

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



2019 Interim Report 中期報告

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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Li Neng (*Chairman*)
Mr. Zhao Minhao (*Chief Executive Officer*)
Mr. Zhao Yeyong

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. Li Neng
Mr. Zhao Minhao
Mr. Chan Chi Kuen
Mr. Lo Chun Pong

Nomination committee

Mr. Li Neng (*Chairman*)
Mr. Zhao Minhao
Mr. Ting Tit Cheung
Mr. Chan Chi Kuen
Mr. Lo Chun Pong

Authorised representatives

Mr. Zhao Minhao
Mr. Chau Chi Lai

Auditors

PricewaterhouseCoopers

董事會

執行董事

李能先生 (主席)
趙旻昊先生 (行政總裁)
趙葉勇先生

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)
李能先生
趙旻昊先生
陳志權先生
盧振邦先生

提名委員會

李能先生 (主席)
趙旻昊先生
丁鐵翔先生
陳志權先生
盧振邦先生

授權代表

趙旻昊先生
周智禮先生

核數師

羅兵咸永道會計師事務所

Principal bankers

Bank of Communications Co., Hong Kong Branch
DBS Bank (Hong Kong) 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 54, 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 3701-09, 37/F
Two International Finance Centre
8 Finance Street
Central
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

交通銀行股份有限公司香港分行
星展銀行(香港)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54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
中環
金融街8號
國際金融中心二期
37樓3701至09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\$98.0 million for the six months ended 30 September 2019 (the “Period”), representing an increase of approximately 28.7% as compared with the same for the six months ended 30 September 2018.

Gross profit was approximately HK\$5.0 million for the six months ended 30 September 2019, representing a decrease of approximately 48.7% as compared with the same for the six months ended 30 September 2018.

Gross profit margin decreased to approximately 5.1% for the six months ended 30 September 2019, as compared with approximately 12.8% for the six months ended 30 September 2018.

For the six months ended 30 September 2019, 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\$37.8 million, compared with consolidated losses of approximately HK\$23.8 million for the corresponding period of 2018.

Basic and diluted losses per share amounted to approximately HK\$0.22 for the six months ended 30 September 2019, compared with the basic and diluted losses per share of approximately HK\$0.14 for the six months ended 30 September 2018.

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 2019.

截至2019年9月30日止六個月（「本期間」），收益約為98.0百萬港元，較截至2018年9月30日止六個月增加約28.7%。

截至2019年9月30日止六個月，毛利約為5.0百萬港元，較截至2018年9月30日止六個月減少約48.7%。

截至2019年9月30日止六個月，毛利率下降至約5.1%，而截至2018年9月30日止六個月則約為12.8%。

截至2019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37.8百萬港元，而2018年同期綜合虧損約為23.8百萬港元。

截至2019年9月30日止六個月，每股基本及攤薄虧損約為0.22港元，而截至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。

本公司董事（「董事」）會（「董事會」）不建議就截至2019年9月30日止六個月派付中期股息。

During the six months ended 30 September 2019 and up to the date of this report, the Board consists of six Directors, comprising three executive Directors and three independent non-executive Directors.

EXECUTIVE DIRECTORS

Mr. Li Neng (“**Mr. Li**”), aged 39, serves as the vice president of the HNA Group (International) Company Limited (海航集團(國際)有限公司) (“HNA International”) as well as the vice president and chief financial officer of Hong Kong Airlines Holdings Co., Limited. Mr. Li graduated from the University of Macau (澳門大學) with a Bachelor of Business Administration in Finance in June 2002 and further obtained his Master of Business Administration from the University of Hong Kong in June 2019. Mr. Li has held various senior management positions previously within the HNA Group Co., Ltd (海航集團有限公司) (“HNA Group”)’s companies since he joined the HNA Group in 2002, including the chief investment officer of the HNA International, the chief executive officer of China Civil Aviation Investment Group Limited (中國民用航空投資集團有限公司), and the vice president of Africa World Airlines Limited. He also served as an independent director of Azul S.A., a company listed on the New York Stock Exchange (stock code: AZUL) and the Brazilian Stock Exchange (stock code: AZUL4) from October 2016 to July 2018, and a non-executive director of Comair Limited, a company listed on JSE Limited, a stock exchange in the Republic of South Africa (stock code: COM) from August 2015 to August 2018.

截至2019年9月30日止六個月及直至本報告日期，董事會由六名董事組成，包括三名執行董事及三名獨立非執行董事。

執行董事

李能先生（「**李先生**」），39歲，為海航集團(國際)有限公司（「海航國際」）副總裁、香港航空控股有限公司副總裁兼首席財務總監。李先生於2002年6月畢業於澳門大學，獲頒授工商管理學士（金融學）學位，並於2019年6月自香港大學獲得工商管理碩士學位。李先生自2002年加入海航集團有限公司後，於海航集團有限公司各公司（「海航集團」）擔任多個高級管理職位，包括中國民用航空投資集團有限公司首席執行官，以及非洲世界航空有限公司副總裁等。於2016年10月至2018年7月，彼擔任於紐約證券交易所上市（股份代號：AZUL）及巴西證券交易所上市（股份代號：AZUL4）的公司Azul S.A.的獨立董事，以及於2015年8月至2018年8月，擔任於南非共和國的證券交易所約翰尼斯堡證券交易所有限公司上市（股份代號：COM）的公司Comair Limited的非執行董事。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Mr. Zhao Minhao (“**Mr. Zhao**”), aged 35, serves as the deputy general manager of the Investment Banking Department of HNA Catering Holdings Co., Ltd (海航食品控股有限公司) (“HNA Catering”). Mr. Zhao received his Bachelor of Food Science and Engineering from Jiangnan University (江南大學) in June 2006 and his Master of Business Administration from the Capital University of Economics and Business (首都經濟貿易大學) in Beijing, the People’s Republic of China in January 2019. Mr. Zhao has also obtained the Qualification Certificate of Board Secretary (董事會秘書資格證書) issued by the Shenzhen Stock Exchange in August 2017. Mr. Zhao has held various other positions within the HNA Group’s companies since he joined the HNA Group from 2006, including the department manager of the brand development department of Yishi Zong Heng Dining Management (Beijing) Limited (易食縱橫餐飲管理(北京)有限公司), the market development manager of the airline catering service department, the manager of the project development centre of the operation department, and the project cooperation manager of strategic development department of HNA-Caissa Travel Group Co., Ltd (海航凱撒旅遊集團股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 00796, formerly known as Yishi Group Co., Ltd (易食集團股份有限公司)) and the investment management manager of the financial planning department of E-Food Co., Ltd. (易食控股有限公司).

趙旻昊先生(「**趙先生**」), 35歲, 為海航食品控股有限公司(「海航食品」)投資銀行部副總經理。趙先生於2006年6月獲江南大學頒授食物科學及工程學士學位, 以及於2019年1月獲中華人民共和國北京首都經濟貿易大學頒授工商管理碩士學位。趙先生亦於2017年8月獲深圳證券交易所頒發董事會秘書資格證書。趙先生自2006年加入海航集團後, 於海航集團各公司擔任多個其他職位, 包括易食縱橫餐飲管理(北京)有限公司品牌發展部部門經理、於深圳證券交易所上市(股份代號: 00796)的公司海航凱撒旅遊集團股份有限公司(前稱易食集團股份有限公司)航食事業部市場開拓經理、運營部專案開發中心經理及戰略發展部項目合作經理, 以及易食控股有限公司財務計劃部投資管理經理。

Mr. Zhao Yeyong (“**Mr. Zhao**”), aged 35, serves as the chief financial officer of HNA Catering. Mr. Zhao received his Bachelor of Electronic Information Engineering from Northwestern Polytechnical University (中國西北工業大學), the PRC in July 2006. Mr. Zhao has held various other positions within the HNA Group’s companies since he joined the HNA Group from 2006, including the aircraft component control administrator in inventory control center of the purchasing administration department of HNA Airlines Company Limited (海南航空股份有限公司), the head of aircraft material management department of Hainan HNA Aeronautics Import & Export Limited Company* (海南海航航空進出口有限公司), the deputy general manager of sales department of Hong Kong International Aviation Leasing Company Limited (香港國際航空租賃有限公司), the deputy general manager of finance department of HNA Aviation Group Co., Ltd. (海航航空集團有限公司), the general manager of financial administration department of HNA Innovation Ventures Co., Limited (海南海航航空創新投資有限公司) as well as the vice president of finance of Gategroup Holding AG, a company which was listed on the Swiss Stock Exchange and delisted in April 2017).

趙葉勇先生（「**趙先生**」），35歲，為海航食品的財務總監。趙先生於2006年7月獲中國西北工業大學頒授電子資訊工程學士學位。趙先生自2006年加入海航集團後，於海航集團各公司擔任多個其他職位，包括海南航空股份有限公司採購管理部庫存控制中心附件控制員、海南海航航空進出口有限公司航材管理部主管、香港國際航空租賃有限公司業務部副總經理、海航航空集團有限公司財務部副總經理、海南海航航空創新投資有限公司財務管理部總經理，以及Gategroup Holding AG（一間曾於瑞士證券交易所上市的公司，並於2017年4月撤銷上市）的財務副總裁。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Ting Tit Cheung (“Mr. Ting”), aged 64, an independent non-executive Director. Mr. Ting is the head of China desk of First Myanmar Investment Co., Ltd. since 1 September 2017. Mr. Ting was the senior representative officer in Hong Kong of Banque Cantonale de Geneve and acted as an independent non-executive director of National Agricultural Holdings Limited (Stock code: 1236), a company listed on the Stock Exchange, from 2013 to 2016. Mr. Ting graduated from the Technicum Neuchateleois in Switzerland in 1978 before he obtained his Master degree in Business Administration in University of East Asia (Macau) in 1991. Mr. Ting currently serves as a member of the Chinese People’s Political Consultative Conference Committee of Putuo District in Shanghai.

Mr. Chan Chi Kuen (“Mr. Chan”), aged 58, an independent non-executive Director. Mr. Chan is a Certified Public Accountant (Practising) in Hong Kong. Mr. Chan obtained a diploma from the Department of Accounting of the Hong Kong Shue Yan College in 1991. He further obtained a Master degree in Accounting from the Jinan University in 2006. Mr. Chan has over 28 years of experience in the accounting and taxation consultancy disciplines and has worked in a number of accounting firms in Hong Kong, including K.K. Young & Co., Leung Po Yee & Co., Shom & Yu CPA Limited, and Y.K. Yu & Co. He is currently practising in his own name. Mr. Chan was admitted as a fellow of the Association of Chartered Certified Accountants in 2004, an associate of the Taxation Institute of Hong Kong in 2010 and a fellow of the Hong Kong Institute of Certified Public Accountants. He is also a Certified Tax Adviser registered at the Taxation Institute of Hong Kong.

