下：

- (i) 於2018年9月30日及2018年3月31日，本集團賬面淨值分別為零及約9.6百萬港元的租賃土地的按揭；
- (ii) 於2018年9月30日及2018年3月31日，本集團賬面淨值分別約為零及約2.3百萬港元的樓宇的按揭；及
- (iii) 於2018年9月30日，本集團金額為零(2018年3月31日：約15.7百萬港元)的可供出售投資抵押。

或然負債

於2018年9月30日，本集團概無任何重大或然負債(2018年3月31日：無)。

CORPORATE GOVERNANCE PRACTICES

Adapting and adhering to recognised standards of corporate governance principles and practices has always been one of the top priorities of the Company. The Board believes that good corporate governance is one of the areas that lead to the success of the Company and in balancing the interests of shareholders, customers and employees, and the Board is devoted to ongoing enhancements of the efficiency and effectiveness of such principles and practices.

For the Period, the Company had complied with the code provisions (“Code Provisions”) set out in the Corporate Governance Code and Corporate Governance Report contained in Appendix 14 to the Listing Rules.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transaction by Directors of the Company. Having made specific enquiries to all the Directors, the Directors confirmed that they had complied with the required standard as set out in the Model Code during the Period.

企業管治守則

配合及遵循企業管治原則及常規之公認標準一貫為本公司最優先原則之一。董事會認為良好的企業管治是帶領本公司邁向成功及平衡股東、客戶及僱員之間利益之因素之一，董事會致力於持續改善該等原則及常規之效率及有效性。

於本期間，本公司一直遵守上市規則附錄十四所載的企業管治守則及企業管治報告的守則條文（「守則條文」）。

董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載之上市發行人董事進行證券交易的標準守則（「標準守則」），作為本公司董事進行證券交易之行為守則。經向全體董事作出具體查詢後，董事確認於本期間已遵守標準守則所載規定標準。

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 2018

截至2018年9月30日止六個月

		Six months ended 30 September 截至9月30日止六個月	
		2018 2018年 HK\$'000 千港元 (unaudited) (未經審核)	2017 2017年 HK\$'000 千港元 (unaudited) (未經審核)
	Notes 附註		
Revenue	4	76,172	307,402
Cost of sales		(66,457)	(255,550)
Gross profit		9,715	51,852
Other income		1,946	1,890
Selling expenses		(11,387)	(19,281)
Administrative expenses		(24,212)	(38,347)
Operating loss		(23,938)	(3,886)
Other gains, net		1,120	6,064
Finance costs	5	(511)	(5,954)
Share of loss of a joint venture		(18)	(136)
Loss before tax	6	(23,347)	(3,912)
Income tax expense	7	(456)	(2,369)
Loss for the Period attributable to the owners of the parent		(23,803)	(6,281)

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 2018

截至2018年9月30日止六個月

		Six months ended	
		30 September	
		截至9月30日止六個月	
		2018	2017
		2018年	2017年
Notes		HK\$'000	HK\$'000
附註		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods, net of tax	日後期間將予重新分類至損益賬的其他全面(虧損)/收益，扣除稅項		
Change in fair value of an available-for-sale investment	可供出售投資公允價值變動	307	278
Exchange differences on translation of foreign operations	換算國外業務產生的匯兌差額	(5,643)	10,527
Realisation of exchange fluctuation reserve upon disposal of subsidiaries	出售附屬公司時匯兌波動儲備之變現	-	1,020
<hr/>			
Other comprehensive (loss)/income for the period, net of tax	期內其他全面(虧損)/收益，扣除稅項	(5,336)	11,825
<hr/>			
Total comprehensive (loss)/income for the period attributable to the owners of the parent	母公司擁有人應佔期內全面(虧損)/收益總額	(29,139)	5,544
<hr/>			
Losses per share attributable to ordinary equity holders of the parent:	母公司普通股權益持有人應佔每股虧損：		
Basic and diluted	基本及攤薄	HK\$(0.14) (0.14) 港元	HK\$(0.04) (0.04) 港元
		9	

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

At 30 September 2018

於 2018 年 9 月 30 日

			At 30 September 2018 於 2018 年 9 月 30 日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 March 2018 於 2018 年 3 月 31 日 HK\$'000 千港元 (audited) (經審核)
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	10	27,500	27,460
Investment in a joint venture	於合營公司之投資		126	140
Other non-current assets	其他非流動資產		-	454
Available-for-sale investment	可供出售投資	11	15,981	15,674
Total non-current assets	非流動資產總值		43,607	43,728
Current assets	流動資產			
Inventories	存貨	12	64,151	49,659
Trade receivables	貿易應收款項	13	35,240	67,934
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		26,520	7,741
Tax recoverable	可收回稅項		532	1,158
Cash and bank balances	現金及銀行結餘		212,041	230,489
Total current assets	流動資產總值		338,484	356,981
Total assets	資產總值		382,091	400,709

**CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION**

簡明綜合財務狀況表

At 30 September 2018

於 2018 年 9 月 30 日

			At 30 September 2018 於 2018 年 9 月 30 日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 March 2018 於 2018 年 3 月 31 日 HK\$'000 千港元 (audited) (經審核)
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	14	41,996	28,034
Obligations under finance leases	融資租賃承擔		-	560
Total current liabilities	流動負債總額		41,996	28,594
Non-current liabilities	非流動負債			
Obligations under finance leases	融資租賃承擔		-	1,417
Deferred tax liabilities	遞延稅項負債		458	1,922
Total non-current liabilities	非流動負債總額		458	3,339
Total liabilities	負債總額		42,454	31,933
Equity	權益			
Equity attributable to owners of parent	母公司擁有人應佔 權益			
Share capital	股本	16	863	863
Reserves	儲備		338,774	367,913
Total equity	權益總額		339,637	368,776
Total equity and liabilities	權益及負債總額		382,091	400,709

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

For the six months ended 30 September 2018

截至2018年9月30日止六個月

		Attributable to the owners of the parent (unaudited) 母公司擁有人應佔(未經審核)									
		Share capital	Share premium	Statutory surplus reserve	Merger reserve	Capital surplus	Available-for-sale investment revaluation surplus	Exchange fluctuation reserve	Warrant reserve	Retained profits	Total equity
		股本	股份溢價	法定盈餘儲備	合併儲備	資本盈餘	投資重估儲備	外匯波動儲備	認股權證儲備	保留溢利	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 April 2018	於2018年4月1日	863	122,787*	7,685*	1,940*	105,366*	(2,539)*	762*	2,470*	129,442*	368,776
Loss for the period	期內虧損	-	-	-	-	-	-	-	-	(23,803)	(23,803)
Other Comprehensive loss for the period:	期內其他全面虧損：										
Change in fair value of an available-for-sale investment	可供出售投資公允價值變動	-	-	-	-	-	307	-	-	-	307
Exchange differences on translation of foreign operations	換算國外業務產生的匯兌差額	-	-	-	-	-	-	(5,643)	-	-	(5,643)
Total comprehensive loss for the period	期內全面虧損總額	-	-	-	-	-	307	(5,643)	-	-	(5,336)
Transfer from retained profits	轉撥自保留溢利	-	-	157	-	-	-	-	-	(157)	-
At 30 September 2018	於2018年9月30日	863	122,787*	7,842*	1,940*	105,366*	(2,232)*	(4,881)*	2,470*	105,482*	339,637

* These reserve accounts comprise the consolidated reserves of approximately HK\$338,774,000 (31 March 2018: approximately HK\$367,913,000) in the condensed consolidated statement of financial position.