獨立非執行董事

丁鐵翔先生(「丁先生」)，64歲，獨立非執行董事。丁先生由2017年9月1日起擔任First Myanmar Investment Co., Ltd.大中華地區總監。丁先生曾任瑞士日內瓦銀行(Banque Cantonale de Geneve)香港區高級代表，且彼自2013年至2016年止為一家於聯交所上市的公司國農控股有限公司(股份代號：1236)的獨立非執行董事。丁先生於1978年畢業於瑞士Technicum Neuchateleois，後於1991年獲澳門東亞大學頒授工商管理碩士學位。丁先生現任中國人民政治協商會議上海市普陀區委員會委員。

陳志權先生(「陳先生」)，58歲，獨立非執行董事。陳先生為香港執業會計師。陳先生於1991年在香港樹仁學院會計系取得文憑，隨後於2006年在暨南大學取得會計學碩士學位。陳先生擁有逾28年的會計及稅務顧問經驗，並曾於多家香港會計師事務所任職，其中包括楊建基會計師行、梁寶儀會計師事務所、沈余會計師事務所有限公司及余韜剛會計師事務所。彼現時以個人名義執業。陳先生於2004年成為特許公認會計師公會資深會員，於2010年成為香港稅務學會會員，並為香港會計師公會資深會員。彼亦為香港稅務學會註冊稅務師。

Mr. Lo Chun Pong (“**Mr. Lo**”), aged 48, an independent non-executive Director. Mr. Lo is a practicing solicitor in Hong Kong and a member of The Law Society of Hong Kong. Mr. Lo is a partner of Raymond C.P. Lo & Co., Solicitors and was previously the sole proprietor of same firm. Mr. Lo has been an accredited mediator of the Hong Kong Mediation Centre since April 2010 and a civil celebrant of marriages since 2006. Mr. Lo graduated from the University of Hull with a degree of Bachelor of Laws in 1994. Mr. Lo was admitted as a solicitor of the High Court of Hong Kong in 1998.

SENIOR MANAGEMENT

Mr. Kei York Pang Victor (“**Mr. Kei**”), aged 58, is director of the subsidiaries of the Group. Mr. Kei co-founded K.T.L. Jewellery Manufacturer Limited (“K. T.L. Jewellery”), a wholly-owned subsidiary of the Company, with Mr. Li Man Chun in 1990. Mr. Kei is responsible for the overall strategic planning and business development of the Group. Mr. Kei has over 29 years of experience in the jewellery industry with extensive business and client network. Mr. Kei has invaluable experience in sales and marketing, customer serving, product innovation and management, significantly contributed to long-term client relationship maintenance and business expansion. Mr. Kei serves as the Standing General Committee Member and Executive Committee Member of the Hong Kong Jewellery Manufacturers’ Association for the years 2013 to 2015.

盧振邦先生（「**盧先生**」），48歲，獨立非執行董事。盧先生為香港執業律師及香港律師會會員。盧先生為盧振邦律師行的合夥人，並為同一家律師行的前唯一所有人。盧先生自2010年4月起擔任香港和解中心的認可和解員並自2006年起擔任婚禮監禮人。盧先生於1994年畢業於赫爾大學，持有法律學士學位。盧先生於1998年獲認許為香港高等法院律師。

高級管理層

紀若鵬先生（「**紀先生**」），58歲，本集團附屬公司董事。紀先生與李文俊先生於1990年共同創辦三和珠寶有限公司（「三和珠寶」，為本公司的全資附屬公司）。紀先生負責本集團的整體策略規劃及業務發展。紀先生擁有逾29年珠寶業的經驗及廣闊的業務及客戶網絡。紀先生於銷售及市場推廣、客戶服務、產品創新及管理方面擁有寶貴經驗，在維持長遠客戶關係及業務擴展方面貢獻良多。紀先生於2013年至2015年期間擔任香港珠寶製造業廠商會常務理事會及執行委員會會員。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Mr. Li Man Chun (“**Mr. Li**”), aged 59, is director of the subsidiaries of the Group. Mr. Li was one of the co-founders of K.T.L. Jewellery in 1990. Mr. Li is responsible for the overall strategic planning and general operations. Mr. Li has over 29 years of experience in the jewellery industry with indepth technical knowledge in the manufacturing of fine jewellery and practical operations experience. Mr. Li has been serving as Vice President of the Hong Kong Gold & Silver Ornament Workers & Merchants General Union from 2007. Since 2010, Mr. Li has served as Honorary Life President and General Member of the Guangzhou Panyu Jewellery Manufacturers Association.

Mr. Kei Yeuk Lun Calan, aged 54, is senior sales consultant of the Group, responsible for assisting Mr. Kei York Pang Victor, in the overall management of sales and marketing, administration and operations of the Jewellery business, primarily in business development, international sales, China sales, marketing product design and development, and procurement. Mr. Kei Yeuk Lun Calan has accumulated over 27 years of experience in jewellery industry. In 1992, Mr. Kei Yeuk Lun Calan co-founded and served as director of Alan’s Jewellery Company Limited, a wholly-owned subsidiary of the Company, engaging in trading of jewellery. In 2003, Mr. Kei Yeuk Lun Calan was assigned to lead a team to market the Group’s jewellery products, coordination of trade shows and product development in the United States. From 2006 to 2009, Mr. Kei Yeuk Lun Calan was also dedicated to liaise with the local business partners on brand-building and product image in Italy, promoting brand awareness and reputation. Since 2009, Mr. Kei Yeuk Lun Calan has taken charge of product development with focus on China wholesales market.

李文俊先生（「**李先生**」），59歲，本集團附屬公司董事。李先生為於1990年創立的三和珠寶的創辦人之一。李先生負責整體策略規劃及一般營運。李先生擁有逾29年珠寶業的經驗，並於生產優質珠寶方面具備精深的專業知識和實際營運經驗。李先生自2007年起擔任香港金銀首飾工商總會的副會長。自2010年起，李先生一直擔任廣州市番禺區珠寶廠商會的永遠榮譽會長及常務理事。

紀若麟先生，54歲，本集團高級銷售顧問，負責協助紀若鵬先生全面管理珠寶業務之銷售及營銷、行政及營運，主要工作包括業務發展、國際銷售、中國銷售、推廣產品設計及開發，以及採購。紀若麟先生於珠寶業累積逾27年經驗。於1992年，紀若麟先生聯合創立本公司的全資附屬公司雅倫珠寶有限公司，並擔任董事。該公司從事珠寶交易業務。於2003年，紀若麟先生獲委派帶領團隊於美國為本集團的珠寶產品進行營銷、統籌展銷會及產品開發。於2006年至2009年，紀若麟先生亦致力就於意大利建立品牌及產品形象聯絡當地業務夥伴，藉以提升品牌的知名度及信譽。自2009年起，紀若麟先生一直負責產品開發，側重於中國批發市場。

Mr. Chau Chi Lai (“**Mr. Chau**”), aged 45, is the chief financial officer and company secretary of the Group, responsible for overseeing the Group’s finance, as well as company secretarial, internal control, investor relation and corporate governance functions of the Group. Mr. Chau joined the Group in August 2012. Prior to joining the Group, Mr. Chau worked in an international accounting firm in Hong Kong between January 2003 and April 2012 and left as a senior manager. Between November 1998 and December 2002, Mr. Chau worked for other international accounting firms in Canada in accounting and audit.

Mr. Chau graduated from McGill University with a degree of bachelor of science in June 1997 and further obtained degree of bachelor of commerce from the same university in June 1999. Mr. Chau was also awarded the graduate diploma in accountancy from Concordia University, Montreal Canada in October 2000. Mr. Chau has been a Chartered Accountant of Canada since March 2002 and a Chartered Financial Analyst charterholder since July 2002. Mr. Chau has also been a fellow member of the Hong Kong Institute of Certified Public Accountant since October 2012, a member of American Institute of Certified Public Accountant since April 2003. Mr. Chau has been licensed by the State of New Hampshire Board of Accountancy as a certified public accountant since November 2002 and State of Oregon Board of accountancy since December 2007, and a chartered professional accountant of Quebec, Canada since May 2012.

周智禮先生（「**周先生**」），45歲，本集團首席財務總監兼公司秘書，負責監管本集團財務，以及本集團公司秘書、內部控制、投資者關係及企業管治功能。周先生於2012年8月加入本集團。於加入本集團之前，周先生於2003年1月至2012年4月任職於香港一家國際會計師事務所，離職時擔任高級經理。於1998年11月至2002年12月，周先生於加拿大的其他國際會計師事務所工作，負責會計及審核。

周先生於1997年6月畢業於麥吉爾大學，獲得理學學士學位，並於1999年6月自該大學獲得商學學士學位。周先生亦於2000年10月獲加拿大蒙特利爾康考迪亞大學頒發會計學深造文憑。周先生於2002年3月成為加拿大特許會計師並於2002年7月成為特許財務分析師。周先生亦於2012年10月成為香港會計師公會資深會員，並於2003年4月成為美國註冊會計師協會會員。周先生分別於2002年11月及2007年12月獲新罕布什爾州會計委員會及俄勒岡州會計委員會授予註冊會計師牌照，並於2012年5月成為加拿大魁北克的特許專業會計師。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS OVERVIEW

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 Hong Kong, Mainland China, the Americas and Europe (including Russia). 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. At the same time, in order to enrich the product range, the Group also provides gold products and watches. The Group's customers are mainly wholesalers and retailers of jewellery products.

During the Period, global economic growth remains sluggish. Market volatility brought about by the escalated trade conflicts between the PRC and the U.S., Britain's planned exit for the E.U. as well as rising political and social tensions in different geographies all weighted on the risk sentiment and marked the arrival of an unstable era for the world order. Against this backdrop, practitioners in the jewellery trade continued to experience a challenging operating environment. Time was not easy for consumers as well, as reflected in the depressing effect of eroding confidence and purchasing power in the light of overall slow wage growth.

業務概覽

作為一家於香港營運歷史悠久的優質珠寶綜合供應商及原設計製造商，本集團主要從事優質珠寶設計及製造，並主要出口予香港、中華人民共和國（「中國」）、美洲及歐洲（包括俄羅斯）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、項鏈、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。同時，為豐富產品種類，本集團亦提供黃金製品及手錶產品。本集團客戶主要為珠寶產品批發商及零售商。

於期內，全球經濟增長依舊低迷。中美貿易糾紛升級、英國計劃脫歐以及各地日益嚴峻的政治及社會緊張局勢帶來的市場不穩定性，均使得風險氛圍加重，就世界秩序而言，標誌著不穩定時代的到來。在此背景下，珠寶行業從業者繼續受嚴峻經營環境的考驗；而對消費者來說，鑑於整體工資增長緩慢，抑制消費信心，購買力遭受擠壓，優渥生活也不復前。

The trade war between the PRC and the U.S. was dampening the business sentiment, which sapped consumer confidence and spending to a considerable extent. 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. For the six months ended 30 September 2019, revenue generated from sales to the PRC market registered a decrease of approximately 69.8% to approximately HK\$9.7 million as compared with the same period last year. Coupled with the negative performance, consumer expectations change in a significant way in the market. The strong aspiration for exclusivity and individuality among new, more modern Chinese consumers continued to put traditional fine jewellery under much pressure. While the revenue generated from Hong Kong market increased by approximately 1,478.5% to approximately HK\$83.0 million. The increase of sales in Hong Kong market was mainly due to the commencement of trading of watches, and increase in sales of gold products during the Period.

In the U.S., consumers were also concerned about the ongoing trade battle with the PRC in the context of a slowing global economy. Prices at retail rose as fueled by increasing tariffs on Chinese imports, hitting consumers in their pocketbooks. Conscious spending overshadowed the pick-up in economic activity and put a chill on businesses' confidence. Additionally, a fundamental shift in purchase habits among the Americans could be seen when it comes to luxury, with fine jewellery losing their share of spending. In this connection, revenue arising from sales to the Americas market lowered to approximately HK\$4.0 million for the six months ended 30 September 2019, representing a drop of approximately 49.3%.

中美貿易戰令業務氣氛低迷，大幅削弱消費者的信心及消費。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。截至2019年9月30日止六個月，來自中國市場銷售所產生的收益約9.7百萬港元，較去年同期減少約69.8%。除了業績未如理想外，現時市場上消費者的期望亦出現重大變化。時尚中國新生代客戶追求更多個性化偏好，追求獨一無二的產品，繼續為往後傳統優質珠寶帶來更多壓力。而來自香港市場所產生的收益增加約1,478.5%至約83.0百萬港元。香港市場的銷售增長主要由於期內開始買賣手錶及黃金制品銷售上升。

在美國，消費者亦擔心於全球經濟放緩的情況下，持續與中國進行貿易戰。由於中國進口關稅提高，零售價格上漲，消費者錢包受創。審慎消費令經濟活動回升蒙上陰影，並使營商信心低迷。此外，美洲顧客就奢侈品的消費習慣已發生重大改變，人們對優質珠寶的開支比重趨降。據此，截至2019年9月30日止六個月，美洲市場銷售所產生的收益下降至約4.0百萬港元，跌幅約49.3%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

In Europe (including Russia), the jewellery industry confronted the challenges of a weak economy, with overall retail sales figures trending downward. Notwithstanding the Europe (including Russia) economy tended to be stable during the Period, the present trend troubling the traditional fine jewellery industry is not likely to get fully reversed unless confidence among European countries (including Russia) improves dramatically as a whole and middle class incomes rise. Against this backdrop, in the first six months of the financial year of 2019/2020, revenue generated from sales to the Europe (including Russia) market dropped by approximately 96.7% to approximately HK\$1.0 million. As European (including Russian) consumers reset their expectations in light of the new economic reality, we are also reassessing our approach to the said market.

To better adapt to an ever-changing market landscape, the Group has relentlessly applied stringent controls over capital expenditures. For the six months ended 30 September 2019, the Group's administrative expenses were approximately 39.2% below that of the corresponding period of last year to approximately HK\$14.7 million, while selling expenses decreased by approximately 79.8% to approximately HK\$2.3 million.

在歐洲（包括俄羅斯），經濟低迷為珠寶行業帶來巨大挑戰，整體零售數據持續下滑。儘管歐洲（包括俄羅斯）的經濟於期內趨向穩定，除非歐洲國家（包括俄羅斯）整體信心大幅改善及中產階級收入上升，否則現時傳統優質珠寶行業困境重重的態勢料難以完全逆轉。在此情形下，於2019/2020財政年度首六個月期，本集團於歐洲（包括俄羅斯）市場銷售所產生的收益下降約96.7%至約1.0百萬港元。隨著歐洲（包括俄羅斯）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。

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。截至2019年9月30日六個月，本集團行政開支同期減少約39.2%至約14.7百萬港元，而銷售開支亦同期減少約79.8%至約2.3百萬港元。

PROSPECTS

Looking ahead, in tune with the broader economic concerns, the trade war between the U.S. and the PRC and resultant retaliatory tariff measures, as well as uncertainty over Britain's departure from the E.U. are all negatively affecting the global economy, threatening higher risks of a recession and would weigh on businesses' long-term commitments and capital investment.

Likewise, to prepare themselves if and when the economy turns, it is also expected that average consumers are going to be very cautious and careful about spending. These rising headwinds, together with an intense online competition pushing jewellers to make investments in new technologies to augment both their physical and digital channels, suggest a perfect storm could be brewing for the traditional fine jewellery market which would see further consolidation.

In view of these, we will continue to enhance our management resources and cost efficiency to optimise our production capacity. We will leverage our established corporate brand name and proven design capabilities to enrich our range of jewellery products. We are constantly committed to strengthening our partnerships with our customers and adjusting our production resources, capacity and cycle to better cater to varied product lead time, consumer preferences and festive shopping practices in different markets.

前景

展望未來，經濟不景氣持續，中美貿易戰及相關報復性關稅舉措，以及英國脫歐進程不明朗等事件，將加劇全球經濟負面情緒，增加經濟衰退風險，並為企業長期承擔及資本投資增添壓力。

同樣，為了未雨綢繆靜待經濟好轉，預計一般消費者將對消費採取尤為審慎的態度。隨著不利因素與日俱增，加上網上競爭激烈，促使珠寶商投資引入新科技，以加強實體及數碼渠道，傳統優質珠寶市場或將迎來翻天覆地的改變，並出現進一步的行業整合。

有見及此，我們將持續提升資源管理及成本效益以優化產能，亦會借助公司的知名企業品牌效應及卓越設計能力的優勢，以提供更豐富多元的珠寶產品組合。我們不斷致力鞏固與客戶的合作夥伴關係，持續調整生產資源、產能及周期，以更好地迎合不同市場的產品交付期、消費者喜好及節日購物慣例。

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 the integrated services it is offering, i.e. providing a wider range of styles and designs tailored for individual markets and adjusting its production resources and capacity to better cater for the varied 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 spend its sales and marketing resources on promoting its brand and products, participating in selected trade exhibitions, and allocate sufficient design and product development resources to offer a wider range of designs that are favourable to consumers in different markets.

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，即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，從而更好地迎合不同產品交付期，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，以提供更多更符合各地消費者的設計。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

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. Support 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.

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。

FINANCIAL REVIEW

財務回顧

Six months ended 30 September

截至9月30日止六個月

		2019	2018
		2019年	2018年
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Revenue (HK\$'000)	收益 (千港元)	98,001	76,172
Gross profit (HK\$'000)	毛利 (千港元)	4,980	9,715
Gross profit margin (%)	毛利率 (%)	5.1	12.8
Loss attributable to the owners of the parent (HK\$'000)	母公司擁有人應佔虧損 (千港元)	(37,767)	(23,803)

REVENUE

The Group's revenue for the Period were approximately HK\$98.0 million, representing an increase of approximately HK\$21.8 million or 28.7% over the corresponding period in 2018. The group's revenue growth is mainly due to a substantial increase of about HK\$77.7 million in sales in the Hong Kong market. The impressive increase in the Hong Kong market was because the sales of gold products and watches in the market were increased during the Period, which was the strategy of the Group to expand the Hong Kong market. In addition to the Hong Kong market, the revenue in other markets declined to varying degrees. The sales in the Mainland China decreased by approximately HK\$22.4 million, which was negatively affected by the trade war between China and the U.S. With the increase of price and the risk of the decline of people's consumption level, the consumption expenditure of non-necessity, including jewellery products, will be reduced accordingly. A cliff drop of approximately HK\$29.3 million in the Europe (including Russia) was caused by stagnant economic performance in Russia and Europe. In the context of rapid changes in the Russian economic crisis, the purchasing capabilities of residents have declined. Lighter and cheaper jewellery are more popular, interests of customers for gold products have been declined and silver products have been increased, resulting in a decrease of average price. Economic growth in the Eurozone is weak due to sluggish international trade and a decline in manufacturing activity. Under the influence of U.S. tariffs, the American market has further shrunk and sales decreased by approximately HK\$4.0 million.

收益

本集團於本期間的收益約為98.0百萬港元，較2018年同期上升約21.8百萬港元或28.7%。本集團的收益增長主要由於香港市場銷售額大幅增長約77.7百萬港元。由於本期間市場上的黃金製品及手錶銷量增加，香港市場因而錄得顯著增長，本集團以此策略拓展香港市場。除香港市場外，其他市場的收入均出現不同程度的跌幅。受中美貿易戰的不利影響，中國內地的銷售額減少約22.4百萬港元。隨著物價上漲及出現人民消費水平下降的風險，非必需品（包括珠寶產品）的消費支出將相應減少。由於俄羅斯及歐洲的經濟表現停滯不前，歐洲（包括俄羅斯）的收益銳減約29.3百萬港元。在俄羅斯經濟危機迅速變化的背景下，居民購買能力亦有所下降。價格相宜的輕珠寶越來越受歡迎，客戶對黃金製品的興趣下降，轉為選購銀製品，導致珠寶製品平均價格下跌。由於國際貿易疲軟及製造業活動減少，歐元區經濟增長乏力。受美國關稅影響，美國市場進一步萎縮，銷售額減少約4.0百萬港元。

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GROSS PROFIT AND GROSS PROFIT MARGIN

The Group's gross profit for the Period was approximately HK\$5.0 million, representing a decrease of approximately HK\$4.7 million or 48.7% over the corresponding period in 2018. Gross profit margin decreased to approximately 5.1% from approximately 12.8%, which was mainly due to the decrease in sales of jewellery business with higher gross profit.

SELLING EXPENSES

The Group's selling expenses decreased by approximately HK\$9.1 million or 79.8%, to approximately HK\$2.3 million for the Period from approximately HK\$11.4 million for the six months ended 30 September 2018. The decrease was primarily attributable to (i) a decrease of about HK\$5.1 million in staff costs due to the adjustment of business operation and optimisation of staffing; (ii) a corresponding decrease of approximately HK\$2.1 million in export credit insurance expenses due to a decrease in export volume; and (iii) a reduction of approximately HK\$3.1 million in advertising, exhibition and travel arrangements based on the current market situation; and it was partially offset by (iv) the increase in consultancy fee of approximately HK\$1.5 million for the six months ended 30 September 2019.