* 該等儲備賬構成簡明綜合財務狀況表中的綜合儲備約338,774,000港元(2018年3月31日:約367,913,000港元)。

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

簡明綜合權益變動表(續)

For the six months ended 30 September 2018

截至2018年9月30日止六個月

Attributable to the owners of the parent (unaudited)

母公司擁有人應佔(未經審核)

		Share capital	Share premium	Statutory surplus reserve	Merger reserve	Capital surplus	Available-for-sale investment revaluation reserve	Exchange fluctuation reserve	Warrant reserve	Retained profits	Total equity
		股本	股份溢價	法定盈餘儲備	合併儲備	資本盈餘	可供出售投資重估儲備	外匯波動儲備	認股權證儲備	保留溢利	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 April 2017	於2017年4月1日	800	60,374	7,540	1,940	105,366	(3,030)	(18,610)	-	166,884	321,264
Loss for the period	期內虧損	-	-	-	-	-	-	-	-	(6,281)	(6,281)
Other Comprehensive income for the period:	期內其他全面收益：										
Change in fair value of an available-for-sale investment	可供出售投資公允價值變動	-	-	-	-	-	278	-	-	-	278
Exchange differences on translation of foreign operations	換算國外業務產生的匯兌差額	-	-	-	-	-	-	10,527	-	-	10,527
Realisation of exchange fluctuation reserve upon disposal of a subsidiary	出售一間附屬公司時匯兌波動儲備之實現	-	-	-	-	-	-	1,020	-	-	1,020
Total comprehensive income for the period	期內全面收益總額	-	-	-	-	-	278	11,547	-	(6,281)	5,544
Placing of new shares, net of expenses	配售新股，扣除開支	63	62,413	-	-	-	-	-	-	-	62,476
Issue of unlisted warrants, net of expenses	發行未上市認股權證，扣除開支	-	-	-	-	-	-	-	2,470	-	2,470
Transfer from retained profits	轉撥自保留溢利	-	-	145	-	-	-	-	-	(145)	-
At 30 September 2017	於2017年9月30日	863	122,787	7,685	1,940	105,366	(2,752)	(7,063)	2,470	160,458	391,754

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

For the six months ended 30 September 2018

截至2018年9月30日止六個月

		Six months ended 30 September 截至9月30日止六個月	
		2018	2017
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
NET CASH FLOWS (USED IN)/ FROM OPERATING ACTIVITIES	經營活動(所用)／所得 現金流量淨額	(10,776)	38,923
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動現金流量		
Interest received	已收利息	47	789
Purchases of items of property, plant and equipment	購置物業、廠房及 設備項目	(3,921)	(6,971)
Decrease/(increase) in an amount due from a joint venture	應收合營公司賬款 減少／(增加)	451	(367)
Proceeds from disposal of subsidiaries	出售附屬公司所得款項	-	35,000
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及 設備項目所得款項	120	224
Decrease in pledged bank deposits	已抵押銀行存款減少	-	21,608
Net cash flows (used in)/from investing activities	投資活動(所用)／所得 現金流量淨額	(3,303)	50,283

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

簡明綜合現金流量表(續)

For the six months ended 30 September 2018

截至2018年9月30日止六個月

		Six months ended 30 September	
		截至9月30日止六個月	
		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動現金流量		
Proceeds from bank and other borrowings	銀行及其他貸款所得款項	16,053	145,773
Repayment of bank and other borrowings	償還銀行及其他貸款	(16,053)	(239,751)
Capital element of finance lease rental payments	融資租賃租金付款的資本部分	(1,977)	(2,799)
Proceeds from issue of shares	發行股份所得款項	-	64,946
Net cash flows used in financing activities	融資活動所用現金流量淨額	(1,977)	(31,831)
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物(減少)/增加淨額	(16,056)	57,375
Cash and cash equivalents at beginning of period	期初現金及現金等價物	230,489	152,090
Effect of foreign exchange rate changes, net	外匯匯率變動的影響淨額	(2,392)	1,282
Cash and cash equivalents at the end of period	期末現金及現金等價物	212,041	210,747
Analysis of balances of cash and cash equivalents	現金及現金等價物結餘分析		
Cash and bank balances as stated in the condensed consolidated statement of financial position	簡明綜合財務狀況表所列的現金及銀行結餘	212,041	210,747

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

1. CORPORATE AND GROUP INFORMATION

Hifood Group Holdings Co., Limited (the “Company”) was incorporated as an exempted company with limited liability in the Cayman Islands on 6 June 2014. The registered office of the Company is located at Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands.

During the year, the Company and its subsidiaries (collectively the “Group”) were principally involved in the manufacture and sale of jewellery and related products.

In the opinion of the directors, the holding company of the Company is HNA Aviation Investment Holding Company Ltd., which was incorporated in Cayman Islands. The ultimate controlling company is HNA Group Co., Ltd.

The Shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 11 March 2015 (the “Listing”).

1. 公司及集團資料

海福德集團控股有限公司（「本公司」）於2014年6月6日在開曼群島註冊成立為獲豁免有限公司。本公司的註冊辦事處設於Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands。

年內，本公司及其附屬公司（統稱「本集團」）主要從事珠寶及相關產品的製造及銷售。

董事認為，本公司的控股公司為於開曼群島註冊成立的HNA Aviation Investment Holding Company Ltd.，而其最終控股公司為海航集團有限公司。

本公司股份於2015年3月11日在香港聯合交易所有限公司（「聯交所」）主板上市（「上市」）。

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

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

The condensed consolidated interim financial statements have not been audited by the Company’s independent auditors but have been reviewed by the Company’s audit committee.

The unaudited condensed consolidated interim financial statements have been prepared under the historical cost convention except for available-for-sale investment, which has been measured at fair values.

Other than changes in accounting policies resulting from application of new and amendments to Hong Kong Financial Reporting Standards (“HKFRSs”, which also include HKASs and Interpretations), the significant accounting policies and basis of preparation adopted in the preparation of the unaudited condensed consolidated interim financial statements are consistent with those used in the Group’s audited consolidated financial statements for the year ended 31 March 2018.

2. 編製基準及重大會計政策

2.1 編製基準

本期間的未經審核簡明綜合中期財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈的香港會計準則（「香港會計準則」）第34號「中期財務報告」及聯交所證券上市規則（「上市規則」）附錄十六的適用披露規定編製。

簡明綜合中期財務報表未經本公司獨立核數師審核，惟已經本公司審核委員會審閱。

未經審核簡明綜合中期財務報表乃按歷史成本法編製，惟可供出售投資以公允值計量除外。

除應用新訂香港財務報告準則及香港財務報告準則修訂本（「香港財務報告準則」），亦包括香港會計準則及詮釋）產生的會計政策變動外，編製未經審核簡明綜合中期財務報表所採用之重大會計政策及編製基準與編製本集團截至2018年3月31日止年度之經審核綜合財務報表所用者一致。

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Changes in accounting policies and disclosures

(a) New standards, new interpretations and amendments to standards and interpretations already adopted

The Group has adopted the following new standards, new interpretations and amendments to standards and interpretations for the first time since the financial year beginning 1 April 2018.

HKFRS 1 (Amendments)	First time adoption of HKFRS
HKFRS 2 (Amendments)	Classification and measurement of share-based payment transactions
HKFRS 4 (Amendments)	Insurance contracts
HKFRS 9 (Amendments)	Financial instruments
HKFRS 15	Revenue from contracts with customers
HK (IFRIC) 22	Foreign currency transactions and advance consideration
HKAS 28 (Amendments)	Investments in associates and joint ventures
HKAS 40 (Amendments)	Transfers of investment property
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2012–2014 Cycle

2. 編製基準及重大會計政策 (續)

2.2 會計政策及披露之變動

(a) 已採納的新訂準則、新訂詮釋及準則和詮釋的修訂本

本集團已於2018年4月1日開始首次採納以下新訂準則、新訂詮釋及準則和詮釋的修訂本。

香港財務報告準則第1號 (修訂本)	首次採納香港財務報告準則
香港財務報告準則第2號 (修訂本)	以股份為基準的付款交易之分類及計量
香港財務報告準則第4號 (修訂本)	保險合約
香港財務報告準則第9號 (修訂本)	金融工具
香港財務報告準則第15號	客戶合約收益
香港(國際財務報告詮釋委員會)詮釋第22號	外幣交易及預付對價
香港會計準則第28號 (修訂本)	於聯營公司及合營企業之投資
香港會計準則第40號 (修訂本)	投資物業轉撥
香港財務報告準則(修訂本)	2012年至2014年週期的年度改進