毛利及毛利率

本集團於本期間的毛利約為5.0百萬港元，較2018年同期減少約4.7百萬港元或48.7%。毛利率則由約12.8%下降至約5.1%，主要由於毛利較高的珠寶首飾業務銷售下降所致。

銷售開支

本集團的銷售開支由截至2018年9月30日止六個月的約11.4百萬港元下降約9.1百萬港元或79.8%至本期間的約2.3百萬港元。銷售開支下降主要歸因於：(i)業務運營調整及優化人員配置導致員工成本下降約5.1百萬港元；(ii)出口額下降，出口信用保險費用相應下降約2.1百萬港元；及(iii)根據市場現狀，減少廣告、展銷及差旅安排，節約此類開支約3.1百萬港元；惟當中部分由(iv)截至2019年9月30日止六個月之顧問費增加約1.5百萬港元所抵銷。

ADMINISTRATIVE EXPENSES

The Group's administrative expenses decreased by approximately HK\$9.5 million or 39.2%, to approximately HK\$14.7 million for the Period from approximately HK\$24.2 million for the six months ended 30 September 2018. The decrease was primarily due to the combined effects of (i) the adjustment of business operation and the streamlining of the personnel allocation resulted in a decrease of staff costs of about HK\$3.6 million; (ii) the reasonable arrangement of self production and subcontracting, and the control of capital investment resulted in a decrease of approximately HK\$1.6 million in depreciation and amortisation; (iii) the maturity of loan contracts resulted in a decrease in the related bank charges. Under the influence of this main factor, the total bank charges in the Period decreased by about HK\$2.4 million; and (iv) reasonable allocation of resources, promotion of energy conservation and environmental protection, and continuous implementation of cost control measures to reduce office, water and electricity costs by about HK\$1.1 million during the Period.

FINANCE COSTS

The Group's financial cost for the Period was approximately HK\$0.5 million, basically equal to approximately HK\$0.5 million for the six months ended 30 September 2018.

行政開支

本集團的行政開支由截至2018年9月30日止六個月約24.2百萬港元減少約9.5百萬港元或39.2%，至本期間的約14.7百萬港元。行政開支減少主要由於以下各項之結合影響：(i) 業務運營調整，精簡人事配置，導致員工成本下降約3.6百萬港元；(ii) 按計劃合理安排自產與外發，控制資本投資，使得折舊與攤銷減少約1.6百萬港元；(iii) 借款合同到期，與之相關的借款手續費下降，在此主要因素影響下，本期銀行手續費合計減少約2.4百萬港元；及(iv) 合理配置資源及提倡節能環保，持續踐行成本控制措施，本期間減少辦公及水電費用約1.1百萬港元。

財務成本

本集團本期財務成本約0.5百萬港元，與截至2018年9月30日止六個月約0.5百萬港元基本持平。

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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\$37.8 million, compared with a consolidated loss of approximately HK\$23.8 million for the corresponding period of 2018. Although the Group’s revenue increased by approximately HK\$21.8 million in the Period, the main reason for the increase in the Loss is that the sales in European and American markets with high gross profit continued to decline, while the gross profit of the newly added watch business in the Period was very low, making the overall gross profit decreased significantly. The group’s gross profit for the Period decreased by about 48.7% compared with the same period in 2018.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 September 2019, the Group had current assets of approximately HK\$330.7 million (31 March 2019: approximately HK\$357.2 million) which comprised cash and bank balances of approximately HK\$35.6 million (31 March 2019: approximately HK\$270.8 million). As at 30 September 2019, the Group had non-current liabilities of approximately HK\$1.0 million (31 March 2019: nil), and its current liabilities amounted to approximately HK\$44.3 million (31 March 2019: approximately HK\$30.4 million), consisting mainly of payables arising in the normal course of operation and short-term loan. Accordingly, the current ratio, being the ratio of current assets to current liabilities, was approximately 7.5 at 30 September 2019 (31 March 2019: approximately 11.8).

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37.8百萬港元，而於2018年同期則錄得綜合虧損約23.8百萬港元。雖然本集團於本期間收益增加了約21.8百萬港元，而虧損增加的主要原因是毛利較高的歐美市場銷售持續下降，而本期新增的手錶業務毛利很低，使得整體毛利下降明顯。本集團於本期間的毛利較2018年同期下跌約48.7%。

流動資金及財務資源

於2019年9月30日，本集團的流動資產約330.7百萬港元（2019年3月31日：約357.2百萬港元），包括現金及銀行結餘約35.6百萬港元（2019年3月31日：約270.8百萬港元）。於2019年9月30日，本集團的非流動負債約為1.0百萬港元（2019年3月31日：無），及流動負債約為44.3百萬港元（2019年3月31日：約30.4百萬港元），主要包括日常營運過程中產生的應付款項及短期借款。因此，於2019年9月30日，流動比率（即流動資產與流動負債的比率）約為7.5（2019年3月31日：約11.8）。

GEARING RATIO

The gearing ratio of the Group as at 30 September 2019 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2019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逾計息銀行及其他借貸以及融資租賃承擔。

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。

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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, cash and bank balance, trade and other payables. Consequently, the Group had foreign exchange risk exposure from translation of amount denominated in foreign currencies as at 30 September 2019. 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 2019 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\$6,000 for the Period (30 September 2018: loss for the period attributable to the owners of the parent would have been increased/decreased by approximately HK\$41,000).

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 2019, the Group had no capital commitments (31 March 2019: nil).

INTERIM DIVIDEND

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

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、現金及銀行結餘、貿易及其他應付款項。因此，本集團於2019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2019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6,000港元（2018年9月30日：母公司擁有人應佔期內虧損將增加／減少約41,000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2019年9月30日，本集團概無資本承擔（2019年3月31日：無）。

中期股息

董事會不建議就本期間派付中期股息。

INFORMATION ON EMPLOYEES

As at 30 September 2019, the Group had 35 employees (31 March 2019: 40), 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 2019, 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 2019 as compared with that as at 31 March 2019.

僱員資料

於2019年9月30日，本集團有35名僱員(2019年3月31日：40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2019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2019年9月30日的資本架構相對於2019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

During the Period, the Group held the following significant investments in equity interest of other 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

於本期間，本集團持有其他公司的重大股權投資如下：

Name	Place of incorporation	HK stock code	Date of acquisitions	Acquired shares as at 30 September 2019	Proportion of acquired shares in the total issued share capital of investee as at 30 September 2019	Cost HK\$ (exclusive of transaction costs)	Principal activities
名稱	註冊成立地點	香港股份代號	收購日期	於2019年9月30日已收購股份	已收購股份佔於2019年9月30日被投資方已發行股本總額的比例	成本港元(不包括交易成本)	主要業務
China Automobile New Retail (Holdings) Limited (the former name is “Lisi Group (Holdings) Limited”)	Bermuda	0526	11 and 16 July 2019	86,672,000	Approximately 1.08%	Approximately 68,789,000	Manufacturing and trading of household products, the operation of department stores and supermarkets, the wholesale of wine and beverages and electrical appliances, the trading and sales of imported cars, and investments holding
中國汽車新零售(控股)有限公司(前稱為「利時集團(控股)有限公司」)	百慕達	0526	2019年7月11日及16日	86,672,000	約1.08%	約68,789,000	家用品之製造及貿易、經營百貨公司及超級市場、酒類及飲品及電器批發、買賣及銷售進口汽車，以及投資控股

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Name	Place of incorporation	HK stock code	Date of acquisitions	Acquired shares as at 30 September 2019	Proportion of acquired shares in the total issued share capital of investee as at 30 September 2019	Cost HK\$ (exclusive of transaction costs)	Principal activities
名稱	註冊成立地點	香港股份代號	收購日期	於2019年9月30日已收購股份	已收購股份佔於2019年9月30日被投資方已發行股本總額的比例	成本港元(不包括交易成本)	主要業務
China U-Ton Holdings Limited	Cayman Islands	6168	11 July and 14 August 2019	200,540,000	Approximately 9.51%	Approximately 69,658,000	Provision of underground optical fiber deployment, low-voltage equipment integration, provision of application services and pipeline maintenance services, as well as the research and development of technologies for installing optical fiber in pipelines
中國優通控股有限公司	開曼群島	6168	2019年7月11日及8月14日	200,540,000	約9.51%	約69,658,000	提供地下光纖布放及弱電設備集成服務、提供應用服務及管道維修服務，以及研發在管道內安裝光纖的技術
Xiezhong International Holdings Limited	Cayman Islands	3663	11 July and 14 August 2019	19,296,000	Approximately 2.41%	Approximately 36,390,000	(i) the design, production and sale of automotive heating, ventilation and cooling systems and a range of automotive HVAC components and rendering of services; and (ii) 4S dealership business
協眾國際控股有限公司	開曼群島	3663	2019年7月11日及8月14日	19,296,000	約2.41%	約36,390,000	(i) 設計、生產及銷售汽車供暖、通風及冷卻系統及不同種類的汽車HVAC部件以及提供服務；及(ii)4S經銷業務

For further information, please refer to (i) the announcement dated 17 July 2019 in relation to acquisitions of Lisi Group Shares; (ii) the announcements dated 16 August and 19 August 2019 in relation to acquisitions of China U-Ton Shares and Xiezhong International Shares; and (iii) the circular dated 19 September 2019 in relation to acquisitions of China U-Ton Shares.

有關進一步的資料，請參閱(i)日期為2019年7月17日有關收購利時集團股份的公告；(ii)日期為2019年8月16日及8月19日有關收購中國優通股份及協眾國際股份的公告；以及(iii)日期為2019年9月19日有關收購中國優通股份的通函。

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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 2019.

MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES AND AFFILIATED COMPANIES

Save as disclosed in the paragraph headed “Significant Investment Held” in this report, the Group did not have any material acquisitions and disposals of subsidiaries and affiliated companies during the Period.

CHARGES OF ASSETS

As at 30 September 2019, the Group’s other borrowings were secured by its trade receivables of approximately HK\$10.7 million (31 March 2019: nil).

CONTINGENT LIABILITIES

The Group had no material contingent liabilities as at 30 September 2019 (31 March 2019: nil).

重大投資及資本資產之未來計劃

於2019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

除本報告「持有之重大投資」一段披露外，本集團於本期間並無任何重大收購及出售附屬公司及聯屬公司事項。

資產抵押

於2019年9月30日，本集團其他借貸由金額約10.7百萬港元的貿易應收款項作為抵押(2019年3月31日：無)。

或然負債

於2019年9月30日，本集團概無任何重大或然負債(2019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。

DISCLOSURE OF DIRECTORS' INFORMATION PURSUANT TO RULES 13.51(2) AND 13.51B OF THE LISTING RULES

For the six months ended 30 September 2019, Mr. Nang Qi has resigned as the chairman of the Board (the “Chairman”) and an executive Director, and no longer served as the chairman of the nomination committee of the Company (the “Nomination Committee”) and a member of the remuneration committee of the Company (the “Remuneration Committee”) with effect from 28 June 2019.

For the six months ended 30 September 2019, Mr. Chen Peiliang has resigned as an executive Director and the chief executive officer of the Company (the “Chief Executive Officer”), and no longer served as a member of the Nomination Committee and the Remuneration Committee and an authorised representative with effect from 28 June 2019.

For the six months ended 30 September 2019, Mr. Xue Qiang has resigned as an executive Director with effect from 28 June 2019.

For the six months ended 30 September 2019, Mr. Li Neng has been appointed as the Chairman and an executive Director, the chairman of the Nomination Committee and a member of the Remuneration Committee with effect from 28 June 2019.

For the six months ended 30 September 2019, Mr. Zhao Minhao has been appointed as an executive Director and the Chief Executive Officer, a member of the Nomination Committee and Remuneration Committee and an authorised representative with effect from 28 June 2019.