**NOTES TO CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**
簡明綜合財務報表附註

**2. BASIS OF PREPARATION AND
SIGNIFICANT ACCOUNTING
POLICIES (CONTINUED)**

**2.2 Changes in accounting policies and
disclosures (Continued)**

**(a) New standards, new interpretations and
amendments to standards and
interpretations already adopted
(Continued)**

The Group has assessed the impact of the adoption of these new standards, new interpretations and amendments to standards and interpretations, except for the effects of the adoption of HKFRS 9 and HKFRS 15 disclosed in note 2.2(c) and (d), there was no significant impact on the Group's results and financial position nor any substantial changes in the Group's accounting policies and presentation of the condensed consolidated interim financial information for the other new standards, new interpretations and amendments to standards and interpretations

**2. 編製基準及重大會計政策
(續)**

**2.2 會計政策及披露之變動
(續)**

**(a) 已採納的新訂準則、新
訂詮釋及準則和詮釋的
修訂本(續)**

本集團已評估採納此等新訂準則、新詮釋及準則和詮釋的修訂本之影響，認為除附註2.2(c)及(d)所披露之採納香港財務報告準則第9號及香港財務報告準則第15號的影響外，並無對本集團之業績及財務狀況造成任何重大影響，而本集團之會計政策及簡明綜合中期財務資料之呈列方式亦毋須就其他新訂準則、新訂詮釋及準則和詮釋的修訂本作出任何重大更改。

**NOTES TO CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**
簡明綜合財務報表附註

**2. BASIS OF PREPARATION AND
SIGNIFICANT ACCOUNTING
POLICIES (CONTINUED)**

**2.2 Changes in accounting policies and
disclosures (Continued)**

**(b) Issued but not yet effective new
standards and amendments to standards**

The Group has not applied the following new standards and amendments to standards, that have been issued but are not yet effective, in these financial statements.

**2. 編製基準及重大會計政策
(續)**

**2.2 會計政策及披露之變動
(續)**

**(b) 已頒佈但尚未生效的新
準則及準則的修訂本**

本集團並未於該等財務報表中應用以下已頒佈但尚未生效的新準則及準則的修訂本。

		Effective for annual periods beginning on or after 於以下日期或之後 開始的年度期間生效
HKFRS 16 香港財務報告準則第16號	Leases 租賃	1 January 2019 2019年1月1日
HK (IFRIC) 23 香港(國際財務報告詮釋 委員會)詮釋第23號	Uncertainty over income tax treatments 所得稅處理之不確定性	1 January 2019 2019年1月1日
HKFRS 17 香港財務報告準則第17號	Insurance contracts 保險合約	1 January 2021 2021年1月1日
Amendments to HKFRS 10 and HKAS 28	Sale or contribution of assets between an investor and its associate or joint venture	To be determined
香港財務報告準則第10號 及香港會計準則第28號 之修訂	投資者與其聯營公司或合營企業之 間的資產出售或出資	待定
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2015–2017 Cycle	1 January 2019
香港財務報告準則 (修訂本)	2015年至2017年週期的年度改進	2019年1月1日

**NOTES TO CONDENSED CONSOLIDATED
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**2. BASIS OF PREPARATION AND
SIGNIFICANT ACCOUNTING
POLICIES (CONTINUED)**

**2.2 Changes in accounting policies and
disclosures (Continued)**

**(b) Issued but not yet effective new
standards and amendments to standards
(Continued)**

The Group is in the process of making an assessment of the impact of these new standards, new interpretations and amendments to standards and interpretations upon initial application. The Group is not yet in a position to state whether they would have a significant impact on the Group's results of operations and financial position.

(c) Adoption of HKFRS 9

HKFRS 9 replaces HKAS 39. HKFRS 9 sets out the requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items.

**2. 編製基準及重大會計政策
(續)**

**2.2 會計政策及披露之變動
(續)**

**(b) 已頒佈但尚未生效的新
準則及準則的修訂本(續)**

本集團正評估首次應用該等新訂準則及詮釋以及經修訂準則及詮釋之影響。本集團尚不清楚該等新訂及經修訂準則及詮釋會否對本集團之經營業績及財務狀況造成重大影響。

**(c) 採納香港財務報告準則
第9號**

香港財務報告準則第9號取代香港會計準則第39號。香港財務報告準則第9號就有關確認及計量金融資產、金融負債及買賣非金融項目的部分合約作出規定。

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Changes in accounting policies and disclosures (Continued)

(c) Adoption of HKFRS 9 (Continued)

HKFRS 9 replaces the “incurred loss” model in HKAS 39 with the expected credit losses (“ECL”) model. The ECL model requires an ongoing measurement of credit risk associated with a financial asset and therefore recognises ECLs earlier than the “incurred loss” under the accounting model in HKAS 39. The Group applies the ECL model to the financial assets measured at amortised cost (i.e. trade and other receivables and cash).

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls. Cash shortfall is the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive.

Where the effect of discounting is material, the expected cash shortfalls are discounted using the effective interest rate determined at initial recognition or an approximation thereof for trade and other receivables.

2. 編製基準及重大會計政策 (續)

2.2 會計政策及披露之變動 (續)

(c) 採納香港財務報告準則第9號 (續)

香港財務報告準則第9號以預期信貸虧損(「預期信貸虧損」)模式取代香港會計準則第39號的「已產生虧損」模式。預期信貸虧損模式要求持續計量金融資產相關的信貸風險，因此確認預期信貸虧損的時間較根據香港會計準則第39號之「已產生虧損」會計模式確認之時間為早。本集團將預期信貸虧損模式應用於按攤銷成本計量的金融資產(即應收貿易及其他賬款以及現金)。

預期信貸虧損為信貸虧損的概率加權估計。信貸虧損乃按所有預期現金差額的現值計量。現金差額為根據合約應付本集團的現金流量與本集團預期將收到的現金流量之間的差額。

倘貼現的影響重大，則會使用於初步確認時確定的實際利率或應收貿易及其他賬款的近似值貼現預期現金差額。

**NOTES TO CONDENSED CONSOLIDATED
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簡明綜合財務報表附註

**2. BASIS OF PREPARATION AND
SIGNIFICANT ACCOUNTING
POLICIES (CONTINUED)**

**2.2 Changes in accounting policies and
disclosures (Continued)**

(c) Adoption of HKFRS 9 (Continued)

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within 12 months after the reporting date; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

**2. 編製基準及重大會計政策
(續)**

**2.2 會計政策及披露之變動
(續)**

**(c) 採納香港財務報告準則
第9號(續)**

估計預期信貸虧損時所考慮的最長期間為本集團承受信貸風險的最長合約期間。

於計量預期信貸虧損時，本集團會考慮在無需付出過多成本及努力下即可獲得的合理可靠資料。此項包括有關過往事件、現時狀況及未來經濟狀況預測的資料。

預期信貸虧損將採用以下基準計量：

- 12個月預期信貸虧損：指報告日期後12個月內可能發生的違約事件而導致的預期虧損；及
- 整個有效期的預期信貸虧損：指預期信貸虧損模式適用項目之預期年內所有可能違約事件而導致的預期虧損。

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簡明綜合財務報表附註

**2. BASIS OF PREPARATION AND
SIGNIFICANT ACCOUNTING
POLICIES (CONTINUED)**

**2.2 Changes in accounting policies and
disclosures (Continued)**

(c) Adoption of HKFRS 9 (Continued)

Loss allowance for trade and other receivables is always measured at an amount equal to lifetime ECL. ECLs are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

The Group has not restated comparative information for financial instruments in the scope of HKFRS 9. Therefore, the comparative information is reported under HKAS 39 and is not comparable to the information presented as at and for the period ended 30 September 2018.

The adoption of the ECL model under HKFRS 9 has no material impact on the Group.

**2. 編製基準及重大會計政策
(續)**

**2.2 會計政策及披露之變動
(續)**

**(c) 採納香港財務報告準則
第9號(續)**

應收貿易及其他賬款的虧損撥備總是按等同於整個有效期的預期信貸虧損的金額計量。於報告日期，預期信貸虧損乃根據本集團的歷史信貸虧損經驗使用提列矩陣進行評估，並根據債務人的特定因素及對當前及預計一般經濟狀況的評估進行調整。

本集團並未重列香港財務報告準則第9號範圍內的金融工具的可比較資料。因此，可比較資料乃根據香港會計準則第39號報告，與於2018年9月30日及截至該日止期間所呈列的資料不具可比性。

根據香港財務報告準則第9號採納預期信貸虧損模式並無對本集團產生任何重大影響。

**NOTES TO CONDENSED CONSOLIDATED
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**2. BASIS OF PREPARATION AND
SIGNIFICANT ACCOUNTING
POLICIES (CONTINUED)**

**2.2 Changes in accounting policies and
disclosures (Continued)**

(d) Adoption of HKFRS 15

HKFRS 15 replaces HKAS 18, HKAS 11 and the related interpretation. HKFRS 15 establishes a comprehensive framework for recognising revenue arising from contracts with customers.

Under HKFRS 15, revenue is recognised when the customer obtains control of the distinct good or service. This may be at a single point in time or over time. HKFRS 15 identifies the following three situations in which control of the distinct good or service is regarded as being transferred over time:

- When the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- When the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced;

**2. 編製基準及重大會計政策
(續)**

**2.2 會計政策及披露之變動
(續)**

**(d) 採納香港財務報告準則
第15號**

香港財務報告準則第15號取代香港會計準則第18號、香港會計準則第11號及相關詮釋。香港財務報告準則第15號建立了確認來自與客戶合約之收入的全面框架。

根據香港財務報告準則第15號，收益於客戶獲得明確貨品或服務之控制權時確認。此可為單個時間點或一段時間。香港財務報告準則第15號確定了以下對明確貨品或服務之控制權被視為隨時間轉移之三種情況：

- 當客戶於本集團履約時同時接受及使用本集團履約所提供之利益時；
- 當本集團履約創建或增強一項於資產被創建或增強時由客戶控制之資產時；

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Changes in accounting policies and disclosures (Continued)

(d) Adoption of HKFRS 15 (Continued)

- When the Group's performance does not create an asset with an alternative use to the entity and the Group has an enforceable right to payment for performance completed to date.

If the contract terms and the Group's activities do not fall into any of these three situations, then under HKFRS 15 the Group recognises revenue for the sale of that good or service at a single point in time, being when control has passed to the customer. Transfer of risks and rewards of ownership is only one of the indicators that is considered in determining when the transfer of control occurs.

In accordance with the transition provisions in HKFRS 15, the Group has elected to apply the standard only to contracts that were not completed before 1st April 2018. Comparative information has not been restated and continues to be reported under HKAS 11 and HKAS 18.

The adoption of HKFRS 15 has no material impact on the Group.

2. 編製基準及重大會計政策 (續)

2.2 會計政策及披露之變動 (續)

(d) 採納香港財務報告準則 第15號(續)

- 當本集團之履約並無創造對本集團而言具替代用途之資產，且本集團對迄今完成之履約付款具有可執行權利時。

倘合約條款及本集團活動並不屬於任何該等三種情況，則根據香港財務報告準則第15號，本集團於某一指定時間點（即於控制權轉移至客戶時）就銷售貨品或服務確認收益。所有權風險及回報之轉移僅為於釐定控制權轉移發生時將考慮的其中一項指標。

根據香港財務報告準則第15號的過渡條文，本集團已選擇僅將該項準則應用於2018年4月1日之前尚未完成的合約。可比較資料並無重列，而是繼續根據香港會計準則第11號及香港會計準則第18號予以呈報。

採納香港財務報告準則第15號並無對本集團產生重大影響。

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

3. OPERATING SEGMENT INFORMATION

The Group is primarily engaged in the manufacture and sale of jewellery products. Management has determined the operating segments based on the reports reviewed by the chief operating decision makers, who have been identified as the executive Directors of the Company. Information reported to the Group's chief operating decision makers, for the purpose of resources allocation and performance assessment, focuses on the operating results of the Group as a whole as the Group's resources are integrated. Accordingly, the Group has identified one reportable operating segment, i.e. manufacture and sale of jewellery products, and no further analysis thereof is presented.

Geographical information

Information about the Group's revenue by geographical locations is presented based on the area or country in which external customers are operated.

3. 經營分部資料

本集團主要從事珠寶產品的製造及銷售業務。管理層已根據首席營運決策者（已獲確定為本公司的執行董事）審閱的報告釐定經營分部。就資源分配及業績評估向本集團首席營運決策者報告的資料著重本集團的整體經營業績，原因在於本集團的資源已整合。因此，本集團已確定一個可報告經營分部，即珠寶產品的製造及銷售，且並無呈列有關進一步分析。

地域資料

本集團地域性收益的資料乃根據外部客戶經營業務所在地區或國家呈列。

**NOTES TO CONDENSED CONSOLIDATED
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**3. OPERATING SEGMENT
INFORMATION (CONTINUED)**

Geographical information (Continued)

(a) Revenue from external customers

3. 經營分部資料 (續)

地域資料 (續)

(a) 外部客戶的收益

		Six months ended 30 September	
		截至9月30日止六個月	
		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Mainland China	中國內地	32,139	69,435
Russia	俄羅斯	22,239	67,200
Europe (other than Russia)	歐洲 (俄羅斯除外)	8,044	17,610
Americas	美洲	7,865	138,419
Other countries	其他國家	5,885	14,738
		76,172	307,402

Information about the Group's non-current assets, excluding available-for-sale investment, is presented based on the locations of the assets.

本集團非流動資產 (不包括可供出售投資) 的資料乃根據資產所在地區呈列。

**NOTES TO CONDENSED CONSOLIDATED
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**3. OPERATING SEGMENT
INFORMATION (CONTINUED)**

Geographical information (Continued)

(b) Non-current assets

3. 經營分部資料 (續)

地域資料 (續)

(b) 非流動資產

		At 30 September 2018 於2018年 9月30日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 March 2018 於2018年 3月31日 HK\$'000 千港元 (audited) (經審核)
Hong Kong	香港	23,626	23,030
Mainland China	中國內地	4,000	5,024
		27,626	28,054

The Company is domiciled in the Cayman Islands while the Group operates its business in Hong Kong and Mainland China. During the Period, no revenue was generated from any customer in the Cayman Islands and no assets were located in the Cayman Islands.

本公司的原駐地為開曼群島，而本集團於香港及中國內地經營其業務。於本期間，並無任何來自開曼群島客戶的收益，且並無任何資產位於開曼群島。

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

4. REVENUE

Revenue represents the net amounts received and receivable arising from sale of jewellery products during the Period.

4. 收益

收益指本期間銷售珠寶產品所產生的已收及應收款項淨額。

Six months ended 30 September 截至9月30日止六個月

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Sale of jewellery products	珠寶產品銷售	76,172	307,402

5. FINANCE COSTS

An analysis of finance cost is as follows:

5. 財務成本

財務成本分析如下：

Six months ended 30 September 截至9月30日止六個月

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Interest on bank and other borrowings	銀行及其他貸款利息	—	4,979
Interest on factoring of trade receivables	貿易應收款項保理利息	422	831
Interest on finance leases	融資租賃利息	89	144
		511	5,954

**NOTES TO CONDENSED CONSOLIDATED
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6. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

6. 除稅前虧損

本集團的除稅前虧損已扣除／(計入)下列各項：

		Six months ended 30 September	
		截至9月30日止六個月	
		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Cost of inventories sold*	已售存貨成本*	57,164	216,761
Depreciation	折舊	3,056	5,206
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷	-	191
Foreign exchange differences, net [#]	外匯換算差額淨額 [#]	(1,401)	(894)
Realisation of exchange fluctuation reserve upon disposal of subsidiaries	出售附屬公司時匯兌波動之儲備變現	-	1,020
(Write-back)/write-down of inventories to net realisable value*	(撥回)／撇減存貨至可變現淨值*	(640)	1,040
Minimum lease payments under operating lease	經營租賃最低租賃款項	817	766
Net gains/(losses) on disposal of subsidiary and items of property, plant and equipment [#]	出售附屬公司及物業、廠房及設備項目收益／(虧損)淨額 [#]	280	(7,677)

* These items are included in "Cost of sales" on the face of the condensed consolidated statement of profit or loss and other comprehensive income.