根據上市規則第13.51(2)條及第13.51(B)(1)條披露董事資料

截至2019年9月30日止六個月，曩麒先生已辭任董事會主席（「主席」）及執行董事職務、並不再擔任公司提名委員會（「提名委員會」）主席及公司薪酬委員會（「薪酬委員會」）成員，自2019年6月28日起生效。

截至2019年9月30日止六個月，陳佩良先生已辭任執行董事及公司行政總裁（「行政總裁」）職務、並不再擔任提名委員會及薪酬委員會成員以及授權代表，自2019年6月28日起生效。

截至2019年9月30日止六個月，薛強先生已辭任執行董事職務，自2019年6月28日起生效。

截至2019年9月30日止六個月，李能先生已獲委任為執行董事、董事會主席、提名委員會主席及薪酬委員會成員，自2019年6月28日起生效。

截至2019年9月30日止六個月，趙旻昊先生已獲委任為執行董事、行政總裁、提名委員會及薪酬委員會成員以及授權代表，自2019年6月28日起生效。

For the six months ended 30 September 2019, Mr. Zhao Yeyong has been appointed as an executive Director with effect from 28 June 2019.

截至2019年9月30日止六個月，趙業勇先生已獲委任為執行董事，自2019年6月28日起生效。

Details of the above changes of directors and their resumes have been disclosed in the announcement dated 28 June 2019.

有關上文董事變更事項及董事履歷詳情已於2019年6月28日之公告披露。

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 2019

截至2019年9月30日止六個月

		Six months ended 30 September 截至9月30日止六個月	
		2019 2019年 HK\$'000 千港元 (unaudited) (未經審核)	2018 2018年 HK\$'000 千港元 (unaudited) (未經審核)
	Notes 附註		
Revenue	收益	4	
Cost of sales	銷售成本	98,001	76,172
		(93,021)	(66,457)
Gross profit	毛利	4,980	9,715
Other income	其他收入	233	1,946
Selling expenses	銷售開支	(2,301)	(11,387)
Administrative expenses	行政開支	(14,715)	(24,212)
Operating loss	營運虧損	(11,803)	(23,938)
Other (losses)/gains, net	其他(虧損)/收益 淨額	5	1,120
Finance costs	財務成本	6	(511)
Share of loss of a joint venture	應佔合營公司虧損	(5)	(18)
Loss before tax	除稅前虧損	7	
Income tax expense	所得稅開支	(37,724)	(23,347)
		(43)	(456)
Loss for the Period attributable to the owners of the parent	母公司擁有人 應佔本期間 虧損	(37,767)	(23,803)

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 2019

截至2019年9月30日止六個月

		Six months ended 30 September 截至9月30日止六個月	
		2019 2019年 HK\$'000 千港元 (unaudited) (未經審核)	2018 2018年 HK\$'000 千港元 (unaudited) (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	Notes 附註	
Change in fair value of an available-for-sale investment	可供出售投資公允價值 變動	–	307
Exchange differences on translation of foreign operations	換算國外業務產生的 匯兌差額	(1,139)	(5,643)
Other comprehensive loss for the period, net of tax	期內其他全面虧損， 扣除稅項	(1,139)	(5,336)
Total comprehensive loss for the period attributable to the owners of the parent	母公司擁有人應佔 期內全面虧損總額	(38,906)	(29,139)
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	10 HK\$(0.22) (0.22) 港元	HK\$(0.14) (0.14) 港元

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

At 30 September 2019

於 2019 年 9 月 30 日

			At 30 September 2019 於 2019 年 9 月 30 日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 March 2019 於 2019 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	11	5,590	4,372
Right-of-use assets	使用權資產		1,161	–
Investment in a joint venture	於合營公司之投資		108	113
Financial asset at fair value through profit or loss	按公允值計入損益之 金融資產	12	16,376	16,189
Total non-current assets	非流動資產總值		23,235	20,674
Current assets	流動資產			
Inventories	存貨	13	21,447	31,088
Trade receivables	貿易應收款項	14	80,409	51,569
Prepayments, deposits and other receivables	預付款項、按金及 其他應收款項	15	19,873	3,730
Financial asset at fair value through profit or loss	按公允值計入損益之 金融資產	12	173,334	–
Cash and bank balances	現金及銀行結餘		35,593	270,808
Total current assets	流動資產總值		330,656	357,195
Total assets	資產總值		353,891	377,869

**CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION**
簡明綜合財務狀況表
At 30 September 2019
於 2019 年 9 月 30 日

			At 30 September 2019 於 2019 年 9 月 30 日 HK\$'000 (unaudited) (未經審核)	At 31 March 2019 於 2019 年 3 月 31 日 HK\$'000 (audited) (經審核)
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	16	30,948	28,515
Lease liabilities	租賃負債		242	-
Contract liabilities	合約負債	4	2,340	1,598
Interest-bearing other borrowings	計息其他借貸		10,710	-
Tax payable	應付稅項	17	92	245
Total current liabilities	流動負債總額		44,332	30,358
Non-current liabilities	非流動負債			
Lease liabilities	租賃負債		954	-
Total non-current liabilities	非流動負債總額		954	-
Total liabilities	負債總額		45,286	30,358
Equity	權益			
Equity attributable to owners of parent	母公司擁有人應佔權益			
Share capital	股本	18	863	863
Reserves	儲備		307,742	346,648
Total equity	權益總額		308,605	347,511
Total equity and liabilities	權益及負債總額		353,891	377,869

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

For the six months ended 30 September 2019

截至2019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	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 2019	於2019年4月1日	863	122,787*	7,842*	1,940*	105,366*	-	(3,367)*	2,470*	109,610*	347,511
Loss for the period	期內虧損	-	-	-	-	-	-	-	-	(37,767)	(37,767)
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	-	-	-	-	-	-	-	-	-	-
Exchange differences on translation of foreign operations	換算國外業務產生的匯兌差額	-	-	-	-	-	-	(1,139)	-	-	(1,139)
Total comprehensive loss for the period	期內全面虧損總額	-	-	-	-	-	-	(1,139)	-	-	(1,139)
Transfer from retained profits	轉撥自保留溢利	-	-	-	-	-	-	-	(2,470)	2,470	-
At 30 September 2019	於2019年9月30日	863	122,787*	7,842*	1,940*	105,366*	-	(4,506)*	-	74,313*	308,605

* These reserve accounts comprise the consolidated reserves of approximately HK\$307,742,000 (31 March 2019: approximately HK\$346,648,000) 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307,742,000港元(2019年3月31日:約346,648,000港元)。

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

For the six months ended 30 September 2019

截至2019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 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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

For the six months ended 30 September 2019

截至2019年9月30日止六個月

		Six months ended 30 September 截至9月30日止六個月	
		2019	2018
		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	(44,835)	(10,776)
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動現金流量		
Interest received	已收利息	26	47
Purchases of items of property, plant and equipment	購置物業、廠房及 設備項目	(2,698)	(3,921)
Decrease/(increase) in an amount due from a joint venture	應收合營公司賬款 減少／(增加)	-	451
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	316	120
Purchase of financial assets at fair value through profit or loss	購置按公允值計入損益之 金融資產	(198,763)	-
Net cash flows (used in)/from investing activities	投資活動(所用)／所得 現金流量淨額	(201,119)	(3,303)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

For the six months ended 30 September 2019
截至2019年9月30日止六個月

		Six months ended 30 September	
		截至9月30日止六個月	
		2019	2018
		2019年	2018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	10,710	16,053
Repayment of bank and other borrowings	償還銀行及其他貸款	–	(16,053)
Capital element of finance lease rental payments	融資租賃租金付款的資本部分	–	(1,977)
Repayment of lease liabilities	償還租賃負債	(46)	–
Net cash flows used in financing activities	融資活動所用現金流量淨額	10,664	(1,977)
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物(減少)/增加淨額	(235,290)	(16,056)
Cash and cash equivalents at beginning of period	期初現金及現金等價物	270,808	230,489
Effect of foreign exchange rate changes, net	外匯匯率變動的影響淨額	75	(2,392)
Cash and cash equivalents at the end of period	期末現金及現金等價物	35,593	212,041
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	35,593	212,041

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, and trading of watches.

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，及買賣手錶。

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 financial asset at fair value through profit or loss, 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 2019.

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，惟按公允值計入損益之金融資產以公允值計量除外。

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2019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 2019.

HKFRS 16	Leases
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments
Amendments to HKFRS 9	Prepayment Features with Negative Compensation
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015–2017 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2019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16號	租賃
香港(國際財務報告詮釋委員會)–詮釋23號	所得稅處理之不確定性
香港財務報告準則第9號修訂本	反向補償提前還款特徵
香港會計準則第19號修訂本	計劃修正、縮減或清償
香港會計準則第28號修訂本	於聯營公司及合營企業之長期權益
香港財務報告準則修訂本	香港財務報告準則2015年至2017年週期之年度改進

**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)**

**(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 16 disclosed in note 2.2(b), 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

(b) Adoption of HKFRS 16

The Group has applied HKFRS 16 for the first time in the current period. HKFRS 16 superseded HKAS 17 *Lease* and the related 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(b)所披露之採納香港財務報告準則第16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。

**(b) 採納香港財務報告準則
第16號**

於本期間，本集團已首次應用香港財務報告準則第16號。香港財務報告準則第16號取代香港會計準則第17號租賃及相關詮釋。

**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) Adoption of HKFRS 16 (Continued)

- (i) *Key changes in accounting policies
resulting from application of HKFRS 16*

The Group applied the following accounting policies in accordance with the transition provision of HKFRS 16.

Definition of a lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For contracts entered into or modified on or after the date of initial application, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception or modification date. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

**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) 採納香港財務報告準則
第16號(續)**

- (i) *應用香港財務報告準則第16號所產生之會計政策主要變動*

本集團根據香港財務報告準則第16號之過渡條文應用下列會計政策。

租賃之定義

倘合約附帶於一段時間內控制所識別資產之用途以交換代價之權利，則合約為租賃或包含租賃。

就於首次應用日期或之後訂立或修訂之合約而言，本集團根據香港財務報告準則第16號項下之定義於初始或修改日期評估該合約是否為租賃或包含租賃。除非合約之條款及條件其後出現變動，否則有關合約將不予重新評估。

**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)**

(b) Adoption of HKFRS 16 (Continued)

- (i) *Key changes in accounting policies
resulting from application of HKFRS 16
(Continued)*

As a lessee

Allocation of consideration to
components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Short-term lease and lease of low-value
assets

The Group applies the short-term lease recognition exemption to leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term lease and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**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) 採納香港財務報告準則
第16號(續)**

- (i) 應用香港財務報告準則第16號所產生之會計政策主要變動(續)

作為承租人

分配代價至合約組成
部分

就包含租賃部分以及一項或多項額外租賃或非租賃部分的合約而言，本集團按租賃部分的相對獨立價格及非租賃部分的總獨立價格的基準，將合約代價分配至各租賃部分。

短期租賃及低價值資
產租賃

對於租期自開始日期起計為12個月或以下且並無包含購買選擇權的租賃，本集團應用短期租賃確認豁免。其亦對低價值資產租賃應用確認豁免。短期租賃及低價值資產租賃的租賃付款按直線基準於租期內確認為開支。

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) Adoption of HKFRS 16 (Continued)

- (i) *Key changes in accounting policies resulting from application of HKFRS 16 (Continued)*

As a lessee (Continued)

Right-of-use assets

Except for short-term leases and leases of low value assets, the Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and

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) 採納香港財務報告準則 第16號(續)

- (i) 應用香港財務報告準則第16號所產生之會計政策主要變動(續)

作為承租人(續)

使用權資產

除短期租賃及低價值資產租賃外，本集團於租賃開始日期(即相關資產可供使用的日期)確認使用權資產。使用權資產按成本計量，減去任何累計折舊及減值虧損，並就租賃負債的任何重新計量作出調整。

使用權資產的成本包括：

- 租賃負債的初步計量金額；
- 於開始日期或之前作出的任何租賃付款，減任何已收租賃優惠；
- 本集團產生的任何初始直接成本；及

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

2.2 Changes in accounting policies and disclosures (Continued)

(b) Adoption of HKFRS 16 (Continued)

- (i) *Key changes in accounting policies resulting from application of HKFRS 16 (Continued)*

As a lessee (Continued)

Right-of-use assets (Continued)

- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term is depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

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) 採納香港財務報告準則第16號 (續)

- (i) *應用香港財務報告準則第16號所產生之會計政策主要變動 (續)*

作為承租人 (續)

使用權資產 (續)

- 本集團於拆解及移除相關資產、復原相關資產所在場地或復原相關資產至租賃的條款及條件所規定的狀況而產生的成本估計。

就本集團於租期結束時合理確定獲取相關租賃資產所有權的使用權資產而言，有關使用權資產自開始日期起至可使用年期結束時計提折舊。在其他情況下，使用權資產按直線基準於其估計可使用年期及租期(以較短者為準)內計提折舊。

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

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

(b) Adoption of HKFRS 16 (Continued)

- (i) *Key changes in accounting policies
resulting from application of HKFRS 16
(Continued)*

As a lessee (Continued)

Leasehold land and building

For payments of a property interest which includes both leasehold land and building elements, the entire property is presented as property, plant and equipment of the Group when the payments cannot be allocated reliably between the leasehold land and building elements.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;

**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) 採納香港財務報告準則
第16號(續)**

- (i) *應用香港財務報告準則第16號所產生之會計政策主要變動(續)*

作為承租人(續)

租賃土地及樓宇

對於包括租賃土地及樓宇部分之物業權益之付款，倘付款無法於租賃土地及樓宇部分之間可靠分配，則整個物業呈列為本集團之物業、廠房及設備。

租賃負債

於租賃開始日期，本集團按該日未付的租賃付款現值確認及計量租賃負債。於計算租賃付款現值時，倘租賃隱含的利率難以釐定，則本集團使用租賃開始日期的增量借款利率計算。

租賃付款包括：

- 固定付款(包括實質性的固定付款)減任何應收租賃優惠；

**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)**

(b) Adoption of HKFRS 16 (Continued)

*(i) Key changes in accounting policies
resulting from application of HKFRS 16
(Continued)*

As a lessee (Continued)

Lease liabilities (Continued)

- variable lease payments that depend on an index or a rate;

- amounts expected to be paid under residual value guarantees;

- the exercise price of a purchase option reasonably certain to be exercised by the Group; and

- payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate.

**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) 採納香港財務報告準則
第16號(續)**

(i) 應用香港財務報告準則第16號所產生之會計政策主要變動(續)

作為承租人(續)

租賃負債(續)

- 跟隨指數或比率而定的可變租賃付款；

- 根據剩餘價值擔保預期將支付的金額；

- 本集團合理確定行使購買選擇權的行使價；及

- 終止租賃的罰金付款(倘租賃條款反映本集團行使終止選擇權)。

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) Adoption of HKFRS 16 (Continued)

- (i) *Key changes in accounting policies
resulting from application of HKFRS 16
(Continued)*

As a lessee (Continued)

Lease liabilities (Continued)

Variable lease payments that reflect changes in market rental rates are initially measured using the market rental rates as at the commencement date. Variable lease payments that do not depend on an index or a rate are not included in the measurement of lease liabilities and right-of-use assets, and are recognised as expense in the period on which the event or condition that triggers the payment occurs.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

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) 採納香港財務報告準則 第16號(續)

- (i) 應用香港財務報告準則第16號所產生之會計政策主要變動(續)

作為承租人(續)

租賃負債(續)

反映市場租金變動的可變租賃付款初步使用於開始日期的市場租金計量。不跟隨指數或比率而定的可變租賃付款不包括於租賃負債及使用權資產的計量中，並且在出現觸發付款的事件或條件的期間內確認為開支。

於開始日期後，租賃負債就應計利息及租賃付款作出調整。

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

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

(b) Adoption of HKFRS 16 (Continued)

*(i) Key changes in accounting policies
resulting from application of HKFRS 16
(Continued)*

As a lessee (Continued)

Lease liabilities (Continued)

The Group remeasures lease liabilities whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

**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) 採納香港財務報告準則
第16號(續)**

(i) 應用香港財務報告準則第16號所產生之會計政策主要變動(續)

作為承租人(續)

租賃負債(續)

倘出現以下情況，本集團重新計量租賃負債：

- 租期有所變動或行使購買選擇權的評估發生變化，在此情況下，相關租賃負債透過使用重新評估日期的經修訂貼現率貼現經修訂租賃付款而重新計量。
- 租賃付款因變動而出現變動，在此情況下，相關租賃負債使用初始貼現率貼現經修訂租賃付款而重新計量。

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

2.2 Changes in accounting policies and disclosures (Continued)

(b) Adoption of HKFRS 16 (Continued)

- (i) *Key changes in accounting policies resulting from application of HKFRS 16 (Continued)*

As a lessee (Continued)

Lease modification

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

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) 採納香港財務報告準則第16號(續)

- (i) *應用香港財務報告準則第16號所產生之會計政策主要變動(續)*

作為承租人(續)

租賃之修改

倘出現以下情況，本集團將租賃之修改作為一項單獨的租賃入賬：

- 該項修改透過增加使用一項或多項相關資產的權利擴大了租賃範圍；及
- 調增租賃的代價，增加的金額相當於範圍擴大對應的單獨價格，加上為反映特定合約的情況而對單獨價格進行的任何適當調整。

就未作為一項單獨租賃入賬的租賃之修改而言，本集團基於透過使用修改生效日期的經修訂貼現率貼現經修訂租賃付款的經修改租賃的租期重新計量租賃負債。

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

2.2 Changes in accounting policies and disclosures (Continued)

(b) Adoption of HKFRS 16 (Continued)

- (i) *Key changes in accounting policies resulting from application of HKFRS 16 (Continued)*

As a lessee (Continued)

Taxation

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 *Income Taxes* requirements to the leasing transaction as a whole. Temporary differences relating to right-of-use assets and lease liabilities are assessed on a net basis. Excess of depreciation on right-of-use assets over the lease payments for the principal portion of lease portion of lease liabilities resulting in net deductible temporary differences.

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) 採納香港財務報告準則第16號(續)

- (i) 應用香港財務報告準則第16號所產生之會計政策主要變動(續)

作為承租人(續)

稅項

就計量本集團對租賃交易確認使用權資產及相關租賃負債之遞延稅項而言，本集團首先釐定稅項扣減是否歸屬於使用權資產或租賃負債。

就稅項扣減歸屬於租賃負債之租賃交易而言，本集團對租賃交易整體應用香港會計準則第12號所得稅的規定。與使用權資產及租賃負債有關的暫時差額按淨額基準評估。使用權資產折舊超過租賃負債租賃部分之本金部分的租賃付款導致了可扣除暫時差額淨額。

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

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

(b) Adoption of HKFRS 16 (Continued)

*(ii) Transition and summary of effects
arising from initial application of
HKFRS 16*

Definition of a lease

The Group has elected the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease* and not apply this standard to contracts that were not previously identified as containing a lease. Therefore, the Group has not reassessed contracts which already existed prior to the date of initial application.

For contracts entered into or modified on or after 1 April 2019, the Group applies the definition of a lease in accordance with requirements set out in HKFRS 16 in assessing whether a contract contains a lease.

**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) 採納香港財務報告準則
第16號(續)**

*(ii) 首次應用香港財務報
告準則第16號產生之
過渡及影響概要*

租賃之定義

本集團已選擇可行權宜方法，就先前應用香港會計準則第17號及香港(國際財務報告詮釋委員會)一詮釋第4號釐定安排是否包含租賃識別為租賃的合約應用香港財務報告準則第16號，而並無對先前並未識別為包含租賃的合約應用該準則。因此，本集團並無重新評估於首次應用日期前已存在的合約。

就於2019年4月1日或之後訂立或修訂的合約而言，本集團於評估合約是否包含租賃時根據香港財務報告準則第16號所載的規定應用租賃之定義。

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

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

(b) Adoption of HKFRS 16 (Continued)

*(ii) Transition and summary of effects
arising from initial application of
HKFRS 16 (Continued)*

As a lessee

The Group has applied HKFRS 16 retrospectively with the cumulative effect recognised at the date of initial application, 1 April 2019. Any difference at the date of initial application is recognised in the opening retained profits and comparative information has not been restated.

When applying the modified retrospective approach under HKFRS 16 at transition, the Group applied the following practical expedients to leases previously classified as operating lease under HKAS 17, on lease-by-lease basis, to the extent relevant to the respective lease contracts:

- (i) relied on the assessment of whether leases are onerous by applying HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets* as an alternative of impairment review;

**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) 採納香港財務報告準則
第16號(續)**

*(ii) 首次應用香港財務報
告準則第16號產生之
過渡及影響概要(續)*

作為承租人

本集團已追溯應用香港財務報告準則第16號，累計影響於首次應用日期(2019年4月1日)確認。於首次應用日期的任何差額於期初保留溢利確認且比較資料不予重列。

於過渡時應用香港財務報告準則第16號項下的經修訂追溯方法時，本集團按逐項租賃基準就先前根據香港會計準則第17號分類為經營租賃且與各租賃合約相關的租賃應用以下可行權宜方法：

- (i) 依賴透過應用香港會計準則第37號撥備、或然負債及或然資產作為減值審閱的替代方法，評估租賃是否有虧損；

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

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

(b) Adoption of HKFRS 16 (Continued)

(ii) *Transition and summary of effects arising from initial application of HKFRS 16 (Continued)*

As a lessee (Continued)

(ii) elected not to recognise right-of-use assets and lease liabilities for leases with lease term ends within 12 months of the date of initial application;

(iii) excluded initial direct costs from measuring the right-of-use assets at the date of initial application;

(iv) applied a single discount rate to a portfolio of leases with a similar remaining terms for similar class of underlying assets in similar economic environment. Specifically, discount rate for certain lease of properties in Hong Kong was determined on a portfolio basis; and

**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) 採納香港財務報告準則
第16號(續)**

(ii) 首次應用香港財務報告準則第16號產生之過渡及影響概要(續)

作為承租人(續)

(ii) 選擇不就租期於首次應用日期起計12個月內結束的租賃確認使用權資產及租賃負債；

(iii) 於首次應用日期計量使用權資產時撇除初始直接成本；

(iv) 就類似經濟環境內相似類別相關資產的類似剩餘租期的租賃組合應用單一貼現率。尤其是香港若干物業租賃的貼現率乃按組合基準釐定；及

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

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

(b) Adoption of HKFRS 16 (Continued)

(ii) *Transition and summary of effects arising from initial application of HKFRS 16 (Continued)*

As a lessee (Continued)

- (v) use hindsight based on facts and circumstances as at date of initial application in determining the lease term for the Group's leases with extension and termination options.