* 該等項目計入簡明綜合損益及其他全面收益表「銷售成本」內。

[#] These items are included in "Other gains, net" on the face of the condensed consolidated statement of profit or loss and other comprehensive income.

[#] 該等項目計入簡明綜合損益及其他全面收益表「其他收益淨額」內。

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

7. INCOME TAX EXPENSE

The statutory income tax rates for Hong Kong and Mainland China are 16.5% and 25.0%, respectively. A subsidiary of the Group enjoyed a lower profit tax rate during the Period as further explained below. The profit tax of the Group has been provided at the applicable tax rates on estimated assessable profits arising in Hong Kong and Mainland China during the Period.

7. 所得稅開支

香港與中國內地的法定所得稅率分別為16.5%及25.0%。誠如下文詳述，本集團一家附屬公司於本期間享有較低利得稅率。於本期間，本集團的利得稅乃就於香港和中國內地產生的估計應課稅溢利按適用稅率計提撥備。

Six months ended 30 September

截至9月30日止六個月

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Current — Hong Kong	即期 — 香港		
Charge for the period	期內支出	1,919	492
Current — Mainland China	即期 — 中國內地		
Charge for the period	期內支出	—	1,532
Deferred	遞延	(1,463)	345
<hr/>			
Total tax charge for the period	期內稅項支出總額	456	2,369

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**7. INCOME TAX EXPENSE
(CONTINUED)**

In relation to the Departmental Interpretation and Practice Notes No. 21 (Revised) (apportionment under a 50:50 basis) of the Inland Revenue Department Hong Kong, a portion of profits from KTL Jewellery Trading Limited (“KTL Trading”), a wholly-owned subsidiary of the Company, is considered neither arisen in, nor derived from Hong Kong. Accordingly, that portion of KTL Trading’s profit is not subject to Hong Kong Profits Tax. Further, in the opinion of the Directors that portion of KTL Trading’s profit is not subject to taxation in any other jurisdiction in which KTL Trading operates during the Period.

8. INTERIM DIVIDEND

The Directors do not recommend the payment of an interim dividend for the Period (six months ended 30 September 2017: nil).

7. 所得稅開支(續)

就香港稅務局《稅務條例釋義及執行指引第21號》(經修訂)(按50:50基準攤分)而言,本公司全資附屬公司三和珠寶貿易有限公司(「三和珠寶貿易」)的部分溢利被視為既不產生於亦非得自香港。因此,三和珠寶貿易的該部分溢利毋須繳納香港利得稅。此外,董事認為,本期間三和珠寶貿易的該部分溢利毋須就三和珠寶貿易經營所在的任何其他司法權區繳納稅項。

8. 中期股息

董事不建議於本期間派付中期股息(截至2017年9月30日止六個月:無)。

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9. LOSSES PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic losses per share amounts is based on the loss for the Period attributable to ordinary equity holders of the parent of approximately HK\$23,803,000 (2017: losses of approximately HK\$6,281,000), and the weighted average number of ordinary shares in issue of 172,600,000 (2017: 164,750,820 which has been adjusted for the Company's placing of the new shares on 16 May 2017). The Group has no potentially dilutive ordinary shares in issue during the periods ended 30 September 2018 and 2017.

9. 母公司普通股權益持有人應 佔每股虧損

每股基本虧損金額乃根據母公司普通股權益持有人應佔本期間虧損約23,803,000港元(2017年：虧損約6,281,000港元)及已發行普通股的加權平均數172,600,000股(2017年：164,750,820股，已就本公司於2017年5月16日進行的新股份配售作出調整)計算。截至2018年及2017年9月30日止各期間，本集團並無具有潛在攤薄效應的已發行普通股。

Six months ended 30 September

截至9月30日止六個月

2018	2017
2018年	2017年
HK\$'000	HK\$'000
千港元	千港元
(unaudited)	(unaudited)
(未經審核)	(未經審核)

Losses	虧損		
Losses attributable to ordinary equity holders of the parent used in the basic losses per share calculation	計算每股基本虧損時使用的母公司普通股權益持有人應佔虧損	(23,803)	(6,281)

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**9. LOSSES PER SHARE ATTRIBUTABLE
TO ORDINARY EQUITY HOLDERS
OF THE PARENT (CONTINUED)**

**9. 母公司普通股權益持有人應
佔每股虧損(續)**

		Number of shares	
		股份數目	
		Six months ended 30 September	
		截至9月30日止六個月	
		2018	2017
		2018年	2017年
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Shares	股份		
Weighted average number of ordinary shares in issue during the period used in the basic losses per share calculation	計算每股基本虧損時使用的期內已發行普通股股份加權平均數	172,600,000	164,750,820

**10. PROPERTY, PLANT AND
EQUIPMENT**

During the Period, the Group acquired items of property, plant and equipment with an aggregate cost of approximately HK\$3,919,000 (six months ended 30 September 2017: approximately HK\$5,664,000). During the Period, items of property, plant and equipment with an aggregate carrying amount of approximately HK\$710,000 (six months ended 30 September 2017: approximately HK\$61,571,000) were disposed by the Group.

10. 物業、廠房及設備

於本期間，本集團收購物業、廠房及設備項目之成本合共約3,919,000港元(截至2017年9月30日止六個月：約5,664,000港元)。於本期間，本集團已出售賬面總值約710,000港元(截至2017年9月30日止六個月：約61,571,000港元)的物業、廠房及設備項目。

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11. AVAILABLE-FOR-SALE INVESTMENT 11. 可供出售投資

		At 30 September 2018 於2018年 9月30日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 March 2018 於2018年 3月31日 HK\$'000 千港元 (audited) (經審核)
Life insurance policy, at fair value	人壽保險保單， 按公允值	15,981	15,674

During the Period, the gross loss in respect of the change in fair value of the Group's available-for-sale investment recognised in other comprehensive income amounted to approximately HK\$307,000 (30 September 2017: gain HK\$278,000). There was no reclassification from other comprehensive loss to profit or loss during the Period.

於本期間，本集團可供出售投資的公允值變動而出現的虧損總額，已於其他全面收益中確認，金額為約307,000港元(2017年9月30日：收益278,000港元)。於本期間，其他全面虧損內並無任何金額重新分類至損益表。

12. INVENTORIES

12. 存貨

		At 30 September 2018 於2018年 9月30日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 March 2018 於2018年 3月31日 HK\$'000 千港元 (audited) (經審核)
Raw materials	原材料	23,396	25,323
Work in progress	在製品	10,548	6,307
Finished goods	製成品	30,207	18,029
		64,151	49,659

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13. TRADE RECEIVABLES

13. 貿易應收款項

		At 30 September 2018 於2018年 9月30日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 March 2018 於2018年 3月31日 HK\$'000 千港元 (audited) (經審核)
Trade receivables	貿易應收款項	51,389	84,083
Less: Allowance for doubtful debts	減：呆賬撥備	(16,149)	(16,149)
		35,240	67,934

The Group's trading terms with its customers are mainly on credit, except for new customers. Before accepting any new customer, the Group will apply an internal credit assessment policy to assess the potential customer's credit quality and define credit limits by customer. The credit period is generally for a period of 60 to 120 days for major customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a treasury department to minimise the credit risk. Overdue balances are reviewed regularly by senior management. Trade receivables are non-interest-bearing.

本集團與其客戶的貿易條款主要為信貸，惟新客户除外。於接納任何新客户之前，本集團將採用內部信貸評估政策以評估潛在客戶的信貸質素並確定客戶的信貸額度。主要客戶的信貸期一般為60至120天。每位客戶均設有最高信貸額度。本集團致力就未清償應收款項進行嚴格控制，並設立庫務部以降低信貸風險。逾期結餘由高級管理層定期審閱。貿易應收款項不計利息。

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**13. TRADE RECEIVABLES
(CONTINUED)**

An aged analysis of the trade receivables at the end of the reporting period, based on the invoice date and net of provisions, is as follows:

13. 貿易應收款項(續)

於報告期末按發票日期呈列及扣除撥備的貿易應收款項的賬齡分析如下：

		At 30 September 2018 於2018年 9月30日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 March 2018 於2018年 3月31日 HK\$'000 千港元 (audited) (經審核)
Within 1 month	一個月內	6,702	11,613
1 to 2 months	一至兩個月	7,283	11,435
2 to 3 months	兩至三個月	8,029	27,657
Over 3 months	超過三個月	13,226	17,229
		35,240	67,934

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14. TRADE AND OTHER PAYABLES

14. 貿易及其他應付款項

		At 30 September 2018 於2018年 9月30日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 March 2018 於2018年 3月31日 HK\$'000 千港元 (audited) (經審核)
Trade payables	貿易應付款項	20,356	5,236
Other payables	其他應付款項	21,640	22,798
		41,996	28,034

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

於報告期末按發票日期呈列的貿易應付款項的賬齡分析如下：

		At 30 September 2018 於2018年 9月30日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 March 2018 於2018年 3月31日 HK\$'000 千港元 (audited) (經審核)
Within 1 month	一個月內	13,559	3,624
1 to 2 months	一至兩個月	5,876	112
2 to 3 months	兩至三個月	8	53
Over 3 months	超過三個月	913	1,447
		20,356	5,236

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**14. TRADE AND OTHER PAYABLES
(CONTINUED)**

The trade payables are non-interest-bearing and the credit period of purchases ranges from 30 to 180 days. Other payables are non-interest-bearing and have an average term of one to three months. The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

**15. INTEREST-BEARING BANK AND
OTHER BORROWINGS**

As at 30 September 2018, the Group had no borrowings.

14. 貿易及其他應付款項(續)

貿易應付款項乃不計息且採購的信貸期介乎30至180天。其他應付款項乃不計息且平均期限為一至三個月。本集團已實施財務風險管理政策，以確保全部應付款項於信貸期間內償付。

15. 計息銀行及其他貸款

於2018年9月30日，本集團並沒有借貸。

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**15. INTEREST-BEARING BANK AND
OTHER BORROWINGS
(CONTINUED)**

The Group's bank borrowings as at the end of the reporting period are secured by:

15. 計息銀行及其他貸款(續)

於報告期末，本集團銀行借貸乃由下列各項作抵押：

	At 30 September 2018 於2018年 9月30日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 March 2018 於2018年 3月31日 HK\$'000 千港元 (audited) (經審核)
Non-current assets	非流動資產	
Buildings	—	2,253
Leasehold land	—	9,559
Available-for-sale investment	—	15,674
Total non-current assets pledged as security	被質押作為借貸擔保的 非流動資產總額	— 27,486

Above pledges as at 31 March 2018 were released in May 2018.

上述於2018年3月31日的質押已於2018年5月解除。

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16. SHARE CAPITAL

16. 股本

	At 30 September 2018 於 2018 年 9 月 30 日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 March 2018 於 2018 年 3 月 31 日 HK\$'000 千港元 (audited) (經審核)
Authorised:		
2,000,000,000 (31 March 2018: 2,000,000,000) ordinary shares of HK\$0.005 each (31 March 2018: HK\$0.005 each)	2,000,000,000 股 (2018 年 3 月 31 日： 2,000,000,000 股) 每股面值 0.005 港元 (2018 年 3 月 31 日： 每股面值 0.005 港元) 的普通股	10,000
	10,000	10,000
Issued and fully paid:		
172,600,000 (31 March 2018: 172,600,000) ordinary shares of HK\$0.005 each (31 March 2018: HK\$0.005 each)	已發行及繳足： 172,600,000 股 (2018 年 3 月 31 日： 172,600,000 股) 每股面值 0.005 港元 (2018 年 3 月 31 日：每股面值 0.005 港元) 的普通股	863
	863	863

On 16 May 2017, 12,600,000 ordinary shares of HK\$0.005 each were allotted and issued at a price of HK\$5.06 per share under the placing agreement for the net proceeds, after deducting the placing fee, stamp duty and other related expenses payable by the Company, of approximately HK\$62,475,000.

於 2017 年 5 月 16 日，12,600,000 股每股面值 0.005 港元之普通股已根據配售協議按每股 5.06 港元之價格配發及發行，以取得所得款項淨額（扣除本公司應付的配售費用、印花稅及其他相關費用後）約 62,475,000 港元。

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17. OPERATING LEASE ARRANGEMENTS

As Lessee

The Group leases certain of its premises and office equipment under operating lease arrangements. The leases are negotiated for terms ranging from one to five years with fixed monthly rentals.

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

		At 30 September 2018 於2018年 9月30日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 March 2018 於2018年 3月31日 HK\$'000 千港元 (audited) (經審核)
Within one year	一年內	1,665	2,277
In the second to fifth years, inclusive	第二年至第五年(包括 首尾兩年)	423	5,361
		2,088	7,638

17. 經營租賃安排

作為承租人

本集團根據經營租賃安排租賃其若干物業及辦公設備。有關租賃乃按固定月租及租期介乎一至五年議定。

於2018年9月30日，本集團根據不可撤銷經營租賃而須於未來支付之最低租金款項總額如下：

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18. COMMITMENTS

At 30 September 2018, save as the operating lease commitments detailed in Note 17, the Group had no capital commitments as at the end of the reporting period.

19. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions detailed elsewhere in the unaudited condensed consolidated interim financial statements, the Group had the following material related parties transactions during the six months ended 30 September 2018:
- (i) During the six months ended 30 September 2018, total service fees of approximately HK\$791,000 were paid to Guarantee Travel Limited, an entity controlled by a close family member of a director of subsidiary of the Company, for provision of reservation services for tickets and hotel accommodation etc. to a subsidiary of the Group. The service charges were based on the terms and conditions mutually agreed between both parties.
- (ii) During the Period, the Group's sales to Dynamic Tactics (Hong Kong) Limited, a joint venture of the Group, amounted to approximately HK\$305,000 (2017: HK\$366,000). The sales were based on the terms and conditions mutually agreed between both parties.

18. 承擔

於2018年9月30日，除附註17詳述的經營租賃承擔外，本集團於報告期末概無資本承擔。

19. 關聯方交易

- (a) 除該未經審核簡明綜合中期財務報表詳述的交易外，於截至2018年9月30日止六個月，本集團有以下主要關聯方交易：
- (i) 於截至2018年9月30日止六個月，服務費用總額約791,000港元已支付予保誠旅遊有限公司，一家由本公司的附屬公司董事的近親控制的實體，目的為向本集團一家附屬公司提供機票及酒店預訂服務等。服務乃根據雙方共同協定的條款及條件釐定。
- (ii) 於本期間，本集團向本集團的合營公司Dynamic Tactics (Hong Kong) Limited作出的銷售額約為305,000港元(2017年：366,000港元)。有關銷售乃根據雙方相互同意之條款及條件進行。

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**19. RELATED PARTY TRANSACTIONS
(CONTINUED)**

(b) Compensation of key management personnel of the Group:

19. 關聯方交易 (續)

(b) 本集團主要管理人員的薪酬：

		Six months ended 30 September	
		截至9月30日止六個月	
		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Short-term employee benefits	短期僱員福利	4,825	1,665
Pension scheme contributions	退休金計劃供款	9	18
Total compensation paid to key management personnel		4,834	1,683
		支付予主要管理人員的薪酬總額	

20. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amount and fair value of the Group's financial instrument, other than those with carrying amounts that reasonably approximate to fair values, is as follows:

20. 金融工具公允值及公允值層級

本集團金融工具的賬面值及公允值(賬面值與公允值合理地相若的金融工具除外)載列如下：

		Carrying amount		Fair value	
		賬面值		公允值	
		At	At	At	At
		30 September	31 March	30 September	31 March
		2018	2018	2018	2018
		於2018年	於2018年	於2018年	於2018年
		9月30日	3月31日	9月30日	3月31日
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
		(unaudited)	(audited)	(unaudited)	(audited)
		(未經審核)	(經審核)	(未經審核)	(經審核)
Financial asset	金融資產				
Available-for-sale investment	可供出售投資	15,981	15,674	15,981	15,674

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20. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

The fair value of available-for-sale investment has been estimated at the surrender value of the Policy as at the end of reporting period. As there is no active market to demonstrate the fair value of the available-for-sale investment, and the potential exit price in a hypothetical transfer of the available-for-sale investment to another market participant cannot be reliably estimated, the directors believe that the estimated fair value resulting from the surrender value, which is recorded in the consolidated statement of financial position, and the related changes in fair value, which are recorded in other comprehensive loss, are reasonable, and that it was the most appropriate value at the end of the reporting period.