On transition, the Group has applied recognition exemption to lease terms end within 12 months upon initial application of HKFRS 16. No lease liabilities and right-of-use assets were recognised at 1 April 2019.

**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) 採納香港財務報告準則
第16號(續)**

(ii) 首次應用香港財務報告準則第16號產生之過渡及影響概要(續)

作為承租人(續)

- (v) 根據於首次應用日期的事實及情況於事後釐定本集團帶有續租及終止選擇權的租賃的租期。

於過渡時，本集團已於首次應用香港財務報告準則第16號後，對於12個月內到期之租賃應用確認豁免。於2019年4月1日並無確認租賃負債及使用權資產。

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, and trading of watches. 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 trading of watches, 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，及買賣手錶業務。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，及買賣手錶，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	
		2019	2018
		2019年	2018年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Hong Kong	香港	82,997	5,258
Mainland China	中國內地	9,698	32,139
Americas	美洲	3,991	7,865
Europe (including Russia)	歐洲 (包括俄羅斯)	985	30,283
Other countries	其他國家	330	627
		98,001	76,172

Information about the Group's non-current assets, excluding financial asset at fair value through profit or loss, is presented based on the locations of the assets.

本集團非流動資產(不包括按公允值計入損益之金融資產)的資料乃根據資產所在地區呈列。

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

Geographical information (Continued)

(b) Non-current assets

		At 30 September 2019 於2019年 9月30日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 March 2019 於2019年 3月31日 HK\$'000 千港元 (audited) (經審核)
Hong Kong	香港	4,820	3,239
Mainland China	中國內地	2,039	1,246
		6,859	4,485

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。

3. 經營分部資料 (續)

地域資料 (續)

(b) 非流動資產

**NOTES TO CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**
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4. REVENUE

Revenue represents the net amounts received and receivable arising from sales of jewellery products, and trading of watches during the Period.

4. 收益

收益指本期間銷售珠寶產品及買賣手錶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

		2019	2018
		2019年	2018年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Revenue recognised at a point in time	於時間點確認的收益		
— Sales of jewellery products*	— 銷售珠寶產品*	92,319	76,172
— Trading of watches	— 買賣手錶	5,682	—
		98,001	76,172

* Among the sales of jewellery products, approximately HK\$71,000 (2018: HK\$305,000) are sold to a related party.

* 在銷售珠寶產品中，約71,000港元(2018年：305,000港元)為售予一名關聯方。

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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4. REVENUE (CONTINUED)

The Group has recognised the following liabilities related to contracts with customers:

	At 30 September 2019 於2019年 9月30日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 March 2019 於2019年 3月31日 HK\$'000 千港元 (audited) (經審核)
Contract liabilities	2,340	1,598
	合約負債	

(i) Significant changes in contract liabilities

Contract liabilities for sales of jewellery products have increased by HK\$742,000, mainly due to the increase in sales in Hong Kong market.

(ii) Revenue recognised in relation to contract liabilities

No revenue was recognised in the current reporting period that was included in the contract liabilities at the beginning of the period.

4. 收益(續)

本集團確認與客戶合約相關的以下負債：

	At 30 September 2019 於2019年 9月30日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 March 2019 於2019年 3月31日 HK\$'000 千港元 (audited) (經審核)
Contract liabilities	2,340	1,598
	合約負債	

(i) 合約負債的重大變動

銷售珠寶產品的合約負債增加742,000港元，此乃主要由於香港市場銷售上升。

(ii) 確認有關合約負債的收益

於本報告期間並無確認期初於合約負債內列賬的收益。

**NOTES TO CONDENSED CONSOLIDATED
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7. LOSS BEFORE TAX

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

7. 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	
		2019	2018
		2019年	2018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*	90,116	57,164
Depreciation	折舊	1,376	3,056
Write-back of inventories to net realisable value*	撥回存貨至可變現淨值*	(88)	(640)
Minimum lease payments under operating lease	經營租賃最低租賃款項	392	817

* 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。

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8. 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.

8. 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

		2019	2018
		2019年	2018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
Current — Mainland China	即期 — 中國內地		
Charge for the period	期內支出	43	—
Deferred	遞延	—	(1,463)
<hr/>			
Total tax charge for the period	期內稅項支出總額	43	456

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

8. 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.

9. INTERIM DIVIDEND

The Directors do not recommend the payment of an interim dividend for the Period (six months ended 30 September 2018: nil).

8. 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。

9. 中期股息

董事不建議於本期間派付中期股息(截至2018年9月30日止六個月:無)。

**NOTES TO CONDENSED CONSOLIDATED
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**10. 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\$37,767,000 (2018: losses of approximately HK\$23,803,000), and the weighted average number of ordinary shares in issue of 172,600,000 (2018: 172,600,000). The Group has no potentially dilutive ordinary shares in issue during the periods ended 30 September 2019 and 2018.

**10. 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37,767,000港元(2018年：虧損約23,803,000港元)及已發行普通股的加權平均數172,600,000股(2018年：172,600,000股)計算。截至2019年及2018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

2019	2018
2019年	2018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	(37,767)	(23,803)

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

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

10. 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	
		2019 2019年 (unaudited) (未經審核)	2018 2018年 (unaudited) (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	172,600,000

11. PROPERTY, PLANT AND EQUIPMENT

During the Period, the Group acquired items of property, plant and equipment with an aggregate cost of approximately HK\$2,698,000 (six months ended 30 September 2018: approximately HK\$3,919,000). During the Period, items of property, plant and equipment with an aggregate carrying amount of approximately HK\$636,000 (six months ended 30 September 2018: approximately HK\$710,000) were disposed by the Group.

11. 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2,698,000港元(截至2018年9月30日止六個月：約3,919,000港元)。於本期間，本集團已出售賬面總值約636,000港元(截至2018年9月30日止六個月：約710,000港元)的物業、廠房及設備項目。

**NOTES TO CONDENSED CONSOLIDATED
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**12. FINANCIAL ASSETS AT FAIR VALUE
THROUGH PROFIT OR LOSS**

12. 按公允值計入損益之金融資產

	At 30 September 2019 於2019年 9月30日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 March 2019 於2019年 3月31日 HK\$'000 千港元 (audited) (經審核)
Listed equity securities in Hong Kong, at fair value	173,334	—
Life insurance policy, at fair value	16,376	16,189

At the end of the reporting period, financial assets at fair value through profit or loss are stated at fair value.

於報告期末，透過損益賬以公平值列賬之財務資產按公平值列賬。

The fair values of listed equity securities are determined based on the quoted market closing prices available on the stock exchange at the end of the reporting period.

於報告期末，上市股權證券之公平值乃按照證券交易所所報之收市價釐定。

During the Period, the loss on changes in fair value on the listed equity securities of approximately HK\$25,056,000 has been recognised in profit or loss.

於本期間，上市股權證券公允值變動產生的虧損約25,056,000港元已於損益中確認。

At the end of reporting period, the fair value of life insurance policy with the amount of approximately HK\$16,376,000 was reference to the surrender value of the life insurance policy provided by the insurance company.

於報告期末，人壽保險保單的公平值為約16,376,000港元，此乃經參考由人壽保險保單承保人計算的退保價值而釐定。

During the Period, the gain on changes in fair value on the life insurance policy of approximately HK\$187,000 has been recognised in profit or loss.

於本期間，人壽保險保單公允值變動產生的收益約187,000港元已於損益中確認。

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13. INVENTORIES

13. 存貨

		At 30 September 2019 於2019年 9月30日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 March 2019 於2019年 3月31日 HK\$'000 千港元 (audited) (經審核)
Raw materials	原材料	8,726	27,886
Work in progress	在製品	4,079	59
Finished goods	製成品	8,642	3,143
		21,447	31,088

14. TRADE RECEIVABLES

14. 貿易應收款項

		At 30 September 2019 於2019年 9月30日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 March 2019 於2019年 3月31日 HK\$'000 千港元 (audited) (經審核)
Trade receivables	貿易應收款項	96,558	67,718
Less: Allowance for doubtful debts	減：呆賬撥備	(16,149)	(16,149)
		80,409	51,569

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14. TRADE RECEIVABLES (CONTINUED)

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.

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:

14. 貿易應收款項(續)

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。

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 2019 於2019年 9月30日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 March 2019 於2019年 3月31日 HK\$'000 千港元 (audited) (經審核)
Within 1 month	一個月內 26,338	4,592
1 to 2 months	一至兩個月 8,287	7,602
2 to 3 months	兩至三個月 21,649	22,033
Over 3 months	超過三個月 24,135	17,342
	80,409	51,569

**NOTES TO CONDENSED CONSOLIDATED
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**15. PREPAYMENT, DEPOSIT AND
OTHER RECEIVABLES**

		At 30 September 2019 於2019年 9月30日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 March 2019 於2019年 3月31日 HK\$'000 千港元 (audited) (經審核)
Prepayment	預付款項	2,131	901
Deposits	按金	15,387	138
Other receivables	其他應收款項	2,355	2,691
		19,873	3,730

16. TRADE AND OTHER PAYABLES

		At 30 September 2019 於2019年 9月30日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 March 2019 於2019年 3月31日 HK\$'000 千港元 (audited) (經審核)
Trade payables	貿易應付款項	16,481	9,324
Other payables	其他應付款項	14,467	19,191
		30,948	28,515

**15. 預付款項、按金及其他應收
款項**

16. 貿易及其他應付款項

**NOTES TO CONDENSED CONSOLIDATED
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**16. TRADE AND OTHER PAYABLES
(CONTINUED)**

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

		At 30 September 2019 於2019年 9月30日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 March 2019 於2019年 3月31日 HK\$'000 千港元 (audited) (經審核)
Within 1 month	一個月內	15,129	2,020
1 to 2 months	一至兩個月	160	1,666
2 to 3 months	兩至三個月	2	1,740
Over 3 months	超過三個月	1,190	3,898
		16,481	9,324

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.