Management has assessed that the fair values of cash and bank balances, pledged bank deposits, trade receivables, financial assets included in prepayment, deposits and other receivables, trade payables, interest-bearing bank borrowings and financial liabilities included in other payables approximate to their carrying amounts largely due to the short term maturities of these instruments.

The fair value of the non-current portion of obligations under finance leases has been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The fair value of the non-current portion of obligations under finance leases at the end of the reporting period approximates to its corresponding carrying amount.

20. 金融工具公允值及公允值層級 (續)

截至報告期末可供出售投資的公允值已根據該保單的退保價值估算。由於沒有活躍市場展示可供出售投資的公允值，且無法可靠地估計假設將可供出售投資轉讓予另一個市場參與者的潛在脫售價格，董事認為根據退保價值所得出的估計公允值（計入綜合財務狀況表）及公允值的相關變動（計入綜合其他虧損）均屬合理，而且為於報告期末最恰當的價值。

管理層已評估現金及銀行結餘、已質押銀行存款、貿易應收款項、計入預付款項、按金及其他應收款項的金融資產、貿易應付款項、計息銀行借貸及計入其他應付款項的金融負債的公允值與賬面值相若，主要由於該等工具於短期內到期。

融資租賃承擔非流動部分之公允值按適用於具有類似條款、信貸風險及剩餘年期的工具的現行利率折現預期未來現金流量計算。融資租賃承擔非流動部分於報告期末之公允值與其相應賬面值相若。

**NOTES TO CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**
簡明綜合財務報表附註

**20. FAIR VALUE AND FAIR VALUE
HIERARCHY OF FINANCIAL
INSTRUMENTS (CONTINUED)**

Fair value hierarchy

The following table illustrates the fair value measurement hierarchy of the Group's financial instruments:

Asset measured at fair value:

As at 30 September 2018

**20. 金融工具公允值及公允值層
級 (續)**

公允值層級

下表說明本集團的金融工具的公允值計量層級：

以公允值計量的資產：

於2018年9月30日

Fair value measurement using
採用公允值計量

Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
活躍市場中 報價 (1級)	重大可觀察 輸入數據 (2級)	重大不可觀察 輸入數據 (3級)	合計
HK\$'000 千港元 (unaudited) (未經審核)	HK\$'000 千港元 (unaudited) (未經審核)	HK\$'000 千港元 (unaudited) (未經審核)	HK\$'000 千港元 (unaudited) (未經審核)
Available-for-sale investment 可供出售投資	-	-	15,981
		15,981	15,981

**NOTES TO CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**
簡明綜合財務報表附註

**20. FAIR VALUE AND FAIR VALUE
HIERARCHY OF FINANCIAL
INSTRUMENTS (CONTINUED)**

The movements in fair value measurement within Level 3 during the year are as follows:

**20. 金融工具公允值及公允值層
級 (續)**

年內公允值計量第3級的變動如下：

		At 30 September 2018 於2018年 9月30日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 March 2018 於2018年 3月31日 HK\$'000 千港元 (audited) (經審核)
Available-for-sale investment:	可供出售投資：		
At the beginning of the period/year	於期／年初	15,674	15,015
Exchange realignment	匯兌重新調整	-	168
Change in fair value recognised in other comprehensive loss	其他全面虧損中確認的公允值變動	307	491
At the end of period/year	於期／年末	15,981	15,674

The Group did not have any financial liabilities measured at fair value as at 30 September 2018 and 31 March 2018.

本集團在2018年9月30日及2018年3月31日並無任何按公允值計值的金融負債。

During the period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities.

於期內，並無第1級和第2級的公允值計量轉移及第3級的金融資產和金融負債的轉入或轉出。

**NOTES TO CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**
簡明綜合財務報表附註

21. APPROVAL OF INTERIM FINANCIAL REPORT

The interim financial report was approved and authorised for issue by the Board on 27 November 2018.

21. 批准中期財務報告

董事會已於2018年11月27日批准及授權刊發本中期財務報告。

22. EVENT AFTER THE REPORTING PERIOD

Please refer to disposal of properties under paragraph named “Event after the reporting period” on page 8 of this report.

22. 報告期後事項

物業的出售事項的詳情，請參閱本報告第8頁「報告期後事項」一段。

OTHER INFORMATION

其他資料

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND/OR SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 September 2018, so far as was known to the Directors, the following persons/entities (other than the Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

主要股東及其他人士於本公司股份及相關股份中之權益及／或淡倉

於2018年9月30日，就董事所知，以下人士／實體（董事或本公司主要行政人員除外）於本公司股份或相關股份中，擁有或被視為擁有根據證券及期貨條例第XV部第2及第3分部條文須向本公司披露的權益或淡倉，或已錄入根據證券及期貨條例第336條本公司須存置的股東名冊內的權益或淡倉如下：

Name of Shareholder	Capacity/ nature of interest	Number of shares	Approximately percentage of shareholding in our Company 佔本公司股權的 概約百分比
股東名稱	身份／權益性質	股份數目	
HNA Aviation Investment Holding Company Ltd. (Note 1) (附註1)	Beneficial owner 實益擁有人	129,372,494 (long position) 129,372,494股 (好倉)	74.96%
HNA Aviation (Hong Kong) Holdings Co., Limited 海航航空(香港)控股有限公司	Interest of a controlled corporation 受控制法團權益	129,372,494 (long position) 129,372,494股 (好倉)	74.96%
HNA Tourism (International) Investment Group Co., Ltd. 海航旅業(國際)投資集團有限公司	Interest of a controlled corporation 受控制法團權益	129,372,494 (long position) 129,372,494股 (好倉)	74.96%

OTHER INFORMATION

其他資料

Name of Shareholder 股東名稱	Capacity/ nature of interest 身份／權益性質	Number of shares 股份數目	Approximately percentage of shareholding in our Company 估本公司股權的 概約百分比
HNA Tourism International (Hong Kong) Co., Limited 海航旅業國際(香港)有限公司	Interest of a controlled corporation 受控制法團權益	129,372,494 (long position) 129,372,494 股 (好倉)	74.96%
HNA Tourism Group Limited 海航旅遊集團有限公司	Interest of a controlled corporation 受控制法團權益	129,372,494 (long position) 129,372,494 股 (好倉)	74.96%
HNA Group Co., Ltd. 海航集團有限公司	Interest of a controlled corporation 受控制法團權益	129,372,494 (long position) 129,372,494 股 (好倉)	74.96%
Hainan Traffic Administration Holding Co. Ltd. 海南交管控股有限公司	Interest of a controlled corporation 受控制法團權益	129,372,494 (long position) 129,372,494 股 (好倉)	74.96%
Tang Dynasty Development (Yangpu) Company Limited 盛唐發展(洋浦)有限公司	Interest of a controlled corporation 受控制法團權益	129,372,494 (long position) 129,372,494 股 (好倉)	74.96%
Hainan Province Cihang Foundation 海南省慈航公益基金會	Interest of a controlled corporation 受控制法團權益	129,372,494 (long position) 129,372,494 股 (好倉)	74.96%
China Huarong Asset Management Co., Ltd. (Note 2) 中國華融資產管理股份 有限公司(附註2)	Security interest 抵押權益	129,372,494 (long position) 129,372,494 股 (好倉)	74.96%

OTHER INFORMATION

其他資料

Note:

1. HNA Aviation Investment Holding Company Ltd. is a wholly owned subsidiary of HNA Aviation (Hong Kong) Holdings Co., Limited which is owned as to 51.28% by HNA Tourism (International) Investment Group Co., Limited. HNA Tourism (International) Investment Group Co., Limited is a wholly owned subsidiary of HNA Tourism International (Hong Kong) Co., Limited. HNA Tourism International (Hong Kong) Co., Limited is a wholly owned subsidiary of HNA Tourism Group Limited (“海航旅遊集團有限公司”). HNA Group Co., Ltd. owns 69.96% of HNA Tourism Group Limited (“海航旅遊集團有限公司”). HNA Group Co., Ltd. is owned as to 70% by Hainan Traffic Administration Holding Co. Ltd., Hainan Traffic Administration Holding Co. Ltd. is owned as to 50% by Tang Dynasty Development (Yangpu) Company Limited. Tang Dynasty Development (Yangpu) Company Limited is owned as to 65% by Hainan Province Cihang Foundation.