16. 貿易及其他應付款項(續)

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 2019 於2019年 9月30日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 March 2019 於2019年 3月31日 HK\$'000 千港元 (audited) (經審核)
Within 1 month	一個月內	15,129	2,020
1 to 2 months	一至兩個月	160	1,666
2 to 3 months	兩至三個月	2	1,740
Over 3 months	超過三個月	1,190	3,898
		16,481	9,324

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。

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**17. INTEREST-BEARING OTHER
BORROWINGS**

17. 計息其他借貸

		At 30 September 2019 於2019年9月30日		At 31 March 2019 於2019年3月31日	
		Effective contractual		Effective contractual	
		interest rate 實際合約 利率	Amount 金額	interest rate 實際合約 利率	Amount 金額
		(%) (%)	HK\$'000 千港元	(%) (%)	HK\$'000 千港元
		(unaudited) (未經審核)	(unaudited) (未經審核)	(audited) (經審核)	(audited) (經審核)
Current:	即期：				
Other borrowings	其他借貸	7.89	10,710	—	—
Maturity profile:	還款期限：				
On demand	於要求時償還		10,710		—

HK Interpretation 5 “Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause” requires that a loan which includes a clause that gives the lender the unconditional right to call the loan at any time (“repayment on demand clause”) shall be classified in total by the borrower as current in the statement of financial position. As at 30 September 2019 approximately HK\$10,710,000 (as 31 March 2019: nil) included a repayment on demand clause under the relevant loan agreements.

The Group’s other borrowings as at the end of the reporting period are secured by the pledge of the Group’s trade receivables at the end of the reporting period amounting to approximately HK\$10,710,000 (at 31 March 2019: nil).

香港詮釋第5號「財務報表之呈列 — 借款人對包含於要求時償還條款之定期貸款之分類」規定，借款人應將賦予貸款人無條件權利隨時催繳貸款之條款（「於要求時償還條款」）所涉貸款於財務狀況表內全數分類為流動部分。於2019年9月30日，約10,710,000港元（於2019年3月31日：無）根據有關貸款協議包含於要求時償還條款。

本集團於報告期末的其他借貸乃以本集團於報告期末金額約10,710,000港元（2019年3月31日：無）的貿易應收款項作質押。

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18. SHARE CAPITAL

18. 股本

		At 30 September 2019 於2019年 9月30日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 March 2019 於2019年 3月31日 HK\$'000 千港元 (audited) (經審核)
Authorised:	法定：		
2,000,000,000 (31 March 2019: 2,000,000,000) ordinary shares of HK\$0.005 each (31 March 2019: HK\$0.005 each)	2,000,000,000 股 (2019年3月31日： 2,000,000,000股) 每股面值0.005港元 (2019年3月31日： 每股面值0.005港元) 的普通股	10,000	10,000
<hr/>			
Issued and fully paid:	已發行及繳足：		
172,600,000 (31 March 2019: 172,600,000) ordinary shares of HK\$0.005 each (31 March 2019: HK\$0.005 each)	172,600,000 股 (2019年3月31日： 172,600,000股) 每股面值0.005港元 (2019年3月31日： 每股面值0.005港元) 的普通股	863	863
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19. COMMITMENTS

At 30 September 2019, the Group had no capital commitments.

19. 承擔

於2019年9月30日，本集團概無資本承擔。

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

20. 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 2019:
- (i) During the six months ended 30 September 2019, total service fees of approximately HK\$283,000 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\$71,000 (2018: HK\$305,000). The sales were based on the terms and conditions mutually agreed between both parties.

20. 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2019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2019年9月30日止六個月，服務費用總額約283,000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71,000港元(2018年：305,000港元)。有關銷售乃根據雙方相互同意的條款及條件進行。

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

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

20. 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	
		2019	2018
		2019年	2018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	3,916	4,825
Pension scheme contributions	退休金計劃供款	9	9
<hr/>			
Total compensation paid to key management personnel	支付予主要管理人員的薪酬總額	3,925	4,834

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

21. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

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

21. 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 賬面值		Fair value 公允值	
	At 30 September 2019 於2019年 9月30日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 March 2019 於2019年 3月31日 HK\$'000 千港元 (audited) (經審核)	At 30 September 2019 於2019年 9月30日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 March 2019 於2019年 3月31日 HK\$'000 千港元 (audited) (經審核)
Financial asset	金融資產			
Listed equity securities in Hong Kong, at fair value	於香港上市之 股權證券， 按公允值			
	173,334	-	173,334	-
Life insurance policy, at fair value	人壽保險保單， 按公允值			
	16,376	16,189	16,376	16,189
	189,710	16,189	189,710	16,189

**NOTES TO CONDENSED CONSOLIDATED
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**21. FAIR VALUE AND FAIR VALUE
HIERARCHY OF FINANCIAL
INSTRUMENTS (CONTINUED)**

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The closing value of the investment of stocks held by the Group are the closing market quotation. These instruments are included in Level 1 of the fair value hierarchy.

Under the life insurance policy (the “Policy”), the beneficiary and policy holder is the KTL Trading and the total insured sum is approximately US\$6,500,000 (approximately HK\$50,375,000). The Group paid an upfront premium for the Policy of approximately US\$2,325,000 (approximately HK\$18,020,000) and may surrender any time by filing a written request and receive cash based on the surrender value of the Policy at the date of withdrawal, which is calculated by the insurer. In the opinion of the directors, the surrender value of the Policy provided by the insurance company is the best approximation of its fair value, which is categorised within Level 3 of the fair value hierarchy.

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

**21. 金融工具公允值及公允值層
級 (續)**

於活躍市場買賣的金融工具(如公開買賣的衍生工具和股本證券)的公允價值根據報告期末的市場報價計算。本集團所持有的股票投資的期末價值為期末市場報價，該等工具計入公允值架構的第1級。

根據人壽保險保單(「該保單」)，受益人及保單持有人為三和珠寶貿易，且承保總金額約為6,500,000美元(約50,375,000港元)。本集團為該保單預付保費約2,325,000美元(約18,020,000港元)及可能透過提交書面請求隨時退保，及根據該保單於撤回日期的退保價值(由承保人計算)收取現金。董事認為，保險公司規定的該保單退保價值與其公允值相若，歸類為公允值架構的第3級。

管理層已評估現金及銀行結餘、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。

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簡明綜合財務報表附註

21. 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: As at 30 September 2019, the financial assets measured at fair value are as followings:

21. 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：於2019年9月30日，以公允值計量的金融資產如下：

		Fair value measurement using 採用公允值計量			
		Quoted prices in active markets (Level 1) 活躍市場中 報價 (1級) HK\$'000 千港元 (unaudited) (未經審核)	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (2級) HK\$'000 千港元 (unaudited) (未經審核)	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (3級) HK\$'000 千港元 (unaudited) (未經審核)	Total 合計 HK\$'000 千港元 (unaudited) (未經審核)
Listed equity securities in Hong Kong	於香港上市之 股權證券	173,334	-	-	173,334
Life insurance policy	人壽保險保單	-	-	16,376	16,376
		173,334	-	16,376	189,710

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

The movements in fair value measurement within Level 1 during the period are as follows:

**21. 金融工具公允值及公允值層
級 (續)**

期內公允值計量第1級的變動如下：

		At 30 September 2019 於2019年 9月30日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 March 2019 於2019年 3月31日 HK\$'000 千港元 (audited) (經審核)
Listed equity securities in Hong Kong, at fair value	於香港上市之股權證券， 按公允值	173,334	—
Movement of FVPL are analysed as following:	按公允值計入損益之 金融資產變動分析 如下：		
At the beginning of the period	於期初	—	—
Purchased within the period	本期購買	198,763	—
Change in fair value	公允值變動	(25,429)	—
At the end of the period	於期末	173,334	—

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

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

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

21. 金融工具公允值及公允值層級 (續)

期內公允值計量第3級的變動如下：

	At 30 September 2019 於2019年 9月30日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 March 2019 於2019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	16,376	16,189
Movement of FVPL are analysed as following: 按公允值計入損益之 金融資產變動分析 如下：		
At the beginning of the period 於期初	16,189	-
Adjustment on adoption of HKFRS 9 採納香港財務報告準則 第9號之調整	-	15,674
Change in fair value 公允值變動	187	515
At the end of the period 於期末	16,376	16,189

The Group did not have any financial liabilities measured at fair value as at 30 September 2019 and 31 March 2019.

本集團在2019年9月30日及2019年3月31日並無任何按公允值計量的金融負債。

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，就金融資產及金融負債而言，第1級和第2級的公允值計量之間並無轉移及並無轉入第3級或自第3級轉出。

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**22. APPROVAL OF INTERIM FINANCIAL
REPORT**

The interim financial report was approved and authorised for issue by the Board on 21 November 2019.

22. 批准中期財務報告

董事會已於2019年11月21日批准及授權刊發本中期財務報告。

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 2019, 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2019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	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 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%
Nian Yong An (Note 2) 年永安(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

Notes:

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, Cihang Sino-Western Cultural and Educational Exchange Foundation Limited after 31 August 2018 directly held 100% shareholdings of Pan-American Aviation Holding Company which in turn directly held 98% shareholdings of Tang Dynasty Development Company Limited which in turn directly held 35% shareholdings of Tang Dynasty Development (Yangpu) Company Limited* (盛唐發展(洋浦)有限公司).

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，慈航東西方文教交流基金會有限公司於2018年8月31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，而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。

2. According to the disclosure of interest notice filed by Mr. Nian Yong An (“Mr. An”) on 29 July 2019 (“Mr. An’s Notice”), Option Best Holdings Limited (“Option Best”) held direct interest in 129,372,494 underlying Shares and is a wholly-owned subsidiary of China Jinxin Finance Inc. (“China Jinxin”). China Jinxin is a wholly-owned subsidiary of River Honor Limited (“River Honor”), which is in turn wholly-owned by Mr. An. Accordingly, China Jinxin, River Honor and Mr. An 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 2019, 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. 根據年永安先生(「年先生」)於2019年7月29日存檔之權益披露通知(「年先生通知」)，Option Best Holdings Limited(「Option Best」)持有129,372,494股相關股份之直接權益，並為China Jinxin Finance Inc.(「China Jinxin」)之全資附屬公司。China Jinxin為River Honor Limited(「River Honor」)之全資附屬公司，而River Honor則由年先生全資擁有。因此，根據證券及期貨條例之條文，China Jinxin、River Honor及年先生被視為於Option Best持有之相關股份中擁有權益。

除上文所披露者外，於2019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. Li Neng (Chairman), Mr. Zhao Minhao and Mr. Zhao Yeyong and three independent non-executive Directors, namely Mr. Ting Tit Cheung, Mr. Chan Chi Kuen and Mr. Lo Chun Pong. During the Period, change in the composition of the Board was disclosed in the Corporate Governance section.

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

Li Neng
Chairman

Hong Kong, 21 November 2019

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，即李能先生（主席）、趙旻昊先生及趙葉勇先生，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，有關董事會成員的變動，已於企業管治章節中披露。

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
李能
主席

香港，2019年11月21日

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