To the best of the Directors' knowledge, information and belief, (a) Hainan Cihang Charity Foundation Inc. after 30 September 2017 indirectly held 100% shareholdings of Yangpu Hengsheng Chuangye Company Limited* (洋浦恒升創業有限公司) which in turn directly held 25% shareholdings of Hainan Traffic Administration Holding Co. Ltd.* (海南交管控股有限公司); and (b) Hainan Cihang Charity Foundation Inc. after 30 September 2017 directly held 100% shareholdings of Pan-American Aviation Holding Company which in turn directly held 98% shareholdings of Tang Dynasty Development Company Limited. Tang Dynasty Development Company Limited directly held 35% shareholdings of Tang Dynasty Development (Yangpu) Company Limited* (盛唐發展(洋浦)有限公司). The remaining 2% shareholdings in Tang Dynasty Development Company Limited is indirectly held by Hainan Airlines Holding Co., Limited.

附註：

1. HNA Aviation Investment Holding Company Ltd. 為海航航空(香港)控股有限公司一家全資附屬公司，後者由海航旅業(國際)投資集團有限公司持有51.28%權益。海航旅業(國際)投資集團有限公司為海航旅業國際(香港)有限公司的全資附屬公司。海航旅業國際(香港)有限公司為海航旅遊集團有限公司的全資附屬公司。海航集團有限公司持有海航旅遊集團有限公司69.96%權益。海航集團有限公司由海南交管控股有限公司持有70%權益，後者由盛唐發展(洋浦)有限公司持有50%權益，而盛唐發展(洋浦)有限公司由海南省慈航公益基金會持有65%權益。

就董事所知、所悉及所信，(a) Hainan Cihang Charity Foundation Inc. 於2017年9月30日後間接持有洋浦恒升創業有限公司之100%股權，而洋浦恒升創業有限公司則直接持有海南交管控股有限公司之25%股權；及(b) Hainan Cihang Charity Foundation Inc. 於2017年9月30日後直接持有Pan-American Aviation Holding Company之100%股權，而Pan-American Aviation Holding Company直接持有盛唐發展有限公司之98%股權。盛唐發展有限公司則直接持有盛唐發展(洋浦)有限公司之35%股權。盛唐發展有限公司餘下之2%股權則由Hainan Airlines Holding Co., Limited間接持有。

2. According to the disclosure of interest notice filed by China Huarong Asset Management Co., Ltd. on 12 September 2017 (“CHAM Notice”), Option Best Holdings Limited (“Option Best”) held direct interest in 129,372,494 underlying Shares and is a wholly-owned subsidiary of Linewear Assets Limited (“Linewear Assets”). Linewear Assets Limited is a wholly-owned subsidiary of Huarong International Financial Holdings Limited (“HIFH”). HIFH is owned as to 51% by Camellia Pacific Investment Holding Limited (“CPIH”). CPIH is a wholly-owned subsidiary of China Huarong International Holdings Limited (“CHIH”). CHIH is held as to 11.90% by Huarong Zhiyuan Investment & Management Co., Ltd. (“HZIM”) and as to 88.10% by Huarong Real Estate Co., Ltd. (“HRE”). Each of HZIM and HRE is a wholly-owned subsidiary of China Huarong Asset Management Co., Ltd.. Accordingly, Linewear Assets, HIFH, CPIH, CHIH, HZIM, HRE and China Huarong Asset Management Co., Ltd. are deemed to be interested in the underlying Shares held by Option Best by virtue of the provisions of the SFO.

Save as disclosed above, as at 30 September 2018, the Directors were not aware of any other persons/entities (other than the Directors and chief executive of the Company) who had interests and short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

2. 根據中國華融資產管理股份有限公司於2017年9月12日存檔之權益披露通知(「中國華融通知」)，Option Best Holdings Limited(「Option Best」)持有129,372,494股相關股份之直接權益，並為Linewear Assets Limited(「Linewear Assets」)之全資附屬公司。Linewear Assets Limited為Huarong International Financial Holdings Limited(「HIFH」)之全資附屬公司，而HIFH由Camellia Pacific Investment Holding Limited(「CPIH」)擁有51%權益。CPIH為China Huarong International Holdings Limited(「CHIH」)之全資附屬公司。CHIH由Huarong Zhiyuan Investment & Management Co., Ltd.(「HZIM」)及華融置業有限責任公司(「華融置業」)分別持有11.90%及88.10%權益。HZIM及華融置業各自為中國華融資產管理股份有限公司之全資附屬公司。因此，根據證券及期貨條例之條文，Linewear Assets、HIFH、CPIH、CHIH、HZIM、華融置業及中國華融資產管理股份有限公司被視為於Option Best持有之相關股份中擁有權益。

除上文所披露者外，於2018年9月30日，董事並不知悉有任何其他人士／實體(本公司董事及主要行政人員除外)於本公司股份或相關股份擁有根據證券及期貨條例第XV部第2及3分部須向本公司披露之權益及淡倉，或根據證券及期貨條例第336條記入本公司規定存置的股東名冊之權益及淡倉。

OTHER INFORMATION

其他資料

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

Save as disclosed in this report, during the Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

BOARD OF DIRECTORS

As at the date of this report, the Board comprises three executive Directors, namely Mr. Nang Qi (Chairman), Mr. Chen Peiliang and Mr. Xue Qiang and three independent non-executive Directors, namely Mr. Ting Tit Cheung, Mr. Chan Chi Kuen and Mr. Lo Chun Pong. During the Period, there was no change in the composition of the Board.

AUDIT COMMITTEE

The audit committee of the Company consists of three independent non-executive Directors of the Company, namely Mr. Chan Chi Kuen (Chairman of the Audit Committee), Mr. Ting Tit Cheung and Mr. Lo Chun Pong.

The audit committee of the Company has reviewed the Company's unaudited interim report (containing the unaudited condensed consolidated interim financial statements) for the Period, including the accounting principles and practices adopted by the Group, and discussed with management regarding internal control and financial reporting matters.

By order of the Board

Nang Qi

Chairman

Hong Kong, 27 November 2018

購買、出售或贖回本公司的上市證券

除本報告所披露者外，於本期間，本公司或其任何附屬公司並無購買、出售或贖回本公司任何上市證券。

董事會

於本報告日期，董事會由三名執行董事，即龔麒麟先生（主席）、陳佩良先生及薛強先生，以及三名獨立非執行董事，即丁鐵翔先生、陳志權先生及盧振邦先生組成。於本期間，董事會成員並無變動。

審核委員會

本公司的審核委員會由本公司的三名獨立非執行董事組成，即陳志權先生（審核委員會主席）、丁鐵翔先生及盧振邦先生。

本公司審核委員會已審閱本公司於本期間的未經審核中期報告（載有未經審核簡明綜合中期財務報表），包括本集團採納的會計原則及準則，並與管理層討論有關內部監控及財務報告事宜。

承董事會命

龔麒麟

主席

香港，2018年11月27日

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